



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

APPELLANT: Jeffrey Michael
DOCKET NO.: 18-01465.001-R-2
PARCEL NO.: 16-26-104-110

The parties of record before the Property Tax Appeal Board are Jeffrey Michael, the appellant, by attorney David R. Bass, of Field and Goldberg, LLC 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 **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: \$122,204
IMPR.: \$361,976
TOTAL: \$484,180

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 2018 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 single-family dwelling of stone and wooden paneling exterior construction with 4,854 square feet of living area. The dwelling was constructed in 2008. Features of the home include a full basement with 2,191 square feet of finished area, central air conditioning, a fireplace and a built-in three care garage containing 862 square feet of building area. A 450 square foot inground swimming pool was constructed in 2017.¹ The property has an approximately 26,572 square foot corner site and is located in Highland Park, Moraine Township, Lake County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted a 75-page appraisal report prepared by Ibi Cole, a Certified General Real

¹ The subject's property record card supplied by the board of review includes a notation "inground pool, 2/8/16, \$85,000" and refers to a 2017 home improvement exemption related to the pool with a \$4,452 assessment.

Estate Appraiser, using fee simple property rights. The appraisal was prepared to estimate the subject's current market value for purposes of ad valorem taxation and concluded an estimated market value for the subject property of \$970,000 or \$199.84 per square foot of living area, including land, as of January 1, 2017.

As to the subject site, Cole noted a land-to-building ratio for the subject of 5.17:1 based on above-grade living area. While the subject's land-to-building ratio falls within the range of the comparables set forth within the sales comparison approach, the appraiser stated, "a large portion of the site is on a significant slope along the west elevation and this area cannot be improved with typical site developments." Cole acknowledged that it is this area that attributes to the subject's "higher than average land-to-building ratio." (Appraisal, p. 24) The appraiser described the subject as similar to many other parcels in terms of use and the site improvements, although "the significant downward slope along the western elevation is atypical and not typically found with many of the surrounding residential developments." This also resulted in very little backyard space and an excessive amount of front yard area which requires maintenance but would rarely be utilized. The appraiser opined this is a major detractor for a future buyer "considering the lack of site improvement availability." (Appraisal, p. 26 and 39)

As to the subject dwelling, pages 27 through 30 consist of detailed drawings of the basement and each above-grade floor along with an overall site plan. Cole utilized the foregoing drawings along with photographs to support several of the items of functional and external obsolescence outlined by the appraiser on pages 39 and 40. In summary, while the dwelling was found to be in good condition, Cole found the shape and configuration to be irregular and very compartmentalized as shown in the overhead/site plan of the dwelling resulting in several portions of the home being separated and sectioned off. This also resulted in upper level living areas being cramped, disconnected, smaller than average and not typical of the market; narrow interior hallways that are difficult to maneuver was also noted. The dwelling also lacks features found in newer dwellings such as an internal intercom system, an elevator and/or balconies attached to bedrooms. Cole also found some upper level bedrooms overlook portions of the first-floor roof, an unappealing feature. Cole further detailed the lack of usefulness much of the parcel due to a severe slope on the west and very little enjoyable backyard space as compared to an excessive amount of front yard area requiring maintenance. Lastly, the appraiser outlined school consolidation/reorganization planning.

The appraiser utilized the sales comparison approach to value by analyzing six comparable properties depicted on a map on page 59 in relation to the subject. The comparables consist of two-story dwellings that were built between 2000 and 2008. The dwellings range in size from 2,950 to 4,429 square feet of living area with basements. The dwellings have varying degrees of similarity to the subject. The parcels range in size from 6,608 to 35,975 square feet of land area. The comparables sold from August 2015 to June 2017 for prices ranging from \$670,000 to \$1,322,500. The appraiser applied various quantitative adjustments for differences in the number of bedrooms, bathroom, half-bathrooms, partial versus full basement and adjusted for \$5 per square foot for finished versus unfinished basement areas and adjusted \$2,500 per car in the garage. Additional adjustments were made on a quantitative basis for "overall amenity appeal," including building utility, site utility and land-to-building ratio (Appraisal, p. 61-63). Through this process, Cole arrived at adjusted sales prices for the comparables ranging from \$641,200 to \$1,060,000 or from \$188.77 to \$253.71 per square foot of living area, including land. From this

comparable sales data, the appraiser placed most weight upon appraisal sales #1, #4, #5 and #6 and noted that comparables #1, #2, #3, #5 and #6 are overall superior to the subject, such that the appraiser opined a market value for the subject of \$200.00 per square foot of living area or \$970,000, rounded.

Based on the foregoing appraisal evidence, the appellant requested a reduction in the subject's assessment.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$484,180. The subject's assessment reflects a market value of \$1,463,664 or \$301.54 per square foot of living area, land included, when using the 2018 three year average median level of assessment for Lake County of 33.08% as determined by the Illinois Department of Revenue.

In response to the appraisal, the board of review submitted a memorandum outlining criticisms of the appellant's appraisal. It was argued that the appraisal presents a value opinion one year earlier than the valuation date at issue. Furthermore, the appraiser's per-square-foot value conclusion was lower than five of the six unadjusted comparable sales set forth in the report. Only appraisal sale #1 is located in the subject's immediate neighborhood, but this dwelling is 30.4% smaller than the subject and yet the appraiser made an overall 5% downward adjustment to the sales price. Likewise, appraisal sales #2, #4 and #6 are smaller dwellings than the subject and were each adjusted overall downward by 5% by the appraiser. Therefore, the board of review opined that these adjustments resulted in inconsistent resulting sales prices throughout the appraiser's sales comparison analysis and "do not reflect the typical actions of other area peer professionals."

Additionally, the board of review contended that despite smaller lot sizes for five of the comparable sales in the appraisal report ranging from 47.2% to 75.1%, Cole made 10% downward adjustments to appraisal sales #1 through #4 and #6 "for superior site utility." Furthermore, appraisal sales #2 through #6 are located from .51 of a mile to 1.12-miles from the subject and none are within the "subject's immediate market area."

In support of its contention of the correct assessment, the board of review submitted information on five comparable sales along with one active listing. The comparables are located within .41 of a mile from the subject with parcels ranging in size from 15,397 to 30,584 square feet of land area. The comparables consist of a one-story and five, two-story dwellings that were built between 1923 and 2006 and range in size from 3,723 to 5,744 square feet of living area. Each dwelling has a basement, five of which have finished areas, and varying degrees of similarity to the subject in other features. Comparable #2 has a 360 square foot inground swimming pool. Five of the comparables sold from August 2015 to March 2018 for prices ranging from \$1,158,000 to \$2,100,000 or from \$289.86 to \$365.60 per square foot of living area, including land; comparable #5 has a listing price of \$1,750,000 or \$342.00 per square foot of living area, including land.

Based on the foregoing evidence and argument, the board of review requested confirmation of the subject's estimated market value as reflected by its 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 on this record.

The appellant submitted an appraisal of the subject property with an opinion of value as of January 1, 2017 and the board of review submitted data on five comparable sales and one active listing for consideration by the Property Tax Appeal Board. Having thoroughly examined the appellant's appraisal report, the Board finds that the appellant's appraiser utilized comparables that differed significantly from the subject in location, lot size, dwelling size and/or features including the lack of any comparables with an inground swimming pool like the subject's pool that was built in 2017. Furthermore, the Board does not find the conclusory statements in the appellant's appraisal report sufficient to justify the significant downward adjustments for building utility and/or site utility as outlined in the report. Given these concerns related to the properties chosen by Cole and the adjustments applied within the sales comparison approach analysis, the Board finds the appraiser's value conclusion is not a credible or reliable indicator of the subject's estimated market value as of the assessment date.

The courts have stated that where there is credible evidence of comparable sales these sales are to be given significant weight as evidence of market value. In Chrysler Corporation v. Property Tax Appeal Board, 69 Ill. App. 3d 207 (2nd Dist. 1979), the court held that significant relevance should not be placed on the cost approach or income approach especially when there is market data available. In Willow Hill Grain, Inc. v. Property Tax Appeal Board, 187 Ill. App. 3d 9 (5th Dist. 1989), the court held that of the three primary methods of evaluating property for the purpose of real estate taxes, the preferred method is the sales comparison approach. The Board finds there are credible market sales contained in this record. As a consequence of the case law and the finding that the appraisal is not a reliable indicator of value, the most similar raw sales presented in the appraisal will be analyzed along with the best raw sales presented by the board of review.

The parties submitted a total of eleven comparable sales and one active listing to support their respective positions before the Property Tax Appeal Board. The Board has given reduced weight to appraisal sales #1, #2, #4 and #6 due to their substantially smaller dwelling sizes when compared to the subject dwelling and/or dated sale for valuation as of January 1, 2018. The Board has given reduced weight to board of review comparables #1, #4, #5 and #6 due to differences in story height, age, lack of finished basement and/or date of sale.

The Property Tax Appeal Board finds the best evidence of market value in the record to be appraisal sales #3 and #5 along with board of review comparable sales #2 and #3. These four comparables present varying degrees of similarity to the subject dwelling in location and lot size but bracket the subject dwelling in size along with some other similar features, although only board of review comparable #2 has an inground pool. These comparables sold from January to August 2016 for prices ranging from \$1,230,000 to \$2,100,000 or from \$277.72 to \$365.60 per

square foot of living area, including land. The subject's assessment reflects a market value of \$1,463,664 or \$301.54 per square foot of living area, including land, which is within the range established by the best comparable sales in the record both in terms of overall value and on a per-square-foot basis. Moreover, the subject's estimated market value appears to be well-supported by the most similar comparable, board of review #2, which features a similar dwelling size and an inground swimming pool. After considering adjustments to the comparables for differences when compared to the subject, 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.



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: February 16, 2021



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

Jeffrey Michael, by attorney:
David R. Bass
Field and Goldberg, LLC
10 South LaSalle Street
Suite 2910
Chicago, IL 60603

COUNTY

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