STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

GRETCHEN WHITMER
GOVERNOR

ORLENE HAWKS
DIRECTOR

RGP Inc DBA Quality Team 1,
Petitioner,

v

City of Highland Park,
Respondent.

MICHIGAN TAX TRIBUNAL

MOAHR Docket No. 18-002700

Presiding Judge
Victoria L Enyart

FINAL OPINION AND JUDGMENT

INTRODUCTION

Petitioner, RGP Inc., appeals ad valorem property tax assessments levied by Respondent, City of Highland Park, against parcel number 82-43-005-06-0004-000 for the 2018 tax year. Harold Hoyt, of Professional Property Tax Appeals, Inc., represented Petitioner and Laura M. Hallahan, of Hallahan & Associates, P.C., represented Respondent.

A hearing on this matter was held on October 10, 2019. Petitioner's sole witness was Michael Collins, Jr., MSF. Respondent's sole witness was Jere D. Neill.

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 2018 tax year are as follows:

Parcel Number: 82-43-005-06-0004-000

Year	TCV	SEV	TV
2018	$885,000	$442,500	$442,500

PETITIONER'S CONTENTIONS

Petitioner contends that the subject property is assessed in excess of 50% of its true cash value for the tax year at issue.

Petitioner's contentions of TCV, SEV, and TV, as established by its valuation disclosure, are as follows:

Parcel Number: 82-43-005-06-0004-000

Year	TCV	SEV	TV
2018	$645,000	$322,500	$322,500

PETITIONER'S ADMITTED EXHIBITS

P-1: Appraisal prepared by Michael Collins

PETITIONER'S WITNESS

Michael Collins, Jr., MSF[1]

Petitioner presented testimony from its Certified General Appraiser, Michael Collins, Jr., Based on his experience and training, the Tribunal accepted Mr. Collins as an expert in the valuation of real property. Mr. Collins prepared an appraisal of the fee simple interest of the subject property as of December 31, 2017.

Mr. Collins determined that the cost approach was not applicable due to the age and condition of the property. The income approach was not prepared because the subject property is owner occupied.

1. The sales comparison approach was considered reliable to determine the true cash value of the subject property. Petitioner's appraiser utilized the following four sales that have unadjusted prices ranging between $5.55/SF and $9.11/SF:

[1] Walsh College, Master of Science and Finance.

	Subject	P-1	P-2	P-3	P-4
Address	15135 Hamilton	120 S. Green	611 Hillger	17507 Van Dyke	565 Custer
Sale Price		$450,000	$375,000	$150,000	$250,000
Sale Date		8/17	7/16	1/16	1/16
SF	68,061	50,583	41,156	17,334	45,050
Office Area	12%	6%	10%	10%	7%
Age	1962	1930	1934	1934	1928
L/Bldg Ratio	1.52	1.7	2.01	4.78	2.83
Location	Secondary road	Secondary road	Secondary road	Main road	Secondary road
SP/SF		$8.90	$9.11	$8.65	$5.55
ADJ SP/SF		$9.97	$9.38	$9.35	$7.23
ADJ SP		$504,313	$386,043	$162,073	$325,712

Petitioner adjusted Sales 2, 3, and 4 for the change in market conditions, date of sale; Sale 3 was adjusted for its smaller building size; Sales 1 and 4 were adjusted for office size; Sales 1, 3, and 4 were adjusted for age; Sales 3 and 4 were adjusted for the superior land building ratio. Adjustments for comparable sales, date of sale, building size, age, and land to building ratio. Petitioner's adjusted prices ranged from $7.23 to $9.97 SF. The conclusion was $9.50 per square foot or $645,000, true cash value as of December 31, 2017.

When questioned on cross-examination, on the 10-year old demographics Mr. Collins responded:

Q. Do you think the demographics are similar – do you think the demographics from ten years ago are similar to what they are or were on December 31st, 2017?
A. I would expect there to have been some changes.
Q. And would you agree at the time that there was a recession at that time?
A. Oh, yes. [2]

When questioned why an income approach was not used, Petitioner responded:

> Because the market participants are not looking at the property in that manner. It would be a large single-tenant building that would require us to go out and procure a tenant and do things to fix this building for our tenant and suit it to them

[2] Tr. at p 38

> and then take out all these expenses. And at the end of the day this approach is going to require a lot of steps and a lot of speculation and conjecture, and it's not going get the most weight, when we have a nice, straightforward, easy-to-understand approach that shows what's -- what's happening in our market.[3]

Respondent presented rebuttal documents for each sale. In addition, Mr. Collins utilized the date the deeds were recorded in analysis and not the date of sale. In addition, when questioned, on every sale, Mr. Collins was asked if he knew the condition of the sale properties and if they were occupied, vacant or vandalized. His response was he did not know.

Sale 1, Mr. Collins did not know why the property was fenced or its proposed use.

Petitioner was not aware that Sale 2 was purchased to establish a marijuana caregiver center (grow facility) and the roof needed extensive repairs at the time of sale. This sale also included multiple (21) parcels. This property sold on May 1, 2017, not July 14, 2016, which is the date reflected in Petitioner's appraisal. [4]

Sale 3, has 17,334 SF of building area, Petitioner did not know that the property only has a 12-14 foot clear span, with an irregular shaped lot with ingress/egress issues off Van Dyke Avenue, or it sold again June 27, 2019 for $217,500.[5]

Sale 4 is erroneously identified as 565 Custer Street in Petitioner's appraisal. The correct address is 560 Custer Street. This property sold in

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[3] Tr. at p 44
[4] It is unclear, but appears on R-3 that the square footage is 60,000.
[5] R-6

September 30, 2015, not January 6, 2016, which is the date reflected in Petitioner's appraisal, and was purchased with the intent to convert it to a "gastro-mart" and food-driven event space. [6]

The subject property was purchased December 14, 2016, for $2,835,000 from Hamilton Avenue Investment LLC to PCS 15135 Hamilton LLC, in a Sale/Leaseback transaction. Mr. Collins testified upon cross, that he did not have a copy of the Sale/Leaseback agreement. His information based on a conversation with Mr. Williams. He was not aware of the $259,000 annual rent. Mr. Collins determined that it was a financing tool and not reflective of market value and was given no consideration

RESPONDENT'S CONTENTIONS

Respondent contends that the subject property is assessed at less than 50% of its true cash value.

The property's TCV, SEV, and TV as established by the Board of Review for the tax years at issue are as follows:

Parcel Number: 82-43-005-06-0004-000

Year	TCV	SEV	TV
2018	$1,092,000	$546,000	$546,000

Respondent's revised contentions of TCV, SEV, and TV, based on its valuation disclosure, are as follows:

Parcel Number: 82-43-005-06-0004-000

Year	TCV	SEV	TV
2018	$1,120,000	$560,000	$546,000

[6] R-5.

RESPONDENT'S ADMITTED EXHIBITS

R-1: Appraisal prepared by Jere D. Neill
R-2: Notice of Hearing for 10101 Fenkell Avenue
R-3: Record Details for 611 Hillger Street
R-4: Warranty Deed for 611 Hillger Street
R-5: Listing for 17507 Van Dyke Avenue
R-6: Record Details for 17507 Van Dyke
R-7: Article: A 'Gastro-Mart' and Food-Driven Event Space is Planned for Detroit's North End
R-8: Warranty Deed for 560 Custer and 545 Horton Street

RESPONDENT'S WITNESS

Jere D. Neill

Respondent presented testimony from its Certified General Appraiser, Jere D. Neill. Based on his experience and training, the Tribunal accepted Mr. Neill as an expert in the valuation of real property. Mr. Neill prepared and communicated an appraisal of the subject property's fee simple interest.

The appraisal includes a sales comparison and income approach for the tax years at issue. The cost approach was considered but not developed because estimating depreciation in older properties makes the cost approach a less reliable indicator of value. There have also been few significant industrial land sales in the market.

Mr. Neill's sales comparison approach included the following sales:

Address	15135 Hamilton	1401 Linwood St	14343 Woodrow Wilson	15004 3rd St	15815 Hamilton
Sale Price		$725,000	$1,500,000	$870,000	$400,000
Sale Date		10/16	12/17	4/18	Listing
SF	68,061	43,216	127,744	87,896	31,687
Office Area	12%		18.8%	9.5%	18.0%
Age	1962	1964-1969	1942-1946	1947-2009	1942-2007
L/Bldg Ratio	1.52	5.9	1.3	1.96	2.7
Location	Highland Park	Detroit	Detroit	Highland Park	Highland Park
SP/SF		$16.78	$11.74	$9.90	$12.62
ADJ SP/SF		$16.26	$12.91	$9.89	$11.63
ADJ SP		$702,692	$1,649,175	$869,291	$368,520

Respondent's report explained the market adjustments that were utilized to adjust the comparable sales. Time adjustments were based upon a 2% per year appreciation with adjustments to Sale 1 and 4. Age and condition adjustment considered the year built, remodeling as well as an estimated effective age, Sale 2 was considered inferior and was adjusted 5%. The smaller buildings generally sell for a higher price per square foot. The larger buildings have lower construction costs. Respondent adjusted Sales 1 and 4 for their smaller size, Sale 2 was adjusted for its larger size. 15815 Hamilton was a listing and given minimal weight.

The final conclusion for the Sales Comparison Approach based on the median is a true cash value of $13.00 per square foot or $885,000.

Respondent also prepared an income approach, with three leased properties and four properties listed for lease. The seven comparable properties have unadjusted rental rates ranging between $3.50 and $5.53 per square foot. They are as follows:

	Address	Sq Ft Leased	% Office	Rent/Sq Ft	Adjusted Rent/Sq Ft	Clear Span	Truck Wells
1	8650 Mt Elliot Detroit	313,618	10%	$5.53	$3.99	24-34	2/12 drive in doors
2	4815 Cabot, Detroit	324,545	1%	$4.90	$3.15	20-26	15/6 drive in doors
3	6333 Lynch Detroit	92,050	8%	$4.35	$3.25	28-32	9/4 drive in doors
4	1200 Oakman, Detroit	50,000		$3.50	$3.50	24	2/3 overhead doors
5	13550 Helen, Detroit	61,929	3%	$3.50	$3.33	18-20	2/ 3 overhead doors
6	12900 Oakland, Highland	40,000		$4.50	$3.85	26	1/4 overhead doors
7	1401 Woodland, Detroit	47,337		$5.00	$4.75		Drive in /covered

Mr. Neill did not adjust (Comparables 4, 5, 6, and 7) for current offerings, as rents have not changed significantly however, they are subject to negotiation and a 5% negative adjustment was applied. Lease Comparable 1 was executed in December 2016, Lease Comparable 2 was executed in October 2018, Lease Comparable 3 was executed in May 2019, and Lease Comparables 4-7 are current listings. Comparable 2 was a gross plus utilities lease, $1.50 was deducted because it also includes taxes and insurance. Age and condition adjustments were applied (Comp 1 -10%, Comp 3 -20%, Comps 4 and 7 +5%, Comp -5%). Comp 1 and 2 were adjusted +5% for size and -5% was applied to Comp 6 and 7.

Mr. Neill utilized $3.50 per square foot rent for the subject property and opined that to attract a long-term tenant an allowance for tenant improvements would be negotiated. Using the Detroit industrial market $2.00 to $5.00 per square foot allowance would be common. Selecting $5.00 per square foot over a five year lease, is $340,000 which reduces the rent $1.00 per square foot resulting in a $2.50 market rent adjusted for tenant improvement. 68,059 square feet x $2.50 = $170,148.

Respondent used CoStar to estimate vacancy and credit selecting Detroit Warehouse Market (2.6%) and narrowed to Detroit West Warehouse (4.8%). A collection loss increased the Vacancy and Credit to 5.3%.

Expenses for a triple net lease would include a management fee of 5% of effective gross income $8,056, $2.00 per square foot vacancy costs for landlord results in $7,214, and reserves for replacement $0.25 per square foot is $17,015. Total expenses are $32,285.

Realty Rates Investor Survey includes Band of Investment, Debt Coverage Ratio and a Sales Survey that conclude to overall capitalization rate(s). Respondent utilized Realty Rates Investor Survey which indicates an overall capitalization rate of 8.96% and a composite rate of 9.42%.

CoStar's Detroit Industrial Advisory Report indicates an 8.27% capitalization rate based on 89 sales of industrial property. Petitioner calculated 9.81% via a Band of Investment. Although, Realty Rate is influenced by national trends, Respondent considered the midrange for 9.5%.

The income approach utilizing the above information is finalized as follows:

Potential Gross Income	68,059 Sq Ft x $2.50=	
Gross Income	$170,148	
Vacancy & Credit 5.3%	-$9,018	
Effective Gross Income		$161,130
Expenses		
Management 5% EGI	-$8,056	
Vacancy Landlord $2.00 SF	-$7,214	
Reserves $.025 SF	-$17,015	
Total Expenses		-$32,285
Net Operating Income (NOI)		**$128,845**

Income/Rate = Value

Income	Rate	Value
$128,845	0.095	**$1,355,000**

The concluded true cash value as of December 31, 2017 for the subject property based upon the Income Approach is $19.90 per square foot or $1,355,000.

Mr. Neill reconciled the Sales Comparison Approach and the Income Approach giving equal weight to both resulted in a true cash value of $1,120,000 ($16.45 per square foot) as of December 31, 2017.

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 property is located at 15135 Hamilton Avenue in the City of Highland Park, Wayne County, Michigan.

2. The subject property has 4.77 acres of land and is improved with a Class C single-tenant industrial warehouse building.

3. The subject building was originally constructed in 1962 and has 68,059 SF.

4. The subject building has a 1,200 SF of office area on the first floor and 8,460 SF of office area on the second floor.

5. The subject warehouse area has 18' ceilings, painted block walls, open metal roof, four external docks and four internal docks with recently replaced elevators, and one overhead door. Florescent lighting was replaced in 2014.

6. The highest and best use of the subject property is industrial use.

7. Petitioner's appraiser prepared an appraisal report. Petitioner's appraisal utilizes a sales comparison analysis for the tax year at issue. The cost and income approaches were not used.

8. Petitioner's appraiser adjusted each comparable sale for, date of sale, building size, office area, age, and land to building ratio.

9. Petitioner's appraiser utilized the dates the deeds were recorded for his comparables and not the date of sale.

10. Petitioner did not have a copy of the Industrial Net Lease Agreement dated August 31, 2016. He was not aware of the annual rent and assumed it was a financing vehicle, that did not affect the subject properties value.

11. Respondent's appraiser also prepared an appraisal report. Respondent's appraisal utilizes both the sales comparison and income approach for the tax year at issue. The cost approach was considered but not utilized.

12. Respondent's appraiser adjusted each comparable sale for financing, condition of sale, time, location, age and condition, size, and land/building ratio.

13. Respondent's appraiser adjusted each comparable lease for financial considerations, time/market conditions, actual vs. asking, lease terms, physical adjustments, age/condition, and size.

14. Based on the indicated net operating income and capitalization rate, Respondent's appraiser concluded to a true cash value of $1,355,000.

15. Respondent's appraiser reconciled the values indicated by his two approaches and averaged the results, concluded to a true cash value of $1,120,000.

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:

> 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.[7]

The Michigan Legislature has defined TCV to mean:

[7] Const 1963, art 9, sec 3. See also MCL 211.27a.

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.[8]

The Michigan Supreme Court has determined that “[t]he concepts of ‘true cash value’ and ‘fair market value’ . . . are synonymous.”[9]

“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.”[10] The Tribunal is not bound to accept either of the parties' theories of valuation.[11] 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.”[12]

A proceeding before the Tax Tribunal is original, independent, and de novo.[13] The Tribunal's factual findings must be supported “by competent, material, and substantial evidence.”[14] “Substantial evidence must be more than a scintilla of evidence, although it may be substantially less than a preponderance of the evidence.”[15]

“The petitioner has the burden of proof in establishing the true cash value of the property.”[16] “This burden encompasses two separate concepts: (1) the burden of

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[8] MCL 211.27(1).
[9] *CAF Investment Co v Michigan State Tax Comm*, 392 Mich 442, 450; 221 NW2d 588 (1974).
[10] *Alhi Dev Co v Orion Twp*, 110 Mich App 764, 767; 314 NW2d 479 (1981).
[11] *Teledyne Continental Motors v Muskegon Twp,* 145 Mich App 749, 754; 378 NW2d 590 (1985).
[12] *Jones & Laughlin Steel Corp v City of Warren*, 193 Mich App 348, 356; 483 NW2d 416 (1992).
[13] MCL 205.735a(2).
[14] *Dow Chemical Co v Dep’t of Treasury*, 185 Mich App 458, 462-463; 462 NW2d 765 (1990).
[15] *Jones & Laughlin Steel Corp, supra* at 352-353.
[16] MCL 205.737(3).

persuasion, which does not shift during the course of the hearing, and (2) the burden of going forward with the evidence, which may shift to the opposing party."[17] 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."[18]

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.[19] "The market approach is the only valuation method that directly reflects the balance of supply and demand for property in marketplace trading."[20] 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.[21] Regardless of the valuation approach employed, the final valuation determined must represent the usual price for which the subject would sell.[22]

Here, the parties' valuation experts were charged with developing and communicating appraisals of the subject property to assist the Tribunal in making an independent determination of its true cash value for the tax year at issue. Both appraisers developed the sales comparison approach. Petitioner's appraiser did not

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[17] *Jones & Laughlin Steel Corp, supra* at 354-355.
[18] MCL 205.737(3).
[19] *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).
[20] *Jones & Laughlin Steel Corp, supra* at 353 (citing *Antisdale v City of Galesburg*, 420 Mich 265; 362 NW2d 632 (1984) at 276 n 1).
[21] *Antisdale, supra* at 277.
[22] See *Meadowlanes Ltd Dividend Housing Ass'n v Holland*, 437 Mich 473, 485; 473 NW2d 636 (1991).

develop the income approach because the subject property is owner-occupied. Respondent's appraiser, Mr. Neill, developed the income approach.

While the owner-occupied status of the subject property is not relevant consideration given that "any property that has the potential to generate income can be valued using the income capitalization approach."[23]

Respondent established on cross examination that Petitioner's Comparable 2 was purchased to establish a marijuana caregiver center (grow facility) and that the roof needed extensive repairs at the time of sale for which no adjustment was made. Mr. Collins testified that he was unaware of the need for roof repairs but acknowledged that a buyer would likely have factored this into the purchase price. This sale included 20 additional parcels and also occurred on May 31, 2016, not July 14, 2016 as stated in Petitioner's appraisal. Given all of these facts, the Tribunal cannot find that this sale provides a reliable indication of value. Respondent also established that Petitioner's Comparable 4 sold September 30, 2015, not January 6, 2016 as stated in Petitioner's appraisal and was purchased with the intent to convert it to a "gastro-mart" and food-driven event space. Mr. Collins testified that the three-month discrepancy in dates would not have a significant impact on his value conclusion, but it does speak to the credibility and reliability of not only his adjustments, but also his overall analysis. Even if this was not the case, conversion of the property to a different use removes it from the subject's highest and best use and renders it an improper comparable.

Comparable 3 only has 17,334 SF and the Tribunal agrees that it is not a proper comparable even with adjustments for this element of comparison. Mr. Collins'

[23] Appraisal Institute, *The Appraisal of Real Estate* (Chicago: Appraisal Institute, 14th ed, 2013), p 441.

age/condition adjustments are questionable, Mr. Collins could not identify specific renovations for any of his comparables. He testified that he had no personal knowledge of the same, "just that it's been periodically renovated, as we have different uses throughout the years."[24] He explained, "You're going to have tenant overflow. People are going to be changing carpeting, flooring, tiling, HVAC systems, roofs. All those things happen throughout the 70 or 80 years that the property has been in existence."[25] In summary, Mr. Collins was not aware if any of the sales were occupied, did not confirm with brokers, his information came from BS&A, Co-Star and deeds. The basis for his adjustments were not included within the report. Petitioner's appraisal entire report lacked sufficient information upon which to make a determination of value due to the lack of detail, and errors. Petitioner's appraisal is given minimal weight and less credibililty.

Respondent's comparable sales include one in Highland Park and two in Detroit. Comparable 4 is located next to the subject property was pending and given no weight as it is half of the size of the subject property and had been pending for a long time. The sales selected ranged from 43,216 square feet to 127,744 square feet, all were renovated older industrial properties. The gross adjustments range from 0% to 10%. Mr. Neill "weighted" Sales 1-3 by averaging for the final value conclusion.

Relying on a median, like averaging, "produces a meaningless measure of central tendency, which may or may not reflect the marketplace. Generally, each sale is reviewed to determine its comparability to the subject property. Sale 3 located in

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[24] TR p. 57.
[25] *Id*.

Highland Park had zero adjustments. It should have been give more weight, due to its close proximity and compatibility to the subject property. The final value is based on all the information available to the appraiser."[26] The Tribunal finds that a true cash value of $885,000 is supported for the 2018 tax year.

Mr. Neill's lease comparables included four current listings substantially more square footage than the subject Lease Comparables 2 and 3 were 10-17 months after the December 31, 2017 valuation date. Mr. Neill testified that industrial rents are relatively consistent and that the market was stable during this timeframe. The Tribunal finds that Respondent's lease comparables are too dissimilar to the subject and are not considered reliable. In addition, the adjustments do not account for the significant differences.

The Tribunal finds that the equal weighting of the sales and income approaches to value in Mr. Neill's final reconciliation is inappropriate.

The relevance of a valuation approach is directly related to property type:

> All three approaches are applicable to many appraisal problems, but one of more of the approaches may have greater significance in a given assignment. For example, the sales comparison approach is usually emphasized in the valuation of single-unit residential properties. However, this approach may not be applicable to specialized properties such as garbage disposal plants because the comparable data may not be available. **The income capitalization approach is used to value most income-producing properties, but it can be particularly unreliable in the market for commercial or industrial property where owner-occupants outbid investors.** The income capitalization approach is not typically applied in valuing homes. The cost approach may be more applicable to new and special-purpose properties and less applicable in

[26] *The Appraisal of Real Estate*, Appraisal Institute, 14th ed. (2013), p 392 ("In reconciling valuation indications in the sales comparison approach, the appraiser evaluates the number and magnitude of adjustments and the importance of the individual elements of the comparison in the market to judge the relative weight a particular comparable sale should have in the comparative analysis").

> valuing properties with older improvements that suffer from substantial depreciation, which can be difficult to estimate.[27]

Having determined that Respondent's equal weighting is not the best method of determining value, the basis for information relied upon for both the individual sales and rent comparables were appropriately documented. Respondent's analysis was more reliable than Petitioner's.

Respondent's income approach was considered however, is given no weight. The Tribunal finds that the sales comparison approach is a more reliable indicator of value. The Tribunal further finds that Respondent's appraisal and analysis is more reliable than Petitioners, which lacked credibility based upon Respondent's rebuttal documents.

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

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[27] Appraisal Institute, *The Appraisal of Real Estate* (Chicago: Appraisal Institute, 14th ed, 2013), p 45 (emphasis added).

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, 2009, at the rate of 1.23% for calendar year 2010, (ii) after December 31, 2010, at the rate of 1.12% for calendar year 2011, (iii) after December 31, 2011, through June 30, 2012, at the rate of 1.09%, (iv) after June 30, 2012, through June 30, 2016, at the rate of 4.25%, (v) after June 30, 2016, through December 31, 2016, at the rate of 4.40%, (vi) after December 31, 2016, through June 30, 2017, at the rate of 4.50%, (vii) after June 30, 2017, through December 31, 2017, at the rate of 4.70%, (viii) after December 31, 2017, through June 30, 2018, at the rate of 5.15%, (ix) after June 30, 2018, through December 31, 2018, at the rate of 5.41%, (x) after December 31, 2018 through June 30, 2019, at the rate of 5.9%, (xi) after June 30, 2019 through December 31, 2019, at the rate of 6.39%, and (xii) after December 31, 2019, through June 30, 2020, at the rate of 6.40%.

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 required filing fee within 21 days from the date of entry of the final decision.[28] 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.[29] A copy of the motion must be served 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.[30] Responses to motions for reconsideration are prohibited and there are no oral arguments unless otherwise ordered by the Tribunal.[31]

A claim of appeal must be filed 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

[28] See TTR 261 and 257.
[29] See TTR 217 and 267.
[30] See TTR 261 and 225.
[31] See TTR 261 and 257.

filed more than 21 days after the entry of the final decision, it is an “appeal by leave.”[32] A copy of the claim must be filed with the Tribunal with the filing fee required for certification of the record on appeal.[33] The fee for certification is $100.00 in both the Entire Tribunal and the Small Claims Division, unless no Small Claims fee is required.[34]

By Victoria L. Enyart

Entered: March 4, 2020
ejg

[32] See MCL 205.753 and MCR 7.204.
[33] See TTR 213.
[34] See TTR 217 and 267.