

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Muzaffer & Ambareen Sheriff  
DOCKET NO.: 06-01254.001-R-1  
PARCEL NO.: 14-13-301-009

The parties of record before the Property Tax Appeal Board are Muzaffer & Ambareen Sheriff, the appellants; and the Lake County Board of Review.

The subject property consists of an 80,238 square foot lot improved with a two-story brick dwelling that was built in 2006 and contains 5,193 square feet of living area. Features of the home include central air conditioning, two fireplaces, a 1,056 square foot garage and full unfinished basement.

The appellants appeared before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. In support of this argument, the appellants indicated on their petition that the subject lot was purchased in January 2003 for \$294,000 and that the subject dwelling was inhabitable and fit for occupancy in July 2006 and that its total construction cost was \$750,000. The appellants claimed that, as of January 1, 2006, the subject dwelling was no more than 40% complete and that its assessment should reflect this. The appellants failed to submit a contractor's affidavit or detailed summary of construction costs associated with the subject dwelling. Based on this evidence, the appellants requested the subject's land assessment be reduced to \$96,500 and its improvement assessment be reduced to \$150,000.

At the hearing, the appellants testified their land had lost value because a pond on the property reduced the amount of buildable land.

During cross examination, the board of review's representative asked the appellants if they had submitted any photos of the subject dwelling under construction, any record of draws on a construction loan, or any evidence from a contractor. The appellants acknowledged they had submitted no such evidence.

The board of review submitted its "Board of Review Notes on Appeal", wherein the subject property's total assessment of

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Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds no change 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:	\$	108,755
IMPR.:	\$	173,980
TOTAL:	\$	282,735

Subject only to the State multiplier as applicable.

\$282,735 was disclosed. The subject has an estimated market value of \$850,843 or \$163.84 per square foot of living area including land, as reflected by its assessment and Lake County's 2006 three-year median level of assessments of 33.23%.

In support of the subject's assessment, the board of review submitted a letter describing the subject property, property record cards and a grid analysis of three equity comparables and three comparable sales. However, comparable sales 2 and 3 were the same properties as equity comparables 2 and 3.

In support of the subject's land assessment based on equity, the board of review submitted land assessments for three comparables located in the subject's subdivision. The comparables range in size from 51,784 to 56,856 square feet of land and had land assessments ranging from \$91,864 to \$100,862 or \$1.77 per square foot. The subject has a land assessment of \$108,755 or \$1.36 per square foot. The board of review further submitted a copy of the land assessment engine used to value land in the subject's subdivision. The first 60,000 square feet had a market value of \$5.00 per square foot, while land areas over 60,000 square feet were valued at \$0.50 per square foot.

In support of the subject's improvement assessment, the board of review submitted information on the same three comparables used to support the subject's land assessment. The comparables consist of two-story, brick dwellings that were built between 2003 and 2005 and range in size from 4,265 to 5,512 square feet of living area. Features of the comparables include central air conditioning, one or two fireplaces, garages that contain 999 to 1,132 square feet of building area and full basements, one of which contains 2,343 square feet of finished area. These properties have improvement assessments ranging from \$236,891 to \$297,576 or from \$53.99 to \$60.85 per square foot of living area. The board of review's letter described the subject's 60% partial improvement assessment which, when converted to full value, equated to \$55.84 per square foot of living area.

In support of the subject's estimated market value as reflected by its assessment, the board of review submitted sales information on three comparables. The comparables consist of two-story brick dwellings, built in 2004 or 2005, which range in size from 4,265 to 5,512 square feet of living area. Features of the comparables include central air conditioning, two fireplaces, garages that contain 999 to 1,092 square feet of building area and full basements, one of which contains 2,004 square feet of finished area. The comparables sold between June 2004 and February 2005 for prices ranging from \$1,000,000 to \$1,300,000 or from \$213.64 to \$276.83 per square foot of living area including land. The board of review's letter indicated the subject's partial assessment, if converted to market value for a full year, equates to an estimated market value of \$1,196,286 or \$230.37 per square foot of living area including land, which falls within the range of the board of review's comparable sales.

At the hearing, the board of review's representative called the deputy township assessor to describe how land was assessed in the subject's subdivision. The witness detailed the land valuation engine described in the board of review's letter and testified the subject's land assessment was reduced by the board of review from \$110,030 to \$108,755 to account for the pond, or "lake-bottom" land, which was assessed uniformly throughout the township at \$0.01 per square foot.

In cross examination, the appellants asked the deputy township assessor how the township determined the subject dwelling was 60% complete for the assessment year. The witness responded that construction progress of the subject dwelling was observed through site visits by assessor's office personnel in the months of February, April, May and June. Since the subject was not occupied until July 2006, it was considered only 40% complete for the months of January through July and 100% complete for the months of August through December. The witness explained that seven months at 40% (7 times 40 = 280), plus five months at 100% (5 times 100 = 500), totaled 780 which, when divided by 12 months, equaled 65. This result was rounded down in the appellants' favor to 60, hence the 60% completion estimate used to develop the subject's 2006 partial improvement assessment. The witness further testified this formula was used throughout the township to determine partial assessments of homes under construction. The appellants then asked the deputy township assessor why the subject's land assessment for 2007 was further reduced. The witness responded that the township equalization factor for 2006 was 1.0645, whereas for 2007 it was approximately 1.0100. For this reason, land assessments throughout the assessment jurisdiction were reduced for 2007, based on sales activity.

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 no reduction in the subject property's assessment is warranted. The appellants argued overvaluation as a basis of the appeal. When market value is the basis of the appeal, the value must be proved by a preponderance of the evidence. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3<sup>rd</sup> Dist. 2002). After analyzing the market evidence submitted, the Board finds the appellants have failed to overcome this burden.

The Board finds the appellants' petition indicated the subject lot had sold in January 2003 for \$294,000. The appellants testified a pond or small lake on the property resulted in a loss in market value. However, the appellants submitted no land sales or other market evidence in support of this contention. The Board finds the subject lot's sale in January 2003 occurred too long before the subject's January 1, 2006 assessment date to provide reliable evidence of the subject's market value.

Therefore, the Board finds the appellants' claim fails for lack of market evidence. The Board finds the deputy township assessor testified land in the subject's subdivision was assessed uniformly using a consistent methodology and that the subject's land assessment was reduced from \$110,030 to \$108,755 to account for the "lake-bottom" or pond. The Board further finds the subject's land assessment of \$1.36 per square foot falls below the board of review's comparables, which had land assessments of \$1.77 per square foot.

Regarding the subject's improvement assessment, the Board finds the appellants' petition indicated the cost of construction was \$750,000. However, the appellants submitted no contractor's affidavit or detailed summary of construction costs associated with the subject dwelling. The appellants further argued the subject's 60% partial improvement assessment was incorrect because the board of review had improperly estimated the subject dwelling's level of completion. The Board finds the deputy township assessor testified that the subject's construction progress was observed on several occasions in the spring of 2006 by assessor's office personnel. The witness further testified regarding the mathematical formula used to determine the 60% completion level. The Board finds this testimony was logically explained and that the formula employed was used throughout the township.

In support of the subject's estimated market value as reflected by its assessment, the board of review submitted three comparables, which sold for prices ranging from \$213.64 to \$276.83 per square foot of living area including land. The subject's total assessment, if converted to full market value for an entire year, equaled approximately \$233.37 per square foot of living area including land, which falls within the range of the board of review's comparable sales.

As mentioned above, the appellants submitted no land sales or other market evidence to justify a further reduction in the subject's land assessment beyond that made by the board of review to account for the pond or "lake-bottom" land. Furthermore, the appellants submitted no contractor's affidavit or detailed summary of construction costs associated with construction of the subject dwelling.

In conclusion, the Board finds the appellants failed to prove overvaluation by a preponderance of the evidence and the subject's assessment as determined by the board of review is correct and no reduction is warranted.

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



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 31, 2008



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.