



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

APPELLANT: Paul Svigos
DOCKET NO.: 23-02319.001-R-3
PARCEL NO.: 16-03-201-009

The parties of record before the Property Tax Appeal Board are Paul Svigos, the appellant, by attorney Brian P. Liston of the Law Offices of Liston & Tsantilis, 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 **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: \$964,986
IMPR.: \$800,865
TOTAL: \$1,765,851

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 2023 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 three-story dwelling of brick exterior construction with 11,848 square feet of living area. The dwelling was constructed in 1904, is approximately 119 years old, and has a reported effective age of 1913 due to remodeling in 2007.¹ The home is reported to be in average condition. Features of the home include a 4,411 square foot basement with 1,158 square feet of finished area, central air conditioning, six full bathrooms, two half bathrooms, nine fireplaces, a three-car garage with 916 square feet of building area, and a 714 square foot inground swimming pool. The subject has a 103,594 square foot, or approximately 2.4 acre, site and is a waterfront property with views and access to Lake Michigan. The property is located in Lake Forest, Moraine Township, Lake County.

¹ Additional details regarding the subject property not reported by the appellant are found in the subject's property record card presented by the board of review.

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 \$3,450,000 as of January 1, 2023. The appraisal was prepared by Peter Poulos, MAI, a Certified General Real Estate Appraiser, for ad valorem tax purposes.

The appraiser inspected interior and exterior of the subject property on September 21, 2023. The appraiser stated in the "Supplemental Addendum" of the appraisal report that the subject needs major repairs and remodeling due to deferred maintenance, including repairs and replacement of the subject's copper roof, remediation of bluff erosion, and foundation repairs. The appraiser estimated the total costs of these repairs would range from \$500,000 to \$750,000 and concluded a total repair cost of \$650,000. The report includes a statement that read, "Construction costs were provided to the appraiser(s) by the owner and they are assumed comprehensive and reasonable. It should be known the appraiser(s) have not been specifically trained to estimate costs for this type project. If the reader of this report has any question as to the reasonableness of cost figures cited herein, it is suggested the reader engage the services of a professional cost estimator."

Under the sales comparison approach, the appraiser selected five comparable sales located in Highland Park or Lake Bluff and from 2.42 to 6.55 miles from the subject property. The appraiser noted that the comparables were chosen due to their similar location and/or style and condition. The parcels range in size from 1.15 to 2.6 acres of land area and are reported to have bluff and waterfront views. The comparables are improved with ranch or traditional homes of cedar and stone, stone or stucco exterior construction ranging in size from 4,120 to 7,457 square feet of living area. The dwellings range in age from 5 to 95 years old. Each comparable has a basement with finished area, central air conditioning, three to five full bathrooms, one to five half bathrooms and a two-car to a four-car garage. Comparables #1 and #4 each have an inground swimming pool. The comparables sold from February to September 2022 for prices ranging from \$3,400,000 to \$4,500,000 or from \$474.72 to \$825.24 per square foot of living area, including land. The appraiser made adjustments to these comparables for differences from the subject in condition, bathroom count, dwelling size, basement finish and inground swimming pool feature to arrive at adjusted sale prices ranging from \$3,921,200 to \$4,247,500. Based on the foregoing, the appraiser concluded an indicated value of \$4,200,000 for the subject property "As Though Repaired & Renovated." The appraiser next deducted \$650,000 for the total repair costs, \$65,000 as a contingency for "the unforeseen," and \$35,750 as "incentive for completion" to arrive at an opinion of market value for the subject of \$3,450,000 as of January 1, 2023.

Based on this evidence the appellant requested a reduction in the subject's assessment to reflect the appraised value conclusion.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$1,765,851. The subject's assessment reflects a market value of \$5,298,083 or \$447.17 per square foot of living area, land included, when using the statutory level of assessment of 33.33%.²

² Property Tax Appeal Board procedural rule section 1910.50(c)(1) provides that in all counties other than Cook, the three-year county wide assessment level as certified by the Illinois Department of Revenue (IDOR) will be considered. 86 Ill.Admin.Code Sec. 1910.50(c)(1). As of the development of this Final Administrative Decision, the IDOR has not published figures for tax year 2023.

In response to the appeal, the board of review submitted a memorandum critiquing the appellant's appraisal estimating the subject property had a market value of \$3,450,000 or \$291.19 per square foot of living area, land included. The board of review asserted that none of the appraisal's four sales are located in the subject's town of Lake Forest. The appraisal sales #3 and #4 have approximately 37% to 54% less land area than the subject but the appraiser does not adjust for these site size differences. The appraiser opined that the subject property had a market value of \$3,450,000 which falls below the adjusted sale prices of the appraiser's comparables. The appraiser explained that this was due to adjustments for costs associated with repairs and replacement of the subject's copper roof, remediation of bluff erosion, and foundation repairs, as well as a contingency for the unforeseen and an incentive for completion. The board of review contended that the appraiser also added the following statement: "Construction costs were provided to the appraiser(s) by the owner and they are assumed comprehensive and reasonable. It should be known the appraiser(s) have not been specifically trained to estimate costs for this type project. If the reader of this report has any question as to the reasonableness of cost figures cited herein, it is suggested the reader engage the services of a professional cost estimator." The assessor stated that the appraiser included 14 interior photographs of the subject, none of which show any damaged areas referenced by the appraiser. Additionally, the appraiser provides no documentation such as estimates from contractors, in support of the reported cost estimates shown in the appraisal report.

The board of review also disclosed that the subject property is listed on the Lake Forest Preservation Foundation's website as one of its "Historic Preservation Award" winners in 2009, as depicted in a purported printout from the Foundation's website. The board of review contended the appraisal contains no comments related to the subject's recognized historical significance. The board of review also provided four comparable sales that sold via the Multiple Listing Service (MLS) and were available to the appraiser during the appraisal process.

In support of its contention of the correct assessment, the board of review submitted information on four comparable sales located in Lake Forest or Lake Bluff and from .04 of a mile to 2.32 miles from the subject property, three of which have the same assessment neighborhood code as the subject. The parcels range in size from 1.72 to 3.4 acres of land area and are reported to be located on the shores of Lake Michigan, as depicted in the location map provided by the board of review. The comparables are improved with one-story or two-story dwellings of wood siding, stone or brick exterior construction ranging in size from 4,745 to 11,846 square feet of living area. The dwellings are from 7 to 63 years old. The comparables each have a basement, three of which have finished area. Each comparable has central air conditioning, four or eight full bathrooms, one half bathroom, two to five fireplaces, and one or two garages ranging in size from 720 to 1,085 square feet of building area. Comparable #1 has an inground swimming pool. The comparables sold from March 2022 to January 2023 for prices ranging from \$5,750,000 to \$12,925,000 or from \$789.68 to \$1,211.80 per square foot of living area, including land. Based on this evidence the board of review requested the subject's assessment be sustained.

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 record contains an appraisal submitted by the appellant and four comparable sales submitted by the board of review for the Board's consideration. The Board has given less weight to the value conclusion contained in the appraisal. The Board finds it problematic that the appraiser described the subject with nine fireplaces but did not include this information in the sales comparison approach to value section of the report. The Board questions why the appraiser made no site size or location adjustments, despite that all four comparables are located more than two miles away from the subject in different cities and comparables #3 and #4 have substantially smaller site sizes. Additionally, three of the four comparables are significantly newer homes when compared to the subject and comparable #1 is a one-story design compared to the subject's three-story design but the appraiser made no adjustments for these differences. Two comparables each have either a two-car or a four-car garage compared to the subject's three-car garage but the appraiser made no adjustments for garage size. Lastly, the appraisal comparable #3 is substantially smaller in dwelling size when compared to the subject. After concluding an indicated value for the subject based on adjustments to the comparables, the appraiser made questionable deductions for repairs, "the unforeseen," and "incentive for completion." For these reasons, the Board does not find the appraiser's conclusion of value to be a reliable indicator of value.

The Board has given reduced weight to board of review comparable #3, which is located more than two miles away from the subject and to board of review comparable #4 due to its substantially smaller dwelling size, when compared to the subject.

The Board finds the best evidence of market value to be board of review's comparables #1 and #2, which are more similar to the subject in location. Board of review comparable #1 has a smaller site size and smaller dwelling size, when compared to the subject, whereas board of review comparable #2 has a larger site size and an additional garage but lacks an inground swimming pool, when compared to the subject. Additionally, these two comparables have other features with varying degrees of similarity when compared to the subject. These differences suggest adjustments would be required to make the comparables more equivalent to the subject. Nevertheless, the comparables sold in January 2023 and November 2022 for prices of \$6,000,000 and \$12,925,000 or for \$789.68 and \$1,091.09 per square foot of living area, including land, respectively. The subject's assessment reflects a market value of \$5,298,083 or \$447.17 per square foot of living area, including land, which is less than the two best comparable sales in the record. Based on this evidence and after considering appropriate adjustments to the best comparables for differences from 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: _____

November 19, 2024



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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