

BOARD OF EQUALIZATION, WASHOE COUNTY, NEVADA

WEDNESDAY

9:00 A.M.

FEBRUARY 17, 2010

PRESENT:

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

10-0604E WITHDRAWN PETITIONS

The following petitions scheduled on today's agenda had been withdrawn by the Petitioners prior to the hearing: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.
007-153-10	930 BELL ST INC	10-0750
007-162-12	930 BELL ST INC	10-0747
007-171-06	930 BELL ST INC	10-0751
007-143-08	CARDINALLI, JOHN AND AMANDA	10-0748
007-143-09	CARDINALLI, JOHN AND AMANDA	10-0749
012-403-02	RENO INVESTORS LLC	10-0323A
012-403-05	RENO INVESTORS LLC	10-0323B
012-403-06	RENO INVESTORS LLC	10-0323C
034-131-15	US INST REAL EST EQUITIES LP	10-0369A
034-131-18	US INST REAL EST EQUITIES LP	10-0369B
034-262-16	US INST REAL EST EQUITIES LP	10-0369C
034-262-17	US INST REAL EST EQUITIES LP	10-0369D
034-232-08	US INST REAL EST EQUITIES LP	10-0369E
034-132-09	745/755 E GREG STREET LLC	10-0417
034-342-07	CAL LINDA FREEPORT LLC	10-0487
034-262-03	PDM STEEL SERVICE CENTERS INC	10-0820
021-461-31	N&D TRADING	10-0896
034-091-22	PENSKE TRUCK LEASING	10-0898
034-162-02	SWIFT TRANSPORTATION CO INC	10-0943A
034-162-16	SWIFT TRANSPORTATION CO INC	10-0943B

10-0605E SWEARING IN

Nancy Parent, Chief Deputy Clerk, swore in any of the Assessor's staff who would be presenting testimony for the 2010 Board of Equalization hearings.

**10-0606E PARCEL NO. 034-353-26 – T-2 ENTERPRISES LLC –
HEARING NO. 10-0237**

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 250 Greg Street, Washoe County, Nevada.

It was noted Hearing Nos. 10-0237 and 10-0238 would be heard simultaneously.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Property information, 4 pages.

Assessor

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

Exhibit II: Updated top page to HEP, 1 page.

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

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

Mr. Terrasas said the information provided summarized the property as a single-story, low quality tilt-up storage warehouse. He stated it was difficult to find comparable sales that matched the parcel and felt the income approach was the most efficient way to arrive at an opinion of value. He explained the income approach for square foot assumptions and the potential growth income for storage/warehouse and industrial/manufacturing as noted on page 2 of Petitioner Exhibit A. In reference to the vacancy rate, Mr. Terrasas stated data was collected from real estate professionals familiar with the local market and, based upon the data provided, the market vacancy rate in the area had a mean of 40 percent and a median of 30 percent. He commented 25 percent and 15 percent were assumed in difference to the Assessor's Office assumptions of 18 percent and 8.5 percent. He indicated the Net Operating Income was determined by subtracting the vacancy and collection loss from the gross income. Mr. Terrasas said the operating expenses were determined based upon information from LoopNet, real estate professionals and the Assessor's Office. The Net Operating Income was determined by

deducting the operating expenses from the effective gross income and the Capitalization Rate was based on information from real estate professionals, LoopNet, Reno-Sparks MLS and the Assessor's Office. Based on the information and analysis, Mr. Terrasas stated \$2,475,600 was the owner's opinion of value.

Appraiser Sarman explained this was an owner-occupied parcel. He reviewed the comparable sales and said an income approach was conducted along with a market rent vacancy expense and capitalization (cap) rate to determine an income approach value of \$34 per square foot. Upon review and based on the overall sales comparison analysis, the property value did not exceed full cash value and the subject property was equalized with similarly situated properties and improvements in the County.

Chairman Covert remarked the Petitioner had several differences and asked if the Appraiser had time to review the Petitioner's numbers. Appraiser Sarman replied he reviewed the information and noticed the high vacancy rate. However, that information was pulled from LoopNet, which in reviewing that information and comparing the vacancy, would be higher than reviewing total inventory and other properties that may be 100 percent occupied. Appraiser Sarman said the assumption was if the property was on the open market, the rent would be based on a triple net lease, with expenses passed to the tenant.

In rebuttal, Mr. Terrasas disagreed with the comparable sales used by the Assessor's Office and spoke on the variations of data and assumptions. He felt most of the assumptions were taken from market-wide data; however, that data did not break down to the sub-markets.

Chairman Covert commented the Petitioner had a compelling argument and supplied persuasive evidence. Member Woodland agreed and suggested obsolescence be applied to the property.

With regard to Parcel No. 034-353-26, pursuant to NRS 361.357, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Woodland, seconded by Member Krolick, which motion duly carried with Member Horan absent, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$1,778,600, resulting in a total taxable value of \$2,475,600 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

10-0607E PARCEL NO. 034-353-07- T-3 ENTERPRISES LLC -
HEARING NO. 10-0238

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 250 Greg Street, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Property information, 3 pages.

Assessor

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

Exhibit II: Updated top sheet for HEP, 1 page.

On behalf of the Petitioner, Frank Terrasas was previously sworn by Chief Deputy Clerk Nancy Parent.

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

***9:36 p.m.** Alternate Member Horan arrived.

Mr. Terrasas stated the same set of assumptions, calculations and evidence were submitted as per the previous hearing.

Appraiser Sarman reviewed the comparable sales and upon review and based on the overall sales comparison analysis he said the property value did not exceed full cash value and the subject property was equalized with similarly situated properties and improvements in the County.

Chairman Covert stated since this was the same owner and owner-occupied location, why was more weight placed on the income approach for the previous hearing. Appraiser Sarman explained in the previous hearing more weight was placed on the comparable sales because those supported the value. However, in this case, the income approach indicated it was below the current taxable value.

In rebuttal, Mr. Terrasas clarified there was a different assumption on the vacancy rate for this property and since 30 percent of the building was not being utilized the vacancy rate should be 30 percent for the subject property.

Chairman Covert stated his comments were similar to the previous hearing and felt some obsolescence should be applied. After discussion it was determined to apply \$71,966 in obsolescence.

With regard to Parcel No. 034-353-07, 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 Krolick, which motion duly carried with Member Horan abstaining, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$2,042,076, resulting in a total taxable value of

\$2,739,076 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

10-0608E PARCEL NO. 152-480-01– DOERR, ROBERT L & LINDA L –
HEARING NO. 10-0156

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 4000 Cocopah Court, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Assessment notice, 1 page.

Exhibit B: Vacant Land Full Listing Report, 2 pages.

Assessor

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

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

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

Ms. Doerr stated her assessed value on the land was \$160,000 and a value of \$625,245 was placed on the improvements. She said she felt the land was worth approximately \$100,000 because of the area. The Assessor's Office was willing to reduce the land to \$125,000, but she still requested a value of \$100,000 be placed on the land value.

Appraiser Regan explained 20 percent of obsolescence had been applied to all the building values in the Arrowcreek community. She said the Assessor's Office was aware of the \$100,000 sale that occurred in the latter part of 2009 and aware of the ArrowCreek market since it had been flooded with foreclosures and bank-owned properties. After reviewing the land sales, which were in the Arrowcreek area and were custom lots, she felt that the \$160,000 base lot value was supported. She indicated the \$100,000 sale was grouped in the one-acre parcels and would be used in the second hearing for the Petitioner. Appraiser Regan noted this parcel was situated on half an acre with no view adjustment. She commented the recommendation of \$125,000 for the base lot value in the ArrowCreek community was consistent to previous motions made by the Board.

The Petitioner stated she had no additional information to submit.

Chairman Covert recommended equalizing the property to remain consistent with others in the Arrowcreek community.

With regard to Parcel No. 152-480-01, 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 Krolick, which motion duly carried, it was ordered that the taxable land value be reduced to \$125,000 and the taxable improvement value be upheld, resulting in a total taxable value of \$750,245 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

10-0609E PARCEL NO. 152-623-13 – DOERR, ROBERT L & LINDA L –
HEARING NO. 10-0166

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 5765 Indigo Run Drive, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Assessment notice, 1 page.

Exhibit B: Vacant Land Full Listing Report, 2 pages.

Assessor

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

On behalf of the Petitioner, Linda Doerr was previously sworn by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Patricia Regan, Appraiser III, oriented the Board as to the location of the subject property. She explained the subject was a vacant, one-acre lot with no view.

Ms. Doerr stated she had the same argument as the previous hearing and had no additional evidence.

Chairman Covert recommended equalizing the property to remain consistent with others in the Arrowcreek community.

With regard to Parcel No. 152-623-13, 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 Krolick, which motion duly carried, it was ordered that the taxable land value be reduced to \$125,000 and the taxable improvement value be

upheld, resulting in a total taxable value of \$126,526 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

10-0610E PARCEL NO. 021-890-06 – QUAIL POINT BUSINESS PARK LLC – HEARING NO. 10-0404

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 4579 Longley Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 30 pages.

Exhibit B: Additional supporting documentation, 29 pages.

Assessor

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

On behalf of the Petitioner, Roger Croteau was previously sworn by Chief Deputy Clerk Nancy Parent.

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

Mr. Croteau remarked the Assessor's Office recommended a reduction; however, based upon the income method it was not a full reduction, but nonetheless, he was appreciative. In regard to the capitalization (cap) rate, he said the financial statement for the subject parcel was provided which indicated an income of \$20,736 for the property. He said based on a 9 percent cap rate the appropriate value for the subject property would be \$230,400. He indicated the property was 24 percent office space and 76 percent warehouse which was Industrial Flex. Mr. Croteau said the documents provided dictated the market value for rents in that area and, noted rental for Industrial Flex was between \$0.40 to \$0.50 a square foot depending on the percentage of office space. He clarified since the value had been reduced for this property the new assessed taxable reduction was accepted.

Chairman Covert stated the Petitioner reluctantly agreed to the recommendation and asked if that was a fair analysis. Mr. Croteau confirmed that was a fair analysis.

Appraiser Clement remarked over the next several days the Board would hear testimony concerning Industrial Flex buildings. He explained Industrial Flex buildings were inline, low buildings that could vary in the amount of office and

warehouse space for single tenant occupancy ranging from 2,000 to 15,000 square feet and vary in location and use. He indicated no income data was received to conduct an analysis for the subject property prior to the hearing. Appraiser Clement reviewed his information and indicated it was recommended a value of \$75 per square foot and obsolescence in the amount of \$71,242 be deducted from the improvement value resulting in a new improvement value of \$247,125.

With regard to Parcel No. 021-890-06, pursuant to NRS 361.356, 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 to \$247,125, resulting in a total taxable value of \$343,125 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

10-0611E PARCEL NO. 034-091-03 – 1320-1350 FREEPORT LLC –
HEARING NO. 10-0416

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 1350 Freeport Blvd., Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Assessment notice, 1 page.

Exhibit B: Letter and supporting documentation, 36 pages.

Exhibit C: Additional supporting documentation, 36 pages.

Assessor

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

On behalf of the Petitioner, Roger Croteau was previously sworn by Chief Deputy Clerk Nancy Parent.

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

Mr. Croteau said this property was divided between office and warehouse space. He reviewed the valuation on the property and said the tax valuation should be substantially less and recommended \$55 per square foot. Mr. Croteau stated he did not agree with all the comparable sales presented by the Assessor's Office. He said from an income point of view the property had a 3.7 percent cap rate which gave a value of approximately \$700,000 and recommended a reduction based on that cap rate.

Appraiser Clement said the subject property consisted of two Industrial Flex buildings and totaled 47,426 square feet. He said the taxable value on the property was \$50.97 a square foot, which fell below what the Petitioner was recommending at \$55 per square foot. He reviewed the comparable sales, noted no income data had been provided with the appeal, and discussed the potential gross income associated with new and previous leases. He said Improved Sale 1 (IS1) was a recent sale and was comparable to the subject except that it was older and had a lower ceiling height. Appraiser Clement remarked the income approach indicated a value of \$51 per square foot. Therefore, based on that analysis, taxable value did not exceed full cash value and the property was equalized with similarly situated properties.

Chairman Covert was concerned that the two recent comparable sales with similar use and construction were below the taxable value of the subject property. He stated it appeared the sale value was lower than the taxable value.

Josh Wilson, Assessor, clarified the entire sale prices per square foot were above the taxable price per square foot on this property. Nevada's cost approach indicated, as properties age, more depreciation was added which was why the taxable value was lower.

In rebuttal, Mr. Croteau disagreed with the cap rate based upon the financial data and the comparable sales used for the subject property and felt there was inequitable treatment.

Chairman Covert remarked there was a building 16 years older than the subject as a comparable. Member Krolick commented the question should be was the tenant paying on a triple net lease or was the owner paying for the improvements. Mr. Croteau clarified this was a modified gross lease not a triple net lease.

Appraiser Clement explained tenant improvements were figured into the analysis and improvements were for finished offices or adding more office space. He said the calculations for those changes would be reflected on the costing of the amount of office space. He explained Industrial Flex buildings were allowed a certain percentage of office space based upon their classification; however, the Assessor's Office was governed by statute on how the building was aged-weighted for remodeling. Appraiser Clement stated on these properties there was not an equalization issue on taxable value; this was a result of the taxable value system in the State using replacement cost new less one and a half percent depreciation a year. He said the Petitioner felt this parcel should be valued at \$55 per square foot, but the taxable value was actually \$50.97 per square foot because the Petitioner did not account for the other building being part of the valuation.

The Petitioner had no further information.

With regard to Parcel No. 034-091-03, 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 Brown, which motion duly carried, it was ordered that

the Assessor's taxable values be upheld for tax year 2010/11. 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.

10:37 a.m. The Board recessed.

10:46 a.m. The Board returned.

10-0612E **PARCEL NO. 021-455-12 – QUAIL VISTA LLC – HEARING NO. 10-0435**

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 4690 Longley Lane B, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Assessment notice, 1 page.

Exhibit B: Letter and supporting documentation, 34 pages.

Assessor

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

On behalf of the Petitioner, Roger Croteau was previously sworn by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Steven Clement, Appraiser III, oriented the Board as to the location of the subject property. He recommended that the taxable improvement value be reduced in the form of economic obsolescence and noted the Petitioner was in agreement.

With regard to Parcel No. 021-455-12, pursuant to NRS 361.356, 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 to \$694,096, resulting in a total taxable value of \$1,084,596 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

10-0613E **PARCEL NO. 021-880-07– QUAIL VISTA LLC –**
HEARING NO. 10-0436

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 4690 Longley Lane 1-6, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 31 pages.

Assessor

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

On behalf of the Petitioner, Roger Croteau was previously sworn by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Steven Clement, Appraiser III, oriented the Board as to the location of the subject property. He recommended that the taxable improvement value be reduced in the form of economic obsolescence and noted the Petitioner was in agreement.

With regard to Parcel No. 021-880-07, 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 Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$708,314, resulting in a total taxable value of \$913,514 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

10-0614E **PARCEL NO. 021-880-03 – QUAIL VISTA LLC –**
HEARING NO. 10-0480

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 4690 Longley Lane 7-8, 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 subjects appraisal records, 13 pages.

On behalf of the Petitioner, Roger Croteau was previously sworn by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Steven Clement, Appraiser III, oriented the Board as to the location of the subject property. He recommended that the taxable improvement value be reduced in the form of economic obsolescence and noted the Petitioner was in agreement.

Appraiser Clement noted many of Quail Vista's recommendations were based on an estimated income approach to value. He believed that the subject had one vacancy. He felt the income analysis data should be presented in advance so accurate recommendations could be applied.

With regard to Parcel No. 021-880-03, pursuant to NRS 361.356, 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 to \$259,375, resulting in a total taxable value of \$344,975 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

10-0615E PARCEL NO. 021-880-02 – QUAIL VISTA LLC –
HEARING NO. 10-0481

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 4690 Longley Lane 9-12, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 8 pages.

Assessor

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

On behalf of the Petitioner, Roger Croteau was previously sworn by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Steven Clement, Appraiser III, oriented the Board as to the location of the subject property. He recommended that the taxable improvement value be reduced in the form of economic obsolescence and noted the Petitioner was in agreement.

With regard to Parcel No. 021-880-02, 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 Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$420,550, resulting in a total taxable value of \$562,150 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

**10-0616E PARCEL NO. 021-455-13 – QUAIL VISTA LLC –
HEARING NO. 10-0482**

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 4690 Longley Lane C, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 8 pages.

Assessor

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

On behalf of the Petitioner, Roger Croteau was previously sworn by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Steven Clement, Appraiser III, oriented the Board as to the location of the subject property. He recommended that the taxable improvement value be reduced in the form of economic obsolescence and noted the Petitioner was in agreement.

With regard to Parcel No. 021-455-13, pursuant to NRS 361.356, 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 to \$326,701, resulting in a total taxable value of \$546,601 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

10-0617E PARCEL NO. 021-870-03 – QUAIL VISTA LLC –
HEARING NO. 10-0483

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 4690 Longley Lane 17-42, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 7 pages.

Exhibit B: Additional supporting documentation, 39 pages.

Assessor

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

On behalf of the Petitioner, Roger Croteau was previously sworn by Chief Deputy Clerk Nancy Parent and Ed Yuill was sworn in by Ms. Parent.

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

Mr. Croteau indicated the business struggled this year, but at the present time it was well-leased at a reduced rate including rental concessions, free rent and various other methods to excite the rental market. He said the income data presented demonstrated the decline in value and rental income for the subject property. Mr. Croteau said this was the same type building as previous Quail Vista hearings and based on the principles applied to those parcels, \$85 per square foot should be applied to the subject parcel. He recommended the total value be reduced to \$4,066,740, which was consistent with the prior approach.

Appraiser Clement reviewed the comparable sales, the potential gross income, effective gross income, net operating income and market value income approach. He said based on those analyses, taxable value did not exceed full cash value and this property was equalized with similarly situated properties in the County. He remarked valuing these properties was based on an assumption because data had not been provided.

In rebuttal, Mr. Croteau agreed that warehouse use in an Industrial Flex area was different but \$42 per square foot was the value for the total warehouse, which was essentially half of the frontal area of the parcel. He said the owner was seeking to equalize the value of the contiguous property with the same frontage, use and presentation. Chairman Covert clarified the Petitioner was suggesting a \$60,289 adjustment. Mr. Croteau agreed.

Member Brown asked what the vacancy rate was for the parcel. Mr. Yuill stated the average vacancy rate for the property was 10 to 11 percent for the year. Mr. Croteau stated because of the modified gross lease that would be potentially augmented with rental rates.

After review of the documents, Member Woodland suggested upholding the Assessor's value.

With regard to Parcel No. 021-870-03, 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 Brown, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2010/11. 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.

10-0618E PARCEL NO. 034-342-04 – CAL LINDA FREEPORT LLC –
HEARING NO. 10-0485

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 240 Freeport Blvd., Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 25 pages.

Exhibit B: Additional supporting documentation, 24 pages.

Assessor

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

On behalf of the Petitioner, Roger Croteau was previously sworn by Chief Deputy Clerk Nancy Parent.

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

Mr. Croteau said the Assessor's Office valued the property at \$31.22 per square foot. He did not agree with the comparable sales and noted the current vacancy rate was 15 percent. Mr. Croteau remarked that a financial statement was provided for this property and that data indicated a 7.4 percent capitalization (cap) rate. However, he requested a reduction based on a 9 percent cap rate which was accepted in the industry.

Chairman Covert asked if there was an age difference with the buildings. Mr. Croteau stated the purported age difference was approximately four years.

Appraiser Clement reviewed the comparable sales, the potential gross income, effective gross income, net operating income and market value income approach. He said based on those analyses, taxable value did not exceed full cash value and this property was equalized with similarly situated properties in the County. Chairman Covert asked if there was a penalty for the percentage difference with office space. Appraiser Clement clarified that to be correct.

Chairman Covert remarked the Assessor's Office and the Petitioner agreed that Improved Sale 1 was a comparable sale. He asked if the age variation made the difference between the square footage. Appraiser Clement said based on depreciation and given that the land value was the same that would be the only difference.

In rebuttal, Mr. Croteau respected the fact that the Assessor's Office was applying a reduction. However, the actual numbers demonstrated that the gross income was not \$304,000, but \$270,000 even though the vacancy rate was lower. He believed since the buildings were 92 percent warehouse the parcel was entitled to an additional reduction.

Chairman Covert questioned if the Petitioner had supplied the actual income numbers earlier, would the income approach be modified. Appraiser Clement replied the data showed a net operating income of \$34,376, but if the interest expense was added and the depreciation added back in that would arrive at a net operating income of \$119,567. He said if the Petitioner's figures were used with the 9 percent cap rate, the value would be \$1.3 million and still above the taxable value.

Member Woodland remarked the Assessor's Office was accessible and would be willing to sit with any petitioner before hearings. She stated she would support upholding the Appraiser's recommendation.

With regard to Parcel No. 034-342-04, 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 Brown, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2010/11. 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.

10-0619E PARCEL NO. 034-342-05 – CAL LINDA FREEPORT LLC –
HEARING NO. 10-0486

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 50 Freeport Blvd., Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 24 pages.

Exhibit B: Additional supporting documentation, 21 pages.

Assessor

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

On behalf of the Petitioner, Roger Croteau was previously sworn by Chief Deputy Clerk Nancy Parent.

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

Chairman Covert requested the Appraiser review the numbers submitted by the Petitioner.

Mr. Croteau explained this property had a 6.8 percent capitalization (cap) rate, but requested a 9 percent cap rate to be consistent with the previous hearings. Appraiser Clement remarked the Petitioner was addressing information for another hearing. Mr. Croteau apologized for the confusion.

Appraiser Clement stated there was a significant amount of information provided for this hearing and he would need time to analyze the data. In the interest of accuracy, Chairman Covert suggested a recess.

11:48 a.m. The Board recessed.

12:31 p.m. The Board returned.

Appraiser Clement stated in reviewing the income and expenses of the property and adding back the depreciation and interest expenses, the net operating income was \$73,800. By applying the 9 percent cap rate, the building value would be \$820,000. He remarked the total expenses on the statement were \$237,293, or 76 percent, which were above normal expense ratios. Chairman Covert asked if that could be attributed to rates being drastically reduced to cover fixed variable costs. Appraiser Clement said that could be attributed to lower rents and increased vacancy rates. He said the normal operating expense estimation could be 30 percent for this type of building. He added that was addressed in the income approach and increasing the expense ratio by 10 percent; however, at the same time IS1 could not be disregarded, which was a recent sale at \$2.2 million. After review of the evidence and based on the analysis, he still recommended the value be upheld.

In rebuttal, Mr. Croteau said the short-hand analysis was that the income approach did not work because they arrived at a lesser value. Chairman Covert said “lesser” was a kind word. Mr. Croteau said even adding back the expenses, the property value was still around \$1.1 million whereas the taxable value was \$1.5 million. Mr. Croteau commented this was a property with a high turnover rate, which was a modified gross lease. He respectfully requested a modification using the cap rate analysis.

Chairman Covert commented there was only one comparable sale to use, but due to the complexities of the current market the income approach was not a valid approach; however, he felt some relief should be granted through obsolescence.

Member Horan said he was not convinced the argument was there to not support the Assessor’s Office recommendation.

With regard to Parcel No. 034-342-05, pursuant to NRS 361.356, based on the evidence presented by the Assessor's Office and the Petitioner, Member Brown moved to reduce the improvement value to \$904,342 for a total taxable value of \$1,370,642. Chairman Covert seconded the motion. The motion failed due to Members Woodland, Krolick and Brown voting “no.”

With regard to Parcel No. 034-342-05, 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 Krolick, which motion duly carried with Chairman Covert voting "no," it was ordered that the Assessor's taxable values be upheld for tax year 2010/11. 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.

10-0620E PARCEL NO. 034-300-15 – CAL LINDA FREEPORT LLC –
HEARING NO. 10-0437

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 250 Cal Lane, Washoe County, Nevada.

Based on similar evidence and common issues of law and fact, Hearing Nos. 10-0437 and 10-0488 would be heard simultaneously.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Assessment notice, 1 page.

Exhibit B: Letter and supporting documentation, 31 pages.

Exhibit C: Letter and supporting documentation, 30 pages.

Assessor

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

On behalf of the Petitioner, Roger Croteau and Ed Yuill were previously sworn by Chief Deputy Clerk Nancy Parent.

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

Mr. Croteau said the parcels consisted of 29,167 square feet and 29,100 square feet respectfully. He indicated the parcels were General Industrial/Light Industrial truck facilities. He commented the value for Parcel No. 034-300-15 was \$795,349 and the value for Parcel No. 034-353-02 was \$828,212. Essentially, these properties were valued at \$1.6 million. Mr. Croteau stated using the combined income approach method, applying both parcels together, and adding back the non-deductable items showed a net income of \$157,812. Then applying a 9 percent capitalization (cap) rate would equate to a value of \$1.7 million. He stated rental rates were fluctuating and assumed that the Assessor's valuation was reasonably appropriate as a collective unit.

Mr. Yuill stated the buildings leaned heavier toward industrial, but also consisted of manufacturing and distribution. He indicated the vacancy rate for the past 12 months was between 10 and 11 percent. He said this was a modified gross lease with expenses paid by the landlord. He described the interior of the buildings and said they were 15 to 20 percent office.

Appraiser Sarman reviewed the comparable sales, the potential gross income, effective gross income, net operating income and market value income approach. He said based on those analyses, taxable value did not exceed full cash value and these property was equalized with similarly situated properties in the County.

With regard to Parcel No. 034-300-15, pursuant to NRS 361.356, 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 2010/11. 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.

10-0621E PARCEL NO. 034-353-02 – CAL LINDA FREEPORT LLC –
HEARING NO. 10-0488

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 1080 Linda Way, Washoe County, Nevada.

Based on similar evidence and common issues of law and fact, Hearing Nos. 10-0437 and 10-0488 were heard simultaneously. For discussion that took place on this hearing see item 10-0620E.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 22 pages.

Exhibit B: Letter and supporting documentation, 21 pages.

Assessor

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

On behalf of the Petitioner, Roger Croteau was previously sworn by Chief Deputy Clerk Nancy Parent.

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

With regard to Parcel No. 034-353-02, pursuant to NRS 361.356, 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 2010/11. 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.

10-0622E PARCEL NO. 034-300-10 – MANOUKIAN FAMILY TRUST – HEARING NO. 10-0489

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 105 Cal Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 33 pages.

Exhibit B: Letter and supporting documentation, 32 pages.

Assessor

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

On behalf of the Petitioner, Roger Croteau and Ed Yuill were previously sworn by Chief Deputy Clerk Nancy Parent.

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

Mr. Croteau stated this property had been vacant for the majority of the year and some of the income shown was bank reimbursements. Mr. Yuill explained this was a bankruptcy. He said the tenant terminated the lease and vacated in February 2010 when US Bank took over the lien. He indicated the Bank paid some rent before the property was auctioned. Mr. Croteau requested a one-time obsolescence devaluation of the property in the improvement value.

Appraiser Sarman said the Assessor's Office reviewed the taxable value beginning July 1st. He clarified the property was vacant, but market rents and vacancies were used to uphold the taxable value. Chairman Covert said this was a special case since the owner had their hands tied for a number of months due to bankruptcy court proceedings that would negate any income approach. Appraiser Sarman agreed; however, with a lien date and the value as of July 1st the ability was now there to rent the space. Appraiser Sarman reviewed the comparable sales and upon review stated the taxable value did not exceed full cash value and the subject property was equalized with similarly situated properties in the County.

Member Krolick commented this was a unique situation because the owner was locked out of the building due to the bankruptcy and could not replace the tenant until the proceedings were completed. Under those circumstances, selling the building could be difficult.

After discussion, the Board chose to apply obsolescence in the amount of \$75,000 to the subject property.

With regard to Parcel No. 034-300-10, 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 Brown, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$122,845, resulting in a total taxable value of \$201,845 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

10-0623E PARCEL NO. 021-890-02 – KING FAMILY TRUST –
HEARING NO. 10-0490

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 4591 Longley Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 32 pages.

Exhibit B: Letter and supporting documentation, 31 pages.

Assessor

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

On behalf of the Petitioner, Roger Croteau was previously sworn by Chief Deputy Clerk Nancy Parent.

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

Mr. Croteau explained the location of the property and the similarities and inequities to previously heard parcels in the same area. He said the capitalization (cap) rate on this property was 5.8 percent, but requested a 9 percent cap rate. He reviewed comparable sales and the dates those sales occurred. He acknowledged that the comparable sales were somewhat differing but were in a similar location to the subject property. From an income basis, he said it dictated some reduction and, from a sales comparison view, it was apparent that Improved Sale 1 (IS1) and IS2 were not comparable sales. He requested a reduction to \$70 per square foot if the income basis comparison were used or \$1.2 million if a cost comparison were used.

Appraiser Clement reviewed the comparable sales, the potential gross income, effective gross income, net operating income and market value income approach. He said based on those analyses, taxable value did not exceed full cash value and this property was equalized with similarly situated properties in the County.

Chairman Covert said he reviewed the income approach and the net operating income provided by the Appraiser and then reviewed the income sheet provided by the Petitioner. After removing the general administrative expenses would those numbers be comparable numbers. Appraiser Clement said they would be comparable to the affected gross; however, the Petitioner's expenses were broken down to general administrative expenses and direct expenses. He stated in his approach those would be combined. Chairman Covert asked if those numbers had been provided earlier would the income approach be used. Appraiser Clement said the range of improved sales would have been \$84 to \$155, the income approach to value would have been \$52 per square foot; therefore, based on those analyses the value would be between \$52 and \$155 per square foot. Chairman Covert stated that was a big range. Appraiser Clement concurred.

In rebuttal, Mr. Croteau agreed with the Appraiser and the calculations. He thought the \$83,533 was equivalent to the income analysis presented by the Appraiser.

He said this property had no reductions for interest or depreciation so there was nothing to add back. He said the owner sustained a 20 percent vacancy rate during the year and the rental in the building was approximately \$0.75 a square foot with a modified gross lease. He respectfully requested some relief either from an income approach or something less than the valuation asserted by the Assessor's Office.

Chairman Covert asked if the Petitioner felt the 20 percent vacancy would make up for the difference. Mr. Croteau replied no. He said this property was currently valued at \$82.50 a square foot from a cost evaluation point of view. However, he felt from an income point of view the rental approach was too high.

Chairman Covert said the Assessor's evaluation was on the low side of the range. Appraiser Clement concurred, but the date of the sales also had to be reviewed.

In response to a question from Member Horan, Appraiser Clement replied the amount was estimated based upon location and rental rates of comparable property and also taken into account were leases in place at the present time.

With regard to Parcel No. 021-890-02, 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 Krolick, which motion duly carried with Member Horan voting "no," it was ordered that the Assessor's taxable values be upheld for tax year 2010/11. 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.

10-0624E PARCEL NO. 021-890-05 – KING FAMILY TRUST –
HEARING NO. 10-0491

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 4591 Longley Lane, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 32 pages.

Exhibit B: Letter and supporting documentation, 31 pages.

Assessor

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

On behalf of the Petitioner, Roger Croteau was previously sworn by Chief Deputy Clerk Nancy Parent.

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

Mr. Croteau analogized that this parcel was behind a parcel heard in a prior hearing, which was primarily warehouse. He said it was recommended to reduce this property to \$75 a square foot for a valuation of \$498,150. He felt the recommended \$75 per square foot was high. Mr. Croteau said the subject parcel demonstrated a \$19,900 net operating income and, in comparison, the Appraiser placed a 60 percent higher number on the actuals. He requested, in addition to the recommendation, a capitalization (cap) rate of 7.5 percent be applied which would reduce the value of the property.

Appraiser Clement said the buildings behind the subject property would not be used as a comparable because of differences. He said office space did matter; however, there was a certain amount of office space that was accounted for in the re-costing of the buildings based upon quality class. He added this building was a quality class three allowing more office finish in the re-costing. He said the reduction was based on a lack of finish to account for the difference on what was allowed in the *Marshall and Swift Costing Manual* regarding costing of the building at the present time. He said based on the comparable sales, the potential gross income, effective gross income, net operating income and market value income approach, a recommended value of \$75 per square foot and obsolescence in the amount of \$42,565 be deducted from the improvement value.

Member Horan said the actual income as projected by the Petitioner was not supplied, but clearly it was less than what was projected by the Appraiser. He asked for some reconciliation of that income approach. Appraiser Clement said the income approach in the current market was not substantiating what the properties could be purchased for and an opinion of value had to be used. Member Horan said the income approach did not support the value and with the actuals put forward by the Petitioner it did not support the income approach.

Mr. Croteau suggested using the income approach presented by the Assessor's Office which was \$40,000 less than what was proposed. Chairman Covert stated he was inclined to go with the income approach suggested by the Assessor's Office.

With regard to Parcel No. 021-890-05, pursuant to NRS 361.356, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Horan, seconded by Member Krolick, which motion duly carried with Member Woodland voting "no," it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$312,719, resulting in a total taxable value of \$452,719 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

10-0625E PARCEL NO. 034-300-14– SEATON, JEAN –
HEARING NO. 10-0492

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 75 Bank Street, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Letter and supporting documentation, 30 pages.

Exhibit B: Letter and supporting documentation, 31 pages.

Assessor

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

On behalf of the Petitioner, Roger Croteau was previously sworn by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Steven Clement, Appraiser III, oriented the Board as to the location of the subject property. He said it was discovered that the building was incorrectly costed as a two-story building. Therefore, it was recommended that the building be recosted as a one-story building which would result in new values. Appraiser Clement said the Petitioner was in agreement with the recommendation.

With regard to Parcel No. 034-300-14, pursuant to NRS 361.356, 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 to \$520,796, resulting in a total taxable value of \$715,796 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

10-0626E PARCEL NO. 008-244-15 – ILIESCU FAMILY TRUST, JOHN JR &
SONNIA – HEARING NO. 10-0522

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 642 E. 4th 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 subjects appraisal records, 15 pages.

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

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

Mr. Johnson requested the property be reduced to \$500,000 in market value due to the fact that it had been vacant for over three years, was an obsolete building, and had been actively placed on the market that entire time. Mr. Johnson clarified the building did include a back-down dock area of approximately 25,000 square feet.

Appraiser Bozman reviewed the comparable sales and upon review stated the taxable value did not exceed full cash value and the subject property was equalized with similarly situated properties in the County.

Member Horan remarked the Petitioner questioned the square footage. Appraiser Bozman replied there was no verification and noted the building would have to be measured. Member Horan asked if a visit was warranted to factually correct a space issue. Appraiser Bozman said that could make a difference for the valuation of the building.

Member Krolick asked if this was part of the redevelopment district for the City of Reno. Mr. Johnson replied the intent was to redevelop the area. Appraiser Bozman stated the plans were in place, but was unclear when that would occur.

Member Woodland felt relief was warranted due to the length of vacancy. She suggested obsolescence in the amount of \$226,632 be deducted from the improvement value.

With regard to Parcel No. 008-244-15, pursuant to NRS 361.356, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Horan, seconded by Member Woodland, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$476,632, resulting in a total taxable value of \$715,632 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

10-0627E PARCEL NO. 037-011-04 – ILIESCU FAMILY TRUST, JOHN JR & SONNIA – HEARING NO. 10-0529

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 790 E. Lincoln 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 subjects appraisal records, 15 pages.

On behalf of the Petitioner, Dick Johnson had been previously sworn by Chief Deputy Clerk Nancy Parent.

On behalf of the Assessor and having been previously sworn, Michael Bozman, Appraiser III, oriented the Board as to the location of the subject property. He said the value was close to the owner's opinion of value, but the market value rendered a better estimate of value. He said when examining the coverage of the property to the comparables there appeared to be excess land for a business of this type. Appraiser Bozman recommended the land be reduced by minus 30 percent for size, resulting in a total land value of \$482,486. The Petitioner was in agreement with the recommendation.

With regard to Parcel No. 037-011-04, 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 taxable land value be reduced to \$482,486 and the taxable improvement value be upheld, resulting in a total taxable value of \$592,305 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

2:29 p.m. The Board recessed.

2:42 p.m. The Board returned.

10-0628E PARCEL NO. 034-152-09 – NORTHWESTERN MUTUAL LIFE INS HEARING NO. 10-0152

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 945 Spice Islands 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 subjects appraisal records, 14 pages.

On behalf of the Petitioner, no one was present.

On behalf of the Assessor and having been previously sworn, Steven Clement, Appraiser III, oriented the Board as to the location of the subject property. He reviewed the comparable sales, the potential gross income, effective gross income, net operating income and market value income approach. He said based on those analyses, taxable value did not exceed full cash value and this property was equalized with similarly situated properties in the County.

With regard to Parcel No. 034-152-09, pursuant to NRS 361.356, 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 2010/11. 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.

**10-0629E PARCEL NO. 034-292-14 – NORTHWESTERN MUTUAL LIFE INS
HEARING NO. 10-0153**

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 1335 Greg Parkway, 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 subjects appraisal records, 15 pages.

On behalf of the Petitioner, no one was present.

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

reviewed the comparable sales and upon review stated the taxable value did not exceed full cash value and the subject property was equalized with similarly situated properties in the County.

With regard to Parcel No. 034-292-14, 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 2010/11. 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.

**10-0630E PARCEL NO. 034-141-13 – NORTHWESTERN MUTUAL LIFE INS
HEARING NO. 10-0154**

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 50 E. Greg 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 subjects appraisal records, 15 pages.

On behalf of the Petitioner, no one was present.

On behalf of the Assessor and having been previously sworn, Steven Clement, Appraiser III, oriented the Board as to the location of the subject property. He reviewed the comparable sales and upon review stated the taxable value did not exceed full cash value and the subject property was equalized with similarly situated properties in the County.

With regard to Parcel No. 034-141-13, 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 2010/11. 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.

**10-0631E PARCEL NO. 034-253-18 – NORTHWESTERN MUTUAL LIFE INS
HEARING NO. 10-0155**

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 955 S. McCarran Blvd., Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

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

On behalf of the Petitioner, no one was present.

On behalf of the Assessor and having been previously sworn, Steven Clement, Appraiser III, oriented the Board as to the location of the subject property. He reviewed the comparable sales and upon review stated the taxable value did not exceed full cash value and the subject property was equalized with similarly situated properties in the County.

With regard to Parcel No. 034-253-18, pursuant to NRS 361.356, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Horan, which motion duly carried, it was ordered that the Assessor's taxable values be upheld for tax year 2010/11. 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.

**10-0632E PARCEL NO. 012-403-02 – RENO INVESTOR LLC –
HEARING NO. 10-0878A**

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 4170 Financial Blvd., Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

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

On behalf of the Petitioner, no one was present.

On behalf of the Assessor and having been previously sworn, Steven Clement, Appraiser III, oriented the Board as to the location of the subject property. He recommended that the taxable improvement value be reduced in the form of economic obsolescence. He stated the Petitioner was in agreement.

With regard to Parcel No. 012-403-02, pursuant to NRS 361.356, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$2,990,290, resulting in a total taxable value of \$3,859,390 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

10-0633E PARCEL NO. 012-403-05 – RENO INVESTOR LLC –
HEARING NO. 10-0878B

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 1140 Financial Blvd., Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

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

On behalf of the Petitioner, no one was present.

On behalf of the Assessor and having been previously sworn, Steven Clement, Appraiser III, oriented the Board as to the location of the subject property. He recommended that the taxable improvement value be reduced in the form of economic obsolescence. He stated the Petitioner was in agreement.

With regard to Parcel No. 012-403-05, pursuant to NRS 361.356, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Horan, which motion duly carried, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$1,219,556, resulting in a total taxable value of \$1,690,756 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

10-0634E **PARCEL NO. 012-403-06 – RENO INVESTOR LLC –**
HEARING NO. 10-0878C

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 1150 Financial Blvd., Bldg 4, 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 subjects appraisal records, 14 pages.

2:56 p.m. Member Woodland left the meeting. It was also noted that Herb Kaplan, Legal Counsel, left the meeting and was replaced for the remainder of the meeting by Mary Kandaras, Legal Counsel.

On behalf of the Petitioner, no one was present.

On behalf of the Assessor and having been previously sworn, Steven Clement, Appraiser III, oriented the Board as to the location of the subject property. He reviewed the comparable sales and upon review stated the taxable value did not exceed full cash value and the subject property was equalized with similarly situated properties in the County.

With regard to Parcel No. 012-403-06, pursuant to NRS 361.356, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Horan, which motion duly carried with Member Woodland absent, it was ordered that the Assessor's taxable values be upheld for tax year 2010/11. 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.

10-0635E **PARCEL NO. 018-030-53 – WALKER FAMILY TRUST –**
HEARING NO. 10-0728

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 1700 Coronet Blvd., Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

None.

Assessor

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

On behalf of the Petitioner, no one was present.

On behalf of the Assessor and having been previously sworn, Cori Delgiudice, Sr. Appraiser, oriented the Board as to the location of the subject property. She recommended that the taxable improvement value be reduced in the form of economic obsolescence.

With regard to Parcel No. 018-030-53, pursuant to NRS 361.356, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Horan, which motion duly carried with Member Woodland absent, it was ordered that the taxable land value be upheld and the taxable improvement value be reduced to \$497,500, resulting in a total taxable value of \$1,000,000 for tax year 2010/11. With that adjustment, it was found that the land and improvements are valued correctly and the total taxable value does not exceed full cash value.

**10-0636E PARCEL NO. 034-261-02 – PORTFOLIO SPARKS LLC –
HEARING NO. 10-0944**

A Petition for Review of Assessed Valuation was received protesting the 2010/11 taxable valuation on land and improvements located at 1284 E. Glendale Avenue, Washoe County, Nevada.

The following exhibits were submitted into evidence:

Petitioner

Exhibit A: Appeal documentation, 11 pages.

Assessor

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

On behalf of the Petitioner, no one was present.

On behalf of the Assessor and having been previously sworn, Chris Sarman, Appraiser I, oriented the Board as to the location of the subject property. He reviewed the comparable sales and upon review stated the taxable value did not exceed full cash value and the subject property was equalized with similarly situated properties in the County.

With regard to Parcel No. 034-261-02, pursuant to NRS 361.356, based on the evidence presented by the Assessor's Office and the Petitioner, on motion by Member Brown, seconded by Member Horan, which motion duly carried with Member Woodland absent, it was ordered that the Assessor's taxable values be upheld for tax year 2010/11. 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.

10-0637E REQUEST FOR REOPEN OF HEARING

Agenda Subject: “Possible reconsideration of decision, made February 8, 2010, and reschedule for Hearing Number 10-0719, for APN 041-051-48, based on continuance granted by Washoe County Board of Equalization on February 5, 2010.”

Nancy Parent, Chief Deputy Clerk, explained this Petitioner was present on February 5, 2010, and during those hearings the Board agreed to continue their hearing scheduled for February 8, 2010. However, when the February 8, 2010 meeting occurred it was missed that hearing number 10-0719 was previously continued and the Board made a decision.

Mary Kandaras, Legal Counsel, asked if the hearing was ever heard. Ms. Parent clarified the hearing was heard; however, the Petitioner never testified. Ms. Kandaras suggested re-opening and rescheduling the hearing.

Cori Delgiudice, Sr. Appraiser, explained the Petitioner was not present on February 8, 2010 and indicated the Board upheld the value. Chairman Covert said the Board ruled on the petition without the Petitioner present because of confusion on the dates. Ms. Parent said the rescheduled date would need to be confirmed as it was unknown at this time.

On motion by Member Brown, seconded by Member Horan, which motion duly carried with Member Woodland absent, it was ordered that Hearing No. 10-0719, APN 041-051-48 be reopened and rescheduled for a future date in February.

10-0638E BOARD MEMBER COMMENTS

There were no Board comments.

10-0639E PUBLIC COMMENT

There was no response to the call for public comment.

* * * * *

3:09 p.m. There being no further hearings or business to come before the Board, on motion by Member Horan, seconded by Member Krolick, which motion duly carried with Member Woodland absent, 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
Stacy Gonzales, Deputy Clerk*