



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

APPELLANT: Chicago Hghts Pattern & Model Works Inc
DOCKET NO.: 09-31631.001-I-1
PARCEL NO.: 32-33-102-019-0000

The parties of record before the Property Tax Appeal Board are Chicago Hghts Pattern & Model Works Inc, the appellant(s), by attorney Michael E. Crane, of Crane and Norcross in Chicago; and the Cook County Board of Review.

Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds no change 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: \$ 18,675
IMPR.: \$ 78,263
TOTAL: \$ 96,938

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The 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 2009 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 one-story, 11,520 square foot manufacturing/warehouse building that is situated on a 49,800 square foot site. It was constructed in 1970. The property is

located in South Chicago Heights, Bloom Township, Cook County. The property is a class 5-93 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted a summary appraisal report containing a brief recapitulation of the appraiser's data, analyses, and conclusions. Supporting documentation was retained in the appraiser's file. The cost, income and sales comparison approaches were each limited to one page in length, and the appraisal estimated the subject property had a market value of \$265,000 as of January 1, 2008.

The appellant also included a rent roll with an income and expense analysis that indicated the subject's market value should be no greater than \$155,782.

The board of review submitted its "Board of Review-Notes on Appeal" disclosing the total assessment for the subject of \$96,938. The subject's assessment reflects a market value of \$387,752 or \$33.66 per square foot of building area, including land, when applying the 25% assessment level for industrial properties under the 2009 Cook County Classification of Real Property Ordinance. In support of the subject's assessment, the board of review also submitted raw sales data for five industrial buildings located within seven miles of the subject. The sales range: in size from 7,750 to 12,600 square feet of building area; in sale date from 2006 to 2010; and in price from \$369,000 to \$795,000, or \$36.90 to \$102.58 per square foot, including land. Based on this evidence, the board of review requested confirmation of the subject's assessment.

Conclusion of Law

The 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 the appellant did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The appellant indicated the subject should receive a reduction based upon its earning capacity. The Board gives the appellant's argument little weight. In Springfield Marine Bank v. Prop. Tax Appeal Bd., 44 Ill.2d 428 (1970), the Illinois Supreme Court stated:

[I]t is clearly the value of the "tract or lot of real property" which is assessed, rather than the value of the interest presently held. . . [R]ental income may of course be a relevant factor. However, it cannot be the controlling factor, particularly where it is admittedly misleading as to the fair cash value of the property involved. . . [E]arning capacity is properly regarded as the most significant element in arriving at "fair cash value". Many factors may prevent a property owner from realizing an income from property that accurately reflects its true earning capacity; but it is the capacity for earning income, rather than the income actually derived, which reflects "fair cash value" for taxation purposes.

Id. at 431.

As the Court stated, actual income and expenses can be useful when shown that they are reflective of the market. Although the appellant made this argument, the appellant did not demonstrate, through an expert in real estate valuation, that the subject's actual income and expenses are reflective of the market. The appellant did submit an appraisal, however, the appraiser's analysis was one page in length and failed to include a listing of rental comparables as well as any explanation as to how the vacancy rate and capitalization rate were determined.

Moreover, the Board does not find the appraiser's conclusion of value to be persuasive as the appraisal lacked: any qualitative and quantitative reasoning for any adjustments; photographs; details regarding the sale conditions; and any evidence that the sales were arm's-length transactions. Accordingly, the Board accords diminished weight to this appraisal and finds that the estimate of value for the subject property is unreliable.

The Board will, however, examine the unadjusted sales comparables submitted by the parties. The Board notes that the best comparables contained in the record are the appellant's comparables #2 and #3, as well as the board of review's comparables #1, #2, #4, #7 and #8. These unadjusted sale comparables range in value from \$25.33 to \$65.77 per square

foot, including land. The subject's current assessment reflects a market value of \$33.66 per square foot, including land, which is within the range of the best comparables contained in the record. After considering the similarities and differences between the subject and comparables, the Board finds that a reduction in assessment is not warranted based on overvaluation.

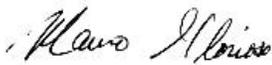
The Board will, however, examine the unadjusted sales comparables submitted by the parties. The Board notes that the best comparables contained in the record are the appellant's comparables #2 and #3, as well as the board of review's comparables #3 and #5. These unadjusted sale comparables range in value from \$25.33 to \$39.58 per square foot, including land. The subject's current assessment reflects a market value of \$33.66 per square foot, including land, which is within the range of the best comparables contained in the record. After considering the similarities and differences between the subject and comparables, the Board finds that a reduction in assessment is not warranted based on overvaluation.

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: April 24, 2015



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.