



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

APPELLANT: Katarzyna Malinowska
DOCKET NO.: 16-04814.001-R-1
PARCEL NO.: 14-36-402-012

The parties of record before the Property Tax Appeal Board are Katarzyna Malinowska, the appellant, by attorney Arnold G. Siegel, of Siegel & Callahan, P.C. in Chicago, and the Lake County Board of Review.

Based on the facts and exhibits presented in this matter, 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: \$45,440
IMPR.: \$94,546
TOTAL: \$139,986

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 multi-level dwelling of masonry and frame exterior construction with 2,997 square feet of living area. The dwelling was constructed in 1970. Features of the home include a partial basement which is 70% finished,¹ central air conditioning, a fireplace, a two-car garage containing 506 square feet of building area and a 1,566 square foot enclosed porch with an inground swimming pool. The property has a 40,600 square foot site and is located in Long Grove, Ela Township, Lake County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted an appraisal prepared by Gregory B. Nold, a Certified General Real Estate Appraiser with a MAI designation. The appraisal report, written as of April 18, 2018 and which

¹ While the assessing officials report an unfinished basement, the appellant's appraiser who inspected the subject reported a 70% finished basement.

was developed for a real estate tax appeal, estimated the subject property had a market value of \$420,000 as of January 1, 2016.

As to the subject dwelling, the appraiser reported an effective age of 50 years, older than its actual age of 46 years. Nold reported the following remarks concerning the subject dwelling and its marketability:

The subject[']s multi-level design closely approximates a traditional split-level architecture, with excessive stairs that separate many living spaces, and marketability of this dated style is negatively impacted. The interior layout consists of the foyer, living room, dining room, and kitchen on the main level, three bedrooms and 1.0 bathroom on the upper level, one bedroom and 1.0 bathroom on the upper-upper level, and a lower level with recreation room, 0.1 bathroom and laundry room. The lower level is calculated as above grade space in this situation and the comparables considered will also include their lower level square footage where applicable. Some items present in the subject which detract from overall marketability include the excessive stairs and multi-level design which is an inferior design compared to traditional 1-story and 2-story homes, the deferred maintenance present with the substantial wood rot to soffits/fascia, crumbling asphalt driveway, dated exterior with cracked drivit, highly personal design stylings that do not appeal to a large number percentage of the buying market, foundation settlement and seepage, in-ground pool/enclosure do not appeal to many buyers per elevated costs/risks with few usable months.

(Appraisal, p. 8)

Furthermore, as to the subject's sale history, Nold reported the property last sold in May 2012 for \$350,000 reflecting a Special Warranty Deed transaction. Upon examination of that transaction, the appraiser found the property had been listed for years, with five separate listings between April 2008 and the final listing in December 2011. Initially offered for sale at \$714,900, the final asking price was \$365,000; although the sale was a foreclosure, Nold opines there was a lengthy market exposure and was "in agreement with market trends in the area." Nold concluded that the value increase reflective of the appraisal analysis was primarily attributable to various updates by the current owner. (Appraisal, p. 9)

Using the sales comparison approach, Nold analyzed five comparables four of which sold and where comparable #5 reflects a contract date. The comparables were located from .06 of a mile to 1.12-miles from the subject. The comparables have sites that range in size from 38,619 to 80,683 square feet of land area and were improved with a one-story, a multi-level or one of three, two-story dwellings of masonry or masonry and frame exterior construction; the subject and appraisal sale #1 were described as having "fair" styles whereas the remaining comparables have "average" styles. The homes were 30 to 47 years old and range in size from 2,329 to 4,816 square feet of living area. Each home has a full or partial basement, two of which have finished areas. Each dwelling features central air conditioning, one or two fireplaces and a two-car or a three-car garage. Appraisal sales #2 and #3 each have inground swimming pools. The comparables sold/contracted between August 2013 and April 2016 for prices ranging from \$370,000 to \$504,000 or from \$94.48 to \$158.87 per square foot of living area, land included.

The appraiser applied adjustments to the comparables for differences when compared to the subject. Appraisal sale #2 was adjusted for its lot size. Four comparables were adjusted for their design/style. Two comparables were adjusted for superior condition. Adjustments were also applied for differences in room count, dwelling size, basement size, lack of basement finish, garage space, pool/amenities, kitchen/bath finishes and/or number of fireplaces. Through this process, Nold opined adjusted sales prices ranging from \$356,335 to \$448,645 or from \$73.99 to \$183.93 per square foot of living area, including land. As a result, the appraiser arrived at an estimated market value for the subject of \$420,000 or \$140.14 per square foot of living area, including land, as of January 1, 2016.

Based on this evidence, the appellant requested a total assessment reflective of the appraised value conclusion 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 \$170,981. The subject's assessment reflects a market value of \$515,624 or \$172.05 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 grid analysis of the appraisal sale comparables along with supporting documentation. Differences in design, dwelling size, location and short sale transaction status were noted along with appraisal sale from August 2013 being noted as dated. Also, the two appraisal comparables with pools were outdoor rather than enclosed like the subject.

In support of its contention of the correct assessment, the board of review submitted information on four comparable sales along with supporting documentation. The comparables were located within .418 of a mile from the subject. The comparables have sites that range in size from 40,415 to 43,193 square feet of land area and were improved with two-story dwellings of masonry exterior construction. The homes were built between 1969 and 1988 and range in size from 2,474 to 3,309 square feet of living area. Each home has an unfinished basement, central air conditioning, a fireplace and a garage ranging in size from 575 to 806 square feet of building area. The comparables sold between June 2014 and July 2016 for prices ranging from \$490,000 to \$585,000 or from \$163.66 to \$208.16 per square foot of living area, land included.

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

In rebuttal, counsel for the appellant addressed the condition of the subject as described in the appraisal report as compared to the condition(s) of the comparable sales presented by the board of review. Based upon the Multiple Listing Service (MLS) data sheets for those comparables, sale #1 was described as having a remodeled kitchen and new well/septic among other features; sale #2 was listed as recently updated, located near a golf course and had other features; sale #3 was updated in the kitchen and featured a new roof; and sale #4 had an updated kitchen, a finished basement and other features.

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 met this burden of proof and a reduction in the subject's assessment is 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 given little weight to the board of review's criticisms of the Nold appraisal report; the date of valuation is proximate in time to the assessment date at issue and is based upon sales and a contract, the majority of which, occurred proximate in time to the January 1, 2016 assessment date. The Board has given reduced weight to board of review comparables #1 and #2 as these properties each sold in 2014, a date more remote in time to the valuation date at issue of January 1, 2016 and thus less likely to be indicative of the subject's estimated market value as of the assessment date which is further compounded by the lack of any adjustments to the raw sales data as compared to the adjustment process utilized by Nold to account for differences. Furthermore, board of review comparables #3 and #4, while similar to the subject in dwelling size, each comparable is newer than the subject and neither dwelling features an enclosed inground swimming pool or has the multi-level design of the subject dwelling as detailed by the appraiser.

The Board finds the best evidence of market value to be the appraisal submitted by the appellant with an opinion of value of \$420,000 or \$140.14 per square foot of living area, including land, which is below the subject's estimated market value as reflected by its assessment of \$515,624 or \$172.05 per square foot of living area, land included. In estimating the market value of the subject property, the appellant's appraiser relied upon the sales comparison approach and made adjustments to the comparables to account for differences from the subject property; as noted, the assessing officials failed to present any valid criticisms of the Nold appraisal report. On this record, the Board finds the appraiser's conclusion of value appears credible, logical and reasonable in light of the sales within the report. Based on this evidence, the Property Tax Appeal Board finds a reduction in the subject's assessment commensurate with the appellant's request 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. 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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