



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

APPELLANT: Mary Mitter
DOCKET NO.: 10-01652.001-R-1
PARCEL NO.: 12-30-302-004

The parties of record before the Property Tax Appeal Board are Mary Mitter, 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: \$173,926
IMPR: \$609,329
TOTAL: \$783,255**

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a two-story masonry dwelling with a finished attic containing approximately 7,441 square feet of living area.¹ The home was built in 1993. Features include a full basement that has finished area. Other features include central air conditioning, three fireplaces, an attached built-in four-car garage, an inground swimming pool and a pool house. The dwelling is situated on a 60,113 square foot lot, which includes a portion of an island, located in Shields Township, Lake County, Illinois.

The appellant appeared before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. In support of this argument, the appellant submitted an appraisal (Exhibit A) of the subject property prepared by Alan Zielinski, a state licensed appraiser. The appraiser was present at the hearing. Zielinski was accepted as an expert witness without objection. The intended use of the residential appraisal restricted report was to assist the client with establishing market value for

¹ The appellant's appraiser reports the subject dwelling has 7,156 square feet of living area.

property tax appeal purposes. The appraisal report conveys an estimated market value for the subject property of \$2,250,000 as of January 1, 2010, using only the sales comparison approach to value.

Under the sales comparison approach to value, the appraiser utilized three comparable sales located from .80 of a mile to 1.64 miles from the subject property. The comparables have lot sizes ranging from 84,339 to 109,265 square feet of land area. The comparables were reported to consist of two-story dwellings of cedar or masonry exterior construction that contain from 6,104 to 7,260 square feet of living area. The dwellings were built from 1996 to 2002. The comparables feature full, partially finished basements, central air conditioning, three or five fireplaces and three or four-car attached garages. Comparable #2 has an inground swimming pool. The comparables sold in April or December of 2009 for prices ranging from \$2,037,750 to \$2,200,000 or from \$296.14 to \$333.84 per square foot of living area including land.

The appraiser adjusted the comparables for differences when compared to the subject in site size, quality of construction, condition, above grade rooms, room count, gross living area, rooms below grade, functional utility, garage/carport, porch/patio/deck, fireplace(s), basement bath(s), inground pool, outbuilding(s) and foreclosure. The adjustments resulted in adjusted sale prices ranging from \$2,203,500 to \$2,295,750, land included. Based on the adjusted sale prices, the appraiser concluded the subject had an estimated market value under the sales comparison approach of \$2,250,000.

Based on this evidence the appellant requested the subject's assessment be reduced to \$750,000.

Under cross-examination, Zielinski testified that the appraisal of the subject was completed in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) guidelines. The board of review's representative asked Zielinski, if he understood USPAP Standards Rule 1-1(b), which discloses that an appraiser must not commit a substantial error of omission or commission that significantly affects an appraisal. Zielinski testified that he did understand this rule. Zielinski testified that he did not disclose that the subject property included a portion of an island in the rear of the subject property that includes a bridge and waterfall. He did not disclose that the subject's rear view overlooks a forest preserve. Zielinski further testified that the appraisal did not include the subject's slate roof and copper gutters/downspouts as additional features. Zielinski did state that, if he was comparing the subject to a house in Lake Zurich, then he would have included the slate roof and copper gutters and downspouts. Zielinski testified that he chose the comparables based on neighborhood and functional utility. Zielinski also testified that he measured the subject dwelling from the outside perimeter, per American

National Standards Institute (ANSI) specifications, to arrive at the dwelling size of 7,155 square feet of living area.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$783,255 was disclosed. The subject's assessment reflects an estimated market value of \$2,396,741 or \$322.10 per square foot of living area including land, using 7,441 square feet of living area and using Lake County's 2010 three-year median level of assessments of 32.68%.

In support of the subject's assessment, the board of review submitted an appraisal Board of Review (Exhibit A) of the subject property prepared by Simone Osterhues, a state licensed appraiser. The report was supervised by Raymond Schmitt, also a state licensed appraiser. Schmitt was present at the hearing. Schmitt was accepted as an expert witness without objection. The intended use of the summary residential appraisal report was for use by the Lake County Assessment Office, the Lake County Board of Review, the Shields Assessors Office and the Illinois Property Tax Appeal Board (PTAB). The appraisal report conveys an estimated market value for the subject property of \$2,700,000 as of January 1, 2010, using the sales comparison approach to value.

Under the sales comparison approach to value, the appraiser utilized six comparable sales located from .08 of a mile to 3.06 miles from the subject property. The comparables have lot sizes ranging from 30,928 to 75,794 square feet of land area. The comparables were reported to consist of "Colonial" or "French prov" dwellings of stone, brick or stucco, stone and slate exterior construction that contain from 4,756 to 7,508 square feet of living area. The dwellings were built from 2000 to 2009. The comparables feature full basements, five of which have finished area, central air conditioning, four, five, six or eight fireplaces and three or four-car attached garages. Comparable #1 has an inground swimming pool. The comparables sold from November 2009 to November 2010 for prices ranging from \$2,000,000 to \$2,675,000 or from \$274.37 to \$480.91 per square foot of living area including land.

The appraiser adjusted the comparables for differences when compared to the subject in date of sale/time, view, quality of construction, actual age, room count, gross living area, basement & finished, rooms below grade, functional utility, garage/carport, porch/patio/deck, fireplace and pool. The adjustments resulted in adjusted sale prices ranging from \$2,445,500 to \$3,097,500, land included. Based on the adjusted sale prices, the appraiser concluded the subject had an estimated market value under the sales comparison approach of \$2,700,000.

Schmitt testified that the subject is located in a high end residential area and in particular, the subject is in an area surrounded by the savannah area, forest preserves and nature trails. This area has historically had a strong demand. Schmitt testified that the comparable market search included homes that

sold close to January 1, 2010 and had similar functional utility, size, features and quality. Schmitt acknowledged that the comparables used by the appellant's appraiser also "came up" in their search. Schmitt testified that appellant's comparable #1 was listed as a December 2009 sale in the Multiple Listing Service (MLS), however after verification with the managing broker with Caldwell Banker, the property did not sell until 2011. Schmitt testified that appellant's comparable #2 was excluded from his analysis due to its inferiority to the subject in quality and overall appeal when compared to the subject. Schmitt testified that he could not verify that the foreclosure status of appellant's comparable #3 would have made a specific reduction in its sale price. As to the subject's rear view, Schmitt testified that when there is a view amenity, either pleasant or negative, that view has a market affect on value and should be taken into consideration. Schmitt testified that, even though the water in the rear of the subject is a detention pond, it has a pleasing affect. Schmitt stated that the pleasing affect was enhanced by the bridge to the island, indirect lighting, and waterfall. In addition, Schmitt stated that a second floor balcony is focused on the island and the open space view of the forest preserve; even though the forest preserve does not abut the subject lot it does enhance its view. Schmitt also testified that he and Osterhues measured the subject dwelling from the outside perimeter, with verification measurements from the inside, to arrive at the dwelling size of 7,441 square feet of living area.

The board of review next called, Kelly Ugaste, the chief deputy assessor for Shields Township to explain that the dwelling size of appellant's comparable #2, reported in the appraisal, included an addition that was added after the April 2009 sale.

Based on the evidence presented, the board of review requested a confirmation of the subject's assessment.

Under cross-examination, Schmitt was asked why his estimate of value for the subject was above the neighborhood high value of \$2,570,000. Schmitt testified that there are always properties that fall outside the norm and in their analysis they try to weed out the outliers, such as the \$5,000,000 and \$6,000,000 homes within the subject's market area. Schmitt also testified that the wetlands area of the subject property could have been built on, if the improvement was elevated two feet above the flood zone. Schmitt further testified that the view adjustments that he made were, in part, arrived at by the sale of a property that is located kitty-corner from the subject.

Under rebuttal, the appellant argued that the body of water behind his house is a water detention pond and his property does not abut the forest preserve as most of the homes in the subject's subdivision.

After hearing the 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 no reduction in the subject property's assessment is warranted.

The appellant 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. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, Ill.App.3d 1038 (3rd Dist.2002). The Board finds the appellant did not meet this burden.

The Board finds the parties submitted appraisals in support of their positions to the Property Tax Appeal Board. The Board gave less weight to the appraisal submitted by the appellant. The Board finds the appraisal submitted by the appellant failed to include a portion of an island included in the subject's property. This omission includes the bridge accessing the island, indirect lighting and waterfall on the island. In addition, the Board finds the appellant's comparable #1 sold in 2011 based on the verification process completed by Schmitt. As such, this sale occurred greater than 12 months subsequent to the subject's January 1, 2010 assessment date. The Board finds the 2011 sale is less probative of value as of the subject's January 1, 2010 assessment date. The Board also finds the appellant's comparable #2 is inferior and not of the same quality when compared to the subject. This finding was supported by testimony from Schmitt and further supported by photographs in the record. Therefore, the Property Tax Appeal Board gives less weight to the appellant's appraisal, due to omissions and lack of verification of sales data necessary when arriving at the final opinion of market value.

The Property Tax Appeal Board finds the appraisal submitted by the board of review was more complete and more credible to that of Zielinski. The comparables selected by Schmitt were more similar in quality, design and features, when compared to the subject, which was supported by Schmitt's credible testimony. The Board further finds Schmitt's analysis of the subject's rear view is more complete and compelling, which lends more credibility of the opinion of value derived from the appraisal. Schmitt gave more competent testimony than Zielinski, with respect to the selection of the comparables, adjustment process and final value conclusion. Therefore, the Board finds the subject had a value of \$2,700,000 as of January 1, 2010, which is below the subject's estimated market value reflected by its assessment. Thus, no reduction is warranted.

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.

Ronald R. Cuit

Chairman

Frank J. Huff

Member

Mario M. Louie

Member

J.R.

Member

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 24, 2013

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.