



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

APPELLANT: Donn Grambo
DOCKET NO.: 19-03353.001-R-1
PARCEL NO.: 10-20-126-005

The parties of record before the Property Tax Appeal Board are Donn Grambo, the appellant, by attorney Joseph Menges of Menges Attorney at Law, P.C. in Wauconda; and the McHenry 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 **McHenry** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$66,637
IMPR.: \$204,562
TOTAL: \$271,199

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the McHenry County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2019 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 part one-story and a part two-story dwelling of frame exterior construction with 3,417 square feet of living area.¹ The dwelling was constructed in 2018 and is approximately one year old. Features of the home include a basement with finished, central air conditioning, two fireplaces and a 622 square foot attached garage. The property also has a 1,178 square foot detached garage and a 168 square foot shed. The property site contains approximately 29,185 square feet of land area with 99 feet of lake/water frontage and is located in McHenry, McHenry Township, McHenry County.

¹ The Board finds the best description of the subject property is found in the subject's property record card presented by the board of review, which contained a detailed schematic diagram with dimensions of the subject dwelling, garages and shed.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal report estimating the subject property had a market value of \$660,000 as of October 2019. The appraisal report was prepared by Ray Mishal, a State of Illinois Certified Real Estate Appraiser of Mueller Services, Inc. located in Tonawanda, New York. The property rights appraised were fee simple and the appraisal was performed to estimate the fair market value of the subject property for a refinance transaction. The appraiser identified the client as United Wholesale Mortgage. In estimating the market value of the subject property, the appraiser developed the sales comparison approach to value.

The appraiser's description of the subject property was provided per the third party inspection, and states the subject property appears to be in C2 condition with Q3 quality construction. Additionally, per the third party inspection, no repairs were reported. Also, per the assessor and a third party interior/exterior inspection, the subject property is a three bedroom, 2.1 bathrooms, two-story colonial style residence.

The appraiser emphasized an extraordinary assumption was made regarding the characteristics of the subject cited within this report, accuracy of the third party inspection and C2 condition. If any of the extraordinary assumptions made within this report are proven to be inaccurate, the results cited within this report may be impacted. No interior or exterior inspection was made by the appraiser.

Under the sales comparison approach to value, the appraiser utilized four comparable sales to estimate the subject's market value. The comparables are located within .49 of a mile from the subject property and have water views. The parcels range in size from 24,194 square feet to 2.48 acres of land area with 70 to 132 front feet of water frontage. The comparables are improved with Colonial, ranch, Cape Cod or Georgian style dwellings that are 10 to 52 years old. The homes range in size from 2,298 to 5,019 square feet of living area. Three comparables have finished basements. Each comparable has central air conditioning, one or two fireplaces and either a two-car, a three-car or a four-car garage. The comparables sold from March 2018 to July 2019 for prices ranging from \$490,000 to \$915,000 or from \$149.25 to \$230.64 per square foot of living area, including land. The appraiser adjusted the comparables for sales or financing concessions and differences in land area, age, condition, room count, gross living area and other amenities to arrive at adjusted prices ranging from \$593,000 to \$671,780. Based on the adjusted sales, the appraiser estimated the subject had a market value of \$660,000 as of October 7, 2019.

Based on this evidence, the appellant requested an 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 \$271,199. The subject's assessment reflects a market value of \$813,678 or \$238.16 per square foot of living area, land included, when using the 2019 three-year average median level of assessment for McHenry County of 33.33% as determined by the Illinois Department of Revenue.

The board of review submitted correspondence prepared by the McHenry Township Assessor. The township assessor described the subject as a custom built home in an area highly regarded as prime location on the Fox River. The assessor stated waterfront properties are considered

premium properties with the “Bay” being the most desirable and usually the most expensive. The “Bay” is an area that is located off the main flow of the river, giving it more protection from the busier river and lake traffic.

The township assessor critiqued the evidence presented by the appellant. The assessor asserted the appraisal was prepared for a refinance transaction in late 2019 and the appraiser, who is located in Tonawanda, New York, did not physically visit the subject property. The assessor argued the appraisal referenced a “third party” interior and exterior inspection” but does not disclose who that person is or when any inspection took place.

The township assessor asserted that assessment office staff visited the subject property regularly as the dwelling was being constructed. The assessor pointed out differences between the information found in the appellant’s appraisal and the information found in the subject’s property record card with respect to the subject dwelling’s size and number of fireplaces. The assessor stated that appraisal comparable #2 is located on the Fox River, not considered a good comparable for the Bay, and not necessary to use as others on the Bay were available; the appraiser made standard adjustments for properties with a basement/finished basements when there is several hundred square feet of difference; the appraiser’s comparable #3 is reported as having 2.48 acres in contrast to the assessor and county records which describe the property with 43,700 square feet; and the appraiser makes a flat adjustment for water frontage, whereas the assessor’s adjustment is \$500 per front foot.

In support of its contention of the correct assessment of the subject property, the board of review through the township assessor provided information on five comparable sales located within .60 of a mile from the subject property. The board of review’s comparables #1, #2 and #3 are the same properties as the appellant’s appraisal comparables #1, #3 and #4, respectively.² The comparables have sites that range in size from 13,068 to 44,637 square feet of land area with 70 to 116 front feet of water frontage. The comparables are improved with two-story or part two-story and part one-story dwellings ranging in size from 3,303 to 4,491 square feet of living area. The dwellings were built from 1980 to 2007. The comparables each have a basement, four of which have finished area. Each comparable has central air conditioning, one or two fireplaces and either a three-car or a four-car garage. The properties sold from April 2018 to July 2019 for prices ranging from \$490,000 to \$1,000,000 or from \$148.35 to \$235.52 per square foot of living area, including land.

The assessor applied adjustments to the comparables due to differences from the subject with respect to the amount of water frontage the site has, as well as differences in dwelling size, age, basement size, finished basement area, garage size and other features to arrive at adjusted prices that range from \$590,760 to \$947,720.

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

² The board of review and the appellant’s appraiser differ as to the site size and/or dwelling size of the three common comparables. The Board finds the best evidence of size was provided by the board of review.

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 no reduction in the subject's assessment is warranted.

The appellant submitted an appraisal of the subject property and the board of review submitted five comparable sales to support their respective positions before the Board. The Board has given less weight to the appraiser's conclusion of value as the appraiser utilized comparable sales #1 and #2 which have dwellings that are considerable older in age when compared to the subject dwelling. Furthermore, the appellant's comparable #2 is a dissimilar one-story design when compared to the subject. Additionally, the report indicates the interior and exterior inspection of the subject property was made by a third party and the appraiser did not inspect the property to verify the data provided by the third party. These factors undermine the credibility of the appraiser's conclusion of value. However, the Board will analyze the raw sales data of the comparables presented in the appraisal.

The record contains a total of six comparable sales for the Board's consideration, as three sales were common to both parties. The Board has given less weight to the appellant's appraisal comparables #1 and #2, as well as board of review comparables #1 and #4 due to differences from the subject in age and/or design.

The Board finds the best evidence of the subject's market value to be the parties' three remaining comparables, which includes two common sales. These three comparables are relatively similar to the subject in location and design. However, the comparable dwellings are larger in size and either 11 or 12 years older in age when compared to the subject dwelling. Nevertheless, these properties sold from April 2018 to July 2019 for prices ranging from \$740,000 to \$1,000,000 or from \$183.81 to \$235.52 per square foot of living area, including land. The subject's assessment reflects a market value of \$813,678 or \$238.16 per square foot of living area, including land, which falls within the range established by the best comparable sales in the record in terms of overall market value and slightly above the range on a price per square foot basis which appears to be logical given its smaller dwelling size and newer age. After considering adjustments to the best comparables for differences when compared to the subject, the Board finds the appellant did not prove by a preponderance of the evidence that a reduction in the subject's assessment is warranted based on overvaluation.

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 19, 2022



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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