

## Property:

### Michigan Appellate Court Affirms Reduced Valuation of Owner-Occupied Big-Box Retail Store

*Case No. 358930*, Mich. Ct. App. (10/20/22). In a property tax valuation case involving an owner-occupied big-box retail store, the Michigan Court of Appeals (Court) affirmed that the subject property must be valued based on the property's status as an owner-occupied commercial property with fee simple property rights that was *not* encumbered by a lease, rather than as if it would be sold along with a hypothetical lessee operating a retail business. In doing so, the Court explained that for purposes of determining a property's true cash value under Michigan caselaw, "what must be valued is what would actually be sold" and therefore contrary to the local taxing authority's contention, the subject property must "be valued as if vacant and available" as a non-income-producing property with no history of an income stream. Please contact us with any questions.

**URL:** [https://www.courts.michigan.gov/4aa121/siteassets/case-documents/uploads/opinions/final/coa/20221020\\_c358930\\_27\\_358930.opn.pdf](https://www.courts.michigan.gov/4aa121/siteassets/case-documents/uploads/opinions/final/coa/20221020_c358930_27_358930.opn.pdf)

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