



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

APPELLANT: Steve Kotarinos
DOCKET NO.: 16-03458.001-C-1
PARCEL NO.: 11-33-302-042

The parties of record before the Property Tax Appeal Board are Steve Kotarinos, the appellant, by attorney Ronald Kingsley, of Lake County Real Estate Tax Appeal, LLC 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: \$45,345
IMPR.: \$84,422
TOTAL: \$129,767

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 one-story medical office condominium with 2,884 square feet of building area which was constructed in 2003. The property is located in a professional office complex in Vernon Hills, Libertyville Township, Lake County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted information on a June 2015 sale of the subject property and on five comparable sales.

The appellant reported that the subject property was purchased in June 2015 for a price of \$175,000. The appellant indicated the subject property was sold by Dearborn Street Holdings, LLC – Series 5, Rockford, the property was advertised on the open market through the Multiple Listing Service for 533 days and the sale involved Realtor James Schaid of ReMax Plaza.

Furthermore, the parties to the transaction were not related. The appellant further reported that for the remainder of 2015 the subject property was not in use; permits of \$91,487 were taken out in 2016 to convert the property to an owner-occupied physical therapy office. The appellant further reported that as of December 31, 2016, no occupancy permit had yet issued. Based on the contention that the subject property is vacant and not usable, for tax year 2016 the assessment should reflect the 2015 purchase price.

The five comparable condominium units range in size from 2,241 to 5,694 square feet of building area. The units sold between January and September 2015 for prices ranging from \$135,000 to \$560,000 or from \$50.29 to \$98.35 per square foot of building area.

Based on the foregoing evidence, the appellant requested a reduction in the assessment of the subject property.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$129,767. The subject's assessment reflects a market value of \$391,336 or \$135.69 per square foot of living 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 reported that for tax year 2015, the assessment of the subject property was reduced to reflect the purchase price which was a foreclosure/bank REO sale. The board of review contends that subsequent to the purchase the property was renovated as set forth in the property record card and thus the assessment was increased for tax year 2016.

As to the comparable sales presented by the appellant, the board of review contends that sale #1 is substantially larger with a "warehouse space/orientation" than the subject unit. Sales #2 and #4 were part of a multi-unit sale and comparable #2 sold as a shell which required build out. As to sale #3, the board of review contend this property is located in an office-warehouse complex whereas the subject is a higher quality office property. Finally, sale #4 is the sale of the subject (a bank REO).

In support of its contention of the correct assessment the board of review submitted information on four comparable sales located within 4.17-miles from the subject. The comparable condominium units range in individual unit size from 1,202 to 2,578 square feet of building area; the sale of comparable #1 involved two units and thus the sales range in size from 1,202 to 3,334 square feet of building area. The units sold between June 2014 and April 2017 for prices ranging from \$152,000 to \$435,000 or from \$126.87 to \$166.80 per square foot of building area.

Based on the foregoing evidence and argument, the board of review requested confirmation of the subject's 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 parties submitted evidence concerning the June 2015 sale of the subject property and eight comparable sales to support their respective positions before the Property Tax Appeal Board. The Board has discounted the presentation of appellant's comparable #4 as this was the June 2015 sale of the subject property and should not be considered a "comparable."

The appellant contends the subject's assessment should be reduced based on the sale of the subject as set forth in the record. The evidence disclosed that the subject sold in June 2015 for a price of \$175,000 and subsequent to the purchase renovations were performed on the property with a permit having been obtained for \$91,487 worth of work. The board of review summarily reported the sale of the subject was a bank REO sale.

Section 1-23 of the Property Tax Code (the "Code") defines compulsory sale as:

"Compulsory sale" means (i) the sale of real estate for less than the amount owed to the mortgage lender or mortgagor, if the lender or mortgagor has agreed to the sale, commonly referred to as a "short sale" and (ii) the first sale of real estate owned by a financial institution as a result of a judgment of foreclosure, transfer pursuant to a deed in lieu of foreclosure, or consent judgment, occurring after the foreclosure proceeding is complete. 35 ILCS 200/1-23.

Section 16-183 of the Code provides that the Property Tax Appeal Board is to consider compulsory sales in determining the correct assessment of a property under appeal stating:

Compulsory sales. The Property Tax Appeal Board shall consider compulsory sales of comparable properties for the purpose of revising and correcting assessments, including those compulsory sales of comparable properties submitted by the taxpayer. 35 ILCS 200/16-183.

Based on these statutes, the Property Tax Appeal Board finds it is appropriate to consider the bank REO sale of the subject in revising and correcting the subject's assessment. However, the appellant also expended an additional \$91,487 in renovations of the property such that in tax year 2016, the investment was arguably \$266,487 or \$92.40 per square foot of building area, including land.

In addition to the recent sale of the subject property along with renovation costs, the Board was presented with eight suggested comparable sales. The Board has given reduced weight to appellant's comparable #1 and board of review comparables #3 and #4 due to substantial differences in size when compared to the subject condominium unit. The Board has also given reduced weight to appellant's comparable #2 due to the shell/necessary build out nature of this unit.

The Board finds the best evidence of the subject's fair market value in this record is consideration of the June 2015 sale along with renovation costs along with appellant's comparables #3 and #5 and board of review comparables #1 and #2. The comparables sold between January 2015 and January 2017 for prices ranging from \$200,000 to \$435,000 or from \$66.67 to \$166.80 per square foot of building area, including land. The subject's estimated market value for tax year 2016 is \$391,336 or \$135.69 per square foot of living area, land included, which is within the range of the subject's recent purchase price with renovation costs and the best comparable sales data in the record. Based on the foregoing analysis, the Property Tax Appeal Board further finds a reduction in the subject's assessment is 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. 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

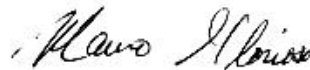
Member

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 19, 2019



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

State of Illinois
Property Tax Appeal Board
William G. Stratton Building, Room 402
401 South Spring Street
Springfield, IL 62706-4001

APPELLANT

Steve Kotarinos, by attorney:
Ronald Kingsley
Lake County Real Estate Tax Appeal, LLC
13975 W. Polo Trail Drive
#201
Lake Forest, IL 60045

COUNTY

Lake County Board of Review
Lake County Courthouse
18 North County Street, 7th Floor
Waukegan, IL 60085