



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

APPELLANT: Alisa Burkey
DOCKET NO.: 20-00823.001-C-1
PARCEL NO.: 11-33-302-019

The parties of record before the Property Tax Appeal Board are Alisa Burkey, the appellant; 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: \$43,069
IMPR.: \$123,598
TOTAL: \$166,667

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 2020 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 commercial building with brick and stucco exterior construction containing 2,890 square feet of building area. The building was constructed in 1996 and is configured as a dental office. The building is fully sprinklered, has central air conditioning and has an attached 455 square foot garage. The property has a 25,300 square foot site and is located in Vernon Hills, Libertyville Township, Lake County.

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 \$500,000 as of January 1, 2020. The appellant's appraiser inspected the subject property on October 7, 2020. The appraiser observed the subject's improvements were in good condition for their age and noted the property has no evidence of deferred maintenance. The appraiser utilized the sales comparison and the income approaches in valuing the subject.

Under the sales comparison approach, the appraiser selected five comparable properties that are located in Buffalo Grove, Gurnee or Libertyville. The comparables have sites ranging in size from 12,632 to 213,784 square feet of land area that are improved with office buildings ranging in size from 1,780 to 6,456 square feet of building area. The buildings were constructed between 1995 and 2006. The comparables have sale dates ranging from February 2017 to November 2019 and sold for prices ranging from \$280,000 to \$750,000 or from \$83.41 to \$176.67 per square foot of building area, including land. After adjusting the comparables' sale prices for differences when compared to the subject, the appraiser estimated the subject would have a value of \$175.00 per square foot of building area, including land, or \$505,000, rounded.

Under the income approach, the appraiser selected five comparable rental properties that are located in Vernon Hills or Libertyville. The comparables are located in commercial, office or office and medical office buildings with rental space ranging in size from 1,006 to 10,220 square feet of building area. The buildings were constructed between 1925 and 1986. The comparables have asking rents ranging from \$10.73 to \$15.24 per square foot of building area. After analyzing the comparables' rental rates, the appraiser arrived at an estimated market rent for the subject of \$15.50 per square foot of building area or a total potential gross income of \$44,795. The appraiser then subtracted \$4,480 for vacancy and collection loss to arrive at an effective gross income of \$40,315. The appraiser subtracted \$4,558 for expenses to arrive at a net operating income of \$35,757, which was capitalized at a rate of 7.25%, for an estimated market value for the subject under the income approach of \$495,000, rounded.

In reconciliation, the appraiser placed most weight on the sales comparison approach to value, as this is the method most often used by market participants, and estimated the subject property has a market value of \$500,000 as of January 1, 2020.

Based on this evidence, the appellant requested that the subject's total assessment be reduced to reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$204,979. The subject's assessment reflects a market value of \$615,737 or \$213.06 per square foot of building area, land included, when using the 2020 three-year average median level of assessment for Lake County of 33.29% as determined by the Illinois Department of Revenue.

In response to the appellant's complaint, the board of review submitted a brief critiquing the appellant's appraisal and information on five comparable sales that are located in Libertyville, Round Lake, Highland Park, Gurnee or Lake Zurich. The board of review's comparable #4 is the same property as the appellant's comparable #2. The comparables have sites ranging in size from 11,326 to 97,139 square feet of land area that are improved with medical type buildings ranging in size from 2,460 to 23,058 square feet of building area. The buildings were constructed between 1960 and 2002. The comparables have sale dates ranging from March 2019 to March 2021 and sold for prices ranging from \$750,000 to \$4,085,000 or from \$116.17 to \$345.53 per square foot of building area, including land.

Based on this evidence the board of review requested confirmation of the subject's assessment.

The appellant submitted rebuttal critiquing the board of review's submission. The appellant argued the board of review's comparables #1, #2 and #3 are located in superior downtown locations with a more favorable traffic pattern than the subject. The appellant also argued the sale prices per square foot of comparables #3 and #4 support the appraisal's estimated market value.

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 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 \$500,000 as of January 1, 2020. The subject's assessment reflects a market value of \$615,737, which is above the appraised value. The appellant's appraiser selected appropriate sale and lease comparables and made reasonable adjustments to the comparables to account for their differences from the subject property. The Board gave less weight to the board of review's comparables, except for comparable #4 which was used by the appellant's appraiser. The Board finds three of the comparables sold for prices ranging from \$1,140,000 to \$4,085,000, which appear less appropriate in supporting the subject's estimated market value than the comparables used in the appellant's appraisal. The Board finds the appellant's rebuttal regarding the board of review's comparables #1, #2 and #3, having superior downtown locations with a more favorable traffic pattern than the subject, might explain their higher sale prices. Based on this record, the Board finds a reduction to the subject's assessment commensurate with the appellant's request is appropriate.

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 23, 2022



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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