

Overassessments Underassessments: Mega-Mansion Valuations, Unrestrained Riparian Rights, & Country Club Challenges

Andrea Raila

Founder & CEO, Training, Research, Advocacy, and Education Network, TRAEN

Emily Frank

Property Tax Analyst, TRAEN

2025

IAAO ANNUAL

LEGAL 
SEMINAR

PROPERTY TAXATION AND THE LAW:
CHALLENGES AND SOLUTIONS



IAAO



Overassessments & Underassessments

Property Taxation and the Law: Challenges and Solutions

2025

Andrea Raila, BA Economics, (Loyola University/Mundelein College) an IAAO 30+ year member, Founder & CEO for Training Research Advocacy & Education Network (www.TRAENInc.com) a public policy and tax consulting think tank. Ms. Raila's 40 years in the property tax assessment fields includes governmental experience, as a former tax case reviewer at the Cook County Board of Review, and as an advocate for property taxpayers at the Chicago Comptroller's Office. Ms. Raila co-authored with the former Chicago Comptroller, Ron Picur, "***The Illinois Property Tax System: Taxation without Representation***" commissioned by the Taxpayers' Federation of Illinois. Ms. Raila has served on property tax taskforces and commissions, and mentors students to explore careers in the property tax assessment field. Ms. Raila is a frequent source for local and national media outlets, including as a guest commentator and resource for the national syndicated financial advisor Terry Savage.

Emily Frank, BS Physics and Certificate of Paralegal Studies (DePaul University), an International Association of Assessing Officers (IAAO) member, and is a Real Estate Property Tax Senior Analyst in Chicagoland. Ms. Frank specializes in evaluating residential property tax assessments by utilizing Cook County's GIS System, assessment and sales data, appraisals, inspection reports, statistics and ratios, easements, and permits to ensure fairness and equity guided by assessment law and national assessment standards. Ms. Frank is an unwavering advocate for clients in property tax appeals in multiple Illinois counties and at the state level. Ms. Frank's skill sets are built on 15 years of prior professional development in scientific measurement, quality control, auditing of conformance reporting, and technical consulting which involved conformance to international standards.

Overassessments & Underassessments

Property Taxation and the Law: Challenges and Solutions

2025

- The “ad valorem” property tax is the foundation of local government funding in Illinois.
- Illinois collects \$34 billion in property taxes statewide.
- Cook County is the second largest assessment system in the nation with 1.8 million parcels and collects \$19 billion dollars annually.
- It is essential that the administration of this property tax distribution be fair & equitable.
- An underassessment or overassessment of one property, or an entire class of properties, will result in unfair shifts of the tax burden between taxpayers.

FAIR + EQUITABLE

Case 1 Valuation Challenges of Mega-Mansions 2025

A dearth of extreme upper-end sales and enthusiastic speculation by brokerage firms, real estate articles, online estimates, and pending multiple listings resulted in the overassessment of numerous multi-million dollar mansions along the pristine waterfront of Lake Michigan - the highly sought after North Shore of Cook County, Illinois, in New Trier Township.



Only 73 sales from 2022 - 2024 ranged market values of \$4 M to \$12.7 M were recorded by the Assessor to reassess 460 high-end mansions in the upper 3% of all single family homes. Unfortunately, a small 16% sale subset - a primary metric for algorithm formulas - skewed estimated values for the January 1, 2025 lien date.

Vertical Equity & The 2025 Mega-Mansion Reassessments

Vertical Equity: Ensures that properties of all value ranges are valued equally in relation to actual sales, thereby having consistent sales ratios as set by assessment principles and courts.

Of Illinois' 101 counties, Cook County is the only county that values homes at 10% of market value.

- **Example of Vertical Inequity Regressivity:**

Ratios can be lower among higher-value properties than lower-value properties

Homes sold for \$1M valued @ Sales Ratio of 7%

Homes sold for \$400K valued @ Sales Ratio of **9% or 10%**

- **Example of Vertical Inequity Progressivity:**

Ratios can be lower among lower-value properties than higher-value properties

Homes sold for \$1M generally valued @ Sales Ratio of **12%**

Homes sold for \$400K generally valued @ Sales Ratio of 10%

Vertical inequity also occurs with regressivity when homeowners purchase foreclosed properties and the sales ratio on these below-market properties ranges from 15-40%.

See www.TRAENinc.com *Impact of Over Assessments: Where Foreclosure Distressed Sales Over Populate the Housing Landscape*

Billionaires & Millionaires: A Metric for Housing Values?

16 ILLINOIS COOK COUNTY BILLIONAIRES

Illinois billionaires' net worths range from \$3.9 B to \$44.1 B

Incomes for communities along Cook County's suburban North Shore:

- Median household incomes: \$250,000+
- Average household incomes: \$405,000+

1. Lukas Walton	\$44.1 B	9. Elizabeth Uihlein	\$6.2 B
2. Mark Walter	\$13.2 B	10. Richard Uihlein	\$6.2 B
3. Patrick Ryan	\$10.0 B	11. Eric Lefkofsky	\$6.0 B
4. Neli Bluhm	\$8.7 B	12. Joe Mansueto	\$6.0 B
5. Thomas Pritzker	\$7.6 B	13. Joseph Grendys	\$5.3 B
6. Ty Warner	\$6.5 B	14. Byron Trott	\$4.3 B
7. Steve Lavin	\$6.3 B	15. Penny Pritzker	\$4.2 B
8. Justin Ishbia	\$6.2 B	16. J.B. Pritzker	\$3.9 B

Crown Family at \$14.7 B owners of a New Trier mansion, along with a 2022 \$17 M purchase of a Gold Coast Condo in North Chicago Twp

Source: Forbes 400 (Aug/Sep 2025), Bloomberg's Billionaire Index (Sep 2025), United States Census Bureau, World Population Review

2022, 2023, & 2024 Actual Mega-Mansion Sales VS Mansion Mega-Reassessments in 2025 in New Trier Township, Illinois

73 Sales in 2022, 2023, 2024 prior to the Triennial Reassessment in 2025

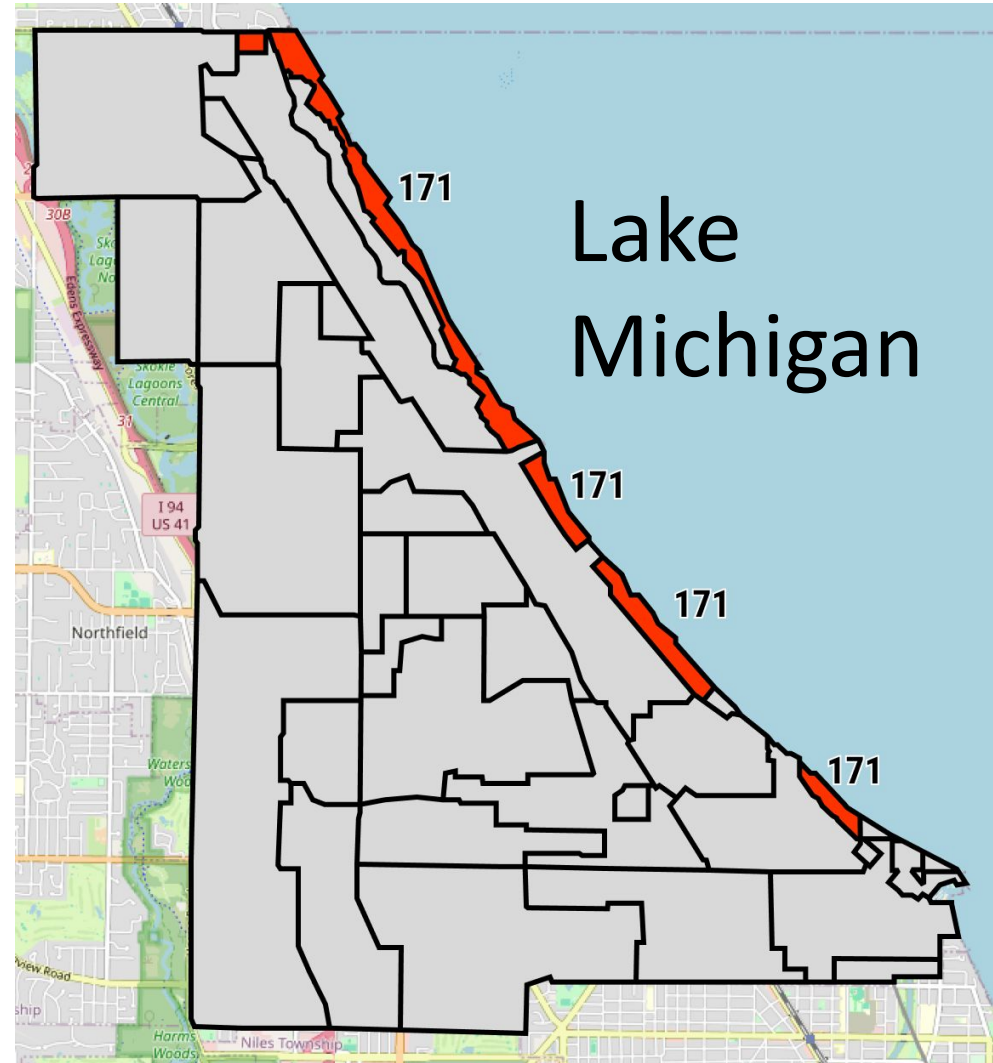
Cook County Assessor's Reassessments for Lien Date of January 1, 2025

2025 Assessor Estimated Market Value Ranges	Actual 2022, 2023, & 2024 Sales	2024 Assessor Estimated Pre-Reassessment Market Values	2025 Assessor Estimate Reassessed Market Values	% Change 2024-2025
\$ 34.8 M	0	0	1	--
\$ 19.8 - \$ 24.8 M	0	1	4	300%
\$ 16 - \$ 18 M	0	1	13	1,200%
\$ 13 - \$ 15 M	0	6	19	217%
\$ 10 - \$ 12 M	4	18	32	78%
\$ 8 - \$ 9 M	0	26	32	23%
\$ 7 M	4	13	33	154%
\$ 6 M	7	34	28	-18%
\$ 5 M	15	38	72	89%
\$ 4 M	43	68	226	232%
Total Number of Sales & Properties	73 Sales	205 Estimates	460 Estimates	

Small subset of sales \$4 M to \$12.7 M –16% and final estimated market valuations put these 460 — mansions in the uppermost 3% of highest valued single family homes in New Trier Township.

Focus: Mega-Mansions in Neighborhood Code 171

- The pristine beach district on Lake Michigan, which the Assessor identifies as Code 171 of 23 Neighborhood Codes, stretches from Glencoe, Kenilworth, Winnetka to Wilmette for 7 miles.
- The 460 properties with assessments of \$4 M to \$35 M as of 2025 experienced an average increase of 71% to their current market valuations.
- Land Market Value per SF increased by 50% since the last triennial reassessment.



<u>Tax Year</u>	<u>Median LMV/SF</u>
2025 Tri	\$75
2022 Tri	\$50

Key Metrics for Housing Values: Mega-Mansion in Headlines

August 9, 2024 - Crain's Chicago Business

Chicago real estate expert Dennis Rodkin writes an article about the listing for a leading real estate and business publication.

CRAIN'S CHICAGO BUSINESS
A CRAIN FAMILY BRAND

Residential Real Estate

At \$35M, lakefront Winnetka mansion is Chicago area's highest-priced home for sale

By Dennis Rodkin

[Reprints](#) [Share](#)



Credit: Miller + Miller Photography

February 4, 2025 - Chicago Tribune

Chicago Tribune
Real Estate

BUSINESS > REAL ESTATE

Winnetka mansion listed for \$35M finds a buyer in what could be a record sale for the Chicago area



Case 1 Sheridan Mega-Mansion is Reassessed

April 23, 2025 - Assessor's Reassessment Notices Go Out for New Trier Township

2025 REASSESSMENT NOTICE

This is not a bill. This notice informs you of a change in your property's assessment.

Date: 04/23/2025

Property Identification Number (PIN):
05-21-202-018-0000

Property Location
429 SHERIDAN RD
WINNETKA

1 2025 Market Value

The estimated Market Value of this property is:

\$34,863,461

2 Your Property's Characteristics

Township: New Trier Land Sq. Footage: 97,615
Neighborhood Code: 171 Bldg Sq. Footage: 13,894
Property Age: 95 Exterior Construction: Masonry
Class Code: 2-09 Greater than One Story Dwelling, any age, greater than 4999 SFLA

Review additional property characteristics for this PIN at www.cookcountyassessor.com/address-search

3 Property Market Value and Assessment History

What this section tells you

Cook County uses your property's Assessed Value and exemptions to calculate the tax bill that will be issued in 2026.

Year	Class	Estimated Market Value	Total Assessed Value (AV) (10% of Market Value)
2025	2-09	\$34,863,461	3,486,347
2024	2-09	9,250,344	925,034
2023	2-09	9,250,344	925,034

Publicly Listed 2024-2025
\$35,000,000

January 1, 2025 Lien Date Market Value
\$34,863,461

Case 1 A Reassessment Without a Closed Sale

May 6, 2025 - New Assessments vs. Recent Sales

CRAIN'S CHICAGO BUSINESS

[Residential Real Estate](#)

As North Shore assessments skyrocket, recent sales tell a different story

“In the new assessments, the highest estimate of market value, a little over \$34 million [\$34,863,470], is a 2.3-acre estate in Winnetka that went up for sale in August at \$35 million and went under contract to a buyer in February.”

“The sale has not closed yet, so it's not known what the final sale price will be.”

By [Dennis Rodkin](#)

Dennis Rodkin is a senior reporter covering residential real estate for Crain's Chicago Business. He joined Crain's in 2014 and has been covering real estate in Chicago since 1991.

Case 1 Another Sheridan Mega-Mansion is Reassessed

April 23, 2025 - Assessor's Reassessment Notices Go Out for New Trier Township

2025 REASSESSMENT NOTICE

This is not a bill. This notice informs you of a change in your property's assessment.

Date: 04/23/2025

Property Identification Number (PIN):
 05-21-104-001-0000

Property Location
 609 SHERIDAN RD
 WINNETKA

1 2025 Market Value

The estimated Market Value of this property is:

\$14,660,000

2 Your Property's Characteristics

Township: New Trier Land Sq. Footage: 70,500
 Neighborhood Code: 171 Bldg Sq. Footage: 11,026
 Property Age: 8 Exterior Construction: Masonry
 Class Code: 2-09 Greater than One Story Dwelling, any age, greater than 4999 SFLA

Review additional property characteristics for this PIN at www.cookcountyassessor.com/address-search

3 Property Market Value and Assessment History

What this section tells you

Cook County uses your property's Assessed Value and exemptions to calculate the tax bill that will be issued in 2026.

Year	Class	Estimated Market Value	Total Assessed Value (AV) (10% of Market Value)
2025	2-09	\$14,660,000	1,466,000
2024	2-09	9,584,000	958,400
2023	2-09	9,584,000	958,400

Privately Listed in 2025
\$35,000,000

January 1, 2025 Lien Date Market Value
\$14,660,000

Case 1 A Second Sale at Over \$30 Million



REAL ESTATE

Suburban mansion breaks record for highest sale price in Chicago area

Listing agent Jena Radnay confirmed the sale to NBC Chicago Wednesday.

By Alex Dvorak • Published November 26, 2025 • Updated on November 26, 2025 at 3:40 pm

Log in or create a free profile to save articles



“For the second time this year, a suburban mansion has reportedly set a record with its sale price.

A lakefront Winnetka mansion just sold for \$34.5 million, topping the record-setting price of another mansion in the same suburb just months earlier.”

Case 1 Mega-Mansion B Assessment vs. Actual Sale

Actual Sale:



Detached Single

Status: **CLSD**

Area: **93**

Address: **609 Sheridan Rd , Winnetka, IL 60093**

Directions: **North of Spruce St. and south of Pine St. on Sheridan Rd.**

Sold by: **Jena Radnay (161088) / @properties Christie's International Real Estate (84730)** Mkt. Time (Lst./Tot.): **222/222**

Closed: **11/14/2025**

Off Market: **08/25/2025**

Year Built: **2017**

Dimensions: **151X555X151X560**

Ownership: **Fee Simple**

Corp Limits: **Winnetka**

Coordinates:

Rooms: **10**

Bedrooms: **5+1 bsmt**

Basement: **Full**

MLS #: **12523377**

List Date: **01/16/2025**

List Dt Rec: **11/24/2025**

Contract: **08/25/2025**

Financing: **Conventional**

Blt Before 78: **No**

Subdivision:

Township: **New Trier**

Bathrooms **7 / 3**
(full/half):

Master Bath: **Full**

Bsmnt. Bath: **Yes**

List Price: **\$35,000,000**

Orig List Price: **\$35,000,000**

Sold Price: \$34,500,000

Concessions:

Contingency:

Curr. Leased:

Model:

County: **Cook**

Fireplaces:

Parking: **Garage**

Spaces: **Gar:3**

Parking Incl.

In Price:

Sale Price of \$34.5 Million includes \$2 Million in Personal Property (not taxed in Illinois).

Value set to \$14,660,000 in 2025 reassessment, Less than half of the asking or final price.

New Trier Mega-Mansion Sales vs. Reassessments Case 1

Lien Date for Taxing Purposes:
 January 1, 2025

**New Trier Reassessment
 Notices Sent:
 April 2025**



A Publicly-Listed 429 Sheridan Rd, Winnetka



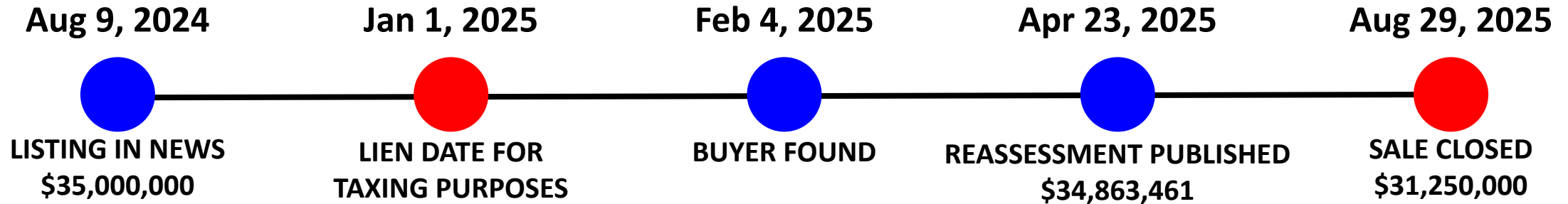
B Privately-Listed 609 Sheridan Rd, Winnetka

Listing:	August 31, 2024	\$35,000,000
Closing:	August 29, 2025	\$31,250,000
2024 Assessor's Market Value:		\$9,250,340
2025 Reassessment Market Value:		\$34,863,461

	January 16, 2025	\$35,000,000
	November 14, 2025	\$32,500,000*
		\$9,584,000
		\$14,660,000

* Excludes \$2,000,000 in personal property included in sale for a total of \$34,500,000

Timeline for 2025 Reassessment of Sheridan Mega-Mansion



In Illinois, the lien date for when the government can legally set the market value and tax a property for assessment purposes is January 1st. Both public & private appraisers must base valuations on actual sales and consider property characteristics and personal property values that existed on or prior to the lien date.

The following examples demonstrate "sales chasing" practices that contradict assessment standards for uniform taxation:

- **Home A Sheridan Rd:** The Assessor used a summer 2024 *listing price* of \$35M—nearly a year before it closed—to set the Jan. 1, 2025 assessment at \$34.86M, \$840,000 estimated taxes.
- **Home B Sheridan Rd:** Sold November 2025 for \$34.5M (including \$2M personal property). Its Jan. 1, 2025 assessment was set significantly lower at \$14.66M, \$353,000 estimated taxes.

Using speculative listing prices and "sales chasing" introduces bias and erodes assessment integrity. This is evident in New Trier Township, where the Assessor used 43 sales from 2022-2024 for the Jan. 1, 2025 valuation, despite the number of \$4M+ sales soaring 232% by that date.

Assessor's Home Value Report: A tool for each home

Cook County Assessor's Office



[HOW IT WORKS](#) ▾

[EXEMPTIONS](#) ▾

[APPEALS](#) ▾

[DATA](#) ▾

[SEARCH](#) ▾

[ALL FORMS & TOOLS](#) ▾

[CONTACT](#) ▾

Home Value Report

See how your home's value was estimated by the Assessor's Office.

This new Home Value Report shows the real estate sales and data that affected your home's value when it was reassessed.

During a reassessment, the Assessor's Office estimates the value of your home. This estimated value depends on:

- your home's characteristics (like building square footage) and location (like school district and neighborhood), and
- sales of similar homes.

To estimate this value, Assessor's Office data scientists train a computer program, called a statistical model, to follow the real estate market. This statistical model uses vast amounts of data about hundreds of thousands of sales to learn market trends. Then the statistical model uses these trends to calculate your home's value.

Your Home Value Report includes the top five most significant sales, along with all the data about your home that the model uses to estimate its value.

**“Your Home Value Report includes the top five most significant sales ...
... that the model uses to estimate its value.”**

Source: Cook County Assessor Website

Assessor's Sale Database for Sheridan Mega-Mansion

Assessor's Sale Database

Sales in Code 171 429 Sheridan Rd, Winnetka

Cook County Assessor's Home Value Report:

"This map shows your home along with five sales that an algorithm identified as being significant for the model's estimate of your home's value."

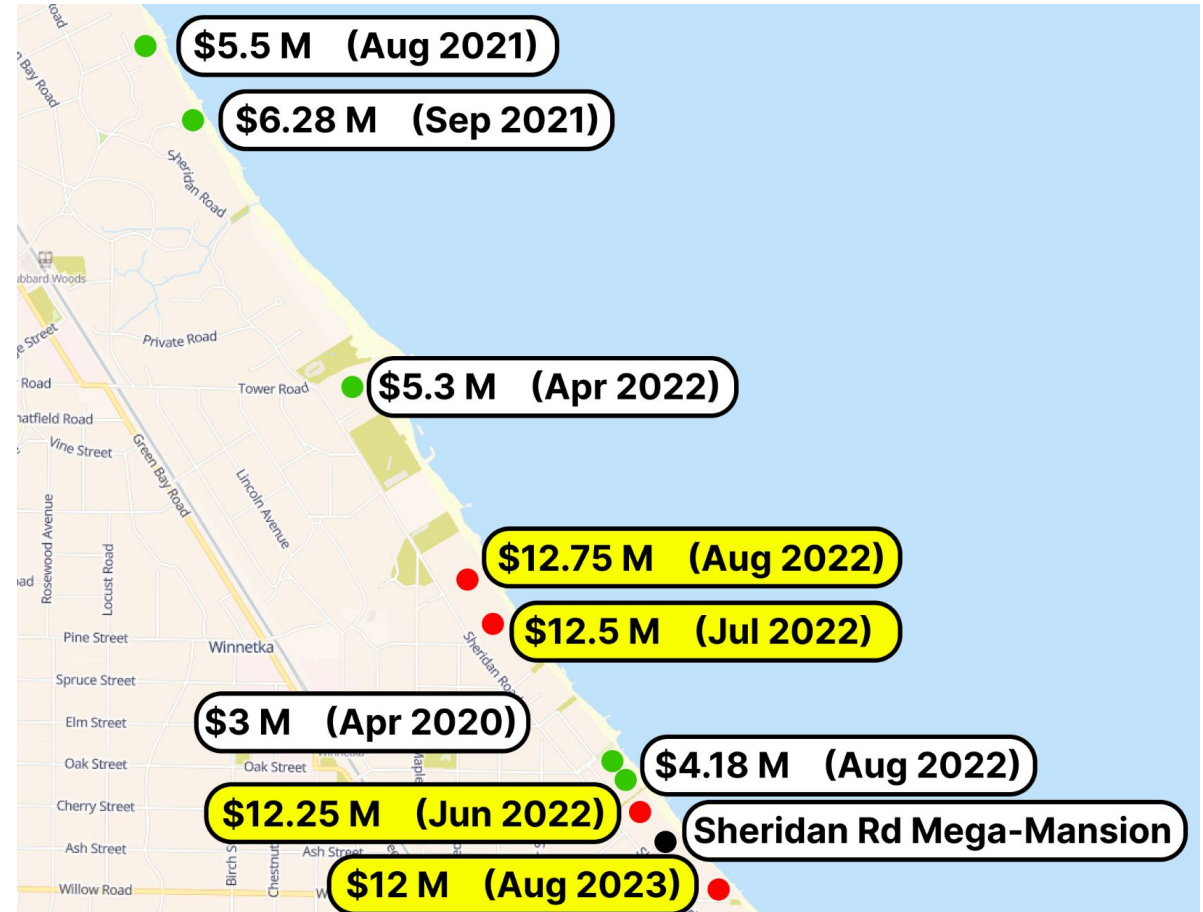
Sales Identified by Assessor for Sheridan Mega-Mansion

\$3,000,000 (2020)
 \$5,500,000 (2021)
 \$5,300,000 (2022)
 \$4,175,000 (2022)
 \$6,280,000 (2022)

Highest Sales Prior to Jan. 1 Along North Shore

2022-2024:

\$12,750,000 (2022)
 \$12,250,000 (2022)
 \$12,500,000 (2022)
 \$12,000,000 (2023)

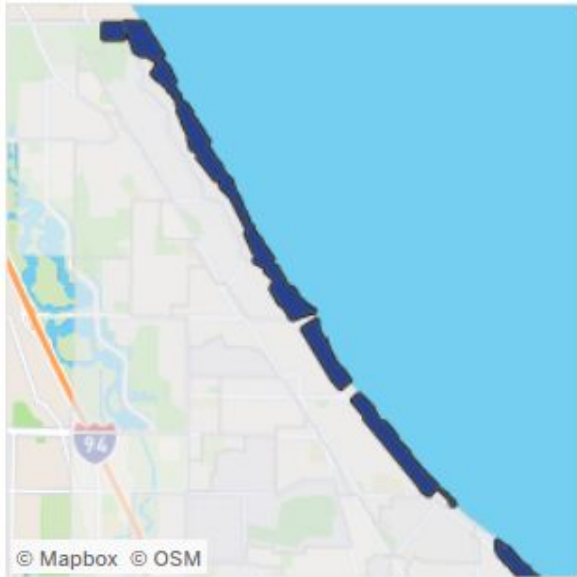


Source: Cook County Assessor

Case 1 Assessor's 2024 Sales in Code 171

“No Single-Family sales took place in 2024 in New Trier [Code] 171” per Assessor - the only Code with no sales for 2024.

New Trier Township and Neighborhood Profile: Single-Family Homes in New Trier 171
 Click on your neighborhood to see its assessment summary.



Real Estate Market Summary

No Single-Family sales took place in 2024 in New Trier 171

Note that the model leverages sales from prior years and other neighborhoods to estimate property values.

Sales
 Min Sale Price
 Top Sale Price

Assessment Summary

\$7,778K

Median Assessor's property value in 2025

More about all Single-Family homes in 2025 in New Trier 171:

# Homes	192
Median Building Size	6,544
Median Lot Size	35,440
Median Year Built	1972

Search & Filter by Neighborhood #
 (All) [dropdown]
 Select Residential Group
 Single-Family [dropdown]

Source: Cook County Assessor's website



Case 1 Actual 2022, 2023, 2024 Sales in Code 171

2024 Sales:

3

Sale	MLS SF	Sale Date	Price	MV/SF
Sale 1	9,633	2/1/2024	\$8,200,000	\$851
Sale 2	8,785	8/21/2024	\$7,250,000	\$826
Sale 3	4,200	10/30/2024	\$5,300,000	\$1,261
MEDIAN			\$7,250,000	\$851

2023 Sales:

5

PIN	MLS SF	Sale Date	Price	MV/SF
Sale 1	8,609	8/23/2023	\$12,250,000	\$1,422
Sale 2	12,500	7/28/2023	\$12,500,000	\$1,000
Sale 3	10,800	7/6/2023	\$5,925,000	\$548
Sale 4	4,368	1/3/2023	\$5,200,000	\$1,190
Sale 5	5,757	4/28/2023	\$4,560,000	\$792
MEDIAN			\$5,925,000	\$1,000

2022 Sales:

7

PIN	MLS SF	Sale Date	Price	MV/SF
Sale 1	6,297	8/15/2022	\$12,750,000	\$2,025
Sale 2	7,934	6/12/2022	\$12,000,000	\$1,512
Sale 3	5,622	3/31/2022	\$7,000,000	\$1,245
Sale 4	3,406	3/1/2022	\$6,300,000	\$1,850
Sale 5	5,569	9/13/2022	\$6,280,000	\$1,128
Sale 6	3,169	9/1/2022	\$6,250,000	\$1,972
Sale 7	5,481	11/30/2022	\$5,999,000	\$1,095
MEDIAN			\$5,925,000	\$1,512

**Assessor's 2025 Median Assessed
Market Value:**

\$7.8 M

(24% Higher than Sales)

Median of 15 Sales from 2022-2024:

\$6.3 M

Source: Cook County Assessor Public Database;
Midwest Real Estate Database, LLC

Mega-Mansions Demanded Justice through Tax Appeals



- 17,367 single family homes are in New Trier Township
- **460 homeowners** with mega-mansions valued by the Cook County Assessor at \$4 M - \$34 M represent the top tier 3% of all homes in New Trier Township
- Their triennial reassessment **increased on average 71%**
- **349 of the 460 mansion owners— 76% appealed to the Assessor**
 - 136 of the 349 appeals— **39% were successful**
 - The Assessor removed— \$113 M in market value & \$3.1 M in taxes
 - Average reduction: \$830K in market value (<1% of total)
 - Mansion on Ardsley Rd had \$10.5 M (9% of total) in market value removed, the highest reduction of any property.
- 374 of the 460 mansion owners— **81% appealed to the Board of Review results pending**

Source: Cook County Assessor, Cook County Board of Review

Case 1 Was Justice Done Through the 2025 Assessor Property Tax Appeal Process?

76% of homeowners with the highest-value homes filed appeals at the Cook County Assessor
There was an increase to 81% filed at the Board of Review to seek lower assessments

Ardsley Rd, Winnetka
2015 Recorded Purchase: \$28,000,000



Ardsley Rd, Winnetka, New Trier Twp

Year	2021	2022 Reassessment	On Assessor Appeal for 2022-2024	2025 Reassessment	On Assessor Appeal for 2025
Market Value	\$26,101,070	\$25,878,920	\$15,000,000	\$17,000,000	\$6,500,090
Class	209	209	209	209	209
Bldg SF	9,956	9,956	9,956	9,956	13,613
Full Baths	6	6	7	7	8
Half Baths	4	4	2	2	4
Bsmt	Full	Full	Full	Full	Full
Attic	Full	Full	Full	Full	Full
Garage	4-car	4-car	4-car	4-car	4-car
Land SF	74,052			2024 Taxes:	\$349,194
Acres	1.7			2025 Taxes:	\$151,651

Purchased in 2015: \$28 M
Assessment 2021: \$26 M
Reassessment 2022: \$25.8 M
Assessor Appeal 2022: \$15 M
Reassessment 2025: \$17 M
Assessor Appeal 2025: \$6.5 M

Appeal evidence: 2022 & 2025 appraisals

The Assessor accepted the homeowner's request to increase the livable SF by 3,657, a +37% increase, which was an error not based on new construction or additions.

Source: Cook County Assessor, Cook County Board of Review

Est. Refund Due: \$40,405

Solutions Mega-Mansions Mega-Reassessments Mega-Appeals



The “Robin Hood” Effect 2025

An injustice, whether billionaire or millionaire. Every man’s home is his castle.

Sales data led to questionable Mega-Reassessments & others with Mega-Reductions on appeal.

Golden Rule Solution: Apply the IAAO’s assessment principles and constitutional mandates to achieve fair & equitable assessments across all homes.

Overassessments Underassessments: Mega-Mansion Valuations, Unrestrained Riparian Rights, & Country Club Challenges

Questions Discussions

2025
IAAO ANNUAL
LEGAL SEMINAR
PROPERTY TAXATION AND THE LAW:
CHALLENGES AND SOLUTIONS



This presentation would not have been made possible if it were not for the skilled GIS piloting, deep data mining and research, writing and editing skills of the following assessment and housing professionals:

***Cesar Attar**, Database Management Analyst*

***Abbey Durst**, Administrative Assistant Editor*

***Elise Rebien**, Fellow, Leuphana University of Lüneburg, Germany, Institute for Urban & Cultural Research*

***Coco Sharp**, Special Projects Coordinator*

***Arthur Siegle**, Commercial Property Tax Analyst & Policy Researcher*