

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: David Hanus
DOCKET NO.: 05-01417.001-R-1
PARCEL NO.: 16-36-105-004

The parties of record before the Property Tax Appeal Board are David Hanus, the appellant; and the Lake County Board of Review.

The subject property consists of an irregular pie-shaped parcel containing 11,015 square feet that is improved with a two-story frame dwelling built in 1880. The home contains 2,712 square feet of living area and has features that include central air-conditioning, one fireplace, a 552 square foot garage and a partial unfinished basement.

The appellant appeared before the Property Tax Appeal Board claiming unequal treatment in the assessment process regarding the subject's land and improvements as the basis of the appeal. In support of the land inequity contention, the appellant submitted information on four comparable properties, three of which are located across the street from the subject. The comparables range in size from 12,000 to 18,500 square feet of land area and have land assessments ranging from \$62,826 to \$67,766 or from \$3.66 to \$5.23 per square foot. The subject has a land assessment of \$82,206 or \$7.46 per square foot. The appellant requested the subject's land assessment be reduced to \$50,339.

In support of the subject's improvement assessment, the appellant submitted a grid analysis with improvement information on the same four comparables used to support the land inequity argument. The comparables consist of two-story style dwellings of frame, brick and frame, or frame and stucco exterior construction that were built between 1901 and 1987. These properties range in size from 2,420 to 3,211 square feet of living area and have features that include central air-conditioning, one or two fireplaces,

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Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds a reduction in the assessment of the property as established by the Lake County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	\$	57,608
IMPR.:	\$	114,012
TOTAL:	\$	171,620

Subject only to the State multiplier as applicable.

PTAB/MRT/10/9/07

garages that contain from 252 to 740 square feet of building area and full or partial unfinished basements. The comparables have improvement assessments ranging from \$93,382 to \$132,394 or from \$36.23 to \$49.88 per square foot of living area. The subject has an improvement assessment of \$151,239 or \$55.77 per square foot of living area. The appellant requested the subject's improvement assessment be reduced to \$114,012 or \$42.04 per square foot.

The appellant also submitted a letter, photographs of his comparables, the subject, and its mixed-use residential and commercial neighborhood. He also submitted photographs of the board of review's comparables and neighboring properties and an analysis of the appellant's comparables in which the appellant adjusted his comparables' improvement assessments for various factors. The appellant also submitted a quality grade analysis in which he contends the subject's quality grade should be good, rather than very good. The analysis was based on an internet website.

In his letter, the appellant claimed the subject's immediate neighborhood includes apartments, single family dwellings, a commercial building with 21 stores, a cell tower, other stores and a school. The subject is located on a six-way intersection with significant traffic. The appellant claimed the subject lot has an easement for sanitary and storm sewers servicing neighboring properties. The appellant submitted no evidence of any market value loss attributed to the sewers or the easement. The appellant claims the subject lot is legally nonconforming and, should the subject dwelling be razed, a new home would be subject to setbacks, limiting its potential size. The appellant submitted no evidence of any value loss that may be attributed to the subject's nonconforming status or the setback requirements.

Regarding the subject dwelling, the appellant contends the brick foundation is crumbling, allowing water to leak into the subject's basement and causing rotting of some floor joists and beams. The foundation has been repaired seven times and the brick has been sealed, but the leakage returned. In his documentation, the appellant claimed the subject dwelling contains 2,520 square feet of living area, but he provided no sketch or measurements to support this estimate. Based on this evidence, the appellant requested the subject's total assessment be reduced to \$164,351.

During the hearing, the appellant discussed the various contentions made in his evidentiary submission. He testified the board of review's comparables are located one to three miles from the subject in an ordinary residential neighborhood with no commercial development like the subject's neighborhood. The

appellant referred to photographs of homes adjacent to the board of review's comparables that depicted stately homes with mature trees.

In cross examination, the board of review's representative questioned the appellant regarding the equity analysis he submitted in which he adjusted his comparables for various factors. The representative asked the appellant if he was an appraiser. The appellant responded he was not an appraiser but he had consulted a manual used by a local assessor. The appellant did not know the name of the assessor or the manual.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of \$233,445 was disclosed. In support of the subject's land assessment, the board of review submitted a copy of a computer screen that detailed the land assessment formula utilized in the assessor's assigned neighborhood designated 1825010 for the subject and the board of review's comparables. This tiered formula values the first 25,000 square feet at \$23.00 per square foot, land between 25,000 and 43,560 square feet at \$17.25 per square foot, land between 43,560 and 60,000 square feet at \$11.50 per square foot and land over 60,000 square feet at \$5.75 per square foot. The board of review also submitted a grid analysis detailing three comparable properties that were located in neighborhood 1825010. The comparables range in size from 12,085 to 15,695 square feet and had land assessments ranging from \$100,212 to \$130,147 or \$8.29 per square foot.

In support of the subject's improvement assessment, the board of review submitted improvement information on the same three comparables used to support the subject's land assessment. The comparables consist of two-story style frame or brick and frame dwellings that were built between 1923 and 1937 and range in size from 2,483 to 2,994 square feet of living area. Features of the comparables include central air-conditioning, one fireplace, garages that contain from 220 to 480 square feet of building area and full or partial unfinished basements. These properties have improvement assessments ranging from \$138,622 to \$159,350 or from \$53.22 to \$55.83 per square foot of living area. Based on this evidence the board of review requested the subject's total assessment be confirmed.

During the hearing, the board of review's representative called the deputy township assessor to testify. The witness testified regarding the land assessment methodology used for the neighborhood code assigned to the subject and the board of review's comparables. The witness testified the appellant's comparables were located in a different neighborhood code where land is valued from \$10.41 to \$13.76 per square foot, depending

on lot size. The witness acknowledged the appellant's comparables were located in close proximity to the subject. The representative asked the witness whether any allowance was made for the subject's location in a mixed use neighborhood, to which the witness responded the subject's land assessment had been reduced 10% to account for the mixed use.

During cross examination, the appellant questioned the board of review's witness as to how the board of review's comparables located one to three miles from the subject can be considered in the same neighborhood as the subject. The deputy township assessor responded simply that the subject and board of review's comparables were in the same neighborhood. The appellant then asked the witness how the subject's assessment could increase in 2005 when the appellant's comparable four's assessment could go down. The witness responded that the appellant's comparable four was in a different neighborhood and that, based on sales information, a reduction of that comparable's assessment was warranted.

After hearing the testimony and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The Property Tax Appeal Board further finds that a reduction in the subject property's assessment is warranted. The appellant argued unequal treatment in the assessment process as the basis of the appeal. The Illinois Supreme Court has held that taxpayers who object to an assessment on the basis of lack of uniformity bear the burden of proving the disparity of assessment valuations by clear and convincing evidence. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill.2d 1 (1989). The evidence must demonstrate a consistent pattern of assessment inequities within the assessment jurisdiction. After an analysis of the assessment data, the Board finds the appellant has overcome this burden.

Regarding the land inequity argument, the Board finds the parties submitted seven land comparables. The appellant's comparables were acknowledged by the deputy township assessor to be in close proximity to the subject but nevertheless, were in a different assessor's assigned neighborhood code than the subject and the comparables submitted by the board of review. The appellant demonstrated three of his comparables were across the street from the subject, which is located at a six-way intersection in a mixed-use commercial and residential area containing apartments, stores and a school. Photographs submitted by the appellant depict the commercial development very near the subject. The appellant also submitted photographs of the comparables submitted by the board of review, as well as homes adjacent to the comparables. The Board finds these properties appear to be on

ordinary residential streets with no commercial development in evidence.

The Board finds the appellant questioned the deputy township assessor as to how properties located across the street from the subject could be considered in a different neighborhood than the subject. The deputy township assessor's response was that the neighborhood boundaries were what they were and that different sales data was relied upon to determine assessments in each neighborhood. The deputy township assessor discussed the methodology used to value land in the neighborhood and described the tiered formula used to value land. The Board finds the appellant's land comparables were assessed considerably below the subject from \$3.66 to \$5.23 per square foot of land area, while the subject's land was assessed at \$7.46 per square foot. The three land comparables submitted by the board of review had land assessments of \$8.29 per square foot. The Board finds the deputy township assessor supplied no other evidence or testimony to justify the significant differences in land assessments between the appellant's comparables and the board of review's comparables, other than to reiterate that different assessment neighborhoods were involved.

The Board gave less weight to the appellant's comparable three because it was significantly larger than the subject lot. The Board also gave less weight to the land comparables submitted by the board of review because they were located one to three miles from the subject and not in a mixed-use area like the subject and the appellant's comparables. The Board finds no sales or market data was submitted by the board of review to justify the different land valuation formulas in the respective neighborhoods. The Board also finds the board of review provided no explanation as to why properties such as those submitted by the appellant should have land assessments significantly below the subject's land assessment on a per square foot basis when these properties are so near the subject and presumably in an area influenced by similar market forces. The Board finds the appellant's comparables one, two and four were more similar in location to the subject and received accordingly greater weight in the Board's analysis. The Board thus finds the subject's land assessment of \$7.46 per square foot is not supported by the most representative comparables in the record and a reduction in the subject's assessment is warranted.

Regarding the improvement inequity argument, the Board finds the appellant claimed the subject contains 2,520 square feet of living area, but submitted no sketch, blueprints or measurements to support this contention. The Board finds the board of review submitted the subject's property record card into the record, which included a drawing depicting the subject's measurements.

The Board finds the subject's property record card provides the best indication of the subject's size and accordingly finds the subject contain 2,712 square feet of living area.

The Board next finds the appellant described several deficiencies related to the subject property. The appellant explained the subject's foundation has deteriorated and leaks water into the basement. He discussed the sewer easement and the subject's nonconforming lot situation and associated setback requirements. However, the appellant failed to submit any credible market evidence as to what effect on the subject's market value could be ascribed to these factors. The Board thus gave no weight to these contentions. The appellant made adjustments to his comparables' improvement assessments for various factors, but provided no source material for these adjustments and admitted he has no appraisal experience. Therefore, the Board gave no weight to the adjusted improvement assessments for the appellant's comparables.

The Board finds the parties submitted seven improvement comparables. The Board gave less weight to the appellant's comparable four because it was significantly newer than the subject. The Board gave less weight to the board of review's comparables because they were located one to three miles from the subject in what appears to be an ordinary residential neighborhood, dissimilar to the subject's mixed-use neighborhood. The Board finds the appellant's comparables one, two and three received greatest weight because they were similar in size, age, most property characteristics and location when compared to the subject. These properties had improvement assessments ranging from \$36.23 to \$43.45 per square foot of living area. The subject's improvement assessment of \$55.77 per square foot falls above this range. Based on this analysis, the Board finds the subject's improvement assessment is not supported by the most representative comparables in the record and a reduction is warranted.

In conclusion, the Board finds the appellant sufficiently established unequal treatment in the assessment process by clear and convincing evidence and the subject property's assessment as established by the board of review is incorrect and a reduction is warranted.

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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.



Chairman



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: October 26, 2007



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 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 the subsequent year 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.

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.