FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Riva Ridge Residential Association
DOCKET NO.: 10-02497.001-R-3 through 10-02497.035-R-3
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Riva Ridge Residential Association, the appellant, by attorney Donald T. Rubin of Rubin & Norris, in Chicago; the Lake County Board of Review; and Community High School District 128 and Hawthorn School District #73, intervenors, by attorney Scott E. Nemanich of Hinshaw & Culbertson, LLP, in Lisle.

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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
10-02497.001-R-3	11-27-308-030	38,634	76,837	$115,471
10-02497.002-R-3	11-27-308-031	38,634	76,837	$115,471
10-02497.003-R-3	11-27-308-032	38,634	79,086	$117,720
10-02497.004-R-3	11-27-308-033	38,634	76,837	$115,471
10-02497.005-R-3	11-27-308-034	38,634	86,438	$125,072
10-02497.006-R-3	11-27-308-035	38,634	69,689	$108,323
10-02497.007-R-3	11-27-308-036	38,634	79,040	$117,674
10-02497.008-R-3	11-27-308-037	38,634	77,894	$116,528
10-02497.009-R-3	11-27-308-038	38,634	86,438	$125,072
10-02497.010-R-3	11-27-308-039	38,634	76,837	$115,471
10-02497.011-R-3	11-27-308-040	38,634	76,837	$115,471
10-02497.012-R-3	11-27-308-042	38,634	61,855	$100,489
10-02497.013-R-3	11-27-308-043	38,634	61,855	$100,489
10-02497.014-R-3	11-27-308-044	38,634	63,930	$102,564
10-02497.015-R-3	11-27-308-045	38,634	61,855	$100,489
10-02497.016-R-3	11-27-308-046	38,634	67,114	$105,748
10-02497.017-R-3	11-27-308-047	38,634	67,114	$105,748
10-02497.018-R-3	11-27-308-048	38,634	63,930	$102,564
10-02497.019-R-3	11-27-308-049	38,634	63,542	$102,176
10-02497.020-R-3	11-27-308-050	38,634	61,855	$100,489
10-02497.021-R-3	11-27-308-051	38,634	63,930	$102,564
10-02497.022-R-3	11-27-308-052	38,634	67,114	$105,748
10-02497.023-R-3	11-27-308-053	38,634	63,930	$102,564

10-02497.024-R-3	11-27-308-054	38,634	73,753	$112,387
10-02497.025-R-3	11-27-308-055	38,634	73,753	$112,387
10-02497.026-R-3	11-27-308-056	38,634	73,753	$112,387
10-02497.027-R-3	11-27-308-057	38,634	73,753	$112,387
10-02497.028-R-3	11-27-308-058	38,634	80,306	$118,940
10-02497.029-R-3	11-27-308-059	38,634	80,306	$118,940
10-02497.030-R-3	11-27-308-060	38,634	76,914	$115,548
10-02497.031-R-3	11-27-308-061	38,634	80,306	$118,940
10-02497.032-R-3	11-27-308-062	38,634	80,306	$118,940
10-02497.033-R-3	11-27-308-063	38,634	74,917	$113,551
10-02497.034-R-3	11-27-308-064	38,634	75,667	$114,301
10-02497.035-R-3	11-27-308-065	38,634	73,753	$112,387

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is the newest phase of a condominium development consisting of a total of 361 units. The subject property consists of 35 condominium units consisting of three models of frame exterior construction that are 1.25-story, 1.5-story or 1.75-story structures. Model A contains 2,133 square feet of living area; Model B contains 2,351 square feet of living area; and Model C contains 2,370 square feet of living area.[1] The units have either partial or full basements ranging in size from 277 to 1,908 square feet of building area. The units were constructed in 1995 and include central air conditioning, a fireplace and an attached 400 square foot garage. The condominium development is located in Libertyville, Libertyville Township, Lake County.

In Section 2d of the Residential Appeal petition, the basis of the appeal was "recent sale" and "comparable sales" which indicate the appeal is based on overvaluation of the subject parcels. In a brief presented with the appeal, counsel for the appellant contends that the 2010 assessments of the subject units range from $100,489 to $154,105.[2] The appellant further contends these assessments reflect estimated market values from $301,467 to $463,361 or "approximately $175 per square foot [including land]."

[1] The appellant reported the dwellings range in size from 2,133 to 2,486 square feet of living area, but provided no evidence to support the contention. The board of review reported the dwelling sizes only rise to 2,370 square feet and submitted property record cards with schematic drawings to support the assertion. For purposes of this decision, the best evidence of dwelling sizes was presented by the board of review.

[2] Based on the Notices of Findings by Lake County Board of Review that were attached to the appeal, the highest contested assessment was actually $125,072.

In support of the appellant's overvaluation contention, counsel for the appellant submitted a spreadsheet of three sales and two listings with list prices, dates of listings, sale prices, dates of sale, dwelling size and "% difference LP to SP." Comparables #1, #2 and #3 are within the subject's phase of the development, but only comparables #2 and #3 with listing prices are on appeal in this matter. Two additional sales are located nearby in the "Riva Ridge Development."

Comparable #1 is located within the subject development, but is not part of this appeal. The parcel number is 11-27-308-041 and this unit (Model A) contains 2,133 square feet of living area. The property sold in March 2009 for $271,000 or $127.05 per square foot of living area, including land. The sale price was reportedly 7.8% less than the listing price.[3] Furthermore, in the brief, counsel asserted this unit has a total 2010 assessment of $89,729 or an estimated market value based on its assessment of approximately $269,214 or $126.21 per square foot of living area, including land, at the statutory level of assessment which is below its recent sale price.

Comparables #4 and #5 are nearby units that contain 2,486 square feet of living area. These properties sold in March and August 2010 for prices of $307,000 and $332,200 or $123.49 and $133.63 per square foot of living area, including land. The appellant's counsel further reported that these sale prices reflected downward adjustments of 5.5% and 7.8%, respectively, from the original listing prices for these units.

Comparables #2 and #3 contain 2,351 and 2,370 square feet of living area. These properties have reported listing dates in November 2010 with asking prices of $265,000 and $334,900 or $112.72 and $141.30 per square foot of living area, including land. In the brief, counsel for the appellant contended the average decline was 7% from the listing price to sale price and thus, allowing for a like decline to these two listings would reflect an average adjusted price per square foot of $124.06.

Based on this evidence and argument, the appellant requested application of the market value of $127.05 per square foot of living area, including land, to the units within the development or a unit assessment of $42.35 per square foot of building area, including land.

The board of review submitted its "Board of Review Notes on Appeal" wherein the total assessment of all 35 parcels of $3,900,471 was disclosed. The assessments of the various units range from an estimated market value of $307,494 to $382,717 when applying the 2010 three year average median level of assessment for Lake County of 32.68% as determined by the Illinois Department of Revenue.

[3] A copy of the Multiple Listing Service sheet for this property was included in the appellant's submission. The property was listed in December 2008 for $309,900 and was later reduced to $293,900 before it sold for $271,000.

The board of review submitted data gathered by the Libertyville Township Assessor which included a letter and additional evidence. As to the appellant's comparable #1, the assessor contends this was an "unqualified sale" as it was sold by a financial institution and was not considered by the assessor when determining the 2010 assessed values.[4] The assessor further asserted the listings presented by the appellant "will not be used to determine market values by our office until they actually sell." Comparables #4 and #5 are located in an older phase of the development and these properties lack basements whereas each of the properties on appeal have a basement. As to the appellant's requested assessments reflecting marketing values of $126.21 to $127.05 per square foot of living area, including land, the assessor contends these values fail to consider the differences in basement size of the various units which range from having only 15% basement up to 100% basement area.

In support of the subject's assessment, the assessor reported in the letter that there were only three qualified sales of properties in the subject's phase from 2007 to 2009. As depicted in a sales ratio study, the sale prices ranged from $191,809 to $259,338 or from $151.00 to $182.84 per square foot of living area, including land for units that contained 2,133 or 2,351 square feet of living area. The sales occurred from March to June 2008. Two of the properties have full basements and one has "48% basement."

The assessor further stated, "Due to the lack of recent sales in the subject's phase, our office searched for recent sales in other phases of Riva Ridge." In a spreadsheet, the assessor reported on 12 comparable sales that are older than the subject and lack basements that the subject properties enjoy. The comparables consist of 1.5-story to 2-story units of frame construction that range in size from 1,770 to 2,486 square feet of living area. The dwellings were constructed from 1985 to 1992. None of the comparables have the same neighborhood code as the subject properties. Each of the comparables has a concrete slab foundation, central air conditioning, a fireplace and a 400 square foot garage. The comparables sold from June 2009 to August 2010 for prices ranging from $235,000 to $332,000 or from $102.99 to $156.50 per square foot of living area, including land.

The Libertyville Township Assessor further contended that the estimated market values of the subject properties range from $128.24 to $175.93 per square foot of living area, including land, based upon their 2010 assessment. The assessor contends that when analyzed against these sales of inferior properties, the subject's values are correct.

[4] The assessor included a copy of the Real Estate Transfer Declaration for this property which indicated the property had been advertised prior to sale.

Based on this evidence, the board of review requested confirmation of the subject's assessments.

By correspondence dated May 31, 2012, the intervening taxing districts adopted the evidence submitted by the board of review.

In written rebuttal, the appellant through counsel contends this appeal concerns a lack of uniformity in assessments for the subject properties. The appellant reiterated that the assessment of parcel number 11-27-308-041 (appellant's sale #1) is substantially lower than all other properties in the subject's phase of the development. The appellant further contends that this property received an assessment reduction in 2009 equivalent to its "short sale" price of $271,000 from the Lake County Board of Review. For further support for an assessment reduction based upon uniformity, counsel cited to the case of Cook County Board of Review v. Property Tax Appeal Board, 403 Ill.App.3d 139 (1st Dist. 2010).

As to the assessor's argument regarding appellant's comparable sale #1, counsel contends that this property has the largest basement size within the development of 1,900 square feet and thus, application of this value to the comparables represents the high end of assessed values for the subject properties which may have inferior basement sizes.

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 a reduction in the subject's assessment is not 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); 86 Ill.Admin.Code §1910.63(e). 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 did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The subject's assessments reflect a market value ranging from $130.79 to $179.43 per square foot of living area, including land, for these 35 subject properties that range in size from 2,133 to 2,370 square feet of living area and have basements ranging in size from 277 to 1,908 square feet of building area. Additional features of each of the comparables are central air conditioning, a fireplace and a 400 square foot garage.

For this market value argument, the appellant presented three sales and two listings in support of reductions to these 35 condominium units located in the same phase of the development which were built in 1995. The Board has given less weight to

sales #4 and #5 presented by the appellant as these dwellings were located in a different phase of the development and each home lacks a basement which exists in varying sizes in each of the 35 subject properties. Of the remaining comparables presented by the appellant, one sale and two listings were located in the same phase of the subject's development. These three comparables were given substantial weight in the Board's analysis and sold or had asking prices ranging from $112.72 to $141.30 per square foot of living area, including land. The subject's estimated market value based on its assessment appears somewhat supported by these most similar sales and listings given differences in dwelling sizes and/or basement sizes for the 35 subject properties which makes individual analysis of the similarities and differences in the properties nearly impossible given the manner in which the appeal data was presented.

In response to this appeal, initially the board of review presented three sales in the subject's phase of the development. The Board has given some weight to these three sales in its analysis given the similarity in location, age, size and/or features of these comparables to the subject properties. These comparables sold from March to June 2008 for prices ranging from $151.00 to $182.84 per square foot of living area. While these sales are less proximate in time to the assessment date of January 1, 2010, the sales reflect the subject's phase of the development and further support the subject's estimated market values based on the assessments with appropriate adjustments for date of sale/time.

In addition, the board of review presented twelve sales of comparables that are each older than the subject dwellings. These comparable dwellings range in size from 1,770 to 2,486 square feet of living area. Furthermore, these comparables have concrete slab foundations which are inferior to the subjects' basement foundations that range in size from 277 to 1,908 square feet of building area. These twelve properties sold between June 2009 and August 2010 for prices ranging from $102.99 to $156.50 per square foot of living area, including land. These sales present a median sales price of $125.81 per square foot, including land, and a mean sales price of $129.47 per square foot, including land. Given upward adjustments to these comparables for lack of a basement and other differences, these sales further indicate that the subject properties are not overvalued.

In conclusion, based on the totality of the evidence in this record the Property Tax Appeal Board finds that the appellant did not demonstrate by a preponderance of the evidence that the subject parcels were overvalued and reductions in the subject's assessments are not 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.

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: June 21, 2013

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.