



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

APPELLANT: John & Katherine Ehret
DOCKET NO.: 08-00625.001-R-1
PARCEL NO.: 06-24-402-024

The parties of record before the Property Tax Appeal Board are John & Katherine Ehret, the appellants, 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: \$21,043
IMPR.: \$66,020
TOTAL: \$87,063

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of 10,019 square feet of land area is improved with a 19-year-old, two-story frame single-family dwelling containing 1,948 square feet of living area. Features of the home include a full basement, which is 50% finished, central air conditioning, a fireplace, and an attached two-car garage of 575 square feet of building area. The property is located in Third Lake, Avon Township, Lake County.

In support of this overvaluation complaint, the appellants filed an appraisal with the Property Tax Appeal Board. The appraisal states that it was intended for "real estate tax appeal" purposes. The appraisal, which considered both the cost and sales comparison approaches to value, provides an estimated market value for the subject property of \$262,000 or \$134.50 per square foot of living area including land as of February 19, 2009.

Under the cost approach, the appraiser estimated the subject's land value at \$70,000 based on the building residual or market extraction technique as supported by limited MLS data. Using area builder estimates and cost manuals, the appraiser determined

a reproduction cost new for the subject dwelling including the basement, patio, fencing and garage of \$230,160. Physical depreciation of \$41,160 was calculated using the age/life method resulting in a depreciated value of improvements of \$189,000. Next, a value for site improvements of \$10,000 was added. Thus, under the cost approach, the appraiser estimated a market value of \$269,000 for the subject.

Under the sales comparison approach, the appraiser set forth three sales which were within one block of the subject property. The comparable two-story frame dwellings were said to be 22 years old. The comparables ranged in size from 1,900 to 2,015 square feet of living area. Each comparable has a basement, two of which were finished, central air conditioning, a fireplace, and a two-car garage. The comparables sold between June and December 2007 for prices ranging from \$252,500 to \$271,500 or from \$131.51 to \$142.89 per square foot of living area including land. The appraiser made adjustments to the comparable sales for differences in condition, dwelling size, room count, basement finish, and differences in other amenities from the subject. After adjustments, the appraiser concluded adjusted sale prices for the comparables ranging from \$255,000 to \$269,000 or from \$130.02 to \$141.58 per square foot of living area including land. The appraiser then concluded under the sales comparison approach an estimated market value of the subject of \$262,000.

In reconciliation, the appraiser considered the sales comparison approach to be most reliable due to the quality and quantity of available data and this approach being the most responsive to changes in recent market conditions.

Based on the foregoing evidence, the appellants requested a total assessment for the subject property of \$87,330 or a market value of approximately \$262,000.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$92,768 was disclosed. The final assessment of the subject property reflects a market value of approximately \$279,169 or \$143.31 per square foot of living area including land using the 2008 three-year median level of assessments for Lake County of 33.23% as determined by the Illinois Department of Revenue.

The board of review submitted a two-page letter along with a grid analysis. In the letter, the board of review reported the subject property is an owner occupied residence that was the subject matter of an appeal before the Lake County Board of Review the prior year. The Lake County Board of Review further reports that in that prior 2007 appeal the board of review rendered a decision lowering the assessment of the subject property to \$88,325 or a market value of approximately \$265,000 based on the evidence submitted by the appellants. The board of review asserts that 2007 and 2008 are in the same general assessment period for residential property. Furthermore, pursuant to Section 16-80 of the Property Tax Code (35 ILCS

200/16-80) the board of review contends the 2008 assessment is correct. Section 16-80 of the Property Tax Code provides in part:

. . . if the board of review lowers the assessment of a particular parcel on which a residence occupied by the owner is situated, the reduced assessment, subject to equalization, shall remain in effect for the remainder of the general assessment period as provided in Sections 9-215 through 9-225, **unless the taxpayer, county assessor, or other interested party can show substantial cause why the reduced assessment should not remain in effect** [Emphasis added.]

The board of review thus reported that the subject's 2007 assessment of \$88,325 was subjected to the township equalization factor of 1.0503 resulting in the 2008 assessment on appeal before the Property Tax Appeal Board.

The grid analysis consists of six comparable sales, where comparables #1 and #4 were the same sales presented in the appellants' appraisal as Sales #1 and #2. Only the four new sales presented by the board of review will be discussed herein. The four comparables are two-story frame dwellings similar in age to the subject. The homes range in size from 1,672 to 2,302 square feet of living area. Each of the comparables has a basement, two of which are finished, central air conditioning, a fireplace, and a garage ranging in size from 380 to 660 square feet of building area. The board of review reported that these four comparables sold between April and November 2007 for prices ranging from \$242,000 to \$343,500 or from \$142.66 to \$165.49 per square foot of living area including land.

Based on the foregoing evidence, the board of review requested confirmation of the subject's estimated market value as reflected by its assessment.

In rebuttal, the appellants argued the subject dwelling is not typical for factors such as, no windows in the front of the home on the first level and no formal dining room. Thus, appellants contend only an appraisal can properly consider and adjust for these differences. Appellants also submitted a new appraisal prepared for a refinance transaction with a valuation date of March 26, 2009 and an estimated market value of \$265,000. Lastly, the appellants provided an e-mail from Madelyn F. Long, Sr. Appraiser, Chief County Assessment Office, Lake County, stating as follows:

Per our conversation this morning, here is the new 2009 assessment value agreed upon to settle your appeal.

21,228	Land
<u>67,097</u>	Building
88,325	Total AV = Market Value of \$265,000

Thank you for agreeing to allow us to make this adjustment without having to hold a hearing.

[E-mail message dated November 23, 2009; Subject 2009 Residential Appeal 06-24-402-024]

Based on this evidence, the appellants requested an assessment reduction for the subject to \$87,330.

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.

Initially, the second appraisal submitted by the appellants will be addressed. Pursuant to the Official Rules of the Property Tax Appeal Board, rebuttal evidence is restricted to that evidence to explain, repel, counteract or disprove facts given in evidence by an adverse party. (86 Ill. Admin. Code, Sec. 1910.66(a)). Moreover, rebuttal evidence shall not consist of new evidence such as an appraisal or newly discovered comparable properties. (86 Ill. Admin. Code, Sec. 1910.66(c)). In light of these Rules, the Property Tax Appeal Board has not considered the appraisal submitted by appellants in conjunction with their rebuttal argument.

As to the legal contention made by the board of review in this proceeding, pursuant to Section 16-80 of the Property Tax Code (35 ILCS 200/16-80), the Property Tax Appeal Board finds the appellants have shown substantial cause why the 2007 reduced assessment of the subject owner-occupied property should not remain in effect. Therefore, the Property Tax Appeal Board finds that a reduction in the subject's 2008 assessment is warranted.

The appellants 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 appellants submitted an appraisal of the subject property with a final value conclusion of \$262,000, while the board of review submitted four unadjusted sales. Moreover, the board of review's comparable #4, which was presented by the appraiser as Sale #2, reflects an unadjusted sale price of \$131.45 per square foot of living area including land and supports the appraiser's value conclusion for the subject of \$134.50 per square foot of living area including land.

While the appraisal may lack some details as to the manner in which various conclusions were reached and questions can be raised as to adjustments made by the appraiser, in the end the

Property Tax Appeal Board finds that, despite the board of review's presentation of four other sales in the area, the appraisal submitted by the appellants estimating the subject's market value of \$262,000 or \$134.50 per square foot of living area including land is still the best evidence of the subject's market value in the record. Moreover, this estimate of value is further supported by a sale comparable suggested by both parties as discussed above.

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. Lerski

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: June 24, 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.