



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

APPELLANT: Jacob Mutholam  
DOCKET NO.: 05-27000.001-C-2 through 05-27000.006-C-2  
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Jacob Mutholam, the appellant, by attorney Howard W. Melton, of Howard W. Melton and Associates in Chicago; the Cook County Board of Review by Assistant State's Attorney Ayesha Khan with the Cook County State's Attorney Office in Chicago.

Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds a reduction in the assessment of the property as established by the Cook County Board of Review is warranted. The correct assessed valuation of the property is:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
05-27000.001-C-2	24-30-201-058-1001	20,402	18,173	\$38,575
05-27000.002-C-2	24-30-201-058-1002	40,804	36,326	\$77,130
05-27000.003-C-2	24-30-201-058-1003	20,402	18,173	\$38,575
05-27000.004-C-2	24-30-201-058-1004	20,402	18,173	\$38,575
05-27000.005-C-2	24-30-201-058-1005	20,402	18,173	\$38,575
05-27000.006-C-2	24-30-201-058-1006	40,804	36,326	\$77,130

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of 66,080 square feet of land improved with a seven-year old, one-story, masonry building used as an office center. The building contains 11,600 square feet of building area consisting of six condominium units.

The appellant, via counsel, argued that the market value of the subject property is not accurately reflected in the property's assessed valuation as the basis of this appeal.

In support of the market value argument, the appellant submitted a limited summary appraisal report of the subject property with an effective date of January 1, 2005 undertaken by two certified,

real estate appraisers. The appraisal indicated that pursuant to the client's request, the appraisers developed only one of the traditional approaches to value. The appraisers noted that the income approach was less than applicable because the subject property's commercial units are owner-occupied and not income-generating units. The appraisers include various maps of the subject's neighborhood and region as well as photographs for the subject property. The subject was inspected on November 9, 2005. The appraisal stated that the subject is located in the village of Palos Heights roughly 25 miles southwest of Chicago's central business district. The appraisers opined that the subject was located in a predominantly commercial zoning area with adequate access to typical amenities such as shopping and public transportation.

Upon review of the sales history of the subject, the appraisers reported that Unit #100 had sold in December, 2004, for \$265,000 and that the purchaser was the owner of Unit #600. The appraisal stated that the owner paid a premium price for this unit in order to expand his medical practice at the current location. In addition, the appraisers noted that Unit #100 had a higher quality build-out with more private office space and superior interior finishes.

The appraisal stated that the subject's highest and best use, as if vacant, was for development with an office building, while the highest and best use, as if improved, was to maintain the current improvements. The appraisers described the improvement's six units as four units containing 1,450 square feet of area and two units with 2,900 square feet of area. The smaller units have one half-bathroom, while the larger units have two bathrooms therein.

Under the sales comparison approach to value, the appraisers estimated a market value for the subject of \$812,000. The appraisers utilized four sales comparables, which were multi-tenant, low-rise, office buildings located in Palos Heights. These comparables sold from September, 2001, through November, 2004, for prices that ranged from \$621,000 to \$1,160,000, or from \$57.87 to \$64.44 per square foot. The properties range in age from 17 to 31 years and in size from 10,650 to 18,000 square feet. The appraisal indicated that these sales were used due to the lack of available data on recent sales of condominiums in the subject's general area. The appraisers opined that these comparables were the most meaningful and available sale properties. After making adjustments to the properties, the appraiser estimated the subject's market value at \$70.00 per square foot or \$812,000. However, the appraisers rounded this value to \$810,000 without further explanation.

At hearing, the appellant's attorney submitted Hearing Exhibit #1, which was a one-page document with two grids reflected thereon. This Exhibit was a summary compilation of the data relating to the parties' sale comparables. Furthermore, the attorney submitted Hearing Exhibits #2 and #3, which were area maps reflecting the locations of the parties' sale comparables in

relation to the subject property. All Exhibits were admitted into evidence without objection from the board of review.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$475,056 for tax year 2005. The subject's assessment reflects a market value of \$1,250,147 for tax year 2005 using the Cook County Ordinance level of assessment for Class 5a, commercial property of 38%.

In addition, the board of review submitted a memorandum as well as CoStar Comps printouts for six suggested comparables. The properties contained either single-tenant or multi-tenant condominium units used for a variety of purposes including: medical or dental offices, a daycare facility, and building area used by the Department of Motor Vehicles in Bridgeview. Only properties #5 and #6 are located in the subject's suburb of Palos Heights, while the remainders are located in Orland Park, Bridgeview, or Tinley Park. They sold from March, 2001, to October, 2004, for prices that were in an unadjusted range from \$68.63 to \$200.00 per square foot. The units ranged in size from 2,200 to 6,000 square feet of building area. As a result of its analysis, the board requested confirmation of the subject's assessment.

At hearing, assistant state's attorney representing the board of review argued that the appraisers were not present at the hearing to provide testimony; that the appellant's appraisal does not include the cost or income approaches to value; and that the sale of unit #100 within the subject is relevant to the value of the entire subject property.

After considering the testimony and reviewing the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal.

When overvaluation is claimed the appellant has the burden of proving the value of the property by a preponderance of the evidence. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3<sup>rd</sup> Dist. 2002); Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179 (2<sup>nd</sup> Dist. 2000). Proof of market value may consist of an appraisal, a recent arm's length sale of the subject property, recent sales of comparable properties, or recent construction costs of the subject property. 86 Ill.Admin.Code 1910.65(c). Having considered the evidence presented, the Board concludes that the evidence indicates a reduction is warranted.

In determining the fair market value of the subject property, the Board finds the best evidence to be the appellant's appraisal. The appellant's appraisers utilized the sales comparison approach to value in determining the subject's market value. The Board further finds this appraisal to be persuasive for the appraisers personally inspected the subject property and utilized market data in the sales comparison approach while providing sufficient

detail regarding each sale as well as adjustments where necessary.

Moreover, the Board finds that there was neither written evidence nor testimony indicating that the sale of the subject's unit #100 was an arm's-length transaction. In contrast, the appellant's appraisers indicated that this sale represented a premium price paid by the neighboring unit's owner in order to expand his office space within the subject's property.

Therefore, the Board finds that the subject property contained a market value of \$812,000 for tax year 2005. Since the market value of the subject has been established, the Cook County Ordinance level of assessment for Class 5a, commercial property of 38% will apply. In applying this level of assessment to the subject, the total assessed value is \$308,560, while the subject's current total assessed value is above this amount at \$475,056. Therefore, the Board finds that a reduction is warranted.

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.

*Ronald R. Cuit*

Chairman

*K. L. Fern*

Member

*Frank A. Huff*

Member

*Mario M. Louie*

Member

*Shawn R. Lerbis*

Member

DISSENTING: \_\_\_\_\_

C E R T I F I C A T I O N

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: August 20, 2010

*Allen Castrovillari*

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 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 the subsequent year 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.

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.