



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

APPELLANT: Motlagh Corp.
DOCKET NO.: 07-26969.001-C-1
PARCEL NO.: 02-19-430-025-0000

The parties of record before the Property Tax Appeal Board are Motlagh Corp., the appellant, by attorney Dennis M. Nolan, of Dennis M. Nolan, P.C. in Bartlett; and the Cook County Board of Review.

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:

LAND: \$126,231
IMPR.: \$211,969
TOTAL: \$338,200

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 42,863 square foot parcel of land improved with a 28-year old, one-story, masonry, 12,685 square foot commercial building occupied by a Montessori School. The appellant, via counsel, argued that the fair market value of the subject was not accurately reflected in its assessed value.

In support of the market value argument, the appellant submitted an appraisal undertaken by Arthur Murphy of Urban Real estate Research, Inc. The report indicates Murphy is an MAI appraiser. The appraiser indicated the subject has an estimated market value of \$890,000 as of January 1, 2007. The appraisal report utilized the three traditional approaches to value to estimate the market value for the subject property. The appraisal found the subject's highest and best use as improved to be its current use.

Under the cost approach to value, the appraiser analyzed five land sales in the subject's market to opine a land value of \$12.00 per square foot or \$515,000, rounded. The replacement cost new method plus three percent for indirect costs and ten percent for entrepreneurial incentive was utilized to determine a cost for the improvement at \$1,797,663. The appraisal depreciated the

improvement by 80.7% for a value of \$346,162. The appraisal also included the depreciated value of site improvements of \$17,000. The land was added back in to establish a value under the cost approach of \$880,000, rounded.

In the income approach to value, the appraiser analyzed the rents of four comparable properties located in the subject's market to determine a gross potential income of \$107,823. Expenses, which included vacancy and collection, were estimated at \$22,202 to arrive at a net operating income of \$85,621. A capitalization rate of 9.75% was utilized to estimate a value under the income approach of \$880,000, rounded.

Under the sales comparison approach, the appraiser analyzed the sales of four one-story, masonry, commercial buildings. The properties range: in age from 17 to 22 years and in size from 21,344 to 57,512 square feet of building area. The comparables sold from July 2004 to April 2007 for prices that ranged from \$545,000 to \$1,070,000 or from \$47.61 to \$78.80 per square foot of building area, land included. The appraiser adjusted each of the comparables for pertinent factors. Based on the similarities and difference of the comparables when compared to the subject, the appraiser estimated a value for the subject under the sales comparison approach of \$70.00 per square foot of building area or \$890,000, rounded.

In reconciling the three approaches to value, the appraisal arrived at a final estimate of value for the subject as of January 1, 2007 of \$890,000.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$361,522 was disclosed. The subject's final assessment reflects a fair market value of \$951,373 when the Cook County Real Property Assessment Ordinance Level of 38% for class 5a property, such as the subject, is applied. In support of the subject's assessment, the board of review presented descriptions and assessment information on three suggested comparables located within the subject's neighborhood. The properties consist of commercial buildings that range in size from 9,790 to 11,360 square feet. The comparables sold from May 2003 to May 2008 for prices that ranged from \$825,000 to \$3,500,000, or from \$82.50 to \$312.17 per square foot of building area.

After reviewing the record and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The Board further finds a reduction in the subject's assessment is warranted.

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 (3rd Dist. 2002); Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179 (2nd 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 PTAB concludes that the evidence indicates a reduction is warranted.

In determining the fair market value of the subject property, the PTAB finds the best evidence to be the appellant's appraisal. The appellant's appraiser utilized the three traditional approaches to value in determining the subject's market value. The PTAB finds this appraisal to be persuasive for the appraiser: has experience in appraising; personally inspected the subject property and reviewed the property's history; and used similar properties in the sales comparison approach while providing adjustments that were necessary. The PTAB gives little weight to the board of review's comparables as the information provided was unadjusted raw sales data.

Therefore, the PTAB finds the subject had a market value of \$890,000 for the 2007 assessment year. Accordingly, the PTAB finds a reduction to the appellant's requested assessment 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.

Donald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Marko M. Louie

Member

J. R.

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: January 31, 2013

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.