FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Mary Meng
DOCKET NO.: 11-02801.001-R-1
PARCEL NO.: 05-10-105-021

The parties of record before the Property Tax Appeal Board are Mary Meng, the appellant, by attorney Scott Shudnow of Shudnow & Shudnow, Ltd., 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:	$77,612
IMPR.:	$96,704
TOTAL:	$174,316

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Lake County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2011 tax year. The Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal.

Findings of Fact

The subject property consists of three buildings, a 1.5-story dwelling of brick construction which was constructed in 1950 containing 3,630 square feet of above ground living area and with a finished basement consisting of two studio apartments along with two cottages of approximately 678 and 361 square feet, respectively. Features of the primary building include

central air conditioning, a fireplace and a 528 square foot garage. The cottages have window air conditioning units. The property has an eastern border along the lakefront of Fox Lake and the cottages are located in the 100 year flood plain area such that they could not be rebuilt if damaged by flood. The property has a 25,439 square foot site and is located in Fox Lake, Grant Township, Lake County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted a restricted use appraisal estimating the subject property had a market value of $390,000 as of January 1, 2011 after utilizing the three approaches to value, the cost approach, the sales comparison approach and income approach. The subject property is a part owner-occupied (the primary home unit) and part rental property (two basement efficiencies and two cottages).

In the reconciliation as set forth in the Supplemental Addendum, the appraiser gave some consideration to the cost approach and gave considerable weight to the sales comparison approach. The appraiser specified that no consideration or weight was given the income approach in the final opinion of value.

Based on the evidence, the appellant requested an assessment reflective of the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of $174,316. The subject's assessment reflects a market value of $537,680 or $115.16 per square foot of total living area of 4,669 square feet consisting of the dwelling and two cottages, land included, when using the 2011 three year average median level of assessment for Lake County of 32.42% as determined by the Illinois Department of Revenue.

As part of the appeal, the board of review reported that the subject property was offered for sale in March 2011 with an asking price of $775,000 which was subsequently reduced to $650,000. This listing was cancelled in August 2011.

As to the appellant's appraisal report, the board of review noted issues with the sales comparables presented in the report. Comparable #1 is non-waterfront and has three apartment buildings with 22 units or 26,736 square feet of living area. Comparable #2 is a 2008 sale of a non-waterfront, "non-conforming" four unit older residential style building of 2,316 square feet which is in need of repair and renovation on a much

larger parcel. Comparable #3 is waterfront, but is a 4,536 square foot apartment building. While the appraiser reportedly made adjustments to the comparables, the report contains no grid which summarizes how an indicated market value range for the comparables was derived and thus supports the appraiser's value conclusion.

In support of its contention of the correct assessment the board of review submitted information on four comparable sales located on the waterfront and within .74 of a mile of the subject. Three of the comparables are residential style and one is a residential style four-unit building. Based on this evidence and argument, the board of review requested confirmation of the subject's assessment.

In rebuttal, counsel for the appellant asserted the board of review provided "no specific evidence refuting the appraiser's fair market value determination." To the extent that the board of review submitted comparable sales, there are no adjustments to this data for differences from the subject. As to the listing of the subject property, counsel contends after no interest was shown even at the reduced asking price the listing was cancelled.

As to the board of review's suggested comparable sales, in reliance upon unspecified data, counsel argued the properties "contain significant upgrades."

Conclusion of Law

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. 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 Board gives no weight to the appellant's appraisal report in this matter. While counsel for the appellant vehemently argued that this income producing property should be valued using the income approach, even the appellant's appraiser placed no reliance upon the income approach to value.

The courts have stated that where there is credible evidence of comparable sales these sales are to be given significant weight as evidence of market value. In Chrysler Corporation v. Property Tax Appeal Board, 69 Ill. App. 3d 207 (2nd Dist. 1979), the court held that significant relevance should not be placed on the cost approach or income approach especially when there is market data available. In Willow Hill Grain, Inc. v. Property Tax Appeal Board, 187 Ill. App. 3d 9 (5th Dist. 1989), the court held that of the three primary methods of evaluating property for the purpose of real estate taxes, the preferred method is the sales comparison approach. The Board finds there are credible market sales contained in this record. Thus, the Board placed most weight on this evidence.

Of the sales in the record, the Board places no weight in the sales contained in the appellant's appraisal as comparable #1 is a dissimilar 22-unit property and comparables #2 and #3 sold in 2008, a date most remote in time to the valuation date at issue of January 1, 2011 and thus, less likely to be indicative of the subject's market value as of the valuation date at issue.

The Board has also placed reduced weight on board of review comparable #3 as this dwelling is significantly newer and smaller than the subject property.

The Board finds the best evidence of market value to be board of review comparable sales #1, #2 and #4 as these properties were most similar to the subject in location, age, size and/or features along with comparable #4 being a multi-family property. These board of review comparables sold for prices ranging from $525,000 to $562,230 or from $177.36 to $190.78 per square foot of living area, including land. The subject's assessment reflects a market value of $537,680 or $115.16 per square foot of living area, including land, which is below the range established by the best comparable sales in the record both in terms of overall value and on a per-square-foot basis. Based on this evidence the Board finds a reduction in the subject's assessment is not justified.

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: September 19, 2014

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.