



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

APPELLANT: Daniel Miotti  
DOCKET NO.: 23-02421.001-C-2 through 23-02421.002-C-2  
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Daniel Miotti, the appellant, by attorney Ronald Kingsley, of Lake County Real Estate Tax Appeal, LLC in Hawthorn Woods, 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
23-02421.001-C-2	16-21-205-004	171,666	89,175	\$260,841
23-02421.002-C-2	16-21-205-005	171,666	174,099	\$345,765

Subject only to the State multiplier as applicable.

**Statement of Jurisdiction**

The appellant timely filed the appeal from decisions of the Lake County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessments for the 2023 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 part one-story and part two-story industrial office building of masonry exterior construction with 26,145 square feet of gross building area with a concrete slab foundation. The subject which is used as a truck sales facility and was constructed in stages between 1958 and 1974. Features include two overhead doors, one each on the north and south elevations with 16-foot ceilings. The office area contains approximately 10,000 square feet or 21.23% of the building. The property has a 1.65-acre or 71,700 square foot site zoned I, Light Industry District, for a land-to-building ratio of 2.74:1. The subject is located in Highland Park, West Deerfield Township, Lake County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted a 103-page appraisal report prepared by Elizabeth Halemba and Susan Z. Ulman, both of whom are Certified General Real Estate Appraisers. Ulman, who also has the

MAI designation, acted as review appraiser. Halemba prepared a retrospective appraisal of the subject property estimating the fee simple estate to have a market value of \$1,820,000 as of January 1, 2023. The purpose of the appraisal was for real estate tax appeal. The appraiser viewed the property on November 7, 2023 and determined the subject was in average condition.

As part of the appraisal, several exterior areas of “washed out mortar” were depicted in photographs in the report. The appraisal also described that the second floor as vacant space.

Under the cost approach, the appraiser estimated the subject had a site value of \$1,150,000 after analyzing five land sales located in Highland Park, Vernon Hills, Lake Barrington, Lake Forest and Kildeer. Utilizing *Marshall Valuation Service*, the appraiser estimated the replacement cost new of the improvements as an average Class C (406) storage warehouse with a base cost of \$56 per square foot which became \$65.59 per square foot after applying time and location multipliers. As a result, after applying direct and indirect costs along with entrepreneurial incentive and depreciation, the appraiser concluded a depreciated building value of \$623,253 to which the value of site improvements of \$10,000 and the land value were added resulting in an estimated market value of \$1,780,000, rounded, under the cost approach to value. (Appraisal, pp. 36-53)

Using the income approach to value, the appraiser analyzed fourteen rental comparables located in Mundelein, Zion, Round Lake, Lake Zurich, Grayslake, Libertyville, Gurnee, Barrington, Waukegan, Highwood and Highland Park. The comparables were described as industrial buildings that range in size from 1,200 to 21,790 square feet of building area. The rental comparables had gross rental rates ranging from \$5.75 to \$13.00 per square foot of building area. After consideration of the adjustment process, the appraiser concluded the subject property had a projected gross rental rate of \$9.50 per square foot of building area. Therefore, the subject's potential annual income was estimated to be \$248,378. Vacancy was estimated to be 5% and collection loss was estimated to be 2%, resulting in an effective gross income of \$230,991. Expenses for management, administrative, professional fees, alarm, insurance, repairs, maintenance & cleaning, totaled \$31,986 along with deductions for leasing commissions and reserves for replacements resulting in an estimated net operating income of \$181,077. Using the band of investment method, the appraiser calculated a capitalization rate of 7.00% which was then loaded by the tax load factor of 3% resulting in an overall capitalization rate of 10% to be applied to the subject's estimated net operating income. As a result, the appraiser concluded a value under the income approach of \$1,810,000, rounded. (Appraisal, pp. 54-77)

Using the sales comparison approach, the appraiser considered six sales of comparable industrial properties located in Highland Park, Lake Forest, Lake Bluff, Buffalo Grove, Libertyville and Lincolnshire. The parcels range in size from 13,728 to 172,062 square feet of land area and have been improved with buildings that were built between 1957 and 1996. The structures range in size from 8,077 to 32,000 square feet of building area. The comparables have land-to-building ratios ranging from 1.70:1 to 5.50:1, the number of overhead doors range from 1 to 11 and the ceiling heights range from 12 feet to 21 feet. Each comparable is reported to be in average condition. The properties sold from February 2020 to October 2023 for prices ranging from \$550,000 to \$2,440,000 or from \$57.50 to \$76.25 per square foot of building area, including land. After making adjustments to the comparables to account for differences in location, age, size, overhead doors, ceiling heights, and/or land-to-building ratio, the appraiser estimated a

value for the subject of \$70.00 per square foot of building area or \$1,830,000, including land, under the sales comparison approach to value. (Appraisal, pp. 78-95)

In reconciliation at pages 96 and 97 of the report, the appraiser gave minimal consideration to the cost approach, secondary weight to the income approach and greatest weight was given to the sales comparison approach to value. Thus, the appraiser opined that the subject property had an estimated market value as of January 1, 2023 of \$1,820,000 or \$69.61 per square foot of building area, including land. Based on the foregoing evidence, the appellant requested a total assessment of \$606,606 which reflects the appraised value at the statutory level of assessment of 33.33%.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessments for the subject of \$772,976. The subject's combined assessments reflect a market value of \$2,319,160 or \$88.70 per square foot of gross building area, land included, when using the statutory level of assessment of 33.33%.<sup>1</sup>

In response to the appellant's evidence, the board of review argued that the subject property is highly accessible from Skokie Valley Road and all surrounding arteries and considered a 'high traffic' location. Furthermore, the board of review contends that the appellant's appraiser overlooked other properties located in competing market areas which demonstrate a higher cost per square foot as being reasonable and supported by market data.

In support of its contention of the correct assessment, the board of review submitted information on six comparable sales located in Vernon Hills, Mundelein, Buffalo Grove, Lake Forest and Des Plaines along with CoStar printouts for each property. The parcels range in size from 28,998 to 102,366 square feet of land area and are each improved with a brick building ranging in age from 24 to 51 years old. The warehouse structures range in size from 13,400 to 34,235 square feet of building area. The supporting documentation reveals that comparables #1 and #5 were vacant at the time of sale with comparable #1 described as a 'high vacancy property' and comparable #5 built in 1972. Comparable #2 was 4.9% leased at the time of sale. Comparables #3 and #4 were each 100% leased at the time of sale with comparable #4 being a multi-tenant property. Comparable #6 is a sale leaseback of property located in the O'Hare submarket in Cook County. The properties sold from January 2022 to December 2023 for prices ranging from \$2,400,000 to \$3,100,000 or from \$82.48 to \$193.32 per square foot of building area, including land. Based on this evidence and argument, the board of review requested confirmation of the subject's 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

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<sup>1</sup> Procedural rule Sec. 1910.50(c)(1) provides that in all counties other than Cook, the three-year county wide assessment level as certified by the Department of Revenue will be considered. 86 Ill.Admin.Code Sec. 1910.50(c)(1). Prior to the issuance of this decision, the Department of Revenue has yet to publish Table 3 with the figures for tax year 2023.

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 submitted an appraisal of the subject property with an opinion of value as of the lien date using the three approaches to value in seeking a reduced assessment. The board of review provided some criticism of the appraisal that there were “several other properties” in competing markets with a higher cost per square foot. Of the six suggested comparable sales presented by the board of review only one comparable is similar to the subject in age and five comparables present higher sales prices per square foot, including land, which is logical given their respective newer ages. The Property Tax Appeal Board has given little weight to board of review comparable #6 which appears to be an outlier, its sale leaseback transaction and due to its location in the O’Hare submarket in Cook County. The Board has given reduced weight to board of review comparables #1 through #4 as these buildings range in age from 24 to 35 years old and thus are each significantly newer than the subject building.

The Board finds the best evidence of market value to be the appraisal submitted by the appellant with some support from board of review comparable sale #5, a 29,583 square foot 51 year old building in Mundelein which sold in December 2023 for \$82.48 per square foot of building area, including land. The Board finds the appellant’s appraisal presents a clear and concise analysis of the appraisal process, the three approaches to value and the reconciliation of those respective approaches. The appraisal concludes a value for the subject on the lien date of \$1,820,000 or \$69.61 per square foot of building area, including land, which appears to be logical given the subject’s varying dates of construction from 1958 to 1974. In contrast, board of review comparable #5 was built in 1972 and thus is newer than the subject property and logically has a higher value on a per square foot basis. The subject's assessment reflects a market value of \$2,319,160 or \$88.70 per square foot of gross building area, land included, which is above the appraised value conclusion.

On this record, the Board finds the subject property had a market value of \$1,820,000 as of the assessment date at issue. Since market value has been established the statutory level of assessment of 33.33% shall apply. (86 Ill.Admin.Code §1910.50(c)(1)). (See Footnote 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: \_\_\_\_\_

November 19, 2024



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

Daniel Miotti, by attorney:  
Ronald Kingsley  
Lake County Real Estate Tax Appeal, LLC  
40 Landover Parkway  
Suite 3  
Hawthorn Woods, IL 60047

COUNTY

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