

INDIANA BOARD OF TAX REVIEW
Small Claims
Final Determination
Findings and Conclusions

Petition Nos.: 20-032-20-1-5-00034-22
20-032-21-1-5-00035-22
Petitioner: Simran, Inc.
Respondent: Elkhart County Assessor
Parcel: 20-04-23-476-004.000-032
Assessment Years: 2020 & 2021

The Indiana Board of Tax Review (“Board”) issues this determination in the above matter, and finds and concludes as follows:

Procedural History

1. Simran, Inc. appealed the 2020 and 2021 assessments of its property located at 11071 State Road 120 in Middlebury, Indiana.
2. On November 29, 2021, the Elkhart County Property Tax Assessment Board of Appeals (“PTABOA”) sustained the 2020 assessment at \$59,600 for land and \$127,800 for improvements for a total of \$187,400. They sustained the 2021 assessment at \$59,600 for land and \$138,200 for improvements for a total of \$197,800.
3. The Petitioner timely appealed to the Board, electing to proceed under the small claims procedures.
4. On January 26, 2023, Dalene McMillen, the Board’s Administrative Law Judge (“ALJ”) held a telephonic hearing. Neither the Board nor the ALJ inspected the property.
5. Harpreet Singh, president of Simran, Inc. appeared *pro se*. Tylan Miller, Elkhart County Deputy Assessor, appeared for the Assessor. Gavin Fisher, appraiser also appeared as a witness for the Assessor. All testified under oath.

Record

6. The official record for this matter is made up of the following:
 - a) Exhibits:

Petitioner Exhibit 1: Owner’s policy of title insurance.

Respondent Exhibit A: 2020 subject property record card,

Respondent Exhibit B: 2021 subject property record card,

Respondent Exhibit 3: Restricted appraisal report of the subject property prepared by Gavin Fisher with effective dates of January 1, 2020, and January 1, 2021.

- b) The record also includes the following: (1) all pleadings and documents filed in this appeal; (2) all orders, and notices issued by the Board or ALJ; and (3) a digital recording of the hearing.

Findings of Fact

7. The subject property is a one-story frame manufactured home built in 1997 located on 3.18 acres of land in Middlebury. *Resp't Exs. A & B.*
8. The Assessor engaged Gavin Fisher of Fisher Appraisal, LLC to appraise the retrospective market value of the subject property as of January 1, 2020, and January 1, 2021. He certified that his appraisal complied with the Uniform Standards of Professional Appraisal Practice ("USPAP"). To arrive at his opinion of value, Fisher developed the sales-comparison approach. He looked for sales of manufactured homes located near the subject. He selected three sales for each assessment year with sale prices ranging from \$154,500 to \$275,000. He noted that while the subject property had 3.18 acres of land, only .96 acres were usable, which he considered when making his adjustments. He made adjustments for several factors including site, room count, gross living area, basement, garage, and outbuildings. He ultimately concluded to reconciled values of \$200,000 as of January 1, 2020, and \$215,000 as of January 1, 2021. *Miller testimony; Fisher testimony; Resp't Ex. C.*

Contentions

9. Summary of the Petitioner's case:
- a) Singh testified that he purchased the subject property on September 30, 2015, for \$89,500 and that the only improvements made to the property since the purchase were cleaning and adding the floor. He also noted that it is vacant. *Singh testimony; Pet'r Ex. 1.*
- b) In addition, Singh stated that a new manufactured or modular home could be purchased for \$55,000 to \$60,000, which he argued demonstrates his assessments of \$187,400 in 2020 and \$197,800 in 2021 are excessive. *Singh testimony.*
10. Summary of the Respondent's case:
- a) Based on Fisher's appraisal, the Assessor argued that the subject property was underassessed for both years under appeal. *Miller testimony.*

- b) In reference to Singh's testimony regarding the cost of a new manufactured home, Fisher noted that those prices do not include additional costs such as land, foundation, site improvements, utility infrastructure and set-up, delivery, and installation.

Analysis

- 11. The Petitioner failed to make a prima facie case for reducing the property's 2021 assessment.
 - a) Generally, an assessment determined by an assessing official is presumed to be correct. 2011 and 2021 REAL PROPERTY ASSESSMENT MANUAL at 3.¹ The petitioner has the burden of proving the assessment is incorrect and what the correct assessment should be. *Piotrowski v. Shelby County Ass'r*, 177 N.E.3d 127, 131-32 (Ind. Tax Ct. 2022).
 - b) Real property is assessed based on its market value-in-use. Ind. Code § 6-1.1-31-6 (c); 2011 and 2021 REAL PROPERTY ASSESSMENT MANUALS at 2. The cost approach, the sales-comparison approach, and the income approach are three generally accepted techniques to calculate market value-in-use. Assessing officials primarily use the cost approach, but other evidence is permitted to prove an accurate valuation. Such evidence may include actual construction costs, sales information regarding the subject property or comparable properties, appraisals, and any other information compiled in accordance with generally accepted appraisal principles.
 - c) Regardless of the method used, a party must explain how the evidence relates to the relevant valuation date. *O'Donnell v. Dep't of Local Gov't Fin.*, 854 N.E.2d 90, 95 (Ind. Tax Ct. 2006); *see also Long v. Wayne Twp. Ass'r*, 821 N.E.2d 466, 471 (In. Tax Ct. 2005). For the 2020 assessment, the valuation date was January 1, 2020. For the 2021 assessment, the valuation date was January 1, 2021. *See* Ind. Code § 6-1.1-2-1.5.
 - d) Here, the Petitioner submitted his September 30, 2015, purchase of the subject property for \$89,500 as evidence the subject property was over-assessed. The purchase price of a property can be the best evidence of a property's value. *Hubler Realty Co. v. Hendricks Co. Ass'r*, 938 N.E.2d 311, 315 (Ind. Tax Ct. 2010). But the Petitioner's purchase occurred five years prior to the January 1, 2020, valuation date and six years prior to the January 1, 2021, valuation date, and he failed to relate the purchase price to the valuation dates. Consequently, the purchase price is not probative evidence of the property's market value-in-use for 2020 and 2021.
 - e) The Petitioner's only other evidence consisted of his testimony about the cost of a new manufactured home, but we credit Fisher's testimony that there would be additional costs associated with the installation of a manufactured home that are not

¹ For the Petitioner's 2020 appeal, the 2011 Real Property Assessment Manual applied. The Department of Local Government Finance has adopted a new assessment manual and guidelines for 2021 assessments forward. 52 IAC 2.4-1-2 (filed Nov. 20, 2020) (incorporating 2021 Real Property Assessment Manual and Real Property Assessment Guidelines for 2021 by reference).

included in the figures from the Petitioner. Thus, we cannot find the Petitioner is entitled to any relief on these grounds.

- f) We now turn to the Assessor's evidence. In contrast, the Assessor offered a USPAP compliant appraisal prepared by Gavin Fisher, a certified residential appraiser. Fisher estimated the subject property's market value-in-use at \$200,000 as of January 1, 2020, and \$215,000 as of January 1, 2021, based on the sales-comparison approach. The Petitioner failed to significantly impeach the appraisal and we find Fisher's conclusions to be well supported and the only reliable evidence of value in the record. Accordingly, we order the assessments changed to the values from the Fisher appraisal.

Final Determination

12. In accordance with the above findings and conclusions, we order the 2020 assessment changed to \$200,000 and the 2021 assessment changed to \$215,000.

ISSUED: APRIL 20, 2023



Chairman, Indiana Board of Tax Review



Commissioner, Indiana Board of Tax Review



Commissioner, Indiana Board of Tax Review

- APPEAL RIGHTS -

You may petition for judicial review of this final determination under the provisions of Indiana Code § 6-1.1-15-5 and the Indiana Tax Court's rules. To initiate a proceeding for judicial review you must take the action required not later than forty-five (45) days after the date of this notice. The Indiana Code is available on the Internet at <http://www.in.gov/legislative/ic/code>. The Indiana Tax Court's rules are available at <http://www.in.gov/judiciary/rules/tax/index.html>