

BOARD OF EQUALIZATION, WASHOE COUNTY, NEVADA

MONDAY

9:00 A.M.

FEBRUARY 13, 2012

PRESENT:

James Covert, Chairman
John Krolick, Vice Chairman *
James Brown, Member
Philip Horan, Member
Linda Woodland, 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:

12-0349E PUBLIC COMMENTS

There was no response to the call for public comment.

12-0350E WITHDRAWN PETITIONS

The following petitions scheduled on today's agenda had been withdrawn by the Petitioners prior to the hearing: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.
039-051-03	FIRST INTERSTATE BANK OF NEVADA	12-0536
039-051-11	CSK AUTO CORPORATION	12-0537
510-481-06	HOME DEPOT USA INC	12-0544

12-0351E REQUEST FOR CONTINUANCE

Chief Deputy Clerk Nancy Parent informed the Board she received a request for continuance for Assessor's Parcel No. 019-341-02, Windsor West Ventures, LLC, Hearing No. 12-0137. She suggested February 29, 2012. Chairman Covert approved the continuance.

12-0352E CONSOLIDATION OF HEARINGS

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

9:06 a.m. Member Krolick arrived.

12-0353E PARCEL NO. 025-570-01 – ZAGARI, SAL S & NARIMAN ET AL –
HEARING NO. 12-0534

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 6590 S. Virginia Street, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Comparable Assessment Study, 1 page.

Exhibit B: Supporting documents for Home Depot Site #3310-Reno, 30 pages.

Exhibit C: Supporting documents for Home Depot Site #3311-West Reno, 18 pages.

Exhibit D: Supporting documents for Home Depot Site #8560-South Reno, 17 pages.

Exhibit E: Supporting documents for Home Depot Site #3304-Sparks, 19 pages.

Assessor

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

Exhibit II: Assessor's response to *Marshall and Swift* cost increase dated February 1, 2012, 49 pages.

Exhibit III: Letter from State of Nevada, Department of Taxation to Mr. Galloway dated January 24, 2012 and Notice of Decision, 6 pages.

Exhibit IV: Corrected pages of Hearing Evidence Packet, 3 pages.

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

On behalf of the Assessor and having been previously sworn, Michael Bozman, Appraiser, and Josh Wilson, Assessor, offered testimony. Appraiser Bozman oriented the Board as to the location of the subject property stating it was commonly known as Home Depot.

Ms. Case stated she was with Thomson Reuters, property tax consultants for Home Depot. She said the subject was referenced as site #3310-Reno (Exhibit B). She provided evidence for all four Home Depot locations that would be heard before the Board today. She noted the subject's taxable land value was \$4,353,820 and the improvement value was \$5,075,939. She said it was built in 1993 and was considered a discount warehouse through *Marshall & Swift*. Her opinion of value for the subject was \$8,128,300, which was \$1,301,459 less than the taxable value. She referred to Exhibit B

regarding photos, Assessor's record card and map. She said she was not able to obtain a current a record card regarding special features and yard items.

Ms. Case explained Home Depot was looking at all of their sites in Nevada to understand how the assessments varied from site to site, based on the actual cost of the improvements that were constructed. She said the owner relied on the cost approach for all their buildings. She noted she went through the Assessor's Office records to make sure the building was looked at in terms of class (low cost to average), concrete block tilt up construction, square footage and linear square feet of the average perimeter, and age. She stated pages 9-16 (Exhibit B) were actual cost pages from *Marshall & Swift* which she used to come up with the replacement cost new of a Home Depot.

Ms. Case stated different multipliers were used to fine-tune the value. Page 11 of Exhibit B addressed warehouse discount stores, based on Class C, and indicated a low cost of \$32.91 per square foot. She stated there were also refinements for each of the different heating and cooling elements. She was not able to get a count on the evaporative coolers and the Assessor's Office records did not go into that kind of detail.

Ms. Case stated page 13 of Exhibit B detailed how she came up with the multipliers for the average perimeter based on the 1,332 square feet shown in the Assessor's Office records. In this case, she believed the average height for the subject was 23 feet, which she used as a multiplier.

Ms. Case referred to Item #29 (page 8, Exhibit B) for a replacement cost value of \$39.97 per square foot before depreciation. The costs she used were the actual costs for the building. She noted she did not have support for the actual costs of the improvements to the parking lot, light fixtures, or truck wells, so she relied on the Assessor's Office records for that information. She said she wanted to have the 2012 replacement cost numbers for the yard items to add to the replacement cost new of the building. She used the information from the 2004 record card, which broke down the special features and yard improvements (\$1,196,000). She added that amount back in to the cost as shown on the *Marshall & Swift* summary (page 8, Exhibit B). She said she would liked to have had the current multipliers that were used to come up with the special yard improvements to add to the cost. She used the 2004 Assessor's costs and applied depreciation for eight years and came up with \$38.00 per square foot for the improvements.

Ms. Case stated page 18 of Exhibit B showed an aerial photo of a Lowe's building and page 19 showed the subject in comparison to the Lowe's. She said the subject was built in 1993 and Lowe's was built in 1999 and was on the roll for \$9.50 per square foot and the subject was on the roll for \$10 per square foot. The Lowe's price per square foot for the improvement value was \$44.44 and the subject was valued at \$49.36. She felt that based on the comparable cost approach with Lowe's, the taxable value should be adjusted. She provided support on page 20 of the Lowe's site and discussed additional information on the subject. She noted the subject was a leased location and discussed the rental rate information and the lease.

Ms. Case stated she did not have evidence regarding the actual costs to build the improvements. She did have the AIA support on all of the other sites. She said she thought all the evidence supported the value of \$38 per square foot.

Appraiser Bozman requested the Board to ask the representative if she was a licensed appraiser in Nevada as she was giving an opinion of value. Chairman Covert stated he would get to that question later. He asked Appraiser Bozman why Ms. Case only had access to documents that were over four years old. Appraiser Bozman stated the current record was in Exhibit I. He explained he spoke to Ms. Case and understood she wanted to know the costs that were originally put on the roll. He researched the oldest record card he had, which he thought honored her request.

Appraiser Bozman stated the income approach to value was \$12,946,420 (\$126 per square foot) and the subject was currently assessed at \$92 per square foot, which more than supported the current assessment. He referred the Board to page 7 of Exhibit I showing the retail capitalization rate summary to justify the 8 percent capitalization rate. All of the comparable sales were fairly recent with the CVS Pharmacy selling at a 6 percent capitalization rate. He reviewed the sales comparison approach and comments found on pages 2 and 3 of Exhibit I. In conclusion, he said the value of the property was supported by both approaches.

Chairman Covert asked Appraiser Bozman to address the Petitioner's concerns with regard to comparing Home Depot to Lowe's. Appraiser Bozman stated the stores, square footage and location were different, and costing was based on *Marshall & Swift* which took those differences in the buildings (height, perimeters, construction, age) into account. Chairman Covert asked if Lowe's owned their property or was it leased. Appraiser Bozman did not know. Chairman Covert stated there was an economy of scale because of their size. Appraiser Bozman stated the fact that they were both home improvements stores was not enough information to compare.

Member Krolick thought Lowe's was in a superior location with the traffic count on McCarran Boulevard compared to the traffic count on Kietzke Lane. Appraiser Bozman stated he did not think Lowe's was in a superior location and the land value was supported by his comparable land sales. He said the commercial land sales (page 2 of Exhibit I) ranged from \$8.78 per square foot to \$18.52 per square foot, which was comparable to the subject at \$10 per square foot.

Member Horan said someone referred to the subject as an "inter-city" location and he questioned that definition. Appraiser Bozman said he would not agree with that definition, because inter-city locations were downtown. Member Horan asked if it would impact the Assessor's valuation if the subject was defined as inter-city. Appraiser Bozman stated it was not relevant to the valuation.

Josh Wilson, Assessor, stated it seemed the Petitioner wanted to use historical costs in an effort to estimate what the taxable value should be. He wanted to

inform the Petitioner the Assessor's Office had to follow Nevada Administrative Code (NAC) 361.128 which dictated which *Marshall & Swift* manual the Assessor's Office had to use prior to applying the 1.5 percent in depreciation. He said for the 2012-13 tax year they used July 1, 2011 *Marshall & Swift* Manual for costs. He stated the Lowe's store was going to be less because the store was significantly larger than the subject. In addition to the land size being larger, he said there would be a slightly smaller price per square foot on the land to accommodate for the economy of scale.

Appraiser Bozman asked if the Board could clarify if the representative was a licensed appraiser.

Ms. Case stated if she said earlier that an amount was her "opinion of value", she misspoke in terms of her not being able to give an opinion of value per Nevada law. She was present as a property tax consultant on behalf of Home Depot and to address what Home Depot provided as evidence. She said "inter-city" was Home Depot's opinion of the subject's location versus the newer, outlying locations. She stated she had not had an opportunity to review the new record that was provided, but she did think it was fair to use the Assessor's Office actual cost for the special features and yard items.

Chairman Covert brought the discussion back to the Board. He said he thought both sides did a good job. Member Horan stated he supported the Assessor's Office valuation.

Ms. Case asked if the hearing could be reopened. Chairman Covert opened the hearing for additional discussion. Ms. Case stated the subject location was different because it was a lease site, but she wanted to present evidence for the other Home Depot locations in terms of costs of improvements per square foot. She asked if the Board could wait to make a decision on the subject until after they compared it to the other Home Depot hearings. Chairman Covert stated the answer was no; however, the Petitioner could use the evidence in the future hearings. She asked if she could submit the actual cost evidence she had for the other hearings in this case. Member Krolick stated he thought that evidence was relevant. Ms. Case submitted Exhibits C, D and E.

Appraiser Bozman stated the cost approach to value was covered under *Marshall & Swift*. He said the Assessor's Office visually and physically inspected the buildings and the cost for one Home Depot may not correlate to another Home Depot because there would be variances on the costs per square foot.

Ms. Case stated she agreed the evidence might vary with the Assessor's Office and they might be a little different from location to location, but the evidence (Exhibit C, D, and E) helped support what they were trying to request in terms of a reduction. She said Home Depot was a developer/owner/user and not an investor where capitalization rates were involved. She referred the Board to Exhibit C which summarized the actual costs to build that Home Depot location in terms of the improvements. She noted she did not have time to sit with the Appraiser to break down

the costs and understand what was, and what was not, included in their enrollment. She said she understood inspections were completed and the Assessor's Office came up with a value, but there was such a disparity between all the Home Depot sites. She stated the last page of Exhibit C showed the basic cost items to build a Home Depot. The location for Exhibit C cost approximately \$39 per square foot to build. The 8560 South Reno Home Depot site showed it cost \$39 per square foot to build the improvements. The 3304 Home Depot site cost \$30.91 per square foot to build the improvements. She said the costs were different from what the Assessor's Office enrolled and she did not think the actual costs were taken into consideration.

Chairman Covert asked if the costs per square foot were time adjusted. Ms. Case stated they were not. She listed the years the sites were built and noted the costs for each site did vary.

Chairman Covert stated the Assessor's Office had to go by *Marshall & Swift* and not actual building costs. Ms. Case stated that was why in each situation she completed a cost approach per *Marshall & Swift*. She said the 2012 system would determine replacement cost new. She compared the data she had with the Assessor's Office value, and she came up with a replacement cost new of almost \$40 per square foot, which did not seem unreasonable based on the costs of the building improvements for the various Home Depot locations. She said she was not disputing the special yard improvements. If an adjustment needed to be made to consider the 2012 costs that was fine, but there were going to be some locations where those costs were already included in the actual costs per the AIA reports. Chairman Covert stated the Board could deal with those as those came up during the other hearings.

Assessor Wilson stated the question of using actual construction costs was clearly answered in the Imperial Palace versus Clark County Assessor's Office appeal. He said the Petitioner's argument seemed to be somewhat similar to that case. He agreed the age would play a role and he would anticipate the 2005 construction of their Home Depot costs would have been higher than the costs when the Home Depot was built in 1999. He said he wanted the Imperial Palace case on the record because they wanted the Assessor's Office to use their construction costs and then apply factors to bring it new, and that was exactly what he heard the Petitioner asking for in this case. He said he had been in most of the Home Depot sites and the Appraiser varied the quality class assignment among the four Home Depot sites. He thought the income analysis clearly demonstrated the taxable value did not exceed market and historical construction costs did not play a role in the determination of this year's valuation.

Member Horan said the Petitioner was using a different year for *Marshall & Swift* than what the Assessor's Office was using. Assessor Wilson responded he believed the Petitioner said she was using 2012 and the Assessor's Office used January 2011. Member Horan stated he wanted to make sure both were using the same tables. Assessor Wilson stated he was not sure whether they were using the same tables. He said he thought the major difference was the special features and yard improvements and the quality class.

Ms. Case said the new information she received was for the prior year (2011). Member Horan stated he wanted to be sure which year both the Petitioner and the Assessor's Office were using. Ms. Case stated the sections that she had pulled from the most recent *Marshall & Swift* had updated the multipliers. Member Horan asked if the Petitioner was using 2012 and Ms. Case responded she was not. She said *Marshall & Swift* did not go back and change the packet, they changed the multipliers, but the warehouse discount description and the base cost they used for the subject did not change, it was the same costs since May 2010. She was not sure which was in the Assessor's Office system, but she had 2012, which would indicate the multipliers would be for 2011.

Assessor Wilson stated the law required the Assessor's Office to use January 1 of the year preceding the lien date. He said the Petitioner was suggesting this area was considered a mild climate, but a moderate climate was more applicable. He stated it appeared the Petitioner was using multipliers from the 2012 manual. Ms. Case said she was not using a year newer in this case, it sounded like she was using six months newer. She said the *Marshall & Swift* she had was dated January 2012. Assessor Wilson said he was using January 2011 for multipliers and the Petitioner was using January 2012 for multipliers. Member Horan asked if the multipliers would be different and Assessor Wilson replied they would be.

Member Krolick asked if the quality class was appropriate for the subject. Appraiser Bozman stated it was classed as 1.5 and the Petitioner wanted a quality class of 1.0, which was the class for the Lowe's that was referenced earlier.

Member Brown asked if the seven year age difference offset the quality class between the subject and Lowe's. Appraiser Bozman stated the age did not have anything to do with quality class, only the depreciation.

With regard to Parcel No. 025-570-01, pursuant to NRS 361.356, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued higher than another property whose use is identical and whose location is comparable.

**12-0354E PARCEL NO. 212-010-08 – HD DEVELOPMENT OF MARYLAND
INC – HEARING NO. 12-0540**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 5125 Summit Ridge Court, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Comparable Assessment Study, 1 page.

Exhibit B: Supporting documents for Home Depot Site #3311-West Reno, 18 pages.

Assessor

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

Exhibit II: Corrected pages from Hearing Evidence Packet, 2 pages.

Exhibit III: Assessor's response to *Marshall and Swift* cost increase dated February 1, 2012, 49 pages.

Exhibit IV: Letter from State of Nevada, Department of Taxation to Mr. Galloway dated January 24, 2012 and Notice of Decision, 6 pages.

Tammy Case, previously sworn, offered testimony on behalf of the Petitioner.

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

Ms. Case described the subject and said the Assessor's Office taxable value for the land was \$3,499,608, or \$6 per square foot and the improvements were \$5,651,872, or \$53.42 per square foot. She reviewed Exhibit B stating she was provided with the 2012 record card for the subject, and like the other Home Depot hearings, the subject had special features, yard art, curbs and gutters and a garden center. When she tallied all of those costs it came to \$1,607,947 (page 5, Exhibit B). She said she completed another *Marshall & Swift* summary (page 7, Exhibit B) based on the Assessor's Office information and it appeared the Assessor's Office did not consider the subject location as a low-cost or a 1.5 quality class. She said the subject had a 105,810 square foot building and was 13 years old. She applied the square foot value based on the most recent *Marshall & Swift* multipliers and applied costs for a mild climate. She could not identify how many coolers or heaters the subject had. Those costs would be included in Home Depot's AIA report and there were other costs that were outlined she did not have the backup.

Ms. Case said she could tell the Board where she was able to find the cost multipliers, but could not tell the Board where the Assessor's Office's information came from. She noted the last page of Exhibit B showed the costs that Home Depot spent on the building, which came out to \$39 per square foot. She said she had no argument on the value of the land, just the improvements.

Chairman Covert asked what the difference was between mild, medium and severe with regard to climate issues. Appraiser Bozman stated it was a cost rating of certain items by *Marshall & Swift*, such as heating, which would be more expensive in a

moderate climate than it would be in a mild climate. He said the cost per square foot to build or put in heating was \$4.50 per square foot for a mild climate and \$7 per square foot for a moderate climate.

Appraiser Bozman read from page 2 of Exhibit II and reviewed the sales comparison approach to value and the income approach to value. He stated the income approach at 93 cents per square foot, was consistent. He arrived at a potential gross income of \$1,180,840. The affected gross income, when using 5 percent collection loss and vacancy, which was anticipated because of the low risk of the tenant, resulted in an affected gross income of \$1,121,798. He said the taxable value did not exceed the full cash value and it was the Assessor's Office recommendation to uphold the current value.

In rebuttal, Ms. Case stated she thought the Board had to look at these types of properties on a cost approach. She said the subject was an owner/user and their buildings were 100,000+ square feet on 10 acres, minimum. She discussed the comparable sales submitted by the Petitioner. She believed the costs would be different for those sales and were being reported as investors buying them. She said she could point out the actual multipliers she used to come up with the value for replacement cost new, but she still could not figure out how the Assessor's Office came up with their value for replacement cost new. She thought the capitalization rate being used should not apply to the subject as an owner/user in terms of testing reasonableness.

Assessor Wilson stated the Petitioner contacted his office after the initial filing. He said at that time, Appraiser Bozman's presentation was complete and he did give the Petitioner an hour or so of his time. He said all of the *Marshall & Swift* costs could be demonstrated through the Assessor's Office system. It was not simply what was printed out on the record card, his staff could go into the *Marshall & Swift* calculation ladder and show which modifiers were applied, which allowances were applied, and what local and current cost multipliers were applied. He wanted to assure the Board that the Assessor's Office documented all that information. He said the first email his office received was on Friday and they had tried to contact the Petitioner.

Ms. Case stated she had been working with many counties and appraisers and she was not trying to say anything to discredit the Assessor's Office. She said the other counties contacted them first and she had to go looking for the appraiser in this county. She said they withdrew some appeals and agreed to some stipulations on other appeals. She noted she sent emails to the Assessor's Office with her supporting documentation, but did not hear back from Appraiser Bozman until the day before.

Chairman Covert stated it was difficult for the Assessor's Office to spend time with each Petitioner because they were inundated with lots of petitions. Ms. Case said Home Depot was not buying other Home Depots because they were an owner/user developer. She said there were not very many sales and there were no Lowe's sales, which was why they looked at the costs.

Chairman Covert brought the discussion back to the Board. Member Horan stated he thought the Petitioner put in a lot of work to try to understand how Washoe County looked at property. He thought given some time she would be able to reach an understanding of the differences between her utilization of *Marshall & Swift* and the Assessor's Office utilization of *Marshall & Swift*. He said he supported upholding the Assessor's Office valuation. Member Woodland agreed and thought the main difference was the Petitioner was using 2012 costs and Assessor's Office was using 2011 costs. Member Krolick stated the difference in those calculations came out to less than \$50,000.

With regard to Parcel No. 212-010-08, 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, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

12-0355E PARCEL NO. 140-213-18 - HOME DEPOT USA INC. –
HEARING NO. 12-0543

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 1001 Steamboat Parkway, Washoe County, Nevada.

Tammy Case, previously sworn, offered testimony on behalf of the Petitioner.

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

Ms. Case asked if it would possible to request a continuance to give her more time to understand how the Assessor's Office reached their cost approach to value through *Marshall & Swift*.

Chairman Covert directed the subject hearing to be continued until February 29, 2012. Ms. Case stated there were two additional hearings that she wanted continued as well. Chief Deputy Clerk Nancy Parent identified those hearings as Assessor's Parcel No. 026-031-24, HOME DEPOT USA, INC., Hearing No. 12-0570 and Assessor's Parcel No. 026-031-42, HOME DEPOT USA, INC., Hearing No. 12-0571. Chairman Covert directed those two hearings to be continued to February 29, 2012, also.

10:27 a.m. The Board took a short break.

10:37 a.m. The Board reconvened with all members present.

12-0356E PARCEL NO. 032-061-07 – TRIPLE L LLC –
HEARING NO. 12-0331

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 2031 Prater Way, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter, income information, comparable sales and supporting documentation, 22 pages.

Exhibit B: Photos, 12 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 21 pages.

On behalf of the Petitioner, Marcia Lucey 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.

Ms. Lucey stated the subject was a family-owned property and explained how it came into her family in the 1970's. Her father purchased it for trailer sales and then closed that business down. She stated when her ex-husband graduated from Veterinary school, her family determined to turn the subject into a Veterinary Hospital. She said the hospital did well in the beginning. Her ex-husband asked her family to invest more money into the hospital when they could not find a tenant for the other side of the property. She did not agree with it at that time because the west side of Prater Way was a declining area. She reviewed Exhibit B (photos) with the Board. She said there was graffiti weekly and it was very difficult to manage that.

Member Woodland disclosed her daughter had previously been a Veterinarian at the hospital located on the subject.

Ms. Lucey testified she had property on Prater Way that was assessed at \$9.50 per square foot for the land. She said the properties in that area were McDonald's and a bank. She said there were homeless people, shopping carts, and buildings boarded up around the subject and the property was declining. Ms. Lucey stated her ex-husband's lease expired over a year ago and at that time the inside of the building was in horrible decay. At that time, her family approached all Veterinarians in town and no one was interested in leasing. The bakery that leased a portion of the subject was having a difficult time paying their monthly rent. The rental income from the bakery was around \$49,000 a year.

Ms. Lucey stated they were approached by Advanced Pet Care to move into the hospital portion of the building, offering to clean it up and not pay rent while they tried to establish their business. She informed the Board she had their income statement and over the last six months they reported a loss of over \$200,000. She did not know how long they would be able to continue to lease the subject. She did not know at any time if they could produce more than \$1 per square foot and the current assessed value was \$1.75 per square foot.

Chairman Covert asked who the non-paying tenant was and Ms. Lucey responded Advance Pet Care, which was a Veterinary Hospital. She said they were trying to establish clientele. Chairman Covert clarified the tenant said they would clean up the area for no rent for a certain period of time. Ms. Lucey stated the time had not been established. Chairman Covert stated the Appraiser appraises everything as of July 1st, and he wondered if the tenant was in the building on that date. Ms. Lucey replied they began initiating business on July 18, 2011.

Ms. Lucey stated that currently the property taxes were 25 percent of the current income. She said the main reason the subject was purchased and turned into a Veterinary hospital was for her ex-husband, but he left the building in such a state that it could not be repaired. She did not think comparing the subject to some of the other businesses was quite fair. She said the Assessor's Office value was \$9.37 per square foot and some of the other properties in the area were grossly over-priced, especially on Prater Way to McCarran Boulevard, which were much nicer. She said she realized Nevada was under *Marshall & Swift* law, but she did not know how that would apply to the subject. She believed the comparable sales used by the Appraiser were not fair; however, there were two comparable sales on Victorian Avenue which she believed were fair. The current sale listed by the Assessor's Office in August 2010 was in a better location and sold for \$477,000. The trailer park across from the subject, which was not a good property, sold for \$750,000, or \$187 per square foot. She thought the assessment of the building and the land was way over priced at \$80 per square foot and \$9.37 per square foot respectively.

Chairman Covert stated the Petitioner's exhibit showed two income statements, one dated December 31, 2011 and another dated December 31, 2010. He assumed she presented that evidence to show the differences of what happened between 2010 and 2011. Ms. Lucey said the situation was unique because her ex-husband agreed to pay a higher rent in exchange for her parents doing the tenant improvements. Chairman Covert asked Ms. Lucey if she classified that as an arms-length transaction with her ex-husband. Ms. Lucey stated it was not an arms-length transaction. She said because he had no clientele for a long time, he was given the opportunity to not pay rent for many years and to pay escalated rent later on. Chairman Covert asked if the ex-husband's practice was profitable. Ms. Lucey responded she thought it was and noted the practice was located in two areas, with the Reno location doing better than the Sparks location.

Appraiser Ettinger stated page 2 of Exhibit I depicted his sales comparison approach. He agreed there were not going to be cut and dry comparable sales to the subject. He said he included retail uses and the retail uses would probably have sales prices of a little less because Veterinary hospitals had a little higher value, and would have higher rents, which he showed in his income approach. The comparable sales ranged from \$98 per square foot to \$125 per square foot. The subject's taxable value was \$113 per square foot. He said improved sale (IS)-2 was the most comparable, even though it sold with 50 percent vacancy, which would indicate it was a slightly distressed property. He noted the land sales indicated a range of \$8.73 per square foot to \$24.41 per square foot. The taxable land value for the subject was \$9.35 per square foot.

Appraiser Ettinger explained he used the income approach because there was an existing lease on the bakery of \$1.29 per square foot. He estimated the hospital portion at \$1.75 per square foot. Page 8 of Exhibit I showed rental comparables for the hospital portion of the building. He said he included a couple of medical offices in the comparison, because he felt those were typical as far as generation of income. He said he relied most heavily on the rent shown for the Pyramid Veterinary Hospital (\$2.05 per square foot). He said that rent was on a full-service basis, but he adjusted it down to \$1.75 per square foot. He used 50 cents per square foot for expenses, which would be typical of an office type property and that brought it down to a net operating income of \$114,774. He applied a 9 percent capitalization rate, which resulted in a value of \$1,275,000 (rounded).

Appraiser Ettinger noted the property was currently listed for \$1.4 million. He said he researched the sales referred to by the Petitioner because they were included in her evidence and 1700 Victorian Avenue was not a sale, it was a foreclosure. He did not believe the mobile home park sale was comparable. The sale on the three parcels indicated was not a sale because the grantee and the grantor were the same person. 1740 Victorian was sold for \$140,000, which he described as a little shop that was mostly vacant. The buyer of that property was the lock smith tenant and he said it was not comparable, in poor condition, and highly vacant.

Member Woodland asked if the Appraiser gave any credence to the fact there was no rent being paid on the subject. Appraiser Ettinger stated he was not aware rent was not being paid until today. Chairman Covert stated he understood the Appraiser had difficulty assessing the subject; however, he had a problem with the Appraiser's income approach. He stated the Veterinary hospital located within the subject was not an arms-length transaction, and whatever was agreed upon was over and above what could be considered by the Board. There was a tenant there now who was not paying any rent and the Board had no clue whether the tenant would be able to make it or not, based on the evidence presented by the Petitioner. He said he was uncomfortable with \$1.75 per square foot.

In rebuttal, Ms. Lucey stated the \$1.75 per square foot was unattainable. She explained the current tenant was not a Veterinarian. She asked if it would be possible to show the Board pictures (from her cell phone) of the interior of the subject. Chairman

Covert stated the phone could not be entered into evidence. She believed no one would consider buying or renting the subject in its current condition. She said the building would have to be demolished and rebuilt.

Member Woodland asked how long the building had been empty before Advance Pet Care came in. Ms. Lucey replied her ex-husband left in September 2010 and Advance Pet Care leased it in July 2011. She reported when her ex-husband left, he pulled out all the plumbing and took all the copper wiring. She said it was basically left as a shell and the stud walls had rust and had to be torn out and rebuilt.

Member Brown asked about the management fees for the bakery. Ms. Lucey responded the management fees were \$12,000, or \$1,000 a month for banking, office expenses, maintenance and accounting. She said the \$1,000 per month was for the entire property.

Chairman Covert said the family bought the property "as is" and did not make any improvements to it. Ms. Lucey replied they cleared the old trailer park, put asphalt down and built the building. The bakery building was built in 1987 and around 2000 or 2001, the front was added on and connected as a strip mall. Appraiser Ettinger referred the Board to page 13 of Exhibit I which showed a sketch of the building. Ms. Lucey described a comparable strip mall with the Playhouse Bar, hairdresser and a lock smith and believed it was an income producing property in a better area.

Member Horan asked if Advance Pet Care had made any improvements to the interior of the subject. Ms. Lucey said they had to repair all the walls and put in plumbing, tile flooring, and cabinets. Member Horan asked if the improvements would remain with the subject if they vacated the building. Ms. Lucey said yes because they were fixtures. Member Horan asked if she considered the building improved and Ms. Lucey stated that was correct, but it was not producing any income. She believed there was no market for a new Veterinarian to lease the building.

Chairman Covert brought the discussion back to the Board. He said he thought it was doubtful Advance Pet Care would be able to pay rent. He thought the improvement value should be dropped to \$1.25 per square foot.

With regard to Parcel No. 032-061-07, 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 by \$71,230, resulting in a total taxable value of \$929,067 for tax year 2012-13. The reduction was based on obsolescence. 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.

**12-0357E PARCEL NO. 020-111-50 – POFFENBERGER & SMITH-HANSSEN
FAMILY TR – HEARING NO. 12-0052**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 164 Hubbard Way, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Assessor's Office parcel search APN 020-111-49, rent roll as of 11/15/2011, office properties for lease LoopNet listings, Budget Comparison 1/2010 through 12/2010 and 1/2011 through 12/2011, 13 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 020-111-50, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$293,658, resulting in a total taxable value of \$461,448 for tax year 2012-13. 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.

**12-0358E PARCEL NO. 030-041-12 – 1299 BARING BOULEVARD LLC –
HEARING NO. 12-0080**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 1299 Baring Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 030-041-12, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$919,692, resulting in a total taxable value of \$2,731,000 for tax year 2012-13. 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.

12-0359E PARCEL NO. 020-272-01 – JONES, FLETCHER SR. TRUST –
HEARING NO. 12-0120A

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 3600 Kietzke Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 020-272-01, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be reduced to \$197,651 and the taxable improvement value be upheld, resulting in a total taxable value of \$280,790 for tax year 2012-13. 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.

**12-0360E PARCEL NO. 020-272-03 – JONES TRUST FLETCHER SR –
HEARING NO. 12-0120B**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 3600 Kietzke Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 020-272-03, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be reduced to \$3,454,108 and the taxable improvement value be upheld, resulting in a total taxable value of \$7,666,537 for tax year 2012-13. 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.

**12-0361E PARCEL NO. 019-351-10 – ISBELL PARTNERS LLC –
HEARING NO. 12-0125**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 639 Isbell Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 019-351-10, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$2,045,573, resulting in a total taxable value of \$2,484,481 for tax year 2012-13. 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.

12-0362E PARCEL NO. 032-121-27 – MURREY, WALTER L. –
HEARING NO. 12-0126

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 1746 Victorian Avenue, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: TICOR Title of Nevada, Inc. Buyers/Borrowers Settlement Statement Final document, 1 page.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 032-121-27, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$74,000, resulting in a total taxable value of \$176,000 for tax year 2012-13. 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.

12-0363E PARCEL NO. 030-041-14 – BURNS FAMILY LLC II – HEARING NO. 12-0301

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 1201 Baring Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Income information, lease information, maps, photographs and supporting documentation, 24 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 030-041-14, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$4,427,749, resulting in a total taxable value of \$9,300,000 for tax year 2012-13. 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.

12-0364E PARCEL NO. 160-040-16 – WASHOE PROFESSIONAL CENTER INC – HEARING NO. 12-0378

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 10085 Double R Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Comparable sales and financial information, 13 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 160-040-16, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$11,058,170, resulting in a total taxable value of \$11,500,000 for tax year 2012-13. 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.

12-0365E PARCEL NO. 232-051-14 – EAGLE SPE NV I INC –
HEARING NO. 12-0541

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 7665 Town Square Way, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Appraisal, Qualifications of Appraisers and Appraiser Certificates, 109 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 232-051-14, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$1,284,543, resulting in a total taxable value of \$1,735,000 for tax year 2012-13. 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.

12-0366E PARCEL NO. 232-051-15 – EAGLE SPE NV I INC –
HEARING NO. 12-0542

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 7655 Town Square Way, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Appraisal, Qualifications of Appraisers and Appraiser Certificates, 109 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 232-051-15, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$793,543, resulting in a total taxable value of \$1,275,000 for tax year 2012-13. 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.

12-0367E PARCEL NO. 008-074-05 – GREEN LEAF PINES LLC –
HEARING NO. 12-0377

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 100 Carville Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Washoe County Assessor's parcel search records, space overview and comparables from CoStar Comps, State of Nevada Declaration of Value, supporting documentation and photographs, 14 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 008-074-05, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$2,664,000, resulting in a total taxable value of \$3,650,000 for tax year 2012-13. 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.

**12-0368E PARCEL NO. 013-021-33 – VOLTL, MARIA –
HEARING NO. 12-0299**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 810 Ryland Street Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 013-021-33, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be reduced to \$73,998 and the taxable improvement value be reduced to \$11,262, resulting in a total taxable value of \$85,260 for tax year 2012-13. 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.

12-0369E PARCEL NO. 030-032-19 – FARGO ATM COLLECTIVE LLC –
HEARING NO. 12-0300

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 2955 Vista Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Income information, 6 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 030-032-19, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$291,380, resulting in a total taxable value of \$432,442 for tax year 2012-13. 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.

12-0370E PARCEL NO. 026-182-51 – NORWEST BANK NEVADA –
HEARING NO. 12-0535

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 2895 Northtowne Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Comparable sales from Clark County and Washoe County, 11 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 026-182-51, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$608,087, resulting in a total taxable value of \$937,510 for tax year 2012-13. 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.

12-0371E PARCEL NO. 163-062-17 – COMSTOCK BANK –
HEARING NO. 12-0539

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 497 Gateway Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Comparable sales in Clark County and Washoe County, 11 pages.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No.163-062-17 , pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$639,730, resulting in a total taxable value of \$1,118,890 for tax year 2012-13. 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.

12-0372E PARCEL NO. 037-320-21 – SPARKS FAMILY HOSPITAL INC – HEARING NO. 12-0560

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 2345 E. Prater Way, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

Exhibit I: Taxable Value Change Stipulation, 1 page.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 037-320-21, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$2,976,992, resulting in a total taxable value of \$4,070,000 for tax year 2012-13. 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.

12-0373E PARCEL NO. 007-473-01 – MOUNTAIN AIR ENTERPRISES LLC – HEARING NO. 12-0155

A Petition for Review of Assessed Valuation was received protesting the 2012-13 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, 11 pages.

Exhibit II: Taxable Value Change Stipulation, 2 pages.

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

On behalf of the Assessor, no one oriented the Board as to the location of the subject property.

With regard to Parcel No. 007-473-01, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$559,978, resulting in a total taxable value of \$700,000 for tax year 2012-13. 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.

12-0374E PARCEL NO. 033-151-16 – NEVSPAR LLC –
HEARING NO. 12-0056

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 590 E. Prater Way, 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, 17 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 Petitioner was in agreement with Assessor's Office recommendation for a reduction.

With regard to Parcel No. 033-151-16, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$1,127,690, resulting in a total taxable value of \$2,270,000 for tax year 2012-13. The reduction was based on obsolescence. 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.

12-0375E PARCEL NO. 025-374-06 – LBA REALTY FUND II WBP III LLC – HEARING NO. 12-0533

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 5190 Neil Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Direct Capitalization Analysis dated December 31, 2011, Rent Roll dated January 1, 2012, floor plans, market statistics, research and forecast report dated Q3 2011 and supporting documentation, 16 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 17 pages.

Exhibit II: Taxable Value Change Stipulation, 1 page.

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, Gail Vice, Sr. Appraiser, oriented the Board as to the location of the subject property. She said the Petitioner had signed and agreed to the stipulation (Exhibit II).

With regard to Parcel No. 025-374-06, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$10,704,899, resulting in a total taxable value of \$12,605,114 for tax year 2012-13. 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.

**12-0376E PARCEL NO. 088-241-08 – BRE/NV INDUSTRIAL PROP LLC –
HEARING NO. 12-0538**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 880 North Hills Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Washoe County Assessor's parcel search information sheet, Notice of Taxes, floor plans and Statement of Operations for period ending November 2011, 10 pages.

Assessor

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

Exhibit II: Taxable Value Change Stipulation, 1 page.

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, Gail Vice, Sr. Appraiser, oriented the Board as to the location of the subject property. She said the Petitioner had signed and agreed to the stipulation (Exhibit II).

With regard to Parcel No. 088-241-08, pursuant to NRS 361.345 based on the stipulation signed by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the stipulation be adopted and confirmed and that the taxable land value be upheld and the taxable improvement value be reduced to \$4,322,252, resulting in a total taxable value of \$5,106,134 for tax year 2012-13. 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.

**12-0377E PARCEL NO. 402-020-29 – PENINSULA SPARKS LLC –
HEARING NO. 12-0577**

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land and improvements located at 3150 Vista Boulevard, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Income Statement and Rent Roll, 3 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 24 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.

Appraiser Oliphint reviewed the income and sales comparison approaches. He said he utilized the most recent rentals within the subject to determine a price per square foot. He noted the subject was located in Spanish Springs and had a good residential base with a grocery store and a Walgreens as anchors. He testified the subject had managed to command \$1.95 per square foot recently. He said both approaches indicated the total taxable value was well supported.

Member Horan stated the Petitioner indicated their income statement did not support the taxable value. Chairman Covert stated the income per square foot used by the Assessor's Office was less than what the Appellant was currently receiving. Appraiser Oliphint stated that was correct. He said when the Petitioner took out \$382,000 in interest expense it lowered his net operating income, which was not considered by the Assessor's Office. He noted the Petitioner also calculated their income with almost \$395,000 in depreciation. Chairman Covert said the rent the Petitioner said he was getting varied all over the place and he asked Appraiser Oliphint if he used an average. Appraiser Oliphint replied no, he reviewed the amount each lessee was paying and incentives he believed were being given. He noted some lessees were also being charged more in maintenance fees. Chairman Covert said the Petitioner indicated there were four vacancies and Appraiser Oliphint stated he thought that was correct.

With regard to Parcel No. 402-020-29, 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, it was ordered that the Assessor's taxable values be upheld for tax year 2012-13. It was found that the Petitioner failed to meet his/her burden to show that the land and improvements are valued incorrectly or that the total taxable value exceeded full cash value.

12-0378E PARCEL NO. 050-234-52 – MCCOY FAMILY TRUST –
HEARING NO. 12-0304

A Petition for Review of Assessed Valuation was received protesting the 2012-13 taxable valuation on land located at 470 S. U.S. Highway 395 North (Carson City Highway), Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

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

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

On behalf of the Assessor and having been previously sworn, Craig Anacker, Appraiser, oriented the Board as to the location of the subject property. He stated the Assessor's Office had a recommendation for reduction and noted the Appellant was aware of the recommendation.

With regard to Parcel No. 050-234-52, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be reduced to \$182,740, resulting in a total taxable value of \$182,740 for tax year 2012-13. With that adjustment, it was found that the land is valued correctly and the total taxable value does not exceed full cash value.

12-0379E BOARD MEMBER COMMENTS

There were no Board member comments.

12-0380E PUBLIC COMMENT

Cathy Brandhorst addressed the Board.

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11:46 a.m. There being no further hearings or business to come before the Board, on motion by Member Horan, seconded by Member Woodland, which motion duly carried, the meeting was adjourned.

JAMES COVERT, Chairman
Washoe County Board of Equalization

ATTEST:

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

*Minutes prepared by
Jaime Deller, Deputy Clerk*