



July 25, 2014

Dear Homeowners,

By now you have received your final 2013 real estate tax bill. Your bottom line increase was probably somewhere around 22%. The board thinks that this is an outrageous and obscene increase which may force some Palatine homeowners who are living on fixed incomes or trying to make ends meet into bankruptcy. Did you get a 22% raise last year? Unfortunately there is very little that can be done about a large portion of that increase.

There are several rather complicated steps used to determine your tax bill. The first is the assessed property valuation – what your home is worth, according to the assessor. The local taxing authorities (schools, the village, the county, etc.) then determine the amount of income that they think they will need in the upcoming year. The county treasurer then determines the tax rates needed to generate that amount of income. This is then adjusted by a state equalizer which is meant to make sure that homeowners throughout the state pay a similar tax rate. Of these only the assessed valuation can be appealed. And the portion of this year's total tax increase attributable to the assessed valuation was very small. The majority of the increase was caused by huge and unprecedented increases in the tax rates for virtually all of the taxing entities, which we cannot "appeal"... except by voicing our opinions at their budget meetings and at the voting booth. So any reduction in your assessed valuation will probably not lower your tax bill by much... perhaps only a few hundred dollars. There are, however, several deductions available. You should check the assessor's website to make sure you get any that you are entitled to.

There are several options available to appeal the assessed property valuation – at the township level, which is usually done by the homeowner, or the county, and state levels. Re-assessments are done every three years. All of the deadlines to appeal the 2013 valuation (year 1 of the cycle) have already passed, as has the township deadline for 2014. But the 2014 Board of Review (county) and 2015 tax years can still be appealed.

You can appeal on your own or retain an attorney to file for you. We have been told that the township appeal process is fairly easy and that the staff is very helpful. There is no cost. But as we said the window for this type of appeal is closed for 2013 and 2014. The next opportunity to appeal will be to the Board of Review in the fall. The dates for that window are not yet known. You will need to check the assessor's website periodically, or you can pre-register your appeal by calling the Township (847-358-6700) or the County (312-603-5542) assessors, or on the county's website. You will then receive an email reminder when the window opens.

If you want legal representation you can retain your own attorney, or join an appeal being organized by Charter Hall. We are negotiating an agreement with a tax appeal law firm to file an appeal with the Board of Review on our behalf. But the board cannot do that without your individual written permission. You will be responsible for the cost, which will be a portion of the reduction. There will be no cost if your valuation is not reduced. If 7 or more

owners opt in then the cost will be 25% of the total reduction for one year (tax year 2014). You will probably be taxed at the same reduced valuation again in 2015. If fewer than 7 owners opt in the cost will be 50% of the reduction. The association will pay the attorney's fees and then charge each owner's share back, payable in 30 days.

If you want to opt in please sign the attached form next to your address. Please indicate if you do not want to participate if the cost will be 50% of the reduction. Send or email the form to DD by August 11th.

Repairs recommended by our landscaper have been approved by the board. Unfortunately the strange weather that we have experienced since winter has caused a shortage of available plants. Fisher Burton is working hard to find alternative suppliers, and will make repairs as soon as possible. This may cause us to delay the repairs until fall if the weather is too hot. Again, for the umpteenth time, owners must water new landscaping and will be charged for replacing plants that die for lack of water.

We have attached the 2013 budgeted vs. actual expenses from the approved audit.

Please reaffirm your permission for the association to send non-material communications such as this newsletter to you by email. By using email we can get information to you a bit more quickly and save a few bucks. But if you would prefer that we not send you messages by email please contact DD to let us know. Some of our owners have told us that our emails end up in their junk folders. You can prevent that by including us in your email's "white list".

Finally, as a reminder... any exterior structural changes to either your home or the landscaping must be approved in advance by the board. Please submit an A&A form which you can get by contacting DD.

As always, please contact us with any questions, issues, or suggestions. You can email us at info@desirablewellings.com, or call Desirable Dwellings at 847-776-8222. Remember – we can't fix what we don't know about. Please keep a copy of this newsletter with your other important association documents for future reference or to give to new owners if you sell.

Thank you.
The Board of Directors