



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

ORLENE HAWKS
DIRECTOR

RE Fund Lansing LLC,
Petitioner,

MICHIGAN TAX TRIBUNAL

v

MOAHR Docket No. 19-002573

City of Lansing,
Respondent.

Presiding Judge
Victoria L. Enyart

FINAL OPINION AND JUDGMENT

INTRODUCTION

Petitioner, RE Fund Lansing LLC, appeals ad valorem property tax assessments levied by Respondent, City of Lansing, against parcel numbers 33-01-01-08-458-370, 33-01-01-08-456-065, and 33-01-01-08-458-103, for the 2019 tax year. Harold Hoyt, Tax Agent for Professional Property Tax Appeals, LLC, represented Petitioner, and Gregory S Venker, City Attorney’s Office, represented Respondent.

A hearing on this matter was held on November 19, 2020. Petitioner’s witnesses were Stephen J. Hershfield, CCIM Broker CBRE, and Bob Waun, Broker and Principal. Respondent’s sole witness was City Assessor Sharon Frischman, Michigan Master Assessing Officer (MMAO) and Certified General Appraiser (CGA).

Based on the evidence, testimony, and case file, the Tribunal finds that the true cash value (TCV), state equalized value (SEV), and taxable value (TV) of the subject property for the 2019 tax year are as follows:

Parcel Number: 33-01-01-08-458-370

Year	TCV	SEV	TV
2019	\$1,413,800	\$706,900	\$706,900

Parcel Number: 33-01-01-08-456-065

Year	TCV	SEV	TV
2019	\$72,600	\$36,300	\$36,300

Parcel Number: 33-01-01-08-458-103

Year	TCV	SEV	TV
2019	\$72,000	\$36,000	\$36,000

The subject properties are part of a 2018 sale of parcels owned by the tax-exempt Sparrow Hospital, with two vacant lots. The listing Broker Mr. Hershfield testified that he is not an appraiser but has access to properties that have been listed or sold. Mr. Waun is a broker and a principal. The subject properties were placed on the ad-valorem assessment roll for tax year 2019. The following is the appeal that ensued due to that event.

PETITIONER'S CONTENTIONS

Petitioner contends that Edward W. Sparrow Hospital Association owned the subject properties. CBRE Martin marketed the parcels for \$1,125,000. Petitioner purchased the properties for \$400,000 on September 24, 2018.

Petitioner contends that the true cash value of the parcels is the sale price of \$400,000.

PETITIONER'S ADMITTED EXHIBITS

- P-4 CBRE Marketing Brochure
- P-5 Purchase Agreement
- P-6 Unsigned Closing Statement Offered and Not Admitted

PETITIONER'S WITNESS(ES)

Stephen J. Hershfield, CCIM Broker CBRE, was a broker at CBRE Martin, testified that he was the listing broker to sell the subject properties. He had more of an exclusive relationship with Sparrow and was directly responsible for acquisitions,

disposals, and leases. Sparrow bought pieces of the subject property as it was condos for the offices. The property was marketed for \$1,125,000 for six months.

Mr. Hirschfield testified that Sparrow did not have an appraisal prepared to determine value. He explained;

It is in a residential area next to the hospital, and there's not a lot of office buildings like it. And I can get into further detail about pricing and whatnot. But essentially what we do is we looked at, you know, different comparables on the south side of Lansing and other places that would be applicable to this building. And what we do is we kind of come up with that number and maybe inflate it a little bit so that, you know, when we go through negotiations we figure out where we land.¹

The subject property was 100% vacant at the time of sale. It is configured for multi-tenant, and he marketed it to owner-users and investors. When questioned,

Q. However, your job when you are figuring out value for a property is to seek sale value or purchase value to the greatest benefit of your clients; correct?

A. That is correct.

Q. Okay. So, you are not necessarily an expert in establishing appraisals for purposes of ad valorem taxes in any jurisdiction; correct?

A. That is correct. I don't have my -- I don't write appraisals. The extent that we do valuations would be a broker opinion of value.²

"I believe the asking price was around \$25 per square foot."³

Mr. Hershfield does not have a relationship with Mr. Waun, the purchaser. He may bring clients to consider a lease. The marketing was 6-7 months. Petitioner offered \$400,000, and Sparrow accepted the offer.

¹ Tr. at page 12.

² Tr. at page 34.

³ Tr. at page 11.

Mr. Hershfield, upon cross-examination, admitted that he was aware of the commercial corridor where the subject is located and the established Saginaw corridor zoning overlay district favoring Commercial property in the area.

The second witness was Mr. Bob Waun, a broker and principal in the subject property. A friend in New York suggested an offering price of \$250,000. After negotiating with his friend, they agreed on a \$400,000 offer which Sparrow accepted months later. Mr. Waun did not inspect the property before the purchase. He considered a cell tower might be a viable option.

When he did go into the building, he found it overflowed with old metal desks and chattels that still are not all vacated from the building. It is a labor-intense job to empty the structure of the existing left-over office equipment that was still not completed as of the hearing.

Petitioner's closing statement is Petitioner's Exhibit 6, which was taken under consideration. However, after the hearing and giving it full consideration, the unsigned document is not accepted as valid evidence. It is given no weight and is not admitted.

Petitioner testified to a 30-year Deed Restriction. The Grantee shall determine whether a proposed client is a competitor of Grantor within 10-days of receiving a written request from Grantee.⁴ Petitioner has 60% occupancy with some impetus on Covid and the remainder on the restrictions. He opined that it is a negative detriment to the property's value and makes it difficult to lease and is worth less because of the restriction.

⁴ Petitioner's Exhibit 5 at page 8.

Every possible tenant is screened, to determine if they are a competitor to Sparrow, with each potential tenant, a notice is sent to Sparrow to be approved within ten days. Tenants are made aware of the restrictions, and all leases contain an addendum with the deed restriction language. Mr. Waun stated that any future purchaser would have to consider the restrictions. All of this is considered for Petitioner to request a reduction in the true cash value to the purchase price of \$400,000.

RESPONDENT'S CONTENTIONS

Respondent established the true cash value of the subject properties through proper and appropriate means, using approved standard mass appraisal methods. Petitioners challenge the valuation but fail to provide a factual or legal basis for the appeal. Petitioner complains that the current valuation is significantly higher than the purchase price. The city agrees, as the seller, Sparrow Hospital was not utilizing the properties as a private for-profit.

Petitioner's sale price is consistent with a large non-profit hospital removing the subject from its closed campus and out of its portfolio. The subject properties are functional commercial office spaces. It is Petitioner's burden to prove that the value placed on its properties is incorrect.

Respondent contends that Petitioner did not meet their burden and made a Motion to Dismiss. Respondent's reasons are as follows:

At this point no witness during Petitioner's case in chief testified as to their opinion, let alone a qualified opinion of the actual value or fair opinion of the value of the subject property. There was much discussion about the recent sale and about the restrictive covenant, however, their witness, Mr. Hershfield, testified that the sale period itself was not abnormal. But he did acknowledge that the transaction was, I think, not profit minded or from a not profit-minded seller. I asked him if it was fair to characterize it as -- as Sparrow being willing to sell at any price and he said, well, not any price. But

400,000 is certainly more than nothing. But he did acknowledge that Sparrow was not selling. They wanted to get rid of the property, they wanted to dump the property. They were not selling from a profit-minded perspective. On top of which, the city or any municipal appraiser is -- we can't follow sales when determining value. We have to look at some kind of appraised -- appraisal approach that is valid. So at this point, absent rent rolls or some other basis to set aside the city's assessment at this point, Petitioner hasn't met their burden. That's the basis of my motion and argument, and I'm happy to be quiet now.⁵

RESPONDENT'S ADMITTED EXHIBITS

- R-1 Property Record Cards
- R-2 Sales Study for Economic Condition Factor (ECF) for Office Properties
- R-3 List of 2017, 2018, and 2019 Sales
- R-4 Property Record for 1033 South Washington
- R-5 Property Record for 819 East Kalamazoo
- R-6 Property Record for 1000 South Washington

RESPONDENT'S WITNESS(ES)

Sharon Frischman was Respondent's witness and is a Michigan Master Assessing Officer and a Certified General Appraiser. She was admitted as an expert in valuation.

Ms. Frischman testified that she prepared and was familiar with Respondent's exhibits (R-1, R-2, and R-3). She briefly identified the documents and their use. The subject properties were exempt from ad valorem taxation until Sparrow sold them. "a staff person from this office did conduct a site visit and valued the property employing mass appraisal methods. They were inspected, information gathered using standard mass assessment standards, which is how all commercial property is valued. It is a uniform way to value a large mass of properties.

⁵ Tr. at pages 67-68.

Mass appraisal method as prescribed in the State of Michigan is -- I kind of think of it as sort of a hybrid approach between cost and -- and actual market information.⁶ Respondent presented three property record cards for the subject properties. The sales are utilized for determining the economic condition factor for the various commercial neighborhoods. The economic condition factor analysis for office properties in different areas of the city is part of the mass assessment process. The following exhibit is a listing of arm's length transactions of office properties. It's not -- it's not a sales comparison approach but meant to be a sort of reality check of the results of the mass appraisal valuation as a reality check of the mass assessment. Seventeen arms-length sales of office properties for 2017, 2018, and 2019 are included as proof of the validity of the assessment.

The replacement cost for the subject's medical building was \$9 million or \$200 per square foot to build it today. Depreciation includes 35% physical. There was a rumor that Sparrow was going to raze what use to be the old hospital.

So we applied about 70 percent economic obsolescence for the location of a medical building in that area. We also applied about 70 percent functional obsolescence, because as a medical office if you're not near, you know, near a hospital you're going to lose some value, because most medical -- most doctors nowadays are employees of hospitals, so they're usually located nearby. So -- so what does it all mean? We go from almost \$200 a square foot replacement cost to a true cash value of the building of less than \$27 per square foot. So we've applied very, very generous amounts of obsolescence and depreciation to this building.⁷

The value decreased from \$200 per square foot to less than \$27. The obsolescence was very generous. In addition, the economic condition factor at 0.80

⁶ Tr. at page 78.

⁷ Tr. at page 79.

reduced the value further. Ms. Frischman stated, “basically an economic condition factor is derived from looking at sales of other office properties. What did they sell for compared to their depreciated cost?”⁸

Appeals are taken seriously by the assessor’s office. Conversations with the owners, obsolescence, and office sales were considered. All of the sales were reviewed, with three at the lower end of the sales brought out for discussion. The property record for 1033 South Washington, the former Tax Tribunal location, was inspected by Ms. Frischman. The building was not in good condition and needed to be renovated. It sold for \$32.65 per square foot.⁹ The property records submitted show properties at the lower price range. The sale of 1000 South Washington was in the mix because it was at the higher end of the sales at \$82 per square foot.

Ms. Frischman emphasized that the sales in the city are not all low-end sales but a range of properties. There is a myriad of sales above \$30-40 per square foot, and she wanted to show that not all properties are at the low end of the range. Generally, the properties have some deferred maintenance.

The subject is valued at \$31.42 per square foot for the property with the building parcel 33-01-01-08-458-370. The other two parcels are vacant with some paving.

Ms. Frischman was questioned about how long the subject property has been exempt. While not the assessor when it was constructed in 1965, she grew up in the area and opined most likely since it was built. However, was not aware of the relevancy of the question.

⁸ Tr. at page 80.

⁹ Respondent Exhibit 4.

Q. My question was, is, how do you do a cost less depreciation approach on a building that's attained this kind of age?

A. ...we consider the age when we apply physical depreciation. We consider the age as it contributes to functional obsolescence. Since, you know, in '65, they would have had, you know, different, you know, market desires than they do now. So, we consider, you know, functional obsolescence for, you know, properties that are older and maybe don't have the same functional design that would be desired in a brand new building. So, yeah, we can do it. We consider the age in a couple of different ways.¹⁰

The last question was why the subject property was not used as a comparable. Ms. Frischman responded "Well, you know, I have seen some fee appraisers actually use the subject as a comparable, so it's not unheard of. But we did not do it in this case because we did not feel it was an arm's length transaction."¹¹

CLOSING STATEMENTS

Your Honor, the Petitioner although he's well aware that purchase price is not presumptive true cash value, considering the efforts, the evidence presented by the broker and Mr. Waun, principal, how long the property was listed for sale, the response the property had, the fact that the subject property sold in the last quarter of the tax year of valuation, Petitioner's contention that the true cash value of the subject is best evidenced by its purchase price.¹²

Respondent...So given all the testimony and evidence that was introduced today, I think there's no basis for Petitioner's asserted true cash value. I think that it would be appropriate for the Tribunal to reject Petitioner and reject the value and maintain the city's record of true cash value.¹³

¹⁰ Tr. at page 95.

¹¹ Tr. at page 97.

¹² Tr. at pages 101-102.

¹³ Tr. at pages 102-103.

Petitioner's last statement, "I believe that the sale price of this property, although not presumptive true cash value, best represents the true cash value of the evidence presented to you today."¹⁴

FINDINGS OF FACT

The Tribunal's Findings of Fact concern only evidence and inferences found to be significantly relevant to the legal issues involved; the Tribunal has not addressed every piece of evidence or every inference that might lead to conflicting conclusion and has rejected evidence contrary to those findings.

1. The subject consists of three parcel numbers (with brief descriptions) as follows:
33-01-01-08-458-370, 33-01-01-08-456-065 and 33-01-01-08-458-103.
2. Parcel 33-01-01-08-458-370 is 0.67 acres with 135.5 feet fronting on Saginaw and 188 feet fronting on North Martin Luther King Jr. Blvd. The other sides are 200 by 300 feet. There is a 16.8-foot triangular corner taken out of the frontage.
3. Parcel 33-01-01-08-458-370 is the parcel that contains the improvement. Class B 1967 construction and remodeled in 1997, six stories, 44,995 square feet based on Respondent's property record.
4. Parcel 33-01-01-08-458-370 as described in Petitioner's Exhibit 4; Prominent six-story building, a mixed-use building adjacent to Sparrow's St Lawrence campus. It is situated on high traffic corner of Saginaw and Martin Luther King Jr. Blvd. 1100 West Saginaw has 136 parking spaces, excellent visibility, and corner presence.

¹⁴ Tr. at page 104.

5. The substructure is concrete footings, slab on ground, steel frame, concrete panels, tinted fixed windows, 2002 new membrane for the flat roof. Suspended acoustic tiles, gas forced warm heat, 120-ton chiller, fully sprinkled, 480 volts 3-phase electric with new panels, electric, gas, telephone and internet with city water and sewer. Floors 2-5 renovated in 2002, 2015 new air handlers and new automatic doors.
6. CBRE Martin listed the subject property for \$1,125,000.
7. The subject property was purchased for \$400,000 on September 24, 2018.
8. Petitioner purchased the subject property with a deed restriction.
9. Parcel 33-01-01-08-456-065 is 0.39 acres plus asphalt and is 85.8 feet on Saginaw and runs 199.9 feet to Rose Court.
10. Parcel 33-01-01-08-458-103 is 0.53 acres plus asphalt with 100 feet on North Martin Luther King Jr. Blvd. and 231 feet to Rose Court.
11. Petitioner's contention of True Cash Value, State Equalized Value, and Taxable Values as of December 31, 2018, are as follows:

Parcel Number: 33-01-01-08-458-370

Year	TCV	SEV	TV
2019	\$364,000	\$182,000	\$182,000

Parcel Number: 33-01-01-08-456-065

Year	TCV	SEV	TV
2019	\$20,000	\$10,000	\$10,000

Parcel Number: 33-01-01-08-458-103

Year	TCV	SEV	TV
2019	\$16,000	\$8,000	\$8,000

12. Respondent's True Cash Value, State Equalized Value, and Taxable Value as of December 31, 2018, are as follows:

Parcel Number: 33-01-01-08-458-370

Year	TCV	SEV	TV
2019	\$1,413,800	\$706,900	\$706,900

Parcel Number: 33-01-01-08-456-065

Year	TCV	SEV	TV
2019	\$72,600	\$36,300	\$36,300

Parcel Number: 33-01-01-08-458-103

Year	TCV	SEV	TV
2019	\$72,000	\$36,000	\$36,000

CONCLUSIONS OF LAW

The assessment of real and personal property in Michigan is governed by the constitutional standard that such property shall not be assessed in excess of 50% of its TCV.¹⁵

The legislature shall provide for the uniform general ad valorem taxation of real and tangible personal property not exempt by law except for taxes levied for school operating purposes. The legislature shall provide for the determination of true cash value of such property; the proportion of true cash value at which such property shall be uniformly assessed, which shall not exceed 50 percent.¹⁶

The Michigan Legislature has defined TCV to mean:

The usual selling price at the place where the property to which the term is applied is at the time of assessment, being the price that could be obtained for the property at private sale, and not at auction sale except as otherwise provided in this section, or at forced sale.¹⁷

¹⁵ See MCL 211.27a.

¹⁶ Const 1963, art 9, sec 3.

¹⁷ MCL 211.27(1).

The Michigan Supreme Court has determined that “[t]he concepts of ‘true cash value’ and ‘fair market value’ . . . are synonymous.”¹⁸

“By provisions of [MCL] 205.737(1) . . . , the Legislature requires the Tax Tribunal to make a finding of true cash value in arriving at its determination of a lawful property assessment.”¹⁹ The Tribunal is not bound to accept either of the parties' theories of valuation.²⁰ “It is the Tax Tribunal's duty to determine which approaches are useful in providing the most accurate valuation under the individual circumstances of each case.”²¹ In that regard, the Tribunal “may accept one theory and reject the other, it may reject both theories, or it may utilize a combination of both in arriving at its determination.”²²

A proceeding before the Tax Tribunal is original, independent, and de novo.²³ The Tribunal's factual findings must be supported “by competent, material, and substantial evidence.”²⁴ “Substantial evidence must be more than a scintilla of evidence, although it may be substantially less than a preponderance of the evidence.”²⁵

“The petitioner has the burden of proof in establishing the true cash value of the property.”²⁶ “This burden encompasses two separate concepts: (1) the burden of persuasion, which does not shift during the course of the hearing, and (2) the burden of

¹⁸ *CAF Investment Co v Michigan State Tax Comm*, 392 Mich 442, 450; 221 NW2d 588 (1974).

¹⁹ *Alhi Dev Co v Orion Twp*, 110 Mich App 764, 767; 314 NW2d 479 (1981).

²⁰ *Teledyne Continental Motors v Muskegon Twp*, 145 Mich App 749, 754; 378 NW2d 590 (1985).

²¹ *Meadowlanes Ltd Dividend Housing Ass'n v Holland*, 437 Mich 473, 485; 473 NW2d 636 (1991).

²² *Jones & Laughlin Steel Corp v City of Warren*, 193 Mich App 348, 356; 483 NW2d 416 (1992).

²³ MCL 205.735a(2).

²⁴ *Dow Chemical Co v Dep't of Treasury*, 185 Mich App 458, 462-463; 462 NW2d 765 (1990).

²⁵ *Jones & Laughlin Steel Corp*, *supra* at 352-353.

²⁶ MCL 205.737(3).

going forward with the evidence, which may shift to the opposing party.”²⁷ However, “[t]he assessing agency has the burden of proof in establishing the ratio of the average level of assessments in relation to true cash values in the assessment district and the equalization factor that was uniformly applied in the assessment district for the year in question.”²⁸

The three most common approaches to valuation are the capitalization of income approach, the sales comparison, or market, approach, and the cost-less-depreciation approach.²⁹ “The market approach is the only valuation method that directly reflects the balance of supply and demand for property in marketplace trading.”³⁰ The Tribunal is under a duty to apply its own expertise to the facts of the case to determine the appropriate method of arriving at the TCV of the property, utilizing an approach that provides the most accurate valuation under the circumstances.³¹ Regardless of the valuation approach employed, the final valuation determined must represent the usual price for which the subject would sell.³²

Here, Petitioner relies on the 2018 sale of the subject property with no comparable sales to support his contention of value. However, by law, even for an arms-length transaction, “the purchase price paid in a transfer of real property is not the presumptive true cash value.” MCL 211.27(6). “A great many factors enter into the determination of a sale price, such as need or ability to utilize the property, potential

²⁷ *Jones & Laughlin Steel Corp*, *supra* at 354-355.

²⁸ MCL 205.737(3).

²⁹ *Meadowlanes*, *supra* at 484-485; *Pantlind Hotel Co v State Tax Comm*, 3 Mich App 170, 176; 141 NW2d 699 (1966), *aff'd* 380 Mich 390 (1968).

³⁰ *Jones & Laughlin Steel Corp*, *supra* at 353 (citing *Antisdale v City of Galesburg*, 420 Mich 265; 362 NW2d 632 (1984) at 276 n 1).

³¹ *Antisdale*, *supra* at 277.

³² See *Meadowlanes Ltd Dividend Housing Ass'n v Holland*, 437 Mich 473, 485; 473 NW2d 636 (1991).

income, actual income, age and physical condition, tax considerations, and financing costs. Sales price, particularly a single sales price, is only one index of TCV.”³³ In order to be accepted as an indicator of value, a property must be proven to have sold “after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, [with] neither . . . under undue duress.”³⁴

Petitioner’s contention that the subject properties sale price of \$400,000 for the parcels that have been exempt since construction is market value lacks any valid proof. The only evidence submitted by Petitioner is the Marketing Brochure and the ten-page Agreement for Purchase of Real Estate between RE Fund TK Marshall LLC, and Edward W Sparrow Hospital Association.

The Tribunal notes that the agreement includes Deed Restrictions which Petitioner state that it negatively influenced the sale price.³⁵ However, Petitioner submitted no documentary evidence to substantiate the claim. Testimony alone is insufficient for Petitioner to carry the burden of proving the true cash value of the subject property. The sale price is not presumptive of market value. Petitioner states in closing but believes the subject property should be valued at its sale price.

A single sale may or may not be indicative of the market at large. “In evaluating whether a subject sale between unrelated parties is representative of the statutory

³³ First City Corp v City of Lansing, 153 Mich App 106, 115; 395 NW2d 26 (1986).

³⁴ The Appraisal of Real Estate (Chicago: Appraisal Institute, 14th ed, 2013), p 58.

³⁵ Petitioners Exhibit 5 at page 8.

'usual selling price,' it is a better procedure to use independent market sales data (where relevant data exists) to test the sale price."³⁶

The Tribunal finds that Petitioner fails miserably in any independent analysis to determine the subject properties' market value should be as of December 31, 2018. Testimony from the buyer and the broker's listing brochure, and an agreement document are not considered independent evidence of the subject property's market value. Petitioner fails to prove that the current assessments are incorrect without comparable sales and income approach or any analysis.

Respondent did not do a typical valuation disclosure, but included in great detail what went into the mass assessment analysis, and included all of the information on the subject property, sales utilized in determining the economic condition factor for commercial properties, the listing of the commercial properties for 2017, 2018 and 2019. The relevant sale properties were considered at the low end of the sales were testified to, and the higher-end commercial properties.

Respondent answered Petitioner's questions which were at times not relevant to how the true cash value for the assessment was done. An inspection of the property, discussions with the property owner, consideration of the age and condition of the property as well as functional and economic obsolescence factors resulting in a reduction of 18.1% good, and then the economic condition factor of 0.80 was applied to the improved parcel resulting in a true cash value of \$28.19 before land value and land improvements are added.

³⁶ Richwood Village Associates v City of Lansing, 10 MTTR 955 (issued July 17, 2000, Docket Nos. 226798 and 237968).

In its review of the evidence (i.e., the testimony and documentation), the Tribunal “is under a duty to apply its expertise to the facts of the case to determine the appropriate method of arriving at the true cash value of property, utilizing an approach that provides the most accurate valuation under the circumstances.”³⁷ “The three most common approaches to valuation are the capitalization-of-income approach, the sales-comparison or market approach, and the cost-less-depreciation approach.”³⁸ “The market approach is the only valuation method that directly reflects the balance of supply and demand for property in marketplace trading.”³⁹ “Regardless of the approach selected by the Tribunal, the value determined must represent the usual price for which the subject property would sell.”⁴⁰

The Tribunal finds, based upon the Findings of Fact and the Conclusions of Law set forth herein, that Petitioner fails in the burden of proving that the assessments are incorrect. Petitioner fails in providing any evidence to determine the market value of the subject property. The sale price of the tax-exempt property to the Petitioner is insufficient to determine the parties’ motives, what the market value of the subject property in an arms-length transaction.

The Tribunal finds Respondent met their burden of proof establishing the ratio of the average assessments in the commercial class of property. Respondent documented through the evidence in great detail to explain and show how the assessments were arrived at for the subject properties. This included contacting the owner, an inspection, listing the commercial office sales, ratio of sales in relation to true

³⁷ Jones & Laughlin Steel Corp v City of Warren, 193 Mich App 348, 353; 483 NW2d 416 (1992).

³⁸ Jones & Laughlin, supra at 353.

³⁹ See Jones & Laughlin, supra at 353-354.

⁴⁰ Jones & Laughlin, supra at 353 and MCL 211.27(1).

cash values in the assessment district. Property records for the subject and three of the office sales were part of the evidence. This is not a sales comparison approach; therefore, no adjustments were made. The sales were examples of office properties sold within the city to show the high and low range of the sales.

The Tribunal notes it is Petitioner's burden to prove the value of the subject properties. Petitioner presented no independent determination of the market value. Respondent documented that the subject properties were uniformly assessed for the tax year 2019 and reflect the market value. Subject property's TCV, SEV, and TV for the tax year at issue are as stated in the Introduction section above.

JUDGMENT

IT IS ORDERED that the property's SEV and TV for the tax year(s) at issue are AFFIRMED as set forth in the Introduction section of this Final Opinion and Judgment.

IT IS FURTHER ORDERED that the officer charged with maintaining the assessment rolls for the tax years at issue shall correct or cause the assessment rolls to be corrected to reflect the property's true cash and taxable values as finally shown in this Final Opinion and Judgment within 20 days of the entry of the Final Opinion and Judgment, subject to the processes of equalization. See MCL 205.755. To the extent that the final level of assessment for a given year has not yet been determined and published, the assessment rolls shall be corrected once the final level is published or becomes known.

IT IS FURTHER ORDERED that the officer charged with collecting or refunding the affected taxes shall collect taxes and any applicable interest or issue a refund within 28

days of entry of this Final Opinion and Judgment. If a refund is warranted, it shall include a proportionate share of any property tax administration fees paid and penalty and interest paid on delinquent taxes. The refund shall also separately indicate the amount of the taxes, fees, penalties, and interest being refunded. A sum determined by the Tribunal to have been unlawfully paid shall bear interest from the date of payment to the date of judgment, and the judgment shall bear interest to the date of its payment. A sum determined by the Tribunal to have been underpaid shall not bear interest for any time period prior to 28 days after the issuance of this Final Opinion and Judgment. Pursuant to MCL 205.737, interest shall accrue (i) after December 31, 2013, through June 30, 2016, at the rate of 4.25%, (ii) after June 30, 2016, through December 31, 2016, at the rate of 4.40%, (iii) after December 31, 2016, through June 30, 2017, at the rate of 4.50%, (iv) after June 30, 2017, through December 31, 2017, at the rate of 4.70%, (v) after December 31, 2017, through June 30, 2018, at the rate of 5.15%, (vi) after June 30, 2018, through December 31, 2018, at the rate of 5.41%, (vii) after December 31, 2018 through June 30, 2019, at the rate of 5.9%, (viii) after June 30, 2019 through December 31, 2019, at the rate of 6.39%, (ix) after December 31, 2019, through June 30, 2020, at the rate of 6.40%, (x) after June 30 2020, through December 31, 2020, at the rate of 5.63%, (xi) after December 31, 2020, through December 31, 2021, at the rate of 4.25%.

This Final Opinion and Judgment resolves all pending claims in this matter and closes this case.

APPEAL RIGHTS

If you disagree with the final decision in this case, you may file a motion for reconsideration with the Tribunal or a claim of appeal with the Michigan Court of Appeals.

A motion for reconsideration must be filed with the Tribunal with the required filing fee within 21 days from the date of entry of the final decision. Because the final decision closes the case, the motion cannot be filed through the Tribunal's web-based e-filing system; it must be filed by mail or personal service. The fee for the filing of such motions is \$50.00 in the Entire Tribunal and \$25.00 in the Small Claims Division, unless the Small Claims decision relates to the valuation of property and the property had a principal residence exemption of at least 50% at the time the petition was filed or the decision relates to the grant or denial of a poverty exemption and, if so, there is no filing fee. You are required to serve a copy of the motion on the opposing party by mail or personal service or by email if the opposing party agrees to electronic service, and proof demonstrating that service must be submitted with the motion. Responses to motions for reconsideration are prohibited and there are no oral arguments unless otherwise ordered by the Tribunal.

A claim of appeal must be filed with the Michigan Court of Appeals with the appropriate filing fee. If the claim is filed within 21 days of the entry of the final decision, it is an "appeal by right." If the claim is filed more than 21 days after the entry of the final decision, it is an "appeal by leave." You are required to file a copy of the claim of appeal with filing fee with the Tribunal in order to certify the record on appeal. The fee

for certification is \$100.00 in both the Entire Tribunal and the Small Claims Division,
unless no Small Claims fee is required.

Entered: June 30, 2021

By Victoria H. Emjart