



FINAL ADMINISTRATIVE DECISION ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Patsy L. Frits Living Trust
DOCKET NO.: 23-04633.001-R-1
PARCEL NO.: 10-19-276-021

The parties of record before the Property Tax Appeal Board are Patsy L. Frits Living Trust, 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: \$93,523
IMPR.: \$127,643
TOTAL: \$221,166

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 2023 tax year as to parcel number (PIN) 10-19-276-021. 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 parcel is improved with a one-story or ranch single-family dwelling of vinyl siding exterior construction with 1,839 square feet of living area. The dwelling was reportedly originally constructed in 1945 and was remodeled in 2022 after its purchase in April 2020.¹ Features of the home include a partial crawl space and a walkout style basement, 2 bathrooms, central air conditioning,² a 576 square foot garage and a boat dock. The subject parcel has an approximately 75,330 square foot or a 1.73-acre site on Pistakee Bay and is located in Johnsburg, McHenry Township, McHenry County.

¹ Descriptive data of the dwelling is drawn from both parties' submissions, including the property record card of the subject parcel, which was not refuted by the appellant in rebuttal.

² Although the appellant reported the subject dwelling lacks central air conditioning and has one bathroom, this conflicts with both the appraiser's description of the home as well as the subject's property record card. Photographic evidence from both the appraiser and the board of review depicts an air conditioning condenser and the appraiser's photos depict two bathrooms, albeit one was missing a vanity and fixtures.

The appellant contends overvaluation as the basis of the appeal. With the appeal, the appellant provided a brief describing the poor condition of the subject dwelling at the time of purchase in April 2020. Given the unsafe conditions, the new owner removed all finished areas and all utilities along with decks and sidewalks. In 2021, the appellant reports she made inquiry with the township assessor's office confirming that "remodeling" the home with the existing foundation and exterior walls, the dwelling would continue to have a "built" date of 1945. As part of the remodel, the only change to the footprint was making the front porch smaller. Due to water damage to the roof, the entire roof was replaced as well and rotted exterior boards were replaced as well with an unfinished cape cod roof to provide dry storage space. A temporary occupancy permit was issued on November 30, 2022. "At the time of occupancy, [the] home was a 2 bedroom, 1 bath, no kitchen, no decks and no central air. There was some unfinished drywall, unfinished attic and unfinished basement."

In partial support of the overvaluation argument, the appellant provided an appraisal prepared for an equitable *ad valorem* tax assessment of the property. The appraisal was prepared by Dmitriy Fleyshov, a Certified General Real Estate Appraiser, as of January 1, 2023 with an opinion of the fee simple market value as \$485,000. The appraised property concerns both the subject parcel and a second parcel, PIN 10-19-276-023, which is not part of this appeal but, according to unrefuted data, consists of 4,670 square feet of land adjoining the subject parcel including the subject's driveway ingress and egress.³ The appraiser noted the subject "has been rebuilt" since its sale in April 2020 but reported the subject to have an actual age of 78 years old and containing 1,440 square feet of living area [sic]. Within the addendum given recent renovations, Fleyshov estimated the subject had an overall effective age of 15 years. The appraiser further reported 2022 renovations resulting in a new kitchen, bathrooms, flooring, fixtures, siding, etc. Deferred maintenance at time of inspection included a missing vanity in one bathroom, missing wall tiles, light fixtures, threshold, siding, basement window, railing and cosmetic painting on a wall was needed at an estimated cost to cure of \$6,500. The appraiser prepared both the cost and sales comparison approaches to value in arriving at the opinion.

Under the cost approach, the appraiser estimated the subject combined two-parcel site of 80,150 square feet had a value of \$295,000. The appraiser estimated the replacement cost new of the improvements including a boat dock and the garage to be \$246,400. The appraiser estimated physical depreciation to be \$49,280⁴ resulting in a depreciated improvement value of \$197,120. The appraiser also estimated the site improvements had a value of \$15,000. Adding the various components, the appraiser estimated the subject property had an estimated market value of \$507,000 under the cost approach to value.

In the sales comparison approach, Fleyshov analyzed five sales of comparable properties located from 1.02 to 1.45-miles from the subject and situated either in Johnsbury or McHenry. Each parcel is described as either a river or a lake front parcel ranging in size from 6,930 to 77,537 square feet of land area. The parcels are improved with either ranch or traditional-style dwellings of frame, brick or frame and stucco exterior construction. The homes range in age

³ As depicted in the property record card for PIN 10-19-276-023, this parcel has a 2023 assessment of \$8,694 or an estimated market value as assessed of approximately \$26,082.

⁴ In the addendum, the appraiser noted physical depreciation was less than average due to recent renovation.

from 12 to 111 years old. The comparable dwellings range in size from 1,391 to 3,902 square feet of living area. Four of the dwellings have basements, three of which are walkout-style with finished area. The comparables have either 2 or 3½ bathrooms. Three homes have central air conditioning and four comparables have either a two-car or a three-car garage. The comparables sold from April 2021 to July 2023 for prices ranging from \$380,002 to \$652,000 or from \$158.89 to \$416.97 per square foot of living area, including land.

Next, the appraiser made adjustments to the comparables for sales or financing concessions, and for differences in location, site size, view, exterior construction, condition, bathroom count, dwelling size, foundation type, finished basement, garage size, outdoor amenities and/or lack of a boat dock. Lastly, Fleyshov estimated the cost to complete the subject was \$75,000 which was deducted from each of the comparable sales. Based on the foregoing adjustments, the appraiser concluded adjusted sales prices ranging from \$427,002 to \$538,600. From this data, the appraiser concluded the subject's value under the sales comparison approach was \$485,000.

In reconciliation, the appraiser gave most weight to the sales approach with support from the cost approach. Fleyshov described giving most weight, 70% to sales #1 and #2 due to similar living area to the subject and the remaining 30% weight to sales #3, #4 and #5.

The appellant also submitted five comparable sales in Section V of the Residential Appeal petition. These comparables are located within a mile of the subject and consist of parcels ranging in size from 8,000 to 11,674 square feet of land area. The parcels are each improved with either 1-story or 1.5-story dwellings of vinyl, brick, cedar, or vinyl and brick exterior construction. The dwellings range in age from 19 to 84 years old. The homes range in size from 1,612 to 2,143 square feet of living area. Comparables #1 and #3 have basements, one of which has finished area. Each dwelling has central air conditioning, from 1 to 3 bathrooms, and a garage ranging in size from 520 to 750 square feet of building area. Three comparables each have one or two fireplaces. Four comparables each have a boat slip. The comparables sold from November 2022 to June 2023 for prices ranging from \$355,000 to \$485,000 or from \$220.22 to \$267.80 per square foot of living area, including land.

Based on this evidence, the appellant requested a reduced total assessment of \$161,651 which would reflect a market value of approximately \$485,000 or \$263.73 per square foot of living area, including approximately 75,330 square feet of land area.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject parcel of \$221,166. The subject parcel's assessment reflects a market value of \$663,564 or \$360.83 per square foot of living area, land included, when using the statutory level of assessment of 33.33%.⁵

In a letter responding to this appeal, the board of review noted that the appellant did not appeal the second parcel that allows ingress and egress from the parcel on appeal. Appellant's

⁵ Procedural rule Sec. 1910.50(c)(1) provides that in all counties other than Cook, the three-year county wide assessment level as certified by the Department of Revenue will be considered. 86 Ill.Admin.Code Sec. 1910.50(c)(1). Prior to the issuance of this decision, the Department of Revenue has yet to publish Table 3 with the figures for tax year 2023.

comparable #1 is located on Pistakee Lake, a waterfront property whereas the remaining comparables presented by the appellant are channel front properties which were given less consideration by the board of review. Furthermore, appellant's comparable #1 is described as inferior to the subject in size and utility with a smaller site with inferior utility. The appraisal was criticized for using 2021 sales when other more recent sales were available; appraisal sale #3 has an additional coach house which was not part of the appraiser's analysis; appraisal sale #2 may have had updates, but it was not renovated to the same degree as the subject; and criticisms were raised as to the adjustments applied for dwelling size differences and garage capacity differences. Moreover, the appraiser misstated the subject's dwelling size and made adjustments for above average condition despite that the subject was rebuilt in 2022.

In support of its contention of the correct assessment, the board of review based on data prepared by the township assessor submitted information on four comparable sales located from .8 of a mile to 2.39-miles from the subject. As noted in the board of review letter, one comparable chosen by the township assessor is on Pistakee Lake and three are riverfront properties, which the assessing officials consider to be more comparable to the subject than "channel front properties." In a letter, the township assessor further contended that these comparables are waterfront properties that were either completely remodeled/rebuilt (including additional stories/square footage) or fully remodeled down to the studs of the existing dwelling. In further support, interior and exterior photographs of the subject dwelling were provided depicting before and after photos given the renovation. The township assessor also acknowledged the dwelling was habitable as of the November 2022 temporary occupancy permit with "mostly cosmetic" finishes yet to be completed; accepting the appraiser's \$75,000 value estimate for work yet to be done as of January 1, 2023, the assessor asserted the current assessment should be confirmed.

Utilizing the PTAB1A grid "Notes on Appeal" provided by the board of review, the comparable parcels range in size from approximately 12,896 to 25,860 square feet of land area.⁶ Each parcel is improved with a two-story dwelling of either vinyl or frame exterior construction. The homes range in age from 34 to 124 years old and range in size from 2,211 to 2,368 square feet of living area. Two homes each have a basement and the homes have from 2½ to 3½ bathrooms, central air conditioning, and garage(s) ranging in size from 300 to 1,620 square feet of combined building area. Three homes each have a fireplace. The comparables sold from April 2022 to March 2023 for prices ranging from \$685,000 to \$880,000 or from \$289.27 to \$372.88 per square foot of living area, including land.

Based on the foregoing evidence and argument, the board of review requested confirmation of the subject's 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

⁶ The submission includes a landscape grid prepared by the township assessor with variations in land size, fireplace amenity, and additional garage details whether one-car, two-car or three-car styles.

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 of the subject property and nine suggested comparable sales in grid analyses provided by the parties to support their respective positions before the Property Tax Appeal Board. The Board has given reduced weight to the appraised value conclusion as the appraiser's opinion of market value does not appear to be credible and reliable due to several questionable determinations, including, but not limited to, an error in the subject's dwelling size, questionable analysis of the subject's age as 78 years as opposed to the effective age of 15 years, and similar considerations as to differences in site size and/or dwelling sizes in the comparable sales approach. For purposes of analysis, the Board will instead analyze the five sales in the appraisal along with the parties' other nine comparable sales given the appellant's overvaluation argument.

Of the fourteen total sales in the record, the Board has given reduced weight to appraisal sale #1, appellant's sales #2, #4 and #5 along with board of review sales #1 and #3, as each of these dwellings lack a basement foundation which is a feature of the subject dwelling. The Board has given reduced weight to appraisal sales #2, #3 and #4 and board of review comparables #2 and #4, due to substantial differences in dwelling size when compared to the subject.

On this record, the Board finds the best evidence of market value to be appraisal sale #5 and appellant's sales #1 and #3, which present varying degrees of similarity to the subject with smaller site sizes than the subject necessitating upward adjustments. The homes are each older in actual and effective age when compared to the subject that was rebuilt in 2022. Adjustments to the comparables for differences in bathroom count and/or garage capacity are also necessary to make the comparables more equivalent to the subject dwelling. These three comparables sold from November 2022 to July 2023 for prices ranging from \$355,000 to \$625,000 or from \$220.22 to \$387.24 per square foot of living area, including land. The subject's assessment reflects a market value of \$663,564 or \$360.83 per square foot of living area, including land, which is above the range established by the best comparable sales in the record in terms of overall value and within the range on a per-square-foot of living area basis, which the Board finds logical given the subject's much larger lot size, larger dwelling size and the subject's newer date of renovation. Accepted real estate valuation theory provides that all factors being equal, as the size of the property increases, the per unit value decreases. In contrast, as the size of a property decreases, the per unit value increases. Since the subject is larger and newer in effective age, the Board finds that the subject has a greater overall value than these "best" comparables, particularly given the subject's lot size and substantial renovations to the home.

Based on this evidence and after thoroughly analyzing the comparable data presented by both parties along with giving due consideration to necessary adjustments to the sales for differences when compared to the subject, the Board finds the appellant failed to establish by a preponderance of the evidence that the subject was overvalued and 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: _____

January 21, 2025



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

AGENCY

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