



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

APPELLANT: Rita Olsen
DOCKET NO.: 19-54323.001-C-1 through 19-54323.002-C-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Rita Olsen, the appellant(s), by attorney Nicholas T. McIntyre, of Much Shelist, P.C. in Chicago; and the Cook County Board of Review.

Based on the facts and exhibits presented in this matter, 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
19-54323.001-C-1	24-10-122-003-0000	20,735	28,328	\$49,063
19-54323.002-C-1	24-10-122-009-0000	53,450	84,987	\$138,437

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

Appellant timely filed the appeal from a decision of the Cook County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2019 tax year. 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 property consists of a 63-year-old, part one-story and part two-story, 26 guest room motel, with 9,500 square feet of building area. The property has a 20,465 square foot site and is located in Oak Lawn, Worth Township, Cook County. The property is a class 5-29 property under the Cook County Real Property Assessment Classification Ordinance.

Appellant contends overvaluation as the basis of the appeal. In support of this argument, appellant submitted an appraisal estimating the subject property had a market value of \$750,000 as of January 1, 2017. The appraiser utilized the income capitalization approach and the sales comparison approach in the appraisal of the subject property.

Under the income capitalization approach, the appraiser analyzed data on five motel/hotel comparable properties that ranged in room rate between \$59 and \$130 per night. After

considering differences in characteristics, the appraiser opined that the subject's current daily room rate is at market with rates ranging from \$75 to \$85 per night to arrive at a potential room revenue of \$759,200. After a 30% occupancy factor is applied, the appraiser estimated a projected stabilized room revenue of \$531,440. Total expenses were estimated at \$371,262 to arrive at a income attributed to the business of \$160,178. The appraiser estimated the return of and return on the personalty at \$16,539 which was deducted from the income attributed to the business to arrive at a net income to real property of \$143,639.

Utilizing a loaded capitalization rate of 18.96% and a net income for the subject property of \$143,639, the subject property's market value was rounded to \$760,000.

In the sales comparison approach, the appraiser analyzed seven comparable properties ranging from 26 to 100 guest rooms. They sold between May 2015 and May 2017 for prices ranging from \$17,182 to \$29,166 per room. After making adjustments for pertinent factors, the appraiser estimated the subject property's market value at \$740,000, rounded.

The appraisal report reflects the two approaches were reconciled with the income approach given more weight to estimate a market value for the subject property of \$740,000. Based on this evidence, appellant requests the subject property's total assessment be reduced to \$187,500.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$265,879. The subject's assessment reflects a market value of \$1,063,516, or \$111.95 per square foot of rentable area, including land, when applying the level of assessments under the Cook County Real Property Assessment Classification Ordinance of 25%. The board of review did not submit any additional evidence.

Pursuant to proper notice provided to all parties, this matter proceeded to hearing on March 19, 2024. During the hearing, the appellant called the appraiser to testify. The appraiser testified regarding his experience and qualifications and stated that he appraised the subject property of its market value as of January 1, 2017, at \$750,000. Regarding his report, the appraiser testified that he reviewed financial statements for the prior three years and estimated the subject property's value utilizing both the income capitalization approach and the sales comparison approach. The appraiser testified that he placed more weight on the income capitalization approach. After reconciling the two approaches, the appraiser testified he estimated the market value of the subject property to be \$750,000.

On cross examination, the appraiser testified that he did not examine the income and expense reports for the years 2017 or 2018. The appraiser testified that he did not recall whether or not he reviewed the transfer tax declarations for the comparables used in the appraisal report prior to preparing the appraisal report. He also testified that he did not take inventory of the equipment in each room of the subject property. In addition, the appraiser testified that subsequent to preparing the appraisal report, the appraiser no longer applies the blanket 30% reduction to all comparables as he did in the appraisal report he prepared for the subject property.

Conclusion of Law

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 construction costs. 86 Ill.Admin.Code §1910.65(c). The Board finds appellant *did meet* this burden of proof and a reduction in the subject's assessment *is warranted*.

The Board finds the best evidence of market value to be *the appraisal submitted by appellant*. The appraiser utilized both the income and sales comparison approaches and determined the market value for the subject property after adjustments. The subject's assessment of \$265,879 reflects a market value above the best evidence of market value in the record. The Board finds the subject property had a market value of \$750,000 as of the assessment date at issue. Since market value has been established the level of assessment for class 5 property under the Cook County Real Property Assessment Classification Ordinance of 25% shall apply. (86 Ill.Admin.Code §1910.50(c)(2)).

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:

May 21, 2024



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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