



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

APPELLANT: Jeff Gerchenson
DOCKET NO.: 17-03365.001-R-1
PARCEL NO.: 17-31-302-083

The parties of record before the Property Tax Appeal Board are Jeff Gerchenson, 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: \$220,602
IMPR.: \$281,941
TOTAL: \$502,543

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 1.5-story dwelling of brick exterior construction with 5,658 square feet of living area. The dwelling was constructed in 1975 and has a reported effective age of 1997 due to a recent major rehab and expansion. Features of the home include a partial basement of which 80% is finished, central air conditioning, four fireplaces and an attached three-car garage containing 726 square feet of building area. The property has a 58,413 square foot site and is located in Highland Park, Moraine Township, Lake County.

The subject property is an owner-occupied residence that was the subject matter of an appeal before the Property Tax Appeal Board the prior year under Docket Number 16-04807.001-R-1. In that appeal the Property Tax Appeal Board rendered a decision lowering the assessment of the subject property to \$478,430 based on the evidence submitted by the parties. The appellant submitted the same appraisal report of the subject property for this 2017 appeal to demonstrate

the subject was overvalued. The appraisal report asserts that Jeffrey H. Gerchenson is the owner of record and the occupant of the subject dwelling. The Board takes notice that 2016 and 2017 are in the same general assessment period in Lake County. (86 Ill.Admin.Code §1910.90(i) and 35 ILCS 200/9-215).

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted an appraisal prepared by Agnieszka Jurowska, an Associate Real Estate Trainee Appraiser, and Michael O'Connor, a Certified General Real Estate Appraiser, which was prepared for a property tax assessment appeal and estimating the subject property had a market value of \$1,200,000 as of January 1, 2017.

As to the subject dwelling, the appraisers reported the actual age was 42 years and the property's effective age was 10 years. In the Supplemental Addendum, the appraisers reported the home was rated to be in good overall condition with high-end finishes and modern upgrades.

Using the sales comparison approach, the appraisers analyzed five comparable sales which were located from .11 of a mile to 4.86-miles from the subject. As part of the addendum, the appraisers reported that the Highland Park market included many similar one-story elevations of similar square footage and quality. The comparables have sites that range in size from 14,356 to 40,546 square feet of land area and were improved with a three-story and four, two-story dwellings that were 33 to 88 years old. The homes range in size from 3,693 to 5,033 square feet of living area. Each home features a full or partial basement, three of which have finished areas, central air conditioning, one or five fireplaces and a two-car or a three-car garage. Appraisal sale #3 also has an inground swimming pool. The comparables sold from August 2014 to May 2016 for prices ranging from \$925,000 to \$1,175,000 or from \$201.97 to \$266.72 per square foot of living area, land included.

The appraisers reported the market in Highland Park remained stable for the period of 2014-2016 and thus no market condition/time adjustments were made. The appraisers applied adjustments to the comparables for differences when compared to the subject for sales or financing concessions as to sale #1 as it was not an arm's length sale when it sold as a short sale to a long-time tenant. Adjustments were also applied for differences and discussed in detail in the Supplemental Addendum for items such as lot size, condition, bedroom count, bathroom count, dwelling size, basement size, garage space, number of fireplaces and/or pool amenity. The appraisers stated, "Age adjustments were not utilized because in Highland Park specifically the condition is a better indication of value." Through this process, the appraisers opined adjusted sales prices ranging from \$1,019,600 to \$1,271,500 or from \$209.62 to \$329.79 per square foot of living area, including land. As a result, the appraiser arrived at an estimated market value for the subject of \$1,200,000 or \$212.09 per square foot of living area, including land, as of January 1, 2017. Based on this evidence, the appellant requested a total assessment of \$451,971 which would reflect a market value of approximately \$1,369,609.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$551,970. The subject's assessment reflects a market value of \$1,665,068 or \$294.29 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 appellant's appraisal evidence, the board of review submitted a memorandum outlining criticisms of the report. The subject from 2014 to 2015 obtained permits totaling over \$1 million to gut rehab and expand the subject dwelling, but the appraisers did not remark on the subject's major improvements. No adjustments were applied to the comparables to address the subject's recent improvements. The board of review remarked on the lack of an age adjustment for appraisal sale #1 and the distant locations of appraisal sales #2 and #3 in different neighborhoods/market areas. Appraisal sale #4 from 2014 was reportedly a three parcel property which after the sale were merged and the existing dwelling was demolished for the construction of a new dwelling in 2017 and appraisal sale #5 also from 2014 which is dated and the dwelling is approximately 35% smaller than the subject. The board of review also noted inconsistencies in the land adjustments made by the appraisers where sales #1, #2 and #3 were adjusted at \$1.00 per square foot as compared to sales #4 and #5 that were adjusted at \$2.00 per square foot.

In support of its contention of the correct assessment, the board of review submitted information on six comparable sales located from .234 of a mile to 2.408-miles from the subject and none of which have the same neighborhood code as is assigned by the assessor to the subject property. The board of review also contended that comparables were located near Lake Michigan as is the subject property. The comparables have sites that range in size from 13,679 to 71,942 square feet of land area and were improved with a one-story, a 1.75-story or four, two-story dwellings of stucco, stone or brick exterior construction which were 9 to 71 years old and where comparables #4, #5 and #6 had newer effective ages of 1987, 1967 and 1964, respectively. The homes range in size from 3,961 to 5,915 square feet of living area. Each home features a full or partial basement with finished area, central air conditioning, one to four fireplaces and garages ranging in size from 462 to 936 square feet of building area. The comparables sold from October 2015 to August 2016 for prices ranging from \$1,175,000 to \$3,190,000 or from \$238.14 to \$614.76 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 noted that board of review sales #1, #2 and #4 were each significantly smaller than the subject dwelling and historically smaller dwellings sell for a higher price per square foot than larger dwellings in the same area. The data submitted by the board of review consists of raw, unadjusted sales as compared to the appellant's appraisal report with adjustments for differences.

Conclusion of Law

The Property Tax Appeal Board finds the subject property was the matter of an appeal before this Board for the 2016 tax year under Docket Number 16-04807.001-R-1. In that appeal, the Property Tax Appeal Board rendered a decision lowering the subject's assessment to \$478,430 based on an analysis of the evidence presented by the parties. The Property Tax Appeal Board takes notice that Lake County's quadrennial general assessment period began in the 2015 tax year and continues through the 2018 tax year. The Board further finds section 16-185 of the Property Tax Code is controlling in this appeal. (35 ILCS 200/16-185).

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 on which a residence occupied by the owner is situated, such reduced assessment, subject to equalization, shall remain in effect for the remainder of the general assessment period as provided in Sections 9-215 through 9-225, unless that parcel is subsequently sold in an arm's length transaction establishing a fair cash value for the parcel that is different from the fair cash value on which the Board's assessment is based, or unless the decision of the Property Tax Appeal Board is reversed or modified upon review. (35 ILCS 200/16-185)

The Board finds this record disclosed the subject property is an owner-occupied residence and the 2015 through 2017 tax years are within the same general assessment period. The Board finds the record shows a 1.0504 equalization factor was issued in Moraine Township for the 2017 tax year. The record contains no evidence that the subject property sold in an arm's-length transaction establishing a different fair cash value. Applying section 16-185 of the Property Tax Code (35 ILCS 200/16-185) to the Board's prior 2016 decision results in an assessment of \$502,543. ($\$478,430 \times 1.0504 = \$502,543$). The subject's final 2017 assessment as established by the board of review was \$551,970. Considering the statutory mandates of section 16-185 of the Property Tax Code (35 ILCS 200/16-185), the Property Tax Appeal Board finds a reduction in the subject's assessment is warranted.

Furthermore, the Board finds that the appellant's appraisal along with consideration of board of review sale #2 that was most proximate to the subject supports the estimated market value of the subject property for tax year 2017 of \$267.93 per square foot of living area, including land, as reflected by its assessment.

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: August 18, 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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