



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

APPELLANT: Goran Bosnjak  
DOCKET NO.: 16-03743.001-R-1  
PARCEL NO.: 08-33-203-013

The parties of record before the Property Tax Appeal Board are Goran Bosnjak, 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:** \$ 4,223  
**IMPR.:** \$35,824  
**TOTAL:** \$40,047

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, four-unit apartment building of brick construction with 4,464 square feet of building area. The building was constructed in 1958. The building has two, one-bedroom units and two, three-bedroom units. The property is located in Waukegan, Waukegan Township, Lake County.

The board of review reported that the subject improvement is situated on two parcels. The second parcel is number 08-33-203-027. The two parcels have a combined land area of 14,826 square feet which results in a land-to-building ratio of 6.64:1.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal<sup>1</sup> prepared by Audrey Clamage concerning only parcel 08-33-203-013 estimating the "subject property" had a market value of \$103,000 as of June 14, 2016; no mention was made of the second parcel that comprises the subject property. The appraiser reported the land area was 7,550 square feet. As part of the description of the "subject" property, Clamage reported there was a driveway with storage for four cars. As part of the subject's sale history, Clamage reported the property last sold in April 2014 for \$127,000. The appraiser utilized all three approaches to value in arriving at the subject's market value conclusion.

Under the cost approach Clamage estimated the subject had a site value of \$17,000.<sup>2</sup> The appraiser estimated the replacement cost new of the improvements to be \$182,896. The appraiser estimated depreciation to be \$58,432 resulting in a depreciated improvement value of \$124,464. Adding the various components, the appraiser estimated the subject property had an estimated market value of \$141,500 under the cost approach to value.

Using the sales comparison approach, Clamage analyzed three sales of properties located within 1.28-miles from the subject. The comparables consist of a two-story, four-unit apartment building and two, two-story duplex dwellings of masonry or frame exterior construction that were 28 to 51 years old. The buildings range in size from 1,950 to 4,000 square feet of building area; each of the apartments in the comparable properties is a three-bedroom unit. The comparables sold in January 2016 for prices of \$100,000 or \$103,000 or for \$25,750 or \$50,000 per apartment or from \$25.75 to \$51.28 per square foot of building area, including land.

Clamage made adjustments to the comparables for differences when compared to the subject based on the number of units, number of rooms and number of bedrooms among other differences. She concluded adjusted sale prices of the comparables ranging from \$99,320 to \$105,570. Based upon this sales data, the appraiser estimated a value for the subject of \$25,750 per unit or \$103,000.

Using the income approach, Clamage estimated the subject had a market value of \$104,800. The first step was to develop the subject's potential gross rental income through examination of three rental comparables located within .51 of a mile from the subject. The comparable buildings were range in age from 28 to 63 years old. The rental comparables range in size from 1,950 to 3,780 square feet of building area. Clamage examined both the rental data for the three comparable rentals and for the subject property as reported by the owner. From this data it was Clamage's opinion that the subject's monthly economic rent would be \$3,275 per apartment or \$157,200 per year as potential gross income.

None of the portions of the appraisal report that were filed in this appeal contain any data on the analysis of vacancy and collection loss, expenses and/or consideration of the capitalization rate.

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<sup>1</sup> The appraisal report indicates that it consists of at least seven pages. Pages 5 and 6 of the appraisal report were not filed with this appeal.

<sup>2</sup> Presumably this only reflects the one parcel number recited by Clamage in the appraisal report.

In reconciling the value approaches, Clamage placed greatest weight upon the sales comparison approach with secondary consideration given to the income approach to value. She noted that least consideration was given to the cost approach in arriving at the final opinion. Clamage also stated "the prior sale was purchased as an REO sale over two years ago. The current data reflects current market conditions and data for the subject area."

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for parcel 08-33-203-013 of \$40,047.

The board of review evidence revealed that the combined total assessment of the subject property, including the second parcel, was \$44,465. The subject's actual combined assessment reflects a market value of \$134,092 or \$33,523 per apartment or \$30.04 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.

The board of review reported that the subject property sold most recently in April 2014 for \$127,000 or for \$39.250 per apartment or for \$35.17 per square foot of building area, including land.

In response to the appellant's appraisal evidence, the board of review presented a memorandum questioning the completeness, accuracy and reasonableness of the appraisal report. As set forth above, the appraisal did not address the second parcel that comprises part of the subject property which includes the yard and parking for the tenants of the building. Appraisal sale #1 was a building with four townhome-style units and was a bank REO foreclosure property which was noted as "needing work" and sold "as-is"; Clamage made no adjustments for condition in the appraisal report. Description data on size and foundation for sale #1 differ from the assessor's records. Appraisal sales #2 and #3 are each "split-level" not two-story duplex properties. The board of review also contended that the opinion of value was 19% lower than the recent purchase price of the subject property although the appraisal indicated market conditions reflected a stable median sale price, list price and financing was missed with conventional and cash.

In support of its contention of the correct assessment the board of review submitted information on three comparable sales located within 2.10-miles from the subject property. The memorandum noted that these comparables sold both in 2011, 2014 and 2015 with resales in 2017 and 2018 which were between 13% and 50% higher than the previous sale prices. The comparables consist of two-story, four-unit apartment buildings masonry or frame exterior construction that were 23 to 59 years old. The buildings range in size from 3,072 to 5,214 square feet of building area; the apartments are either two-bedroom or three-bedroom units. The comparables initially sold between May 2011 and August 2015 for prices ranging from \$110,000 to \$194,000, where comparable #3 (the lowest sale price) was reported as a short sale. The board of review also reported these properties resold in 2017 and 2018 for prices ranging from \$165,000 to \$233,000 or from \$41,250 to \$58,250 per unit or from \$41.84 to \$66.41 per square foot of building area, including land.

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 an appraisal of the subject property and three comparable sales to support their respective positions before the Property Tax Appeal Board. The Board has given little weight to the appellant's appraisal report as the documentation of the appraisal is incomplete since it is missing at least two of the pages of the appraisal report. Furthermore, the Board has given this appraisal report little weight since it incorrectly described the subject property which consists of two parcels, not just the one parcel that is referenced in the appraisal and which was appealed by the appellant in this proceeding before the Property Tax Appeal Board.

As highlighted by the Appellate Court's opinion in Commonwealth Edison Co. v. Illinois Property Tax Appeal Board, 378 Ill.App.3d 901 (2<sup>nd</sup> Dist. 2008), it is the appellant or contesting party that has the burden of first producing sufficient evidence or argument to challenge the correctness of the assessment. Id. at 914. The Property Tax Appeal Board finds on this record that the appellant did not sustain its burden under Section 1910.63(b) which provides that:

Under the burden of going forward, the contesting party must provide substantive, documentary evidence or legal argument sufficient to challenge the correctness of the assessment of the subject property.

86 Ill.Admin.Code §1910.63(b) [Emphasis added]. The appellant provided no market data demonstrating that the *subject* was overvalued based on its assessment in relation to the property's market value since the appraisal only addressed one of two parcels that comprise the subject property.

The Board finds the best evidence of market value to be the board of review comparable sales. The board of review comparable sales recently sold for prices ranging from \$165,000 to \$233,000 or from \$41,250 to \$58,250 per unit or from \$41.84 to \$66.41 per square foot of building area, including land. The subject, as a two parcel property, has a combined assessment that reflects a market value of \$134,092 or \$33,523 per apartment or \$30.04 per square foot of building area, including land, which is below the range established by the best comparable sales in the record. 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. 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



\_\_\_\_\_  
Member

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Member



\_\_\_\_\_  
Member

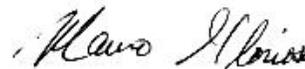
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Member

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: December 23, 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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