



**Fwd: Directive from the division of Property Assessments directing us to classify SF attached rentals as industrial commercial property: 3/10/25 Clarification on Classification( 3/13/25)**

1 message

**Chase Matheson** <thetennesseeb@gmail.com>  
To: unframeofmind@gmail.com

Tue, Oct 21, 2025 at 12:11 AM

----- Forwarded message -----

**From:** Rob Mitchell <rob4rcrn@gmail.com>  
**Date:** Mon, Oct 20, 2025, 6:19 PM  
**Subject:** Fwd: Directive from the division of Property Assessments directing us to classify SF attached rentals as industrial commercial property: 3/10/25 Clarification on Classification( 3/13/25)  
**To:** <TheTennesseeBS@gmail.com>

**Summary Explanation:**

A property's classification must follow its use, not its income. Under **Tenn. Code Ann. § 67-5-501(10)**, residential property includes real property "used for dwelling purposes and that contains not more than one (1) rental unit." Only when a building contains two or more rental units does it become "industrial and commercial" under subsection (4). The statute draws a clear structural boundary, not an income-based one. A single dwelling—whether owner-occupied or rented—remains residential because its physical use is as a home.

Courts have long affirmed that classification turns on occupant use, not ownership or profit motive (**Snow v. City of Memphis**; **Castlewood v. Anderson County**; **Crown Enterprises v. State Board**). Defining any income-producing home as commercial would nullify this statutory distinction, contradict legislative intent, and effectively create a fifth subclass not authorized by **Article II, Section 28** of the Tennessee Constitution.

In short, **a single rental home is still a home**. Its use as a residence, not its production of rent, defines its classification.

In a recent news article on Channel 2, the Comptroller said they are not direction assessors to change anything. Please see the below email evidence. I placed the photos into the original email of the subject properties for clarity. Without the images one would not know the physical characteristics of each property. Single family dwellings are both attached( row houses, zero lot lines and townhomes) and detached dwellings standing on their own.

News 2 reached out to the TN Comptroller's Office for comment and received the following response:

"There has been no change in the Comptroller's guidance regarding the assessment of single-family rental homes. The constitution, statutes, and case law require a fact-specific analysis for each individual property, so there is no one-size-fits-all answer concerning the classification of residential rental property. However, any changes regarding assessment classifications would occur through statutory or case law updates, not at the Comptroller's direction."

**From:** Rob Mitchell  
**Sent:** Tuesday, April 8, 2025 3:43 PM  
**To:** Rob Mitchell <rob4rcrn@gmail.com>  
**Subject:** Directive from the division of Property Assessments directing us to classify SF attached rentals as industrial commercial property: 3/10/25 Clarification on Classification( 3/13/25)

**From:** Rob Mitchell

**Sent:** Friday, March 21, 2025 4:02 PM

**To:** Brett Bombick <Brett.Bombick@cot.tn.gov>; William Brock <wbrock@rutherfordcountytn.gov>

**Cc:** Mark Talmadge <mtalmadge@rutherfordcountytn.gov>; Russell Key <rkey@rutherfordcountytn.gov>; Bryan Kinsey <Bryan.Kinsey@cot.tn.gov>; Amanda Weaver <a.weaver@rutherfordcountytn.gov>; Lance Jenkins <ljenkins@rutherfordcountytn.gov>

**Subject:** RE: 3/10/25 Clarification on Classification( 3/13/25)( 3/21/25 response)

Brett,

Thank you for the clarification. I am taking your advice and opinions as directives from the DPA on proper classification.

Thank you for your help with this.

Rob

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**From:** Brett Bombick <Brett.Bombick@cot.tn.gov>

**Sent:** Friday, March 21, 2025 1:27 PM

**To:** Rob Mitchell <rmitchell@rutherfordcountytn.gov>; William Brock <wbrock@rutherfordcountytn.gov>

**Cc:** Mark Talmadge <mtalmadge@rutherfordcountytn.gov>; Russell Key <rkey@rutherfordcountytn.gov>; Bryan Kinsey <Bryan.Kinsey@cot.tn.gov>; Amanda Weaver <a.weaver@rutherfordcountytn.gov>; Lance Jenkins <ljenkins@rutherfordcountytn.gov>

**Subject:** RE: 3/10/25 Clarification on Classification( 3/13/25)

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Rob,

Thank you for providing the documents pertaining to your examples from 3/13.

After reviewing the examples and documents provided, we believe the properties listed below meet the definition of commercial property. They are:

090P-G-37.00, 090P-G-44.00, 090P-G-51.00



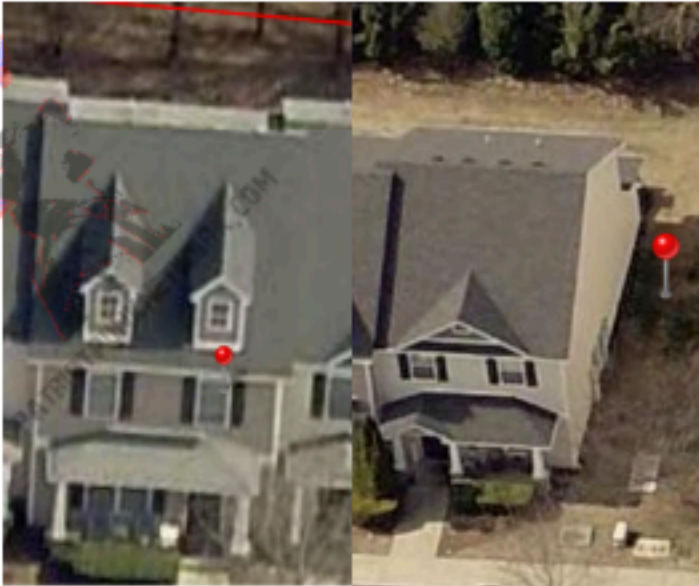
092-046.16-C-195,

092-046.17-C-297



113-035.03-C-009,

113-035.04-C-154



If you have a specific question or information you believe would make the above properties Residential, please let me know.

Concerning the detached single family dwelling you sent earlier, we do not see that as part of this noncompliance project. As you will recall, the list of classification was limited to townhomes, condos, and zero lot lines. We appreciate your desire for consistency, however focusing on the task at hand, instead of properties that were not part of the noncompliance matter, would be a better use of Rutherford County resources during this important project.

**Brett Bombick, AAS, TMA**  
Appraisal Supervisor  
Comptroller of the Treasury  
Division of Property Assessments  
425 Rep. John Lewis Parkway N. | Nashville, TN 37243  
[brett.bombick@cot.tn.gov](mailto:brett.bombick@cot.tn.gov) | Direct Line 615.401.7922



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From: Rob Mitchell <[rmitchell@rutherfordcountyttn.gov](mailto:rmitchell@rutherfordcountyttn.gov)>

Sent: Monday, March 17, 2025 1:17 PM

To: Brett Bombick <[Brett.Bombick@cot.tn.gov](mailto:Brett.Bombick@cot.tn.gov)>; William Brock <[wbrock@rutherfordcountyttn.gov](mailto:wbrock@rutherfordcountyttn.gov)>

Cc: Mark Talmadge <[mtalmadge@rutherfordcountyttn.gov](mailto:mtalmadge@rutherfordcountyttn.gov)>; Russell Key <[rkey@rutherfordcountyttn.gov](mailto:rkey@rutherfordcountyttn.gov)>; Bryan Kinsey <[Bryan.Kinsey@cot.tn.gov](mailto:Bryan.Kinsey@cot.tn.gov)>; Amanda Weaver <[aweaver@rutherfordcountyttn.gov](mailto:aweaver@rutherfordcountyttn.gov)>; Lance Jenkins <[ljenkins@rutherfordcountyttn.gov](mailto:ljenkins@rutherfordcountyttn.gov)>

Subject: RE: 3/10/25 Clarification on Classification( 3/13/25)

Brett,

136C-C-10700 and 136C-C-10800 are adjacent parcels owned by an LLC, identified during a sketch review rather than a classification review. To establish a consistent approach for similar cases in the future, do you consider these properties comparable to a zero-lot-line scenario—where both sides share common ownership and are rented—justifying a commercial classification? Or would it be more appropriate to maintain their residential designation?

Attached is the legal information you requested in order to assist us. I appreciate your help.

Rob

From: Brett Bombick <[Brett.Bombick@cot.tn.gov](mailto:Brett.Bombick@cot.tn.gov)>

Sent: Friday, March 14, 2025 11:40 AM

To: Rob Mitchell <[rmitchell@rutherfordcountyttn.gov](mailto:rmitchell@rutherfordcountyttn.gov)>; William Brock <[wbrock@rutherfordcountyttn.gov](mailto:wbrock@rutherfordcountyttn.gov)>

Cc: Mark Talmadge <[mtalmadge@rutherfordcountyttn.gov](mailto:mtalmadge@rutherfordcountyttn.gov)>; Russell Key <[rkey@rutherfordcountyttn.gov](mailto:rkey@rutherfordcountyttn.gov)>; Bryan Kinsey <[Bryan.Kinsey@cot.tn.gov](mailto:Bryan.Kinsey@cot.tn.gov)>; Amanda Weaver <[aweaver@rutherfordcountyttn.gov](mailto:aweaver@rutherfordcountyttn.gov)>; Lance Jenkins <[ljenkins@rutherfordcountyttn.gov](mailto:ljenkins@rutherfordcountyttn.gov)>

Subject: RE: 3/10/25 Clarification on Classification( 3/13/25)

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Rob,

We have reviewed the 4 properties (112B-H-001.00, 112B-H-001.01, 112B-H-002.00, 112B-H-002.01) in your first example along with the associated public documents (such as Warranty Deeds that show ownership, and financing documents such as Trust Deeds and Assignments of Rent available through the register of deeds office). Based upon all facts considered, we conclude that these properties meet the definition of commercial property.



For the remaining examples, please locate the relevant documents (examples referenced above are not necessarily an all-inclusive list) from the register of deeds and provide them to us for review. Our mutual goal should be to equip you and your staff with the ability to make such future determinations based on available facts.

**Brett Bombick, AAS, TMA**  
Appraisal Supervisor  
Comptroller of the Treasury  
Division of Property Assessments  
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[brett.bombick@cot.tn.gov](mailto:brett.bombick@cot.tn.gov) | Direct Line 615.401.7922



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**From:** Rob Mitchell <[rmitchell@rutherfordcountyttn.gov](mailto:rmitchell@rutherfordcountyttn.gov)>  
**Sent:** Thursday, March 13, 2025 7:17 AM  
**To:** Brett Bombick <[Brett.Bombick@cot.tn.gov](mailto:Brett.Bombick@cot.tn.gov)>; William Brock <[wbrock@rutherfordcountyttn.gov](mailto:wbrock@rutherfordcountyttn.gov)>  
**Cc:** Mark Talmadge <[mtalmadge@rutherfordcountyttn.gov](mailto:mtalmadge@rutherfordcountyttn.gov)>; Russell Key <[rkey@rutherfordcountyttn.gov](mailto:rkey@rutherfordcountyttn.gov)>; Bryan Kinsey <[Bryan.Kinsey@cot.tn.gov](mailto:Bryan.Kinsey@cot.tn.gov)>; Amanda Weaver <[aweaver@rutherfordcountyttn.gov](mailto:aweaver@rutherfordcountyttn.gov)>; Lance Jenkins <[ljenkins@rutherfordcountyttn.gov](mailto:ljenkins@rutherfordcountyttn.gov)>  
**Subject:** RE: 3/10/25 Clarification on Classification( 3/13/25)

Brett,

I understand that one size may not fit all. I appreciate the ACC decision from 1999. Thank you for the offer to assist in providing guidance on what the DPA would find fault with and mark us as incorrect. It will help us understand what your directives are as we encounter a myriad of differing possibilities. Our goal is to comply fully so as not to be in non-compliance.

If a husband and wife both own townhomes in a horizontal property regime in their names only and rent them out, would you mark them as 25% or 40%?

Parcel examples for another instance to review would be the following:

112B-H-2.00, 112B-H-2.01, 112B-H-1.00 and 112B-H-1.01 (25% or 40%)

Another example:

090P-G-37.00, 090P-G-44.00, 090P-G-51.00 (25% or 40%)

Another example:

092-046.16-C-195, 092-046.17-C-297 (25% or 40%)

Another Example:

113-035.03-C-009, 113-035.04-C-154 (25% or 40%)

It is important to know how the DPA would classify them so we will recognize appropriate distinctions. I believe you want us to be successful and we need your help.

Rob

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**From:** Brett Bombick <[Brett.Bombick@cot.tn.gov](mailto:Brett.Bombick@cot.tn.gov)>

**Sent:** Wednesday, March 12, 2025 7:35 AM

**To:** Rob Mitchell <[rmitchell@rutherfordcountyttn.gov](mailto:rmitchell@rutherfordcountyttn.gov)>; William Brock <[wbrock@rutherfordcountyttn.gov](mailto:wbrock@rutherfordcountyttn.gov)>

**Cc:** Mark Talmadge <[mtalmadge@rutherfordcountyttn.gov](mailto:mtalmadge@rutherfordcountyttn.gov)>; Russell Key <[rkey@rutherfordcountyttn.gov](mailto:rkey@rutherfordcountyttn.gov)>; Bryan Kinsey

<[Bryan.Kinsey@cot.tn.gov](mailto:Bryan.Kinsey@cot.tn.gov)>; Amanda Weaver <[aweaver@rutherfordcountyttn.gov](mailto:aweaver@rutherfordcountyttn.gov)>; Lance Jenkins <[ljenkins@rutherfordcountyttn.gov](mailto:ljenkins@rutherfordcountyttn.gov)>

**Subject:** RE: 3/10/25 Clarification on Classification

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Rob

As we've mentioned before, the classification of rental properties requires a fact-based analysis for each property. Unfortunately, there is not generally a one-size-fits-all, wholesale approach that you can apply, as a different fact can change the analysis. I have also attached a decision from the Assessment Appeals Commission for a case in Davidson County that addresses zero lot line properties, which you may find useful.

This decision may not be applicable in certain situations but should illustrate that using an across-the-board approach based on parcel lines is not the same as analyzing the facts of each property. If you have a specific property that you'd like to discuss, please let us know.

**Brett Bombick**, AAS, TMA

Appraisal Supervisor

Comptroller of the Treasury

Division of Property Assessments

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**From:** Rob Mitchell <[rmitchell@rutherfordcountyttn.gov](mailto:rmitchell@rutherfordcountyttn.gov)>

**Sent:** Monday, March 10, 2025 1:03 PM

To: William Brock <[wbrock@rutherfordcountytg.gov](mailto:wbrock@rutherfordcountytg.gov)>; Brett Bombick <[Brett.Bombick@cot.tn.gov](mailto:Brett.Bombick@cot.tn.gov)>  
Cc: Mark Talmadge <[mtalmadge@rutherfordcountytg.gov](mailto:mtalmadge@rutherfordcountytg.gov)>; Russell Key <[rkey@rutherfordcountytg.gov](mailto:rkey@rutherfordcountytg.gov)>; Bryan Kinsey <[Bryan.Kinsey@cot.tn.gov](mailto:Bryan.Kinsey@cot.tn.gov)>; Amanda Weaver <[aweaver@rutherfordcountytg.gov](mailto:aweaver@rutherfordcountytg.gov)>; Lance Jenkins <[ljenkins@rutherfordcountytg.gov](mailto:ljenkins@rutherfordcountytg.gov)>  
Subject: 3/10/25 Clarification on Classification

Brett,

We are still in need of a determination regarding the classification of phases in a development. They are parceled differently.

Zero- lot lines which have title to the entirety of the land incorporated into the bundle of rights. These are not duplexes( where a rental dwelling unit is an inseparable part of the whole. Duplexes are 40% when both sides are rented out.)( 25% or 40%)

Row townhomes which are within the same development. Same phase. Side by side. Rental. Not an HPR. [ 25% or 40%]

Row townhomes which are in the same development. Different phases. Same owner. Rental. Not an HPR. [25% or 40%]

Townhome/Condominiums, in an HPR (horizontal property regime, undivided interest of the entirety of the parcel/phase of the development) which lie on separate parcels in the development. [25% or 40%]

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I am conducting Q/C on the work as they are doing it. Trying to spot anomaly's as they happen and prior to getting too deeply into the project is proving helpful.

Thanks for your help.

Rob

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2 attachments

 Residential vs Commercial Subclassification.docx  
16 KB

 Residential vs Commercial Subclassification (1).docx  
16 KB