



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

APPELLANT: Jeffrey Copeland
DOCKET NO.: 18-02461.001-C-1
PARCEL NO.: 14-09-203-001

The parties of record before the Property Tax Appeal Board are Jeffrey Copeland, 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 **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: \$84,700
IMPR.: \$178,607
TOTAL: \$263,307

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 four-unit office/medical building of brick exterior construction with 5,758 square feet of building area that was constructed in 2007. The property has a 34,730, square foot site and is located in Hawthorn Woods, Ela Township, Lake County.

The appellant's appeal is based on overvaluation. In support of this argument, the appellant provided a brief of counsel and supporting documentation. After the appeal was returned as incomplete, the appellant minimally completed Section IV – Recent Sale Data of the Commercial Appeal petition reporting the parties to the transaction were not related and the property was advertised; the appellant cited the PTAX-203 form in answer to the inquiry how long the property was advertised. The brief argued that the subject property was purchased on December 14, 2016 for \$790,000 in a qualified sale. Attached closing documents related to the sale included a copy of the Settlement Statement reiterating the sale date and the sale price. The

buyer was reported as the appellant, Jeffrey Copeland, and the seller was listed as HWDM Building, LLC. A copy of the PTAX-203 Illinois Real Estate Transfer Declaration also reiterated the sale date and sale price noting the transfer occurred via Warranty Deed and the property was advertised prior to the sale transaction; the seller and buyer address information on the PTAX-203 are both identical being the subject property's address. A Lake County printout concerning the subject property was provided depicting the sale price, sale date and that it was denoted as "qualified" and a CoStar printout reiterated the sale date and price.

Based on this evidence, the appellant requested a reduction in the subject's assessment to reflect the purchase price at the statutory level of assessment of 33.33%.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$293,546. The subject's assessment reflects a market value of \$887,382 or \$154.11 per square foot of building 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 a responsive letter to the appeal, the board of review asserted the subject property was a sale between related individuals and was not therefore a typical arm's length transaction. In support of this contention, the board of review noted that the Settlement Statement did not depict the distribution of any broker's fees related to the transaction. Furthermore, the board of review argued that while the PTAX-203 was marked the property had been advertised, there was no copy of a listing or advertisement provided nor discovered by the assessing officials; "CoStar reports that the sale was between individuals and offers no validation of any marketing activity." As to the Lake County printout denoting the subject's sale as "qualified," the board of review contends "the Assessment website is not warranted as being correct – a disclaimer encourages parties using the data to contact the township assessor to obtain the correct property record cards and characteristics."

In further support of the argument concerning the relationship between the parties, the board of review provided a copy of the subject's property record card on which the assessor noted that "the 2016 purchase is unqualified related party/internal business transaction." (See notes, lower left corner of landscape document) The assessor's notes further state:

Dr. Edgar is one of the 3 dentists within the practice who made this purchase. All 3 original dentists still remain in the practice. No one has left.

(Subject property record card, page 1) A copy of the Warranty Deed depicts the sale from HWDM Building LLC a signed by Gail Edgar, Manager/Member. The board of review supplied a printout from the Illinois Secretary of State depicting Gail Edgar as one of the Managers of HWDM Building, LLC which was voluntarily dissolved as of December 28, 2016. To further depict the relationship, the board of review submitted a Quit Claim Deed for the subject property recorded in November 2006 granting the property from John C. Edgar and Gail A. Edgar to HWDM Building, LLC where the listed addresses of the Grantees and the Taxpayers were identical.

The board of review submitted twelve pages of printouts from Hawthorn Woods Family Dental Care depicting the appellant as one of the dental practitioners and that John C. Edgar retired from the dental practice in October 2017. A CoStar printout related to the sale transaction depicts the sale as individual to individual.

Based on the foregoing argument and evidence disputing the purported arm's-length nature of the subject's sale transaction, the board of review requested that no change be made in 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); National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002). 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 met this burden of proof and a reduction in the subject's assessment is warranted.

The appellant contends the subject's assessment should be reduced based on the unrefuted sale evidence disclosing that the subject sold in December 2016 for a price of \$790,000. The information provided by the appellant indicated the sale had several of the elements of an arm's-length transaction and the sale occurred thirteen months before the assessment date at issue of January 1, 2018. The board of review's responsive evidence contested the arm's-length nature of the sale of the subject property as it was sold by HWDM Building LLC, an entity managed by Gail Edgar, the wife of John Edgar, a dentist within the Hawthorn Woods Family Dental Care practice, where the appellant Jeffrey Copeland is also a practicing dentist. The Lake County Board of Review presented no substantive evidence to support any implication that the sale was under duress or in some manner a compulsory sale due to the sale by HWDM Building, LLC. Moreover, and more importantly, the Lake County Board of Review provided no market value evidence to otherwise support the subject's estimated market value as reflected by its assessment of \$887,382.

Except in counties with more than 200,000 inhabitants that classify property, property is to be valued at 33 1/3% of fair cash value. (35 ILCS 200/9-145(a)). Fair cash value is defined in the Property Tax Code as "[t]he amount for which a property can be sold in the due course of business and trade, not under duress, between a willing buyer and a willing seller." (35 ILCS 200/1-50). The Illinois Supreme Court has construed "fair cash value" to mean what the property would bring at a voluntary sale where the owner is ready, willing, and able to sell but not compelled to do so, and the buyer is ready, willing, and able to buy but not forced so to do. Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970). A contemporaneous sale between two parties dealing at arm's length is not only relevant to the question of fair cash value but practically conclusive on the issue on whether the assessment is reflective of market value. Korzen v. Belt Railway Co. of Chicago, 37 Ill.2d 158 (1967). Our supreme court has at least indicated that a sale of property during the tax year in question is a "relevant factor" in considering the validity of an assessment. [citations omitted]. Rosewell v. 2626 Lakeview Limited Partnership, 120 Ill.App.3d 369, 375 (1st Dist. 1983).

The Property Tax Appeal Board finds the best evidence of the subject's fair market value in the record is the December 2016 sale for \$790,000 despite the issues raised by the board of review concerning the transaction. The Property Tax Appeal Board finds there is little substantive evidence that the sale was a transfer between related parties. The PTAX-203 indicated that the property was advertised for sale. Furthermore and most critically, the Property Tax Appeal Board finds there is no evidence in the record that the sale price was not reflective of the subject's market value as of the sale date. Most notably, the Lake County Board of Review wholly failed to provide any substantive market value evidence to support the estimated market value of the subject property of \$887,382 as of January 1, 2018. It has also been held there is no presumption of correctness accorded to an original assessment or that of a board of review (Western Illinois Power Cooperative, Inc. v. Property Tax Appeal Board, (1975), 29 Ill. App. 3d 16, 22). A taxpayer seeking review before the Property Tax Appeal Board from a decision of the board of review does not have the burden of overcoming any presumption that the assessed value was correct. Mead v. Board of Review of McHenry County, 143 Ill.App.3d 1088, 1094 (2nd Dist. 1986). Having examined the entire submission, the Board further finds that the board of review did not adequately contest the arm's-length nature of the subject's sale. Thus, based on the foregoing facts, the Property Tax Appeal Board finds the subject's December 2016 sale price of \$790,000 was reflective of market value.

As the subject's assessment reflects an estimated market value of \$887,382, which is higher than its December 2016 sale price and in the absence of any other market value evidence, the Board finds that a reduction is warranted. Based on the foregoing evidence, a reduction in the subject's assessment commensurate with the appellant's request 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



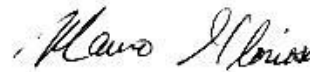
Member

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

State of Illinois
Property Tax Appeal Board
William G. Stratton Building, Room 402
401 South Spring Street
Springfield, IL 62706-4001

APPELLANT

Jeffrey Copeland, by attorney:
Ronald Kingsley
Lake County Real Estate Tax Appeal, LLC
13975 W. Polo Trail Drive
#201
Lake Forest, IL 60045

COUNTY

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