



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

APPELLANT: Dennis Desmond
DOCKET NO.: 09-03405.001-R-1
PARCEL NO.: 07-17-108-002

The parties of record before the Property Tax Appeal Board are Dennis Desmond, 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: \$23,678
IMPR.: \$74,902
TOTAL: \$98,580

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel is improved with a two-story frame single-family dwelling that was built in 1996 and is about 13 years old. The dwelling contains 2,287 square feet of living area with a full unfinished basement, a fireplace and an attached two-car garage of 420 square feet of building area. The subject property is located in Gurnee, Warren Township, Lake County.

A descriptive dispute regarding central air conditioning will be addressed initially. Both the appellant and the appellant's appraiser report the dwelling does not enjoy central air conditioning. While the board of review in its submission indicated the subject has this air conditioning feature, as noted by the appellant in rebuttal, the subject's property record card presented by the board of review in the comments states:

11/18/05 hp md remeasure & redraw - no a/c [Emphasis added.]

Thus, the Property Tax Appeal Board finds the best evidence in the record is that the subject dwelling does not feature central air conditioning.

The appellant's appeal is based on overvaluation of the subject property.¹ In support of this market value argument, the appellant submitted an appraisal prepared by John A. Andejaski, a State certified real estate appraiser who used two of the three traditional approaches to value. The appraiser concluded an estimated market value of \$285,000 for the subject property as of January 1, 2009. The report was prepared for the appellant to determine the fee simple rights of the property.

As to the subject dwelling, the appraiser noted the kitchen features hardwood cabinets and Formica counters.

Under the cost approach, the appraiser estimated the subject's land value at \$75,000 based on the recent sales of unimproved land along with the Northern Illinois Multiple Listing Service and spot builders. Using the Marshall Swift Cost Manual, the appraiser determined a replacement cost new for the subject dwelling including the basement, garage, porch and wood burning fireplace of \$266,510. Physical depreciation of \$45,307 was calculated using the age/life method using an age of 10 years and a remaining life of 50 years resulting in a depreciated value of improvements of \$221,203. Next, a value for site improvements of \$10,000 was added. Thus, under the cost approach, the appraiser estimated a market value of \$306,200 for the subject.

Under the sales comparison approach, the appraiser used sales of five comparable homes located between 0.15 and 0.33 miles from the subject property. The comparables consist of two-story frame exterior constructed dwellings which were 16 or 17 years old. The comparables range in size from 1,870 to 2,365 square feet of living area. Each of the comparables have a full or partial basement, four of which were finished with recreation rooms and two also had dens. Four of the dwellings also have central air conditioning and each has a wood burning fireplace and a two-car garage. These comparables sold between January and December 2008 for prices ranging from \$277,500 to \$300,000 or from \$122.20 to \$148.40 per square foot of living area including land.

In comparing the comparable properties to the subject, the appraiser made adjustments for above grade area, dwelling size, basement finish, air conditioning, and/or porch/patio/deck features. In the addendum, the appraiser wrote that the subject fits near the middle of the value range due to this market's balanced supply and demand. The appraiser's analysis resulted in adjusted sales prices for the comparables ranging from \$281,000 to \$298,800 or from \$121.23 to \$150.27 per square foot of living area, land included. From this process, the appraiser estimated a value for the subject by the sales comparison approach of

¹ In Section 2d of the petition, the appellant marked both recent appraisal and comparable sales as the bases of this appeal. In the Section V grid analysis, however, the appellant simply reiterated four of the five comparables listed in the appraisal and therefore, the analysis will focus on the appraisal which is in part based on an analysis of recent comparable sales.

\$285,000 or \$124.62 per square foot of living area including land.

In the final reconciliation, the appraiser concluded the sales comparison approach was the most reliable indicator of market value as it reflects the typical attitudes of buyers and sellers in this market and was also supported by the cost approach.

Based on this evidence, the appellant requested a reduction in the subject's total assessment to \$93,678 which would reflect a market value of approximately \$281,034.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$114,432 was disclosed. The final assessment of the subject property reflects a market value of \$348,241 or \$152.27 per square foot of living area including land using the 2009 three-year median level of assessments for Lake County of 32.86%. (86 Ill.Admin.Code §1910.50(1)).

As an initial response to the appellant's appeal, the board of review proposed an assessment reduction to \$103,323 or a market value of approximately \$310,000. The appellant was informed of this proposed assessment reduction and rejected the same as not reflected of the subject's appraised value.

The board of review thereafter was granted additional time in accordance with its pending request to submit additional evidence if the proposal was rejected by the appellant.

As to the appellant's appraisal, the board of review noted it did not agree with the value conclusion of the appraiser as four of the five sales considered were adjusted for dwelling size "and [the] adjustment used for AGLA [is] considered too low." Moreover, the comparable sales had to be adjusted for basement finish not enjoyed by the subject and comparable #5 was nearly a one-year-old sale as of the assessment date of January 1, 2009.

In support of the subject's estimated market value, the board of review submitted a grid analysis with adjustments of three suggested sales located within the subject's development and which were from .21 to .65 of a mile from the subject. Furthermore, these dwellings were within 24 square feet of the subject's dwelling size. The comparables are two-story frame or frame and masonry dwellings that were 15 or 17 years old. The dwellings contain either 2,306 or 2,311 square feet of living area and feature basements, one of which includes finished area. Each home features central air conditioning, a fireplace and either a two-car or a three-car garage. These properties sold between February and September 2008 for prices ranging from \$340,000 to \$365,500 or from \$147.44 to \$158.16 per square foot of living area including land.

The board of review's submission, while not a signed appraisal report, included adjustments to the comparables for differences

including lot size, exterior construction, number of bathrooms, basement finish, garage stalls and/or porch/patio/deck amenities. The exterior construction adjustments do not appear to be consistent in that comparable #1 was adjusted for its frame and brick exterior, but comparable #3 with the same exterior was not adjusted. Moreover, since the board of review reported the subject dwelling enjoys air conditioning, contrary to its own property record card, no adjustments to the comparables were made for this feature. The board of review's submission reflects adjusted sale prices ranging from \$333,500 to \$340,000 or from \$144.31 to \$147.44 per square foot of living area including land.

Based on the foregoing evidence, the board of review requested a reduction in the subject's assessment to \$111,656 which would reflect a market value of approximately \$335,000.

In written rebuttal, the appellant noted inconsistent adjustments made in the board of review's data concerning lot size, lack of adjustments for number of bedrooms and descriptive errors in the number of bathrooms for one of the comparables.

Furthermore, the appellant contends the subject's lower estimated market value is supported by its proximity to major power lines and tower, the low lying nature of the subject parcel which collects area rain, causes three pumps to run continuously during heavy rains and the fact that the home is prone to water seepage and some flooding during heavy rains and/or pump failure. Additionally, the subject dwelling has not had any updates like board of review comparable #2 which was updated since 2005 and would have been reflected in its 2008 sale price.

Next, the appellant performed an analysis of taxes paid by the subject as compared to the three comparables presented by the board of review. This analysis will not be further addressed on this record as the Property Tax Appeal Board is without jurisdiction to determine the tax rate, the amount of a tax bill, or the exemption of real property from taxation. (86 Ill.Admin.Code §1910.10(f)). A tax bill may be impacted by many different factors, including but not limited to, the exemptions an individual taxpayer may be entitled to.

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. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002). Proof of market value may consist of an appraisal, a recent arm's length sale of the subject property, recent sales of comparable properties, or recent construction costs of the subject property. 86

Ill.Admin.Code §1910.65(c). 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 \$285,000. The appellant's appraiser appears to have consistently adjusted the comparable sales in the appraisal report for differences in dwelling size at approximately \$30 per square foot, although the board of review argued this was "too low." While the board of review did not provide evidence or argument as to what the adjustment should have been, however the appellant did not file rebuttal evidence disputing this contention.

Both the appellant's appraiser and the board of review made somewhat similar adjustments for finished basement improvements ranging from \$4,000 to \$6,000. Additionally, each comparable presented by the appellant's appraiser was reduced by \$2,000 to reflect its air conditioning which was not enjoyed by the subject. The board of review's submission did not adjust for the air conditioning feature enjoyed by the comparables.

In summary, both parties presented a total of eight comparable sales with adjustments to support their respective positions before the Property Tax Appeal Board. The Property Tax Appeal Board finds that giving equal consideration to all eight sales which were close in proximity to the subject and similar to the subject in many respects along with adjustments for differences in dwelling size, finished basement, central air conditioning and/or other amenities, there is support from these sales that the subject is overvalued based on its assessment. The subject has an estimated market value of \$348,241 or \$152.27 per square foot of living area including land based on its assessment, which is higher than the most similar comparable sales #2 and #3 presented by the board of review which each enjoy central air conditioning and one of which has an additional garage stall when compared to the subject. These two properties sold in November 2007 and May 2008 for prices of \$340,000 and \$340,500 each.

Based upon the recent sale prices of the comparable sales in this record, the Property Tax Appeal Board finds that a reduction in the subject's assessment 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.

Ronald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mario Morris

Member

J. R.

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 19, 2012

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.