



Assessing Overview

City of Warren Assessor

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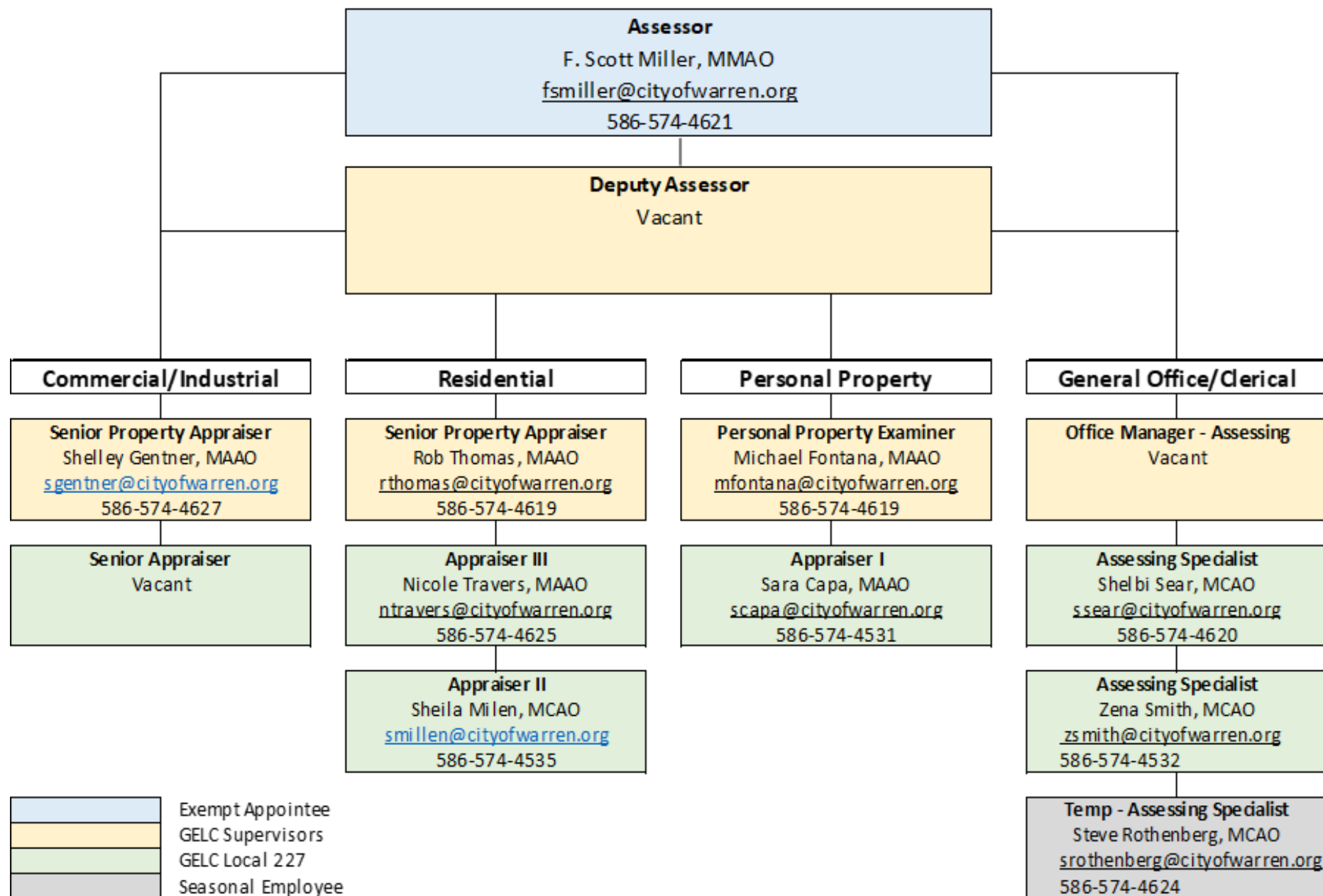
Agenda

- Warren's Assessing Department Intro
- Michigan Assessments
- Markets Summary
- Proposal A
- Appealing Your Assessment
- Exemptions
- Q & A



City of Warren Assessing Department

Warren Assessing Department



Michigan Assessments

- Assessments Developed Every Year
 - Some states every 3 or 5 years
- All Properties within the Community are Identified and Assessed, unless Expressly Stated Exempt
- Assessments are to be Based Upon 50% of Market Value
 - Example:
 - Market Value of \$100,000
 - SEV should equal \$50,000
- Market Value Definition
 - *Probable selling price a property should bring in a competitive and open market under all condition's requisite to a fair sale, the buyer and seller each acting prudently and knowledgeable, and assuming the price is not affected by undue stimulus.*
 - What it is not:
 - *Foreclosure Sale, Short Sale, Related Party Sale, or Distressed Sales*
 - *Not 50% of the actual sale price*

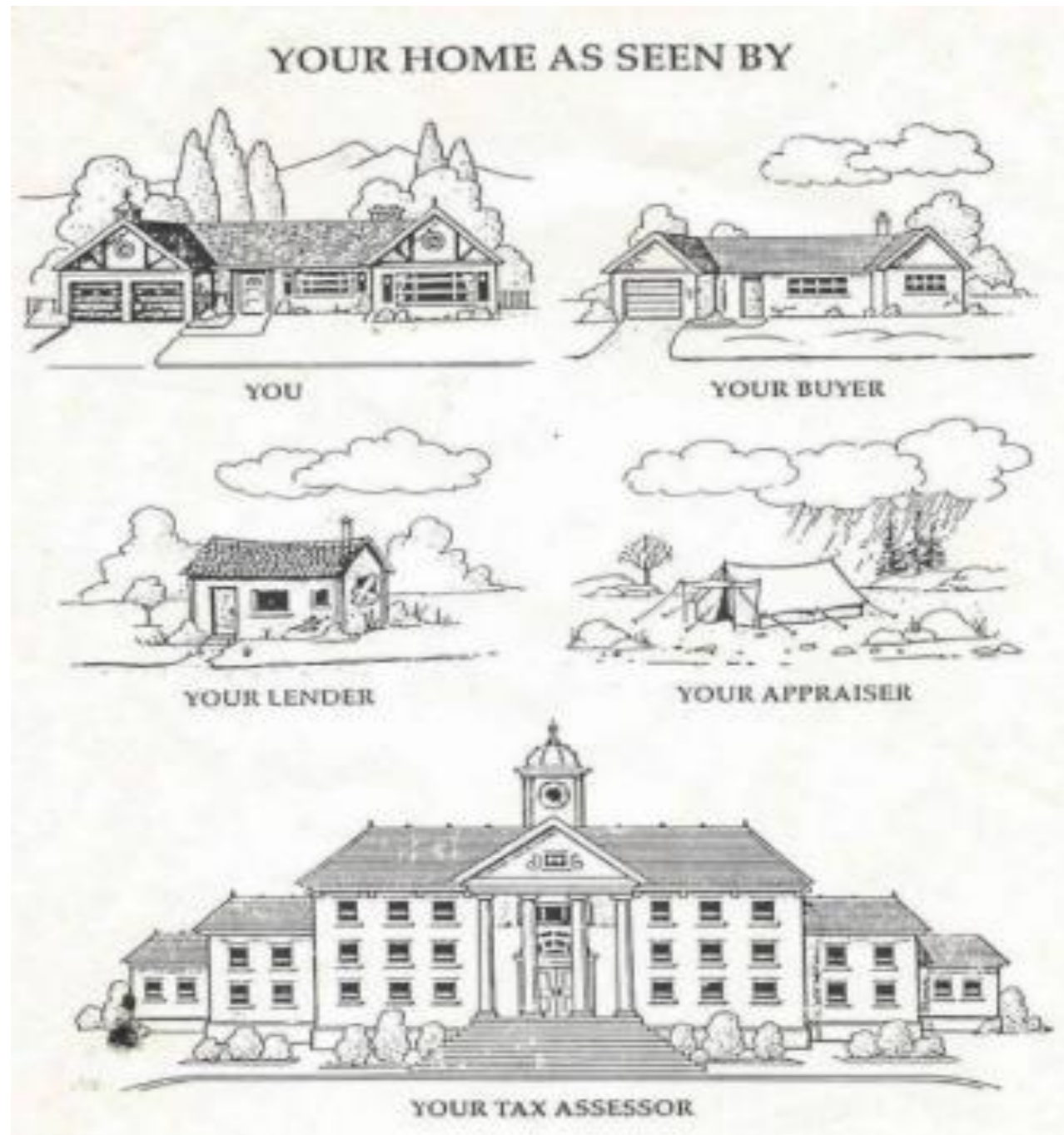
Michigan Assessments

Continued

How are property values determined?

Property values are determined by the assessor using a sales study mass appraisal approach. During a sales study period the assessor looks at all of the arm's length transactions over a one-year or two-year period. The assessor then compares the sale price to the Assessed Value of each transaction, to determine the amount of increase or decrease in market value. The assessor must ensure the Assessed Value is not greater than 50% of market value.

Opinions on Market Value



Markets Summary:

Residential

- DOM have increased – typically indicating supply/demand in balance
- Average/Median prices continue to rise
- LP to SP ratios are still strong

Warren Macomb County

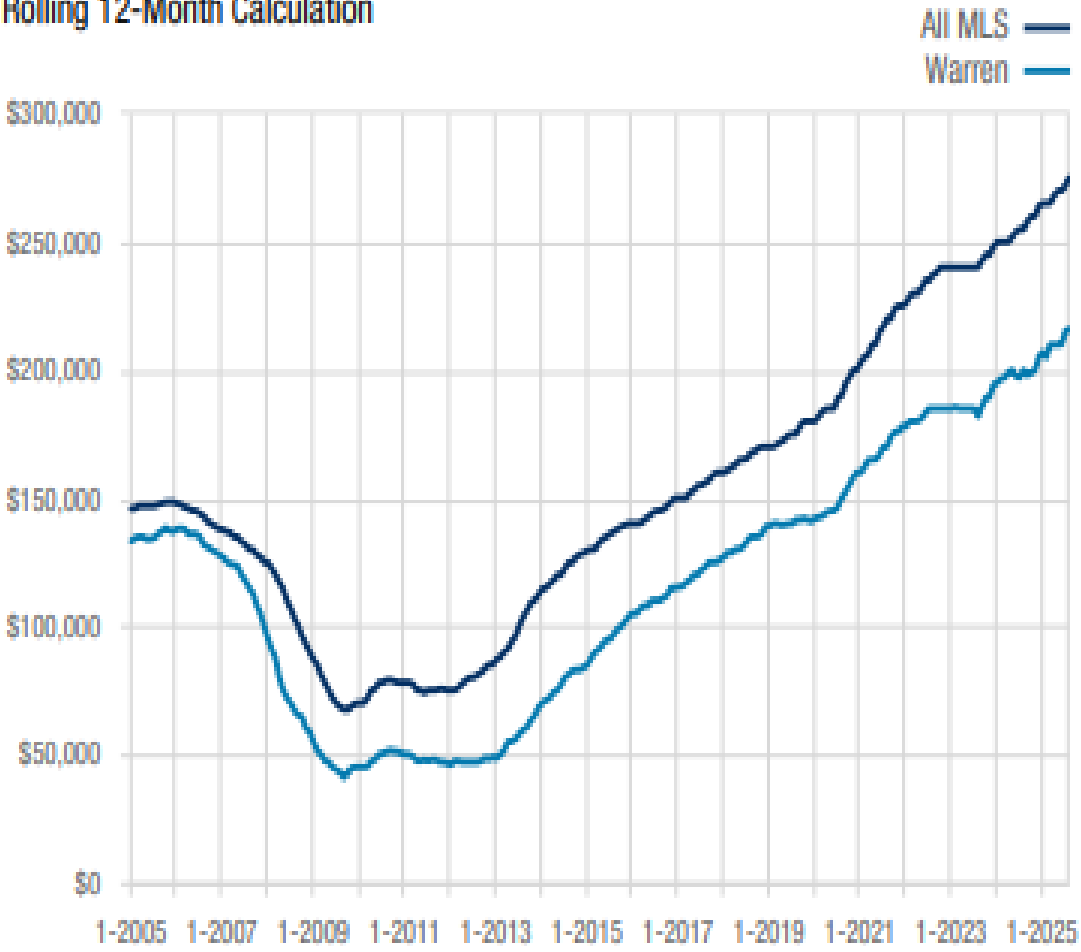
Residential	August			Year to Date		
Key Metrics	2024	2025	% Change	Thru 8-2024	Thru 8-2025	% Change
New Listings	216	206	- 4.6%	1,457	1,572	+ 7.9%
Pending Sales	141	161	+ 14.2%	1,071	1,125	+ 5.0%
Closed Sales	142	143	+ 0.7%	1,020	1,052	+ 3.1%
Days on Market Until Sale	18	21	+ 16.7%	21	26	+ 23.8%
Median Sales Price*	\$211,000	\$226,050	+ 7.1%	\$198,000	\$215,000	+ 8.6%
Average Sales Price*	\$204,203	\$215,780	+ 5.7%	\$193,326	\$204,294	+ 5.7%
Percent of List Price Received*	99.1%	98.5%	- 0.6%	100.0%	98.8%	- 1.2%
Inventory of Homes for Sale	247	260	+ 5.3%	—	—	—
Months Supply of Inventory	1.9	1.9	0.0%	—	—	—

Condo	August			Year to Date		
Key Metrics	2024	2025	% Change	Thru 8-2024	Thru 8-2025	% Change
New Listings	32	29	- 9.4%	219	223	+ 1.8%
Pending Sales	19	19	0.0%	169	162	- 4.1%
Closed Sales	19	24	+ 26.3%	162	156	- 3.7%
Days on Market Until Sale	14	37	+ 164.3%	21	33	+ 57.1%
Median Sales Price*	\$171,000	\$157,000	- 8.2%	\$161,855	\$160,000	- 1.1%
Average Sales Price*	\$199,263	\$166,569	- 16.4%	\$167,272	\$163,679	- 2.1%
Percent of List Price Received*	100.9%	98.6%	- 2.3%	100.9%	98.2%	- 2.7%
Inventory of Homes for Sale	43	48	+ 11.6%	—	—	—
Months Supply of Inventory	2.2	2.3	+ 4.5%	—	—	—

Markets Summary: Residential Cont.

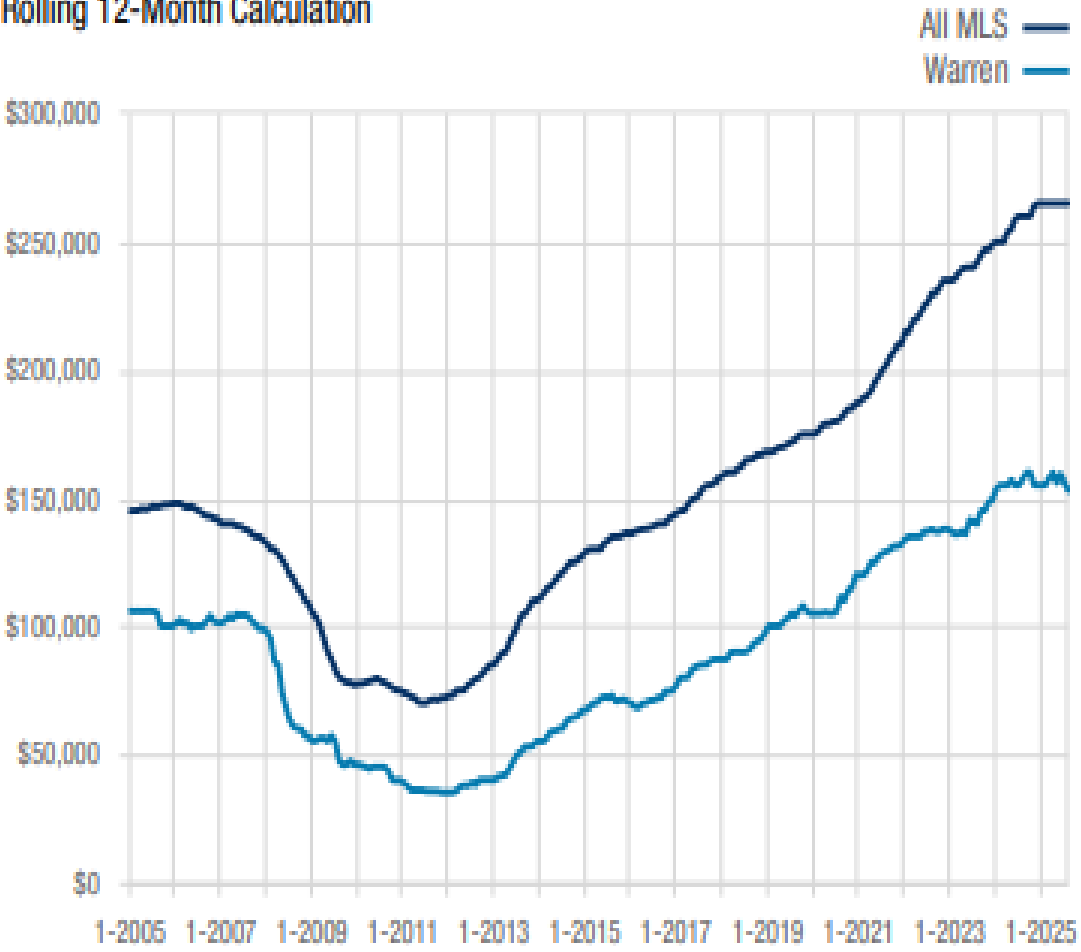
Median Sales Price - Residential

Rolling 12-Month Calculation



Median Sales Price - Condo

Rolling 12-Month Calculation



Markets Summary:

Multi-Family

- Solid rebound in 2023-2024 and into 2025
- 2025 to 2029 shows solid growth
- Private Investors are dominant investors in Macomb County multi-family market

Despite limping into year-end, sales volume across Macomb County in 2024 posted a strong showing of nearly \$66 million, a significant improvement from the prior year's \$9 million.

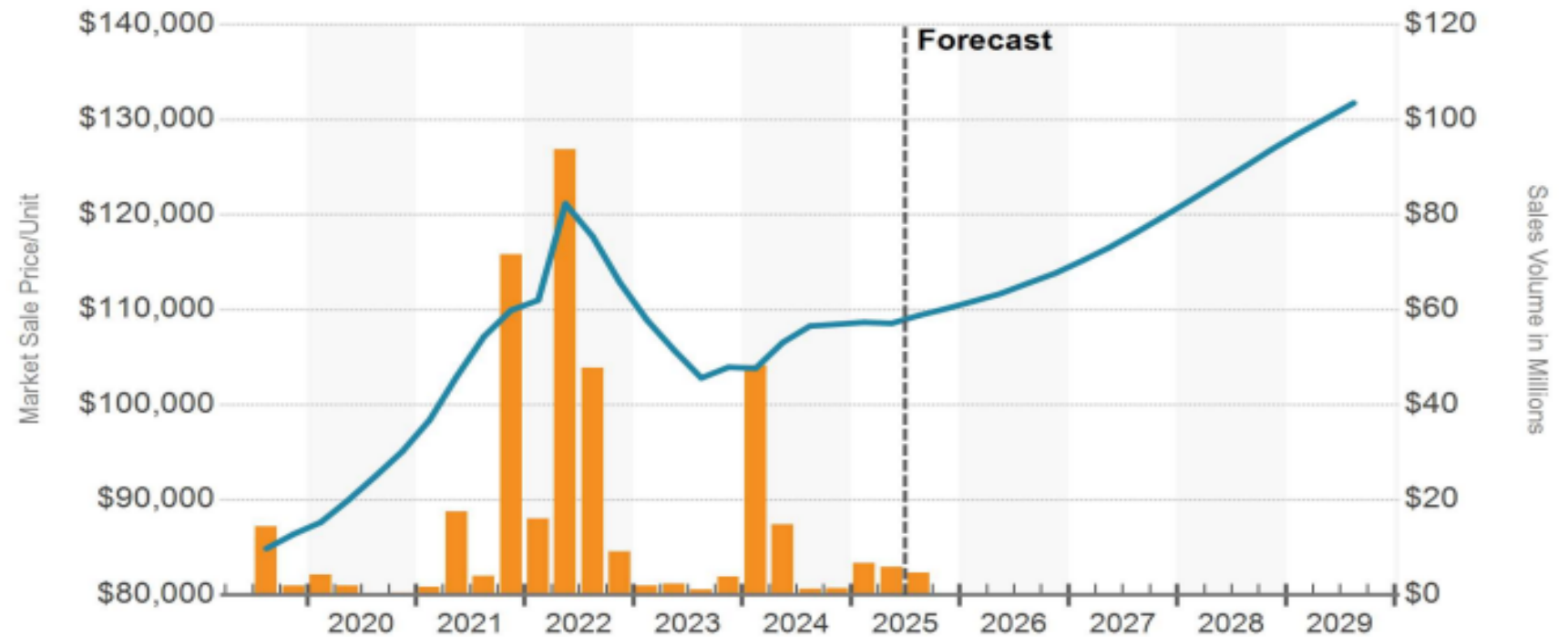
However, transaction activity last year was largely concentrated in the first quarter when over \$48 million changed hands. As a result, the trailing 12-month sales volume reading is down 82% in this submarket heading into August, among the weakest showings in the Detroit metro.

Sales activity has totaled just \$10 million this year

through July, further weighing on the annual measure. The biggest trade in 2025 came early in January when an undisclosed party acquired the 32-unit River North Village in Mount Clemens for \$2.3 million, or \$72,000/unit.

Private investors are the dominant apartment owners in Macomb County, led by Princeton Management and Edward Rose & Sons. This cohort, which includes high-net-worth families and development companies, owns 72% of the area's rental inventory by asset value and has been the dominant participant on the buy side over the past decade.

SALES VOLUME & MARKET SALE PRICE PER UNIT

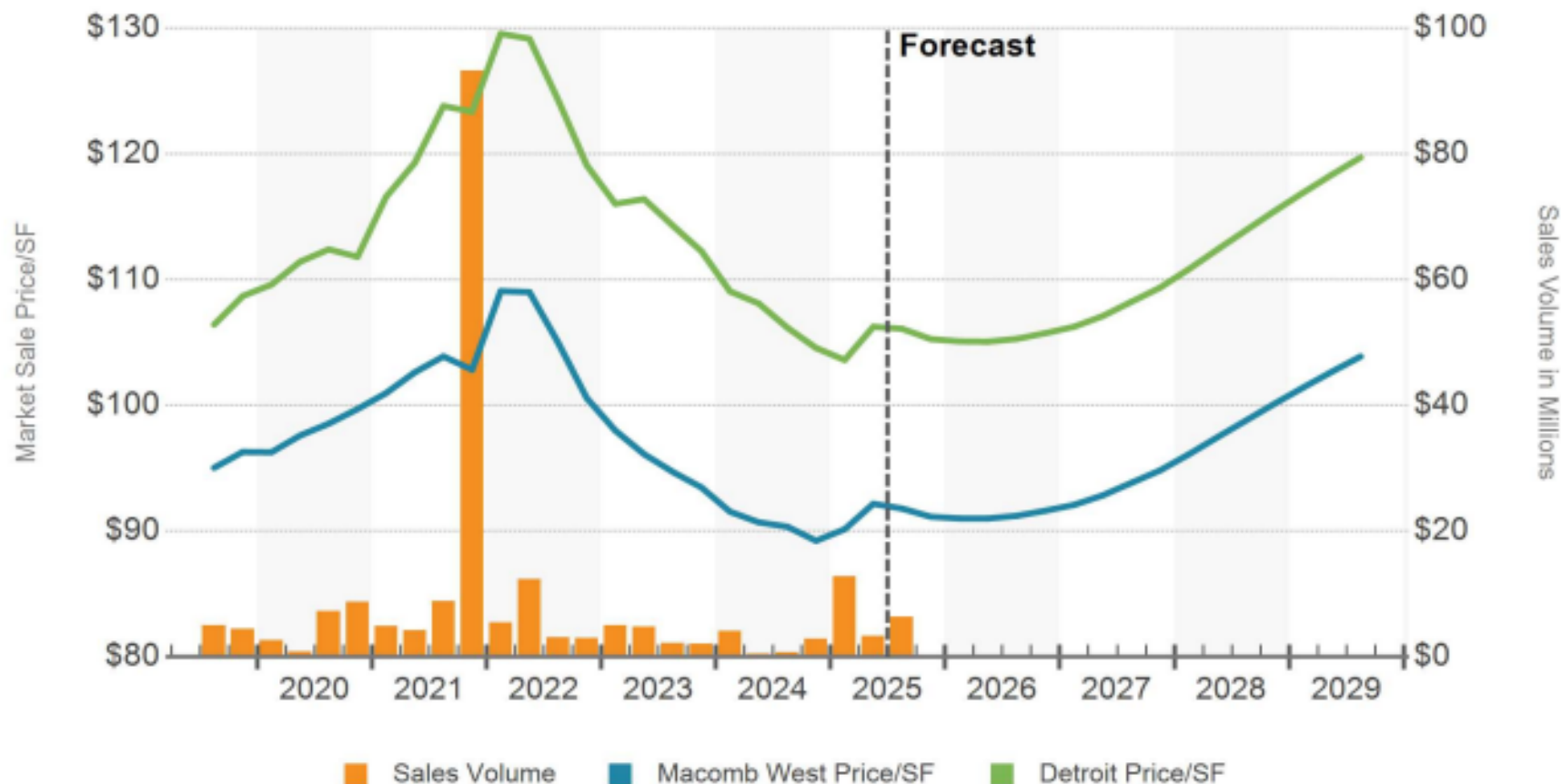


Markets Summary: Office

Over the past year, 42 office properties traded in Macomb West, accounting for 470,000 SF of inventory turnover. Office sales volume in Macomb West has totaled \$25.3 million over the past year. Average annual sales volume over the past five years is \$36.0 million and \$27.1 million over the past 10 years.

Estimated office market pricing in Macomb West is \$92/SF compared to the market average of \$106/SF. Average market pricing for Macomb West is estimated at \$127/SF for 4 & 5 Star properties, \$102/SF for 3 Star assets, and \$74/SF for 1 & 2 Star buildings. The estimated cap rate for Macomb West office is 12.7%, compared to the metro average of 11.9%.

SALES VOLUME & MARKET SALE PRICE PER SF



- Oversupply
- Supply exceeds demand
- Impacts from remote work / COVID
- Many offices will be repurposed for new uses or razed

Markets Summary:

Retail

- Some impact from E-commerce
- Still, retail remains stable
- Large enclosed malls, Class C & D (based upon sales per SF) show struggles

Sales

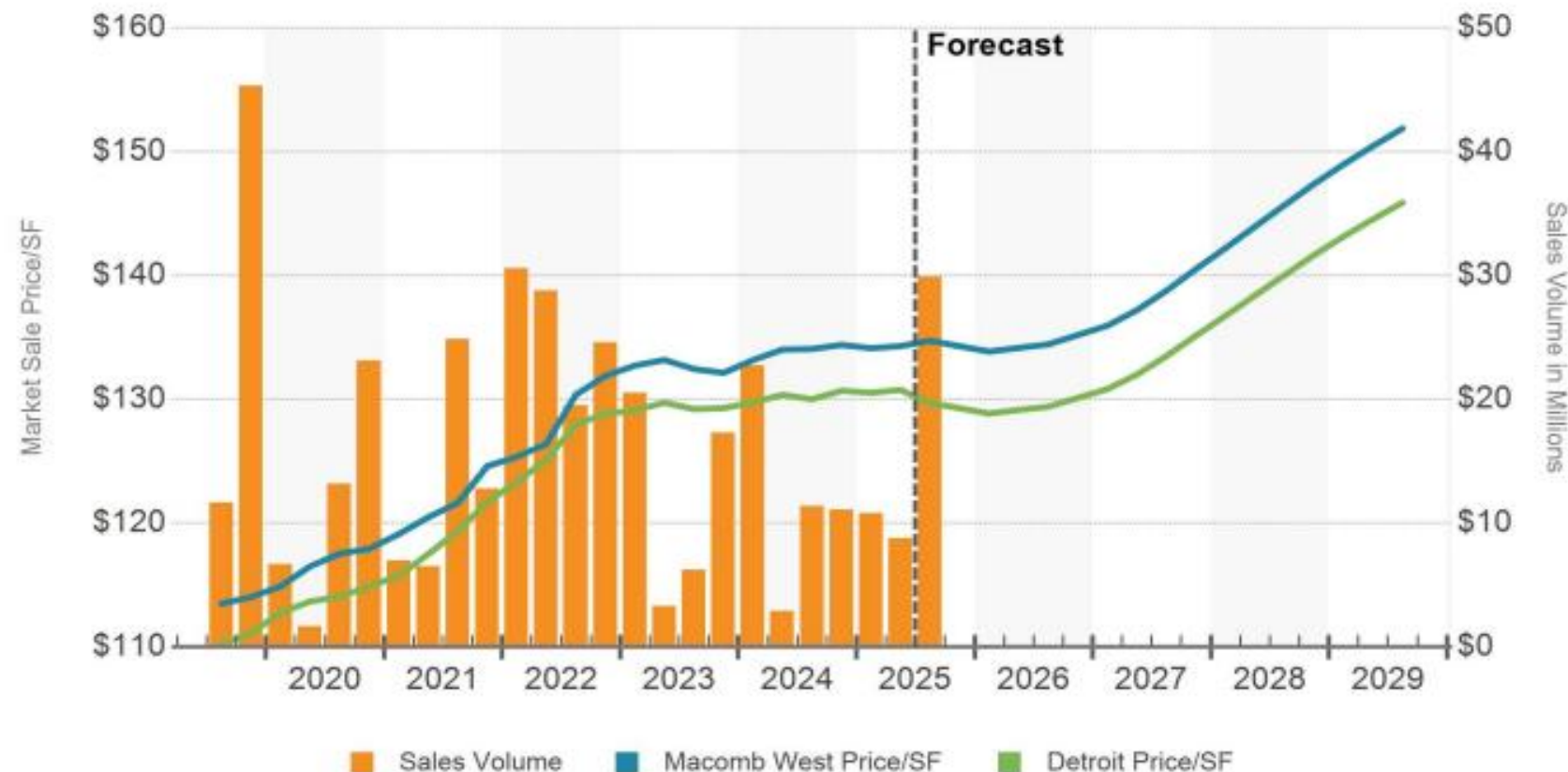
Macomb West Retail

Over the past year, 77 retail properties traded in Macomb West, accounting for 770,000 SF of inventory turnover. Retail sales volume in Macomb West has totaled \$63.1 million over the past year. Average annual sales volume over the past five years is \$61.4 million and \$69.4 million over the past 10 years.

Estimated retail market pricing in Macomb West is

\$135/SF compared to the market average of \$130/SF. Average market pricing for Macomb West is estimated at \$110/SF for neighborhood center properties, \$126/SF for power center properties, \$144/SF for strip center properties, \$123/SF for mall properties, and \$156/SF for general retail properties. The estimated market cap rate for Macomb West retail is 8.1% compared to the market average of 8.3%.

SALES VOLUME & MARKET SALE PRICE PER SF



Markets Summary:

Industrial

- Solid rebound in 2024 and into 2025
- 2025 to 2029 shows solid growth

Industrial sales activity in the West of Van Dyke/Macomb submarket got off to a lackluster start in 2025, as just \$1.6 million changed hands in the first quarter. Transaction volume increased over the coming months, but the year-to-date measure halfway through the third quarter rests at just \$13.7 million. However, sales volume on a trailing 12-month basis totals \$61.1 million, buoyed by last year's strong second half.

The period saw \$85 million change hands, led by a sale-leaseback of Stellantis' Mopar complex in Center Line. Hazel Park-based CSC Capital and New York-based Ashley Capital acquired the manufacturing facility in December for \$30.5 million, or \$22/SF. The automaker will remain at the property for a maximum of three years as it winds down operations and develops a new Michigan Mega Hub facility. Meanwhile, the new owners will demolish the Mopar site once it's vacated and redevelop it for new industrial use.

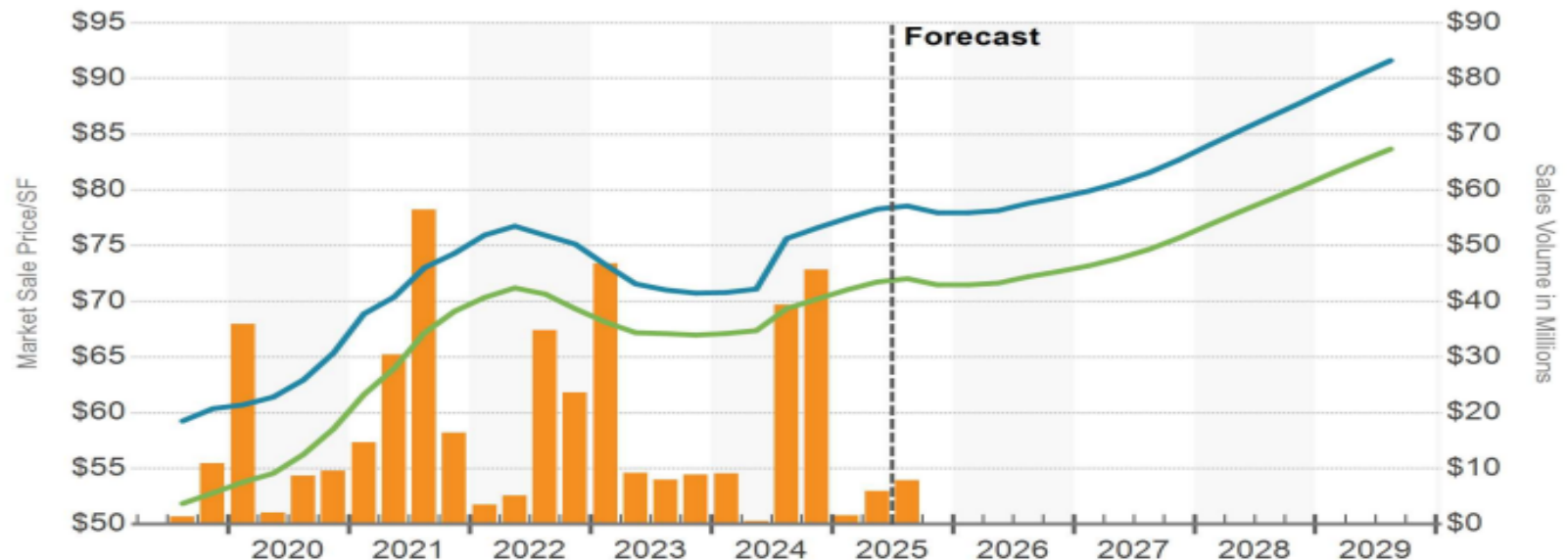
Elsewhere, last year's third quarter was notable for the sale of a pair of warehouses on George Merrelli Drive in

Warren, divested by Larson Realty Group in separate transactions. The larger property, 150,000 SF, was acquired by Boston-based Trident Capital Group for \$15.1 million, or \$101/SF. At the time of sale, the building was fully leased to Avancez, a leading automotive supplier with roughly six years remaining on a triple-net lease.

Granger Group picked up the other property, nearly 84,000 SF, for \$14.5 million, or \$173/SF. At the sale, the property was fully leased to Element Materials Technology, a leading facility for materials testing whose lease runs for another four-and-a-half years.

Trident Capital Group is a private equity shop, which is notable because private capital was last active on the buy side in this submarket in early 2021. Since then, private investors, which include high-net-worth families and development companies, have been the dominant buyers. This cohort owns 31% of the logistics inventory here by aggregate asset value, second only to owner/users (55%).

SALES VOLUME & MARKET SALE PRICE PER SF

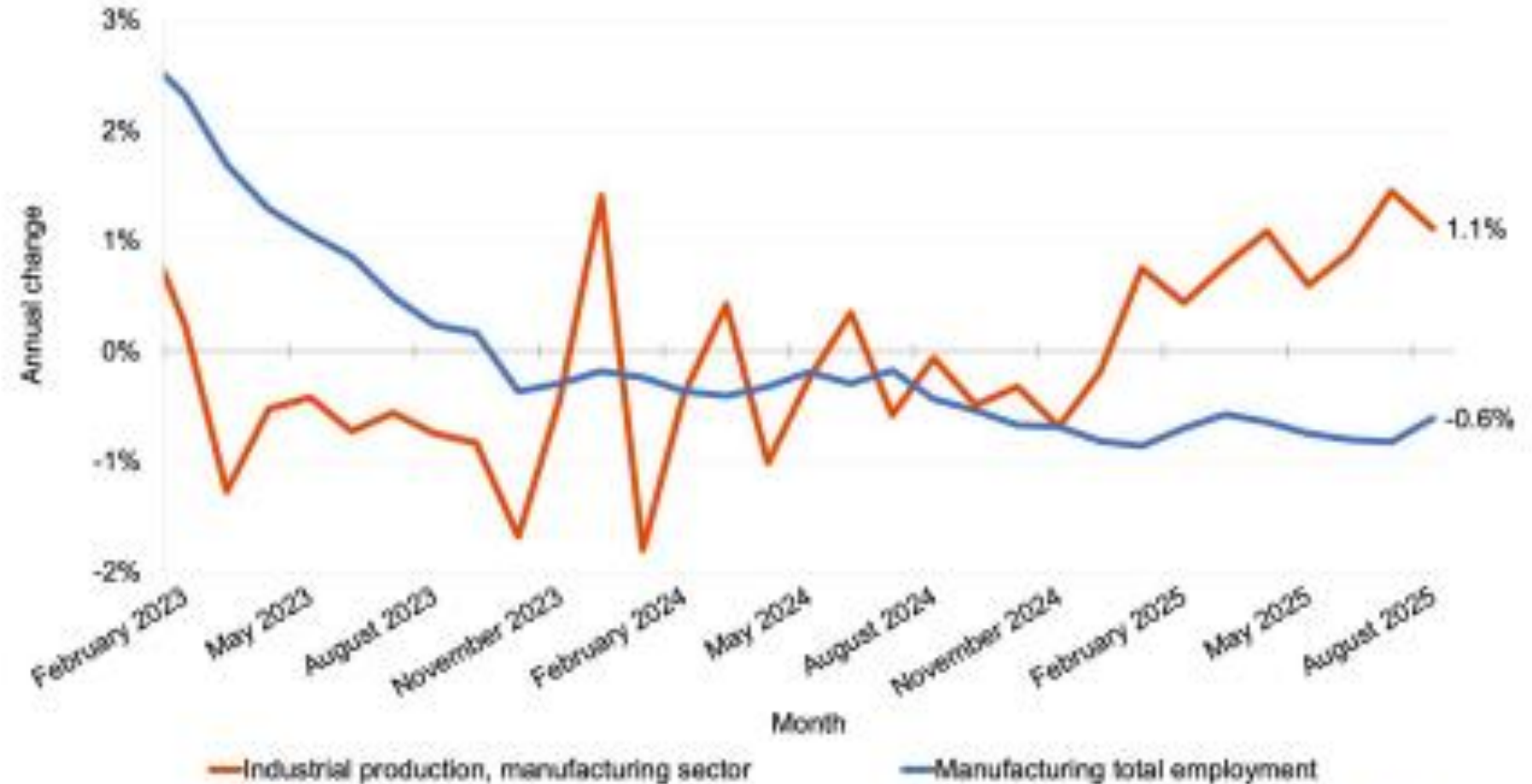


Markets Summary:

Industrial Cont.

- Trends in industrial
- Technology and more efficient systems reduce employees
- Reduce costs

Manufacturers produce more with fewer employees



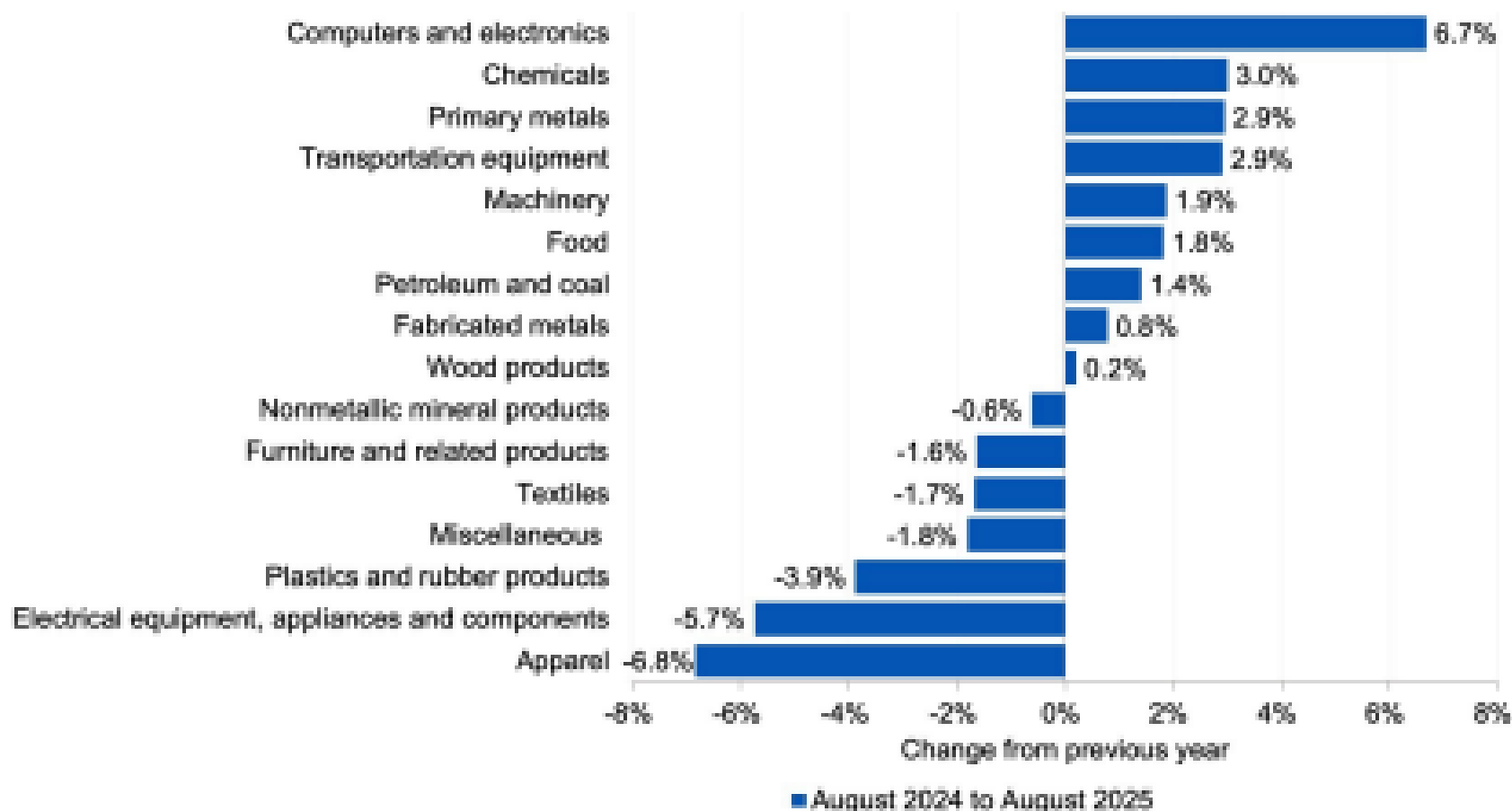
Sources: Federal Reserve and Bureau of Labor Statistics, August 2025

Markets Summary:

Retail & Industrial

- A shift in what is desirable
- Real estate will be developed to reflect market demands

Metals and motor vehicle manufacturing picks up



Source: Federal Reserve, August 2025

Markets Summary: Hospitality

- Solid rebound in 2024 and into 2025
- 2025 to 2026 show decline
- Cap rates continue to climb, indicating increased risk

Sales

Warren/Northeast Hospitality

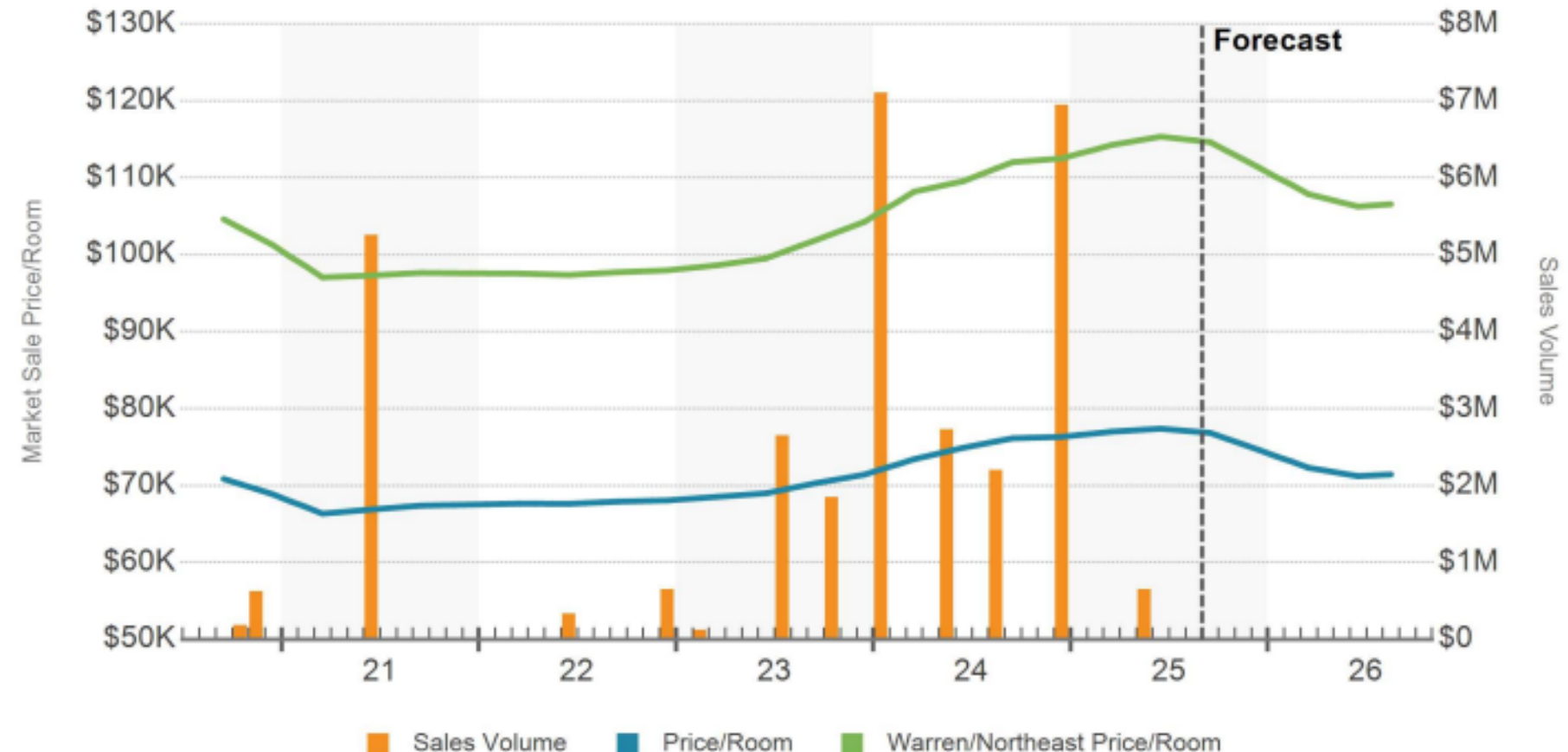
In the past 12 months, 4 hotels traded in Warren/Northeast, for a transaction volume of \$7.6 million. This compares to the three-year annual sales volume average of \$7.7 million.

occurred within the Midscale & Economy segment.

The market cap rate, or the estimated cap rate for the market, stands at 9.8% compared to the Detroit average of 9.6%.

Over the past 12 months, all of the sales activity

SALES VOLUME & MARKET SALE PRICE PER ROOM



Proposal A

Tax Reform

- Proposal A, Approved by Voters on March 15, 1994
- Came into Affect in 1995
- What Changed?
 - Shift in Funding – moved primary source of school funding from local to state
 - Increased state control
 - Equity in Funding - \$\$ per pupil are more consistent throughout the state
 - Property Tax Reform – Aimed at controlling property taxes by limiting increases to the Consumer Price Index (CPI)
 - Is now called Inflation Rate Multiplier (IRM) – same thing
 - New assessing terms
 - SEV – 50% of Market Value
 - Capped Value – Formula designed to limit tax increases
 - Taxable Value – the lessor of the SEV and Capped Values
- **Property Taxes = (Millage Rates/1,000) x Taxable Value**

Proposal A

Tax Reform

Capped Value Formula

(Last Year's Taxable – losses)

x CPI or 5% (Whichever is less)

+ Additions (i.e., additions, new decks, new garage, etc)

= Capped Value

- **SEV** – 50% of Market Value
- **Capped Value (CV)** - Formula
- **Taxable Value** (whichever is less between SEV and CV)

Proposal A

“Uncapping”

What Happens to the Taxable Value When a Property Transfers Ownership?

In the year following the purchase of a property, the Taxable Value becomes equal to the Assessed Value. This is commonly referred to as an “uncapping.” In the second year after a property is purchased, the Taxable Value is again capped, and may only increase by the Inflation Rate Multiplier (IRM) or 5%, whichever is less,

***We hope you
didn't forget
about the
“uncapping”***



Property Tax Estimator

Property Tax > Property Tax Estimator

Property Tax Estimator and Millage Rates

The Millage Rate database and Property Tax Estimator allows individual and business taxpayers to estimate their current property taxes as well as compare their property taxes and millage rates with other local units throughout Michigan.

[Begin Estimating Property Taxes](#)

Before buying a home in Michigan, check this website to estimate your taxes

- [Go to your desired search engine and type in “Property Tax Estimator”](#)
- <https://www.michigan.gov/taxes/property/estimator>

“Uncapping” – Example #1

The Inflation Rate Multiplier of 1.019 has been used for the following:

1. YOU PURCHASED A HOME.

Last year, you purchased a new home valued at \$280,000 (True Cash Value) with a \$140,000 Assessed Value and State Equalized Value, and a Taxable Value of \$95,000. A study of sales in the neighborhood shows your property has increased to a value of \$300,000.

	CURRENT YEAR:	PRIOR YEAR:	MARKET CHANGE:
Assessed Value (AV): (1/2 of \$300,000)	\$150,000	\$140,000	7.1% Increase
SEV (tentative):	\$150,000	\$140,000	

Because the sale removed the “Capped Value,” the current year Taxable Value is the same as the current year Assessed Value.

Taxable Value:	\$150,000	\$95,000	Uncapping
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“Uncapping” – Example #1 Tax Impact

Previous Year

SEV = \$140,000

TV = \$95,000

Taxes (Using Fitzgerald PRE Millage Rate)

$(54.4727/1,000) \times 95,000 = \$5,174.91$

+ 1% Administration Fee = \$51.75

Total Taxes = \$5,226.66

Following Year

SEV = \$150,000 (7.1% increase)

TV = \$150,000 (57.89% increase)

Taxes (Using Fitzgerald PRE Millage Rate)

$(54.4727/1,000) \times 150,000 = \$8,170.91$

+ 1% Administration Fee = \$81.71

Total Taxes = \$8,252.62

Tax Increase = 57.89%

“Uncapping” – Example #2

2. YOU ADDED A FAMILY ROOM TO YOUR HOME.

Last year your home valued at \$270,000 had a \$135,000 State Equalized Value (SEV) and a Taxable Value (TV) of \$95,000. You added a family room addition valued at \$45,000 (True Cash Value).

A study of sales shows your property True Cash Value (with the addition) at \$315,000.

	CURRENT YEAR:	PRIOR YEAR:	MARKET CHANGE:
Assessed Value: (1/2 of \$315,000)	\$157,500	\$135,000	16.7% Increase
SEV (tentative):	\$157,500	\$135,000	
Capped Value:	\$119,305	\$95,000	25.6% Increase
Improvement (50% TCV)		\$22,500 ▼ $(95,000 - 0) \times 1.019 + 22,500 = \$119,305$	
Taxable Value:	\$119,300 (as rounded)		

Taxable value is the lesser of Assessed Value or Capped Value.

“Uncapping” – Example #2 Tax Impact

Previous Year

SEV = \$135,000

TV = \$95,000

Taxes (Using Fitzgerald PRE Millage Rate)

$(54.4727/1,000) \times 95,000 = \$5,174.91$

+ 1% Administration Fee = \$51.75

Total Taxes = \$5,226.66

Following Year

SEV = \$157,500 (16.7% increase)

TV = \$119,305 (25.58% increase)

Taxes (Using Fitzgerald PRE Millage Rate)

$(54.4727/1,000) \times 119,305 = \$6,498.87$

+ 1% Administration Fee = \$64.99

Total Taxes = \$6,563.86

Tax Increase = 25.58%

“Uncapping” – Example #3

3. YOU MADE NO CHANGES TO YOUR PROPERTY. SEV AND TV INCREASES.

Last year your home valued at \$260,000 (True Cash Value) had a \$130,000 State Equalized Value (SEV) and a Taxable Value of \$95,000.

A study of sales in the neighborhood shows your property has increased in value to \$270,000.

	CURRENT YEAR:	PRIOR YEAR:	MARKET CHANGE:
Assessed Value: (1/2 of \$270,000)	\$135,000	\$130,000	3.8% Increase
SEV (tentative):	\$135,000	\$130,000	
Capped Value:	\$96,805	\$95,000 ▼ $(\$95,000 - 0) \times 1.019 + 0 = \$96,805$	1.9% Increase
Taxable Value:	\$96,800 (as rounded)		

Taxable Value is the lesser of Assessed Value or Capped Value.

“Uncapping” – Example #3 Tax Impact

Previous Year

SEV = \$130,000

TV = \$95,000

Taxes (Using Fitzgerald PRE Millage Rate)

$(54.4727/1,000) \times 95,000 = \$5,174.91$

+ 1% Administration Fee = \$51.75

Total Taxes = \$5,226.66

Following Year

SEV = \$135,000 (3.8% increase)

TV = \$96,805 (1.9% increase)

Taxes (Using Fitzgerald PRE Millage Rate)

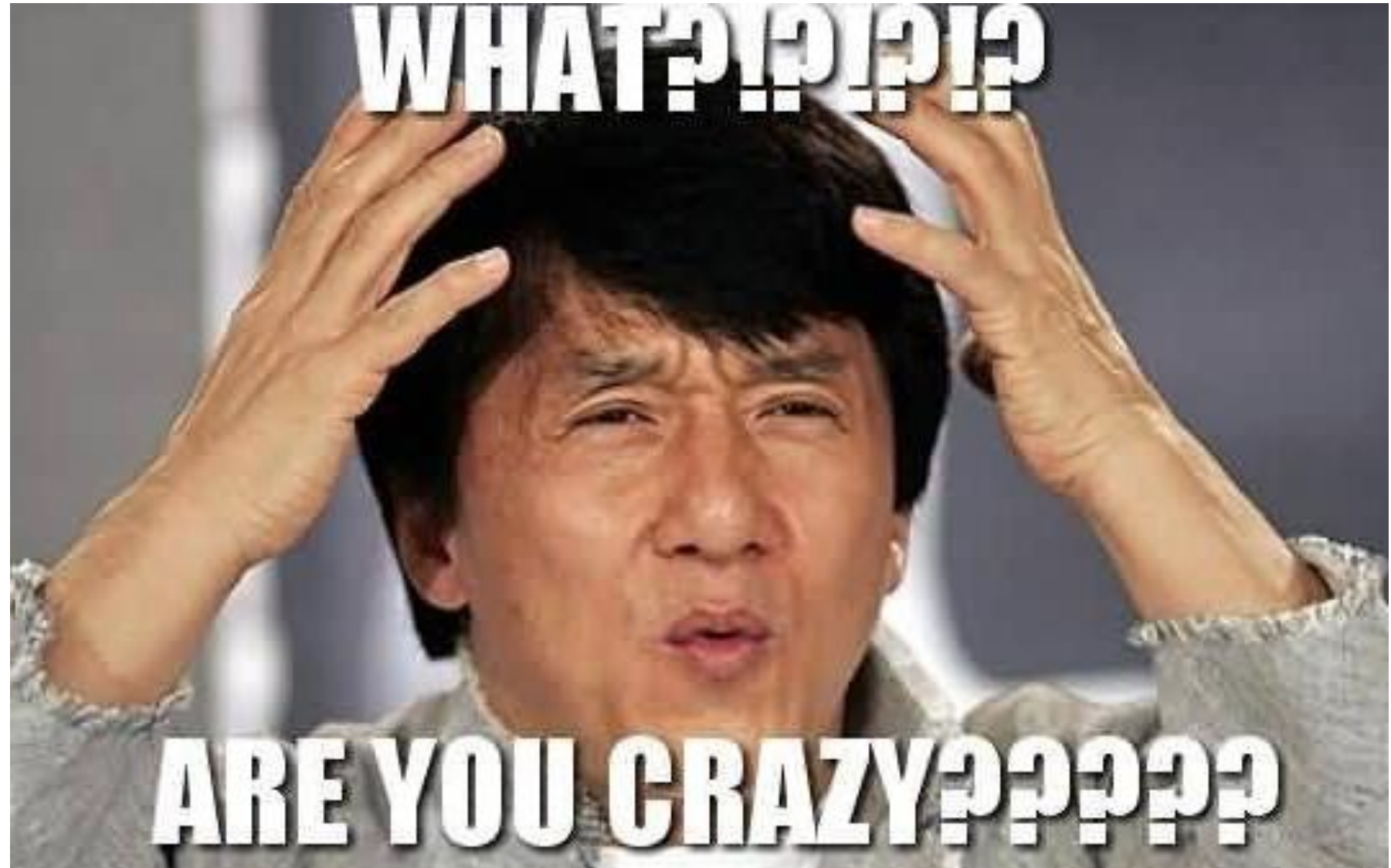
$(54.4727/1,000) \times 96,805 = \$5,273.23$

+ 1% Administration Fee = \$52.73

Total Taxes = \$5,325.96

Tax Increase = 1.9%

Appealing Your Assessment



Appealing Your Assessment

Appealing Your Property Assessments

- **Residential Class**– You must appeal at March Board of Review
 - If you don't agree with the Board of Review Decision, then can appeal to the Michigan Tax Tribunal (MTT)
 - Information on how to appeal to the MTT will be on the Board of Review's decision letter
- **Non Residential Class**– You can either appeal at March Board of Review or go directly to the Michigan Tax Tribunal
- Call us if you're not sure and we will walk you through the process
- (586) 574-4532

Appealing Your Assessment

Deadlines

Tax Day	Tax day (Section 211.2, Michigan Compiled Laws). – December 31 st
Personal Property Statements – February 20 th	Deadline for taxpayer filing of personal property statement with assessor. [211.19] Deadline for taxpayer to file form 3711 if a claim of exemption is being made for heavy earth moving equipment. See STC Bulletin 4 of 2001.
<u>March Board of Review</u>	<u>Week of the second Mon. in March:</u> Meeting of township Board of Review
Principal Residence deadline – June/November 1 st	Deadline for filing Homeowner's Principal Residence affidavits (form 2368) for exemption from the 18-mill school operating tax with the local assessor. Note: Denial of a Homeowner's Principal Residence exemption by the local assessor may be appealed by the owner to the Small Claims Division of the Michigan Tax Tribunal within 35 days after the date of the notice of denial.
Michigan Tax Tribunal deadline	http://www.michigan.gov/taxrib July 31 st for Residential/Agricultural/PRE appeals May 31 for commercial/industrial appeals. Please check with the Tribunal as dates/deadlines may change.
State Tax Commission appeals (Property Class) – June 30 th	Deadline for assessment classification appeals to STC as provided by P.A. 476 of 1996. [MCL 211.34c].
<u>July Board of Review</u>	<u>Week of the Third Monday in July:</u> Special meeting of the July BOR may be convened by the assessing officer to correct a mutual mistake of fact or clerical error . [211.53b].
<u>December Board of Review</u>	<u>Week of the second Mon. in Dec:</u> Special Board of Review meeting may be convened by assessing officer to correct a mutual mistake of fact or a clerical error . [211.53b].

Appealing Your Assessment

Cont.

Appealing Your Property Assessments

- The appeal will be on your assessment and not on taxes.
- The burden of proof is on you to demonstrate that the assessment is excessive
 - Bring sales data
 - Bring an appraisal
 - Hire/retain a tax appeal professional

Exemptions

Real Property Exemptions

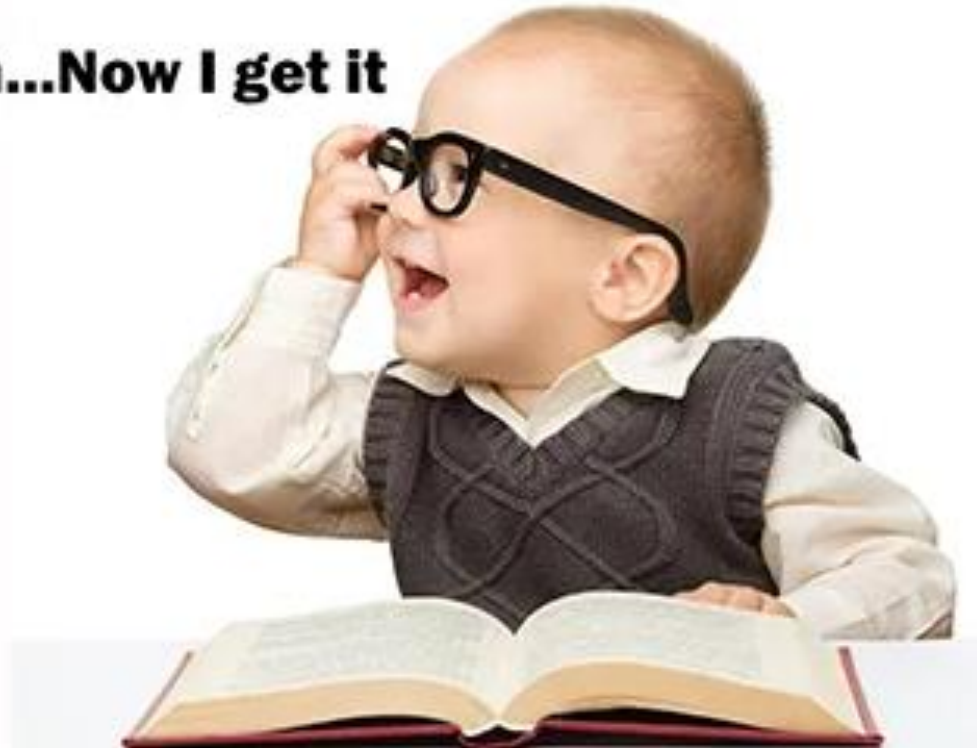
- Principle Residence Exemption (PRE)
- Veterans
- Poverty
- Religious
- Senior Housing

Many others

- Various commercial and industrial tax abatements and incentives
- Call us if you're not sure and we will walk you through the process
- (586) 574-4532

***You are all
experts now***

Oh...Now I get it



Q&A Time

Thank you

F. Scott Miller, MMAO
(586) 574-5432