



**FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD**

APPELLANT: Patricia Harris
DOCKET NO.: 21-39382.001-R-1
PARCEL NO.: 14-32-222-042-0000

The parties of record before the Property Tax Appeal Board are Patricia Harris, the appellant, by attorney Thomas E. Sweeney, of Siegel Jennings Co., LPA in Chicago; and the Cook County Board of Review.

Based on the facts and exhibits presented in this matter, the Property Tax Appeal Board hereby finds **No Change** in the assessment of the property as established by the **Cook** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$37,500
IMPR.: \$102,500
TOTAL: \$140,000

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Cook County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2021 tax year. The Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal.

Findings of Fact

The subject property consists of a 3-story mixed-use building of masonry exterior construction with 5,562 square feet of building area. The building was constructed in 1893 and is approximately 128 years old. Features include a detached 2-car garage, one commercial unit and five residential units, consisting of four 2-bedroom/2-bathroom units and one 3-bedroom/3-bathroom unit (which includes finished basement area). The property has an approximately 3,000 square foot site and is located in Chicago, North Chicago Township, Cook County. The subject is classified as a class 2-12 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted an appraisal estimating the subject property had a market value of

\$1,075,000 as of January 1, 2021. The appraisal was prepared by Edward V. Kling, a certified general real estate appraiser, for ad valorem tax purposes.

Under the cost approach, the appraiser determined a land value of \$390,000, rounded, or \$130.00 per square foot based on four comparable land sales which sold for prices ranging from \$112.95 to \$136.30 per square foot of land area. The appraiser next calculated the replacement cost new of the building of \$977,753, deducted depreciation of 41.0% or \$400,879, and added the value of other improvements totaling \$21,000 to arrive at a depreciated value of the improvements of \$597,874. Based on the estimated site value and depreciated value of the improvements, the appraiser concluded a value for the subject of \$990,000, rounded, under the cost approach.

Under the sales comparison approach, the appraiser selected six leased fee sales of mixed-use buildings. The appraiser stated on page 6 of the appraisal that the subject's fee simple and leased fee values were considered to be synonymous because the subject's contract rents were at or near its market rents. Accordingly, the appraiser made no adjustments to the comparables for property rights transferred.

The comparables have sites ranging in size from 2,339 to 3,049 square feet of land area and are improved with multi-story buildings ranging in size from 3,258 to 6,912 square feet of building area. The buildings range in age from 126 to 143 years old. The comparables sold from March 2018 to April 2021 for prices ranging from \$750,000 to \$1,250,000 or from \$180.84 to \$260.45 per square foot of building area, including land. The appraiser adjusted the comparables for differences from the subject, such as building size, land/building ratio, and age/condition, to arrive at adjusted prices from \$136.48 to \$208.36 per square foot. The appraiser concluded a value for the subject of \$190.00 per square foot or \$1,055,000, rounded, under the sales comparison approach.

Under the income approach, the appraiser estimated potential gross income of \$181,905. The appraiser selected four commercial rent comparables with rents ranging from \$30.00 to \$51.84 per square foot to conclude market rent for the subject of \$45.00 per square foot. However, the appraiser used \$43.45 per square foot, or \$39,105, for the potential gross income analysis. For the apartment units, the appraiser examined four residential rent comparables (consisting of 2-bedroom/1-bathroom, 2-bedroom/2-bathroom and 3-bedroom/2-bathroom units) with rents ranging from \$2,200 to \$3,000 per month to conclude market rent for the subject's 2-bedroom units of \$2,250 per month, totaling \$108,000, and for the subject's 3-bedroom unit of \$2,900 per month, totaling \$34,800. The appraiser compared the subject's contract rents totaling \$191,268, with rents of \$43.19 per square foot for the commercial unit, \$2,250 to \$2,500 per month for the 2-bedroom units, and \$3,100 per month for the 3-bedroom unit.

The appraiser next deducted vacancy and credit loss of 12% or \$21,829 to arrive at effective gross income of \$160,076. The appraiser deducted expenses totaling \$33,796 to arrive at net operating income of \$126,280. For the capitalization rate, the appraiser considered direct capitalization rates ranging from 6.30% to 8.60%, comparable sales rates ranging from 7.75% to 9.75%, and a band of investment method rate of 8.24%. Based on this analysis, the appraiser concluded a capitalization rate of 9.00% and computed a loaded capitalization rate of 11.23%. The appraiser concluded a value for the subject of \$1,125,000, rounded, under the income approach.

In reconciliation, the appraiser gave more weight to the sales comparison and income approaches in concluding a value for the subject of \$1,075,000 as of January 1, 2021.

Based on this evidence the appellant requested a reduction in the subject's assessment to reflect the appraised value conclusion.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$140,000. The subject's assessment reflects a market value of \$1,400,000 or \$251.71 per square foot of building area, including land, when applying the level of assessment for class 2 property under the Cook County Real Property Assessment Classification Ordinance of 10%.

In support of its contention of the correct assessment the board of review submitted information on four comparable sales located within the same assessment neighborhood code as the subject, two of which are 0.25 of a mile from the subject. The parcels range in size from 2,400 to 3,125 square feet of land area and are improved with 3-story, class 2-12 buildings ranging in size from 4,560 to 7,836 square feet of building area. The buildings range in age from 13 to 135 years old. The comparables sold from April to December 2021 for prices ranging from \$1,500,000 to \$3,800,000 or from \$220.90 to \$484.94 per square foot of building area, including land. Based on this evidence the board of review requested confirmation of the subject's assessment.

Conclusion of Law

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. 86 Ill.Adm.Code §1910.63(e). Proof of market value may consist of an appraisal of the subject property, a recent sale, comparable sales or construction costs. 86 Ill.Adm.Code §1910.65(c). The Board finds the appellant did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The appellant presented an appraisal and the board of review presented four comparable sales in support of their respective positions before the Board. The Board gives less weight to the appraised value conclusion. Under the sales comparison approach, the appraiser selected leased fee sales but did not adjust these comparables for property rights transferred. The appraiser stated no adjustment for property rights was needed due to the subject's contract rents being considered equivalent to its market rents. However, the appraisal report demonstrates three of the subject's four 2-bedroom units had monthly rents much higher than the market rent estimated by the appraiser and the subject's commercial unit had lower rent per square foot than the market rent estimated by the appraiser, although it is unclear what market rent was estimated by the appraiser as two estimated market rent amounts were stated in the appraisal report. Based on the foregoing and other errors in the report, the Board finds the appraisal states a less credible and/or reliable opinion of value.

The Board finds the best evidence of market value to be the board of review's comparables #2 and #3 which are more similar to the subject in age, location, site size, and some features, but have varying degrees of similarity to the subject in building size and other features, suggesting

adjustments to these comparables would be needed to make them more equivalent to the subject. These two comparables sold for prices of \$1,500,000 and \$1,670,000 or \$328.95 and \$220.90 per square foot of building area, including land, respectively. The subject's assessment reflects a market value of \$1,400,000 or \$251.71 per square foot of building area, including land, which is below the best two comparable sales in terms of total market value and bracketed by the best comparables on a per square foot basis. Based on this evidence and after considering appropriate adjustments to the best comparables for differences from the subject, the Board finds a reduction in the subject's assessment is not justified.

This is a final administrative decision of the Property Tax Appeal Board which is subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code. Pursuant to Section 1910.50(d) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(d)) the proceeding before the Property Tax Appeal Board is terminated when the decision is rendered. The Property Tax Appeal Board does not require any motion or request for reconsideration.



Chairman



Member



Member



Member

Member

DISSENTING: _____

CERTIFICATION

As Clerk of the Illinois Property Tax Appeal Board and the keeper of the Records thereof, I do hereby certify that the foregoing is a true, full and complete Final Administrative Decision of the Illinois Property Tax Appeal Board issued this date in the above entitled appeal, now of record in this said office.

Date: _____

April 15, 2025



Clerk of the Property Tax Appeal Board

IMPORTANT NOTICE

Section 16-185 of the Property Tax Code provides in part:

"If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing complaints with the Board of Review or after adjournment of the session of the Board of Review at which assessments for the subsequent year or years of the same general assessment period, as provided in Sections 9-125 through 9-225, are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for such subsequent year or years directly to the Property Tax Appeal Board."

In order to comply with the above provision, YOU MUST FILE A PETITION AND EVIDENCE WITH THE PROPERTY TAX APPEAL BOARD WITHIN 30 DAYS OF THE DATE OF THE ENCLOSED DECISION IN ORDER TO APPEAL THE ASSESSMENT OF THE PROPERTY FOR THE SUBSEQUENT YEAR OR YEARS. A separate petition and evidence must be filed for each of the remaining years of the general assessment period.

Based upon the issuance of a lowered assessment by the Property Tax Appeal Board, the refund of paid property taxes is the responsibility of your County Treasurer. Please contact that office with any questions you may have regarding the refund of paid property taxes.

PARTIES OF RECORD

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