



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

APPELLANT: Charles Moelter
DOCKET NO.: 21-45427.001-C-1
PARCEL NO.: 14-19-227-035-0000

The parties of record before the Property Tax Appeal Board are Charles Moelter, the appellant(s), by attorney Max E. Callahan, of Siegel & Callahan, 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:

LAND: \$82,025
IMPR.: \$11,975
TOTAL: \$94,000

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 6,561 square foot parcel of land improved with a 97-year-old, two-story, frame and masonry, mixed-use building containing 5,756 square feet of building area. The property is located in Chicago, Lake View Township, Cook County and 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 which estimated the subject's market value as of January 1, 2021, of \$940,000. The appraiser utilized the income and sales comparison approach to value to estimate the subject's market value. The appraisal discloses an inspection was conducted on April 14, 2022. The appraiser opined the highest and best use of the property as improved is its current use.

Under the sales comparison approach, the appraiser analyzed five sales in arriving at the estimate of value. The sales properties are described as two or three-story, masonry, mixed-use buildings ranging in size from 2,550 to 5,756 square feet of building area. They sold from December 2019 to April 2021 for prices ranging from \$132.28 to \$205.66 per square foot of building area. After making adjustments for pertinent factors, the appraiser estimated a value for the subject under the sales comparison approach of \$165.00 per square foot of living area or a total of \$950,000, rounded.

Under the income approach, the appraiser analyzed five commercial spaces within mixed-use buildings and five apartment unit comparables. The appraisal concluded an estimated rental rate for the commercial corner space of \$24.00 per square foot and, for the none corner space, of \$23.00 per square foot. For the residential space, the appraiser estimated a rental rate of \$2,000 per month for the two-bedroom unit and \$1,800 per month for the one-bedroom. The appraisers determined a potential gross income of \$106,800. The appraisers looked to the market in determining a vacancy and collection rate of 5% to arrive at an effective gross income of \$101,460. The appraisers reviewed the market to stabilize expenses at 15.3% to arrive at a net operating income of \$85,890.

In determining a capitalization rate (cap rate), the appraisers utilized the band of investment method to arrive at a cap rate for the subject of 7%. The real estate tax burden was added to this rate to develop a loaded capitalization rate of 9.23% to arrive at a value for the subject under the income approach of \$930,000, rounded.

In reconciling the approaches to value, the appraiser gave significant emphasis to both approaches to arrive at an estimate of value as of January 1, 2021 of \$940,000.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the assessment of \$144,000 which reflects a market value of \$1,440,000 using the Cook County Real Estate Classification Ordinance level of assessment for class 2 property of 10%.

In support of the current assessment, the board of review argued that the property was being offered for sale for \$2,300,000. In support of this, the board of review submitted a confidential offering memorandum for the subject property that describes the subject, the neighborhood, and the Chicagoland area. All data in the memorandum is dated from 2017. The memorandum also includes photographs of the subject's exterior including the rear structure. The board of review further argues that this rear structure is 1,000 square feet and not individually valued in the appraisal. The board asserts that the appraisal describes the space as merely a two-car garage.

The board of review also argues that the appraisal's sales comparable #1 was not advertised for sale, that sales comparable #2's parcel number was not found in any records search, that sales comparable #3's deed is a guardian's deed and not a warranty deed, and that sales comparable #4 was a foreclosure sale and was incorrectly described as "well-maintained and updated" by the appraiser when CoStar discloses deferred maintenance. In support of these arguments, the board of review submitted: a screen shot of the county clerk's website listing all the recorded transactions for sales comparable #1 which lists the PIN address of 2852 W. Montrose Avenue; a copy of the guardian's deed for sales comparable #3; and a document listing information on the sale of sales comparable #4.

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).

Although the board of review argued that the appraisal was flawed, the Board finds that many of the board of review's arguments/supporting documents were flawed. The board of review asserted that comparable sales #1 was not listed on the open market and presented a county clerk's website page as proof. This page reflects the parcel number in the appraisal but lists a neighboring address. The board of review asserts sales comparable #2's parcel number is not found in any records search but not submit any supporting documentation of this. The fact that comparable #3 is a guardian's deed does not automatically disqualify the appraiser from using the sale in the appraisal. In addition, the board of review submitted a document addressing comparable #4's sale, but this document is untitled and lacks any foundation. Finally, the confidential offering memorandum is not dated and appears to reflect an offer sometime around 2017. This property never sold based on this offering which is now aged.

The Board finds the best evidence of market value to be the appraisal submitted by the appellant. The appellant's appraiser utilized the income and sales comparison approach to value in determining the subject's market value. The current assessment reflects a market value above this value. The Board finds this appraisal to be persuasive because the appraisal discloses that the appraiser inspected the subject, reviewed the property's history, and used similar properties in the sales comparison approach. The board of review failed to submit any comparables to establish the market. Therefore, the Board finds the subject property's market value of \$940,000 as of the assessment date at issue. Since market value has been established the Cook County Real Estate Classification Ordinance level of assessment for class 2 property of 10% shall apply.

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: _____

February 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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