



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

APPELLANT: David Raymond
DOCKET NO.: 17-02017.001-R-1
PARCEL NO.: 08-16-406-001

The parties of record before the Property Tax Appeal Board are David Raymond, 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: \$5,447
IMPR.: \$21,287
TOTAL: \$26,734

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 2017 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 aluminum-sided dwelling containing 1,358 square feet of living area. The dwelling was constructed in 1910. The home features an unfinished basement and a 440-square foot garage. The property is located in Waukegan, Waukegan Township, Lake County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted copies of the HUD-1 Settlement Statement and the Illinois Real Estate Transfer Declaration (PTAX-203) form associated with the subject's sale showing that the sale occurred on June 27, 2016 for a price of \$33,500. The appellant failed to provide any other information in Section IV of the appeal form with respect to the circumstances or facts surrounding the sale. The Illinois Real Estate Transfer Declaration (PTAX-203) form indicates that the seller is a financial institution and that the subject was a bank REO (Real Estate Owned)

property which sold at an auction via a quit claim deed. The settlement statement reveals that no commission was paid to a real estate agent or broker in relation to the transaction. Based on this evidence, the appellant requested that the subject's total assessment be reduced to \$11,166 to reflect the subject's sale price.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$26,734. The subject's assessment reflects a market value of \$80,646 or \$59.39 per square foot of living area, land included, when using the 2017 three-year average median level of assessment for Lake County of 33.15% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment, the board of review submitted information on seven comparable sales located within the same neighborhood code as the subject property. The comparables are described as 1.5 story or 2-story dwellings of frame exterior construction ranging in size from 1,220 to 1,459 square feet of living area. The dwellings were constructed from 1901 to 1925. The dwellings each feature an unfinished basement and a garage ranging in size from 204 to 400 square feet of building area. One dwelling has central air conditioning. The comparables sold from July 2016 to November 2017 for prices ranging from \$90,000 to \$206,823 or from \$63.56 to \$146.68 per square foot of living area, including land.

The board of review also submitted a narrative report contending that the subject is a non-owner-occupied dwelling, purchased as a bank REO (Real Estate Owned) property, and did not have MLS exposure prior to its sale. The board of review submitted copies of the subject's exemption history extracted from the township assessor's office; a copy of the Illinois Real Estate Transfer Declaration (PTAX-203) form associated with the sale; copies of the subject's MLS rental listing and 2018 recent sale; a copy of the subject's "REALIST" Property Detail Report confirming that the subject's 2016 sale was not listed on the MLS; and copies of property record cards for the subject and its comparables.

Based on this 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.

As an initial matter, the Board finds that based on the evidence in the record, the subject's sale in June 2016 for \$33,500 is a bank-owned real estate and a compulsory sale.

A "compulsory sale" is defined as

(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.

Real property in Illinois must be assessed at its fair cash value, which can only be estimated absent any compulsion on either party. Illinois law requires that all real property be valued at its fair cash value, estimated at the price it would bring at a fair voluntary sale where the owner is ready, willing, and able to sell but not compelled to do so, and the buyer is likewise ready, willing, and able to buy, but is not forced to do so. Board of Educ. of Meridian Community Unit School Dist. No. 223 v. Illinois Property Tax Appeal Board, 961 N.E.2d 794, 802, 356 Ill.Dec. 405, 413 (2d Dist. 2011) (citing Chrysler Corp. v. Illinois Property Tax Appeal Board, 69 Ill.App.3d 207, 211, 387 N.E.2d 351 (2d Dist. 1979)).

However, the Illinois General Assembly provided very clear guidance for the Board with regards to compulsory sales. Section 16-183 of the Illinois Property Tax Code states as follows:

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.

Therefore, the Board is statutorily required to consider the compulsory sale of the subject property. In considering the compulsory sale of the subject property, the Board looks to both the appellant's evidence and the board of review's comparable sales.

The Board finds that the subject's sale does not have all elements of an arm's-length transaction. The appellant did not complete Section IV of the appeal form and failed to provide any other information in Section IV of the appeal form with respect to the circumstances or facts surrounding the sale such as whether the property was advertised for sale on an open market; if it was advertised, by what manner; whether the buyer and seller were related parties; amount spent in renovations; and date of occupancy. Furthermore, being a bank REO (Real Estate Owned) property and having sold at an auction calls into question whether or not there was duress involved in this transaction. Finally, the evidence submitted by the board of review (and not contested by the appellant in rebuttal) reveals that the subject's sale in June 2016 did not have exposure on the open market. Cumulatively, these factors are indicative that the sale of the subject was not an arm's-length transaction and calls into question whether the purchase price is reflective of fair cash value as of January 1, 2017. Consequently, the Board gave little weight to the sale of the subject property.

The Board finds that the best evidence of market value to be the comparable sales #1 through #5 submitted by the board of review. These sales are similar to the subject in location, lot size, age, style, size of living area and most features. These comparables also sold proximate in time to the subject's assessment date at issue. These properties sold from July 2016 to November 2017 for prices ranging from \$90,000 to \$125,000 or from \$63.56 to \$95.49 per square foot of living area, including land. The subject's assessment reflects a market value of \$80,646 or \$59.39 per square foot of living area, land included which falls below the range established by the most similar comparables in this record. The Board gave reduced weight to comparable sale #6 due to its central air conditioning amenity which the subject does not have, and sale #7 based on this sale appearing to be an outlier considering its substantially higher sale price compared to the remaining sales in this record.

Based on this analysis, after considering the sale of the subject and the comparable sales provided by the board of review, the subject's assessment as established by the board of review is well supported and, therefore, no reduction is 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



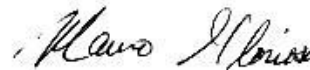
Member

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: June 16, 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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