



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

APPELLANT: 5131 Kimbark Residences LLC
DOCKET NO.: 21-43515.001-R-1 through 21-43515.004-R-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are 5131 Kimbark Residences LLC, the appellant, by attorney Abby L. Strauss, of Schiller Law P.C. 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
21-43515.001-R-1	20-11-401-050-1001	8,768	33,887	\$42,655
21-43515.002-R-1	20-11-401-050-1002	10,183	38,932	\$49,115
21-43515.003-R-1	20-11-401-050-1003	10,183	38,932	\$49,115
21-43515.004-R-1	20-11-401-050-1004	10,183	38,932	\$49,115

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 four-story, four-unit, residential condominium building which is approximately 102 years old. The building contains approximately 12,800 square feet of living area and has a detached four-car garage. The building has a concrete slab foundation. The property has an approximately 7,864 square foot site and is located in Chicago, Hyde Park Township, Cook County. The subject is classified as a class 2-99 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, prepared by Greg S. Fisher, appraisal trainee, and Mitchell J. Perlow, a Certified General Real Estate Appraiser with the MAI designation and the

“consulting/supervisory appraiser” for the report, estimating the subject condominium building had a market value of \$1,900,000 as of January 1, 2021.

The appraisers utilized the income capitalization and sales comparison approaches to value in arriving at the value conclusion. The purpose of the appraisal is to establish an equitable *ad valorem* tax assessment. The property was inspected on November 14, 2022. The four units are owned by the same entity, three of which are leased on a short-term basis and one unit is occupied by a family member. (Appraisal, pp. 3 & 6)

Under the income approach to value, the appraisers reported the units are leased for \$3,300, \$4,000, \$4,000 and \$3,750, respectively, for units 1 through 4. In order to estimate a market level rental rate, the appraisers analyzed four rental comparables located in Chicago. The comparable apartment units are each four bedroom and either 3 or 3½ bathroom units with monthly rentals ranging from \$3,500 to \$4,400. The apartment buildings were constructed from 1920 to 2020. Three comparables include a garage parking space. The appraisers made adjustments to the comparables for differences to the subject in age and/or bathroom count. After consideration of the adjustment process, the appraisers concluded the subject property had a market rental rate of \$4,000 per unit. Therefore, the subject's potential annual income was estimated to be \$192,000. Vacancy was estimated to be 5% or \$9,600, resulting in an effective annual income of \$182,400. Expenses for insurance, management/administrative, legal/accounting, repairs/maintenance, janitorial, common utilities, and replacement allowance were estimated to be \$37,980, resulting in a net operating income of \$144,420. Using the band of investments method, the appraisers calculated a capitalization rate of 6% in addition to a tax load of 2.16%, for a loaded capitalization rate of 8.16% to be applied to the subject net operating income. As a result, the appraisers conclude a value under the income approach to value of \$1,770,000, rounded. (Appraisal, pp. 58-70)

For the sales comparison approach, the appraisers used six sales of comparable condominium buildings built from 1906 to 2006. The units range in size from 2,800 to 3,300 gross square feet of living area. Five of the comparable sales include a parking space or a garage space. The comparables sold between February 2020 and June 2021 for prices ranging from \$121.21 to \$146.56 per square foot of gross living area. In comparing the comparable properties to the subject, the appraisers made adjustments for condition of sale, location, parking, building size, number of bathrooms and/or age/condition resulting in adjusted sales prices for the comparables ranging from \$127.00 to \$153.00 per square foot of gross living area. From this process, the appraisers estimated a value for the subject under the sales comparison approach of \$1,920,000 or \$150.00 per square foot of gross living area for the subject. (Appraisal, pp. 71-82)

In reconciliation, the appraisers placed primary emphasis on the sales comparison approach with secondary emphasis on the income approach to value. Therefore, the appraisers concluded the subject property had an estimated market value of \$1,900,000 as of January 1, 2021.

Based on this evidence, the appellant requested a reduction in the subject's assessment reflective of the appraised value conclusion.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$235,996. The subject's assessment reflects a market value of

\$2,359,960, 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 a Condominium Analysis Results for 2022 prepared by Marco Fernandez, an analyst with the Cook County Board of Review, depicting that one of the four units in the subject building sold. The one unit, representing 25.90% of ownership in the common elements, sold in May 2016 for \$540,000. Using this sale and adding a “market adjustment” of approximately 13.23% “given age,” the reported adjusted consideration of \$611,447 was then divided by the percentage of ownership interest in the common elements of the unit sold to arrive at a total market value for the building of \$2,360,801.

Based on the foregoing evidence, the board of review requested confirmation of the subject’s assessment as reflective of its market value.

In rebuttal, counsel for the appellant argued the board of review presentation of one sale of a condominium unit within the subject building does not comply with the procedural rules of the Property Tax Appeal Board to provide “not fewer than three recent sales of suggested comparable properties.” (86 Ill.Admin.Code §1910.65(c)). Based on this and other criticisms of the board of review’s submission, the appellant contends the only credible evidence of market value is the appellant’s appraisal of the property.

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 provided an appraisal of the subject condominium building with an opinion of value as of the lien date of January 1, 2021 of \$1,900,000, while the board of review provided a sales analysis of one sale, to support their respective positions before the Property Tax Appeal Board. The Board has given reduced weight to the board of review sale, since the date of sale in 2016 is nearly five years prior to the lien date at issue in this appeal and, due in part to the passage of time, is less likely to be indicative of the subject’s estimated market value as of January 1, 2021. Moreover, the Board notes that the Cook County Board of Review analyst appears to have agreed that the passage of time would have an impact on the market value of the subject property as the analysis added approximately 13.23% to the May 2016 sale price of the one unit in the building.

The Board finds the best evidence of market value to be the appraisal submitted by the appellant with an opinion of value as of the lien date of \$1,900,000 in reliance upon both the sales comparison and income approaches to value. The Board further finds that the appraisers utilized sales of somewhat similar buildings that occurred more proximate to the lien date as the sales

occurred from February 2020 to June 2021. The subject's assessment reflects a market value of \$2,359,960, including land, which is above the appraised value conclusion.

Based on this record and after analyzing the evidence presented by both parties, the Board finds the subject property had a market value of \$1,900,000 as of the assessment date at issue. Since market value has been established the level of assessment for class 2 property under the Cook County Real Property Assessment Classification Ordinance of 10% shall apply commensurate with the appellant's request. (86 Ill.Admin.Code §1910.50(c)(2).

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: January 21, 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

AGENCY

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