



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

APPELLANT: Tom Leko
DOCKET NO.: 21-39927.001-R-1
PARCEL NO.: 14-19-324-038-0000

The parties of record before the Property Tax Appeal Board are Tom Leko, the appellant, by attorney Daniel G. Pikarski, of Gordon & Pikarski 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 A Reduction 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: \$45,000
IMPR.: \$37,500
TOTAL: \$82,500

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 2-story multi-family building of masonry exterior construction with 3,926 square feet of building area. The building was constructed in approximately 1915, is 106 years old and features a basement finished with an apartment.¹ The subject includes five apartment units; three having 2-bedroom/1-bathroom and two having 1-bedroom/1-bathroom. The property has a 3,600 square foot site and is located in Chicago, Lake View Township, Cook County. The subject is classified as a class 2-11 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 \$670,000

¹ The Board finds the best description of the subject's basement was found in the appraisal report which describes a garden level apartment.

as of January 1, 2021. The appraisal was prepared by Ibi Cole, MAI, AI-GRS and Certified General Real Estate Appraiser. The intended use of the appraisal is to establish “the correct assessed valuation for ad valorem taxation purposes.”

The appraiser disclosed the appellant purchased the subject property in October 2020 for a price of \$825,000. Cole asserted the appellant “underestimated the level of deferred maintenance items” and unanticipated expenses precluded the appellant from making planned cosmetic improvements to the apartment units. (Appraisal pg. 11) The subject’s roof condition, interior and exterior walls and HVAC were all reported to be in “below average” condition, however, the appraiser indicated the roof was not personally viewed and no source for roof condition was disclosed. (pg. 61)

In estimating the market value of the subject property, the appraiser developed the income and sales comparison approaches to value.

To estimate the subject’s market value under the income approach the appraiser first analyzed the market rents of eleven 1-bedroom or 2-bedroom apartment units concluding market rents for the subject’s five units ranging from \$1,100 to \$1,600 and a total monthly market rent for the five units of \$6,390. Given the market rental rates the appraiser determined the Potential Gross Income (PGI) for the subject of \$76,680. The appraiser estimated a 5% vacancy and collection loss or \$3,834 for an Effective Gross Income of \$72,846. Operating expenses totaling \$19,533 were next deducted resulting in a Net Operating Income (NOI) of \$53,313. The appraiser then divided the NOI by a loaded capitalization rate of 8.23% to conclude an indicated value for the subject under the income approach of \$650,000, rounded.

For the sales comparison approach the appraiser presented minimal information on nine selected comparable sales, as comparable #2 lacks any information. The properties are located within a 5-mile radius of the subject property and are improved with 2-story to 4-story multi-family buildings described as “older” than the subject and have from 5 to 15 rental units.² The properties sold from June 2018 to October 2021 for prices ranging from \$843,750 to \$2,550,000 or from \$125,000 to \$262,500 per rental unit, land included.

The appraiser submitted a table labeled Summary of Ranking and Weighted Comparables Sales wherein comparables #1, #3, #5, #9 and #10 include a value labeled “Econ Adjust” which appears to reflect a negative 10% from these properties’ sale prices. The appraiser presented no further explanation to document any adjustments made to the comparables for differences with the subject property. This table reports adjusted unit sale prices for the comparables ranging from \$125,000 to \$236,250. Cole stated most weight was given to comparables #4 and #7 opining a per unit market value for the subject of \$140,000 and an indicated value under the sales comparison approach of \$700,000. (pgs. 95, 96)

In reconciling the two approaches to value the appraiser gave the value opinion under the income approach 70% weight with the remaining 30% applied to the opinion of value developed under the sales comparison approach for a final reconciled value for the subject of \$670,000, rounded.

² The appraisal lacked additional descriptive information regarding for the appraisal comparables such as age, building size, lot size, bedroom/bathroom mix or other features.

Based on this evidence, the appellant requested the subject's assessment be reduced to reflect the appraised value of the subject property.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$90,000. The subject's assessment reflects a market value of \$900,000 or \$180,000 per unit or \$229.24 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 comparables located in the same assessment neighborhood code as the subject, two of which are also located within ¼ of a mile from the subject property. The comparables each have 3,720 square feet of land area and are improved with 2-story class 2-11 multi-family buildings of masonry exterior construction ranging in size from 3,028 to 4,014 square feet of building area. The buildings are from 108 to 113 years old. Each comparable has a basement, three of which are finished with either a recreation room or an apartment. Two properties have central air conditioning and a 2-car garage. The board of review's grid analysis also reported the subject property sold in November 2020 for a price of \$825,000 or \$210.14 per square foot of building area. The comparables sold from March 2019 to July 2021 for prices ranging from \$805,000 to \$1,475,000 or from \$222.97 to \$486.48 per square foot of building area, land included. Based on this evidence, the board of review requested the subject's assessment be confirmed.

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.Admin.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.Admin.Code §1910.65(c). The Board finds the appellant met this burden of proof and a reduction in the subject's assessment is warranted.

The appellant submitted an appraisal and the board of review submitted four comparable sales for the Board's consideration. Both parties also submitted evidence regarding the recent sale of the subject property.

The Board gives less weight to the opinion of value contained in the appraisal submitted by the appellant. The Board finds the report lacks property details for its comparable sales, such as age, building size, lot size and other features which are relevant to a market value analysis. The Board finds the appraiser's adjustments suspect, as each comparable has either a 10% downward adjustment or no adjustment at all, with no supporting documentation for adjustments. Furthermore, appraisal comparables #5 through #10 sold in 2018 or 2019, less proximate to the January 1, 2021 assessment date than other properties in the record. Similarly, the Board finds board of review comparables #1, #3 and #4 sold in 2019 or differ from the subject in building size and therefore are given little weight.

The subject property sold in either October or November 2020 for a price of \$825,000 or \$165,000 per unit and \$210.14 per square foot of building area, land included. The subject's

assessment reflects a market value of \$900,000 or \$180,000 per unit and \$229.24 per square foot of building area, including land. The Board finds the best evidence of market value to be the subject's 2020 purchase for a price of \$825,000. The Illinois Supreme Court has held that a contemporaneous sale between two parties dealing at arm's length is not only relevant to the question of fair cash value but practically conclusive on the issue on whether the assessment is reflective of market value. Korzen v. Belt Railway co. of Chicago, 37 Ill.2d 158 (1967) Therefore, the Board finds a reduction in the subject's assessment, to reflect its 2020 purchase price is justified.

As a final note, board of review comparable #2, which sold in July 2021 for \$895,000 or \$222.97 per square foot of building area, land included, provides additional support for the subject's market value based on its 2020 purchase price.

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: March 18, 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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