



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

APPELLANT: Ernie Schaal
DOCKET NO.: 20-03243.001-R-1
PARCEL NO.: 09-23-401-005

The parties of record before the Property Tax Appeal Board are Ernie Schaal, the appellant; 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: \$56,650
IMPR.: \$73,158
TOTAL: \$129,808

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 2020 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 one-story primary dwelling of brick exterior construction with 1,640 square feet of living area¹ and an Accessory Dwelling Unit (ADU) which is a one-story dwelling of composite exterior construction that has 980 square feet of living area. The primary dwelling was constructed in 1960 and features a partial basement and central air conditioning. The ADU was constructed in 2014 and includes a crawl space foundation and central air conditioning. The subject property has a 682 square foot 3-car garage. Both dwellings are situated on a 4.92-acre site located in Wauconda, Wauconda Township, Lake County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal estimating the subject property had a market value of \$350,000 as of June 20, 2020. The appraisal was prepared by Vito Bellantuono, a certified residential real

¹ The Board finds the best description of the subject property was reported in the subject's property record cards submitted by the board of review.

estate appraiser. The report was prepared for a mortgage refinancing decision with the client/lender identified as the sole user of the report.

The appraiser described the primary dwelling as having “overall above average condition” for the neighborhood and opined an effective age of 15 years old. The appraiser commented that the subject’s ADU renders the property attractive to buyers looking for a homesite with a 2nd dwelling which could be rented. (Addendum Page 5) The appraisal report included a handwritten page of improvements and additions for both dwellings. This list disclosed the primary dwelling was rented for \$1,350 per month. The subject’s neighborhood was characterized by the appraiser as having a variety of custom home styles with sites ranging from 1-10 acres of land area.

In estimating the market value of the subject property, the appraiser developed the sales comparison approach to value using eight comparable properties located from 1.51 to 9.15 miles from the subject property. Four of the comparables are closed sales and four of the comparables were active listings at the time the report was prepared. The comparables have sites that range in size from 0.50-acre to 7.75-acres of land area and are improved with 1-story or 1.5-story dwellings that range in size from 1,656 to 2,356 square feet of living area. The homes range in age from 39 to 81 years old. Each comparable has a basement, five with finished area, one or two fireplaces and a 2-car or a 3-car garage. Seven comparables have central air conditioning. Comparable #1 has two outbuildings, comparable #4 has a one bedroom attached ADU, comparable #6 has an additional 4-car garage, comparable #7 has a 2,600 square foot workshop and comparable #8 has a one bedroom detached ADU. Four comparables sold from May 2018 to April 2020 for prices of \$330,000 to \$465,000 or from \$184.87 to \$256.15 per square foot of living area, land included.

After adjusting the active listings by approximately 3% for their active status, the appraiser adjusted the comparables for differences with the subject in site size, view, quality, condition, room count, dwelling size, basement features, lack of an ADU or other significant element along with other features and arrived at adjusted prices ranging from \$346,620 to \$457,360 and an opinion of market value for the subject of \$350,000.

The appellant also submitted information on the sale of a property located approximately one lot from the subject. The appellant’s additional comparable sale #1 has a site size of 214,315 square feet or 4.92-acres and is improved with a 1.5-story dwelling of frame exterior construction that is 21 years old and has 2,409 square feet of living area. Features of the property include a basement with finished area, central air conditioning, one fireplace and a 576 square foot garage. The property sold in August 2020 for \$380,000 or \$157.74 per square foot of living area, land included.

Comments submitted by the appellant described the subject’s site as having a small portion of land deemed “undevelopable” as this area of the subject site is prone to spring flooding. The appellant argued that the comparable #1 in Section V of the appeal form is a superior property with larger dwelling size, newer age, finished basement and equal site size and location. The appellant acknowledged the subject property was “unique” due to it having two dwellings. Based on this evidence, the appellant requested the subject’s assessment be reduced to reflect the appraised value of the subject property.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$129,808. The subject's assessment reflects a market value of \$389,931 or \$237.76² per square foot of living area, land included, when using the 2020 three-year average median level of assessment for Lake County of 33.29% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted a Multiple Listing Service (MLS) sheet on the subject's primary dwelling, property record cards for both of the subject dwellings and a grid analysis with information on four comparable sales located from 0.97 to 6.97 miles from the subject property. Board of review comparables #3 and #4 are the same properties as the appraisal comparables #5 and #3, respectively. The comparables have sites that range in size from 2.05 to 5.87-acres of land area and are improved with 1-story, 1.5-story or 2-story dwellings of brick, brick and vinyl or brick and wood siding exterior construction that range in size from 1,585 to 2,267 square feet of living area. The homes were built from 1969 to 1992. Three comparables have an unfinished basement and one comparable has a crawl space foundation. Two comparables have central air conditioning, three comparables each have one fireplace and each comparable has a garage ranging in size from 624 to 819 square feet of building area. Comparables #1 and #2 each feature four-sided metal pole buildings. The comparables sold from February 2019 to September 2020 for prices ranging from \$378,000 to \$425,000 or from \$172.03 to \$268.14 per square foot of living area, land included.

The board of review also submitted comments critiquing the appellant's appraiser. The board of review argued the appraisal report was prepared for a mortgage financing decision. The board of review contended the appraisal failed to describe the accessory dwelling unit (ADU) as newly constructed in 2014 as well as the fact that the primary dwelling unit was being rented for \$1,350 per month, as depicted in the MLS sheet. Additionally, the board of review notes that the appraiser failed to address the "larger home's updated condition, or the contributory value related to its rental income." Based on this evidence, the board of review requested the subject's assessment be confirmed.

In rebuttal, the appellant argued that statements included in the MLS sheet for the primary dwelling exaggerate the condition of the property, especially with respect to its flooring. The appellant acknowledged that one of the dwellings was currently rented and claimed that "anybody with 4 bedrooms could rent out any extra space" and therefore, the appellant contended that it was unreasonable to factor in rental payments. The appellant asserted that the primary evidence for the requested reduction in assessment is the appraisal and the secondary evidence is the sale of a neighboring property.

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

² When using 1,640 square feet of living area of the primary dwelling unit.

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.

As an initial matter, the Board finds that documentary evidence contained in the appraisal report includes a list of improvements for each of the subject dwellings. That list includes a remodeled bathroom, added breakfast bar, refinished hardwood flooring, paneling replaced with drywall, and the addition of central air conditioning for the rented primary dwelling. Therefore, the appellant's claim that the MLS sheet exaggerates the property's condition is called into question.

The appellant submitted an appraisal and one additional comparable sale while the board of review submitted four comparable sales, two of which were utilized in the appraisal, for the Board's consideration. The Board finds that, only two of the eight comparables selected by the appraiser have ADU's like the subject and four of the comparables were active listings. Furthermore, the appraiser failed to disclose, analyze, or otherwise address the income generated by the rental of the subject's primary dwelling and the impact this rental income may have on the subject's value. For these reasons, less weight is given to the opinion of value for the subject as presented in the appraisal. The Board shall, however, consider the raw sales contained in the appraisal report.

The Board gives less weight to the appellant's comparable #1 from Section V of the appeal and appraisal comparables #2 through #7 which lack an accessory dwelling unit or other significant feature like the subject and/or are active listings which are less likely to reflect market value than closed sales. The Board gives less weight to the appraisal comparable #8 which sold in May 2018, less proximate in time to the January 1, 2020 assessment date at issue than other comparables in the record. The Board also gives less weight to board of review comparables #3 and #4, the two common comparables, which lack an ADU or other significant exterior feature.

The Board finds the best evidence of market value to be the appraisal comparable #1 and board of review comparables #1 and #2 which sold more proximate to the assessment date at issue and are more similar to the subject in location, site size and/or include a significant exterior feature, although none of these properties have ADU's. These three comparables sold from February 2019 to September 2020 for prices ranging from \$420,000 to \$465,000 or from \$197.37 to \$268.14 per square foot of living area, including land. The subject's assessment reflects a market value of \$389,931 or \$237.76 per square foot of living area, including land, when using 1,640 square foot of living area. The subject's market value as reflected in its assessment falls below the range established by the best comparable sales in the record on an overall basis and within the range on a per square foot basis. On this limited record and after considering appropriate adjustments to the comparables for differences with 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: 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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