

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Home Run Inn Pizza, Inc.
DOCKET NO.: 03-28508.001-C-1 thru 03-28508.014-C-1
PARCEL NO.: See Page Three

The parties of record before the Property Tax Appeal Board (PTAB) are Home Run Inn Pizza, Inc., the appellant, by attorney Edmund P. Boland and Anthony Carey of Carey, Filter, White & Boland of Chicago and the Cook County Board of Review (board).

The subject property consists of an owner occupied restaurant complex developed in stages since 1974, containing 12,621 square feet of commercial area, plus a detached 16-year old 6,030 square foot two-story masonry industrial building containing a bakery and warehouse. The improvements are located on 14 tax parcels totaling 48,212 square feet of land and located in Cicero Township, Cook County.

The appellant, through counsel, appeared before the PTAB and submitted evidence claiming that the subject's market value is not accurately reflected in its assessment. This evidence was timely filed by the appellant pursuant to the Official Rules of the Property Tax Appeal Board.

In support of this argument the appellant submitted an appraisal dated January 1, 2003 containing the income and sales approaches to value and arriving at a market value of \$775,000. The appraisal was authored by a licensed appraiser with a MAI, a CAE and a CCIM designation. The appellant presented no witnesses and rested on the evidence.

In the sales comparison approach to value the appraiser used five sales containing between 5,400 and 10,000 square feet of building area that occurred between May 2001 and April 2002 for prices ranging from \$350,000 to \$675,000 or from \$45.79 to \$72.78 per square foot and after appropriate adjustments arrived at values of \$529,130 for the grade area of the main building, and added the second floor value of \$101,240 and the industrial building value of \$150,750 for a rounded total value of \$781,000 via the sales comparison approach.

(Continued on Next Page)

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: See Page Three
IMPR. See Page Three
TOTAL: See Page Three

Subject only to the State multiplier as applicable.

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In the income approach the appraiser employed four comparable rentals ranging from \$7.06 to \$12.22 and considered \$10.00 to be an appropriate rental for the subject. After considering vacancy loss & comparable expenses the appraiser arrived at a net operating income of \$61,228. Research yielded a capitalization rate of 10.2%. Capitalizing the net operating income of \$61,228 to which the appraiser added the estimated value of the industrial building of \$150,750 resulting in a rounded income approach value of \$751,000. In his analysis of the market data the appraiser gave consideration to the uniqueness of the subject property having a manufacturing building developed to meet the needs of an owner operator. The appraiser considered the subject as having limited marketability due to the mix of uses and the business site is surrounded by residential use. The appraiser gave the sales comparison approach the most weight resulting in a final value of \$775,000.

Based upon this evidence, the appellant requested a reduction in the subject's total assessment to reflect the reduced market value.

The board of review submitted "Board of Review-Notes on Appeal" that that disclosed the subject's total assessment of \$344,998 which reflects a market value of \$925,141 factored by the Cook County Ordinance levels of 38% and 36%. The board submitted an appraisal, as evidence, dated January 1, 2003 containing the income and sales approaches to value and arriving at a market value of \$1,025,000. The appraisal was authored by a licensed appraiser on the staff of the Cook County Assessor. The board presented no witnesses and rested on the evidence.

In the board's sales comparison approach to value the appraiser used seven sales of commercial and industrial properties containing between 9,026 and 18,760 square feet of building area that occurred between May 2001 and November 2003 for prices ranging from \$435,000 to \$1,250,000 or from \$45.79 to \$71.43 per square foot and after appropriate adjustments arrived at a value of \$56.00 per square foot or a rounded value of \$1,025,000 via the sales comparison approach.

In the board's income approach to value the appraiser employed four comparable commercial rentals ranging from \$5.44 to \$12.00 per square foot and five commercial rentals ranging from \$2.75 and \$4.00 per square foot. The survey of rentals was dated between January 2001 and May 2005. The appraiser considered \$7.00 per square foot for commercial or \$85,827 and \$3.00 per square foot or \$18,090 to be appropriate rental income for the subject. After considering vacancy loss & comparable expenses the appraiser arrived at a net operating income of \$97,236. Research yielded a capitalization rate of 9.50%. Capitalizing the net operating income of \$97,236 resulted in a rounded income approach to value of \$1,023,534, rounded to \$1,025,000. The appraiser gave the sales comparison approach the most weight because the property lends itself to an owner occupied site resulting in a final value of \$1,025,000.

Based on this evidence the board requested a confirmation of the subject's current assessment.

After considering 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. *Property Tax Appeal Board Rule 1910.63(e)*. 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. *Property Tax Appeal Board Rule 1910.65(c)*.

In the analysis of the market data the appellant's appraiser gave more consideration to the uniqueness of the subject property having a manufacturing building developed to meet the needs of an owner operator. The appraiser considered the subject as having limited marketability due to the mix of uses and that the business site is surrounded by residential use.

The PTAB finds that the appellant has met this burden and has submitted the best evidence of market value. The appellant's appraisal indicates that the subject property is valued at \$775,000. Since the market value of the subject has been established, the Cook County Class 5a and b property assessments of 38% and 36% will apply. The subject's total assessment should not be in excess of \$290,281, while the subject's current total assessment is at \$344,998.

The PTAB gives less weight to the board's appraisal because four of seven of the sales in the sales comparison approach were beyond the assessment date and six of nine of the rental rates used in the income approach were also beyond the assessment date.

As a result of this analysis, the PTAB finds that the appellant has adequately demonstrated that the subject property was overvalued and that a reduction in the subject's assessment is warranted.

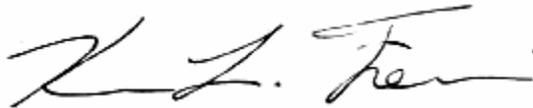
<u>DOCKET NO.</u>	<u>PROPERTY NO.</u>	<u>LAND</u>	<u>IMPR.</u>	<u>TOTAL</u>
03-28508.001-C-1	16-27-425-042	\$5,150	\$ 1,558	\$ 6,708
03-28508.002-C-1	16-27-425-043	\$5,150	\$ 1,047	\$ 6,197
03-28508.003-C-1	16-27-425-044	\$5,150	\$ 1,296	\$ 6,446
03-28508.004-C-1	16-27-426-017	\$6,657	\$69,256	\$75,913
03-28508.005-C-1	16-27-426-038	\$5,462	\$ 765	\$ 6,227
03-28508.006-C-1	16-27-426-039	\$7,020	\$25,326	\$32,346
03-28508.007-C-1	16-27-426-040	\$5,402	\$17,874	\$23,276
03-28508.008-C-1	16-27-426-041	\$5,402	\$25,575	\$30,977
03-28508.009-C-1	16-27-426-042	\$5,402	\$56,693	\$62,095
03-28508.010-C-1	16-27-426-046	\$5,150	\$ 752	\$ 5,902
03-28508.011-C-1	16-27-426-047	\$5,150	\$ 752	\$ 5,902
03-28508.012-C-1	16-27-426-048	\$6,694	\$ 2,099	\$ 8,793

03-28508.013-C-1	16-27-426-049	\$7,726	\$ 3,446	\$11,172
03-28508.014-C-1	16-27-426-050	\$7,726	\$ 602	\$ 8,328

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.



Chairman



Member



Member



Member

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: October 10, 2008



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.