



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

APPELLANT: Stern Pinball, Inc.  
DOCKET NO.: 08-26620.001-I-1  
PARCEL NO.: 12-32-401-029-0000

The parties of record before the Property Tax Appeal Board are Stern Pinball, Inc., the appellant, by attorney Michael E. Crane, of Crane & Norcross in Chicago; 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:** \$ 125,570  
**IMPR.:** \$ 234,430  
**TOTAL:** \$ 360,000

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of a 87,202 square foot parcel of land improved with a 51-year old, one-story, masonry, industrial building used as a warehouse.

The appellant 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 an appraisal report of the subject property with an effective date of January 1, 2007. The appraisers estimated a market value for the subject of \$1,000,000, based upon development of all three of the traditional approaches to value. The appraisers inspected the subject on December 21, 2007, while estimating that the subject's building size of 39,589 square

feet of building area inclusive of 5,639 square feet of office and showroom area. Interior and exterior photographs of the subject were also included in this appraisal. They developed a highest and best use as vacant, for industrial development, while the highest and best use as improved was its current use.

Under the cost approach, the appraisers used five land sales to estimate the subject's land value at \$5.00 per square foot or \$435,000, rounded. They developed a replacement cost new using the R.S. Means Square Foot Costs Manual for 2007 at \$2,220,000, rounded. Deducting 75% depreciation resulted in a depreciated value of the subject building at \$600,000. Adding the land value and a value for site improvements resulted in a market value estimate of \$1,040,000 under this approach.

Under the income approach to value, the appraisers used 5 rental comparables to estimate a potential gross income of \$122,726 less a vacancy and collection of 10% reflected a net income of \$110,453 without a deduction for expenses. Capitalizing the income at 11.0% resulted in a value estimate of \$1,000,000 under this approach.

Under the sales comparison approach, the appraisers used five sale comparables with an unadjusted sale range from \$17.50 to \$29.99 per square foot. After making adjustments to the comparables for pertinent factors, the appraisers opined a market value for the subject of \$25.00 per square foot or \$990,000, rounded. In reconciliation, the appraisers placed maximum consideration on the sales comparison approach to value to opine a final valuation estimate of \$1,000,000. Based upon this evidence, the appellant requested a reduction in market value.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$407,828. The subject's assessment reflects a market value of \$1,132,855 using the Cook County Ordinance level of assessment for industrial class 5b property of 36%. As to the subject, the board of review's memorandum stated that the subject comprised 40,253 square feet of building area.

In support of the subject's market value, raw sales data was submitted for 5 properties via Costar Comps printouts. The data from the CoStar Comps service sheets reflect that the research was licensed to the assessor's office, but failed to indicate that there was any verification of the information or sources of data. The properties were identified as industrial/warehouse

facilities. They ranged in building size from 30,075 to 42,000 square feet of building area and sold in an unadjusted range from \$26.10 to \$57.17 per square foot of building area.

Moreover, the board of review's memorandum stated that the data was not intended to be an appraisal or an estimate of value and should not be construed as such. The memorandum indicated that the information provided therein had been collected from various sources that were assumed to be factual and reliable; however, it further indicated that the writer hereto had not verified the information or sources and did not warrant its accuracy. As a result of its analysis, the board requested confirmation of the subject's assessment.

After considering the arguments and reviewing the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. After submission of the parties' evidence, they waived their right to a hearing.

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, 331Ill.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 appellant has met this burden and that a reduction is warranted.

The Board finds the best evidence of the subject's market value to be the appellant's appraisal, which utilized all three traditional approaches to value in developing the subject's market value. The Board also finds the appraisal to be persuasive for the appraisers: have experience in appraising and assessing property; personally inspected the subject property; estimated a highest and best use for the property; and utilized market data in undertaking all three approaches to value, while making adjustments to the sale comparables where necessary. In addition, the Board finds that the best evidence of the subject's building size were reflected in the appellant's appraisal.

In contrast, the Board finds that the board of review submitted raw, unadjusted sales data and/or current valuations of properties.

Therefore, the Board finds that the subject property contained a market value of \$1,000,000. Since the market value of the subject has been established, the Cook County Ordinance level of assessment for Class 5B, industrial property of 36% will apply. 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.



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: March 21, 2014



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.