

**STATE OF MICHIGAN**  
**COURT OF APPEALS**

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DETROIT MODEL RAILROAD CLUB, INC.,

Petitioner-Appellant,

v

TOWNSHIP OF HOLLY,

Respondent-Appellee.

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UNPUBLISHED

February 19, 1999

No. 203685

Tax Tribunal

MTT No.00235587

Before: Talbot, P.J., and Neff and Smolenski, JJ.

PER CURIAM.

Petitioner, an incorporated club of model railroad enthusiasts, appeals as of right the judgment of the Tax Tribunal, Small Claims Division, that determined the true cash value of its headquarters for the year 1996 to be \$43,000. We affirm.

The subject property, located in downtown Holly, is part of a 100-year-old building that was formerly converted into a small theater, complete with a slanted floor and “pillbox” style projection booth. Petitioner purchased the property in 1975 for either \$11,000 or \$12,000 and adapted it for use by its members. From 1985 to 1995, the property was enrolled in a tax abatement program. For 1996, the assessor for Holly Township estimated the property’s true cash value to be \$97,500. The local board of review reduced this to \$50,000, yielding assessed and taxable values of \$25,000. After obtaining a private appraisal estimating the property to be worth \$23,000, petitioner appealed to the Tax Tribunal, Small Claims Division, which set the true cash value at \$43,000, yielding assessed and taxable values of \$21,500.

Our review of the Tax Tribunal’s determination is limited to whether the tribunal made an error of law, applied a wrong legal principle, or whether its factual findings were not supported by competent, material and substantial evidence in the record. Const. 1963, art. 6, § 28, *Rose Hill Center v Holly Twp*, 224 Mich App 28, 31; 568 NW2d 332 (1997). Evidence is substantial if a reasonable mind would accept it as sufficient to support a decision; it is more than a mere scintilla but may be substantially less than a preponderance of the evidence. *Great Lakes Division of National Steel Corp v Ecorse*, 227 Mich App 379, 388; 576 NW2d 667 (1998).

The three most common approaches to estimating the true cash value of property are the cost-less-depreciation approach, the sales-comparison or market approach, and the capitalization-of-income approach. *Id.* at 390. Variations of these approaches, as well as entirely new methods, may also be useful if found to be accurate and reasonably related to fair market value. *Id.* Whatever method is used, however, the final result must represent the amount for which the property would actually sell. *Id.*

In the present case, the parties agreed that the income approach was inapplicable to this property, and the tribunal rejected their respective sales comparisons because petitioner's comparable properties were not within the assessing district and respondent's required too many adjustments and did not adequately reflect the slanted floor of the subject property. The tribunal found that respondent's cost approach from prior years, combined with evidence that petitioner had acknowledged in 1985 that the property was worth \$38,000, was the best indication of the property's current value. We find that the tribunal applied correct legal principles and that its decision was supported by competent, material and substantial evidence.

Petitioner argues that respondent's assessor gave false testimony to the tribunal by claiming that the subject property had been used as a jewelry store, when in fact it was neighboring property that had been a jewelry store. Although the tribunal's opinion and judgment acknowledges this contention by respondent, the opinion does not indicate that the tribunal relied on that contention to over evaluate the property's commercial viability. To the contrary, the tribunal clearly gave the slanted floor significant weight.

Affirmed.

/s/ Michael J. Talbot

/s/ Janet T. Neff

/s/ Michael R. Smolenski