

BOARD OF EQUALIZATION, WASHOE COUNTY, NEVADA

THURSDAY

9:00 A.M.

FEBRUARY 10, 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. Chairperson Covert called the meeting to order, the Clerk called the roll and the Board conducted the following business:

11-0381E WITHDRAWALS

The following petitions scheduled on the day's agenda had been withdrawn by the Petitioners prior to the hearing:

Assessor's Parcel No.	Petitioner	Hearing No.
007-281-29	OLSON, ANDREA H	11-0256B
037-320-02	SPARKS FAMILY HOSPITAL INC	11-0339
037-320-03	SPARKS FAMILY HOSPITAL INC	11-0340
015-183-22	SIMONS TRUST, WILLIAM J	11-0507
007-281-19	OLSON, ANDREA H	11-0256A
202-053-01	SIMONS TRUST, WILLIAM J	11-0512
202-053-03	SIMONS TRUST, WILLIAM W	11-0513
532-120-01	MS RIALTO EAGLE CANYON N NV LLC	11-0580B
528-010-27	DBJ HOLDINGS LLC	11-0581B

***9:02 a.m.** Member Krolick arrived at the meeting.

11-0382E REQUESTS FOR CONTINUANCE

Based on the Petitioner's request, the following hearing was continued to February 16, 2011:

Assessor's Parcel No.	Petitioner	Hearing No.
020-201-73	SHULMANS HOLDING LLC	11-0394

CONSOLIDATION OF HEARINGS

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

11-0383E PARCEL NO. 043-281-04 – AUERBACH SIERRA MEADOWS LLC
– HEARING NO. 11-0223

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 7111 S Virginia Street, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Profit and Loss and Income Statements, 7 pages.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 22 pages.

Exhibit II: Retail capitalization rate summary, 1 page.

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

On behalf of the Assessor and having been previously sworn, Mike Bozman, Appraiser, oriented the Board as to the location of the subject property. He stated there was a recommendation by the Assessor's Office to reduce the taxable value.

Mr. LaChance indicated the Petitioner was not in agreement with the price per square foot in the Assessor's recommendation. Chairperson Covert noted the Petitioner's and the Assessor's numbers were very close together. Mr. LaChance stated the Appellant was asking for reconsideration of the capitalization rate used in the income approach. Although the property was viable at one point in time, several tenants had gone bankrupt or closed their doors. The Lithia Dealership located to the south of the subject property had also closed, which created substantial problems in getting new tenants. He did not believe anyone would purchase the property based on a 9 percent capitalization rate under the current market conditions. He said he and his associates at Collier's International believed a 10 or 11 percent capitalization rate was more realistic.

Chairperson Covert asked if the Petitioner was considering selling the property. Mr. LaChance replied there were no plans to sell at the current time. He observed the property had been struggling since the beginning of 2009. The owner was trying to make the property more marketable by decreasing the triple net leasing costs and appealing the property taxes.

Appraiser Bozman said he had used the income approach for the subject property. He reviewed the Assessor's capitalization rate analysis that was provided in Exhibit II. He noted there were nine properties in the analysis with rates ranging from 7 to 9.5 percent. He stated the most similar sale had a 7.98 percent capitalization rate for an inferior location on Silverada Boulevard.

Chairperson Covert asked if the appraiser had looked at the analysis done by Collier's. Appraiser Bozman indicated he had. He noted Collier's had not provided a sampling size so he had no idea how many properties their rate was based on. Chairperson Covert observed that capitalization rate analysis was not an exact science. Appraiser Bozman stated a prospective investor would look at rates for similar properties and do an income analysis based on how he or she intended to manage a property. He said he was comfortable with 9 percent as a conservative capitalization rate for the subject property.

Member Green wondered if the subject property had any leases that included a percentage of the tenant's sales. Appraiser Bozman indicated he had only seen per square foot leases on the rent roll provided by the Petitioner.

Josh Wilson, County Assessor, said he recently attended a Collier's International forecast but did not recall any suggestion that retail capitalization rates were projected to be 10 percent or higher. He pointed out the Assessor's use of the Petitioner's actual vacancy rate removed some of the risk from the capitalization rate. He noted a 9 percent rate was supported by the sales in Exhibit II and was on the conservative side. Chairperson Covert wondered what Collier's had projected. Mr. Wilson said the rates were in the 8 to 9 percent range. He indicated the forecast was for rates to stabilize or go down in the year to come.

Appraiser Bozman discussed the income and the sales approaches shown in Exhibit I. He stated the income approach provided a better indication of value and demonstrated that the total taxable value exceeded full cash value. He recommended the Assessor's value be reduced by applying obsolescence to the improvements.

Mr. LaChance stated there were no percentage rent clauses in any of the tenants' leases. He indicated he was a Senior Property Manager for Collier's. He clarified the Collier's capitalization rate was more of an internal inquiry to determine what could reasonably be expected in the marketplace, but was not a published survey.

Member Woodland said she was comfortable with the Assessor's recommendation.

With regard to Parcel No. 043-281-04, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by

\$1,160,612 in obsolescence, resulting in a taxable improvement value of \$2,260,980 and a total taxable value of \$4,557,816 for tax year 2011-12. The reduction was based on the recommendation of the Assessor's Office. 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.

11-0384E PARCEL NO. 023-131-33 – MOANA NURSERY
– HEARING NO. 11-0254

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1100 W Moana Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Appraisal record cards for 2010 and 2011, 2 pages.

Assessor

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

On behalf of the Petitioner, Dave Allen 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.

Mr. Allen indicated the taxable improvement value had been \$451,304 for the previous year and was valued at \$456,000 for the current year. He said the appraiser had explained a mistake was made in 2000 and was now being corrected, but it made no sense to the Appellant. He stated the property was under new ownership as of May 2010 and it was not fair for the new owner to be penalized for something that happened ten years ago. He requested the taxable improvement value be reduced to \$444,534 (\$451,304 less 1.5 percent depreciation). He noted properties were not going up in value and the building was not worth more than it had been one year ago.

Appraiser Johnson called attention to the notation on page 4 of Exhibit I that referred to special features and yard items. He explained the items in that category had been depreciated back to 1976. Some new lattice had been installed in 2000 and incorrectly depreciated to 1976. The error was discovered and the improvement value corrected. He said similar types of corrections had been made on other properties that added improvements on different dates. Appraiser Johnson reviewed the income and sales comparison approaches provided in Exhibit I. He noted the subject's values were supported with equal weight given to both approaches. He recommended the Assessor's values be upheld.

Chairperson Covert asked if the business occupying the subject property was run by the owner. Appraiser Johnson replied that it was and the building was 100 percent occupied.

Mr. Allen suggested the previous owner should have been penalized, not the current owner.

Member Green observed the new owner was not being taxed for prior years, just for the correct improvement value in the current year. Member Krolick commented that correcting an error was not a penalty. Chairperson Covert wondered if the property would have been valued the same way if the error had never occurred. Appraiser Johnson stated it would and the lattice would have been depreciated to 2000.

With regard to Parcel No. 023-131-33, 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.

11-0385E PARCEL NO. 012-142-22 – ETCHEVERRY, ALBERT
– HEARING NO. 11-0331

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 701 Ryland 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, Albert Etcheverry was sworn in by Chief Deputy Clerk Nancy Parent. Having been previously sworn, John Flangas was also present to offer testimony.

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

Mr. Etcheverry said he had owned the property since 1975 and it had been leased to Pacific Pawnbrokers for the last 14 years. The lessee filed for bankruptcy in

October 2009 and the proceedings were still underway. The Petitioner was unable to do anything with the building until the bankruptcy court had settled the case. He indicated the building was appraised for \$1.2 million in 2006 and a commercial real estate agent suggested a \$600,000 listing price in 2010. He stated \$5,102 in property taxes was paid for the 2006-07 tax year and \$4,926 was paid for the 2009-10 tax year. Based on the declining value of the building from 2006 to the current time, he stated the property taxes were way too high.

Chairperson Covert asked if the subject was the same building where Napa Auto Parts used to be located. Mr. Etcheverry said it was and he had run the Auto Parts store for 18 years. He noted the Petitioner was paying for taxes, insurance and utilities, but there had been no income from the subject property since August 2010.

Member Krolick wondered what kind of bankruptcy had been filed. Mr. Etcheverry replied it was Chapter 11. Mr. Flangas said they were trying to force the tenant into Chapter 7 because there had been no activity in the bankruptcy court. He confirmed for Member Krolick that the bankruptcy trustee was not collecting any rent. Member Brown asked when the bankruptcy might be settled. Mr. Etcheverry indicated the attorney's estimate was one to six months. He hoped to either lease or sell the building after that time.

Appraiser Stafford reviewed the comparable sales and income approaches that were provided in Exhibit I. She indicated no income and expense data had been provided by the Appellant, and recommended the Assessor's values be upheld.

Chairperson Covert said he was having trouble with the Assessor's value for a distressed property that was beyond the owner's control. He inquired if there was any consideration for such a situation. Josh Wilson, County Assessor, indicated the Assessor had no recourse until the next valuation year. He stated the lowest possible rents had been used in the Assessor's income approach. As to the Appellant's comments about taxes, he pointed out there had been significant tax abatement on the subject property in 2007 and 2008, but taxes had been re-based since that time.

Member Green remarked that doing business was sometimes tough. He said he had some empathy for the Petitioner's situation. He noted the building might have a sales value of \$600,000 if the Petitioner had possession, and that more than supported the Assessor's value. Chairperson Covert observed they were not able to sell the building.

Member Krolick suggested a 50 percent vacancy rate be applied to the income approach until the bankruptcy could be resolved. Chairperson Covert agreed. Member Green disagreed. He said that would assume vacancy for the remainder of the year. Member Krolick remarked that it had been a nonperforming asset since August 2010. He said the bankruptcy court system was an unpleasant experience. Member Woodland stated her heart agreed but her brain did not.

With regard to Parcel No. 012-142-22, 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 carried on a 3-2 vote with Members Green and Woodland voting "no," it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$81,417 in obsolescence, resulting in a taxable improvement value of \$68,135 and a total taxable value of \$279,595 for tax year 2011-12. The reduction was based on a 50 percent vacancy rate due to tenant bankruptcy proceedings. 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.

11-0386E PARCEL NO. 020-181-15 – LEBOVITZ RENO ONE LLC
– HEARING NO. 11-0518

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 295 Gentry Way, 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, 8 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, Debbie Stolpman and Ron Jones were 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. He stated the Assessor's Office had a recommendation to reduce the value.

Chairperson Covert asked if the Petitioner was in agreement with the recommendation. Mr. Jones indicated he did not agree with the net operating income (NOI) used by the Assessor and how it was arrived at. He noted the income approach on page 3 of Exhibit I used operating expenses of \$14,389, which yielded \$129,498 for the NOI. He stated the Petitioner's actual NOI was \$86,373, as shown in the financial information submitted to the Assessor's Office. Based on a 9 percent capitalization rate, the Petitioner requested \$959,700 as the total taxable value. He explained the subject property's taxes and insurance might have been overlooked because they were paid directly by the owners. He observed the subject was an income-producing property that was not producing much income.

Member Green noted the expenses appeared to be the biggest difference between the Petitioner and the Assessor. Mr. Jones agreed. He stated page 3 of Exhibit I showed \$14,389 as operating expenses but there was an expense of \$23,388 for the property taxes alone. Member Brown asked who paid the property taxes. Mr. Jones said they were not paid through the management company; they were paid by the owners and were current. Mr. Jones clarified for Chairperson Covert that the Petitioner was not disputing the capitalization rate.

Appraiser Johnson reviewed the income approach that was provided on page 3 of Exhibit I. He indicated the Appellant's data showed a 60 percent expense ratio, which was not normal for triple net leases or for the type of property. Chairperson Covert questioned whether the Assessor knew for certain that it was a triple net lease. Appraiser Johnson said he did not know, but had used what was typical for the market. He noted it was probably not a triple net lease if the owner was paying some of the expenses. He reviewed the sales comparison approach from Exhibit I. He indicated most of the weight was given to the income approach. He recommended the total taxable value be reduced by applying obsolescence to the improvements.

Member Green wondered if the Assessor's Office ever used numbers submitted by the Petitioner. Appraiser Johnson said they were sometimes used when they were in line with the market. He noted 60 percent seemed excessive for expenses and he had not been aware the owner was paying the insurance and taxes. Mr. Jones stated only water and sewer were billed back to the tenants. Chairperson Covert asked what the rent was. Mr. Jones said it averaged \$0.58 per square foot.

Appraiser Johnson noted the Assessor's studies showed that almost all similar properties used triple net leases.

Mr. Jones said it was the Petitioner's position that the subject property should be looked at using the numbers that represented its actual circumstances. He noted it was a difficult property in a difficult area, and the expense ratio was high because of a 39 percent vacancy rate.

Member Brown asked if the amount shown under janitorial expenses was reasonable. Mr. Jones replied it was not. He explained there were repairs and other types of items that should have gone under repairs, but were all placed under janitorial.

Chairperson Covert wondered if the Assessor's Office used actual vacancy rates in their model if they were available. Appraiser Johnson said it was typical to use market rates. He pointed out the Petitioner's financial statements gave a 20 percent vacancy rate that was in line with the market. Mr. Jones agreed and apologized for stating the incorrect vacancy rate earlier in the hearing.

Member Green remarked that he was a little bothered by the numbers on page 2 of the Petitioner's income statement. He observed utilities on the vacant units were \$3,508.99 and the amount only included electricity. He pointed out there was only a

little over \$7,000 for water and sewer. Chairperson Covert stated the bookkeeping was a little sloppy. He indicated there was a large amount listed under non-recoverable expenses that should have been detailed out. Member Green noted the taxes added to the expenses would total over \$80,000.

With regard to Parcel No. 020-181-15, 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 taxable land value be upheld and the taxable improvement value be reduced by \$367,171 in obsolescence, resulting in a taxable improvement value of \$851,066 and a total taxable value of \$1,438,862 for tax year 2011-12. The reduction was based on the recommendation of the Assessor's Office. 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.

10:24 a.m. Chairperson Covert declared a brief recess.

10:31 a.m. The Board reconvened with all members present.

11-0387E **CONTINUATION – PARCEL NOS. 020-221-21, 020-221-22
& 020-221-23 – LEBOVITZ RENO TWO LLC
– HEARING NOS. 11-0547A, 11-0547B & 11-0547C**

On behalf of the Petitioner and having been previously sworn, Debbie Stolpman and Ron Jones were present to offer testimony. Mr. Jones indicated the Petitioner's income and expense data was blended for the three parcels comprising the Pioneer Plaza Shopping Center. Josh Wilson, County Assessor, stated the parcels had different uses and different comparables, so the Assessor looked at them individually. Mr. Jones requested the hearings be rescheduled so that he could attempt to separate the income and expense information by individual parcel. Following some discussion, Chairperson Covert continued the hearings to February 25, 2011.

11-0388E **086-801-03 – BLADOW PROPERTIES LLC
– HEARING NO. 11-0623**

Nancy Parent, Chief Deputy Clerk, indicated the Petitioner had withdrawn the appeal.

11-0389E **PARCEL NO. 035-263-08 – ECOL PARTNERSHIP
– HEARING NO. 11-0229**

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1300 Disc 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, 20 pages.

No one was present on behalf of the Petitioner.

On behalf of the Assessor and having been previously sworn, Dona Stafford, Appraiser, oriented the Board as to the location of the subject property. She stated the Petitioner was in agreement with the recommendation of the Assessor's Office to reduce the taxable land value and the taxable improvement value. She pointed out the amount of obsolescence shown in Exhibit I was incorrect and the recommendation was to apply \$120,454 in obsolescence to the improvements.

With regard to Parcel No. 035-263-08, 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 reduced by \$98,530 for a corner adjustment and the taxable improvement value be reduced by \$120,454 in obsolescence, resulting in a taxable land value of \$1,336,770, a taxable improvement value of \$1,325,930, and a total taxable value of \$2,662,700 for tax year 2011-12. The reductions were based on the recommendation of the Assessor's Office. 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.

11-0390E PARCEL NO. 035-263-09 – ECOL PARTNERSHIP
– HEARING NO. 11-0230

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1350 Disc 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, 22 pages.

No one was present on behalf of the Petitioner.

On behalf of the Assessor and having been previously sworn, Dona Stafford, Appraiser, oriented the Board as to the location of the subject property. She stated the Petitioner was in agreement with the recommendation of the Assessor's Office to reduce the taxable land value.

With regard to Parcel No. 035-263-09, 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 taxable land value be reduced for a corner adjustment to \$3,095,963 and the taxable improvement value be upheld, resulting in a total taxable value of \$8,368,300 for tax year 2011-12. The reduction was based on the recommendation of the Assessor's Office. 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.

11-0391E PARCEL NO. 009-821-04 – CCRE INVESTORS LLC
– HEARING NO. 11-0264

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 4102 Caughlin Parkway, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 5 pages.

Assessor

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

No one was present on behalf of the Petitioner.

On behalf of the Assessor and having been previously sworn, Joe Johnson, Appraiser, oriented the Board as to the location of the subject property. He indicated the Caughlin Club was a sports facility with tennis courts, a swimming pool, racquetball and basketball courts, a fitness center, a childcare center, and a bar/restaurant. Chairperson Covert noted the property was leased to a related entity. Appraiser Johnson observed the Appellant was paying its related entity \$420,000 per year in rent. He noted he had come up with a net operating income (NOI) that was very close to what was submitted by the Appellant. He said a 9 percent capitalization rate on either NOI gave indicated values that supported the Assessor's total taxable value. He reviewed two comparable sales that were provided in Exhibit I. He recommended the Assessor's value be upheld.

With regard to Parcel No. 009-821-04, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member 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.

11-0392E PARCEL NO. 006-166-01 – EASYMARK LLC
– HEARING NO. 11-0328

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1275 Stardust Street, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Income approach, 1 page.

Assessor

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

Exhibit II: Updated Assessor's recommendation, 1 page.

No one was present on behalf of the Petitioner.

On behalf of the Assessor and having been previously sworn, Gail Vice, Senior Appraiser, oriented the Board as to the location of the subject property. She provided Exhibit II to correct the amount of obsolescence shown in Exhibit I. She stated the Appellant was in agreement with the recommendation to reduce the total taxable value by applying obsolescence to the improvements. The recommendation was based on actual income and expenses submitted by the Appellant.

With regard to Parcel No. 006-166-01, 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 an additional \$570,680 in obsolescence (total obsolescence of \$1,029,168), resulting in a taxable improvement value of \$923,020 and a total taxable value of \$1,429,370 for tax year 2011-12. The reduction was based on the recommendation of the Assessor's Office. 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.

11-0393E PARCEL NO. 140-213-36 – LN DAMONTE RANCH TOWN CTR
LLC – HEARING NO. 11-0351

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 1191 Steamboat Parkway, 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, 16 pages.

Exhibit II: Updated Assessor's recommendation, 3 pages.

No one was present on behalf of the Petitioner.

On behalf of the Assessor and having been previously sworn, Cori DelGiudice, Senior Appraiser, oriented the Board as to the location of the subject property. She indicated the Appellant was in agreement with the recommendation of the Assessor's Office to reduce the total taxable value by applying obsolescence to the improvements.

With regard to Parcel No. 140-213-36, 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 taxable land value be upheld and the taxable improvement value be reduced by total obsolescence of \$609,481 (to include current obsolescence of \$75,000), resulting in a taxable improvement value of \$342,912 and a total taxable value of \$855,375 for tax year 2011-12. The reduction was based on the recommendation of the Assessor's Office. 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.

11-0394E PARCEL NO. 528-010-38 – MWSH SPARKS LLC
– HEARING NO. 11-0369

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 2360 Wingfield Hills Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Property Assessment Data, 1 page.

Exhibit B: Income analysis, 13 pages.

Assessor

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

No one was present on behalf of the Petitioner.

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 explained the Bonaventure Senior Living complex had an economical occupancy rate of 25 percent and a physical occupancy rate of 36 percent. He stated the Bonaventure opened at about the same time as the Cascades of the Sierra facility. The two facilities were aggressively competing against each other by discounting rents. He reviewed the income approach provided in Exhibit I. He recommended the total taxable value be reduced by applying obsolescence to the improvements.

Member Green asked how the facility compared to the Classic Residency by Hyatt. Appraiser Oliphint indicated the Petitioner was currently the low cost leader in the market. He said most such facilities in the community charged a little bit less than the Hyatt.

With regard to Parcel No. 528-010-38, 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 Green, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced by \$10,168,719 in obsolescence, resulting in a taxable improvement value of \$14,624,316 and a total taxable value of \$17,453,864 for tax year 2011-12. The reduction was based on the recommendation of the Assessor's Office. 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.

11-0395E PARCEL NO. 202-052-02 – LOGAN MADISON III LLC
– HEARING NO. 11-0511

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 0 Simons Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Parcel summary information, 1 page.

Assessor

Exhibit I: Assessor's Hearing Evidence Packet including comparable sales, maps and subject's appraisal records, 9 pages.

Exhibit II: Revised Hearing Evidence Packet, 10 pages.

No one was present on behalf of the Petitioner.

On behalf of the Assessor and having been previously sworn, Gail Vice, Senior Appraiser, oriented the Board as to the location of the subject property. She submitted Exhibit II to correct the zoning that was shown in Exhibit I. She stated the Appellant was in agreement with the recommendation of the Assessor's Office to reduce the taxable land value to equalize the subject with other properties in the neighborhood.

With regard to Parcel No. 202-052-02, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Krolick, which motion duly carried, it was ordered that the taxable land value be reduced to \$251,144 (\$4.00 per square foot), resulting in a total taxable value of \$251,144 for tax year 2011-12. The reduction was based on the recommendation of the Assessor's Office. With that adjustment, it was found that the land is valued correctly and the total taxable value does not exceed full cash value.

11-0396E PARCEL NO. 528-010-34 – BPH I LLC
– HEARING NO. 11-0579A

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 7000 Rolling Meadows Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Owner's opinion of value, 1 page.

Assessor

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

No one was present on behalf of the Petitioner.

On behalf of the Assessor and having been previously sworn, Gary Warren, Senior Appraiser, oriented the Board as to the location of the subject property. He presented the recommendation of the Assessor's Office to reduce the taxable land value. He indicated the parcel had been valued based on 226 tentative building sites but it was discovered there were only 223 tentative sites.

With regard to Parcel No. 528-010-34, 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 reduced to \$934,370, resulting in a total taxable value of \$934,370 for tax year 2011-12. The reduction was based on the recommendation of the Assessor's Office. With that adjustment, it was found that the land is valued correctly and the total taxable value does not exceed full cash value.

11-0397E PARCEL NO. 528-010-39 – BPH I LLC
– HEARING NO. 11-0579B

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 0 Wingfield Hills Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Owner's opinion of value, 1 page.

Assessor

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

No one was present on behalf of the Petitioner.

On behalf of the Assessor and having been previously sworn, Gary Warren, Senior Appraiser, oriented the Board as to the location of the subject property. He stated the recommendation of the Assessor's Office was to reduce the taxable land value to acknowledge its market value as well as a drainage channel located at the south end of the parcel.

With regard to Parcel No. 528-010-39, 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 reduced to \$1,004,740, resulting in a total taxable value of \$1,004,740 for tax year 2011-12. The reduction was based on the recommendation of the Assessor's Office. With that adjustment, it was found that the land is valued correctly and the total taxable value does not exceed full cash value.

11-0398E PARCEL NO. 532-020-09 – MS RIALTO EAGLE CANYON N NV
LLC – HEARING NO. 11-0580A

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 0 Pyramid Way, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Owner's opinion of value, 1 page

Assessor

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

No one was present on behalf of the Petitioner.

On behalf of the Assessor and having been previously sworn, Gary Warren, Senior Appraiser, oriented the Board as to the location of the subject property. He stated it was the recommendation of the Assessor's Office to reduce the taxable land value to put the parcel in equalization with an adjoining property that was under the same ownership. The recommended value was also based on conversion from a per acre value to a value per tentative lot.

With regard to Parcel No. 532-020-09, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Krolick, which motion duly carried, it was ordered that the taxable land value be reduced to \$495,040, resulting in a total taxable value of \$495,040 for tax year 2011-12. The reduction was based on the recommendation of the Assessor's Office to equalize with the adjoining property. With that adjustment, it was found that the land is valued correctly and the total taxable value does not exceed full cash value.

11-0399E PARCEL NO. 528-010-14 – DBJ HOLDINGS LLC
– HEARING NO. 11-0581A

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 0 Wingfield Hills Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Owner's opinion of value, 1 page.

Assessor

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

No one was present on behalf of the Petitioner.

On behalf of the Assessor and having been previously sworn, Gary Warren, Senior Appraiser, oriented the Board as to the location of the subject property. He indicated it was the recommendation of the Assessor's Office to reduce the taxable land value to reflect new evidence related to the parcel's designations for occupancy and density under its development plan.

With regard to Parcel No. 528-010-14, 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 taxable land value be reduced to \$2,518,440, resulting in a total taxable value of \$2,518,440 for tax year 2011-12. The reduction was based on the recommendation of the Assessor's Office to adjust for use and density. With that adjustment, it was found that the land is valued correctly and the total taxable value does not exceed full cash value.

11-0400E PARCEL NO. 528-010-33 – DBJ HOLDINGS LLC
– HEARING NO. 11-0581C

A Petition for Review of Assessed Valuation was received protesting the 2011-12 taxable valuation on land and improvements located at 0 Wingfield Hills Road, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Owner's opinion of value, 1 page.

Assessor

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

No one was present on behalf of the Petitioner.

On behalf of the Assessor and having been previously sworn, Gary Warren, Senior Appraiser, oriented the Board as to the location of the subject property. He indicated it was the recommendation of the Assessor's Office to reduce the taxable land value. A portion of the subject parcel was located within a flood zone and would be used for drainage under its development plan.

With regard to Parcel No. 528-010-33, 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 taxable land value be reduced to \$1,605,000, resulting in a total taxable value of \$1,605,000 for tax year 2011-12. The reduction was based on the recommendation of the Assessor's Office to adjust for drainage area in a flood zone. With that adjustment, it was found that the land is valued correctly and the total taxable value does not exceed full cash value.

11-0401E BOARD MEMBER COMMENTS

There were no Board member comments.

11-0402E PUBLIC COMMENT

There was no response to the call for public comment.

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11:34 a.m. There being no further hearings or business to come before the Board, on motion by Member Woodland, seconded by Member Krolick, 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
Lisa McNeill, Deputy Clerk*