



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

APPELLANT: David & Marilyn Goldrath
DOCKET NO.: 09-03060.001-R-1
PARCEL NO.: 13-12-403-045-0000

The parties of record before the Property Tax Appeal Board are David & Marilyn Goldrath, the appellants, by attorney Minard E. Hulse in Chicago, and the Lake County Board of Review.

Based on the facts and exhibits presented, 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: \$81,087
IMPR: \$247,513
TOTAL: \$328,600

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a two-story dwelling of brick and dryvit exterior construction containing 5,309 square feet of living area. The dwelling was built in 1994 and features a full finished basement, central air conditioning, two fireplaces and a three-car garage. The home is located in the Wynstone development of North Barrington, Lake County, Illinois

The appellants appeared before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. In support of this argument, the appellants submitted an appraisal of the subject property prepared by a state licensed appraiser. The appraisal report conveys an estimated market value, for the subject property, of \$950,000 as of January 1, 2009, using only one of the three traditional approaches to value.

Under the sales comparison approach to value, the appraiser utilized three comparable sales from the Wynstone development. The comparable sales consist of two-story dwellings of frame or frame and masonry construction that contain from 5,285 to 5,894 square feet of living area. The dwellings were built from 1993

to 2002 and feature full finished basements, one of which is a walkout, central air conditioning, three or four fireplaces and three-car garages. The comparables sold from May 2008 to July 2009 for prices ranging from \$950,000 to \$1,187,500 or \$161.18 to \$213.96 per square foot of living area including land.

The appraiser adjusted the comparables for differences when compared to the subject in date of sale, site, view, quality of construction, age, condition, room count, gross living area, basement and finish, rooms below grade, porch/patio/deck and fireplace. The appraiser used the adjusted unit prices of the comparables and opined a subject property's value range of between \$882,625 and \$955,825 land included. Based on this adjusted comparable sales range, the appraiser concluded the subject had a fair market value of \$950,000 as of January 1, 2009.

The board of review cross examined the appraiser as to the adjustment that was done to the comparables for quality of construction, specifically the adjustment for the subject's dryvit exterior. The appraiser testified that he observed bird holes in the exterior dryvit and referred to the photograph in his appraisal. He further stated that he recommended the owner obtain a moisture content test to establish the level of damage, for which he is not qualified to perform as an appraiser. However, his adjustment for quality of construction takes into consideration the inferiority of a dryvit exterior

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$349,965 was disclosed. The subject's assessment reflects an estimated market value of \$1,065,018 or \$200.61 per square foot of living area including land using Lake County's 2009 three-year median level of assessments of 32.86%.

In support of the subject's assessment, the board of review submitted an appraisal of the subject property prepared by two state licensed appraisers. The appraisal report conveys an estimated market value, for the subject property, of \$1,050,000 as of January 1, 2009, using only one of the three traditional approaches to value.¹

Under the sales comparison approach to value, the appraisers utilized five comparable sales from the Wynstone development. The board of review's comparable #3 is the same property as the appellant's comparable #1 and the board of review's comparable #5 is the same property as the appellant's comparable #2. The comparable sales consist of two-story dwellings of frame or frame and masonry construction that contain from 4,546 to 5,550 square feet of living area. The dwellings were built from 1990 to 2001.

¹ The board of review's appraisal conveys a value for the subject of \$1,050,000, which was the value one of the appraiser's testified was appropriate. However, within the reconciliation portion of the appraisal the opinion of value is recorded as \$1,175,000 as of January 1, 2009.

The comparables have full finished basements, one of which is a walkout. Other features include central air conditioning, three, four or six fireplaces and from a two-car to a four-car garage. The comparables sold from January 2008 to November 2008 for prices ranging from \$956,250 to \$1,255,000 or from \$193.95 to \$248.42 per square foot for living area including land.

The appraisers adjusted the comparables for differences when compared to the subject in site, view, design, age, condition, room count, gross living area, rooms below grade, porch/patio/deck, fireplace, garage and exterior repairs. The appraisers used the adjusted unit prices of the comparables and opined a subject property's value range of between \$988,000 and \$1,191,500 per square foot of building area, land included. Based on this adjusted comparable sales range, the appraisers concluded the subject had a fair market value of \$1,050,000 as of January 1, 2009.

The appellant's attorney cross examined the board of review's appraiser as to why no adjustment for date of sale was applied to 28 S. Wynstone. The appraiser stated that the real estate market in Wynstone was flat throughout 2008. The appellant's attorney also questioned the lack of adjustment for quality of construction for 28 S. Wynstone. To which, the appraiser testified that the comparable was all stucco and the subject was part dryvit, which is inferior, and part brick, which is superior. The age adjustment was then questioned, to which the appraiser stated a ½% per year for age was used. The appellant's attorney next argued that an incorrect sale date was used in the board of review's appraisal for 83 S. Wynstone. After a brief recess, the board of review acknowledged that the sale occurred in July 2009, not in June 2008 which was reported in their appraisal.

The appellant's attorney recalled his witness in rebuttal and questioned why a 7% reduction of -\$41,600 was applied to 28 S. Wynstone. The appraiser stated that he used a "market condition report" from sales within the Wynstone development which produced a 7% per annual prorated adjustment rounded. The attorney again asked why a -\$25,000 adjustment was used for 28 S. Wynstone, whereas the board of review's appraiser made no adjustment. The appraiser noted the damage to the subject's dryvit and that the comparable was superior due to its exterior of stone, brick and stucco. The attorney next questioned the large disparity in age adjustment for this comparable, which was -\$80,000 for the appellant's appraisal and -\$25,000 for the board of review's appraisal. The appraiser noted functional utility as the main reason for the discrepancy, which includes the comparables more modern kitchen and bathrooms. The appellant's attorney next questioned the disparities in view and age for 83 S. Wynstone. The appraiser stated the comparable is much more wooded than the subject and the comparable is more superior in age due to a complete renovation including the addition of a highline kitchen.

In closing argument, the appellant's attorney noted the housing bubble in the United States, Lake County and the Wynstone development. He also requested that the Property Tax Appeal Board take official notice of the declining housing market and referred to the November 30, 2008 Case Shiller Home Price Index reporting its largest price drop in its history. The attorney argued that time adjustments were necessary due to the falling real estate values.

The board of review, in closing, argued that the specific data from the two appraisals and testimony from the two expert witnesses be relied upon rather than the general United States real estate market.

After hearing testimony and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The Property Tax Appeal Board further finds a reduction in the subject property's assessment is warranted.

The appellants argued the subject property was overvalued. When market value is the basis of the appeal, the value must be proved by a preponderance of the evidence. Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179, 183, 728 N.E.2d 1256 (2nd Dist. 2000). The Board finds the appellants did meet this burden of proof.

The appellants submitted an appraisal report estimating the subject property had a fair market value of \$950,000 as of January 1, 2009. The board of review offered an appraisal report estimating the subject property had a fair market value of \$1,050,000 as of January 1, 2009. The board of review's comparable #3 is the same property as the appellant's comparable #1 and the board of review's comparable #5 is the same property as the appellant's comparable #2.

The Board finds the appellants' appraisal was well prepared and the appraiser's knowledge of the subject's neighborhood was extensive. However, the Board finds the 7% time of sale adjustments relied on a "market condition report" that was not submitted as evidence and was given little weight. The appellant's attorney referenced a 2008 Case Shiller report as well as the general decline of the real estate markets in the United States, Lake County and the Wynstone development. The Board gave this argument little weight due to the generality of the argument and its applicability to the subject's assessment. The Board will base its decision on the specific evidence in the record as it relates to the subject's fair market value. The Board finds the board of review's appraisal was also well prepared, however, the adjustments process was called into question by the appellant's attorney and testimony by the appellant's appraiser, were given some weight. One of the common comparables has a walkout basement, but does enjoy a similar residential view. The Property Tax Appeal Board therefore finds that based on both appraisals and the common comparables, the

subject has a fair market value of \$1,000,000 as of January 1, 2009. After considering adjustments to the comparables for differences when compared to the subject, the Board finds the subject's estimated market value as reflected by its assessment is excessive and a reduction in the subject's assessment is warranted. Since market value has been established, the three-year median level of assessments for Lake County for 2009 of 32.86% shall be applied.

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.

Donald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mario Morris

Member

J. R.

Member

DISSENTING: _____

C E R T I F I C A T I O N

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: May 18, 2012

Allen Castrovillari

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 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 the subsequent year 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.

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.