



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

APPELLANT: Ed Murphy
DOCKET NO.: 16-04729.001-R-1
PARCEL NO.: 14-15-402-016

The parties of record before the Property Tax Appeal Board are Ed Murphy, the appellant, by Christina Angelos, Attorney at Law, in Long Grove, and the Lake County Board of Review.

Based on the facts and exhibits presented in this matter, 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: \$48,495
IMPR.: \$185,481
TOTAL: \$233,976

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 2016 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 two-story single-family dwelling of wood siding exterior construction with approximately 4,136 square feet of living area.¹ The dwelling was constructed in 1994. Features of the home include three full and one half-bathroom, a full basement which is 85% finished,² central air conditioning, two fireplaces and an attached three-car garage of 692 square feet of building area. The property has a 16,704 square foot site and is located in Kildeer, Ela Township, Lake County.

¹ The parties present a slight discrepancy in dwelling size although each party has a schematic drawing to support their respective conclusions. The Board finds the discrepancy does not prevent a determination of the correct assessment on this record.

² The assessing officials do not report any finished basement area, but the appellant's appraiser who inspected the property reports the basement is 85% finished.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted an appraisal prepared by Todd R. Swanson, a Certified Residential Real Estate Appraiser. The appraisal report, written as of October 17, 2017 and which was developed for a real estate tax appeal, estimated the subject property had a market value of \$650,000 as of January 1, 2016.

As to the subject dwelling, the appraiser reported an effective age of 15 years, newer than its actual age of 22 years. Swanson reported the subject dwelling had been expanded and remodeled 5 to 10 years ago and had a good level of condition and modernization. Additionally, there was no functional or external obsolescence noted in the property.

As part of the Addendum to the report, Swanson stated that Kildeer borders and share amenities with Long Grove, Hawthorne Woods and Lake Zurich. The appraiser stated the subject is located within the Beacon Hill Subdivision with semicustom built homes on .25 to .45 of an acre partially-wooded sites. In further describing the subject dwelling, Swanson described the basement as "extensively finished with rec room, family room, exercise room, bar room with wet bar and a bathroom."

Using the cost approach to value, Swanson estimated the subject had a site value of \$140,000. The appraiser estimated the replacement cost new of the improvements including the basement, patio and garage to be \$682,261. The appraiser estimated physical depreciation to be \$170,565 resulting in a depreciated improvement value of \$511,696. The appraiser also estimated the site improvements had a value of \$7,500. Adding the various components, the appraiser estimated the subject property had an estimated market value of \$659,200 under the cost approach to value.

Using the sales comparison approach, Swanson considered five comparable sales located from .20 to .86 of a mile from the subject. The comparables were located in Kildeer, Hawthorn Woods or Lake Zurich; the appraiser asserted the comparables have generally similar Kildeer area locations and/or are located within .85 of a mile southwest in competitive neighborhoods. The comparables have sites that range in size from 12,200 to 49,223 square feet of land area and were each improved with a traditional-type two-story dwelling of masonry exterior construction deemed to be of good quality. The appraiser likewise described the subject as a traditional frame dwelling. The homes were 2 to 24 years old and range in size from 2,746 to 4,127 square feet of living area. Each home has a basement, one of which has "good finish." Each dwelling features from two full and one half-bathroom to four full bathrooms, central air conditioning, a fireplace and a two-car or a three-car garage. The comparables sold between August 2015 and January 2016 for prices ranging from \$590,000 to \$685,000 or from \$157.67 to \$214.86 per square foot of living area, land included.

The appraiser applied adjustments to the comparables for differences when compared to the subject. Appraisal sale #4 was adjusted for its location closer to a busy road and each of the comparable sales were adjusted for lot size, quality of construction, age, condition, room count, dwelling size, lack of basement finish, garage space, kitchen/baths and/or number of fireplaces. Through this process, Swanson opined adjusted sales prices ranging from \$632,300 to \$663,800 or from \$160.41 to \$241.73 per square foot of living area, including land. As a result, the appraiser arrived at an estimated market value for the subject of \$650,000 or \$157.16 per square

foot of living area, including land, when utilizing a dwelling size of 4,136 square feet, as of January 1, 2016.³

In reconciling the two value conclusions, Swanson gave greatest weight to the sales comparison approach as it best reflects the typical actions of buyers and sellers.

Based on this evidence, the appellant requested a total assessment of \$226,343 which would reflect a market value of \$679,097 at the statutory level of assessment of 33.33%.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$233,976. The subject's assessment reflects a market value of \$705,597 or \$170.60 per square foot of living area, land included, when using the 2016 three year average median level of assessment for Lake County of 33.16% as determined by the Illinois Department of Revenue.

In response to the appellant's appraisal evidence, the board of review submitted a memorandum outlining criticisms of the appraisal. The board of review contends that appraisal sales #1, #2, #4 and #5 are "located outside the subject's Beacon Hill neighborhood and while appraisal sale #3 is located in the neighborhood, it was noted to be 33.6% smaller than the subject dwelling in living area. As to the appraised value conclusion, the board of review contends the final opinion on a per-square-foot basis is below the raw, unadjusted comparable sales in the appraisal report. The board of review criticized the \$45 per square foot adjustment applied to the appraisal comparables for dwelling size differences when compared to the subject contending the adjustment was "too low for the subject's market area." The board of review also noted dwelling size differences between the data in the appraisal report and the records of the assessing officials.⁴

In support of its contention of the correct assessment, the board of review submitted information on four comparable sales, where three comparables were located in the subject's Beacon Hill neighborhood. The comparables were located within from .52 of a mile to 1.753-miles from the subject. The comparables have sites that range in size from 19,457 to 21,926 square feet of land area and were each improved with two-story dwellings of brick or wood siding exterior construction that were built from 1994 to 2000. The homes range in size from 3,901 to 4,050 square feet of living area. Features include either three full and one half-bathroom to four full and one half-bathroom, unfinished basements, three of which are described as walkout-style, central air conditioning, one or two fireplaces and a garage ranging in size from 694 to 759 square feet of building area. The comparables sold between January 2015 and July 2016 for prices ranging from \$670,000 to \$748,000 or from \$165.43 to \$189.66 per square foot of living area, land included.

Based on this evidence and argument, the board of review requested confirmation of the subject's estimated market value as reflected by its assessment.

³ The appraiser reported a dwelling size of 4,097 square feet which would reflect an opinion of value of \$158.65 per square foot of living area.

⁴ The Board recognizes the statement of Swanson in the Addendum that dwelling sizes "have been estimated with local assessors records and/or multiple listing service room size factoring depending on which method seemed most appropriate."

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 and a reduction in the subject's assessment is not warranted.

The appellant submitted an appraisal of the subject property and the board of review submitted four suggested comparable sales to support their respective positions before the Property Tax Appeal Board.

The Board has thoroughly examined the appraisal and finds it troubling that the final opinion of the value for the subject falls below the range of the adjusted sales prices in the appraisal report. Under the principle that adjustments are made to the comparables to make them each more similar to the subject, logic would dictate that, absent another significant factor(s), that the final opinion of value would typically fall within the range of the adjusted sale prices on a per-square-foot basis. Having examined the appraisal report and all sales data in the record, the Board finds as a result that the appraiser's final value conclusion is not a credible or a reliable indicator of the subject's estimated market value as of January 1, 2016 given the discrepancy outlined above. Therefore, the Board will examine the raw sales data contained in the record.

Less weight has been given to appraisal sales #1 and #5 and board of review comparable #4 due to their more distant locations from the subject property.

The Board finds the best evidence of market value to be the appellant's appraisal sales #2, #3 and #4 along with board of review comparable sales #1, #2 and #3 as these six comparables were located most proximate to the subject. These comparables have varying degrees of similarity to the subject and sold between June 2015 and July 2016 for prices ranging from \$590,000 to \$748,000 or from \$157.67 to \$189.66 per square foot of living area, including land. The subject's assessment reflects a market value of \$705,597 or \$170.60 per square foot of living area, including land, which is within the range established by the best comparable sales in the record. After considering adjustments to the comparables for differences when compared to the subject such as number of bathrooms, age, size and/or amenities such as walkout-basement feature, the Board finds the appellant failed to establish by a preponderance of the evidence that the subject was overvalued and a reduction in the subject's assessment is not justified.

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: July 21, 2020



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

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