



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

APPELLANT: Paul Krouse  
DOCKET NO.: 13-03803.001-R-1  
PARCEL NO.: 12-29-401-047

The parties of record before the Property Tax Appeal Board are Paul Krouse, the appellant, by attorney Andrew J. Rukavina of The Tax Appeal Company, in Mundelein; 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:** \$ 658,007  
**IMPR.:** \$ 456,623  
**TOTAL:** \$1,114,630

Subject only to the State multiplier as applicable.

**Statement of Jurisdiction**

The appellant 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 2013 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 2.5 story brick dwelling that contains 8,612 square feet of living area<sup>1</sup>. The dwelling was built in 1925 and has an effective age of 1938. Features include

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<sup>1</sup> The appellant's appraisal report described the subject dwelling having 11,014 square feet of living area and contained schematic drawing of the subject dwelling. The drawing appears to be a copy of the subject's property record card. The complete property record card submitted by the board shows the primary residence contains 8,612 square feet of living area with a coach house that contains 2,402 square feet of living. Based on this record, the Board finds the board of review submitted best evidence pertaining to the subject's accurate description.

a finished basement, zoned central air conditioning, seven fireplaces, a 1,100 square foot swimming pool, a clay tennis court, and a 576 square foot attached garage. The subject property is also improved with a combination 5 car detached garage that has 1,875 square feet of building area and a part one-story and part two-story coach house that contains 2,402 square feet of living area that features two bathrooms and fireplace. The subject property has 201,518 square feet of land area that backs to 123 acres of conserved open space land. The subject property is located in Shields Township, Lake County, Illinois.

The appellant submitted evidence before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. In support of this argument, the appellant submitted an appraisal of the subject property estimating a market value of \$3,200,000 as of January 1, 2013. The appraisal was prepared by Steven L. Smith, a state licensed appraiser. The appraiser developed the sales comparison approach to value in arriving at the final opinion of value. The appraiser identified three comparable sales located from .84 to 1.35 miles from the subject. The comparables had varying degrees of similarity when compared to the subject in land area, design, aesthetics, age, dwelling size and features. The comparables sold from February 2011 to July 2013 for prices ranging from \$2,600,000 to \$4,100,000 or from \$323.14 to \$411.73 per square foot of living area including land. The appraiser adjusted the comparables for differences to the subject in location, land area, view, condition, room count, dwelling size, basement area, garage area and "upgrades." After adjustments, the comparables had adjusted sale prices ranging from \$2,962,760 to \$3,443,900 or from \$345.84 to \$368.23 per square foot of living area including land. The appraiser placed most weight on comparable #2 and #3 in arriving at a final value estimate for the subject property of \$3,200,000 or \$290.54 per square foot of living area including land using 11,014 square feet of living area. Based on this evidence, the appellant requested the subject's assessment be reduced to reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject property's final assessment of \$1,114,630 was disclosed. The subject's assessment reflects an estimated market value of \$3,353,279 or \$389.37 per square foot of living area including land when applying Lake County's 2013 three-year average median level of assessment of 33.24%. 86 Ill.Admin.Code §1910.50(c)(1).

In response to the appeal, the board of review argued that the appellant's appraiser combined the above grade living area of both the primary dwelling and coach house for valuation purposes, but did not adjust separately for the detached coach house nor provide any related discussion. The board of review argued comparables #1 and #3 have lots that are 62% and 59% smaller in size than the subject, respectively. The board of review argued the adjusted value for comparable #1 supports the subject's assessed value. Comparable #2 sold in 2011, 22 months prior to the January 1, 2013 assessment date. The board of review also noted comparable #3 has a traffic influence and does not have a coach house. Finally, the board of review submitted a Multiple Listing Service sheet showing the appellant listed the subject property for sale on the open market for \$5,495,000 as of September 2014. The listing sheet describes the subject as a magnificent estate home designed by renowned architect Edwin H. Clark.

In support of the subject's assessment, the board of review submitted four comparable sales located from .34 of a mile to 1.5 miles from the subject. The comparables had varying degrees of similarity when compared to the subject in land area, design, age, size and features. All the

comparables have a coach or pool house. The comparables sold from November 2011 to December 2013 for prices ranging from \$5,200,000 to \$5,750,000 or from \$440.96 to \$589.49 per square foot of living area including land. Based on this evidence, the board of review requested confirmation of the subject's assessment.

Under rebuttal, appellant's counsel argued comparable #1 was remodeled in 2008; it is 20 years newer than the subject; and is 1.5 miles from the subject<sup>2</sup>. Comparable #2 sold in 2011<sup>3</sup>; was rehabbed and is in better condition than the subject. Comparable #3 sold well past the lien date of January 1, 2013 and contains considerably more land area than the subject. Comparable #4 sold in 2011 (see footnote #3); has more baths; and has had extensive renovation.

### **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 construction costs. 86 Ill.Admin.Code §1910.65(c). The Board finds the appellant did not meet this burden of proof.

The Board gave little weight to the appraisal submitted by the appellant for several reasons. The appraiser placed equal weight on comparable sales #2 and #3 as adjusted; however comparable #2 sold in February 2011, which is dated and less indicative of market value as of the subject's January 1, 2013 assessment date. Comparables #1 and #3 contain considerably less land area than the subject. The appraiser adjusted comparables #1 and #3 for differences in land size by only \$.64 and .67 per square foot of land area, respectively, which is suspect and not supported by any corroborating market value evidence. The appraiser failed to disclose or adjust the comparables for the fact the subject dwelling backs to a 123 acres of land preserved as open space. The Board finds the some of the extraordinary large adjustment amounts applied to the comparables, such as location, view, condition and upgrades, are not supported by and credible market value evidence and lead to an unpersuasive value conclusion. Finally, the appraiser concluded the comparables had adjusted sale prices ranging from \$345.84 to \$368.23 per square foot of living area including land, however, the appraiser concluded the subject had a market value of \$290.54 per square foot of living area including land, less than the three adjusted comparable sales. These factors undermine the credibility of the appraiser's final value conclusion. The Board also gave less weight to comparables #2 and #4 submitted by the board of review due to their 2011 sale dates, which are dated and less indicative of market value as of the subject's January 1, 2013 assessment date.

The Board finds the two remaining comparables submitted by board of review are more similar to the subject in location, age, design, dwelling size, aesthetic appeal, and features, but one comparable has more land area than the subject. They sold in November and December of 2013 for prices of \$5,250,000 and \$5,750,000 or \$556.58 and \$589.49 per square foot of living area

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<sup>2</sup> Comparables #1 and #2 used by the appellant's appraiser are located 1.35 and 1.17 miles from the subject, respectively.

<sup>3</sup> Comparable #2 used by the appellant's appraiser sold in 2011.

including land, respectively. The subject's assessment reflects an estimated market value of \$3,353,279 or \$389.37 per square foot of living area including land, considerably less than the two most similar comparable sales contained in the record. After considering logical adjustments to the most similar comparables for differences to the subject, the Board finds the subject's assessed values is supported.

As a final point, which was not addressed by the appellant under rebuttal, the board of review submitted a Multiple Listing Service sheet showing the appellant listed the subject property for sale on the open market for \$5,495,000 as of September 2014. The listing sheet describes the subject as a magnificent estate home designed by renowned architect Edwin H. Clark. The subject's assessment reflects an estimated market value of \$3,353,279, which is over two million dollars less than its asking price. This evidence severely undercuts the appellant's overvaluation argument by the taxpayer and further demonstrates the appraisal submitted by the appellant does not provide a credible estimate of market value. Based on the evidence contained in this record, the Board finds no reduction in the subjects' assessment 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.

*Mark Albino*

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Chairman

*[Signature]*

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Member

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Member

*Robert Hoffmann*

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Member

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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: May 20, 2016

*[Signature]*

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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.