



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

APPELLANT: Gerald R. Teegan  
DOCKET NO.: 17-03361.001-R-1  
PARCEL NO.: 10-36-100-003

The parties of record before the Property Tax Appeal Board are Gerald R. Teegan, the appellant, by attorney Arnold G. Siegel, of Siegel & Callahan, P.C. in Chicago, and the Lake County Board of Review.

Based on the facts and exhibits presented in this matter, the Property Tax Appeal Board hereby finds **a reduction** 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:** \$24,674  
**IMPR.:** \$41,986  
**TOTAL:** \$66,660

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 one-story dwelling of wood siding exterior construction with 1,476 square feet of living area. The dwelling was constructed in 1957. Features of the home include a crawl-space foundation, a fireplace and a 364 square foot attached garage. In 2016, both a 588 square foot detached garage and a 900 square foot steel utility shed were constructed. The property has a 1.27-acre or 55,335 square foot site and is located in Mundelein, Fremont Township, Lake County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted an appraisal prepared by Gregory Nold, a Certified General Real Estate Appraiser with the MAI designation. The appraisal was prepared for an *ad valorem* assessment appeal using the comparable sales approach to value wherein the appraiser estimated the subject property had a market value of \$150,000 as of January 1, 2017.

The report indicates the parcel number being appraised is 10-36-100-003. However, in the subject's transfer history section, Nold recognized the last sale in August 2015 was non-arm's length between related parties and "included additional real estate (PIN 10-36-100-003) that is not part of this appraisal analysis." There is no explanation for this factual conflict.<sup>1</sup> Nold reported having performed an interior and exterior inspection of the subject property on October 29, 2018. However, nothing in the appraisal report describes either of the two detached structures (garage and shed) located on the parcel which were each built in 2016. There is no schematic drawing of the subject property in the report and the photographs in the appraisal do not depict either of these detached buildings. The appraiser reported the subject dwelling to be adequately maintained and in somewhat average condition for the area. He noted the dwelling was typical for a local 60-year-old home with original windows, kitchen and full bathroom.

The appraiser asserted the subject's location, with respect to a residential use, was negatively impacted by its unincorporated status and its position along a busy commercial road with elevated traffic levels and congestion. Development across from the subject on Mundelein Road includes a one-story commercial, a two-story office and a very large cell tower. For these reasons, Nold factored in significant external obsolescence. He further noted the subject's site was of an inefficient shape limiting overall development potential on a per square foot basis.

The appraiser analyzed five comparable sales in Mundelein that were located from .33 to 1.80-miles from the subject. The comparables have sites that range in size from 7,285 to 21,875 square feet of land area and were improved with a one-story, a raised ranch and three, split-level dwellings that were 39 to 59 years old. Comparable #2 has a residential/average view as compared to the subject and remaining comparables with busy views of commercial, high school or fire department. The parcels in comparables #1 and #2 each have lake rights included. The dwellings range in size from 893 to 1,384 square feet of living area. Four of the comparables have full or partial basements, three of which have finished areas. Each dwelling has central air conditioning and a one-car or a two-car garage. Two comparables each have a fireplace. Two of the comparable sales have "good/average" kitchen/bath finishes as compared to the subject and remaining properties with "average/average" kitchen/bath finishes. The comparables sold from September 2014 to July 2016 for prices ranging from \$134,500 to \$185,000 or from \$108.38 to \$165.73 per square foot of living area, land included.

Nold applied adjustments to the comparables for differences in rights appraised for the "lake rights" properties, location when incorporated and/or residential as opposed to unincorporated/commercial. Adjustments were also applied for differences in lot size, age, number of bathrooms, dwelling size, foundation and/or finished basement, central air conditioning feature, garage size, number of fireplaces and/or porch/patio amenities. Through this process, the appraiser opined adjusted sales prices ranging from \$140,500 to \$159,400 or from \$105.27 to \$169.43 per square foot of living area, including land. As a result, Nold arrived at an estimated market value for the subject of \$150,000 or \$101.63 per square foot of living area, including land, as of January 1, 2017. Based on this evidence, the appellant requested an assessment reflective of the appraised value.

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<sup>1</sup> A copy of the subject property record card supplied by the board of review includes a memorandum that in August 2015, the parcel sold with 10-36-100-019.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$74,644. The subject's assessment reflects a market value of \$225,170 or \$152.55 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 response to the appeal, the board of review proposed a reduced total assessment of \$66,660 which would reflect a market value of \$200,000 or \$135.50 per square foot of living area, including land, at the statutory level of assessment of 33.33%. The appellant was informed of this proposed assessment reduction and rejected the offer.

In further response to the appellant's appraisal evidence, the board of review noted that the appraiser's value conclusion is lower than each of the unadjusted sales prices of the comparable properties set forth in the report. The board of review also asserted, without specific factual support, that appraisal sales #2 through #5, which sold in 2014 and 2015, "do not reflect current market activity as of January 1, 2017." Furthermore, the board of review argued that the appraisal report submitted by the appellant fails to include the detached garage and steel utility shed that were built in 2016, a date prior to the inspection/valuation of the subject property.

In support of its contention of the correct assessment, the board of review submitted information on six comparable sales located in the subject's unincorporated Mundelein market area along with copies of applicable property record cards. Two of the comparables were sold in "as-is" condition whereas the subject is noted to be in overall average condition. The comparables presented by the board of review are located from .278 to 4.243-miles from the subject. Comparables #1, #4 and #5 each have traffic influence like the subject. The comparables have sites that range in size from 21,875 to 43,560 square feet of land area and were improved with a tri-level and five, one-story dwellings that were 37 to 64 years old. The dwellings range in size from 1,176 to 1,738 square feet of living area. Five of the comparables have full or partial basements, two of which have finished areas. Three of the dwellings have central air conditioning and four of the comparables have either one or two fireplaces. Each comparable has a garage or garages ranging in total size from 480 to 1,320 square feet of building area. The comparables sold from April 2017 to June 2018 for prices ranging from \$150,000 to \$245,000 or from \$127.55 to \$155.56 per square foot of living area, land included. Based on this evidence and argument, the board of review requested confirmation of the subject's assessment.

In rebuttal, counsel for the appellant submitted a "supplemental letter" from appraiser Gregory Nold. In the letter, Nold acknowledged that the subject site is improved with two outbuildings in the rear of the site. The appraiser further stated:

It is the appraiser's experience in dealing with non-essential, depreciated site improvements, like outbuildings, that they do not factor significantly in the typical buyer's decision-making process for single-family residential uses. Moreover, the presence of undesired structures can diminish overall marketability as it pertains to assorted risks and demolition costs.

Next in the letter, Nold remarked that were market supported adjustments necessary, they "would not significantly alter the appraiser's adjusted value range, or final reconciliation, within the original analysis."

As to the comparable properties presented by the board of review, counsel for the appellant, argued variously differences in location, age, dwelling size, exterior construction, foundation and/or finished basement areas and updates as described in MLS listings along with lake rights for some properties make the comparables dissimilar to the subject. Furthermore, it was argued less weight should be afforded to the unadjusted raw sales presented by the board of review than to the appraisal prepared by a licensed professional appraiser.

### **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, based upon the entirety of this record, a reduction in the subject's assessment is warranted in accordance with the reduction proposed by the board of review in its evidentiary submission.

The appellant submitted an appraisal of the subject property and the board of review submitted five suggested comparable sales along with a proposed assessment reduction to \$66,660 in order to support their respective positions before the Property Tax Appeal Board.

The Property Tax Appeal Board has thoroughly examined the appellant's appraisal and finds it extremely troubling that the appraiser failed to identify both a detached 588 square foot garage and a 900 square foot steel utility shed that were located on the subject parcel. Furthermore, the Board finds it disturbing that Nold in rebuttal essentially shrugged off the significance of these factual oversights of significant structural improvements to the parcel as unimportant aspects to the properties' "marketability." The Board finds that the obvious question should actually be whether these oversights impact the conclusion of value in the Nold appraisal report, not the question of marketability. In addition, the Board finds Nold's explanation extraordinarily unsatisfying. Nold essentially stated, if adjustments were necessary, they "would not significantly alter the appraiser's adjusted value range." The Board finds the only "range" in Nold's appraisal report is in the summary of the sales comparison approach where he referred to the adjusted sales price range, the average adjusted sale price and the median sale price. The Board finds Nold never opined a "value range" for the subject property.

Under the principle that adjustments are made to the comparables to make them each more similar to the subject, the Property Tax Appeal Board finds the appraiser's conclusion of value is not credible given the acknowledgement that the report is missing two substantial structures that are located on the subject parcel. The Board further finds this omission is significant since there is no indication that any of the comparable sales in the appraisal report had such relatively new outbuildings meaning that necessary upward adjustments to the comparables were not made by Nold. The Board finds it is logical that the final opinion of value would be impacted by two detached buildings on the subject property. Furthermore, the Board finds that three of the five

sales utilized in the appraisal report were dated sales from 2014 with no time adjustment discussed or analyzed. Additionally, each of the comparable dwellings in the sales comparison approach to value consist of smaller lots with smaller dwellings than the subject property. In summary, having examined the appraisal report in light of the record as outlined herein, the Board finds the appraiser's final value conclusion is not a credible or a reliable indicator of the subject's estimated market value as of January 1, 2017. Therefore, the Board will examine the raw sales data contained in the record.

The Board has given reduced weight to appraisal sales #3, #4 and #5 due to these being dated sales from 2014 for a valuation date of January 1, 2017. The Board has given reduced weight to board of review comparable #1 due to its newer age. Reduced weight is given to board of review comparable #3 due to its dissimilar tri-level design and to board of review comparable #4 due to its location more than 4 miles from the subject property.

The Board finds the best evidence of market value to be the appraisal sales #1 and #2 submitted by the appellant along with board of review comparable sales #2, #5 and #6. These comparables have varying degrees of similarity to the subject property in age, size, foundation and/or features. These comparables sold from November 2015 to June 2018 for prices ranging from \$150,000 to \$245,000 or from \$109.01 to \$155.56 per square foot of living area, including land. The subject's assessment reflects a market value of \$225,170 or \$152.55 per square foot of living area, including land, which is within the range established by the best comparable sales in the record but appears to be somewhat excessive given the subject's age, size and crawl-space foundation although the subject does have additional detached structures that are not present on the comparable properties. Having examined the subject and its comparable data, the Lake County Board of Review proposed to reduce the subject's assessment to \$66,660. After considering all of the data in the record, the Board finds a reduction in the subject's assessment commensurate with the proposal by the board of review 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



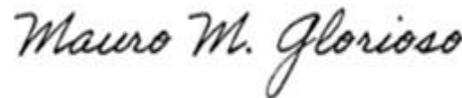
Member

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: October 20, 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

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