



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

APPELLANT: Michael Stein
DOCKET NO.: 10-02084.001-R-1
PARCEL NO.: 16-28-210-009

The parties of record before the Property Tax Appeal Board are Michael Stein, the appellant, by attorney Mitchell L. Klein, of Schiller Klein PC in 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: \$95,883
IMPR: \$164,091
TOTAL: \$259,974

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel contains approximately .41 acres of land (17,859 square feet) which is improved with a 2-story dwelling of brick and frame construction. The home was built in 1950 and contains 3,542 square feet of living area on a crawl-space foundation. Features of the home include central air conditioning, 2 fireplaces¹ and a garage that contains 550 square feet. The subject is located in Highland Park, West Deerfield Township, Lake County.

The appellant contends overvaluation based on an appraisal report. The appraisal report contained a value conclusion for the subject of \$675,000 as of January 1, 2010.

In the appraisal, the appraiser developed the sales comparison approach and the cost approach in estimating the fair market value of the subject property. In the sales comparison approach, the appraiser considered three comparable properties. The parcels range in size from 9,520 to 13,140 square feet of land area and are improved with 2-story dwellings of brick, brick and frame or stone and frame construction. The dwellings range in size from 2,786 to 3,196 square feet of living area and range in age from

¹ The appellant claims the dwelling contains 2 fireplaces. The board of review claims the dwelling contains 1 fireplace.

42 to 60 years. The comparables feature central air conditioning, fireplaces and 2-car garages. Two of the comparables feature full basements, one with finished area. The comparables sold in May 2008 or July 2009 for prices ranging from \$540,000 to \$755,000 or from \$193.83 to \$236.23 per square foot of living area including land.

The appraiser adjusted the comparables for site size, gross living area, room count, basement finish and modernization. The final adjusted sale prices ranged from \$567,680 to \$753,000 or from \$203.76 to \$235.61 per square foot of living area including land. Based on these adjusted comparables, the appraiser estimated the subject's fair market value based on the sales comparison approach to be \$675,000 or \$190.57 per square foot of living area including land.

In the cost approach the appraiser valued the land at \$170,000 or approximately \$9.50 per square foot of land area. Using the Marshall and Swift Cost Manual the replacement cost new was estimated to be \$692,790. The appraiser next calculated the physical depreciation using the age/life method to deduct \$98,235. Therefore the appraiser estimated the depreciated value of the improvement to be \$594,555. By adding back the site value, the appraiser estimated the subject's fair market value based on the cost approach to be \$764,600, rounded, or \$215.87 per square foot of living area.

In reconciliation, as stated in the addendum, the appraiser gave the greatest weight to the sales comparison approach since it best represents the actions of buyers and sellers, and valued the subject at \$675,000 as of January 1, 2010.

Based on this evidence, the appellant requested that the subject's total assessment be reduced to \$224,977 which reflects a market value of approximately \$675,000 at the statutory level of assessment of 33.33%.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$259,974 was disclosed. The assessment reflects an estimated market value of \$795,514 or \$224.59 per square foot of living area, land included, using the 2010 three-year median level of assessments for Lake County of 32.68% as determined by the Illinois Department of Revenue. (86 Ill.Admin.Code Sec. 1910.50(c)(1)).

In a letter, the board of review claims the comparables used by the appraiser are on smaller sites than the subject and have smaller above ground living area (AGLA) than the subject. The board of review claims the adjustments made by the appraiser for these differences were low, resulting in lower adjusted market values. These in turn contributed to a low value conclusion in the appraisal report.

In support of the subject's assessment, the board of review presented descriptions and information on five comparable

properties with one being appraisal sale #3. Comparables #1 and #2 had land sizes of 7,959 and 8,141 square feet of land area, but no land sizes were reported for comparables #3, #4 or #5. They are improved with 2-story brick, brick and frame or stone and frame dwellings built between 1929 and 1978. The dwellings range in size from 3,130 to 3,626 square feet of living area. The comparables feature full or partial basements, three with finished area, central air conditioning, 1 or 2 fireplaces and garages that range in size from 380 to 1,462 square feet². These properties sold between May 2008 and May 2010 for prices ranging from \$615,000 to \$850,000 or from \$169.61 to \$252.14 per square foot of living area. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In rebuttal, the appellant claims the board of review comparables are raw sales without adjustments. Additional data depicts three comparables had renovations.

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 Property Tax Appeal 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 must be proven 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 of the subject property or comparable sales. (86 Ill.Admin.Code Sec. 1910.65(c)). After an analysis of the evidence in the record, the Board finds a reduction in the subject's assessment is not warranted.

The Board finds the appellant submitted an appraisal of the subject property with a value conclusion of \$675,000 or \$190.57 per square foot of living area including land. The Board further finds all three of the comparable sites were smaller than the subject. The adjustment factor used by the appraiser ranged from \$1.77 to \$2.67 per square foot of land area. In the cost approach, the appraiser placed a value of \$9.44 per square foot of land area on the subject site, which is inconsistent with the adjustment amount. Furthermore, in the cost approach, the appraiser placed a value on the subject's improvement, after depreciation, of \$167.86 per square foot of living area, but adjusted the comparables for size differences by \$30 per square foot of living area. The Board finds the board of review's claim that the adjustment factors used by the appraiser are low is credible. The Board further finds the appraiser's value conclusion of \$675,000 or \$190.57 per square foot of living area is less than all three adjusted sale prices on a per square foot

² One comparable had both an attached and detached garage.

basis. Therefore, based on this evidence, the Board finds the value conclusion in the appraisal report is not a reliable and valid indicator of the subject's estimated market value.

The Board will instead analyze the raw sales from all parties. The Board finds the appellant's comparable #3 and the board of review comparables #4 and #5 were dated and on this record were not reliable or credible indicators of the subject's market value as of January 1, 2010 as other record evidence of more proximate sales. The appellant's comparable #1 and the board of review comparables #1, #2 and #5 are also dissimilar from the subject in that they have finished basements as opposed to crawl-space foundations. Therefore these comparables received less weight in the Board's analysis for these differences.

The Board finds appellant's comparable #2 and the board of review comparable #3 are most similar to the subject in age, size, style, and features and sold proximate to the subject's assessment date of January 1, 2010. These comparables sold for \$632,500 and \$850,000 or for \$212.82 and \$236.90 per square foot of living area including land. The subject's assessment reflects an estimated market value of \$795,514 or \$224.59 per square foot of living area, land included, which is between the prices of these two most similar comparables and particularly well supported by appellant's comparable #2. After adjusting these comparable sales for differences from the subject, the Board finds the subject's estimated market value based on its assessment is well supported.

Therefore, the Board finds the appellant has not proven by a preponderance of the evidence that the subject is overvalued, and no 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.

Donald R. Cuit

Chairman

[Signature]

Member

[Signature]

Member

[Signature]

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: March 22, 2013

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.