



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

APPELLANT: Thomas & Karen Hutchinson
DOCKET NO.: 20-00866.001-R-1
PARCEL NO.: 13-36-406-005

The parties of record before the Property Tax Appeal Board are Thomas & Karen Hutchinson, the appellants, by attorney Michael B. Andre, of Eugene L. Griffin & Associates, Ltd. 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: \$21,405
IMPR.: \$41,846
TOTAL: \$63,251

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellants 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 two-story, two-unit apartment building of frame exterior construction with 1,728 square feet of building area. The dwelling was constructed in 1910. Features of the home include a basement, central air conditioning, and a fireplace. The property has a 4,690 square foot site and is located in Barrington, Cuba Township, Lake County.

The appellants contend overvaluation as the basis of the appeal. In support of the overvaluation argument the appellants submitted an appraisal estimating the subject property had a market value of \$190,000 as of January 1, 2020. The appraisal was prepared by Gregory B. Nold, MAI, a Certified General Real Estate Appraiser.

In estimating the market value of the subject property, the appraiser developed the sales comparison and income approaches to value. Based on a survey of comparable rents in the

market area, the appraiser estimated total monthly market rent for the subject property to be \$1,700 per month for a Potential Gross Income of \$20,400. The appraiser estimated total expenses of \$15,445 which include vacancy and credit loss, common area maintenance, legal and professional fees, and reserve for replacements. This results in an estimated net income of \$15,445. The appraiser estimated a capitalization rate of 6% based on the band of investment technique and a tax load of 2.44% (2019 tax rate 7.313539 x assessment level of .3333= 2.44%) for a loaded capitalization rate of 8.44%. By capitalizing the subject's net income of \$15,445 by the loaded capitalization rate of 8.44%, the appraiser arrived at an estimated market value of \$185,000, rounded.

Under the sales comparison approach, the appraiser used five comparable sales improved with two to four-unit apartment buildings that range in size from 1,830 to 3,042 square feet of living area. The dwellings were built from 1888 to 1958. Each comparable has features with varying degrees of similarity to the subject. The comparables sold from January 2017 to May 2020 for prices ranging from \$277,000 to \$385,000 or from \$115.42 to \$163.11 per square foot of living area, including land. The appraiser applied adjustments for differences from the subject in design, construction quality, land to building ratio, and/or age. The adjusted prices ranged from \$106.02 to \$124.22 per square foot of living area, including land. Based on the adjusted prices, the appraiser arrived at an estimated market value of \$120 per square foot of living area, including land, or \$207,360, rounded to \$205,000.

In reconciliation, the appraiser considered both indicators of value but most emphasis was given to the income approach to arrive at an estimated market value of \$190,000.

Based on this evidence, the appellants requested a reduction in the subject's assessment 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 \$113,722. The subject's assessment reflects a market value of \$341,200 or \$197.45 per square foot of living area, land included, when using the 2020 three year average median level of assessment for Winnebago County of 33.33% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted information on three comparable sales located within .21 of a mile from the subject. These comparables are described as 1.75-story or 2-story single-family dwellings ranging in size from 1,712 to 1,883 square feet of living area. The dwellings were built from 1888 to 1930 with effective ages from 1920 to 1954 and have features with varying degrees of similarity to the subject. The comparables sold from February 2019 to October 2020 for prices ranging from \$372,000 to \$450,000 or from \$197.56 to \$262.85 per square foot of living area, including land. Based on this evidence, the board of review requested confirmation of the subject's assessment.

Conclusion of Law

The appellants contend 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 appellants 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 appellants. The appraiser developed the sales comparison approach to value using comparable sales of multi-family (2-unit to 4-unit properties) when compared to the subject property which is also a 2-unit property. The appraiser adjusted the comparables for differences from the subject property. The appraiser also developed the income approach to value. The appraiser arrived at a reconciled value for the subject property of \$190,000 as of January 1, 2020. Based on this record, the Board finds the subject property had a market value of \$190,000 as of the assessment date at issue. The Board finds the board of review failed to provide any sales of multi-family properties similar to the subject. As a result, the Board gives less weight to the board of review's evidence. Since market value has been established the 2020 three-year average median level of assessments for Lake County of 33.29% as determined by the Illinois Department of Revenue shall apply. (86 Ill.Admin.Code §1910.50(c)(1)).

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:

December 19, 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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