FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: John McCluskey
DOCKET NO.: 08-00626.001-R-1
PARCEL NO.: 06-13-302-005

The parties of record before the Property Tax Appeal Board are John McCluskey, 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:	$49,215
IMPR.:	$78,056
TOTAL:	$127,271

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of an 11,238 square foot waterfront parcel improved with a 60 year-old, two-story frame dwelling that contains 1,672 square feet of living area. The home features central air conditioning, a one-car garage and a partial unfinished basement.

The appellant appeared before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. In support of this argument, the appellant submitted an appraisal of the subject property with an effective date of August 28, 2008. The appraiser, who was not present at the hearing to provide direct testimony or be cross-examined regarding the appraisal methodology, selection of the comparables, adjustment process and amounts, or final value conclusion, utilized only the sales comparison approach in the report. The appraiser considered three comparables described as lakefront or waterfront lots ranging in size from 6,900 to 18,700 square feet of land area. The comparables were reported to be located approximately 3 miles

from the subject and are improved with ranch or two-story frame or brick and frame dwellings that range in age from 9 to 59 years and range in size from 1,122 to 1,708 square feet of living area. Features of the comparables include full or partial unfinished basements. Two comparables have central air conditioning and two-car garages and one has two fireplaces and a fence. The comparables were reported to have sold between January and Jun 2008 for prices ranging from $185,000 to $239,000 or from $139.93 to $168.20 per square foot of living area including land. The appraiser adjusted the comparables' sales prices for differences when compared to the subject, such as location, quality, condition, room count, living area, foundation, garage and other amenities. After adjustments, the comparables had adjusted sales prices ranging from $212,300 to $232.875 or from $127.61 to $189.22 per square foot of living area including land. Based on this analysis, the appraiser estimated the subject's market value by the sales comparison approach at $225,000. Based on this evidence the appellant requested the subject's assessment be reduced to $74,993, reflecting an approximate market value equivalent to the appraisal.

During the hearing, the appellant tendered a stipulation to the board of review suggesting a total assessment for the subject of $102,123, reflecting a market value of approximately $306,369. This offer was rejected by the board of review.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of $136,843 was disclosed. The subject has an estimated market value of $411,806 or $246.30 per square foot of living area including land as reflected by its assessment and the 2008 Lake County three-year median level of assessments of 33.23%.

In support of the subject's estimated market value the board of review submitted an appraisal of the subject with and effective date of January 1, 2008. The appraiser, who was not present at the hearing to provide direct testimony or be cross-examined regarding the appraisal methodology, utilized only the sales comparison approach in the report. The appraiser analyzed five comparable properties located 0.12 to 2.79 miles from the subject. The comparables consist of waterfront or channel-front parcels that range in size from 8,712 to 13,678 square feet that are improved with ranch, one and one-half-story or two-story homes. The comparables range in age from 11 to 76 years and range in size from 1,360 to 2,196 square feet of living area. Features of the comparables include decks, one-car to three-car garages and central air conditioning. Two comparables have basements, one of which contains 1,088 square feet of finished area and three comparables have a fireplace. Three of the comparables are located on Third Lake, like the subject, while two are located on Grayslake or Druce Lake. The comparables sold between February 2005 and October 2007 for prices ranging from $305,000 to $535,000 or from $156.49 to $393.38 per square foot of living area including land. The appraiser adjusted the comparables' sales prices when compared to the subject for such

factors as location, site size, age, room count, living area, foundation, garage size and other amenities. After adjustments, the comparables had adjusted sales prices ranging from $347,100 to $466,500 or from $183.53 to $343.01 per square foot of living area including land. The board of review also submitted a letter that indicates the appellant's appraisal comparable 1 is a foreclosure located on Grayslake and comparables 2 and 3 are "newer homes backing to small neighborhood ponds". The letter also indicated Grayslake does not allow power boating like Third Lake. In this letter, the board of review offered to reduce the subject's assessment to $127,654, reflecting an approximate market value of $383,000. Based on this evidence, the board of review requested confirmation of the subject's assessment.

During the hearing, the board of review's representative testified the appellant's comparables were in a different neighborhood and market area than the subject. The representative also testified the board of review's appraisal comparable 2 sold for $415,000 within about three months of the subject's January 1, 2008 lien date and, after adjustments, had an adjusted market value of approximately $383,000. The board of review's representative reiterated the offer to reduce the subject's assessment to reflect this sale. The appellant rejected the offer at the hearing.

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 Board further finds a reduction in the subject property's assessment is warranted.

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. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002). The Board finds the appellant met this burden of proof and a reduction in the subject's assessment is warranted.

The Board finds the parties submitted appraisal reports in support of their respective arguments. However, neither appraiser was present to provide direct testimony or be cross-examined regarding the appraisal methodology, selection of the comparables, adjustment process and amounts, or final value conclusion. Therefore, the Board gave no weight to the final value conclusion in either appraisal. However, the Board considered the eight sales within the reports. The Board gave less weight to the appellant's comparable 1 because it was asserted by the board of review to be a foreclosure sale, and to the appellant's comparables 2 and 3 because they were located on small subdivision ponds, not Third Lake like the subject. The Board finds the board of review offered to reduce the subject's assessment to $383,000, but this offer was refused by the appellant. As stated above, the Board cannot rely on the market

value conclusions for the subject in either of the appraisals submitted by the parties. However, the Property Tax Appeal Board finds the board of review offered to reduce the subject's assessment to reflect a market value of $383,000. The Board finds this offer is reasonable based on the evidence and testimony in this record. Using this value, the subject's assessment reflects a market value of $229.06 per square foot of living area including land, which is supported by the board of review's comparables 2 and 3, that the Board finds are the most similar comparables based on location, age and most features. Since market value has been established, the 2008 Lake County three-year median level of assessments of 33.23% 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.

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 22, 2010

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.