



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

APPELLANT: Ronald Bykowski
DOCKET NO.: 19-03384.001-R-1
PARCEL NO.: 10-20-126-001

The parties of record before the Property Tax Appeal Board are Ronald Bykowski, the appellant, 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: \$ 60,589
IMPR.: \$223,642
TOTAL: \$284,231

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 two-story and part one-story dwelling of frame exterior construction with 5,041 square feet of living area. The dwelling was constructed in 1995 and is 26 years old. Features of the home include a 75% finished basement, central air conditioning, a fireplace, an attached two-car garage, a detached two-car garage and a boathouse. The property has a bay front site on Pistakee Bay with approximately 82 feet of water frontage¹ and is located in McHenry, McHenry Township, McHenry County.

¹ The appellant's appraiser reported a lot size of 13,200 square feet. The board of review reported a lot size of 23,720 square feet and supplied a property record card printed on March 9, 2021, noting the subject's legal description was changed on March 8, 2021 in square footage "to match county athena records (was 13200); also changed FF (was" [incomplete]. For purposes of the Board's analysis, the undisputed water frontage of 82 feet will be utilized given the incomplete record of the subject's lot size and water frontage on the recently modified property record card.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted an appraisal prepared by Charles Walsh estimating the subject property had a market value of \$750,000 as of January 1, 2019. The purpose of the appraisal was to determine the market value of the subject property for a property tax appeal. Walsh searched for waterfront sales on Pistakee Lake with High School District #156 of which there were nine sales between January 1, 2017 and December 1, 2019 with sales prices ranging from \$80,000 to \$915,000; Walsh utilized the three highest non-distress sales in the appraisal. Each of these sales is located on the same street as the subject property. With the signatures to the report, the appraiser reported an interior and exterior inspection performed on November 29, 2019.

Walsh described the dwelling as having functional issues with a "spa located in the foyer." In the report, Walsh further described the spa as occupying 400 to 500 square feet, including a 120 square foot pool and a hot tub with photographs depicting the amenity from various angles. Based upon both conversations with local realtors and personal experience, Walsh asserted this feature poses a resale issue. As part of the appraisal, Walsh indicated the home had an effective age of 45 years.

Using the sales comparison approach to value, Walsh analyzed three comparable sales located on the same street as the subject and within McHenry. The parcels range in size from 19,602 to 42,394 square feet of land area. Each comparable is located like the subject with a water view and water frontage of 68 to 185 feet. The parcels are each improved with either a one-story or a two-story dwelling. Comparables #1 and #2 are described like the subject as of "EIFS/Inferior" quality construction² whereas comparable #3 is a brick/cedar construction deemed to be superior. The subject and each of the comparables are deemed to be in average condition. The homes range in size from 3,282 to 4,216 square feet of living area. The homes range in age from 18 to 26 years old. Comparables #1 and #2 have full or partial basements with finished area and one of which is a walkout-style. Due to the subject's spa in the foyer, each comparable was deemed to be superior in functional utility than the subject. Each dwelling has central air conditioning, one or two fireplaces, and a three-car or a six-car garage. Comparable #1 also has a coach house. The sales occurred from January 2017 to July 2018 for prices ranging from \$646,000 to \$915,000 or from \$196.83 to \$249.52 per square foot of living area, including land.

The appraiser adjusted the comparables for differences such as lot size, view/water frontage, quality of construction, dwelling size, bathroom count, basement size, basement finish, functional utility, garage size and/or other amenities when compared to the subject. This resulted in adjusted prices of the comparables ranging from \$694,263 to \$785,596. After analysis, the appraiser arrived at the final opinion of market value as of January 1, 2019 for the subject of \$750,000 or \$148.78 per square foot of living area, including land.

Based on the foregoing evidence, the appellant requested a reduced assessment reflective of the appraised value conclusion.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$284,231. The subject's assessment reflects a market value of \$852,778 or \$169.17 per square foot of living area, land included, when using the 2019 three year

² Although the report purports to provide data to support the claim the EIFS construction is inferior in the market, no such data was provided with the copy of the report filed with the Property Tax Appeal Board.

average median level of assessment for McHenry County of 33.33% as determined by the Illinois Department of Revenue.

In response to the appellant's evidence, the board of review contended that the appraisal appeared to have errors and unsupported adjustments such as an error in the subject's lot size, adjustments for EIFS siding and functional obsolescence for the subject's pool/spa area. The board of review contends that the township assessor does not consider the EIFS siding "which does carry somewhat of a stigma." Additionally, the board of review argues that the subject's dwelling size has not been bracketed by the comparable sales in the appraisal which the board of review contends results in an unsupported final opinion.

In addition, the board of review submitted a memorandum written by Mary Mahady, McHenry Township Assessor, critiquing various aspects of the appraisal, such as the dwelling area adjustment of \$35 per square foot; water frontage and lot size issues in terms of adjustment and the subject's lot size. Mahady wrote, "the water frontage is typically very important to a water front buyer so [Walsh's] adjustment is justified and also used by the township. The additional adjustment seems high and unnecessary." As to the appraiser's adjustment for the pool/spa area, Mahady summarily contends the area is "off the foyer" and "not in the foyer"; Mahady contends the 5% adjustment is extreme and "possibly not needed at all as a buyer may find it to be valuable." Appraisal sale #1 is 1,759 square feet smaller than the subject dwelling and features a coach house with a sale date in 2017; Mahady objects to the use of this sale as other sales were available which sold closer to the valuation date and were over 4,000 square feet. The exterior construction adjustment for EIFS of 10% as compared to a brick home is deemed to be excessive by Mahady and "not necessarily reflected in the market"; despite the objection to the adjustment, appraisal sale #3 was included among the board of review's comparables.

Adjustments made by Mahady were \$40 per square foot of living area. Lastly, Mahady stated it is unusual to have so many sales of Pistakee Bay homes over 4,000 square feet. Based on the four sales presented on behalf of the board of review by Mahady, the township assessor applied adjustments similar to those of Walsh.

In support of its contention of the correct assessment, the board of review submitted a spreadsheet with information on four comparable sales, where board of review comparables #1 and #2 are the same properties as appraisal sales #2 and #3, respectively. The comparables are located within .53 of a mile from the subject. The parcels range in size from 42,093 to 47,504 square feet of land area and each comparable is bay front parcel like the subject with from 91 to 185 feet of water frontage. The parcels are each improved with either a one-story or a part two-story and a part one-story dwelling of good condition. The homes range in size from 3,667 to 4,491 square feet of living area. The homes range in age from 15 to 28 years old. Board of review comparables #1, #3 and #4 each have finished walkout-style basements and each dwelling has central air conditioning, one or two fireplaces and a three-car to a six-car garage. Comparable #4 has an inground swimming pool and a boathouse. The sales occurred from December 2017 to June 2019 for prices ranging from \$860,000 to \$1,000,000 or from \$203.74 to \$249.52 per square foot of living area, including land.

As discussed above, Mahady made adjustments to the four comparable sales for differences from the subject in dwelling size, basement size/foundation, bathrooms, central air for comparable #3,

number of fireplaces, garage size, pool, boathouse, water frontage and/or other amenities, which resulted in adjusted sales prices ranging from \$879,680 to \$968,290.

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

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, two of which are contained in the appraisal, to support their respective positions before the Property Tax Appeal Board. Due to the use of two of three sales that occurred in 2017 along with the lack of adjustment for time/date of sale and use of a one-story dwelling, when the subject is a two-story home, along with homes that are each substantially smaller than the subject, the Property Tax Appeal Board has given little weight to the value conclusion contained in the appellant's appraisal. Furthermore, the Board finds that the appellant's appraiser did not acknowledge the subject's boathouse amenity within the report but did make a substantial downward adjustment to appraisal sale #1 for a coach house amenity. Given the inconsistencies and questionable choice of comparables given the other sales evidence in the record that was available, the Board finds the appraiser's value conclusion is not a credible or reliable indicator of the subject's estimated market value as of the assessment date of January 1, 2019. Instead, the Board will examine the raw sales data presented by both parties.

The Board has given reduced weight to appraisal sales #1 and #2/board of review comparable #1 due to their dates of sale having occurred in 2017 and the one-story design of the parties' common comparable which differs from the subject two-story dwelling.

The Board finds the best evidence of market value to be appraisal sale #3/board of review sale #2 along with board of review sales #3 and #4 which are each similar to the subject in location, design and more similar to the subject in dwelling size than other comparables in the record. These three comparables sold from March 2018 to June 2019 for prices ranging from \$860,000 to \$1,000,000 or from \$203.74 to \$235.52 per square foot of living area, including land. The subject's assessment reflects a market value of \$852,778 or \$169.17 per square foot of living area, including land, which is below the best comparable sales in the record both in terms of overall value and on a per-square-foot basis. In conclusion, based on this evidence and after considering appropriate adjustments to the best three comparable sales in the record for differences when compared to the subject, the Board finds 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: June 21, 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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