

STATE OF MICHIGAN
COURT OF APPEALS

KNOLLWOOD COUNTRY CLUB,

Petitioner-Appellant,

v

TOWNSHIP OF WEST BLOOMFIELD,

Respondent-Appellee.

UNPUBLISHED

March 23, 2004

No. 241297

Tax Tribunal

LC No. 00-238636

Before: Donofrio, P.J., and Griffin and Jansen, JJ.

PER CURIAM.

Petitioner Knollwood Country Club appeals as of right from a Michigan Tax Tribunal (hereinafter “tribunal”) opinion and judgment determining the true cash value, assessed value and taxable value of Knollwood Country Club and Golf Course (hereinafter “Knollwood”), tax identification number 18-25-400-002, for the tax years 1998, 1999 and 2000. We affirm.

I

Knollwood is a 152 acre, eighteen hole, golf course located in the Township of West Bloomfield, which has been in existence since 1925. Knollwood is a private equity golf course with a restaurant and clubhouse, swimming pool, tennis courts and a fitness center, that is zoned recreational district and is not operated for profit. Knollwood is fully owned by its members, and is not available to the public.

In late 1995 or early 1996, the Board of Directors for Knollwood voted to renovate the facilities. The clubhouse, snack bar, pool facilities, and tennis facilities were reconstructed or renovated. As of October 1997, Knollwood was fully operational again. Approximately, \$12,000,000 was spent on improvements, which was paid by members and through a mortgage with Comerica Bank.

Petitioner had a problem with respondent’s assessment of the Knollwood property subsequent to the 1997 renovations. The most significant dispute surrounded the value of the land because if the majority of the value of the property was considered to be in the

improvements, then the tax value would be increased. But, if most of the value was placed on the land, the increase would be limited as the taxable value for land is capped, and in affect limit the amount of the tax increase.¹ In June 1998, petitioner filed a petition with regard to the Knollwood real property indicating that the “Property as assessed exceeds 50% of the true cash value and/or taxable value may exceed lawful limit,” which was updated to include the tax years 1998, 1999, and 2000.² Respondent contended that for the 1998 tax year the Knollwood property’s true cash value was \$8,294,600, assessed value was \$4,147,300, and taxable value was \$3,706,160; for 1999 the true cash value was \$8,669,660, assessed value was \$4,334,830, and taxable value was \$3,765,450; and for 2000 true cash value was \$8,929,740, assessed value was \$4,464,870, and taxable value was \$3,836,930. Petitioner contended that for the 1998 tax year the Knollwood property’s true cash value was \$8,100,000, assessed value was \$4,050,000, and taxable value was \$1,839,015; for 1999 the true cash value was \$8,100,000, assessed value was \$4,050,000, and taxable value was \$1,868,439; and for 2000 true cash value was \$8,100,000, assessed value was \$4,050,000, and taxable value was \$1,903,939. Petitioner requested that the tribunal decide the true cash value for each subject tax year, decide on the propriety and uniformity of the assessment for each subject tax year, and determine the taxable value of the subject property for each tax year.

The tribunal conducted a hearing that lasted three days. David Bur, a real estate appraiser for fifteen years and a member of the Appraisal Institute, submitted an appraisal on behalf of petitioner and testified before the tribunal. Bur testified that he attempted to value the subject property based on the three traditional approaches to real property valuation: 1.) sales comparison approach; 2.) cost approach; and 3.) income capitalization approach. Bur stated that he first analyzed the Knollwood property under the sales comparison approach, but could not find comparable sales because private equity clubs rarely sale. Bur gave primary weight to the income capitalization method of determining true cash value for Knollwood, and explained that it was the proper method according to the Appraisal Institute. Bur also analyzed the Knollwood property under the cost approach. Using the cost approach, Bur analyzed the land value based on four comparison sales.

Arthur Gimmy, a real estate and business appraiser who is a member of the Appraisal Institute, reviewed Bur’s appraisal for Knollwood, and indicated that Bur’s appraisal and valuation were acceptable, and in accordance with the Uniform Standards of Professional Appraisal Practice and the 11th edition of the Appraisal Institute. Gimmy also testified that the best way to value a private golf club is to use the income approach.

On April 22, 2003, the tribunal issued its opinion and judgment. The tribunal rejected petitioner’s use of the income approach for the valuation of Knollwood and its application of the

¹ See MCL 211.27a.

² In 1996, petitioner had filed a petition with the tribunal regarding assessment of personal property, which was later updated to include tax years 1996, 1997, 1998, 1999, and 2000. The personal property and real property cases were consolidated. On November 30, 2001, a partial consent judgment was entered with regard to the personal property.

cost approach, and applied its own independent cost approach evaluation. The tribunal made the following findings regarding true cash value, state equalized value, and taxable value of the subject property:

The Tribunal finds, based upon its foregoing findings of fact and applying applicable law, that the TRUE CASH VALUE of the subject property for Tax Year 1998 is . . . \$10,923,443 . . . and that the assessed and state equalized value of the Subject Property . . . \$5,461,721. . . .

The Tribunal finds that the market adjustments made for tax years 1999 and 2000 in the True Cash Value for the subject parcel by Respondent as a result of sales studies within the commercial class by Oakland County Equalization of 4.5% and 3%, . . . to be supported and uncontroverted on this record and as such adopts these market adjustments for determining the True Cash Value for 1999 and 2000.

The Tribunal finds that the True Cash Value of the Subject Parcel for 1999 is . . . \$11,414,997 . . . the assessed and state equalized value is . . . \$5,857,223. . . .

The Tribunal finds that the True Cash Value for the Subject Parcel for 2000 is . . . \$11,757,447 . . . the assessed and state equalized value is . . . \$5,878,723 . . .

The Tribunal next turns to the proper taxable value of the subject parcel for the tax years under appeal.

* * *

Based upon its findings previously set forth, the Tribunal finds the taxable value for the subject parcel for . . . 1998 is \$3,706,168, for tax year 1999 is \$3,765,466 and for tax year 2000 is \$3,837,009.

II

Petitioner's first issue on appeal is that the tribunal's decision regarding taxable value of the subject property requires reversal because it was not supported by competent, material and substantial evidence on the whole record, where petitioner presented two expert witnesses regarding valuation and respondent presented no valuation evidence. We disagree.

This Court's review of a tribunal decision is limited as provided in *Meijer, Inc. v Midland*, 240 Mich App 1, 5; 610 NW2d 242 (2000):

Absent fraud, this Court's review of a Tax Tribunal decision is limited to determining whether the tribunal made an error of law or adopted a wrong legal principle. *Georgetown Place Cooperative v City of Taylor*, 226 Mich App 33, 43; 572 NW2d 232 (1997). The tribunal's factual findings are upheld unless they are not supported by competent, material, and substantial evidence. *Id.* 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).

Failure to base a decision on competent, material, and substantial evidence constitutes an error of law requiring reversal. *Id.*; *Oldenburg v Dryden Twp*, 198 Mich App 696, 698; 499 NW2d 416 (1993).

A. Highest Best Use

The tribunal indicated that the “parties stipulated for purposes of the hearing that the highest and best use of the property as improved is its present use, to wit: a private non-profit equity golf and country club.” Petitioner contends that the tribunal mischaracterized the parties’ stipulation and the tribunal’s differentiation of a country club and non-profit country club is unsound.

The parties stipulated to the highest and best use of the Knollwood property in the following colloquial:

Q. What in your opinion is the highest and best use of the subject property?

A. The highest and best use is as improved is for continued use of the existing improvements as a country club.

* * *

MR. BECKERLEG: (Interposing) Your Honor, I’ll stipulate to this highest and best use and we’ll cut through this.

THE COURT: Highest and best use, continued use as a country club, I will accept the stipulation, I’ll take notice that that is the highest and best use as contained in Petitioner’s valuation.

On cross-examination of Bur, with regard to the highest and best use, the following exchange occurred:

Q. Okay. Now reconcile that with your conclusion on Page 31 of your appraisal that the highest and best use is a private country club?

MR. HOFFERT: Your Honor, I object. Is he now saying that the highest and best use isn’t a private country club? He’s already stipulated to the fact that -
-

MR. BECKERLEG: (Interposing) I’ll rephrase the question. No, I still stipulate to that.

Subsequent to the hearing, petitioner’s proposed findings of fact and conclusions of law indicated that the “Petitioner’s Appraiser undertook the correct methodology, and concluded that the present use of the property as a private equity golf club is also the highest best use. The

Respondent . . . stipulated that the property’s highest best use is as a private-equity golf club.” Bur’s appraisal also indicates that highest best use of Knollwood is the “continued use of the existing improvements as a country club.”³

The tribunal properly determined that the highest and best use was Knollwood’s “continued” use or its “present” use. The present use of Knollwood is as a non-profit, private equity golf course, and the continued use would be as a non-profit, private equity golf course. Rick Price, Knollwood’s General Manager, testified that Knollwood operates as a golf course/country club whose mission is to provide service to members, not to make profit. There appears to be no dispute that Knollwood functions as a non-profit. The continued use would be as a private non-profit equity golf club. Thus, the tribunal did not err in determining that the parties stipulated that the present use as a private non-profit equity golf club was the highest and best use of Knollwood.

B. Method for Determining True Cash Value

Petitioner contends that the tribunal’s failure to adopt Bur’s methodology, income capitalization, for determining true cash value was erroneous. The Michigan Constitution provides that real property is to be taxed on the basis of its true cash value. See Const 1963, art 9, § 3. The Michigan Legislature has defined "true cash value" as "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. True cash value is synonymous with fair market value and is commonly determined by three different approaches: (1) cost less depreciation, (2) sales comparison, and (3) income capitalization. *Meadowlanes Ltd Dividend Housing Ass'n v City of Holland*, 437 Mich 473, 484-485; 473 NW2d 636 (1991); *Jones & Laughlin, supra* at 352. Regardless of the approach, the value determined must represent the usual price for which the property would sell. *Meadowlanes, supra* at 485; *Jones & Laughlin, supra* at 353.

Under the sales comparison approach, "the market value of a given property is estimated by comparison with similar properties which have recently been sold or offered for sale in the open market." *Antisdale v Galesburg*, 420 Mich 265, 276 n 1; 362 NW2d 632 (1984) quoting 1 State Tax Comm Assessor's Manual, Ch VI, pp 1-2. Under the cost approach, the land, alone, is valued as if it were unimproved, then the value of any improvements is established separately by calculating what the improvements would cost to newly construct and deducting an appropriate amount for depreciation. See *id.* at 276 n 1, quoting 1 State Tax Comm Assessor's Manual, Ch VI, p 4. Under the income capitalization approach, the value of a property is established by estimating the future income it could earn. *Id.* at 276-277 n 1, quoting 2 State Tax Comm Assessor's Manual, Ch X, p 1. "There are valid variations of each method," *Id.* at 277 n 1, and it

³ We also note that Bur’s application of the income capitalization approach was for a non-profit private equity golf course as he applied a yield capitalization approach rather than a direct capitalization approach. Bur also testified that private equity golf clubs are “typically operated not for profit.”

is the tribunal's duty "to select the approach which provides the most accurate valuation under the circumstances of the individual case." *Id.* at 277. The tribunal "is not bound to accept 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 of true cash value." *Great Lakes Div of Nat'l Steel Corp v Ecorse*, 227 Mich App 379, 390-391; 576 NW2d 667 (1998).

Petitioner's contention is that the income capitalization approach is the proper method for valuing Knollwood because the sales comparison approach is not feasible. The tribunal rejected this contention as flawed because it assumes the property and improvements will be sold to a purchaser whose motivation is to make profit. The stipulated highest best use of the Knollwood property was its "present" use as a non-profit private equity golf club. In its opinion and judgment the tribunal quoted *Warwick Hill Golf and Country Club v Grand Blanc Township*, MTT Docket No. 225492, for support, which provides:

The Tribunal next turns to the income approach. In that regard, the Tribunal finds the application of this approach to be "subjective and speculative" given the fact the property is operated as a non-profit corporation existing for "the pleasure of its members." As indicated by Petitioner, "it is not the mission of Warwick to make a profit."

Bur testified that, according to the Appraisal Institute, since Knollwood was a not for profit private equity club the income capitalization approach was the proper method for valuing. Jimmy testified that it is extremely rare for one to sell a private golf club, and thus, the best way to value a private golf club is to use the income capitalization approach. Petitioner argues that it is inappropriate for the tribunal, to disregard the uncontradicted and uncontroverted appraisal and testimony of Bur, which was supported by Jimmy's testimony. But the tribunal is free to accept or reject either or both of the parties' theories of valuation. *Jones & Laughlin, supra* at 356.

Petitioner further contends that respondent presented no evidence to the contrary. This is not correct. There was testimony of Cynthia Wiechert, assistant assessor for West Bloomfield Township who is a certified Level 3 appraiser, and there was rebuttal evidence submitted in regard to Bur's review of the comparable sales. Regardless, petitioner has the burden of proof to establish the true cash value of the property. MCL 205.737(3); *Professional Plaza, LLC v Detroit*, 250 Mich App 473, 475; 647 NW2d 529 (2002). And, the tribunal "has a duty to make its own, independent determination of true cash value." *Great Lakes, supra* at 389. As noted, the tribunal is free to accept or reject either or both of the parties' theories of valuation. *Jones & Laughlin, supra*, at 356. It is the duty of the tribunal to determine which approach will provide the most accurate valuation under the circumstances of the case before it. *Meadowlanes, supra* at 485.

Under the income approach, the value of a property is established by estimating the future income it could earn. *Id.* at 276-277 n 1, quoting 2 State Tax Comm Assessor's Manual, Ch X, p 1. Because the highest best use of the property is determined to be a non-profit golf course, the tribunal did not make an error of law or adopt a wrong principle when it determined that Knollwood should not be evaluated pursuant to the income capitalization approach, but, instead, the cost approach should be applied. There is no fraud, the tribunal did not make an

error of law, nor did it adopt a wrong legal principle, see *Georgetown Place Cooperative, supra* at 43, and the tribunal's findings are supported by competent, material, and substantial evidence, therefore, we have no basis to reverse. See *Comcast v Sterling Heights*, 218 Mich App 8, 11; 553 NW2d 627 (1996).

C. Cost Approach

1. Land Value For 1998 Tax Year

Petitioner contends that, if this Court finds that the cost approach was proper, the tribunal erred in rejecting Bur's testimony and appraisal concerning the comparable sales, and erred in making adjustments. The tribunal did not err in rejecting petitioner's cost approach valuation and in reaching its own conclusions.

Bur testified that, of the comparable sales he examined, comparison sale four⁴ was the most comparable and that with adjustments the Knollwood real property was worth \$40,000 per acre for a total of \$6,100,000 based on figures in comparison sale four. Respondent presented evidence that Bur's comparable sale number four involved unusual circumstances.⁵ The tribunal found that the cost approach was the proper approach, and applied it independently using part of petitioner's calculations and part of respondent's calculations. The tribunal discussed the circumstances and found Bur's comparison to comparable sale number four to be "questionable at best." The tribunal determined that petitioner's land sale number one was the most comparable.⁶ Petitioner's witnesses indicated that comparison sale one was the second closest comparable sale. The tribunal explained its determination for land value under the cost approach as follows:

Although the land sales comparables utilized by Petitioner are dissimilar in zoning and use . . . the Tribunal determines Petitioner's land sale comparable #1 to be appropriate subject to the following revisions: the Tribunal rejects Petitioner's 10% size adjustment and the 10% "other factor" adjustment

⁴ Comparison sale four was an eighteen-hole public golf course in Auburn Hills that sold for \$47,924 per acre for a total of \$7,684,112.

⁵ Bur indicated, on cross-examination, that the transactions involving comparable sale four were not unusual. However, when making his calculations, Bur was unaware that part of the land assembled for comparison sale four was purchased for \$244,897.95 per acre (a 1.224 acre parcel), and that another 5.82 acres was purchased for \$89,347 per acre. In addition, Bur was not aware of a \$377,946 consent judgment entered for a parcel of comparison sale four that was obtained as a result of a condemnation action. Bur acknowledged that these factors would skew the price per acre, but indicated that it would have made very little difference.

⁶ Comparison sale one was an Arnold Palmer designed golf course/residential community in Northville Hills, zoned residential, which sold for \$26,948 per acre. Bur explained that adjustments were made upward in comparing comparison sale one and the Knollwood property because larger sales typically sell for less per unit and for other factors.

The Tribunal finds that a 15% negative adjustment to Land Sale comparable # 1 is necessary due to the differential in zoning , to-wit: single family residential (provides for more permissible uses) recreation (less uses and less profitable uses).

The Tribunal finds that Land Sale comparable #1 as adjusted . . . less 15% . . . equates to an adjusted price per acre for “dry land” of \$22,219 as of December 31, 1997 (1998 Tax Year).

The Tribunal finds that the price per acre of “wet land” as set forth in Respondent’s Exhibit #21 page 9 of \$3,468 per acre as of December 31, 1997 (1998 Tax Year) to be correct.

An understanding of the tribunal’s determination regarding valuation is necessary to determine if it applied the wrong principles or committed an error of law. The tribunal based its valuation on comparable sales submitted by petitioner, and, in particular, on a sale, in which, petitioner’s witnesses indicated was the second most comparable.⁷ The tribunal recognized that the Knollwood property and comparable sale one were zoned differently and had a different use. The tribunal used the figures presented by petitioner, and made adjustments for the difference in zoning. In addition, the tribunal rejected petitioner’s adjustments finding that there should be a negative adjustment because the Knollwood property is just zoned recreation (having less uses), while comparable sale one is zoned residential, allowing for more uses including the development of a golf course. The tribunal is not bound to accept the parties’ theories of valuation and 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 of true cash value. *Jones & Laughlin, supra* at 356.

It is clear from the tribunal’s opinion and judgment that it considered the evidence presented by petitioner with regard to the comparable sale four, but found it insufficient and unpersuasive in establishing the true cash value of the Knollwood property, based, primarily, on the evidence submitted regarding irregularities in comparable sale number four. Contrary to petitioner’s assertions, there is no indication of the tribunal attempting to make its valuation coincide with respondent’s valuation figures. Rather, the record indicates that the tribunal made an independent determination of true cash value with respect to the Knollwood property. See *id.* at 355.

As noted, the tribunal did not err in finding the cost approach as the appropriate method for evaluating Knollwood. It is the duty of the tribunal to determine which approach will provide the most accurate valuation under the circumstances of the case before it. *Meadowlanes,*

⁷ It is noted that although the tribunal did base its calculation on one comparable sale, it did review three other comparable sales submitted by petitioner and, thus, when coming to its conclusion the tribunal had reviewed at least four comparable sales. Furthermore, the reason the tribunal did not review more comparable sales is because petitioner failed to present other comparable sales.

supra at 485. There is no misapplication of the law in the tribunal's judgment and the tribunal's findings are supported by competent, material, and substantial evidence and, therefore, no error exists requiring reversal. See *Comcast, supra* at 11.

2. Improvements For 1998 Tax Year

Bur testified that there was seventy-five percent functional obsolescence on the site improvements. Bur explained that the high functional obsolescence was because members are not concerned with the value of the club and are willing to put more money into it, but if sold would not be at equal cost, as the buyer would be concerned with income producing potential. Gimmy added that functional obsolescence would be so high because you spend so the club remains luxury and to compete with other upscale private clubs. The tribunal's opinion and judgment provides the following with regard to the improvements of the Knollwood property:

Petitioner made no attempt to break out depreciation among the various improvements based upon year of construction or condition. The 5% physical depreciation adjustment resulted in a True Cash Value for the clubhouse and ancillary improvements as of December 31, 1997 of \$6,416,470 before applying a 75% functional obsolescence factor, which the Tribunal has previously rejected in this opinion. . . . Petitioner's "bootstrapping" approach of attempting to determine functional obsolescence using the cost approach has been rejected by the Tribunal in other matters, as it is here. . . . The Tribunal finds that Respondent's methodology in applying structure-by-structure and improvement-by-improvement depreciation factors is preferable to Petitioner's more generalized methodology of determining depreciation in gross and determine the True Cash Value of the Club House and ancillary structures located on the Subject Property as of December 31, 1997 to be \$5,771,500.

The tribunal rejected petitioner's "across the board" depreciation of five percent, and application of seventy-five percent functional obsolescence, citing other tribunal decisions that have also rejected this methodology. The tribunal then explained that respondent's methodology of "structure-by-structure and improvement-by-improvement depreciation" factoring is preferable to petitioner's method.

It is clear that the tribunal considered petitioner's approach with regard to the improvements, but denied these approaches. Contrary to petitioner's assertions, there is no indication of the tribunal attempting to make its valuation coincide with respondent's valuation figures. Instead, the record indicates that the tribunal made an independent determination of true cash value with respect to the Knollwood property and petitioner failed to present sufficient evidence otherwise. See *Jones & Laughlin, supra* at 355. There is no fraud, the tribunal did not make and error of law, nor did it adopt a wrong legal principle, see *Georgetown Place Cooperative, supra* at 43, and the tribunal's findings are supported by competent, material, and substantial evidence, therefore, there is no error requiring reversal. *Comcast, supra* at 11. Petitioner also argues that the tribunal erred by not using more comparison sales in coming to its conclusion. However, the problem is that petitioner did not present more comparable sales for the tribunal to evaluate. Petitioner has the burden of proof to establish the true cash value of the property. MCL 205.737(3); *Professional Plaza, LLC, supra* at 475.

D. Adjustment for Wet Land and Dry Land

It appears that the tribunal used comparable sale one with adjustments for zoning to come to a price per acre of Knollwood's dry land. And, then, the tribunal used respondent's submitted price per acre for the wet land price per acre. There was no evidence as to whether the price per acre calculated for comparable sale one was based on just dry land or was an average including both dry and wet land. The tribunal does not explain its reasoning for this calculation.

The tribunal either erred or failed to properly explain its reasoning for its decision in this regard. However, reversal is not required because as noted in *Great Lakes, supra* at 398-399:

[W]e recognize that the determination of true cash value is not an exact science and that it often involves a reconciliation of various approaches. As noted in *Meadowlanes Ltd Dividend Housing Ass'n, supra* 437 Mich at 485-486, "values derived under the various approaches are correlated, reconciled, and weighed in order to reach a final estimate of value. The ultimate goal of the valuation process is a well-supported conclusion that reflects the study of all factors that influence the market value of the subject property." Further, the process of weighing evidence involves a considerable amount of judgment and reasonable approximation. *Comstock Village Ltd Dividend Housing Ass'n v Comstock Twp*, 168 Mich App 755, 760; 425 NW2d 702 (1988).

We also recognize that, while all relevant circumstances that tend to affect property value should be considered in the valuation process, *Meadowlanes Ltd Dividend Housing Ass'n, supra*, there is no rule of law that requires the Tax Tribunal to quantify every possible factor affecting value. See *Southfield Western, Inc v Southfield*, 146 Mich App 585, 590; 382 NW2d 187 (1985) (holding that the Tax Tribunal did not err in failing to deduct the going concern value of a hotel business on land that was valued under an income approach when the petitioner failed to meet its burden of proof to show that the deduction should be made and there was no rule of law requiring the deduction). The Tax Tribunal's overall duty is to determine the most accurate valuation under the individual circumstances of the case. *Meadowlanes Ltd Dividend Housing Ass'n, supra* at 498.

In addition, the tribunal is free to reject both petitioner's and respondent's theories or to utilize a combination of both. *Great Lakes, supra* at 390. We do not believe that an error exists requiring reversal.

E. 1999 and 2000 Tax Years

Petitioner has the burden of proof to establish the true cash value of the property. MCL 205.737(3); *Professional Plaza, LLC, supra* at 475. Petitioner has failed to meet its burden with

regard to the 1999 and 2000 tax years, and, apparently, does not dispute the upward adjustment percentages applied by the tribunal.⁸

F. Testimony of Richard Farms⁹

There is no support for petitioner's contention that the tribunal failed to place weight on Farms' testimony. The tribunal indicated that it was not sure of the relevancy, but allowed Farms to testify. Further, petitioner has abandoned this claim, as the appellant may not merely announce its position and leave it to this Court to discover and rationalize the basis for its claims, *Wilson v Taylor*, 457 Mich 232, 243; 577 NW2d 100 (1998); *Ambs v Kalamazoo County Road Comm*, 255 Mich App 637, 650; 662 NW2d 424, nor may it give issues cursory treatment with little or no citation of supporting authority, *Goolsby v Detroit*, 419 Mich 651, 655 n 1; 358 NW2d 856 (1984); *Silver Creek Twp v Corso*, 246 Mich App 94, 99; 631 NW2d 346 (2001), or failing to address the basis of the tribunal's decision, *Joerger v Gordon Food Service, Inc*, 224 Mich App 167, 175; 568 NW2d 365 (1997). Argument must be supported by citation to appropriate authority or policy. MCR 7.212(C)(7), *Peterson Novelties, Inc v City of Berkley*, 259 Mich App 1, 14; 672 NW2d 351 (2003). An appellant's failure to properly address the merits of its assertion of error constitutes abandonment of the issue. *Yee v Shiawassee County Bd of Comm'rs*, 251 Mich App 379, 406; 651 NW2d 756 (2002). Consequently, this issue is abandoned. *Id.*

III

Plaintiff's second issue is that the tribunal's refusal to allow petitioner to introduce a valuation on the subject property, prepared on behalf of respondent, is an error of law requiring reversal. We disagree.

"This Court may review the tribunal's rulings regarding evidentiary issues if they involve errors of law." *Georgetown Place Cooperative, supra* at 50. Even if error exists we will not reverse on the basis of that error unless prejudice results. See *Community Associates v Meridian Charter Twp*, 110 Mich App 807, 812; 314 NW2d 490 (1981).

The tribunal did not err in not admitting the Craig Fuller appraisal, which was not relevant to the determination of the true cash value of Knollwood because it was not offered for its valuation. According to the Fuller appraisal, the highest and best use of the Knollwood property was single-family residential, and valued the property as single family residential. However, Knollwood property was zoned recreational, and the parties stipulated to the highest and best use, which was not single family residential. Petitioner wanted to offer the Fuller appraisal to impeach respondent's witnesses. Petitioner did not attempt to present the Fuller appraisal for purposes of the cost approach. In addition, the Fuller appraisal was not a

⁸ Apparently, petitioner is only appealing the actual determination made with regard to the 1998 tax year, which if changed would also affect the 1999 and 2000 tax year because the adjustment percentages would be applied to different values.

⁹ Richard Farms is an assessor for Bloomfield Township.

comparable sale, but rather an appraisal of Knollwood, a property that was not sold, and was based on a highest and best use other than what the parties stipulated to. Thus, the Fuller appraisal was not relevant. There was no error of law. Furthermore, the tribunal did not accept respondent's calculation, which petitioner was trying to impeach, when coming to its conclusion, but rather, came to its own independent valuation.¹⁰ Therefore, even if error it did not result in prejudice. See *Community Associates, supra* at 812.

IV

Defendant's final issue is that, viewing the record as a whole, the tribunal abused its discretion by consistently making rulings against petitioner and interfered with its ability to present evidence to meet its burden of proof. We disagree.

Petitioner claims that rulings by the tribunal were consistently against petitioner, and interfered with its ability to present evidence to meet its burden of proof. There is no merit to petitioner's claims. And, petitioner cites no authority for this contention. Petitioner has abandoned these claims because as noted, hereinbefore, the appellant may not merely announce its position and leave it to this Court to discover and rationalize the basis for its claims, *Wilson, supra* at 243; *Ambs, supra* at 650, nor may it give issues cursory treatment with little or no citation of supporting authority, *Goolsby, supra* at 655 n 1; *Silver Creek Twp, supra* at 99. Consequently, this issue is abandoned. See *Yee, supra* at 406

V

There is no misapplication of the law, fraud or error of law made by the tribunal in its valuation; and the tribunal's findings are supported by competent, material, and substantial evidence and, therefore, we have no basis for reversal.

Affirmed.

/s/ Pat M. Donofrio
/s/ Richard Allen Griffin
/s/ Kathleen Jansen

¹⁰ Moreover, petitioner would lack foundation to introduce the appraisal without Fuller. And, with regard to any claim regarding petitioner's subpoena of Fuller, we do not have a proper record to review this claim as petitioner made no formal request on the record for the tribunal to enforce the subpoena. *Amorello v Monsanto Corp*, 186 Mich App 324, 330; 463 NW2d 487 (1990); see also *Kent County Aeronautics Bd v Dep't of State Police*, 239 Mich App 563, 580; 609 NW2d 593 (2000).