



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

APPELLANT: Karl Zimmermann
DOCKET NO.: 09-03663.001-R-1
PARCEL NO.: 15-19-201-028

The parties of record before the Property Tax Appeal Board are Karl Zimmermann, the appellant, and the Lake County Board of Review.

Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds no change 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: \$51,327
IMPR: \$236,505
TOTAL: \$287,832

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of 107,593 square feet of land area is improved with a two-story brick and stone exterior constructed dwelling built in 2003. The dwelling contains 4,208 square feet of living area with a full walkout basement that is partially finished. Additional features of the dwelling are central air conditioning, fireplaces¹ and a three-car garage of 713 square feet of building area. The subject property is located in Long Grove, Vernon Township, Lake County.

The appellant's appeal contends the market value of the subject property is not accurately reflected in its assessed valuation. In support of this argument, the appellant submitted a Limited Summary Appraisal/Assessment Valuation Report prepared by real estate appraiser Gary W. Fritz of Fritz Appraisal in Geneva estimating the subject property had a market value of \$700,000 as of January 1, 2009. The appraisal was for "ad valorem" purposes only valuing the subject's fee simple interest.

¹ The appellant's appraiser reports two fireplaces and the assessing officials report there are four fireplaces. Neither party specifically addressed this discrepancy.

The appraiser noted the subject property is "located on the west side [*sic*] busy Illinois Route 83." The dwelling is said to be in average condition.

Using the sales comparison approach, the appraiser analyzed three sales of comparable homes located in Long Grove or Hawthorn Woods with the properties being described as across the street, in the same subdivision or within one mile of the subject. The parcels range in size from 40,075 to 52,490 square feet of land area and are improved with two-story brick or brick and frame dwellings ranging in age from new to 11 years old. The comparables range in size from 3,630 to 4,666 square feet of living area. Each has a full basement, two of which are finished. Additional features include central air conditioning, one to three fireplaces and a three-car garage. Individual descriptive sheets for the comparables revealed the following "significant amenities": comparable #1 has "view of pond, in-law arrangement in basement"; comparable #2 has a "deck"; and comparable #3 is "all brick, full finished walk out basement with bath." These comparables sold in February or July 2008 for prices ranging from \$700,000 to \$850,000 or from \$181.10 to \$198.60 per square foot of living area including land.

In comparing the properties to the subject, the appraiser made adjustments for site appeal, quality of construction, age, room count/bed/bath, dwelling size, basement finish and/or fireplaces. As to the adjustment process, the appraiser wrote that no site area adjustments were made "due to subject property is half water from large pond partially on subject property." The appraiser's analysis resulted in adjusted sales prices for the comparables ranging from \$663,900 to \$726,000 or from \$148.86 to \$182.89 per square foot of living area including land. The appraiser reported that he placed greatest emphasis upon comparable #1 "as it is the most recent and reflective of the poor real estate market affecting all homes." Thus, from this process, the appraiser estimated a value for the subject by the sales comparison approach of \$700,000 or \$166.35 per square foot of living area including land.

Based on this evidence, the appellant requested a reduction in the subject's total assessment to \$235,000 which would reflect a market value of approximately \$705,000.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$287,832 was disclosed. The final assessment of the subject property reflects a market value of \$875,934 or \$208.16 per square foot of living area including land using the 2009 three-year median level of assessments for Lake County of 32.86%. (86 Ill.Admin.Code §1910/50(c)(1)).

In response to the appeal, the board of review submitted a two-page letter along with supporting documents. As to the appellant's appraisal, the board of review does not agree with the value conclusion because the report "includes substantial

adjustments for the subject's site location near a busy artery, but no consideration for the subject's site being from 40% to 50% larger than the comparables or for the subject's pond and conservancy area views." The board of review provided an aerial photograph of the subject parcel depicting about ¼ of the lot being consumed by a pond and the dwelling being closer to Illinois Route 83 than to the pond.

Furthermore, the board of review contends the comparable properties in the appraisal are actually from two to six miles from the subject in neighboring Ela and Fremont Townships. Additionally, appraisal comparable #1 "involved a financial institution (Washington Mutual Bank) as the seller." According to the attached Illinois Real Estate Transfer Declaration (PTAX-203) for this sale, the property was advertised for sale, despite that the seller was Washington Mutual Bank (also, one of the questions in Item 10 was not checked that "seller/buyer is a financial institution or government agency"). Lastly, the board of review wrote that the unadjusted sales prices of the comparables in the appraisal range from \$192.61² to \$198.60 per square foot of living area which is "well above" the appraiser's per-square-foot estimated value conclusion of \$166.35.

To support the subject's estimated market value based on its assessment, the board of review submitted a grid analysis of three sales located in Long Grove, Vernon Township, which were from 1.41 to 1.92-miles from the subject property. The comparable parcels range in size from 44,045 to 76,665 square feet of land area and are improved with two-story frame or frame and brick dwellings that were 19 or 20 years old. The comparables range in size from 3,379 to 4,474 square feet of living area and feature basements which include finished area, central air conditioning, one to three fireplaces and garages ranging in size from 594 to 943 square feet of building area. These properties sold between July and December 2008 for prices ranging from \$877,500 to \$975,000 or from \$212.34 to \$259.69 per square foot of living area including land.

In the letter, the board of review "noted" the subject's current listing price. Attached to the documentation was a Multiple Listing Service sheet concerning the subject property and a history report. The subject was originally listed in May 2010 for an asking price of \$1,250,000 and, after several price reductions, as of May 2011 the asking price was \$898,000.

Based on the foregoing evidence and the assertion that the board of review's comparables provide "a better reflection of the January 1, 2009 market value of the subject property," the board of review requested confirmation of the subject's assessment.

² While not pointing it out specifically, the board of review reported a dwelling size for appraisal comparable #3 of 4,387 square feet whereas the appraiser reported 4,666 square feet.

After reviewing the record 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 Board further finds that a reduction in the subject's assessment is warranted.

The appellant argued that the subject's assessment was not reflective of market value. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002). The Board finds this burden of proof has been met and a reduction in the subject's assessment is warranted.

Upon examining the appellant's appraisal report, the Board finds that the appraiser made very substantial adjustments for the subject's location on a busy street. Absent this one adjustment, the subject's estimated market value as reflected by its assessment is not much more than the most similar comparable sales presented by both parties. Due to the style/appeal adjustment, the Board finds that the final value conclusion presented by the appraiser is not credible. Therefore, the Board finds that the appraised value is not a reliable indicator of the subject's estimated market value as of the assessment date and the most similar raw sales presented in the appraisal will be compared along with the most similar raw sales presented by the board of review.

The Property Tax Appeal Board finds that appraisal comparables #1 and #2 along with the board of review's comparables #1 and #2 were most similar to the subject property in dwelling size, design, exterior construction and/or age. Due to their similarities to the subject, these comparables received the most weight in the Board's analysis. These comparables sold between February and December 2008 for prices ranging from \$700,000 to \$975,000 or from \$192.84 to \$227.43 per square foot of living area including land. The subject's assessment reflects a market value of approximately \$875,934 or \$208.16 per square foot of living area including land, which falls within the range established by the most similar comparables both on total sale price and also on a per square foot basis. After considering these most comparable sales on this record, the Board finds the appellant did not demonstrate that the subject property's assessment was excessive in relation to its market value and a reduction in the subject's assessment is not warranted on this record.

The conclusion that no adjustment is warranted is further supported by the recent listing price of the subject property. As reported by the board of review and not rebutted by the appellant, the subject property was placed on the market in May 2010 for over \$1 million, despite the appellant's argument that his appraiser found the property as of January 2009 to have a market value of \$700,000. Furthermore, while the original asking price was reduced, it still had not been reduced to the appraised

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value which further demonstrates that the subject property is not overvalued.

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: October 19, 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.