



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

APPELLANT: Charlene Utter  
DOCKET NO.: 08-00380.001-R-1  
PARCEL NO.: 06-01-203-005

The parties of record before the Property Tax Appeal Board are Charlene Utter, the appellant, and the Lake County Board of Review.

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:** \$11,595  
**IMPR.:** \$60,514  
**TOTAL:** \$72,109

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject parcel of 6,098 square feet of land area is improved with a two-story frame dwelling (1/2 duplex) built in 1999. The home contains 1,648 square feet of living area and features an unfinished basement, central air conditioning and an attached 399 square foot garage. The property is located in Lindenhurst, Lake Villa Township, Lake County.

There is an initial issue concerning dwelling size. The appellant and her appraiser report the dwelling contains 1,648 square feet of living area. In support of this assertion, the appraiser included a schematic drawing with area calculations. The board of review in its submission reported a dwelling size of 1,623 square feet. Also, in violation of the Official Rules of the Property Tax Appeal Board, the board of review did not submit a copy of the property record card for the subject dwelling. (86 Ill.Admin. Code Sec. 1910.40(a)). Therefore, the only evidence on this record concerning dwelling size was submitted by the appellant's appraiser and therefore, the Board finds the subject dwelling contains 1,648 square feet of living area.

The appellant contends that the market value of the subject property is not accurately reflected in the property's assessed valuation as the basis of this appeal. In support of the market value argument, the appellant submitted an appraisal estimating the subject property had a market value of \$217,000 as of January 16, 2009.

The appraiser, Daniel C. Langguth, a State Certified Residential Real Estate Appraiser, prepared this appraisal for SLS/HSBC for a mortgage finance transaction by appraising the property's fee simple rights. "The function of this appraisal is to provide a basis of market value for the subject property." (See page 3 of Addendum). The appraiser used two of the three traditional approaches to value. As part of the analysis, the appraiser noted the area housing trends were declining and there was an "over supply" of properties, but the subject would have an expected marketing time of 3 to 6 months. The subject dwelling has a pond view. In the addendum, the appraiser also discussed neighborhood market conditions noting there were a small number of short sales, foreclosures and bank owned sales that "were not considered to be significant enough to be having a large impact on the property values in this market area." Analysis of year-to-year data showed that property values were somewhat stable. (Page 1 of Addendum). "The median sales prices have increased by 1.5% and the average sale prices have decreased by 2.95%." (Id.).

Under the cost approach to value, the appraiser estimated the subject's land value at \$30,000 based on a sales comparison of similar vacant properties along with local assessor information. Using AppraiserBase Bluebook Valuation Service and local builders, the appraiser determined a reproduction cost new for the subject dwelling including the basement and garage of \$190,062. Physical depreciation of \$7,602 was calculated using the age/life method resulting in a depreciated value of improvements of \$182,460. Next, a value for site improvements of \$2,500 was added. Thus, under the cost approach, the appraiser estimated a market value of \$215,000 for the subject.

Under the sales comparison approach, the appraiser analyzed six properties, one of which was a condominium and five of which were ½ duplexes like the subject. Four of the properties had sales data and two were active listings. The properties were located from nearby to 3.6-miles from the subject property. The parcels ranged in size from 2,614 to 8,712 square feet of land area, except the condominium which had no specific land size data. The comparables were of frame or frame and masonry exterior construction and were from 10 to 13 years old. The comparables ranged in size from 1,547 to 1,895 square feet of living area. Three comparables had a full basement, one of which was finished and another of which was walkout style. Three comparables had a fireplace. Additional features of each property included central air conditioning and a two-car garage. Four comparables sold between February and October 2008 for prices ranging from \$200,000 to \$229,000 or from \$113.98 to \$148.03 per square foot

of living area including land. The listing prices were \$225,000 and \$229,900, respectively, or \$120.00 and \$122.61, respectively, per square foot of living area including land.

In comparing the comparable properties to the subject, the appraiser made adjustments for date of sale/time, land area, view, dwelling size, basement size, basement finish, and other amenities. The analysis resulted in adjusted sales prices for the comparables ranging from \$199,500 to \$233,600 or from \$115.73 to \$140.14 per square foot of living area including land. From this process, the appraiser estimated a value for the subject by the sales comparison approach of \$217,000 or \$131.67 per square foot of living area including land based on the appraiser's dwelling size determination of 1,648 square feet.

In his final reconciliation, the appraiser concluded an estimate of value of \$217,000 noting the sales comparison approach is considered the best indicator of value as it typically reflects the attitudes of sellers and buyers in the marketplace. He further wrote that as a slightly older dwelling, the cost approach was not considered applicable and no weight was placed on this value approach.

Based on this evidence, the appellant requested a reduction in the subject's total assessment to \$72,326 which would reflect a market value of approximately \$217,000.

The board of review submitted its "Board of Review Notes on Appeal" wherein the final assessment of \$75,243 was disclosed. The final assessment of the subject property reflects a market value of \$226,431 or \$161.67 per square foot including land using the 2008 three-year median level of assessments for Lake County of 33.23% and using the dwelling size of 1,648.

In support of the subject's assessment, the board of review submitted a memorandum along with a two-page grid analysis of the six comparables set forth in the appraisal along with copies of the applicable Multiple Listing Service sheets for the six properties.

In the memorandum, the board of review noted the purpose of the appraisal was for a mortgage refinance transaction; the valuation date of January 16, 2009 is some twelve months after the assessment date of January 1, 2008; and the appraiser reported sale #1 best supported the opinion of value when in fact, the final opinion is identical to the adjusted sale price of sale #1. The memorandum also opined that time adjustments were not evenly made in that sales #2 and #3 had downward 4% adjustments for 9 and 11 months, respectively. From this data, the board of review argues that sale #1, with a 10 month date difference to the assessment date of January 1, 2008, should have a 4% upward adjustment. Furthermore, with this suggested upward adjustment, the memorandum contends that sale #1 would reflect an adjusted sale price of \$225,680 or \$120.36 per square foot of living area including land as of January 1, 2008. Therefore, the memorandum

concludes that no change in the subject's assessment is warranted.

After reviewing the record 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 Board further finds that a reduction in the subject's assessment is warranted.

The appellant argued that the subject's assessment was not reflective of market value. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill. App. 3d 179, 728 N.E.2d 1256 (2nd Dist. 2000); National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill. App. 3d 1038 (3rd Dist. 2002). The Board finds this burden of proof has been met and a reduction in the subject's assessment is warranted.

The Board finds the appellant submitted an appraisal of the subject property with a final value conclusion of \$217,000, while the board of review submitted no appraisal and only criticized certain aspects of the appellant's appraisal.

While the Property Tax Appeal Board recognizes that this appraisal was performed for a mortgage refinance transaction, it is also noteworthy that the rights appraised were fee simple and the appraiser reported "[t]he function of this appraisal is to provide a basis of market value for the subject property." (See page 3 of Addendum). Therefore, under these circumstances, the Board does not find the purpose of the appraisal is a bar to its consideration as an opinion of market value.

Similarly, the date of valuation in the appraisal is one year after the date of the assessment at issue, however, the appraiser specifically discussed the market conditions and found that, while there was an over supply, he also reported the prices were stable from year to year. Therefore, on this record, the Board finds that the date of valuation set forth in the appraisal does not make the appraisal less reliable as an opinion of value where the analysis shows stable housing prices and where the board of review provided no contradictory sales evidence, but rather merely reiterated the same comparables that were presented in the appraisal.

The Board also finds that the board of review's criticism of consideration of sale #1 as the best, most similar comparable does not detract from the credibility of the appraisal report.

The time adjustment argument set forth by the board of review requires further analysis. The appellant's appraiser adjusted sales #2 and #3 for time as they occurred in April and February of 2008, but the appraisal date of valuation was January 16, 2009. Therefore, the appraiser adjusted these two sales each downward by 4%. In its memorandum, the board of review contends that sale #1 should have an upward adjustment "to the assessment

date of January 1, 2008" of 4% as it sold in October 2008. Therefore, the argument in the memorandum accepts each of the appraiser's other adjustments to sale #1, but contends for purposes of the assessment date a time adjustment is necessary. However, the Property Tax Appeal Board finds that the board of review did not provide data to support making a time adjustment. The four sales reiterated from the appraisal reflect sale dates ranging from March to October 2008 for prices ranging from \$113.98 to \$148.03 per square foot of living area including land. The subject has an estimated market value based on its assessment of \$161.67 per square foot of living area including land, which is substantially higher than any of the sales comparables, regardless of date of sale.

On this record, the Property Tax Appeal Board finds that the appraisal provides sufficient analysis and supportive data so that, despite the board of review's criticisms, the appraisal submitted by the appellant estimating the subject's market value of \$217,000 or \$133.70 per square foot of living area including land, is the best evidence of the subject's market value in the record.

Based upon the market value as stated above, the Property Tax Appeal Board finds that a reduction is warranted. Since market value has been established, the three-year median level of assessments for Lake County for 2008 of 33.23% shall be applied.

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.

*Ronald R. Cuit*

Chairman

*K. L. Fern*

Member

*Frank A. Huff*

Member

*Mario M. Louie*

Member

*Shawn R. Lerbis*

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: August 19, 2011

*Allen Castrovillari*

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.