

STATE OF MICHIGAN
DEPARTMENT OF LICENSING & REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
MICHIGAN TAX TRIBUNAL

Michigan Tree Apartments LLC,
Petitioner,

v

MTT Docket No. 435268

Flint Township,
Respondent.

Tribunal Judge Presiding
Steven H. Lasher

FINAL OPINION AND JUDGMENT

Administrative Law Judge Thomas A. Halick issued a Proposed Opinion and Judgment on March 20, 2014. The Proposed Opinion and Judgment states, in pertinent part, that “the parties shall have 20 days from date of entry of this Proposed Order to file exceptions and written arguments with the Tribunal consistent with Section 81 of the Administrative Procedures Act (MCL 24.281).”

Neither party has filed exceptions to the Proposed Opinion and Judgment.

The Administrative Law Judge (“ALJ”) properly considered the testimony and evidence provided. The ALJ concluded that the income approach and a combination of the parties’ evidence provided the most reliable indication of true cash value or “usual selling price” within the meaning of MCL 211.27. This determination is supported on the record and by applicable statutory and case law, as are his final value conclusions. “[T]he tribunal is not bound to accept either of the parties’ theories of valuation. It 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.” *Jones & Laughlin Steel Corp v City of Warren*, 193 Mich App 348, 356; 483 NW2d 416 (1992). The subject property is an income-producing property, and the income approach is generally considered the most accurate method for valuing such properties. See *CAF Investment Co v Saginaw Twp*, 410 Mich 428, 476; 302 NW2d 164 (1981). Both parties relied primarily on the income approach to value, and, though neither party’s valuation offered a fully supportable indication of value, there was sufficient evidence to allow the Tribunal to make an independent determination of true cash value for each of the tax years at issue.

Given the above, the Tribunal adopts the Proposed Opinion and Judgment as the Tribunal’s final decision in this case. See MCL 205.726. The Tribunal also incorporates by reference the Findings of Fact and Conclusions of Law contained in the Proposed Opinion and Judgment in this Final Opinion and Judgment. As a result:

- a. 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: 07-15-300-012

Year	TCV	SEV	TV
2012	\$3,616,000	\$1,808,000	\$1,808,000
2013	\$3,616,000	\$1,808,000	\$1,808,000

- b. The property's TCV, SEV, and TV, as determined by the Tribunal, for the tax years at issue, are as follows:

Parcel Number: 07-15-300-012

Year	TCV	SEV	TV
2012	\$3,146,000	\$1,573,000	\$1,573,000
2013	\$3,146,000	\$1,573,000	\$1,573,000

IT IS SO ORDERED.

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 provided in this Final Opinion and Judgment within 20 days of entry of this 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, 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, and prior to July 1, 2012, at the rate of 1.09%, and (iv) after June 30, 2012, through December 31, 2014, at the rate of 4.25%.

This Final Opinion and Judgment resolves the last pending claim and closes this case.

Entered: Sept 25, 2014
ejg

By: Steven H. Lasher

STATE OF MICHIGAN
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Flint Township,
Respondent.

Administrative Law Judge Presiding
Thomas A. Halick

PROPOSED OPINION AND JUDGMENT

INTRODUCTION

This property tax assessment dispute comes before the Tribunal for decision after hearing in the Entire Tribunal Division on December 19, 2013. At issue is the fair market value (true cash value or TCV) of Petitioner's commercial property located at 3557 W. Court St., Flint, Michigan ("Subject Property") for the 2012 and 2013 tax years. Petitioner was represented by Augustine Ponnezhan, Manager of Michigan Tree Apartments, LLC. Respondent was represented by Peter Goodstein, Attorney.

Based on the evidence, testimony, and case file, the Subject Property's true cash value (TCV), state equalized value (SEV), and taxable value (TV) for the tax years at issue are as follows:

Tax Year	Parcel Number	TCV	SEV	TV
2012	07-15-300-012	\$3,146,000	\$1,573,000	\$1,573,000
2013	07-15-300-012	\$3,146,000	\$1,573,000	\$1,573,000

PETITIONER'S EXHIBITS

The following of Petitioner's exhibits were admitted into evidence:

P1 – Appraisal by John Snyder, prepared October 25, 2013.

RESPONDENT'S EXHIBITS

The following of Respondent's exhibits were admitted into evidence:

R1 – Valuation Disclosure.

FINDINGS OF FACT

This section is a “concise, separate, statement of facts” within the meaning of MCL 205.751, and, unless stated otherwise, the matters stated or summarized are “findings of fact” within the meaning of MCL 24.285.

1. Assessment and Contentions

The Subject Property’s true cash value (TCV), state equalized value (SEV), and taxable value (TV), as confirmed by the Board of Review on the assessment roll as of each of the tax years at issue are as follows:

Tax Year	Parcel Number	TCV	SEV	TV
2012	07-15-300-012	\$3,616,000	\$1,808,000	\$1,808,000
2013	07-15-300-012	\$3,616,000	\$1,808,000	\$1,808,000

The parties’ contentions of TCV), (SEV), and (TV) are as follows:

Parcel Number: 07-15-300-012

	Petitioner			Respondent		
Year	TCV	SEV	TV	TCV	SEV	TV
2012	\$2,800,000	\$1,400,000	\$1,400,000	\$3,320,000	\$1,660,000	\$1,660,000
2013	\$2,800,000	\$1,400,000	\$1,400,000	\$3,320,000	\$1,660,000	\$1,660,000

2. The Subject Property

The Subject Property, Clover Tree Apartments, is a 20.62 acre parcel with approximately 1,250 feet of road frontage, and improved with 17 buildings designed for use as multi-family residential. There are a total of 252 apartments, with forced air heat and air conditioning, parking, and carports. The buildings were built in 1975 and are of average Class C construction. In addition to the apartment buildings, the Subject Property has an office, clubhouse, tennis court, and pool area.

The Subject Property has three different apartment/townhome floor plans, with varying rental rates:

Unit Type	Number of Units	Square Footage	Rent/month
1 bedroom apartment	48	500 sq. ft.	\$425

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1 bedroom townhome	40	600 sq. ft.	\$450
2 bedroom apartment	84	730 sq. ft.	\$525
2 bedroom townhome	40	1,050 sq. ft.	\$585
3 bedroom townhome	40	1,100 sq. ft.	\$640

3. Neighborhood Analysis

The Subject Property is located on West Court Street, north of West Corunna Road, east of I-75, south of Beecher Road, and west of South Ballenger Highway.

The Subject Property is located in Flint Township, near the city of Flint. Access to the expressway is available via Corunna Road. Nearby apartments in the Township include Sunridge, Hunters Ridge, and Hunting Circle, as well as nearby apartments in the city of Flint.

4. Experts

Petitioner presented an appraisal of the Subject Property, completed by John Snyder, admitted as an expert in commercial property valuation. He performed both a sales comparison approach and income approach, with primary reliance on the income approach, in reaching his conclusion of true cash value for the Subject Property at \$2,800,000 for both the 2012 and 2013 tax years at issue.

Respondent presented a valuation disclosure prepared by Mark MacDermaid, admitted as Respondent's appraisal expert. He performed an income approach to value the Subject Property for 2012, with a review of apartment sales as a check on his income approach. [Transcript at 61.] He concluded to a value of \$3,320,000 for the 2012 tax year. Respondent's expert concluded that the Subject Property's highest and best use is for its current use as multi-family apartments.

Respondent presented the testimony of William Fowler, MMAO, and Respondent's Assessor, who was admitted as an expert in appraisal theories. Mr. Fowler testified as to the steps in the income approach and performance of the sales comparison approach.

5. Petitioner's Sales Comparison Approach

Petitioner's expert determined that the highest and best use was continued use as multi-family apartments. He relied on sales comparables located outside the city of Flint and made

adjustments for differences in location. He concluded to a true cash value under the sales comparison approach of \$3,024,000 which he stated was valid for both years under appeal, based on some stability in this area, based on interviews with the owners of Sunridge and Huntington Circle. [Transcript at 41; 50.] He testified that there was an error on page 125 of his appraisal, and the actual range of adjusted sale prices per unit should be \$12,514 to \$16,567. [Transcript at 44.]

Comparable 1, located in Burton, was an August 2013 land contract sale at \$1,100,000, adjusted to \$3,395,000. Comparable 2, located in Grand Blanc, was a May 2011 land contract sale at \$937,500, adjusted to \$3,153,635. Comparable 3, located in Flint, was an April 2011 bank sale at \$4,400,000, adjusted to \$3,550,000. Comparable 4, located in Clio, was an October 2012 arms-length sales at \$2,950,000, adjusted to \$4,175,000. Comparable 5, located in Flushing, was an April 2007 sale at \$1,643,482, adjusted to \$3,618,482.

6. Petitioner's Income Approach

Petitioner's expert prepared an income approach that reached a conclusion of true cash value at \$2,860,000, based on both market parameters and actual expenses relating to taxes and insurance. [Transcript at 23.] He testified that his 20% vacancy was based on market parameters, which is his opinion of the vacancy stabilization factor, based on his research of Sunridge, Hunters Ridge, and Huntington Circle, all located within 1 mile of the Subject Property. [Transcript at 24 – 25.] He further testified that according to his investigation of the surrounding area, the market expenses at \$947,741 (\$3,731 per unit for 252 units) are reasonable for a property of the Subject Property's age and disrepair, although the Subject Property's expenses were higher. [Transcript at 25.]

Petitioner's expert reached a net operating income (NOI") after deductions for vacancy and expenses, of \$314,658.28. A cap rate of 11% was then applied to reach the \$2,860,000 value conclusion for the Subject Property. Petitioner's witness stated that there is a BAM investment and trend lines with abstracted rates in his appraisal with respect to his selection of the 11% cap rate. [Transcript at 40.]

7. Respondent's Income Approach

Respondent's appraisal expert performed an income approach that reached a conclusion

of value for 2012 of \$3,320,000. He testified that his 20% vacancy rate was based on apartment complexes in Flint Township, which ranged from 10% to 20% and that the market income was taken from the Flint Township area. [Transcript at 62; 64.] The cap rate was 10.52%, using an equity rate on a 20-year mortgage at 6% and a 70% mortgage ratio and expected equity dividend rate of 15%. The effective tax rate was 2.6%, resulting in a loaded cap rate of 13.12%. [R1 at 5 – 6; Transcript at 64.] Mr. MacDermaid stated that market expenses were examined to determine the \$3,000 per unit used and income and expenses statements were used to determine the \$150 per unit reserves for capital improvements. [Transcript at 67 – 73.]

As a check on his income approach, Respondent's appraisal expert used sale prices of three-bedroom complexes that reflected sale prices per bedroom of \$5,400 to \$11,991, with an average of \$8,220 per bedroom. [Transcript at 65.]

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 true cash value. See MCL 211.27a.

The legislature shall provide for the uniform general ad valorem taxation of real and tangible personal property not exempt by law. 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 Const 1963, art 9, sec 3.

The Michigan Legislature has defined "true cash value" 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. MCL 211.27(1).

The Michigan Supreme Court has determined that "true cash value" is synonymous with "fair market value." See *CAF Investment Co v State Tax Comm*, 392 Mich 442, 450; 221 NW2d 588 (1974).

Under MCL 205.737(1), the Tribunal must find a property's true cash value in determining a lawful property assessment. See *Alhi Dev Co v Orion Twp*, 110 Mich App 764, 767; 314 NW2d 479 (1981). The Tribunal is not bound to accept either of the parties' theories of

valuation. See *Teledyne Continental Motors v Muskegon Twp*, 145 Mich App 749, 754; 378 NW2d 590 (1985). 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. See *Meadowlanes Ltd Dividend Housing Ass'n v Holland*, 437 Mich 473, 485-486; 473 NW2d 636 (1991).

A proceeding before the Tax Tribunal is original, independent, and de novo. MCL 205.735a(2). The Tribunal's factual findings are to be supported by competent, material, and substantial evidence. See *Antisdale v Galesburg*, 420 Mich 265, 277; 362 NW2d 632 (1984); *Dow Chemical Co v Dep't of Treasury*, 185 Mich App 458, 462-463; 462 NW2d 765 (1990). "Substantial evidence must be more than a scintilla of evidence, although it may be substantially less than a preponderance of the evidence." *Jones & Laughlin Steel Corp v City of Warren*, 193 Mich App 348, 352-353; 483 NW2d 416 (1992).

"The petitioner has the burden of proof in establishing the true cash value of the property." MCL 205.737(3). "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 going forward with the evidence, which may shift to the opposing party." *Jones & Laughlin* at 354-355. 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." MCL 205.737(3).

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. See *Meadowlanes* at 484-485; *Pantlind Hotel Co v State Tax Comm*, 3 Mich App 170; 141 NW2d 699 (1966), *aff'd* 380 Mich 390 (1968). The market approach is the only appraisal method that directly reflects the balance of supply and demand for property in marketplace trading. See *Antisdale*. 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 true cash value of the property, utilizing an approach that provides the most accurate valuation under the circumstances. See *Antisdale* at 277.

Neither party prepared or relied on the cost approach to value the Subject Property, and the Tribunal finds that, given the age and condition of the Subject Property, the cost approach would not be a reliable indicator of value. The Tribunal further finds that as the subject is an income producing apartment complex, the income approach, with some support from the sales comparison approach, is appropriate in determining the true cash value of the Subject Property for the tax years at issue.

For the 2012 tax year, the Subject Property had 252 rentable units, encompassing one-bedroom apartments to three-bedroom townhomes. Petitioner's expert indicated that the apartment market in the county was experiencing a protracted difficult period with high vacancy rates, with many of the sales being related to bankruptcy or REO. [P1 at 20.] In preparing his income approach, Petitioner's expert used the actual rent per unit type charged for the Subject Property to calculate the potential gross income. He concluded to a total income of \$1,578,000, which would be \$6,262 per unit. Respondent's expert, William Fowler, in testifying as to the income approach, stated that the potential gross income would be based on "typical income streams or market rents that would be received for properties of that nature." [Transcript at 55.] Respondent's valuation expert testified that he did not have the actual income of the Subject Property and he used market income taken from the Flint Township area. [Transcript at 63 – 64.] The Appraisal of Real Estate (Chicago, Appraisal Institute, 14th ed, 2013) at 464 discusses various methods for estimated income and states that "**[i]f an opinion of market value is sought, the income forecast should reflect the expectations of market participants.** In an assignment to develop an opinion of investment value, the appraiser may base the income forecasts on the specific ownership or management requirements of the investor." [Emphasis added.] In appeals before the Tribunal, it is an opinion of market value as of the relevant valuation date that is being sought. Accordingly, the income approach should reflect market rents and not actual rents. Market rents are defined as "[t]he most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement" *Id* at 447.

Respondent's valuation disclosure does use market rents; however, the number of units at each type of rental rate does not correspond to the actual units of each type present on the Subject

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Property, based on the data Petitioner would have provided to its appraiser. The potential gross income, based on Respondent's market rents and the number of units per type is as follows:

Type	# of Units	Market Rent/month	Total/month	Annual Total
One Bedroom	88	\$415	\$36,520	\$438,240
Two Bedroom	124	\$530	\$65,720	\$788,640
Three Bedroom	40	\$610	\$24,200	\$290,400
Total	--	--	\$126,440	\$1,517,280

Petitioner's expert testified that most apartment complexes experienced a vacancy rate of 20% or higher in the Flint Metro market, and he utilized this 20% rate in his income approach. Respondent's valuation expert also used a 20% vacancy rate, indicating that vacancy rates for apartments in Flint Township range from 10% to 20%. After application of the 20% vacancy relied on by both parties to the \$1,517,280 potential gross income calculated by the Tribunal, the effective gross income of the Subject Property is \$1,213,824.

Turning next to the expenses, Petitioner's expert used a combination of actual, estimated, and adjusted expenses. Of most importance, Petitioner's expert included in the expenses the real estate taxes for the Subject Property. Respondent's expert, William Fowler, indicated that taxes would not be taken as an expense deduction in the income approach "because they are based upon a pre-determined value of the property." [Transcript at 56.] The Tribunal finds that, when presenting the income approach for ad valorem taxation appeals, property taxes must not be included as an expense. In such an appeal, the petitioner is contesting the value of the property which is then utilized to calculate the tax due through the use of millage rates. By contesting the value of the property, petitioner is also contesting the amount of taxes due. Thus, deducting the property taxes as an expense is inappropriate. Rather, the income approach should reflect "the net income of the property before the payment of real estate taxes and then add the real estate tax factor to the overall capitalization rate to arrive at the indicate value of the property"

Appraisal Institute, *Real Estate Valuation in Litigation* (Chicago: Appraisal Institute, 2nd ed, 1995), at 521. Therefore, the Tribunal finds that the expense of real estate taxes shall be removed and the value recalculated utilizing the overall capitalization rate discussed below.

With respect to the other expenses utilized, the Tribunal finds that the total expenses per unit determined by Petitioner's expert (after removal of real estate taxes) were \$3,380 per unit while Respondent's market expenses and reserves were at \$3,150 per unit¹. Petitioner's appraisal states "Some expenses are projections while others are actual. The expense ratio for the property appears to be in line with the market." [P1 at 107.] Petitioner's appraisal does not, however, contain any data that would reflect market expenses in the area. As market rents are used to establish the potential gross income, market expenses are also used in performing an income approach to reach the market value of the property². Respondent's valuation disclosure included expense comparisons for 6 other apartment complexes from 2007 to 2012, which support \$3,150 per unit as reflective of the market. [R1 at 5.] Accordingly, the Tribunal will utilize the market expenses of \$3,150 per unit demonstrated by Respondent's data. This results in a net operating income for 2012 of \$420,024.

Petitioner's appraiser used a cap rate of 11% with no tax factor included. This 11% cap rate was determined based on an interest rate of 7%, a mortgage term of 15 years, a mortgage ratio of 70%, and a rate of equity of 30%, with the concluded cap rate at 10.75%, increased to 11% "due to age of complex." [P1 at 107 – 108.] Respondent's expert used a cap rate of 10.52% based on an interest rate of 6%, a mortgage term of 20 years, a mortgage ratio of 70%, and a rate of equity of 15%. [R1 at 5.] The Tribunal finds that the actual cap rate of 10.75% utilized by Petitioner's appraiser is supportable, but that the increase to 11% due to age of the Subject Property is not demonstrated by the evidence as an appropriate cap rate.

To calculate the tax factor to be added to this cap rate, the overall millage rate is multiplied by the assessment factor. In this case, Respondent's valuation expert utilized a tax factor of 2.60%. When this tax factor is added to the 10.75% percent capitalization rate, the tax-

¹ As a comparison, the actual expenses for the Subject Property (with removal of real estate taxes) were \$1,122,484 during 2011, or \$4,454 per unit.

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adjusted capitalization rate is 13.35% percent, with the calculation of true cash value for 2012 under the income approach then being:

Potential Gross Income	\$1,517,280
Vacancy Rate at 20%	(\$303,456)
Effective Gross Income	\$1,213,824
Expenses at \$3,150 per unit	(\$793,800)
Net Operating Income	\$420,024
Tax Loaded Cap Rate	13.35%
Indicated Value	\$3,146,247

Petitioner's appraiser also prepared a sales comparison approach, utilizing five sales from 2007 – 2013. There were no adjustments made for date of sale, although comparable #5 sold in April of 2007 and comparable #1 sold in August of 2013. Most of these comparables were given significant adjustments for building size and also needed adjustments for location, further reflecting that the sales comparison approach is not the most reliable to establish a value for the Subject Property. Respondent's expert, William Fowler, testified that the appraiser's conclusion of value in the sales comparison approach at \$3,025,000, which is lower than the lowest comparable, would "set off a red flag" as it appears that was no justification for the value per unit or value per square foot being lower than what the sales analysis showed. [Transcript at 57.] Petitioner's appraiser testified that the corrected values per unit, based on the adjusted comparables, would range from \$12,514 to \$16,957, which when applied to the Subject Property's 252 units, would result in a value range of \$3,153,528 to \$4,273,164. The low end of this range at \$3,153,528 lends support to the value calculated under the income approach of \$3,146,247.

Respondent's expert also included unadjusted sales as a "check" on the income approach, stating that he looked at sales data in raw form to make sure that his income approach conclusion was not far away from properties that have sold. [Transcript at 63.] Respondent's valuation

2 "To derive pertinent income and expense data, an appraiser investigates comparable sales and rentals of competitive income-producing properties of the same type in the same market." The Appraisal of Real Estate (Chicago, Appraisal Institute, 14th ed, 2013) at 467.

disclosure indicates a price per bedroom of these sales, not a price per unit. The average price per bedroom stated by Respondent was \$8,220. If Respondent's price per bedroom was applied to the Subject Property, the resulting true cash value would be \$3,748,320³, which is higher than both the original assessment and Respondent's contention of value. The Tribunal does not find that a price per bedroom is the more appropriate unit of measure, nor is the resulting true cash value based on the raw sales data a reliable indicator of value.

After a careful review and weighing of the testimony and exhibits presented by both parties, and after considering the credibility of the witnesses, the Tribunal's independent determination is that the Subject Property was assessed in excess of 50% of its true cash value. Recognizing that the determination of true cash value is not an exact science and that the process of weighing evidence involves a considerable amount of judgment and reasonable approximation, *Great Lakes Div of Nat'l Steel Corp v City of Ecorse*, 227 Mich App 379, 398-399; 576 NW2d 667 (1998), the evidence presented supports a true cash value of the Subject Property for the 2012 tax year of \$3,146,000, based on the Tribunal's revised calculations to the income approach, which is supported by Petitioner's lowest adjusted sale price per unit. This determination of value falls "within the range of the evidence advanced by the parties." *Pontiac Country Club v Waterford Twp*, 299 Mich App 427; 830 NW2d 785(2013).

Neither party presented evidence of value for the 2013 tax year; instead, both relied on the same contentions of value put forth for the 2012 tax year. There is no indication of any major change in the Subject Property's market, either trending downward or upward, for 2013. Further, the assessments for the Subject Property reflect that there was no change in value from the 2012 to 2013 tax year. Accordingly, the Tribunal finds the property's assessment history to be the best indicator of value for the 2013 tax year and applies the rate of market change from 2012 to 2013 to determine the true cash value of the Subject Property. This approach has been supported by the Court of Appeals, which recently held that "[t]he MTT's highly logical approach of relying on the property's assessment history to determine TCV for tax year 2012 was clearly supported by competent, substantial, and material evidence on the whole record." *David A Allemon and Andrea G Allemon v Rose Twp*, unpublished opinion per curiam of the Court of Appeals, issued

³ The Subject Property has 88 one-bedroom units, 124 two-bedroom units, and 40 three-bedroom units, for a total of

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January 22, 2014 (Docket Nos. 313119 and 315306).

PROPOSED JUDGMENT

IT IS ORDERED that the Subject Property's true cash, assessed, and taxable values for the 2012 and 2013 tax years are those shown in the "Summary of Judgment" section of this Proposed Opinion and Judgment.

IT IS FURTHER ORDERED that the parties shall have 20 days from date of entry of this Proposed Order to file exceptions and written arguments with the Tribunal consistent with Section 81 of the Administrative Procedures Act (MCL 24.281). The exceptions and written arguments shall be limited to the matters addressed in the motions. This Proposed Order, together with any exceptions and written arguments, shall be considered by the Tribunal in arriving at a final decision in this matter pursuant to Section 26 of the Tax Tribunal Act (MCL 205.726).

By: Thomas A. Halick

Date Entered by Tribunal: March 20, 2014

klm