

BOARD OF EQUALIZATION, WASHOE COUNTY, NEVADA

FRIDAY

9:00 A.M.

FEBRUARY 25, 2011

PRESENT:

James Covert, Chairperson
John Krolick, Vice Chairperson*
Benjamin Green, Member
Linda Woodland, Member
James Brown, Member

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

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:

11-0723E WITHDRAWN PETITIONS

The following petitions scheduled on today's agenda had been withdrawn by the Petitioners prior to the hearing:

Assessor's Parcel No.	Petitioner	Hearing No.
013-453-54	SHOPPERS SQUARE INVESTMENT HOLDINGS LLC	11-0263A
013-453-55	SHOPPERS SQUARE INVESTMENT HOLDINGS LLC	11-0263B
400-140-06	GREAT BASIN FED CREDIT UNION	11-0363
020-221-22	LEBOVITZ RENO TWO LLC	11-0547B
086-801-11	SMITHS FOOD & DRUG CENTERS INC	11-0566
042-030-03	EASTSIDE INVESTMENT CO	11-0593
042-221-06	CLUB LAKERIDGE LIMITED PTSP	11-0594

11-0724E REQUESTS FOR CONTINUANCE

There were no requests for continuance.

11-0725E CONSOLIDATION OF HEARINGS

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

11-0726E PARCEL NO. 163-102-11 – DP PARTNERS TRADEMARK I LLC –
HEARING NO. 11-0614

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 885 Trademark Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Appraisal report, 29 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, Steve Laas was previously sworn.

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

Mr. Laas noted even though the property was leased, a significant amount of the space was available for sublease. He stated the Assessor's current valuation was \$9,990,224, but a \$5.5 million value was set last year by the State Board of Equalization (SBOE) based on the income approach to valuation. He said Exhibit A was an appraisal of the subject, the appellant's income approach was on page 6, and the rental data was on pages 12-29. He reviewed the 2011 proforma income and expense data, which indicated a \$5,333,228 value. He also reviewed the Building Owners and Management Association (BOMA) data on page 6 of Exhibit A.

Appraiser Stockton reviewed the sales comparison approach on page 2 of Exhibit I. He noted regarding the income approach, the appellant did not provide a rent roll or an operating statement, but testified last year the building was 100 percent occupied by a single tenant on a triple-net basis with the lease expiring on February 15, 2018. He reviewed the income and expense data on page 3 of Exhibit I. He said the most weight was given to the income approach because the subject was a well performing income producing property, and the recommendation was to uphold the Assessor's value.

Appraiser Stockton said he had questions regarding where the appellant's calculations in the appraisal came from. He stated the appellant listed the base rent as \$1,228,800, which he believed was accurate based on last year's figures. He noted the appraisal assumed \$16 per square foot for the base rent. He said the 2011 proforma operating expenses were \$477,179 but, according to last year's testimony, the tenant was paying the operating expenses for the building because it was a net lease. He stated he did not understand how all of the operating expenses could be put on the bottom line, but the offset was not shown on the top line. He said the appellant used the same

capitalization rate as the Assessor's Office, but the appellant loaded the cap by 1.277 percent because the property taxes were not included in the operating expenses. He stated if the appellant's net operating income (NOI) was used and capped at 9 percent, it would result in a value of \$6,090,011. Adding in the 1.277 percent would result in a value of \$5,333,228 or a difference of \$756,783. He stated even if the owner was paying the taxes, this year's tax bill was approximately \$70,000. He said the loading of the cap rate overestimated the taxes by 10 times.

Chairperson Covert asked what happened at the SBOE last year. Appraiser Stockton said the SBOE lowered the value based on the appraisal to \$5.5 million. He stated the subject building was so undervalued at \$5.5 million he felt it needed to be valued correctly for equalization purposes, which was done by removing a lot of the applied obsolescence. He said last year this Board applied \$862,000 in obsolescence based on the Assessor's recommendation, but the SBOE applied over \$6 million in obsolescence. Chairperson Covert asked why the SBOE did that. Appraiser Stockton believed they used Mr. Laas' calculation, which he felt was not much different than this year's calculation. Chairperson Covert said he did not understand why the SBOE did not realize someone else was paying all of the expenses. Appraiser Stockton said the Assessor's Office made the assumption that the owner was paying the expenses as they did on most office properties, and the fact that the owner was not paying the expenses did not come to light until last year's hearing; and he believed the SBOE did not pick up on the new information.

In rebuttal, Mr. Laas felt the Assessor's Office was mixing apples and oranges. He said the appellant was estimating a fee-simple market value for the subject based on current market rents. He reiterated the subject had space for lease at an average of \$15.90 per square foot per month. He stated someone would buy a property based on the current leases being set in today's market. He said the lease on the subject was an old above market lease. Chairperson Covert asked if the tenant was still paying the contracted rent. Mr. Laas replied the tenant was paying the lease amount, but was not occupying the full space. He stated the Assessor's \$1.30 per square foot rent on the subject was nowhere near the market. He advised what the SBOE did last year was base the value on the market rent, which was shown in the appraisal.

Mr. Laas said he did the recalculation on the taxes, which was \$70,255, for an NOI of \$477,846 divided by a 9 percent capitalization rate without the tax load, arrived at a value of \$5,309,400. He stated that value was lower than the value the appellant was requesting. He said loading the capitalization rate was a circular calculation that pinpointed what the value should be.

***9:23 a.m.** Member Krolick arrived.

Mr. Laas said the Game Tech single-tenant building was on the market for \$65 a square foot, which provided a good indication of today's value. He stated there was an offer for \$50 per square foot, and the broker indicated it would probably sell

somewhere in the \$50's per square foot. He stated the subject was a sale-leaseback, so the lease had nothing to do with its value.

Chairperson Covert asked about the subject's vacancy rate. Mr. Laas replied it was approximately 24 percent.

Member Green asked how much of the \$477,179 in expenses were paid by the tenant. Mr. Laas said the market rent was estimated as a full-service basis and, on a full-service basis, the landlord paid 100 percent of the expenses. Member Green said he understood, but the tenant was paying the expenses. Mr. Laas said he estimated the value on a fee-simple market value based on current market rents.

Member Green said he did not know what the SBOE did last year by looking at the numbers. He acknowledged the market was down, but the subject was a good performing building. He stated he would be more comfortable if the Board had the actual numbers. Chairperson Covert said it looked like some of the numbers were close. He understood the SBOE reduced the value because the Assessor did not have all the information needed to make a case. He stated he did not agree with appellant that the building should be valued at current market when it would have a tenant for the next five years who would be paying a much higher rate than market.

Member Krolick stated he would be abstaining because of arriving after the hearing started.

With regard to Parcel No. 163-102-11, 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 Woodland, which motion duly carried with Member Krolick abstaining, 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.

11-0727E PARCEL NO. 163-031-03 – IGT – HEARING NO. 11-0615

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1000 Sandhill Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Appraisal report, 32 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, Steve Laas was previously sworn.

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

Mr. Laas said the appellant looked at both the income and sales comparison approaches. He stated the building was owner-occupied, which meant there was no available leasing data and the current sub-market leases shown on pages 12-32 of Exhibit A would need to be looked at. He said the lease information summary on page 12 of Exhibit A, included warehouse and manufacturing leases. He advised the subject had 71 percent office space and the remainder was warehouse and manufacturing space. He said that mix of space indicated a market full-service rent of \$13 per square foot. He reviewed the income valuation on page 6 of Exhibit A, which indicated a value of \$2.9 million. He stated the 2010 value set by the State Board of Equalization (SBOE) was \$3,211,642.

Mr. Laas said regarding the sales comparison approach, there was an almost perfect comparable with the Game Tech building listing. He stated it was listed at \$65 per square foot, but there was an offer at \$50 per square foot, and it was expected to sell somewhere in the \$50's per square foot. He said his value indication was \$56 per square foot.

Chairperson Covert said his problem was if the appellant used market rates, according to the Assessor on a triple-net basis, and was loading up the expenses, that would be double dipping. Mr. Laas stated the Assessor was wrong, because the data confirmed these were full-service leases.

Appraiser Stockton reviewed the comparable sales on page 2 of Exhibit I. He said more weight was given to comparables IS-1 and IS-2 due to the subject being an owner/user. He also reviewed the income approach on page 3 of Exhibit I. He stated the appellant did not provide any operating expense statements. He said based on the Assessor's analyses and putting more weight on the sales comparison approach, the recommendation was to uphold the Assessor's value.

Appraiser Stockton stated he charted the range of expenses for office buildings, which was shown on page 6 of Exhibit I, and indicated the minimum/maximum expense range for a fully finished office building in the 50,000 to 99,999 square foot range. He said the portion of the building that was not office space would have lower expenses. He stated the appellant used \$5.79 per square foot for the total operating expenses, which was significantly higher than the median. He said it appeared the expenses were loaded to bring down the net operating income (NOI).

Member Krolick asked about the price per square foot for warehouse space. Appraiser Stockton replied he did not partition it out, but went to the low end of the range. Member Krolick noted comparable IS-1 had a quality class 1, and he asked

where that would be priced in today's market. Appraiser Stockton said the purchasers of IS-1 were investors, and it was 100 percent occupied. He believed it would be a lot higher than \$5 million. Member Krolick asked if it would be valued higher than \$100 per square foot. Appraiser Stockton stated he would need to look at the leases, but he believed it would be because it was a distressed sale.

In rebuttal, Mr. Laas stated the Assessor's comparables were office buildings, which the subject was not. He reiterated his comments about the Game Tech comparable, which was where his value was derived from. He stated page 12 of Exhibit A contained the lease data for the South Meadows submarket, which was not triple-net. He said the value should be \$55 per square foot.

Member Green asked if any manufacturing was done in the subject. Mr. Laas replied only testing was done, but the space was finished out as manufacturing space.

Chairperson Covert believed for an owner-occupied building, the expenses would be higher than \$4.50 per square foot. He suggested using expenses of \$5.50 for a total value of \$3.5 million.

With regard to Parcel No. 163-031-03, 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 to \$2,609,632 by applying \$1,077,656 in total obsolescence and by raising the expenses to \$5.50, resulting in a total taxable value of \$3,500,000 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.

11-0728E PARCEL NO. 090-030-12 – SALLY BEAUTY COMPANY INC –
HEARING NO. 11-0625

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 9975 Moya Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Appraisal report, 20 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 20 pages.

On behalf of the Petitioner, Steve Laas was previously sworn.

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

Mr. Laas said the subject was an owner-occupied mega-warehouse. He stated 3 percent of the space was used for offices, while the majority of the space was used for distribution. He said the appellant's requested value was \$5,570,000 based on current market place leases. He reviewed pages 6 through 9, which showed several actual leases for warehouse space, and the income analysis on page 5 of Exhibit A. He noted the lease was on a triple-net basis. He said the building would sell based on what it could lease for in the market place. He said the income analysis indicated a value of \$5,569,167.

Appraiser Sarman stated he looked at the appellant's income approach, but the appellant used a low \$.23 rent. He said the Assessor's Office showed rents from \$.26 to \$.29 per square foot. He stated the appellant also used an abnormal vacancy rate of 26 percent as shown on page 5 of Exhibit A, while the Assessor's Office used 12 percent. He advised the expenses used were similar and the 9 percent capitalization rate was the same. He noted the appellant did not do a sales comparison approach. He reviewed the Assessor's comparable sales, on page 3 of Exhibit I. He noted comparables LS-1 through LS-5 were given more weight because of being recent sales. He said based on the analyses, the recommendation was to uphold the Assessor's value.

Member Brown asked what significance was given to the age of the subject versus the age of the improved comparable sales. Appraiser Sarman said LS-4 and LS-5 were built in 1996 and 1997 respectively and the subject's age was similar.

Member Green asked about the amount of subject's office space. Appraiser Sarman replied office space was typically 1 to 3 percent for a mega-warehouse. He advised the brokers quoted the capitalization rate as 8 to 8.5 percent when he was doing the research on these comparables.

In rebuttal, Mr. Laas said the 20 percent vacancy rate he used seemed excessive but, if it was adjusted to 12 percent, it would indicate a value of \$6,187,691. He stated that value was based on four leases of a similar property type. He believed based on the current market rent, \$5,187,691 was the indication of value for the property.

Chairperson Covert believed the owner-occupied expenses were too low and they should be \$110,000, which would indicate a \$6,475,844 total value. Member Green felt the Assessor's expenses were fine. Member Woodland agreed.

With regard to Parcel No. 090-030-12, 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.

11-0729E PARCEL NO. 090-040-36 – DP PARTNERS STEAD 546 LLC –
HEARING NO. 11-0626

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 12035 Moya Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Summary Appraisal Report, 22 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 19 pages.

On behalf of the Petitioner, Steve Laas was previously sworn.

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

Mr. Laas stated last year the subject was 28 percent occupied with a value of \$11,830,000. He said the subject got a new lease during 2010 at a rent of \$3.20 per square foot triple-net, which fully occupied the space. He advised that tenant lost their contract for the work they were doing and they were looking to buy out the lease. He advised the subject was 100 percent leased as of the evaluation date and the appellant's value was estimated on the two leases in place. He said page 6 of Exhibit A contained the appellant's income analysis. He noted the 2010 actuals would not give a realistic value because the subject was not fully occupied. He said the value was based on what a buyer would pay for a property based on what would happen in 2011. He reviewed the 2011 proforma data, which indicated a stabilized value of \$14,497,922. He stated the Assessor's value assumed the building would be fully occupied for the entire year, but the tenant who lost their contract was on the verge of leaving.

Appraiser Sarman stated the subject property currently had \$575,492 in obsolescence, which was applied by the Board last year. He said the State Board of Equalization (SBOE) lowered the subject's value to \$11.8 million. He said that obsolescence was based on tenant improvements and the cost to reach stabilization, which was no longer the case so that obsolescence was removed. He reviewed the comparable sales on pages 2 and 3 and the income approach on page 4 of Exhibit I. He said the Assessor's recommendation was to uphold based on the analyses.

In rebuttal, Mr. Laas said the appellant only recovered 83 percent of the actual expenses, not the 92 percent estimated in the Assessor's analysis. He stated the Assessor was also using a higher rent than what was being achieved for the subject, and the subject was already getting as much rent as it could.

Member Woodland said she supported the Assessor's value. Chairperson Covert stated he would go with the Assessor's value because he had nothing convincing him otherwise.

With regard to Parcel No. 090-040-36, 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.

11:22 a.m. The Board recessed.

11:35 a.m. The Board reconvened with all members present.

DISCUSSION – HEARING NO'S 11-0501 AND 11-0502

On behalf of the Petitioner, Roger Croteau was previously sworn.

On behalf of the Assessor and having been previously sworn, Ginny Sutherland, Appraiser, oriented the Board as to the location of the subject properties.

Mr. Croteau stated Hearing No's 11-0501 and 11-0502 were both on the same financial statement, had the same evidence and the same analysis.

Mr. Croteau said Parcel No. 200-590-11 (Hearing No. 11-0501) was demonstrating a 57.3 percent vacancy rate. He said it was 9,600 square feet and Parcel No. 200-590-12 (Hearing No. 11-0502) was 5,735 square feet.

Appraiser Sutherland said she had a recommendation for Hearing No. 11-0502. Mr. Croteau believed the property warranted a greater reduction.

Mr. Croteau stated Parcel No. 200-590-11 comprised 62.6 percent of the available space. He said Parcel No. 200-590-12 comprised 37.4 percent of the gross expenses if looked at on a mass-balance basis. He said he took the gross income for both parcels and applied a cap rate of 9 percent for a gross profit of \$101,882 and a value of \$1,132,022. He stated that would make the value for Parcel No. 200-590-11 a total of \$708,645, while the Assessor's Office valued it at \$1,037,045 with no recommended reduction. He said Parcel No. 200-590-12 should have a \$423,377 value, but the Assessor's recommendation was to reduce it to \$688,820. He indicated the problem was the buildings had been vacant for a substantial period of time and there was no demand for these properties. He stated a lease was just done for a \$1.00 per square foot for a year

on a modified-gross basis after which it would go to \$1.25 per square foot. He stated the buildings had three decent tenants and the other three spaces were vacant as shown in the tenant rent roll in Exhibit B. He said all of the appellant's comparables were old, but he tried to find comparables more similar to the subject.

Mr. Croteau said the Assessor's \$1.25 potential gross income was unrealistic, because it would be at best in the \$1.00 range and would substantially reduce the overall analysis. He said regarding the vacancy rate, it would be higher than 20 percent if a market analysis was used. He stated the Assessor's assumption for expenses was 10 percent, but the actual expenses were 49.8 percent. He said the higher the vacancy rate, the higher the expenses would be proportionately. He stated the value for the property would be approximately \$614,000. He said his value was \$614,400 because he used a more realistic income analysis. He stated by comparing the actuals and the expenses and using a 9 percent cap rate, the value would be \$708,645. He said in any event the value was not \$1,037,045 for Parcel No. 200-590-11. He stated for whatever reason this particular area was having trouble renting, and maybe the rental rate needed to drop to \$.50 to \$.60 per square foot to fill the space. He said if that was the case, the numbers would be different anyway.

Member Green asked if the tenants were paying any of the expenses for Parcel No. 200-590-11. Mr. Croteau said the lease was on a modified-gross basis and some expenses were recaptured in the income line. He said the Assessor's income approach used marketplace assumptions, but he supplied the actuals. He believed the subject's value should be closer to \$700,000.

Mr. Croteau said Parcel No. 200-590-12 was partially occupied by a coffee shop. He stated the Assessor's Office used the same comparables with which he had the same issues. He said the value for this property should be \$423,377.

Mr. Croteau stated he did not believe the buildings were being mismanaged or the appellant was holding out for an unrealistic rent. He felt any offer would be entertained because the appellant wanted to get the properties rented, and because it denigrated the center to have most of it empty. He believed anyone looking to buy the properties would value it based on what it would take to get them rented.

Mr. Croteau said for Parcel No. 200-590-12, the Assessor's Office was recommending a reduction to \$688,820, but the appellant felt that was still unreasonably high.

Appraiser Sutherland reviewed the comparable sales for Parcel No. 200-590-11 as shown on page 2 of Exhibit I.

Member Green asked if the comparables were all office buildings. Appraiser Sutherland replied they were office/condominiums. She stated the whole complex was valued as office/condominiums.

Appraiser Sutherland reviewed the income analysis for Parcel No. 200-590-11 as shown on page 3 of Exhibit I. She noted a current rent roll was not provided until today, so the income analysis used current market data. She said based on the analyses, the recommendation was to uphold.

Member Green noted a 20 percent vacancy rate was being used, and he asked if that was adequate for that area. Appraiser Sutherland replied certain sections were higher and others were lower. She advised 20 percent was the high average being found for office/condominiums.

In rebuttal, Mr. Croteau said he appreciated the office/condominium designation, but the rent rolls indicated the building contained a cafe, pizza place, and real estate office. He said office/condominiums might be more stable than what was there due to restaurants and businesses of that nature going out of business daily. He stated the vacancy rate being experienced was what was being experienced. He stated the income approach was somewhat of a fairy tale with its 20 percent vacancy rate and 10 percent expenses, because that was not what was happening to his client who owned a fair amount of property in the County. He said he already testified as to what he felt the value should be.

Member Green stated he would not be happy if a property he owned had some parts of it vacant for almost six years, because it would have to reflect on the value. Chairperson Covert agreed, and said he supported the Assessor's methodology on the income approach. He said for Parcel No. 200-590-11, he changed the rents to \$1.00 per square foot and left everything else the same as what the Assessor had, for a total taxable value of \$864,000. Member Green said he had a problem with using \$1.00 per square foot, because the appellant was advertising the property at \$1.75 per square foot. He stated that sounded like they needed the write-off. Chairperson Covert said in the current market, the chance of obtaining \$1.75 per square foot was not good. He asked if this was the property with the lease going to \$1.25 next year. Mr. Croteau replied it was. Chairperson Covert believed they did not have any expectations of getting \$1.75 per square foot in the foreseeable future. Mr. Croteau said he was not aware of the \$1.75 asking rent. Chairperson Covert said he was comfortable with \$864,000. Mr. Green said he would agree with it.

Member Green asked what Chairperson Covert calculated for Parcel No. 200-590-12. Chairperson Covert said he used \$1.00 per square foot for the rent and came up with a total taxable value of \$547,556.

See 11-0730E and 11-0731E below for details concerning the petition, exhibits and decisions related to each of the properties in the consolidated group.

11-0730E PARCEL NO. 200-590-11 – QUAIL NORTH WEST PHASE I LLC – HEARING NO. 11-0501

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1675 Robb Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Income statement and Parcel QuickInfo, 3 pages.

Exhibit B: Financial Information and supporting documentation, 18 pages.

Assessor

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

For the discussion that took place for this hearing, see DISCUSSION FOR HEARING NO'S 11-0501 AND 11-0502 above.

With regard to Parcel No. 200-590-11, 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 Krolick, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$556,800 by applying \$173,045 in obsolescence and reducing the rents to \$1.00 per month, resulting in a total taxable value of \$864,000 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.

11-0731E PARCEL NO. 200-590-12 – QUAIL NORTH WEST PHASE I LLC – HEARING NO. 11-0502

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1655 Robb Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Parcel QuickInfo, 2 pages.

Exhibit B: Financial Information and supporting documentation, 6 pages.

Assessor

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

For the discussion that took place for this hearing, see DISCUSSION FOR HEARING NO'S 11-0501 AND 11-0502 above.

With regard to Parcel No. 200-590-12, 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 Krolick, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$340,292 by applying \$271,497 in obsolescence and reducing the rents to \$1.00 per month, resulting in a total taxable value of \$547,556 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.

**11-0732E PARCEL NO. 200-600-07 – QUAIL NORTH WEST PHASE II LLC
– HEARING NO. 11-0503**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 6330 Mae Anne Avenue, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Income statement and Parcel QuickInfo, 3 pages.

Exhibit B: Financial Information and supporting documentation, 12 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, Roger Croteau was previously sworn.

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

Mr. Croteau said this building was built in 2007, was still vacant, and did not have any interior finish. He stated these were all things the Assessor's Office adjusted for last year. He suggested the value should be \$50 per square foot, which would take into account its being vacant and having no interior finish.

Appraiser Sutherland stated the same comparable sales were used for the subject and for Hearing No's 11-0501 and 11-0502. She said the subject was receiving a \$361,561 adjustment for the lack of finish, which equated to a 50 percent reduction from its market value. She explained the value was also substantially lower than what was indicated by the income information provided by the appellant.

Chairperson Covert asked if the analysis would have been different if the subject had an interior finish, but had been vacant for five years. Appraiser Sutherland said the income approach would be the same, except it would not include the lack of finish. Chairperson Covert stated the location might play into the subject's being vacant for so long, because it appeared it was not easy to get to. He said he was willing to go with \$50 per square foot for the improvements.

With regard to Parcel No. 200-600-07, 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 Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$136,712 by applying \$128,768 in obsolescence due to the vacancy rate and the lack of finish, resulting in a total taxable value of \$429,000 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.

11-0733E PARCEL NO. 200-600-21 – QUAIL NORTH WEST PHASE II LLC
– HEARING NO. 11-0504

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 6340 Mae Anne Avenue, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Income statement and Parcel QuickInfo, 3 pages.

Exhibit B: Financial Information and supporting documentation, 12 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, Roger Croteau was previously sworn.

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

Mr. Croteau stated the building was built in 2005 and had no tenant improvements. He stated there was a clear impediment in getting to the building. Chairperson Covert noted it was less square footage than the square footage in Hearing No. 11-0503. He stated the law indicated the value went up with less square footage, which was an inverse relationship. Mr. Croteau said that worked for a stand-alone building, but he was not sure that played into a condominium-type complex. He requested equalizing it to \$50 per square as was done for the property in Hearing No. 11-0503.

Ron Sauer, Chief Property Appraiser, said he had the numbers if it was the Board's desire to equalize the property. Member Green said he could not go for that reduction on a smaller building. Member Krolick said the subject's lack of visibility could justify the reduction. Member Woodland suggested going with \$75 per square foot.

With regard to Parcel No. 200-600-21, 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 \$64,525 in obsolescence to \$64,526, resulting in a total taxable value of \$161,230 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.

**11-0734E PARCEL NO. 200-600-18 – QUAIL NORTH WEST PHASE II LLC
– HEARING NO. 11-0505**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 6370 Mae Anne Avenue, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Income statement and Parcel QuickInfo, 3 pages.

Exhibit B: Financial Information and supporting documentation, 12 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, Roger Croteau was previously sworn.

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

Mr. Croteau reviewed the income statement in Exhibit B. He said the building was 72 percent vacant and was substantially unfinished. He stated the Assessor's valuation was exceedingly high under the circumstances. He recommended a \$57 per square foot value.

Appraiser Sutherland stated the subject was partially leased to Anytime Fitness and the remainder received a \$616,087 building adjustment. She noted Anytime Fitness just expanded and was paying \$1.85 per square foot for rent or \$1.50 after concessions. She stated all of the rental information she received from the owners in the

complex was considerably higher than \$1.00 per square foot. She said the Assessor's recommendation was to uphold.

In rebuttal, Mr. Croteau said he was not aware of Anytime Fitness expanding. Chairperson Covert said that would be for next year anyway.

Member Woodland felt the Assessor did good job on this appeal.

Member Green stated he was having a hard time with the size of the building due to the conflicting numbers from the appellant and the Assessor. Mr. Croteau said he was not sure which number was correct. Member Green said 4,000 square feet was a huge difference. Cori DelGiudice, Sr. Appraiser, stated a rough calculation on the building's aerial indicated the building was 19,000 square feet.

Member Green suggested going with \$60 per square foot.

With regard to Parcel No. 200-600-18, 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 Krolick, which motion duly carried with Member Woodland voting "no," it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by obsolescence to \$502,944, resulting in a total taxable value of \$1,140,000 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.

11-0735E PARCEL NOS.: SEE LIST BELOW – MONTAGE MARKETING, LLC – HEARING NOS.: SEE LIST BELOW

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 255 N. Sierra Street, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Petitioner's statement in support of Petition, 92 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet, 21 pages.

On behalf of the Petitioner, Rick Hsu and William Kimmel were sworn in by Chief Deputy Clerk Nancy Parent.

Mr. Hsu withdrew the following petitions due to the recent sales of the parcels:

Assessor's Parcel No.	Petitioner	Hearing No.
011-541-02	MONTAGE MARKETING LLC	11-0306A
011-553-06	MONTAGE MARKETING LLC	11-0306I3
011-555-18	MONTAGE MARKETING LLC	11-0306R4
011-557-18	MONTAGE MARKETING LLC	11-0306P5
011-563-12	MONTAGE MARKETING LLC	11-0306R8
011-564-17	MONTAGE MARKETING LLC	11-0306G9

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

Mr. Shu said the *Statement in Support of Petition* in Exhibit A, pages 1-5, laid out the legal foundation regarding why Mr. Kimmel did the appraisal using the discounted cash flow method. He stated Nevada Revised Statute (NRS) 361.227 was the foundation for the tax assessment of real property. Under subsection 2 it stated, "the unit of appraisal must be a single unit" and continuing to subsection 2(b), "unless the parcel is one of a group of contiguous parcels, which qualify for valuation as a subdivision..." He stated the residential units of the Montage qualified to be valued as a subdivision, which meant the residential units needed to be looked at collectively instead of individually. He said that was what Mr. Kimmel's appraisal did.

Mr. Shu said subsection 5 stated, "... the taxable value must not exceed full cash value," which meant comparable sales and some kind of income expectancy or income capitalization approach, including a discounted cash flow, could be looked at. He stated for comparable sales and if the units were being looked at as one collective unit, a sale of a comparable subdivision, or in this case a comparable condominium project, needed to be looked at. He believed that was where the Assessor's Office had committed an error from a legal standpoint. He said this was an income producing property and the owner was in the business of trying to make money by selling condominiums. He stated the Nevada Supreme Court stated that when looking at an income producing property, some kind of income capitalization approach was usually the best method to use. He said that was why Mr. Kimmel appraised the residential units collectively and used a discounted cash flow approach.

Mr. Kimmel advised this was a legal issue rather than an appraisal issue. He said the Assessor's Office appraised each individual unit, while the appellant believed the unsold units should be looked at as if they were sold to one buyer at one time. He believed this would probably end up in the courts to be decided.

Mr. Kimmel said there was a total of 33 sales in 2009 and 47 sales in 2010, which left 296 units unsold as of January 1, 2011. He stated the average sales price was approximately \$127 per square foot and the average size was a little less than 1,100 square feet, but he used 1,100 square feet in his calculations. He stated he used an average of approximately 60 sales per year, which was more aggressive than what actually occurred, and which meant it would take 5 to 5.5 years to sell the remaining units. He also considered there would be a risk factor because anyone buying the units in

bulk would want a profit and there would be uncertainties about whether the units would sell as quickly as estimated. He discussed the summary report found on page 44 of the appraisal report. He said the difference in the Assessor's and the appellant's approach was based on whether the Assessor was required to value the Montage as if it was sold to one buyer as opposed to valuing each individual unit.

Member Green asked if the units were individually deeded. Mr. Kimmel said each person received a title to their property as a typical condominium and they would pay their portion of certain common area expenses. He said no financing was being provided by the seller, so the buyers had to obtain their own financing. He noted one concern was there was no guarantee to the buyers regarding who would provide central services, such as heating, if the project should go under and that could indicate the 20 percent discount rate was too low.

Member Brown asked about the zoning. Josh Wilson, Assessor, stated the relevant fact was these parcels were being used as condominiums, which was their highest and best use. He said zoning would have more affect on the value of a vacant parcel.

Mr. Wilson said he had an opportunity to read Mr. Shu's brief earlier, and he wanted to place some facts on the record. He stated on page 2 of the brief, the heading stated, "The Assessor's legally wrong method of assessment." He said the Assessor's method was legal and was supported by NRS and Nevada Administrative Code (NAC) as it related to the valuation of the subject property. Under 361.227, the Assessor was required to determine the full cash value of the land and to determine the improvement value by calculating the replacement cost new and depreciating that by 1.5 percent per year. He said if the computed taxable value exceeded the full cash value, the Assessor would apply obsolescence to bring the total taxable value below the full cash value. He advised that was the legal premise and framework by which the Assessor determined a property's value.

Mr. Wilson said he agreed this was a legal question. He stated the Board had to consider if the discounted cash flow analysis was appropriate to use when the properties were marketed individually. He said the discounted cash flow approach would carry more weight if the Montage was being marketed as a collective or if the appellant was using them to produce income. He stated the Montage was a built-out property that was being actively marketed. He believed it was important to note the Member of the Appraisal Institute (MAI) appraisal provided by the Petitioner supported the Assessor's total taxable value, and this was about whether or not the 20 percent discount rate should be applied to the retail value of these properties.

Mr. Wilson said line 20 in the brief indicated the Assessor must appraise the full cash value of land and improvements and that statement was incorrect. He advised improvements were not valued at full cash value, because Nevada was not on a market value system. He said continuing on line 20, "...the unit of appraisal must be a single unit unless the parcel is one of a group of contiguous parcels which qualifies for

valuation as a subdivision pursuant to the regulations of the Nevada Tax Commission.” He explained it was determined the land qualified as a subdivision, based on the regulations of the Nevada Tax Commission, but that did not change what the unit of appraisal was; and he believed that was where all the confusion lay. NAC 361.117 defined a qualified subdivision as “a group of parcels meeting the criteria contained in NAC 369.129.” He said the keyword was parcels. NAC 369.129 stated “a parcel must be appraised...if it is one of a group of 10 or more contiguous parcels held under common ownership.” He stated that criteria was met and was why a subdivision discount was applied. NAC 361.1295 specified how the Assessor was to value the taxable value of the land within a qualified subdivision and what percentage of reduction should be applied to the base land value based on the expected absorption of the project.

Mr. Wilson stated the brief then suggested the “Capitalization of the fair economic income expectancy or fair economic rent, or an analysis of the discounted cash flow” would be appropriate for this property. He agreed that type of analysis should be looked at for income producing properties, but the Montage was not income producing because the income being projected would come from what would be achieved on future sales. He said generally when income was capitalized, it was based on the income received on a yearly basis. It was felt discounting the land was compensating for that absorption period pursuant to the regulation. He did not agree that the residential units should be appraised as one subdivision because the property was not being used that way. He stated when a project was not actively marketed and its use was an apartment type use, it would be appropriate to look at some sort of income to analyze the estimated full cash value of the property.

Mr. Wilson said the brief stated the Assessor would have to find a sale of an entire condominium project or subdivision of collective parcels to use the comparable sale approach, which might be the case if that was how the Montage was actively marketed and sold; but they were being sold as individual units. He felt the Assessor applied a fundamentally legal approach.

Mr. Wilson stated he did agree with the statement in the Clark County case, Canyon Villas Apartments Corp. v. State of Nevada Tax Commission, that the income capitalization approach was the best method to use, but that was not what was occurring in this particular case. He said the Montage was not being listed for sale as a collective unit so there would be no prospective purchaser of the Montage project as a whole. He believed a prospective purchaser would be someone going to the sales office to see what units were available to determine if their resources should be invested into the project.

Mr. Wilson said he agree with the statement on line 14 of page 4 that said assessors must use uniform standards and methodologies, but it was important to note those uniform standards and methodologies were those prescribed by the Nevada Tax Commission. He said the Bakst Decision was about the Nevada Tax Commission failing to update their general uniform regulations governing the valuation of property, which deemed the Assessor’s values to be unconstitutional. He said the regulations of the

Nevada Tax Commission were used here by the Assessor. He felt the conclusion in the brief was inappropriate, just because something was done in Clark County did not make it constitutional. He stated what made an assessment constitutional was compliance with the NRS's and NAC's adopted by the Nevada Tax Commission. He advised he wanted to put his statements on the record because of litigation that was in the courts for prior years.

Appraiser Thompson stated this appeal was just like the appeals for 2009 and 2010 where the appellant was requesting the property be valued as if it was a single parcel apartment building. He said originally the Montage was a single parcel, but it was subdivided in four phases to create 376 condominium units. He stated Montage Marketing always marketed the condominiums on an individual basis. He said a complete price list and any facts pertinent to the sales process were provided to the Assessor's Office by Edge Reality prior to the reappraisal. He stated he used their prices plus the sales to develop the base land values. He said their list contained a price for each individual unit and each unit had a different view and a different location in relation to the building's amenities, so the pricing was always unique by unit. He said no condominiums were for rent or lease by Montage Marketing and this was not an income producing property. He emphasized in the professional judgment of the Assessor's Office, the parcels should not be valued as a collective unit because that was not how the property was being used. He said this year the apartments in inventory were reduced from \$72 million to \$41 million, which was a 44 percent reduction in taxable value. He advised there was approximately \$41 million in obsolescence on the property.

Member Green said Appraiser Thompson called the units apartments. Appraiser Thompson corrected himself saying they were condominiums.

Appraiser Thompson stated there were currently 6-8 sales a month. He said that was a good rate given there was no internal financing and indicated the taxable value was appropriate in this market.

Member Green asked about the allocation total of the units on page 16. Appraiser Thompson replied it was \$37,751.20. Member Green said as he understood the pricing, the units with a Mt. Rose view would sell for more. Appraiser Thompson said the values were unique by unit and those with a better view had a higher price. Member Green asked about the retail property. Appraiser Thompson stated the commercial property on the first floor was a shell.

Mr. Wilson believed the Petitioner's withdrawals lent support to not valuing the property as a collective unit. He said the Petitioner was only asking to lower the units that the Petitioner owned and were actively marketing. He stated if the Board were to adjust the value of the Petitioner's current holdings and 30 to 40 of those units were sold to individuals, those individual unit owners who happened to purchase between now and July 1 when the tax bills were sent would have a significantly lower assessed value than those individual units that were valued more consistently with how the entire

project was valued. He reiterated the units were being marketed individually and they should be valued based on that.

In rebuttal, Mr. Shu said page 2 of the Assessor's packet stated the primary business of Montage Marketing was the marketing of individual condominium units. He stated the owner did not own 290 units to live in them, nor did the owner have employees living in them. He said the Assessor's argument that it was not an income producing property failed because there was an inventory of condominiums for sale and those sales were designed to generate income. He stated NAC 361.316 defined income. He said every time there was a high enough sale it generated income, so in all respects this had to be an income producing property. He said if that premise was accepted, the Assessor said some kind of income capitalization approach should be looked at or, in this case, a discounted cash flow. He stated the Assessor said that approach could not be used because the Montage was not being marketed as one unit. As background, he explained the Starwood property was purchased by some investors as a bulk sale. He said no one in their right mind would buy a project based on its full retail price. He reiterated the appellant was not living in the 296 units as a home, but was looking to generate income. He stated rental properties were typically income producing properties, but he did not hear anyone say that the owners of the rental properties were not trying to market and sell the property. He said the value was placed on the properties using some kind of income capitalization approach using a cap rate. He stated the appellant was talking about using a discounted cash flow because it was a different situation than rentals. He said because the Montage was not being packaged and sold as one unit should not be the reason for assessing the property at full retail value. He stated an analogy was the used car business, where the value was in the wholesale cost of the inventory and not the retail price of the cars.

Mr. Shu stated Mr. Wilson made a point about the recent sales. He said purchasers should be assessed the way Appraiser Thompson did it, because they would be using the property as a home. He said in looking at this property as one collective unit, the value should be what Mr. Kimmel put together. He said the easy way of doing this was to look at what Montage Marketing would own as of July 1st and divide it by \$24,733,000 to assess parcel by parcel. He stated doing that would not create an inequity because the units were not being used as a home. He said the question was whether or not the property was an income producing property. He stated based on the definition of income and on the owner trying to make income, it had to be an income producing property. He said that was why the discounted cash flow approach should be used.

Member Krolick asked if the buyer analyzed the absorption rate. Mr. Shu explained the owners purchased a bunch of Corus Bank assets in bulk when the bank became insolvent. He said those assets included the Montage and a number of properties in Las Vegas, Nevada, so he was not sure if they analyzed the absorption rate. Member Krolick indicated he found it had to believe that no risk analysis was done during the process or acquiring this inventory.

Member Krolick stated he favored upholding the Assessor's valuation. He felt the appellant's argument was going way beyond any conceivable stretch of the imagination. He said he did not see the Bakst Decision applying at all in this situation. Member Green said it was an interesting concept and there would be some legal challenges to address. He stated if the Montage was being marketed as a co-op, their approach might make more sense. He supported upholding the Assessor's value.

Chairperson Covert said the appellant planned to challenge the legal aspects of the appeal, and he felt he was not in a position to determine if there was any merit or not to that challenge. He recommended upholding the Assessor's value.

Mr. Shu said he forgot to mention earlier that he was requesting the current buyer information be redacted in Assessor's Exhibit I, pages 12-16. Mr. Wilson apologized because at the beginning of the hearing the Assessor's Office was supposed to replace Assessor's Exhibit I with a substitute Assessor's Exhibit I where those names had been removed. Ms. Parent said the current Exhibit I was already part of the public record. Mr. Kaplan stated the current Exhibit I could be replaced with the substitute copy because the hearing was still open.

On motion by Member Woodland, seconded by Member Green, which motion duly carried, it was ordered the current Assessor's Exhibit I be removed and replaced with the Assessor's Exhibit I just submitted to the Clerk. Ms. Parent admitted Exhibit I into evidence.

With regard to the following Parcel Numbers, 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 properties is less than the taxable value computed for the properties.

Parcel No.	Hearing No.
011-544-12	11-0306D
011-544-14	11-0306F
011-544-16	11-0306H
011-544-18	11-0306J
011-546-02	11-0306N
011-546-04	11-0306P
011-546-06	11-0306R
011-546-08	11-0306T
011-546-10	11-0306V
011-546-12	11-0306X
011-546-14	11-0306Z
011-546-16	11-0306B1
011-546-18	11-0306D1
011-546-20	11-0306F1
011-550-01	11-0306I1

Parcel No.	Hearing No.
011-544-13	11-0306E
011-544-15	11-0306G
011-544-17	11-0306I
011-544-19	11-0306K
011-546-03	11-0306O
011-546-05	11-0306Q
011-546-07	11-0306S
011-546-09	11-0306U
011-546-11	11-0306W
011-546-13	11-0306Y
011-546-15	11-0306A1
011-546-17	11-0306C1
011-546-19	11-0306E1
011-546-22	11-0306G1
011-550-02	11-0306J1

Parcel No.	Hearing No.
011-550-03	11-0306K1
011-550-05	11-0306M1
011-550-08	11-0306O1
011-550-11	11-0306Q1
011-550-13	11-0306S1
011-550-15	11-0306U1
011-550-17	11-0306W1
011-550-19	11-0306Y1
011-551-05	11-0306A2
011-551-07	11-0306C2
011-551-09	11-0306E2
011-551-11	11-0306G2
011-551-13	11-0306I2
011-551-16	11-0306K2
011-551-18	11-0306M2
011-552-02	11-0306O2
011-552-05	11-0306Q2
011-552-07	11-0306S2
011-552-09	11-0306U2
011-552-12	11-0306W2
011-552-14	11-0306Y2
011-552-17	11-0306A3
011-552-19	11-0306C3
011-553-02	11-0306E3
011-553-04	11-0306G3
011-553-07	11-0306J3
011-553-10	11-0306L3
011-553-12	11-0306N3
011-553-14	11-0306P3
011-553-16	11-0306R3
011-554-03	11-0306T3
011-554-07	11-0306V3
011-554-09	11-0306X3
011-554-11	11-0306Z3
011-554-14	11-0306B4
011-554-16	11-0306D4
011-554-20	11-0306F4
011-555-03	11-0306H4
011-555-06	11-0306J4
011-555-08	11-0306L4
011-555-10	11-0306N4
011-555-14	11-0306P4
011-556-02	11-0306S4
011-556-06	11-0306U4
011-556-08	11-0306W4
011-556-10	11-0306Y4
011-556-14	11-0306A5
011-556-16	11-0306C5

Parcel No.	Hearing No.
011-550-04	11-0306L1
011-550-06	11-0306N1
011-550-10	11-0306P1
011-550-12	11-0306R1
011-550-14	11-0306T1
011-550-16	11-0306V1
011-550-18	11-0306X1
011-551-03	11-0306Z1
011-551-06	11-0306B2
011-551-08	11-0306D2
011-551-10	11-0306F2
011-551-12	11-0306H2
011-551-14	11-0306J2
011-551-17	11-0306L2
011-551-20	11-0306N2
011-552-03	11-0306P2
011-552-06	11-0306R2
011-552-08	11-0306T2
011-552-10	11-0306V2
011-552-13	11-0306X2
011-552-16	11-0306Z2
011-552-18	11-0306B3
011-552-20	11-0306D3
011-553-03	11-0306F3
011-553-05	11-0306H3
011-553-08	11-0306K3
011-553-11	11-0306M3
011-553-13	11-0306O3
011-553-15	11-0306Q3
011-553-17	11-0306S3
011-554-06	11-0306U3
011-554-08	11-0306W3
011-554-10	11-0306Y3
011-554-13	11-0306A4
011-554-15	11-0306C4
011-554-19	11-0306E4
011-555-02	11-0306G4
011-555-05	11-0306I4
011-555-07	11-0306K4
011-555-09	11-0306M4
011-555-13	11-0306O4
011-555-15	11-0306Q4
011-556-03	11-0306T4
011-556-07	11-0306V4
011-556-09	11-0306X4
011-556-13	11-0306Z4
011-556-15	11-0306B5
011-556-17	11-0306D5

Parcel No.	Hearing No.
011-556-18	11-0306E5
011-557-03	11-0306G5
011-557-08	11-0306I5
011-557-13	11-0306K5
011-557-15	11-0306M5
011-557-17	11-0306O5
011-558-02	11-0306R5
011-558-04	11-0306T5
011-558-08	11-0306V5
011-558-10	11-0306X5
011-558-14	11-0306Z5
011-558-17	11-0306B6
011-558-20	11-0306D6
011-559-05	11-0306F6
011-559-07	11-0306H6
011-559-09	11-0306J6
011-559-13	11-0306L6
011-559-15	11-0306N6
011-559-19	11-0306P6
011-560-03	11-0306R6
011-560-05	11-0306T6
011-560-07	11-0306V6
011-560-09	11-0306X6
011-560-11	11-0306Z6
011-560-15	11-0306B7
011-560-20	11-0306D7
011-561-03	11-0306F7
011-561-06	11-0306H7
011-561-08	11-0306J7
011-561-10	11-0306L7
011-561-12	11-0306N7
011-561-15	11-0306P7
011-561-17	11-0306R7
011-562-02	11-0306T7
011-562-04	11-0306V7
011-562-06	11-0306X7
011-562-09	11-0306Z7
011-562-11	11-0306B8
011-562-13	11-0306D8
011-562-15	11-0306F8
011-562-17	11-0306H8
011-562-20	11-0306J8
011-563-03	11-0306L8
011-563-06	11-0306N8
011-563-10	11-0306P8
011-563-13	11-0306S8
011-563-16	11-0306U8
011-563-20	11-0306W8

Parcel No.	Hearing No.
011-556-20	11-0306F5
011-557-06	11-0306H5
011-557-10	11-0306J5
011-557-14	11-0306L5
011-557-16	11-0306N5
011-557-20	11-0306Q5
011-558-03	11-0306S5
011-558-07	11-0306U5
011-558-09	11-0306W5
011-558-11	11-0306Y5
011-558-16	11-0306A6
011-558-18	11-0306C6
011-559-03	11-0306E6
011-559-06	11-0306G6
011-559-08	11-0306I6
011-559-10	11-0306K6
011-559-14	11-0306M6
011-559-16	11-0306O6
011-560-02	11-0306Q6
011-560-04	11-0306S6
011-560-06	11-0306U6
011-560-08	11-0306W6
011-560-10	11-0306Y6
011-560-14	11-0306A7
011-560-16	11-0306C7
011-561-02	11-0306E7
011-561-04	11-0306G7
011-561-07	11-0306I7
011-561-09	11-0306K7
011-561-11	11-0306M7
011-561-14	11-0306O7
011-561-16	11-0306Q7
011-561-19	11-0306S7
011-562-03	11-0306U7
011-562-05	11-0306W7
011-562-07	11-0306Y7
011-562-10	11-0306A8
011-562-12	11-0306C8
011-562-14	11-0306E8
011-562-16	11-0306G8
011-562-18	11-0306I8
011-563-02	11-0306K8
011-563-05	11-0306M8
011-563-09	11-0306O8
011-563-11	11-0306Q8
011-563-14	11-0306T8
011-563-17	11-0306V8
011-564-02	11-0306X8

Parcel No.	Hearing No.	Parcel No.	Hearing No.
011-564-07	11-0306Y8	011-564-08	11-0306Z8
011-564-10	11-0306A9	011-564-11	11-0306B9
011-564-13	11-0306C9	011-564-14	11-0306D9
011-564-15	11-0306E9	011-564-16	11-0306F9
011-565-03	11-0306H9	011-565-04	11-0306I9
011-565-05	11-0306J9	011-565-06	11-0306K9
011-565-07	11-0306L9	011-565-08	11-0306M9
011-565-09	11-0306N9	011-565-10	11-0306O9
011-565-11	11-0306P9	011-565-12	11-0306Q9
011-565-13	11-0306R9	011-565-14	11-0306S9
011-565-15	11-0306T9	011-565-16	11-0306U9
011-590-01	11-0306V9	011-590-02	11-0306W9
011-590-03	11-0306X9	011-590-04	11-0306Y9
011-590-06	11-0306Z9	011-590-07	11-0306A10
011-590-09	11-0306B10	011-590-10	11-0306C10
011-590-11	11-0306D10	011-591-03	11-0306E10
011-591-04	11-0306F10	011-591-05	11-0306G10
011-591-06	11-0306H10	011-591-07	11-0306I10
011-591-08	11-0306J10	011-591-09	11-0306K10
011-591-10	11-0306L10	011-591-11	11-0306M10
011-592-02	11-0306N10	011-592-03	11-0306O10
011-592-04	11-0306P10	011-592-06	11-0306Q10
011-592-07	11-0306R10	011-592-08	11-0306S10
011-592-09	11-0306T10	011-592-10	11-0306U10
011-592-11	11-0306V10	011-592-12	11-0306W10
011-592-13	11-0306X10	011-594-01	11-0306Y10
011-594-02	11-0306Z10	011-594-03	11-0306A11
011-594-04	11-0306B11	011-594-05	11-0306C11
011-594-06	11-0306D11	011-594-07	11-0306E11
011-594-08	11-0306F11	011-594-09	11-0306G11
011-594-10	11-0306H11	011-594-11	11-0306I11
011-594-13	11-0306J11	011-594-14	11-0306K11
011-594-15	11-0306L11	011-594-16	11-0306M11

12:50 p.m. The Board recessed.

1:45 p.m. The Board reconvened with all members present.

11-0736E PARCEL NO. 527-112-18 – SARGENT, JIMMY R II – RCR NO. 942F08

Increases – For consideration of an action to approve or deny RCR No. 942F08 for Parcel No. 527-112-18 located at 4618 Cobra Drive, Washoe County, Nevada.

Petitioner
None.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 7 pages.

On behalf of the Petitioner, Jimmy Sargent II was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Mike Churchfield, Appraiser, oriented the Board as to the location of the subject property. He explained only the land had been assessed for the last three years. He said a roll change request was done when it was brought to the Assessor's attention, which would tax the improvements for the prior years. He advised this hearing was for the 2008 tax year, which would add \$324,793 to the roll and would equate to a total taxable value of \$481,193.

Mr. Sargent stated before he purchased the house, the mortgage company gave him a good faith estimate on what his tax payments would be. He said he paid his taxes and had not missed any payments, but now he owed \$11,000 plus in taxes for the past three years. He stated he did not have that kind of money nor was the house worth what he paid for it. He said he did not understand how this happened after living 3.5 years in the house. Chairperson Covert explained the Board dealt with the assessed valuation and not the taxes, but this situation seemed unusual. Mr. Sargent said he wanted to know what he should have done differently.

Chairperson Covert stated the issue was not that the taxes were not paid, but that they were paid on the wrong assessed valuation. Member Green asked when Mr. Sargent got his yearly statement from Wells Fargo, had he been concerned the amount being taken out for taxes was not enough. Mr. Sargent stated he just put the statement in a folder to take to H&R Block for them to do his taxes.

Josh Wilson, Assessor, said it was unfortunate this happened but, with 170,000 parcels in the County, every once in awhile a house permit would get lost and not get picked up. He explained typically a mortgage company would use 1 percent of the purchase price for the estimate on how much money should be placed in an impound account used to pay property taxes. He said if there was an overpayment to an impound account, there would be a refund issued. He reviewed the calculation for the assessed value and noted the tax bill would be roughly \$4,100 a year. He assumed the tax bill would have decreased based on the market conditions of the area. Chairperson Covert said it had. He believed there might be a lot of money sitting in an impound account somewhere. He said the bank would charge a certain rate, but would only pay the amount on the tax bill. Member Green said by law any overage must be returned to the taxpayer.

Mr. Sargent stated he got a letter of preapproval with an estimate of what the payment would be based on borrowing a certain amount of money, but he did not buy that expensive a property; and he was not sure he got an estimate for the property he

finally bought. Member Brown asked if this issue had been discussed with Mr. Sargent's lender. Mr. Sargent replied it had not.

Chairperson Covert asked what Mr. Sargent wanted the Board to do. He said the Board could not refuse to put the improvements on the tax roll. Mr. Sargent stated he did not have a problem with the improvements being on the tax roll, but he questioned why it went back three years. Mr. Wilson said under Nevada Revised Statute (NRS) 361.769, the roll change could go back three years. Chairperson Covert asked how this was found. Appraiser Churchfield said a neighbor went online and called wondering why this property's assessment was so low versus other properties in the neighborhood. He said this was a Reynan and Bardis subdivision and, when they were going bankrupt, they were selling lots and partially completed homes. He said unfortunately Mr. Sargent's improvements were not caught because of everything happening in the neighborhood. Chairperson Covert asked if the home was finished. Mr. Sargent replied it was, but the backyard was not landscaped.

Member Green suggested Mr. Sargent talk with Wells Fargo to see if they could redo the loan so the taxes could be paid over time. Chairperson said the impound amount was based on the full cash value of the property, so he felt they had been collecting that money. Mr. Sargent said he only paid \$81.00 a month for taxes. Member Green said it should be about \$350.00 a month for the property taxes. Chairperson Covert said Mr. Sargent should sit down and go over that with them to understand what happened.

Member Brown asked if there would be penalties and interest charges for the three years of back taxes. Mr. Sargent stated he would incur no penalties or interest provided he made the payments as scheduled. He said he was not trying to get out of paying his taxes, but to go back three years was a huge amount of money. Chairperson Covert reiterated he should ask the bank what happened. Member Woodland said he should also talk with the title company. Chairperson Covert said the Board's hands were tied because the Assessor had to go back three years.

With regard to Parcel No. 527-112-18, on motion by Member Brown, seconded by Member Woodland, which motion duly carried, it was ordered that the taxable improvement value and total taxable value be increased for 2007-08 tax year, as recommended on Assessor's Roll Change Request No. 942F08. With those adjustments, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0737E PARCEL NO. 527-112-18 – SARGENT, JIMMY R II –
RCR NO. 942F09

Increases – For consideration of an action to approve or deny RCR No. 942F09 for Parcel No. 527-112-18 located at 4618 Cobra Drive, Washoe County, Nevada.

Petitioner

None.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 6 pages.

On behalf of the Petitioner, Jimmy Sargent II was previously sworn.

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

Appraiser Churchfield said Exhibit I showed sales indicating what the appellant paid for the subject and its current value. He said it had gone down each year based on the market. He stated based on the sales, the value was well supported. He discussed the comparables on page 1 of Exhibit I. Member Green said those sales were over a year old and there must have been some sales in 2009 that would allow the Board to lower the value of the property. Appraiser Churchfield said these were run using fiscal guidelines. Josh Wilson, Assessor, stated the 2009 sales were in the packet for next year. He explained 2010 sales were used when hearing 2011/12 appeals. He said that was what Appraiser Churchfield was trying to say. Member Krolick said there was a \$100,000 drop from 2008 to 2009.

With regard to Parcel No. 527-112-18, on motion by Member Brown, seconded by Member Woodland, which motion duly carried, it was ordered that the taxable improvement value and total taxable value be increased for 2008-09 tax year, as recommended on Assessor's Roll Change Request No. 942F09. With those adjustments, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0738E PARCEL NO. 527-112-18 – SARGENT, JIMMY R II –
RCR NO. 942F10

Increases – For consideration of an action to approve or deny RCR No. 942F10 for Parcel No. 527-112-18 located at 4618 Cobra Drive, Washoe County, Nevada.

Petitioner

None.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 8 pages.

On behalf of the Petitioner, Jimmy Sargent II was previously sworn.

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

Chairperson Covert noted the assessed valuation dropped another 5 percent from 2009 to 2010.

Member Green said he would be more comfortable if there were a few more sales to look at. He stated comparable IS-3 was on the same street, so that was a good comparable. Chairperson Covert felt strongly for the appellant, but by law there was nothing the Board could do.

Chairperson Covert suggested the appellant talk with his bank. Mr. Sargent asked if they would be held responsible. Chairperson Covert said ultimately the appellant was responsible for the taxes. He said the bank was responsible for the impound account, and the appellant should ask them what they could do. Member Green said they might be willing to add the amount to the existing mortgage. Chairperson Covert said Mr. Sargent should make sure the bank had the impound account right, or he would be facing the same issue next year.

Chairperson Covert suggested another option for the appellant was to go to the State Board of Equalization (SBOE), which might be able to provide some relief. Mr. Sargent asked if it would be worth it, or would he be wasting his time. Chairperson Covert said the best shot was to go to the bank and see what could be done. Josh Wilson, Assessor, said the State Board of Equalization (SBOE) was limited to the record established before this Board, but the appellant could provide testimony. He said the challenge would be Nevada Revised Statute (NRS) 361.769. Chairperson Covert said according to the statute, the roll change must go back three years.

With regard to Parcel No. 527-112-18, on motion by Member Brown, seconded by Member Woodland, which motion duly carried, it was ordered that the taxable improvement value and total taxable value be increased for 2009-10 tax year, as recommended on Assessor's Roll Change Request No. 942F10. With those adjustments, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

11-0739E PARCEL NO. 041-312-10 – SHIELDS, LINDA B –
HEARING NO. 11-0265

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 3725 Ranch Crest Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Examples of property sales, 7 pages.

Exhibit B: Photo of subject property, 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, Linda Shields was sworn in by Chief Deputy Clerk Nancy Parent.

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

Ms. Shields stated the subject property was assessed for more than its current market value. She said the homes in her neighborhood had hardboard exteriors and picket fences. She stated her home was 19 years old. She said although the assessed value decreased, it had not decreased far enough based on the market. She reviewed the comparable sales on page 1 of Exhibit A, which were a prime example of how the bottom was still falling out of the market.

Ms. Shields said page 7 of Exhibit A was the plat map of her neighborhood. She advised the neighborhood had nine rental properties, because the property owners had been unable to sell the properties. She stated her neighborhood was distressed due to the rentals even though the area was governed by CC&R's. She said the neighborhood had one foreclosed home, three underwater homes, and five empty homes. She said Exhibit B was a picture of the subject when it was purchased in 1996, but it looked much the same except for changes in the trees. She stated the land went down 22 percent, but the building went down only 4 percent this year.

Appraiser Johnson reviewed the comparable sales on page 1 of Exhibit I. He noted comparable IS-2 was similar in size, backed McCarran Boulevard, and was a 2010 sale. He said IS-3 backed a small strip of common area, which was between the parcel and land that could potentially be developed as a subdivision. He said the subject also backed up to a common area. He noted IS-4 had a 15 percent view premium, which was recognized in the sales price.

Appraiser Johnson said the appellant's comparables A, B, and C supported the subject's taxable value. He stated comparable E was on a 4,000 square foot lot and had an unfinished basement. He said comparable F was a much larger property, and he noted as the size went up the price per square foot went down. He stated comparable F was at \$98 per square foot, which was near the subject's \$103 per square foot.

In rebuttal, Ms. Shields noted that even though there was a change as the size went up, comparable F had 680 square feet more than the subject. She also noted all of the homes on page 2 of Exhibit I were in a neighborhood just below hers, and they all were stucco homes with tile roofs. She said they also had only one homeowner's assessment, while her home had two. She stated her taxable value started out at \$170,697

and the high in 2008 was \$301,351. She said it decreased approximately 29 percent to this year's value, which left 47 percent from the high. She appreciated the taxable value decreased, but it had not decreased sufficiently for the market. She said the rentals, the foreclosed homes and the underwater homes all represented factors that would drag down the value of homes in a neighborhood. She discussed how unemployment, gas prices, the excess housing supply, and the triangle between a buyer, a seller and a bank affected sales in her neighborhood. She said her home price on Zillow.com lost \$16,000 in value in the last 30 days. She requested a decrease in value of 15 percent to make up the short-fall for the 2008 high value.

Chairperson Covert asked how the large amount of rentals affected the neighborhood. Appraiser Johnson said it was a desirable neighborhood. He stated it was obvious the owners did not want to sell at today's prices, so they rented them out. He said rentals in more desirable areas would get better tenants.

Ms. Shields said 10 owners wanted to sell but could not, so they took their properties off the market and rented them out. She stated renters never took care of a property the same way owners would.

Appraiser Johnson said the owners were unwilling to sell because the values were not what they were in 2008. He stated there had to be a willing buyer and a willing seller. He said sales were not being seen in this neighborhood because the sellers were not willing to sell for \$103 per square foot. Chairperson Covert said normally that would be true but, if the selling price was below the mortgage, it presented a real problem because the bank would become the third person involved in the transaction.

Member Brown asked why the appellant had two HOA assessments. Ms. Shields said her neighborhood was under Caughlin Ranch's association, but the amenities in her neighborhood required a separate association.

Member Green discussed the appellant's subdivision and his surprise with how low the prices had gone. Member Krolick said the Assessor's Office did a good job and the subject was valued below the 1996 purchase price. Member Green said the Assessor had some good comparables, which indicated a value higher than what was on the subject. Ms. Shields said the sale on Vista Crest was over a year ago and the market had changed since then. Member Green said he agreed, but he would uphold the Assessor's value.

With regard to Parcel No. 041-312-10, 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 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.

11-0740E PARCEL NO. 020-221-21 – LEBOVITZ RENO TWO LLC –
HEARING NO. 11-0547A

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 641 E. Moana Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Commercial rental data, 1 page.

Exhibit B: Rent roll and income statement, 7 pages.

Exhibit C: Commercial rental data and rent rolls, 6 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 20 pages.

Exhibit II: Assessor's Hearing Evidence Packet - Income Approach, 12 pages.

Exhibit III: Assessor's Hearing Evidence Packet - Income approach with high vacancy, 2 pages.

On behalf of the Petitioner, Ron Jones and Debbie Stolpman were previously sworn.

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

Mr. Jones explained the hearing had been continued to allow the appellant to separate the data for the appellant's three parcels, and page 5 in Exhibit C provided the income and expense analysis for the subject parcel. He stated there was an error in the vacancy rate provided to the Assessor's Office, which should have been shown as 38.5 percent. He said that was an important difference when looking at the income analysis.

Mr. Jones said Appraiser Johnson showed a potential gross income of \$1.15 per square foot, which included the rent and the triple-net expenses. He discussed the rent roll on page 3 of Exhibit C, and he advised the appellant agreed with using \$1.15 per square foot. He said using a cap rate of 9 percent, the value indicated by the income approach would be \$2,383,465. He stated the value was \$2,158,367 when using the actuals for 2010 and a 9 percent cap, which would not be a difference the appellant would dispute.

Mr. Jones said the appellant felt more credence should be given to using the income approach, rather than the comparable sales approach. He stated Appraiser Johnson did a fine job of collecting data; however, no other property out there was like the subject. He advised the subject had been in limbo for the last two years because of the

Moana Lane widening project. He said space almost had to be given away to get tenants to even consider renting due to the uncertainty regarding the project. He said the appellant felt \$2,383,465 was a fair representation of the subject's value based on the corrected vacancy and using the Assessor's income approach.

Mr. Jones said he was aware Parcel No. 020-221-23 was being heard separately, but that sliver to north of the subject provided access to the subject for delivery and fire trucks. He believed the subject's land values would be in jeopardy if that parcel was not accessible. He stated the appellant's contention was the parcel had no value on its own because it could not be built on. He reiterated the appellant was requesting the subject be valued at \$2,383,465.

Member Green noted page 5 of Exhibit C showed common area maintenance (CAM), and he asked if the tenants paid CAM charges. Mr. Jones said the \$48,294 was the recovered common area expenses, which was included as income. Member Green said the \$13,110 of expenses had no explanation. Mr. Jones explained the \$13,110 was for non-recoverable expenses paid by the owner, and it included utilities for the vacant units.

Appraiser Johnson reviewed the comparable sales on page 2 of Exhibit I, which indicated IS-1 was the best indicator of value. Chairperson Covert noted all of the improved sales occurred in 2008.

Appraiser Johnson stated Exhibit II provided a new income approach, which included the information just received from the appellant. He said he used \$1.15 per square foot for the potential gross income. He noted page B-9 of Exhibit II showed a \$.35 CAM charge, which brought it to \$1.25 per square foot. He said page 11 showed \$1.15 per square foot on a triple-net basis. He said the appellant was incorrect when he quoted the \$1.15 per square foot included the CAM charges. He advised the subject was currently advertised on LoopNet for \$1.15 per square foot on a triple-net basis. He said the total net operating expenses of about 59 percent, as shown on page 5 of Exhibit C, were a little excessive compared to what was normal for the market.

Appraiser Johnson noted he ran two more scenarios after receiving the new information, which were shown on pages 1 and 2 of Exhibit III. He said the second scenario on page 2 used \$1.22 per square foot, which the appellant indicated was the blended per square foot rent being received as shown on page 3 of Exhibit B. He explained both scenarios indicated a value of \$91 per square foot. He said based on the analyses, the recommendation was to uphold the subject's taxable value.

In rebuttal, Mr. Jones said the market had changed dramatically since the Assessor's 2008 comparable sales occurred, and they were not representative of the subject's true value at this time. He stated the average rent for occupied space was \$1.22 per square foot, but the Taco Bell and Shop N Go Market had been tenants for many years, which meant those rentals were clearly above market. He said another deal was done in 1999 and a second one was done in 2002, but everything else was significantly

lower than \$1.00 per square foot. He stated the appellant's numbers included the high and low rents and reflected the actual revenues. He said the scenarios presented by the Assessor's Office were averages, but he hoped this property would be valued on its performance.

Mr. Jones said Appraiser Johnson referenced the high operating costs. He stated generally operating expenses for the outside of the building did not vary too much but the expense ratio would be a higher percentage of the income if the income dropped.

Member Green asked what the average rent would be without the Subway. Mr. Jones explained the \$1.22 per square foot shown on page 3 of Exhibit C did not include the Subway.

Member Brown asked about the janitorial expenses shown on page 2 of Exhibit C. Mr. Jones explained the Janitorial line item had a variety of expenses plugged into it. He said there was no janitorial work done on the property, and the amount was changed to indicate the expenses for the fire systems, trash, and building repairs.

Member Krolick agreed with the appellant the sales approach did not work for this property.

Member Green said the two parties were \$1 million apart. He indicated he had a hard time considering sales in 2008, so he felt the income approach should be used. He understood the Assessor questioning the \$135,000 in expenses versus the \$280,000 in income, but the appellant under oath indicated they were legitimate expenses. He said he was inclined to give the appellant some relief, but was not sure he could provide \$1 million in relief. Chairperson Covert stated \$91 was 53 percent of the \$170 per square foot 2008 sale, which was a significant reduction. Member Green suggested \$2.6 million. Chairperson Covert suggested \$2,758,044, which used the 38 percent vacancy rate.

With regard to Parcel No. 020-221-21, 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 Krolick, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$280,293 in obsolescence to \$1,650,929, resulting in a total taxable value of \$2,758,044 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.

**11-0741E PARCEL NO. 020-221-23 – LEBOVITZ RENO TWO LLC –
HEARING NO. 11-0547C**

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: Commercial rental data, 1 page.

Exhibit B: Rent roll and income statement, 7 pages.

Exhibit C: Commercial rental data and rent rolls, 6 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 8 pages.

On behalf of the Petitioner, Ron Jones and Debbie Stolpman were previously sworn.

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

Mr. Jones stated he was not in agreement with the Assessor's recommendation. He said the property's only value was the asphalt and it did not have the width to support a building, setbacks, parking, or fire access. He stated no one would buy it because of that lack. He said the subject's only value was to the neighboring parcels, because it served as Subway's access and it also provided access for delivery and fire trucks to Parcel No. 020-221-21. He stated it generated no revenue but did require maintenance, which made it a liability from an economic standpoint. Chairperson Covert asked who would complain if it was shut down. Mr. Jones replied if the Subway lost access, they would have to completely reconfigure their drive-through operation. He felt the fire department, along with delivery trucks, would complain because they would lose the ability to drive in and out without backing up. Mr. Jones explained there was a driveway to the south that allowed access to the Shop N Go Market, but it would not help the backing up situation.

Josh Wilson, Assessor, said he was confused because he believed from the earlier hearing that the appellant was in agreement with the recommendation. He stated now it appeared the parcel was to be valued independently, but it had no value. He said Appraiser Johnson's recommendation would lower the subject's per square foot land value and would use the lower of the two base-land values. He noted an additional 10 percent shape adjustment had been applied to the property.

Chairperson Covert felt there was no appetite to place the subject's value at zero. Member Krolick agreed this parcel was the utility for the two adjacent properties. Mr. Jones said the subject's value was to the neighboring properties. He stated it appeared to be double dipping if the value of the subject was also being shown in the neighboring properties, while it was now considered to have value itself. Member Krolick said one could not be sold without the other, and he did not understand how the subject ended up being an individual parcel.

Member Woodland said she supported upholding the Assessor's recommendation. Chairperson Covert agreed.

With regard to Parcel No. 020-221-23, 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 Krolick, which motion duly carried, it was ordered that the taxable land value be reduced to \$52,966 due to applying a 20 percent adjustment for access and shape and the taxable improvement value be upheld, resulting in a total taxable value of \$66,349 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.

3:35 p.m. The Board recessed.

3:42 p.m. The Board reconvened with all members present.

11-0742E **PARCEL NO. 130-161-14 – HAUPT, INA –**
HEARING NO. 11-0235

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1077 Flume Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 4 pages.

Exhibit B: Letter and supporting documentation, 36 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 7 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, Pat Regan, Appraiser, oriented the Board as to the location of the subject property. She stated page 1 of Exhibit I showed three improved sales that ranged from \$347 to \$434 per square foot, which exceeded the \$290 per square foot taxable value of the subject. She said LS-1 was a land sale in the immediate area, which included a foundation that was backed out of the sales price. She stated LL-2 was a listing across the street from the subject, which was listed by the appellant for \$788,000. She advised the appellant believed the subject's \$370,000 land value was too high, but the Assessor's Office believed the comparable land sale supported the subject's land value. She requested the value be upheld.

Chairperson Covert noted the petition provided an opinion of value for the land and the building. He asked if there was a house on the subject. Appraiser Regan replied there was. Chairperson Covert doubted a house could be built in Incline Village for \$45,000, even if the owner built it. He asked Member Krolick if a property could be purchased in Incline Village for \$452,000. Member Krolick said the sales comparisons were on page 1 of Exhibit I. Chairperson Covert said the sales comparisons spoke for themselves.

With regard to Parcel No. 130-161-14, 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 Green, 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.

11-0743E PARCEL NO. 050-364-04 – HICKS, RONALD MICHAEL & BETTY J – HEARING NO. 11-0288

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 2360 Chipmunk Drive, 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, 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, Pat Regan, Appraiser, oriented the Board as to the location of the subject property.

Chairperson Covert stated the appellant had not provided any recommendation on the value. Appraiser Regan said there were improved sales and land sales shown on page 1 of Exhibit I, which supported the Assessor's value. She stated the recommendation was to uphold that value.

With regard to Parcel No. 050-364-04, 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.

11-0744E PARCEL NO. 037-341-19 – JOUSTRA, JUDY A –
HEARING NO. 11-0341

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1173 Harbour Cove Court, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Residential summary statistics, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 7 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, Paul Oliphint, Appraiser, oriented the Board as to the location of the subject property. He stated based on sales information through the fiscal year, it looked like these homes were selling for \$280,000 to \$285,000. He said there was a listing at \$285,000 that left the market December 19, 2010 and was put back on the market by the bank on January 19, 2011 at \$234,800. He stated he could not use that sale because it occurred after the Assessor's cutoff date. He said regarding the appellant's comparables, any address with an even number was not on the lakefront. He explained the very low sale indicated in the listings had mold issues throughout the house.

Member Green asked if being near the dock was a detriment to the subject. Appraiser Oliphint said none had been noted.

With regard to Parcel No. 037-341-19, 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.

11-0745E PARCEL NO. 122-181-59 – SCARPA, STEVEN J –
HEARING NO. 11-0349

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 827 Lakeshore Boulevard, 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, 8 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, Pat Regan, Appraiser, oriented the Board as to the location of the subject property.

Chairperson Covert asked with Lake Tahoe rising and falling, how far down did the appellant's property go. Appraiser Regan explained the property line went down to an elevation on the Nevada side of Lake Tahoe, but on the California side it was at the high water mark.

Appraiser Regan explained the subject was a high-value home that was subject to the costing issue that occurred throughout Washoe County this year. She reviewed the comparable sales on page 1 of Exhibit I. She said the price per square foot on all of the comparable sales exceeded the value of the subject and the vacant land sale supported the taxable land value. She stated the recommendation was to uphold the Assessor's value. She noted the subject was purchased for \$6.3 million and then the house was torn down and was rebuilt.

With regard to Parcel No. 122-181-59, 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.

**11-0746E PARCEL NO. 514-110-17 – HUTCHINSON , GARY & MARY
CLAIRE – HEARING NO. 11-0570**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1431 Fraun Court, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 12 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 8 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, Pat Regan, Appraiser, oriented the Board as to the location of the subject property. She stated the appellant was in agreement with the Assessor's recommendation to reduce the quality class due to an interior inspection.

With regard to Parcel No. 514-110-17, 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 to \$197,676 due to a reduction in the quality class, resulting in a total taxable value of \$262,916 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.

**11-0747E PARCEL NO. 026-182-38 – M & A GABAE –
HEARING NO. 11-0237**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 2863 Northtowne Lane, 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, 21 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, Stacy Ettinger, Appraiser, oriented the Board as to the location of the subject property. He stated when the property transferred to the new owner in 2006, Walmart leased it back. He said the sale included some significant deed restrictions and the Assessor's recommendation took into account those deed restrictions. He stated the appellant was in agreement with the recommendation shown on page 2 of Exhibit I.

Member Green asked if Walmart still paid rent. Appraiser Ettinger replied the owners said Walmart was not, but he could not confirm that with anyone at Walmart. Member Green said the restrictions were pretty tough. Chairperson Covert stated he was surprised anyone agreed with them. Appraiser Ettinger said the buyers received five years of rent, which he believed was substantial. He said part of the Assessor's evaluation indicated the property would have to be divided up for three tenants to accommodate the deed restrictions.

With regard to Parcel No. 026-182-38, 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 Krolick, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$2,230,228 by applying \$2,355,454 in additional obsolescence due to deed restrictions for a total obsolescence of \$4,106,192, resulting in a total taxable value of \$7,750,000 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.

11-0748E PARCEL NO. 007-473-01 – MOUNTAIN AIR
ENTERPRISES/STEVEN SCARPA – HEARING NO. 11-0330

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 450 N. Arlington Avenue, 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, 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, Mike Churchfield, Appraiser, oriented the Board as to the location of the subject property. He stated the subject was receiving a lot of obsolescence and was recosted at 30 percent complete for \$2.4 million. He said an additional reduction was being given because the incomplete units were essentially a shell. He said the Assessor's value was well supported by the improved sales on page 1 of Exhibit I.

Appraiser Churchfield said the appellant brought up a legal access issue, but the Assessor's Office talked with the civil engineer and the architect who indicated the appellant had access. He stated the issue was the appellant did not own the parking garage, which was held by the bank. He said the appellant was looking at purchasing the parking garage.

Chairperson Covert said the appellant mentioned fire and theft damage. Appraiser Churchfield stated there was a fire that burned some of the insulation and people had since stripped the copper wire so it could be sold.

With regard to Parcel No. 007-473-01, 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.

11-0749E PARCEL NO. 020-201-73 – SHULMANS HOLDING LLC –
HEARING NO. 11-0394

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 3350 S. Virginia 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, 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, Joe Johnson, Appraiser, oriented the Board as to the location of the subject property.

Chairperson Covert said the petition indicated the appellant intended to demonstrate the comparable sales, but none were provided. Appraiser Johnson said this hearing date was the appellant's third postponement. He stated he stood on his written presentation.

With regard to Parcel No. 020-201-73, 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.

11-0750E PARCEL NO. 163-120-03 – GREAT BASIN FED CREDIT UNION – HEARING NO. 11-0406

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 9770 S. Virginia Street, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Financial Information, 3 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, no one was sworn in by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Pat Regan, Appraiser, oriented the Board as to the location of the subject property. She stated the appellant was in agreement with the Assessor's recommendation on page 1 of Exhibit I.

With regard to Parcel No. 163-120-03, 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 Green, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$253,222 in total obsolescence to \$1,291,905, resulting in a total taxable value of \$1,640,385 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.

**11-0751E PARCEL NO. 510-083-08 – SPARKS GALLERIA INVESTORS LLC
– HEARING NO. 11-0567**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 175 Disc Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Comparable leases, 13 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 20 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, Paul Oliphint, Appraiser, oriented the Board as to the location of the subject property. He said the appellant's representative was in agreement with the Assessor's recommendation on page 1 of Exhibit I based on a phone call last week.

With regard to Parcel No. 510-083-08, 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 \$656,839 in total obsolescence to \$776,681, resulting in a total taxable value of \$1,772,000 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.

**11-0752E PARCEL NO. 160-070-01 - SPANOS CORPORATION –
HEARING NO. 11-0385R10**

A Petition for Review of Assessed Valuation was received protesting the 2010-11 taxable valuation on land and improvements located at 11380 S. Virginia 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, 83 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, Mike Churchfield, Appraiser, oriented the Board as to the location of the subject property. He stated his evidence packet supported upholding the value. He said based on a prior Board decision for 2011/12, the Assessor's Office was recommending the same taxable value of \$29,885,625 for 2010/11.

With regard to Parcel No. 160-070-01, 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 Krolick, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$5,771,270 in obsolescence to \$25,125,625, resulting in a total taxable value of \$29,885,625 for tax year 2010-11. 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.

11-0753E PARCEL NO'S: SEE LIST BELOW – MONTE ROSA, LLC – HEARING NO'S: SEE LIST BELOW

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 3990 Nature Trail, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Supporting Documentation, 15 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including subdivision analysis and maps, 8 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, Pat Regan, Appraiser, oriented the Board as to the location of the subject property. She stated the appellant was in agreement with the Assessor's recommendation on page 1 of Exhibit I.

With regard to Hearing Numbers 11-0183A through 11-0183P1, 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 Krolick, which motion duly carried, it was ordered that the base lot value be reduced to \$87,500 and a 50 percent subdivision discount be applied and the taxable improvement value be upheld, resulting in a total taxable value as shown on the chart shown below 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.

Hearing No.	Parcel Number	Total Taxable Value
11-0183A	142-342-01	\$43,613
11-0183B	142-342-02	\$43,613
11-0183C	142-342-03	\$43,613
11-0183D	142-342-05	\$41,428
11-0183E	142-342-08	\$41,428
11-0183F	142-342-09	\$41,428
11-0183G	142-343-05	\$63,303
11-0183H	142-344-01	\$45,803
11-0183I	142-344-04	\$45,803
11-0183J	142-344-07	\$59,441
11-0183K	142-411-01	\$41,428
11-0183L	142-411-02	\$39,253
11-0183M	142-412-01	\$45,803
11-0183N	142-412-02	\$45,803
11-0183O	142-412-03	\$43,613
11-0183P	142-412-04	\$39,253
11-0183Q	142-412-05	\$41,428
11-0183R	142-412-06	\$45,803
11-0183S	142-412-07	\$45,803
11-0183T	142-412-09	\$43,613
11-0183U	142-412-11	\$41,428
11-0183V	142-413-01	\$41,428
11-0183W	142-413-02	\$45,803
11-0183X	142-421-01	\$48,053
11-0183Y	142-421-02	\$45,803
11-0183Z	142-421-03	\$50,178
11-0183A1	142-421-04	\$50,178
11-0183B1	142-422-01	\$50,178
11-0183C1	142-422-02	\$50,178
11-0183D1	142-422-03	\$52,353
11-0183E1	142-422-04	\$50,178
11-0183F1	142-422-05	\$50,178
11-0183G1	142-422-06	\$48,053
11-0183H1	142-422-07	\$48,053
11-0183I1	142-431-01	\$48,053

Hearing No.	Parcel Number	Total Taxable Value
11-0183J1	142-431-02	\$45,803
11-0183K1	142-431-03	\$45,803
11-0183L1	142-431-04	\$50,178
11-0183M1	142-432-01	\$43,613
11-0183N1	142-432-02	\$43,613
11-0183O1	142-432-03	\$43,613
11-0183P1	142-433-01	\$52,353

11-0754E ROLL CHANGE REQUESTS – RCR 8-1 THROUGH 8-13

Agenda Subject: “DECREASE – consideration of and action to approve or deny RCR No. 8 – Rancho Haven GHAI (RCR 8-1 through 8-13).”

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Roll Change Request 2011/2012 RCR 8-1 thru 8-13, 2 pages.

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

On behalf of the Assessor and having been previously sworn, Chris Sarman, Appraiser, stated earlier this month RCR’s 3 and 4 were heard, which involved parcels in Rancho Haven. He explained RCR 8 was an amendment to RCR 3 because these parcels were omitted or missing from RCR 3. He said RCR 8 would reduce the base value downward with ST being reduced to \$35,000 and ST-1 being reduced to \$31,500. It should be noted all adjustments to and from the ST and ST-1 base value have been accounted for.

Pursuant to NRS 361.345, on motion by Member Brown, seconded by Member Woodland, which motion duly carried, it was ordered that the ST and ST-1 base lot values for the subject parcels as shown on the attached list be reduced to \$35,000 and \$31,500 respectively for the 2011-12 tax year, as recommended on the Assessor’s Roll Change Request Nos. 8-1 through 8-13. With those adjustments, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

Assessor’s Parcel No.	Petitioner	RCR No.
078-101-24	KIASER JOINT LIVING TRUST, KONRAD E & KATHERINE L	8-1
078-101-25	COSETTO, DEE A	8-2
078-101-26	COOPER, LESTER K & KRISTINE A	8-3

Assessor's Parcel No.	Petitioner	RCR No.
078-101-27	PADUA, CAMILO M & TERESTIA	8-4
078-111-26	RIGHTMIRE, PAULA A	8-5
078-111-28	O'DONNAL, MICHAEL S	8-6
078-111-29	RIGHTMIRE, PAULA A	8-7
078-111-30	WORMINGTON, JEREME M	8-8
078-111-31	MARTIN, BOBBY G & ELIZABETH A	8-9
078-111-32	MARTIN, TERRY G & SARAH D	8-10
078-111-33	FRALEY, MELVIN G JR & KAREN S	8-11
078-111-34	CAMPBELL, ROBERT & JULIE	8-12
079-210-11	SIMONSON, DORAN	8-13

11-0755E CONSIDERATION OF REQUEST TO REOPEN ROLL CHANGE REQUEST

Agenda Subject: “Consideration and possible action with regard to request to reopen a roll change request introduced and approved on February 14, 2011 – DECREASE – RCR NO. 2 – Mountain Crest (RCR 2-1 THROUGH 2-52)

On behalf of the Assessor and having been previously sworn, Ginny Dillon, Appraiser, stated this RCR was heard on February 14, 2011, but the coversheet had the obsolescence as \$230,000 instead of \$240,000.

On motion by Member Krolick, seconded by Member Green, which motion duly carried, it was ordered that Roll Change Request No. 2 – Mountain Crest (RCR 2-1 THROUGH 2-52) be reopened.

11-0756E ROLL CHANGE REQUESTS – RCR 2-1 THROUGH 2-52

Agenda Subject: “DECREASE – consideration of and action to approve or deny RCR No. 2 – Mountain Crest (RCR 2-1 through 2-52).”

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Roll Change Request 2011/2012 RCR 2-1 thru 2-52, 3 pages.

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

On behalf of the Assessor and having been previously sworn, Ginny Dillon explained the recommendation was to reduce the improvement value to \$240,000

due to obsolescence for the parcels listed on pages 2-3 of Exhibit I. She advised the value adopted by the Board on February 14, 2011 was for \$230,000, which was in error.

Pursuant to NRS 361.345, on motion by Member Woodland, seconded by Member Krolick, which motion duly carried, it was ordered that a total of \$240,000 in obsolescence be applied to decrease the taxable improvement values for the parcels listed below for the 2011-12 tax year, as recommended on Assessor's Roll Change Request Nos. 2-1 through 2-52. With those adjustments, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

Assessor's Parcel No.	Petitioner	RCR No.
232-462-02	BELL, GARY G & HELEN	2-1
232-462-03	WONG, KURT M et al	2-2
232-462-04	BAUM, JOHN I & ANGELIKA K	2-3
232-462-05	SOBRERO, RONALD F & PATRICIA H	2-4
232-462-06	SEBAALY FAMILY REVOCABLE TRUST	2-5
232-462-07	DONALD, ANDREW S & CYNTHIA	2-6
232-471-01	MILNER, MONTIE & SUZANNE	2-7
232-471-02	DUTRA LIVING TRUST, JANICE D	2-8
232-471-03	NICHOLS, DANIEL A & KELLY K	2-9
232-471-04	MJB PROPERTY #1 LLC	2-10
232-471-05	BYDE FAMILY TRUST	2-11
232-471-06	MACKEY TRUST, JOHN D	2-12
232-471-07	SIMON, BARRY J	2-13
232-471-08	BRICKER TRUST, MICHAEL R & BETTE H	2-14
232-471-09	KURASH LIVING TRUST	2-15
232-471-10	MORRISON FAMILY TRUST, ROBERT & JO ANN	2-16
232-471-11	LYTLE FAMILY TRUST	2-17
232-471-14	RAMOS FAMILY TRUST, EDWARD & JAQUELINE E	2-18
232-471-15	DEVINE, RAYMOND J & KIMBERLY M	2-19
232-471-16	SNEARLY, DAVID G & KAMARA T	2-20
232-471-17	KAMINAKA, MICHAEL Y & ROBIN T	2-21
232-471-18	ESPINOSA, LELAND J TTEE et al	2-22
232-471-19	MARTIN, SCOTTY J & KAREN S	2-23
232-471-20	LOMBARD, JOSEPH F	2-24
232-472-02	MORGAN, MARK & CHERYL	2-25
232-472-03	AURORA LOAN SERVICES LLC	2-26
232-472-04	OLSON, JAMES H JR & SHERRY L	2-27
232-472-05	CENCER, PETER & ELENA	2-28
232-472-06	KILKENNY, EVERETT R	2-29
232-472-07	JENSEN, BARBARA	2-30

Assessor's Parcel No.	Petitioner	RCR No.
232-472-09	TURNER, KATHY J	2-31
232-472-10	GALLARDO, ROBERT J et al	2-32
232-472-11	MAZZETTI, DANA	2-33
232-472-12	OSBORNE, TIMOTHY S	2-34
232-472-13	COOK TRUST, ROBERT E	2-35
234-281-01	KANYR TRUST, ANN	2-36
234-281-02	FERRIS , JOSEPH & LINDA	2-37
234-281-03	NARDUCY 2001 TRUST	2-38
234-281-04	BUENDIA, GENATO & NELIA	2-39
234-281-05	VASQUEZ, MARIO M & CYNTHIA	2-40
234-281-06	LUDOVICO, R REDULA & ERLINDA	2-41
234-281-07	FRUHWIRTH FAMILY TRUST, TIM R	2-42
234-281-10	SONG, SHUNFENG et al	2-43
234-282-03	VUKELICH, TY J & MELANIE	2-44
234-282-05	BURKE, MICHAEL A & JAMIE J	2-45
234-282-06	CRISTOBAL, DOMINADOR D & MARIA V C	2-46
234-291-06	LAZOW, BARRY & JANET	2-47
234-291-13	CURRIE, KENNETH A & KAREN R	2-48
234-293-03	NGUYEN, THELINH & MYDUYEN	2-49
234-302-10	BLASKOVIC, DONALD W & REBECA	2-50
234-582-05	DUNLAP, CAL	2-51
234-582-06	MACKIL, JOSEPH D & SUZANNE F	2-52

11-0757E BOARD MEMBER COMMENTS

Member Green thanked everyone and said goodbye.

11-0758E PUBLIC COMMENT

Josh Wilson, Assessor, commended the Board for the consideration given to each case and for the professionalism with which the Board conducted its business. He said he would miss Member Green. He noted he Board had to deal with some real difficult issues over the last few years, and he appreciated the knowledge Member Green brought to those issues. He thanked the Clerk for doing a fantastic job again this year, and he thanked his wonderful staff, who really stepped up this year in terms of having 27 percent less staff then when he took office. He said they did a better job, and he could not say enough about them.

Chairperson Covert seconded that regarding the Assessor's staff because they were always a delight to work with.

Pat Regan, Appraiser, thanked the Board. She felt the Board treated the petitioners and the appraisal staff with respect. She said a special thanks to Member Green for the wealth of knowledge he had of the local market. She wished him luck.

Linda Woodland thanked Member Green for being her mentor. She also thanked Nancy Parent, Chief Deputy Clerk, the Clerk's staff, and the Assessor's staff. She said everyone had been great to work with.

* * * * *

4:36 p.m. There being no further hearings or business to come before the Board, on motion by Member Woodland, seconded by Member Green, 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
Jan Frazzetta, Deputy Clerk*