



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

APPELLANT: Louis Franchi
DOCKET NO.: 09-03412.001-R-1
PARCEL NO.: 15-28-317-008

The parties of record before the Property Tax Appeal Board are Louis Franchi, the appellant, by attorney Scott Shudnow of the Law Offices of Shudnow & Shudnow, Ltd., Chicago; and the Lake County Board of Review.

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: \$35,397
IMPR: \$111,599
TOTAL: \$146,996

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a two-story single family dwelling of frame construction that contains 2,648 square feet of living area. The dwelling was constructed in 1989 and is approximately 20 years old. Features of the home include an unfinished basement, central air conditioning, one fireplace and a two-car attached garage with 441 square feet of building area. The subject property has an 11,095 square foot site and is located in Buffalo Grove, Vernon Township, Lake County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal prepared by Israel J. Smith of I & M Valuation P.C. Smith is licensed as a Certified Residential Real Estate Appraiser by the State of Illinois. The purpose of the appraisal was to estimate the market value of the fee simple interest of the subject property as of January 1, 2009.

In estimating the market value of the subject property the appraiser developed the cost approach to value and the sales comparison approach to value.

Under the cost approach the appraiser first estimated the subject had a site value of \$92,000. The report indicated the site value was taken from local land sales as well as the extraction method when land sales were not available. The report further indicated that cost figures are estimated from recent new construction appraisals and modified per the appraiser's judgment. The appraiser estimated the subject dwelling had an estimated cost new of \$366,443. The appraiser estimated the subject suffered from \$78,529 in physical depreciation resulting in a depreciated cost of the improvement of \$287,914. The appraiser estimated the "as-is" value of the site improvements were \$5,000. Adding the components resulted in an estimated market value for the subject property under the cost approach of \$384,914.

Under the sales comparison approach the appraiser used three comparable sales. The comparables were improved with two-story single family dwellings described as ranging in size from 2,460 to 3,033 square feet of living area. The dwellings were constructed from 1979 to 1986 and ranged in age from 22 to 30 years old. Each property was located in Buffalo Grove from .18 to .50 miles from the subject property. Each comparable had a basement with two being finished. Additionally, each comparable had central air conditioning, 1 fireplace and garages ranging in size from 420 to 483 square feet of building area. The comparables had sites that ranged in size from 8,400 to 10,280 square feet of land area. The sales occurred from May 2008 to April 2009 for prices ranging from \$370,000 to \$400,000 or from \$131.71 to \$150.41 per square foot of living area, including land. The appraiser made adjustments to the comparables for living area, basement area and finished basement area. The adjusted sales prices ranged from \$359,000 to \$374,500. Based on these sales the appraiser estimated the subject property had a market value of \$372,000.

The report indicated the cost approach was given no consideration in the appraiser's final analysis due to insufficient market evidence to credibly support the site value and the derivation of depreciation. The appraiser gave most weight to the sales comparison approach to value and estimated the subject property had a market value of \$372,000 as of January 1, 2009. Based on this evidence the appellant requested the subject's assessment be reduced to \$123,988 to reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" wherein its final assessment of the subject totaling \$146,996 was disclosed. The subject's assessment reflects a market value of \$447,340 or \$168.94 per square foot of living area, land included, using the 2009 three year average median level of assessments for Lake County of 32.86%.

In rebuttal the Lake County Board of Review prepared a grid analysis of the comparable sales used in the appellant's appraisal and submitted copies of their respective property record cards. The board of review analysis indicated the appraisal comparables ranged in size from 2,220 to 2,470 square

feet of above grade living area. If one adds the finished basement area for appraisal comparables #2 and #3 of 563 and 650 square feet to the above grade living area for these properties, respectively, then the sizes match the total living area as reported in the appraisal. The board of review asserted that the comparables used by the appraiser were located in a different subdivision and were constructed by a different builder than the subject dwelling. The board of review also questioned the adjustments for full versus partial basements. The board of review further asserted the appraisal comparables sold for unadjusted prices ranging from \$150.41 to \$170.27 per square foot of living area, including land, while the appraised value conclusion of \$372,000 or \$140.48 per square foot of living area, including land, is below that range.

In support of the assessment the board of review submitted information on four comparable sales that were improved with two-story dwellings of wood construction that ranged in size from 2,256 to 2,838 square feet of living area. The dwellings were built in from 1985 to 1991 and were located in Buffalo Grove from .15 to .81 miles from the subject property. Each of these comparables had a basement that was partially finished, central air conditioning, one fireplace and garages containing either 420 or 441 square feet of building area. The comparables had lots ranging in size from 8,808 to 10,803 square foot of land area. The four comparables presented by the board of review sold in July 2008 and December 2008 for prices ranging from \$425,000 to \$523,000 or from \$169.83 to \$192.14 per square foot of living area, including land. The board of review indicated that comparables #1 through #3 were built by the same builder that constructed the subject dwelling. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In rebuttal the counsel argued the board of review submitted unadjusted raw sales and not a full, professional appraisal report to refute the appellant's appraisal. The attorney also submitted copies of the Multiple Listing Service sheets for the appraisal comparable sales to demonstrate the comparables have full basements with two being finished. He also asserted the appraisal comparables are in close proximity to the subject property.

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 the appeal. The Board further finds the evidence in the record does not support a reduction in the subject's assessment.

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). Proof of market value may

consist of an appraisal of the subject property, a recent sale, comparable sales or construction costs. (86 Ill.Admin.Code §1910.65(c)). The Board finds the appellant has not met this burden of proof and a reduction in the subject's assessment is not warranted.

The subject's total assessment of \$146,996 reflects a market value of \$447,340 or \$168.94 per square foot of living area, land included, using the 2009 three year average median level of assessments for Lake County of 32.86%. The appellant submitted an appraisal estimating the subject had a market value of \$372,000 as of January 1, 2009 while the board of review submitted comparable sales in support of the assessment.

Initially the Board finds the size of appraiser's comparable sales #2 and #3 are incorrect. The record indicates the appraiser included the finished basement area as part of the above grade living area. The Board finds the best indication of size for these two properties was presented by the board of review stating these properties had 2,470 and 2,220 square feet of above grade living area, respectively. Additionally, the Multiple Listing Service sheet for appraisal comparable sale #3 indicated this property had approximately 2,200 square feet, which supports the board of review evidence and is 670 square feet smaller than reported in the appraisal. Due to the misreporting of size of two of the three comparable sales, the Board gives the appraiser's conclusion of value little weight.

The Board finds the best evidence of market value in the record include the sales submitted by the parties, corrected for size as needed. The seven sales were improved with two-story dwellings that ranged in size from 2,220 to 2,838 square feet of living area. All were of relatively similar to the subject in location, exterior construction, age and features with the exception six had finished basements. The sales occurred from May 2008 to April 2009 for prices ranging from \$378,000 to \$523,000 or from \$150.41 to \$192.14 per square foot of living area, land included. Three comparables were described as being built by the same builder as the subject dwelling and sold in July and December 2008 for prices ranging from \$425,000 to \$523,000 or from \$183.23 to \$192.14 per square foot of living area, including land. The Board finds the assessment of the subject property reflects a market value of \$447,340 or \$168.94 per square foot of living area, land included, which is within the range established by all the comparables in the record but below those comparables built by the same builder on a square foot basis. Based on this record, the Board finds the evidence demonstrates the subject's assessment is reflective of the property's market value.

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.

Donald 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.