



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

APPELLANT: Sunset Realty
DOCKET NO.: 10-04829.001-R-1
PARCEL NO.: 16-23-419-002

The parties of record before the Property Tax Appeal Board are Sunset Realty, 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 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: \$63,778
IMPR: \$63,815
TOTAL: \$127,593

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a two-story dwelling of frame construction containing 1,772 square feet of living area. The dwelling was constructed in 1940. Features of the home include an unfinished basement, central air conditioning and a detached two-car garage of 400 square feet of building area. The property has an 8,721 square foot site and is located in Highland Park, Moraine Township, Lake County.

The appellant's appeal is based on overvaluation.¹ In support of this argument, the appellant submitted an appraisal estimating the subject property had a market value of \$360,000 as of January 1, 2009. The appraisal was prepared by Tahir Jaffery, a State of Illinois Certified Residential Real Estate Appraiser, who was supervised by Dale R. Shea, a State of Illinois Certified General Real Estate Appraiser. In estimating the market value of the subject property the appraiser developed the sales comparison approach to value.

¹ The subject property was the subject matter of an appeal under Docket No. 09-02469.001-R-1 in which the parties stipulated to a reduced assessment of \$135,839. The dwelling is not an owner-occupied residence and thus the provisions of Section 16-185 of the Property Tax Code do not apply to this property. (35 ILCS 200/16-185).

The appraiser reported the subject is in below average condition for its effective age of 50 years and remaining economic life of 10 years. However inspection of the property was done from the exterior only and "therefore, the appraiser assumes that the external condition of the property reflects the internal condition." Evidence of water damage to the exterior was visible and parts of the frame siding was loose.

Using the sales comparison approach, the appraiser provided information on five comparable sales located from .46 to 1.11-miles from the subject property. The comparables were described as two-story dwellings of brick, stucco or brick and frame exterior construction that range in size from 1,515 to 2,003 square feet of living area. The dwellings range in age from 59 to 95 years old. Features of the comparables include a full or partial basement, four of which include finished area and one of which includes a bathroom. Three comparables have central air conditioning and each has a fireplace and a one-car or a two-car garage. The comparables have sites ranging in size from 7,202 to 10,001 square feet of land area. The comparables sold from May 2007 to April 2009 for prices ranging from \$376,000 to \$450,000 or from \$197.20 to \$248.18 per square foot of living area, including land.

In an addendum on page 12 of the report, the appraiser discussed the adjustment process in detail. After making adjustments to the comparables for differences from the subject the appraiser calculated that the comparables had adjusted prices ranging from \$349,065 to \$371,210 or from \$177.14 to \$230.41 per square foot of living area, including land. Based on this data the appraiser estimated the subject had an estimated value under the sales comparison approach of \$360,000 or \$203.16 per square foot of living area, including land.

Based on this evidence, the appellant requested a reduction in the subject's total assessment to \$127,593 which would reflect a market value of approximately \$382,779.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of \$143,333 was disclosed. The subject's assessment reflects a market value of \$438,595 or \$247.51 per square foot of living area, including land, 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.

The board of review submitted a two-page letter with criticisms of the appellant's appraisal and discussing the board of review's suggested comparable sales. The board of review contends the effective date of the appraisal is "dated" because it is 12 months prior to the assessment date of January 1, 2010. Next, the board of review notes the range of unadjusted sales prices and finds that the value conclusion is "below four of the five comparables utilized, and, two are higher than the subject's assessed market value of \$242.69 per sq. ft of AGLA." Lastly, it

was noted there were "significant" downward adjustments for condition when compared to the subject, but the inspection was exterior only. In conclusion, the board of review does not believe the value conclusion of the appraisal is reflective of the subject's market value as of the assessment date at issue.

In support of the subject's estimated market value, the board of review submitted information on four comparable sales located from .35 to .99 of a mile from the subject. Board of review comparable #1 is the same property presented by the appraiser as sale #1. The board of review's comparable parcels range in size from 5,200 to 12,746 square feet of land area. The lots are improved with 1.5-story, 1.75-story or 2-story dwellings of brick, frame or brick and frame exterior construction that range in size from 1,459 to 1,761 square feet of living area. The dwellings were constructed from 1923 to 1937. Features of the comparables include a basement, three of which have finish area. Two of the comparables have central air conditioning and each has a fireplace and a garage ranging in size from 216 to 360 square feet of building area. None of the comparables have the same neighborhood code as the subject property. The comparables sold from June 2009 to December 2010 for prices ranging from \$367,500 to \$420,000 or from \$221.39 to \$277.59 per square foot of living area, including land.

Based on this unadjusted sales evidence that brackets the subject's estimated market value, the board of review requested confirmation of the subject's assessment.

In written rebuttal, counsel for the appellant contends the board of review's sales data is "raw" in that it has not been adjusted for differences from the subject. In addition, the appellant provided Multiple Listing Service sheets for the sales comparables presented by the board of review which reflect that each dwelling has had substantial remodeling and updating. For instance, the listing sheet for comparable #1 which appellant's appraiser reported to be in "average" condition includes "17 new Pella windows . . . new sump pump w/back up battery, newer mechanicals"

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 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 met this burden of proof and a reduction in the subject's assessment is warranted.

The appellant submitted a copy of an appraisal of the subject property with a valuation as of January 1, 2009. The appellant's appraiser developed the sales comparison approach to value and adjusted the comparables for differences including quality issues such as the evidence revealed regarding sale #1 which was also a property presented by the board of review. The sales utilized by the appraiser were similar to the subject in location, size, style, features, age and/or land area. While the appellant's appraisal has a valuation date of January 1, 2009, examination of the report reveals that only sale #5 that occurred in May 2007 was given an adjustment for time/date of sale whereas the remaining sales were not adjusted for time and occurred from July 2008 to April 2009. The appraiser's opinion of the subject's market value is below the estimated market value reflected by the assessment.

Less weight was given the comparable sales presented by the board of review due to differences from the subject in updating and remodeling as reported by the appellant in rebuttal.

In addition, the stipulation of the parties to an assessment reduction for 2009 to \$135,839 further supports the contention, in the absence of evidence of upgrades or improvements to the structure, that the subject's 2010 assessment of \$143,333 may be excessive. (86 Ill.Admin.Code §1910.90(i)).

Based on this record as a whole, the Board finds the subject property is overvalued and a reduction in the subject's assessment in accordance with the appellant's request 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: May 24, 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.