FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Morry Sochat
DOCKET NO.: 21-44026.001-R-1
PARCEL NO.: 14-20-321-001-0000

The parties of record before the Property Tax Appeal Board are Morry Sochat, the appellant(s), by attorney Huan Cassioppi Tran, of Flanagan/Bilton LLC 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:	$46,875
IMPR.:	$33,125
TOTAL:	$80,000

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 is an approximately 133-year-old three-story, multi-family residential building of frame construction containing a gross building area of 3,832 square feet. The building includes one 4-bedroom/3-bath unit and three 2-bedroom units (two with 1 bath and one with 2 baths). The improvements consist of a full unfinished basement, a rear deck and a detached two-car garage. The improvement is on 3,125 square feet of land and is situated in the City of Chicago, within Lake View Township, Cook County. Pursuant to the Cook County Real Property Assessment Classification Ordinance, the property is classified as Class 2-11. According to the appellant, the subject is a non–owner-occupied dwelling[1].

[1] The Board derived its description of the subject property from the evidence submitted by both parties. Where discrepancies occurred, the Board afforded greater weight to the appraiser's description, as it was based on a direct physical inspection of the property.

The appellants contend that the subject property is overvalued. In support of this position, they submitted a retrospective appraisal concluding a market value of $800,000 as of January 1, 2021. The appraisal was prepared by Michael J. Crum, Illinois State Certified General Real Estate Appraiser, and Edward V. Kling, MAI, MRICS, Illinois State Certified General Real Estate Appraiser, of Cornerstone Realty Advisors. The appraisers stated that the purpose of the assignment was to estimate the market value of the fee simple interest in the subject property as of January 1, 2021, for use in an assessment appeal. The appraisal report further identifies the intended users as the property owner, Morry D. Sochat, and his legal counsel. The appraisers indicated that the value conclusion was based, in part, on a physical inspection of the subject property conducted on December 28, 2022.

The appraisal employs the cost approach, income approach and sales comparison approach to estimate market value.

The Cost Approach to value was developed by the appellant's appraiser through an estimate of the replacement cost new of the subject's improvements, followed by deductions for accrued depreciation and the addition of contributory site improvements. Using Marshall & Swift cost data, the appraiser determined a replacement cost new of $445,879 for the 3,832-square-foot building, applying appropriate multipliers for area/perimeter, height, local cost conditions, and current cost levels. Accrued depreciation was measured through both the breakdown method and the economic age-life method, resulting in similar conclusions of approximately 70 percent total depreciation attributable to physical wear, functional limitations—including limited off-street parking and the absence of laundry in one unit—and no identified external obsolescence. The appraiser further identified depreciated site improvements valued at $45,000, consisting of a detached two-car garage, fencing, landscaping, and a wooden deck. When combining the appraiser's opinion of land value of $610,000, the cost approach produced an indicated value of $788,764, which the appraiser rounded to $790,000.

In developing the Income Approach, the appraiser analyzed three rental comparables to estimate the market rent for the subject's three 2-bedroom, 2-bath units, concluding an indicated market rent of approximately $2,500 per unit per month, or $7,500 in total monthly gross income for the property after adjustments for differences in unit size, condition, amenities, and parking. The appraiser incorporated actual occupancy data, noting that the subject was 100% occupied at the time of inspection and relied on verbally provided rent figures from the owner. Using the adjusted market rents and applying typical expense and vacancy considerations consistent with small multi-family investment properties, the Income Approach produced a value indication of $1,065,000, which was given secondary weight in reconciliation because the appraiser determined that buyers in this submarket often include both investors and owner-occupants, reducing the Income Approach's direct influence on market behavior.

In completing the Sales Comparison Approach, the appraiser analyzed five sales of 4-unit apartment buildings located within approximately two and one-half miles of the subject property and occurring within the prior three years, each of which was verified and adjusted for relevant elements of comparison including property rights conveyed, financing, sale conditions, market conditions, location, building size, land-to-building ratio, unit mix, construction quality, and age and condition. The record shows that sale prices ranged from $175,000 to $215,625 per unit prior to adjustment, and from $192,000 to $211,313 per unit after adjustments were applied to account for differences such as inferior unit mixes in Sales 1, 2, and 4, higher land-to-building ratios in Sales 2 and 5, and no required adjustments for Sale 3, which was deemed the most comparable to the subject due to its similar unit mix and overall characteristics. The appraiser concluded that a value near the midpoint of the adjusted range was most appropriate and therefore opined a market value of $200,000 per unit, resulting in an indicated value of $800,000 for the subject property under the sales comparison approach.

The income approach was developed through a stabilized analysis of the subject property's rental potential, market-supported vacancy expectations, typical operating expenses, and an appropriate capitalization rate. The appraisal identifies both contract rents and market rents, and, relying on comparable rental data proximate to the subject, concludes that market rent for the four units ranges from $1,400 to $3,400 per month depending on bed/bath count and amenities such as laundry, resulting in a potential gross rental income of $107,100 at full occupancy. A vacancy and credit loss allowance of 7 percent, supported by Costar and PricewaterhouseCoopers multifamily vacancy findings, reduces effective gross income to $99,603. Operating expenses were analyzed in detail and include management and leasing fees, insurance, maintenance and repairs, legal and accounting, and reserves, totaling $27,396 annually and producing a stabilized net operating income of $72,207. To convert this income to value, the appraiser analyzed capitalization rate data from comparable apartment sales showing cap rates between 5.83 percent and 7.53 percent, as well as market-based ranges from RERC and PwC, and further developed a rate using the mortgage-equity band of investment method, yielding an indicated base rate of 7.00 percent. The appraiser incorporated an effective tax rate of 2.01 percent into the overall rate, resulting in a total capitalization rate of 9.01 percent. Applying this rate to the stabilized net operating income produces an indicated value of $801,327, rounded to $800,000 under the income capitalization approach. Accordingly, the Judge concludes that the income approach was credibly prepared, supported by market evidence, and results in a reliable estimate of market value of $800,000 as of the valuation date.

The appraiser reconciled the three traditional approaches to value—cost, sales comparison, and income capitalization—and concluded that the most reliable indicators for an existing multi-unit residential property in this market are the sales comparison and income approaches, each indicating a value of $800,000, while the cost approach produced a slightly lower indication of $790,000. The appraiser explains that the cost approach is less reflective of typical buyer behavior for older, existing improvements, whereas both the sales comparison approach and income approach directly measure the actions and expectations of investors and owner-users in the Lake View market. After weighing the strengths, limitations, and market relevance of each method, the appraiser opined that the market value of the subject property, in fee simple and based on short-term leases as of January 1, 2021, is $800,000

The appellants further argue that a professionally prepared appraisal constitutes the best evidence of fair market value when completed within a reasonable time frame and when no significant market changes have occurred. Accordingly, based on the submitted appraisal, the appellants request a reduction in the assessed value consistent with the appraiser's conclusion of market value.

The Board of Review submitted its Notes on Appeal disclosing that the subject property has a total assessed value of $94,737, which reflects a market value of $947,370, or $247.23 per square foot of living area including land, based upon the Cook County Real Estate Classification Ordinance, which requires a 10% assessment level for Class 2 property. In support of the correctness of the current assessment, the Board of Review submitted assessment and unadjusted sales data for four comparable Class 2-11 properties located within the same sub-area as the subject. These comparables consist of two- and three-story residential buildings, and their indicated market values range from $302.47 to $516.69 per square foot of living area, including land. The Board of Review asserts that, when applying the 10% assessment level to the comparables' market values, the resulting assessed values exceed the subject's 2021 assessment and therefore support the accuracy and uniformity of the subject's current assessment. Based on this evidence, the Board of Review requested confirmation of the subject's assessment.

This matter was scheduled to proceed to hearing. Prior to the hearing, the parties submitted a written request to waive the hearing and have the matter decided based on the evidence previously submitted. The administrative law judge granted the parties' request.

Conclusion of Law

The appellant contends that the assessed valuation of the subject property does not accurately reflect its fair market value. When market value is the basis of the appeal, the value must be established by a preponderance of the evidence. 86 Ill. Admin. Code §1910.63(e). Acceptable evidence of market value includes a contemporaneous appraisal, a recent sale of the subject property, comparable sales, or construction costs. 86 Ill. Admin. Code §1910.65(c). After careful review of the record, the Board finds that the appellant has met this burden and that a reduction in the subject's assessment is warranted.

The appellant submitted a retrospective appraisal prepared by a Certified General Real Estate Appraiser concluding a market value of $800,000 as of January 1, 2021. The appraisal was prepared for ad valorem tax purposes, was based on a personal inspection of the subject property and developed all three recognized approaches to value—cost, sales comparison, and income capitalization. The cost approach produced an indicated value of $790,000, while both the sales comparison approach and income approach produced consistent indications of $800,000. In reconciling these approaches, the appraiser afforded greatest weight to the sales comparison and income approaches, noting that each directly reflects investor and user behavior in the market and is better aligned with how purchasers evaluate existing multifamily properties. The Board finds the appraisal to be the most persuasive and credible evidence of market value in the record, as it is contemporaneous with the lien year, employs adjusted comparable sales and stabilized income analysis, and is supported by detailed narrative and quantitative reasoning.

In contrast, the Board of Review submitted only assessment data for four properties and provided unadjusted sales information for just one of its suggested comparables. The Board finds that assessment data, without corresponding verified sales transactions and without adjustments for relevant differences, is insufficient to establish market value or to rebut a properly prepared appraisal. Accordingly, the Board determines that the Board of Review did not submit competent or persuasive evidence to challenge the appellant's valuation evidence.

Based on the totality of the evidence, the Board finds that the market value of the subject property as of January 1, 2021, is $800,000, consistent with the appellant's appraisal. In accordance with the Cook County Real Property Assessment Classification Ordinance, which requires Class 2 property to be assessed at 10% of market value, the Board finds that the subject's assessed value should be reduced. A reduction in the assessment is therefore 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: ____________________ ____________________

C E R T I F I C A T I O N

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: September 15, 2026

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

State of Illinois
Property Tax Appeal Board
William G. Stratton Building, Room 402
401 South Spring Street
Springfield, IL 62706-4001

APPELLANT

Morry Sochat, by attorney:
Huan Cassioppi Tran
Flanagan/Bilton LLC
1 North LaSalle Street
Suite 2100
Chicago, IL 60602

COUNTY

Cook County Board of Review
County Building, Room 601
118 North Clark Street
Chicago, IL 60602