

BOARD OF EQUALIZATION, WASHOE COUNTY, NEVADA

WEDNESDAY

9:00 A.M.

FEBRUARY 9, 2011

PRESENT:

James Covert, Chairperson
Benjamin Green, Member
Linda Woodland, Member
James Brown, Member
Phil Horan, Alternate Member

Nancy Parent, Chief Deputy Clerk
Herb Kaplan, Deputy District Attorney

ABSENT:

John Krolick, Vice Chairperson

The Board of Equalization convened at 9:00 a.m. in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada. Chairman Covert called the meeting to order, the Clerk called the roll and the Board conducted the following business:

11-0349E WITHDRAWN PETITIONS

There were no petitions withdrawn prior to the meeting.

11-0350E REQUESTS FOR CONTINUANCES

There were no requests received for continuances.

CONSOLIDATION OF HEARINGS

The Board consolidated items as necessary when they each came up on the agenda.

**11-0351E PARCEL NO. 163-062-03 – JELICH-DOUBLE EAGLE II LLC –
HEARING NO. 11-0215**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 575 Double Eagle Court Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 23 pages.

Exhibit B: Letter and copy of petition, 2 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 14 pages.

On behalf of the Petitioner, Dave Henselman was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Howard Stockton, Appraiser III, oriented the Board as to the location of the subject property.

Mr. Henselman said the petition was precipitated by the fact that they received an appraisal on the adjacent property (555 Double Eagle Court) for \$1.5 million. He said the County's value was about 17.2 percent higher for the subject. He said 555 Double Eagle Court was receiving a discount because of a current above-market lease that would expire December 31, 2011. He said he did not know what those tenant's intentions were. He informed the Board a lease had been signed with the Veteran's Administration (VA) for only the ground floor of the subject. He noted there were 80 parking spaces and as part of the lease, 75 parking spaces were given to the VA. Mr. Henselman stated that left only five parking spaces for approximately 9,000 square feet of rental space upstairs. He said based on the City's parking ratio requirements, they could only lease about 15 percent of the property without having to acquire additional parking. He said they looked at acquiring additional parking from adjacent owners, but no one was willing to commit or lease additional parking. They were still marketing the property, but they did not know how they would be able to put a lease together with the parking issues. He stated he thought Appraiser Stockton did not fully understand what the impact of not having additional parking for the upstairs lease had on the value of the property and on the income.

Member Horan thought the parking issue was more like a self-inflicted wound. Chairman Covert agreed stating he would not be inclined to make an adjustment to the property value based on the parking.

Appraiser Stockton stated page 8 of the Assessor's Hearing Evidence Packet (HEP) represented a summary of information the Assessor's Office collected as more appeals were received. He described the summary to the Board and how it related to the rest of the HEP. He said the Assessor's Office identified seven different market areas and most of the buildings being appealed today were within the south Reno submarket. The summary showed minimum, maximum and average rental rates for the different building classifications. He explained Class A buildings generally covered newer buildings in good locations that were very competitive in the market place. The Class B buildings were a little older, second generation space, or properties not as well accessed or located. He defined "older" as buildings that were built in south Reno in the late 1990s. Class A and Class B buildings rental rates listed in the HEP represented the results of the survey the Assessor's Office conducted. The rent terms were on gross lease rates,

not triple net. Appraiser Stockton said the vacancy rate was determined from a combination of local broker reports and additional data collected. He said they were making great strides to have a more complete vacancy survey each year. The expenses shown were from operating expense income statements. They analyzed those regarding size, age, and type. The HEP showed a summary of 43 buildings the Assessor's Office chartered in different areas, then grouped together to come up with a minimum, maximum and average. That was then applied over the gross building area to determine the expenses. The overall cap rate chart (page 7 of the HEP) depicted the values were specific to office buildings. The cap rate of 14.46 percent for 6275 Neil Road was based on concerns of whether or not it was an arms-length transaction, and he asked the Board to give that sale less weight. He said the cap rate chart indicated local sales data of 7.5 percent to 14.46 percent and he noted that represented just a summary of rentals and expenses.

Chairman Covert inquired if the average was arithmetical and not weighted. Appraiser Stockton stated that was correct. Chairman Covert then wondered if it would be better to throw out the highest and lowest numbers and average the rest. Appraiser Stockton stated normally that would be the case; however, there were so few sales and not much to compare.

Member Horan inquired if any appellants received any benefit from the details behind those averages. Appraiser Stockton stated no one had made a request for that information. He explained most of the appellants brought their own personal data to the Assessor's Office, but the information would be shared with an appellant if they requested it.

Member Green asked what the average cap rate would be if the 14.46 percent was taken out. Appraiser Stockton stated it would be 8.48 percent. Member Green then inquired what that would do to the median. Chairman Covert replied it would be 8 percent.

Appraiser Stockton read from page 3 of the HEP. He noted the Petitioner did not provide a rent roll or income and expense statement, and market assumptions were made for the income variables. The property was currently advertising 9,000 square feet of available space at \$1.40 full service, which resulted in the building being 45 percent vacant. Appraiser Stockton read from page 1 of the HEP stating, based on the rental survey, a market rent of \$1.40 was used to calculate the potential gross income (PGI) of \$338,755. A market vacancy and collection loss of 23 percent was applied to the PGI to arrive at an effective gross income of \$260,842. The Assessor's Office estimated the expenses at \$6.22 per square foot, or \$125,420. After subtracting that from the estimated gross income (EGI), it resulted in a net operating income (NOI) of \$135,421. They then applied the 9 percent cap rate, which resulted in a value of \$1,504,682.

Appraiser Stockton reviewed the features, comparable sales, and range of values associated with the subject property and shown in the HEP, stating the improved sales ranged from \$98 per square foot to \$129 per square foot. Chairman Covert inquired

why the Assessor's Office did not time-adjust the sales listed. Appraiser Stockton replied they had a study reflecting a finite percentage for residential, but he did not believe they had the same study for commercial properties. Appraiser Stockton stated more weight was given to the income approach and not the sales approach and based on the provided analysis it was the Assessor's Office recommendation that the total taxable value be reduced to \$90 per square foot (\$1,814,760).

Member Green wondered if the Assessor's Office gave any weight to the appraisal previously discussed by the Petitioner. He said he knew it was not for the subject, but he wondered if it had any relevance to this property. Appraiser Stockton stated he reviewed the appraisal closely and determined it had some relevance to the subject, but he would rather address the appraisal during the hearing it applied to.

Mr. Henselman thanked Appraiser Stockton for all the work he did. He said the building had been vacant for two years and there was no income or expense information to give to the Assessor's Office. He noted they still had the lease from the VA and were in the process of doing a walk-through with them. He believed the lease payments would be effective February 1, 2011, but the property had not been turned over to them yet. He testified the lease was for five years with a five year option. He stated he knew the parking issue was self-inflicted, but he had seen other parking problems in the market. He said deals were being made to cut down losses from \$10,000 a month to \$5,000. He reported some higher-end properties were showing activity, but at discounted rates, which he thought depressed the market even more. He asserted more weight should be given to the income approach because potential buyers would look at that income.

Chairman Covert inquired why actual numbers were not turned over to the Assessor's Office for review. Mr. Henselman stated they did not know the impact of the upcoming lease and how it would affect the income of the property. Chairman Covert explained that was actually a problem for next year and not this year. Mr. Henselman stated that was correct.

Member Green stated a 23 percent vacancy factor was not indicative of a strong market for office rentals. He said based on the evidence presented, he supported the recommendation from the Assessor's Office.

With regard to Parcel No. 163-062-03, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced an additional \$588,067 in the form of obsolescence to \$1,368,729, resulting in a total taxable value of \$1,814,760 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

**11-0352E PARCEL NO. 163-062-04 – JELICH-DOUBLE EAGLE I LLC –
HEARING NO. 11-0216**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 555 Double Eagle Court Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 23 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 14 pages.

On behalf of the Petitioner and having been previously sworn, Dave Henselman offered testimony.

On behalf of the Assessor and having been previously sworn, Howard Stockton, Appraiser III, oriented the Board as to the location of the subject property.

Mr. Henselman stated he agreed with the recommendation from the Assessor's Office and had nothing to dispute.

Appraiser Stockton read from page 1 of the Assessor's Hearing Evidence Packet stating based on the provided analysis it was the Assessor's Office recommendation to reduce the total taxable value to \$110 per square foot

With regard to Parcel No. 163-062-04, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$152,153 in obsolescence to \$1,328,166, resulting in a total taxable value of \$1,679,040 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

**11-0353E PARCEL NO. 163-062-02 – FLOCCHINI-MAGNOLIA
PROPERTIES ET AL – HEARING NO. 11-0132**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 595 Double Eagle Court Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 14 pages.

On behalf of the Petitioner, Jack Byce was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Howard Stockton, Appraiser III, oriented the Board as to the location of the subject property.

Mr. Byce stated he was in agreement with the recommendation from the Assessor's Office.

Appraiser Stockton read from page 1 of the Assessor's Hearing Evidence Packet stating based on the provided analysis it was the Assessor's Office recommendation to reduce the total taxable value to \$105 per square foot.

With regard to Parcel No. 163-062-02, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced \$154,502 in the form of obsolescence to \$1,626,630, resulting in a total taxable value of \$1,991,220 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0354E PARCEL NO. 163-281-03 – FLOCCHINI-MAGNOLIA PROPERTIES ET AL – HEARING NO. 11-0133

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 750 Sandhill Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 14 pages.

On behalf of the Petitioner and having been previously sworn, Jack Byce offered testimony.

On behalf of the Assessor and having been previously sworn, Howard Stockton, Appraiser III, oriented the Board as to the location of the subject property.

Mr. Byce stated he was in agreement with the recommendation for reduction from the Assessor's Office.

Appraiser Stockton read from page 1 of the Assessor's Hearing Evidence Packet stating based on the provided analysis it was the Assessor's Office recommendation to reduce the total taxable value to \$88 per square foot.

With regard to Parcel No. 163-281-03, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$1,658,911 due to obsolescence, resulting in a total taxable value of \$2,075,421 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0355E PARCEL NO. 160-900-13 – DOOLITTLE INVESTORS LLC – HEARING NO. 11-0219

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 10659 Double R Blvd., Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Rent Roll, 1 page.

Exhibit B: Rent roll and budget, 3 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 15 pages.

On behalf of the Petitioner, Mathias Hughes was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Appraiser III, oriented the Board as to the location of the subject property.

Mr. Hughes stated his client owned several buildings and he would be presenting the same argument for the remaining hearings dealing with Doolittle Investors,

LLC. He said the subject was comprised of 40,253 square feet and a tenant would be vacating the premises the end of this month that had been paying above market rent. He said another lease was just signed with a realty office and the annual per square foot rent was \$6, which was well below the market. He commented that even if they did lease the vacant half of the building at a market rent of \$1.25, which was the going rate for garden offices, their total income would be \$40,243.32. He testified their budgeted operating expenses were \$19,454.09, which was in line with what the Assessor's Office presented earlier for operating expenses, leaving their net operating income (NOI) at \$20,780 and using a 9 percent cap rate, the value would be \$230,891. He said they understood the rent at 50 cents per square foot was low and somewhat of a self-inflicted "gun shot." He said the appellant was asking for a total property value of \$492,676.

Chairman Covert commented that he sympathized with the appellant, but it appeared the rent issue would be relevant for next year rather than this year. He said it appeared they were asking the Board to retroactively adjust the property based on future rent. Mr. Hughes said he made some assumptions in the income statement for what the rent would be for 2011-12. He said they would love to have kept their former tenant, but they were moving out soon and they were stuck with a vacant space and ridiculously low rent for the other one. He said the new lease would continue to be low until 2015. Chairman Covert inquired if the appellant provided the Assessor's Office with an actual income and expense statement. Mr. Hughes replied he provided a budget. He explained how the property was managed and by whom, and noted the appellant was reticent to provide income and expense information. He said for the last four years, their expenses ranged from \$20,196 to \$24,486 per year.

Appraiser Bozman stated the income valuation method used resulted in a \$1.50 per square foot for office/condos and when that was applied to the property, resulted in potential gross income of \$75,348. The vacancy rate selected was 10 percent and when it was applied to the potential gross income, rendered an affected gross income of \$67,813. Chairman Covert inquired if the subject was either 100 percent vacant or 100 percent rented. Appraiser Bozman replied there were three choices; 100 percent vacant, 50 percent vacant, or fully occupied because it was basically two suites. He said the operating expense used was \$4.50 per square foot and when it was applied to the NOI resulted in an NOI of \$48,976. A cap rate of 9 percent was selected for the subject and resulted in an income approach to value of \$544,180 or \$130 per square foot. He reviewed the features, comparable sales, and range of values associated with the subject property and shown in the HEP stating the improved sales ranged from \$151 per square foot to \$195 per square foot.

Appraiser Bozman said the Assessor's Office recommended value was \$586,040. He explained that value was determined after applying obsolescence in the amount of \$36,715.

In rebuttal, Mr. Hughes stated comparables were difficult to find. He reported two offices on Wedge Parkway that sold for \$97 and \$127 per square foot in November. The comparables were difficult because so many were distressed and not

arms-length transactions. The appellant informed Mr. Hughes he signed a lease for 50 cents per square foot on the subject, another building just signed for 78 cents per square foot and a tenant just renewed for \$1.20 per square foot. His client would be happy to get \$1.50 per square foot. After looking at the market reports from Colliers and CBRE, he said those rates were only for properties with 10,000 square feet and above and they generally did not track small offices. He testified the Colliers report showed the market rate for the south Reno submarket at \$1.25 per square foot. He felt \$1.50 was inflated.

Member Brown stated he thought the timing was off on this appeal. Chairman Covert agreed.

Member Brown made a motion to uphold the Assessor's appraisal of value. He was informed the Assessor's Office had a recommendation to reduce. Member Brown withdrew his motion.

With regard to Parcel No. 160-900-13, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$36,715 in the form of obsolescence to \$435,344, resulting in a total taxable value of \$586,040 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0356E PARCEL NO. 160-900-24 – VACAVILLE INVESTORS LLC –
HEARING NO. 11-0220

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 10627 Professional Circle, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Rent roll, 1 page.

Exhibit B: Rent roll and budget, 3 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 14 pages.

On behalf of the Petitioner and having been previously sworn, Mathias Hughes offered testimony.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Appraiser III, oriented the Board as to the location of the subject property.

Mr. Hughes said the Petitioner did not agree with Assessor's Office recommendation. He reported the subject was a single-tenant type of building and would be vacant in 19 days. He noted it would cost about \$10,000 to \$15,000 to re-design it into two spaces. He said most of the material facts were the same for the subject as noted on the previous hearing and did not foresee getting \$1.25 per square foot. If they could find someone who would pay \$1.25 per square foot at 100 percent occupied, he said that would result in \$63,000 of income. He said their budgeted operating expenses were \$17,687 for a net operating income (NOI) of \$47,000 and when the 9 percent cap rate was applied, it would end up being \$512,305. They felt that would be a fair assessment of the subject.

Appraiser Bozman read from page 3 of the Assessor's Hearing Evidence Packet (HEP) regarding the income approach used for the subject. He said the income approach to value resulted in a value of \$530,920 (\$130 per square foot). He reviewed the features, comparable sales, and range of values associated with the subject property and shown in the HEP. He said the reconciled value came to \$567,676, which would require \$48,226 to be applied in the form of obsolescence.

In rebuttal, Mr. Hughes said when the appellant filed the petition, he asked for all of the methodology and evidence in advance of the hearing. He said if his client had been given the evidence packet in advance he thought his client would have been better prepared in terms of providing income and expense data. Chairman Covert stated this was not the right time to do that, November or December was the best time to give that information to the Assessor's Office. Mr. Hughes reiterated \$1.50 per square foot was too much and they could not find a tenant willing to pay that. He thought the best they could get for rent on the subject would be \$1 per square foot.

Member Woodland noted they were nice office buildings and she was surprised they were having a hard time finding tenants. She concurred she felt the appellant's argument was more pertinent to the next tax year.

With regard to Parcel No. 160-900-24, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$48,226 in the form of obsolescence to \$420,652, resulting in a total taxable value of \$567,676 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0357E PARCEL NO. 160-900-43 – VACAVILLE INVESTORS –
HEARING NO. 11-0221

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 10725 Double R Blvd., Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Rent roll, 1 page.

Exhibit B: Rent roll and budget, 3 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 14 pages.

On behalf of the Petitioner and having been previously sworn, Mathias Hughes offered testimony.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Appraiser III, oriented the Board as to the location of the subject property.

Mr. Hughes stated this building was currently being leased, which grossed \$66,247.25 (\$1.25 to \$1.30 per square foot) annually. He reported their budgeted operating expenses were \$20,000, leaving a net operating income (NOI) of \$45,943. After apply a 9 percent cap rate, they felt the value should be \$574,287.63. He said that was a fair rate for the building based on the rent they were receiving. Chairman Covert inquired if the Assessor's Office was given the rent roll and Mr. Hughes replied they were given the rent roll well in advance of the hearing.

Appraiser Bozman read from page 3 of the Assessor's Hearing Evidence Packet (HEP) stating the income approach to value resulted in a value of \$544,180 (\$130 per square foot). He reviewed the features, comparable sales, and range of values associated with the subject property and shown in the HEP concluding that a value of \$644,644 (\$154 per square foot) was justified and it was the Assessor's Office recommendation to uphold the current taxable value. He acknowledged he received data regarding income for the property, but noted it was incomplete with no breakdown of expenses.

Member Woodland inquired why the income approach was not used for the subject. Appraiser Bozman clarified both approaches were reviewed. He explained the value was reached after reconciliation of the two approaches.

In rebuttal, Mr. Hughes stated the subject was extremely similar to the prior two hearings. He was somewhat confused why the subject was materially different. It was currently being leased, but it was not near the market rent the Assessor's Office was using. He felt upholding the value overstated it when compared with the previous two hearings.

Chairman Covert stated the argument from the Petitioner was a little more persuasive than the previous hearings and he was inclined to lean towards the Petitioner's estimate of value. Member Woodland stated she agreed.

With regard to Parcel No. 160-900-43, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$55,830 in the form of obsolescence to \$423,592, resulting in a total taxable value of \$574,287 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0358E PARCEL NO. 160-900-19 – VACAVILLE INVESTORS LLC –
HEARING NO. 11-0222

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 10663 Professional Circle, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Rent roll and comparable sales, 2 pages.

Exhibit B: Rent roll and budget, 3 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 14 pages.

On behalf of the Petitioner and having been previously sworn, Mathias Hughes offered testimony.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Appraiser III, oriented the Board as to the location of the subject property.

Mr. Hughes said this property was slightly different than the previous hearings, it was half the size. He commented his client did not accept the Assessor's Office recommendation. He argued that if you took the Assessor's Office value and divided by the square footage, it ended up being \$154.57 per square foot. The three previous buildings presented were valued from \$144 to \$148 per square foot. He testified the rent being received was very low, \$20,000 per year. He thought that equated to 83 cents per square foot a month. He noted their annual operating expenses were approximately \$11,000 and thought the value should be \$292,693. He clarified their annualized rent was \$19,988 or \$9 cents per square foot.

Appraiser Bozman read from page 2 of the Assessor's Hearing Evidence Packet (HEP) noting the income to value resulted in a value of \$264,550 (\$130 per square foot). Chairman Covert inquired if the Assessor's Office received income and expense data from the appellant. Appraiser Bozman replied they had; however, it was not complete. He reviewed the features, comparable sales, and range of values associated with the subject property and shown in the HEP stating, based on the most comparable sale, a total taxable value of \$313,390 was determined. He explained the smaller footprint tended to have a larger per square foot value.

In rebuttal, Mr. Hughes stated his client would love to receive \$1.50 per square foot, but the current tenant was locked in at a very low rent for five years. The current lease was not short term to allow them to rent it at a higher amount.

Chairman Covert informed the representative that if the Assessor's Office had full income and expense statements, they could do a better job of assessment. Member Woodland commented that it would also be beneficial to provide the Board with the same evidence that was provided to the Assessor's Office.

Member Green acknowledged the rental market was tough, but he believed the sales comparisons supported the Assessor's Office valuation.

With regard to Parcel No. 160-900-19, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Horan, seconded by Member Woodland, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$11,825 in the form of obsolescence to \$240,130, resulting in a total taxable value of \$313,390 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0359E PARCEL NO. 163-190-12 – WC-DD LLC –
HEARING NO. 11-0080

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 9450 Double R Blvd., Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Note and supporting documentation, 2 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 16 pages.

On behalf of the Petitioner, Herrmann Glockler was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Appraiser III, oriented the Board as to the location of the subject property.

Mr. Glockler said he agreed with the previous appellant's testimony that \$1.50 per square foot was not a reasonable rate in the South Meadows area because it was one of the most overbuilt areas. He stated he was struggling with getting \$1 per square foot. Just recently he extended a two-year lease at \$1 per square foot, but he also had to give them one month's free rent, which brought the rent down to approximately 90 cents per square foot. He testified a little less than 2/3 of the building was still vacant and had been for almost four years. He explained the tenant abandoned the building, but continued to pay the lease until the end of 2010. He stated the previous tenant listed the property but there were no takers. Mr. Glockler reported he listed the subject with his own agent for \$1 per square foot, but still had no takers. He said four months ago he reduced the listing to 75 cents per square foot; however, he has not been able to rent it. He said the current assessment showed the land value reduced to \$269,856, but the building value increased from \$563,097 to \$584,444, which he did not understand. His request was to bring the building value down to what it was before.

Appraiser Bozman stated the income approach to value resulted in a value of \$974,480 (\$130 per square foot). He then adjusted \$15 per square foot for the potential of dividing the remaining office space in two, and a value of \$904,190 (\$121 per square foot) was determined. He reviewed the features, comparable sales, and range of values associated with the subject property and shown in the Assessor's Hearing Evidence Packet (HEP), noting the subject was currently listed for \$1.4 million. He read from page 1 of the HEP stating the subject was currently valued lower than both approaches; therefore, the taxable value did not exceed market value and the Assessor's Office recommended the value be upheld with the current obsolescence maintained. He said any property owner that received obsolescence was sent a letter to produce income data for the Assessor's Office. He said when that data was received, they would analyze it; however, when no data was received they would maintain the current value.

Member Horan stated the Petitioner's estimate of value, as written on the petition, was \$832,856, which was almost even with the Assessor's Office value. Mr. Glockler said that was correct. He said the subject was for sale but no one had looked it. He was working with his listing agent and reduced the price to \$895,000, which was just a starting point and not what he actually expected to receive for the property. He reported he looked at some other buildings in the area and saw several buildings that were far more appealing. He thought those sold for \$100 per square foot as a shell building, but if a tenant came in the owner would have to build it out to the tenant's specifications for free. He said if he applied \$110 per square foot to his building, it would then be valued at approximately \$840,000 total. He thought the assessment placed by the Appraiser was not market feasible.

Chairman Covert inquired if the subject was a one-tenant building. Mr. Glockler stated it was a one-tenant building, but it had been built out by a larger company. He was told this building would be rented for a long time. He put an option on a building located next door, which had no tenant in the building. He testified he subdivided the building and 1/3 of the building was occupied.

Member Horan asked about the obsolescence letters sent out to property owners. Appraiser Bozman stated he (Petitioner) may have responded to the letter, and even if the property owner responded, every property that was receiving obsolescence had to be reviewed yearly. If there was nothing to indicate lowering the valuation and there was no response, the value would be maintained. If it was not conclusive, the value would be maintained. If the income and expenses analysis was returned subsequent to the letter and indicated the valuation should be lowered by additional obsolescence that would be done. Appraiser Bozman said *Marshall Swift* had an increase in costing for asphalt, which was broken out by occupancy and all the owners in that area would share in those costs. He said he believed the increase was related to the costing increase for the common area and asphalt, and the Assessor's Office determined to maintain the obsolescence value based on what they knew.

In rebuttal, Mr. Glockler stated he did not remember receiving a letter challenging or addressing the obsolescence value, but he did receive a letter asking for income information on the property, which he completed.

Member Woodland stated she thought this was an issue for next year because the tenant continued to pay the lease even though they vacated the building. She felt the Assessor's Office value should be upheld. Member Brown stated he concurred noting the income approach supported the taxable value.

With regard to Parcel No. 163-190-12, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Woodland, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. It was found that the Petitioner failed to meet his/her burden to show that the full cash value of the property is less than the taxable value computed for the property.

10:38 a.m. The Board took a brief recess.

10:51 a.m. The Board reconvened with all members present.

11-0360E **PARCEL NO. 019-322-22 – JONAS TRUST, RONALD J & CHRISTINE – HEARING NO. 11-0076**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 290 Brinkby Ave., Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Cash Flow data, 4 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 15 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Joseph Johnson, Appraiser III, oriented the Board as to the location of the subject property. He read from page 1 of the Assessor's Hearing Evidence Packet stating the income approach to value indicated a value of \$55 per square foot. Therefore, the Assessor's Office was recommending the application of \$105,926 in obsolescence to the improvement value. He noted the appellant was in agreement.

With regard to Parcel No. 019-322-22, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$105,926 in the form of obsolescence to \$390,249, resulting in a total taxable value of \$543,577 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0361E PARCEL NO. 026-591-10 – WILLIAMSON MARCUS TRUST – HEARING NO. 11-0172

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 2155 Green Vista Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and listing, 2 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 11 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Appraiser III, oriented the Board as to the location of the subject property. He stated it was the Assessor's Office recommendation to reduce the improvement value, based on obsolescence.

With regard to Parcel No. 026-591-10, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$66,688 in the form of obsolescence to \$142,880, resulting in a total taxable value of \$200,000 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0362E PARCEL NO. 026-591-11 – WILLIAMSON MARCUS TRUST –
HEARING NO. 11-0173

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 2155 Green Vista Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and listing, 2 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 11 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Appraiser III, oriented the Board as to the location of the subject property. He said this property was similar to the previous hearing and it was the Assessor's Office recommendation to reduce the improvement value in the amount of \$63,083, based on obsolescence.

With regard to Parcel No. 026-591-11, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$63,083 in the form of obsolescence to \$143,600, resulting in a total taxable value of \$200,000 for tax year 2011-12. With that adjustment, it was found that the land and

improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0363E PARCEL NO. 163-101-02 – DOUBLE R GALLERIA LLC –
HEARING NO. 11-0198

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 9333 Double R Blvd., Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 12 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Howard Stockton, Appraiser III, oriented the Board as to the location of the subject property. He read from page 1 of the Assessor's Hearing Evidence Packet stating, based on their analysis, it was the Assessor's Office recommendation to reduce the taxable value to \$74 per square foot.

With regard to Parcel No. 163-101-02, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$1,372,873 in additional obsolescence to \$1,616,744, resulting in a total taxable value of \$2,750,000 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0364E PARCEL NO. 041-490-11 – GALLOWAY LIVING TRUST –
HEARING NO. 11-0234

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 4773 Caughlin Pkwy, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Comparables and market values, 5 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 14 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Joseph Johnson, Appraiser III, oriented the Board as to the location of the subject property. He read from page 1 of the Assessor's Hearing Evidence Packet stating, based on their analysis, it was the Assessor's Office recommendation to apply \$117,471 in obsolescence to the building value. He noted the appellant was in agreement.

With regard to Parcel No. 041-490-11, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$117,471 in the form of obsolescence to \$387,471, resulting in a total taxable value of \$574,501 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0365E PARCEL NO. 160-070-16 – RENO TECH 4 LLC ET AL – HEARING NO. 11-0244

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 10315 Professional Circle, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 35 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 13 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Howard Stockton, Appraiser III, oriented the Board as to the location of the subject property. He

stated it was the Assessor's Office recommendation to apply an additional \$1,237,725 in obsolescence to the improvement value and the appellant was in agreement.

With regard to Parcel No. 160-070-16, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$1,237,725 in the form of obsolescence to \$4,881,900, resulting in a total taxable value of \$6,646,080 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0366E PARCEL NO. 025-552-10 – WEE BEE PARTNERS LLC –
HEARING NO. 11-0257

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 5605 Riggins Court Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Commercial Rental Data, page 1.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 16 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Michael Gonzales, Appraiser III, oriented the Board as to the location of the subject property. He read from page 1 of the Assessor's Hearing Evidence Packet stating it was the Assessor's Office recommendation to apply an additional \$233,331 in obsolescence to the improvement value and the appellant was in agreement.

With regard to Parcel No. 025-552-10, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by an additional \$233,331 in the form of obsolescence to \$973,068, resulting in a total taxable value of \$1,244,880 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0367E **PARCEL NO. 163-072-11 – LIBERTY MEADOWS LLC –**
HEARING NO. 11-0260

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 9604 Prototype Court Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Commercial rental data, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 15 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Howard Stockton, Appraiser III, oriented the Board as to the location of the subject property. He read from page 1 of the Assessor's Hearing Evidence Packet stating, based on their analysis, it was recommended the total taxable value be reduced to \$140 per square foot and the appellant was in agreement.

Member Horan commented the Petitioner did not even place an opinion of value on the petition.

With regard to Parcel No. 163-072-11, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$129,023 in the form of obsolescence to \$309,014, resulting in a total taxable value of \$516,880 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0368E **PARCEL NO. 163-090-22 – ANDREA H. OLSON –**
HEARING NO. 11-0261

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 8630 Technology Way, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Commercial Rental Data, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 14 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Howard Stockton, Appraiser III, oriented the Board as to the location of the subject property. He read from page 1 of the Assessor's Hearing Evidence Packet stating, based on their analysis, it was the Assessor's Office recommendation to apply \$123,753 in total obsolescence to the improvement value and the appellant was in agreement.

With regard to Parcel No. 163-090-22, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$53,753 in the form of obsolescence to \$640,192, resulting in a total taxable value of \$840,880 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0369E PARCEL NO. 163-180-07 – LIBERTY MEADOWS A LLC – HEARING NO. 11-0262

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 9476 Double R Blvd., Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Commercial Rental Data, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 15 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Appraiser III, oriented the Board as to the location of the subject property. He read from page 1 of the Assessor's Hearing Evidence Packet.

Chairman Covert said the Petitioner presented evidence regarding commercial rental data and he wondered if the Appraiser had reviewed the evidence. Appraiser Bozman responded he did and directed the Board to look at the income approach to value and his comments. He noted when he analyzed their income it demonstrated a net operating income of \$39,029. He then applied the cap rate, which resulted in a value \$433,655. The current value placed on the subject was \$408,326. Based on the income approach to value, it was the Assessor's Office recommendation to uphold the current value.

With regard to Parcel No. 163-180-07, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. It was found that the Petitioner failed to meet his/her burden to show that the full cash value of the property is less than the taxable value computed for the property.

11-0370E PARCEL NO. 140-172-01 – PARKWAY PARTNERSHIP LLC –
HEARING NO. 11-0274

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at Damonte Ranch Pkwy, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 15 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Appraiser III, oriented the Board as to the location of the subject property.

Member Horan commented the Assessor's Office had the address as 0 Damonte Ranch Parkway, but the Petitioner listed a physical address of 500 Damonte Ranch Parkway. Appraiser Bozman remarked their system did not always have the actual

number of the address when property was located in a park, but he would verify the address and get it corrected.

Appraiser Bozman read from page 1 of the Assessor's Hearing Evidence Packet stating it was the Assessor's Office recommendation to uphold the value based on both the income approach and sales comparison approach.

With regard to Parcel No. 140-172-01, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Woodland, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. It was found that the Petitioner failed to meet his/her burden to show that the full cash value of the property is less than the taxable value computed for the property.

11-0371E PARCEL NO. 163-061-09 – TARAZI LIVING TRUST, MUNAH F & ROLA M – HEARING NO. 11-0324

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 9650 Gateway Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Commercial rental data, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 13 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Howard Stockton, Appraiser III, oriented the Board as to the location of the subject property.

Member Green commented that Sherry Nedden was listed as a contact for a lot of the properties heard today and he wondered what her connection was to the properties. Appraiser Stockton replied she was a property manager.

Appraiser Stockton read from page 1 of the Assessor's Hearing Evidence Packet stating, based on the provided analysis, it was the Assessor's Office recommendation to apply a total of \$1,419,341 in obsolescence to the improvement value.

With regard to Parcel No. 163-061-09, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by an additional \$669,341 in the form of obsolescence to \$1,511,100, resulting in a total taxable value of \$1,909,800 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

**11-0372E PARCEL NO. 163-072-12 – LIBERTY MEADOWS LLC –
HEARING NO. 11-0325**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 9600 Prototype Court Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Commercial rental data, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 16 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Howard Stockton, Appraiser III, oriented the Board as to the location of the subject property. He stated it was the Assessor's Office recommendation to uphold the current value.

With regard to Parcel No. 163-072-12, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Horan, seconded by Member Woodland, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. It was found that the Petitioner failed to meet his/her burden to show that the full cash value of the property is less than the taxable value computed for the property.

**11-0373E PARCEL NO. 163-231-21 – RENO LAND & CATTLE LLC –
HEARING NO. 11-0326**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 8725 Technology Way, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Commercial rental data, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 15 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Appraiser III, oriented the Board as to the location of the subject property. He read from page 1 of the Assessor's Hearing Evidence Packet stating after consideration of both the income approach and sales comparison approach, it was concluded that a value of \$130 per square foot would be appropriate.

With regard to Parcel No. 163-231-21, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$58,057 in the form of obsolescence to \$335,016, resulting in a total taxable value of \$463,320 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0374E PARCEL NO. 163-231-22 – RENO LAND & CATTLE LLC – HEARING NO. 11-0327

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 8725 Technology Way, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Commercial rental data, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 15 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Appraiser III, oriented the Board as to the location of the subject property. He read from page 1 of the Assessor's Hearing Evidence Packet stating the market approach was analyzed and it was determined that a value of \$130 per square foot would equalize the subject with similarly situated properties.

With regard to Parcel No. 163-231-22, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$58,027 in the form of obsolescence to \$186,120, resulting in a total taxable value of \$257,400 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0375E PARCEL NO. 014-280-11 – GREATHOUSE, KAREN S –
HEARING NO. 11-0526

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 423 W Plumb Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: GIS photos, 2 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 12 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Linda Lambert, Appraiser III, oriented the Board as to the location of the subject property. She read from page 1 of the Assessor's Hearing Evidence Packet. She noted the appellant was not in agreement with the Assessor's Office recommendation. She said the income approach to value indicated a value of \$83 per square foot. She reported a portion of the subject fell within the FEMA flood zone. She said it was the Assessor's Office recommendation to apply \$60,784 in obsolescence to the improvement value, resulting in a total taxable value of \$415,000. She asserted the value reflected a 10 percent reduction in the land value for being in the flood zone.

Chairman Covert inquired if the flood adjustment was new and Appraiser Lambert responded that was correct. She explained the FEMA flood zone ran right up to

the garage located on the subject. She explained the maps were not 100 percent accurate and she did not feel, in the past, that enough of the property had been in the flood zone, but she relented and was giving them the benefit of the doubt. Member Horan inquired if there was a regulation pertaining to property in or out of a flood zone. Appraiser Lambert stated it was either in or out. She displayed a map to show some properties that were definitely in the flood zone.

Josh Wilson, Assessor, stated when issues of this nature were brought to the Assessor's Office attention, it was typical to do a reduction to the land value because the property owners would be required to carry flood insurance. Chairman Covert inquired if the Assessor's Office confirmed with FEMA that the property was in the flood zone. Assessor Wilson stated they were able to ascertain that information through the FEMA overlay. Appraiser Lambert stated a FEMA map was provided with the appellant's information.

With regard to Parcel No. 014-280-11, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be reduced by 10 percent, due to FEMA flood zone, to \$99,918 and the taxable improvement value be reduced by \$60,784 in the form of obsolescence to \$315,082, resulting in a total taxable value of \$415,000 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0376E PARCEL NO. 014-193-26 – TOT TRUST –
HEARING NO. 11-0584

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1515 Plumas Street, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 14 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Linda Lambert, Appraiser III, oriented the Board as to the location of the subject property. She read from page 1 of the Assessor's Hearing Evidence Packet stating it was the Assessor's

Office recommendation to apply \$41,889 in obsolescence to the improvement value and the appellant was in agreement.

Member Green inquired if the subject was still being utilized as a recording studio. Appraiser Lambert stated the appellant reported it was not being used as a recording studio. Member Brown inquired what the taxable value would be if the subject was assessed as residential. Appraiser Lambert responded she did not have that information with her.

With regard to Parcel No. 014-193-26, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$41,889 in additional obsolescence to \$234,783, resulting in a total taxable value of \$364,000 for tax year 2011-12. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

**11-0377E PARCEL NO. 040-972-27 – MOUNTAINVIEW CORP CENTRE
LLC – HEARING NO. 11-0652**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 5595 Kietzke Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Income statement, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 15 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Michael Gonzales, Appraiser III, oriented the Board as to the location of the subject property. He reported the appellant did not provide a current rent roll; however, he reviewed their expenses and income. He referred to page 3 of the Assessor's Hearing Evidence Packet (HEP) showing the application of market data. He reviewed the features, comparable sales, and range of values associated with the subject property and shown in the HEP. He noted a market rent of \$1.65 per square foot was used to calculate potential gross income of \$212,890. A market vacancy of 16 percent was applied to the potential gross income.

He reported an estimated vacancy and collection loss of \$34,062 was deducted from the potential gross income, which resulted in \$178,827 for the effective gross income.

Appraiser Gonzales read from page 2 of the HEP, stating the comparable sales analysis indicated a value range of \$124.76 per square foot to \$184.15 per square foot. He said vacant land sales ranged from \$8.40 per square foot to \$16 per square foot, which supported the taxable value of \$8 per square foot for the land value.

Member Green stated the Petitioner's expenses showed they used an 8 percent cap rate and he found their expenses were not out of line. Appraiser Gonzales stated the Petitioner showed a leasing commission of \$14,000, which the Assessor's Office did not consider when reconstructing the value. He said they also showed \$8,600 in expenses for insurance, which appeared to be in excess. He said it was difficult to decipher their true expenses if this was a modified gross lease. Chairman Covert inquired what the building was being used for. Appraiser Gonzales replied it was being used as office space.

With regard to Parcel No. 040-972-27, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Woodland, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. It was found that the Petitioner failed to meet his/her burden to show that the full cash value of the property is less than the taxable value computed for the property.

**11-0378E PARCEL NO. 040-972-38 – MOUNTAINVIEW CORP CENTRE
LLC – HEARING NO. 11-0653**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at Kietzke Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Listing information, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 10 pages.

On behalf of the Petitioner, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Michael Gonzales, Appraiser III, oriented the Board as to the location of the subject property. He stated the subject was vacant land with minor improvements (car ports and flat asphalt).

Chairman Covert stated the Petitioner's evidence showed \$261,000 per acre for the comparable. Appraiser Gonzales remarked the listing on Cottonwood (Exhibit A) was located way south of the subject, was much larger at 28 acres, and was not comparable to the subject.

With regard to Parcel No. 040-972-38, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2011-12. It was found that the Petitioner failed to meet his/her burden to show that the full cash value of the property is less than the taxable value computed for the property.

BOARD MEMBER COMMENTS

There were no Board member comments.

PUBLIC COMMENT

There were no public comments.

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11:49 a.m. There being no further hearings or business to come before the Board, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, the meeting was adjourned.

JAMES COVERT, Chairperson
Washoe County Board of Equalization

ATTEST:

AMY HARVEY, County Clerk
and Clerk of the Washoe County
Board of Equalization

*Minutes prepared by
Jaime Deller, Deputy Clerk*