



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

APPELLANT: Judah Group, LLC
DOCKET NO.: 16-02110.001-C-1
PARCEL NO.: 08-30-211-052

The parties of record before the Property Tax Appeal Board are Judah Group, LLC, the appellant, by Josefina Lozano, Attorney at Law in Zion; and the Lake County Board of Review.

Based on the facts and exhibits presented in this matter, 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: \$40,708
IMPR.: \$66,264
TOTAL: \$106,972

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 2016 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 a two-story brick retail/office-oriented building that was constructed in 1973. The building consists of two units with a combined building area of 8,080 square feet. The property has a 31,262 square foot site and is located in Waukegan, Gurnee Township, Lake County.

Attorney Josefina Lozano appeared before the Property Tax Appeal Board on behalf of the appellant contending overvaluation as the basis of the appeal. In support of this argument, appellant's counsel submitted information on the sales of three comparable properties located within .27 of a mile from the subject. Comparables #1 and #2 are adjacent commercial/retail parcels under common ownership. Each property is improved with a 1-story brick commercial building containing 10,320 and 7,560 square feet of building area, respectively.¹ The structures

¹ Appellant's grid analysis shows that comparables #1 and #2 contain 10,320 and 7,560 square feet of building area, respectively, and is based on information obtained by appellant's counsel from Waukegan Township. The property

were built in 1965 and 1984 and have sites containing 24,829 and 74,026 square feet of land area, respectively. Comparable #3 is improved with a 1-½-story industrial warehouse with 10,800 square feet of building area, along with a single-family home. The structures were built in 1940 and are situated on one lot containing 38,454 square feet of land area.² Appellant's three comparables sold in either September 2015 or January 2016 for prices of \$370,000 or \$400,000 or from \$32.73 to \$52.91 per square foot of building area, including land.

Ms. Lozano called Fathi Judah, one of the owners of the subject property, as her witness. Mr. Judah testified that he and his brother purchased the property in 2004. The first floor is occupied by Royal Furniture which is his brother's business. The second floor was rented for about 1-½ years by a Zumba business. They moved out seven years ago and the second floor has not been rented since that time as the county requires certain modifications to the second floor before it can be offered for rent. He testified that appellant's comparables #1 and #2 are the best comparables as they are located right across the street from the subject.

Based on the above evidence and testimony, the appellant requested a reduction in the subject's total assessment to \$99,500 which reflects a market value of approximately \$300,000 or \$37.13 per square foot of building area, land included.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$106,972. The subject's assessment reflects a market value of approximately \$322,593 or \$39.92 per square foot of building area, land included, when using the 2016 three-year average median level of assessment for Lake County of 33.16% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment, the board of review submitted a grid analysis and property record cards on five comparable sales, with board of review comparable #5 being the same properties as appellant's comparables #1 and #2. The board of review also submitted a brief, property record cards, listing sheets, and transfer declarations in response to the appellant's evidence. The five board of review comparables are located from .05 of a mile to 2.20 miles from the subject and consist of one-story and two-story brick and masonry commercial buildings that were built from 1955 to 1984. The comparables have sites ranging in size from 7,300 to 98,881 square feet of land area. Four of the sites are each improved with one building ranging in size from 5,096 to 8,160 feet of building area, while comparable #5, according to the board of review's grid analysis, contains two buildings containing either 7,500 or 7,560 square feet of building area. The properties sold from September 2014 to January 2017

record cards provided by the board of review state that the buildings contain 7,500 and 7,560 square feet of building area, respectively, however, the listing sheet for these properties, which was also provided by the board of review, states that the properties contain a combined total building area of 18,000 square feet. Mr. Paslawsky testified that the buildings have approximately 16,000 square feet of combined building area. The Board finds that although there is conflicting evidence on the precise building area of comparable #1, the appellant's grid analysis to be the most credible estimate of size.

² Some details regarding appellant's comparable #3 were corrected or supplemented by testimony at the hearing and the property record card and listing sheet submitted by the board of review. The listing sheet for comparable #3 shows there are three warehouses on the site with a combined gross building area of approximately 10,800 square feet.

for prices ranging from \$318,000 to \$800,000 or from \$38.97 to \$72.41 per square foot of building area, including land.

Assistant Lake County State's Attorney Gunnar Gunnarson appeared on behalf of the Board of Review and called John Paslowsky, chief appraiser for the Lake County Board of Review, as his witness. Mr. Paslowsky testified that he has been an appraiser for about 40 years and is a certified general appraiser in Illinois and Wisconsin. He has been an alternate member of the Lake County Board of Review since 2008 and has worked in the Lake County Supervisor of Assessments' Office since 2010.

Mr. Paslowsky testified that he is familiar with the commercial real estate market in Waukegan. He has visited the site of the subject property and described it as an approximately 8,080 square foot commercial property located on Green Bay Road which is a major corridor in Waukegan. He said the building fits in with the neighborhood, which includes other retail businesses such as hotels, car dealerships, and grocery stores.

Mr. Paslowsky further testified that he chose the five board of review comparables to bracket the subject and to illustrate the stability of the market. He stated that he placed less emphasis on board of review comparable #1 due to its distance of 2.20 miles from the subject and its smaller site size. He testified that he chose comparable #2 primarily because of its similar building size when compared to the subject although it had a smaller site size, inferior parking and was accessed from a side street, dissimilar to the subject. He testified that comparable #5 consisted of a 6-unit strip mall consisting of two separate buildings that are located on two adjoining parcels. The two parcels sold for a total of \$800,000. Separate deeds and transfer declarations were recorded for each of the two parcels and the sale price was allocated at \$400,000 each by agreement of the parties and was, therefore, arbitrary.

On cross-examination, appellant's counsel asked Mr. Paslowsky's for the basis of his opinion that the allocation of \$400,000 for each parcel was arbitrary. He stated his opinion was based in part on the \$800,000 sale being split 50/50 between the two tracts but also on the fact that buildings of approximately 10,000 square feet and 6,000 square feet with such disparate land areas would not sell for the same exact price.

Appellant's counsel submitted a rebuttal brief in response to the board of review's evidence arguing that board of review comparable #4, which sold after the filing deadline for the county appeal, be disregarded.

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 parties submitted a total of eight comparable sales to support their respective positions before the Property Tax Appeal Board although appellant's comparables #1 and #2 are the same properties that comprise board of review comparable #5. The Board gave less weight to appellant's comparable #3 which is an industrial warehouse according to appellant's grid analysis and, according to the listing sheet provided by the board of review, is comprised of multiple warehouse buildings, along with a frame residential dwelling, dissimilar to the commercial/retail use of the subject property. The Board also gave less weight to board of review comparable #1 because it has a much smaller site and is located over two miles distant from the subject.

The Board finds that appellant's comparables #1 and #2 and board of review comparables #2, #3 and #4 are the best comparables submitted in the record. These comparables sold from September 2014 to January 2017 for prices ranging from \$318,000 to \$400,000 or from \$38.78 to \$72.41 per square foot of building area, land included. The subject's assessment reflects an estimated market value of approximately \$322,593 or \$39.92 per square foot of living area, land included, which falls within the range established by the best comparables contained in this record. With respect to the common comparable, board of review comparable #5, the Board finds the total purchase price of \$800,000 divided by the combined building area of 17,880 square feet results in a unit value of \$44.74 per square foot of building area, including land, which is supportive of the subject's assessment. After making adjustments to the comparables for differences from the subject in factors such as building area, land area and/or age, the Board finds the subject's assessment seems well-supported and no reduction in the subject's assessment is 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. Pursuant to Section 1910.50(d) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(d)) the proceeding before the Property Tax Appeal Board is terminated when the decision is rendered. The Property Tax Appeal Board does not require any motion or request for reconsideration.



Chairman



Member



Member



Member



Member

DISSENTING: _____

CERTIFICATION

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:

November 17, 2020



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 or years of the same general assessment period, as provided in Sections 9-125 through 9-225, 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 such subsequent year or years 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 OR YEARS. A separate petition and evidence must be filed for each of the remaining years of the general assessment period.

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.

PARTIES OF RECORD

AGENCY

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