



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

APPELLANT: PCM, LLC  
DOCKET NO.: 16-02310.001-C-1  
PARCEL NO.: 08-21-403-008

The parties of record before the Property Tax Appeal Board are PCM, LLC, the appellant, by Kenneth R. Welker, Attorney at Law, in Lake Forest, 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:** \$ 30,911  
**IMPR.:** \$189,756  
**TOTAL:** \$220,667

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 four-story mixed-use commercial building of brick and masonry construction with 28,692 square feet of building area. The first floor consists of 10,692 square feet of retail space and the remaining floors consist of 18,000 square feet developed into approximately 19 apartment units. The building was constructed in approximately 1923 and was originally a YMCA facility. The property has a 14,575 square foot site and is located in Waukegan, Waukegan Township, Lake County.

The appellant's appeal is based on overvaluation having marked both recent sale and comparable sales in Section 2d of the Commercial Appeal petition. In a letter seeking an extension of time to "provide additional evidence supporting our claim of vacancy and income loss after purchase of this property," the appellant reported the subject property was purchased in May 2013 for \$600,000 "in an arm's length transaction" and provided a copy of the PTAX-203 Illinois Real Estate Transfer Declaration in support. The PTAX-203 depicts this was a court-ordered sale and

was transferred by a Receiver's Deed. In Section IV – Recent Sale Data of the appeal petition, the appellant only reported the purchase price and date of sale with no other data provided in this section of the petition. The appellant also noted that the Waukegan Township Assessor's Office was in agreement to reducing the subject's assessment by 50% due to vacancy, but the Lake County Board of Review made no change in the subject's 2016 assessment.

Also submitted with the original appeal filing was an appraisal as of January 1, 2016 opining a market value of \$275,000 for a property located at 1738 West Longview Road in Waukegan which has a parcel number of 08-08-402-015. After having been granted two extensions of time as requested by the appellant to submit additional evidence, the appellant filed nothing further.

Based on the foregoing limited evidence of the sale of the subject in May 2013 for \$600,000 and an appraisal of a property other than the subject property, the appellant requested a reduction in the subject's assessment to reflect a market value of approximately \$377,367.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$220,667. The subject's assessment reflects a market value of \$665,461 or \$23.19 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 response to the appeal, the board of review contends that that subject property was acquired in 2013 through a bankruptcy sale for \$600,000. At the time of sale, deferred maintenance and vacancy were both present and the purchaser(s) began renovation work. The sale of the subject property occurred 32 months or 2.7 years prior to the January 1, 2016 assessment date at issue. The May 2013 purchase was a distress sale due to bankruptcy "with deferred maintenance cited as a significant factor in the subject's reported purchase price." As to the vacancy issue, the appellant's prior submission to the board of review was incomplete; the data lacked the three year income and occupancy history and while the apartments were vacant, there were retail tenants on the first floor. Furthermore, the township assessor had requested additional information on marketing/advertising of the subject property along with rental rate data which was not provided.

In support of its contention of the correct assessment the board of review submitted information on four comparable listings and sales located in Waukegan, Grayslake, Round Lake Beach and Antioch. The comparable parcels range in size from 7,701 to 43,577 square feet of land area which have been improved with one-story, two-story or three-story commercial or industrial buildings of brick and masonry construction. The comparables were built between 1918 and 1978 with two of the comparables having been renovated. The buildings range in size from 4,702 to 22,265 square feet of above-grade building area and were listing between June 2016 and February 2017 with sales occurring for comparables #1, #2 and #3 in October and December 2017 for prices ranging from \$500,000 to \$689,000 or from \$30.95 to \$127.60 per square foot of building area, including land. Comparable #4 had an asking price in February 2017 of \$664,900 or \$55.41 per square foot of building area, including land.

Based on this evidence and argument, the board of review requested confirmation of the subject's estimated market value as reflected by its assessment.

### **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 finds the best evidence of market value in the record to be the comparable sales/listings submitted by the board of review. These comparables had varying degrees of similarity to the subject in location, style, construction, features, age and/or land area. These properties also sold or were listed proximate in time to the assessment date at issue of January 1, 2016. The comparables sold in October and December 2017 for prices ranging from \$500,000 to \$689,000 or from \$30.95 to \$127.60 per square foot of building area, including land, and comparable #4 had an asking price in February 2017 of \$664,900 or \$55.41 per square foot of building area, including land. The subject's assessment reflects a market value of \$665,461 or \$23.19 per square foot of building area, including land, which is within the range established by the best comparable sales in this record and appears to be well-supported given the subject's larger building area when compared to these comparables. Accepted real estate valuation theory provides that all factors being equal, as the size of the property increases, the per unit value decreases. In contrast, as the size of a property decreases, the per unit value increases.

The Board gave little weight to the subject's May 2013 sale for \$600,000 due to the fact the sale did not occur proximate in time to the assessment date at issue and the appellant failed to establish that the sale had the elements of an arm's length transaction as it does not appear to have been a transaction between a willing seller and a willing buyer given the court-ordered nature of the sale as a consequence of bankruptcy. Furthermore, the Board did not examine the appraisal evidence submitted by the appellant as it was not an appraisal of the subject property. (86 Ill.Admin.Code §1910.65(c)(1) provides proof of market value of the subject property may consist of an appraisal of the subject property as of the assessment date at issue.)

Based on this record the Board finds the subject's assessment is reflective of market value and 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. 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.

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Chairman



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Member



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Member



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Member



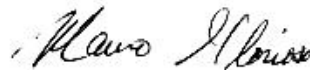
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Member

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 19, 2019



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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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APPELLANT

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COUNTY

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