



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

APPELLANT: Homework Investors, LLC
DOCKET NO.: 19-09140.001-R-1
PARCEL NO.: 08-21-304-001

The parties of record before the Property Tax Appeal Board are Homework Investors, LLC, the appellant, by attorney Abby L. Strauss, of Schiller Law 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: \$10,602
IMPR.: \$47,725
TOTAL: \$58,327

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 2019 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 two dwellings, a one-story dwelling and a two-story two-unit apartment building both of frame exterior construction with a combined 4,438 square feet of living area. The dwellings were constructed in 1901 and are approximately 118 years old. The property has a 13,440 square foot site and is located in Waukegan, Waukegan Township, Lake County.¹

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal estimating the subject property had a market value of \$125,000 as of January 1, 2019. The appraisal was prepared by Audrey Clamage, a Certified Residential

¹ The parties differ as to the parcel size. The Board finds the appraisal to be the best evidence of parcel size in the record.

Real Estate Appraiser. The purpose of the appraisal was to determine the market value of the subject property for a property tax appeal.

Under the cost approach to value, the appraiser estimated the subject had a site value of \$10,000. The appraiser estimated the replacement cost new of the improvements to be \$162,705. The appraiser estimated physical depreciation to be \$23,432 resulting in a depreciated improvement value of \$139,273. Adding the various components, the appraiser estimated the subject property had an estimated market value of \$149,300 under the cost approach to value.

Under the income approach, the appraiser examined three rent comparables located within 1.15 miles of the subject. The comparables are improved with two-unit apartment buildings ranging in size from 2,264 to 3,346 square feet of gross building area. The buildings range in age from 89 to 117 years old. The monthly rents range from \$1,500 to \$2,050 or \$0.47 to \$0.85 per square foot of gross building area. The appraiser used the actual gross monthly rent of \$3,000 multiplied by a gross rent multiplier of 42.00 to arrive at an opinion of value of \$126,000 under the income approach.

Under the sales comparison approach, appraiser Clamage examined three comparable sales located within 1.41 miles of the subject. The comparables are improved with two-unit, three-unit, or four-unit apartment buildings of frame exterior construction ranging in size from 1,584 to 2,444 square feet of gross building area. The dwellings are 89 to 118 years old. The parcels range from \$3,433 to 7,353 square feet of land area. The sales occurred from July to November 2018 for prices ranging from \$110,000 to \$121,000 or from \$47.05 to \$69.44 per square foot of living area, including land. Adjustments were applied for differences between the comparables and the subject property for site size, gross building area, and number of units to arrive at adjusted prices ranging from \$121,500 to \$133,500. Based on this data, the appraiser arrived at a market value of \$125,000 or \$28.17 per square foot of living area, including land, as of January 1, 2019.

In reconciliation, the appraiser placed most weight on the sales comparison approach which was considered most reliable in arriving at the final opinion of \$125,000. Based on this evidence, the appellant requested reduced assessment of \$58,327, for an estimated market value of \$174,998 or \$39.43 per square foot of living area, including land, when applying 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 \$70,029. The subject's assessment reflects a market value of \$212,919 or \$47.98 per square foot of living area, land included, when using the 2019 three-year average median level of assessment for Lake County of 32.89% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted information on two comparable sales consisting of two-story multi-unit apartment buildings of brick exterior construction containing either 3,024 or 3,040 square feet of gross building area. The dwellings were built in 1920 and 1930, with comparable #2 having an effective age of 1935. The parcels contain 6,260 or 7,400 square feet of land area. The comparables sold in December 2018 and April 2019 for prices of \$175,000 and \$231,000 or for \$57.57 and \$76.39 per square foot of

living area, including land. The board of review also submitted a memorandum arguing that the gross rent multiplier used by the appraiser was “exceptionally low” and that a gross rent multiplier of 70 was more appropriate, which would result in a market value of \$210,000. The board of review also noted that appraisal comparable #1 was located near a liquor store, appraisal comparable #2 is a duplex, and appraisal comparable #3 has four studio apartment units. Based on this evidence, the board of review requested confirmation of the subject’s assessment.

In rebuttal, the appellant argued that the board of review’s evidence failed to address the appellant’s market value argument and that the board of review did not provide three comparable sales as required by the rules of the Property Tax Appeal Board.

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 met this burden of proof and a reduction in the subject's assessment is warranted.

The parties submitted an appraisal and two comparable sales for the Board’s consideration. The Board finds the best evidence of market value to be the appraisal submitted by the appellant estimating the subject property had a market value of \$125,000 or \$28.17 per square foot of living area, including land, as of January 1, 2019. The appraisal was completed using similar comparable properties, when compared to the subject, and contained appropriate adjustments to the comparable properties, which further advances the credibility of the report. The subject's assessment reflects a market value above the appraised value. The board of review’s unadjusted comparable sales do not overcome the weight given to the appellant’s appraisal. Based on the evidence in this record, the Board finds a reduction in the subject’s assessment commensurate with the appellant’s request is justified. Since market value has been established, the 2019 three-year average median level of assessment for Lake County of 32.89% as determined by the Illinois Department of Revenue shall apply.

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 27, 2023



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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COUNTY

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