STATE OF NEVADA
STATE BOARD OF EQUALIZATION
1550 College Parkway, Suite 115
Carson City, Nevada 89706-7921
Telephone (775) 684-2160

BRIAN SANDOVAL
Governor

DEONNE CONTINE
Secretary

In the Matter of	)	
	)	
Rhodes Ranch Association Inc	)	
APN 176-08-411-002	)	
Clark County, Nevada	)	
PETITIONER	)	**Case No. 11-439**
	)	
Michelle Shafe	)	
Clark County Assessor	)	
RESPONDENT	)	

Notice of Decision

Appearances

Douglas S. John of Frazer Ryan Goldberg & Arnold, LLP and Jim Susa of DeConcini McDonald Yetwin & Lacy, appeared on behalf of Rhodes Ranch Association Inc. (Taxpayer).

Paul Johnson, Deputy District Attorney, Jeff Payson, and Mary Ann Weidner appeared on behalf of the Clark County Assessor's Office (Assessor).

Summary

The matter of the Taxpayer petition for review of property valuation for the 2011-12 fiscal year within Clark County, Nevada, came before the State Board of Equalization (State Board) for hearing in Las Vegas, Nevada, on October 9, 2014 and again on December 12, 2014 after due notice to the Taxpayer and the Assessor. The matter had been previously continued pending the results of the appeal of cases 10-377 and 10-379 to the District Court and Nevada Supreme Court regarding similar properties and issues.

The State Board consolidated case numbers 11-439, 12-398, and 13-324,Rhodes Ranch Association, Inc., with 11-440, Rhodes Ranch General Partnership; 12-399, Rhodes Ranch GP; 13-325, Rhodes Ranch General Partnership; 11-447, 11-449, 11-450, 11-451, 12-394, 12-395, 12-396, 13-356, 13-357, 13-358, PN II, Inc.; and 11-448, Club Madeira Unit Owner's Association, Inc; 12-397, Club Madeira Canyon Unit Owners; and 13-353, Club at

Madeira Canyon Unit Owner's Association. *See Tr., 12-12-14, p. 127, l. 13 through p. 128, l. 14.*

The State Board incorporated all the testimony and record from Richard and Masako Post, Case Numbers 10-377, 11-446, and 12-424; as well as Sun City Summerlin, Case Numbers 10-379, 11-454, and 12-423 into the record of the current case. The records of the consolidated cases listed above were also incorporated into the current case. *See Tr., 12-12-14, p. 128, l. 21 through p. 129, l. 6.*

The State Board, having considered all evidence, documents and testimony pertaining to the valuation of the property in accordance with NRS 361.227, hereby makes the following Findings of Fact, Conclusions of Law and Decision.

FINDINGS OF FACT

1) The State Board is an administrative body created pursuant to NRS 361.375.

2) The State Board is mandated to hear all appeals of property tax assessments pursuant to NRS 361.360 and NRS 361.400.

3) The Taxpayer and the Assessor were given adequate, proper and legal notice of the time and place of the hearing before the State Board, and the matter was properly noticed pursuant to the Open Meeting Law at NRS 241.020. *See Record, Case No. 11-439, SBE pages 183-185.*

4) The Subject Property consists of 7.21 acres and includes a community recreation center containing 34,133 square feet, built in 2005. The Assessor established a replacement cost new less depreciation of $6,997,698 for the improvements on APN 176-08-411-002. *See Record, SBE pages 59-60; 162-163.*

5) The Subject Property is located on Rhodes Ranch Parkway, Clark County, Nevada. *See Record, SBE pages 164-165 (Maps).*

6) The Assessor established the taxable value of the improvements by using the Marshall Swift costing service required by NAC 361.128 and applying a statutory rate of depreciation. *See Tr., 10-9-14, p. 69, ll. 10-13; NRS 361.227.*

7) The Clark County Board of Equalization (County Board) upheld the values of the land and improvements established by the Assessor. *See Record, Case No. 11-439, SBE pages 40 and 170.*

8) In Case No. 11-454, the State Board found the subject properties should be reduced to $10,000 per unit based on the taxpayer's testimony in Case No. 10-379 that $10,000 represents full taxable value using the cost approach and applying all applicable depreciation and obsolescence. *NAC 361.116. See Tr., 12-12-14, p. 33, l. 4 through p. 34, l. 25; p. 93, ll. 19-25; p. 117, l. 24 through p. 119, l. 3; p. 120, ll. 6-23; p. 121, l. 14 through p. 122, l. 6.* The Taxpayers in Case No. 10-379 testified that the restrictions on use of the subject properties diminish the value of the "servient" property for the benefit of the dominant property. The subject properties were impaired due to the restrictions on use and were therefore obsolesced. *See also Tr., 12-12-14, p. 26, l. 16 through p. 33,*

l. 13; p. 69, l. 13 through p. 78, l. 14. The Taxpayers in Case No. 11-454 provided an appraisal on the Desert Vista Community Center, a similarly situated common element property, which indicated the fair market value was $1,000. *See Record, Case No. 11-454, SBE page 140; Case No. 12-423, SBE page 173.*

9) The State Board found the common element Subject Property APN 176-08-411-002 should be reduced to $10,000 based on the findings in Case No. 10-379, 10-377, and other cases incorporated into the record. *See Tr., 12-12-14, p. 129, ll. 2-22.*

10) The assessed value of the Subject Property in Case No. 11-439 as adjusted by the State Board is 35% of taxable value.

11) Any finding of fact above construed to constitute a conclusion of law is adopted as such to the same extent as if originally so denominated.

CONCLUSIONS OF LAW

1) The Taxpayer timely filed a notice of appeal, and the State Board accepted jurisdiction to determine this matter.

2) The Taxpayer and the Assessor are subject to the jurisdiction of the State Board.

3) The computed taxable value of any property must not exceed its full cash value, and the taxable value must be reduced if necessary to comply with this requirement. *See NRS 361.227(5).*

4) The Subject Property in Case 11-439 is appraised, as adjusted, at the proper taxable value in accordance with NRS 361.227.

5) The State Board has the authority to determine the taxable values in the State and to equalize property pursuant to the requirements of NRS 361.395. Accordingly, all community units within the Subject Property community should be treated equitably by applying the adjusted taxable values of the common elements to each community unit.

6) The taxable value of each community unit in a common-interest community must consist of the taxable value of that community unit plus a percentage of the taxable value of all the common elements of that common-interest community. The percentage is determined by dividing 1 by the total number of community units in the common-interest community and pursuant to the requirements of regulations. *NRS 361.233; NAC 361.1336.*

7) Any conclusion of law above construed to constitute a finding of fact is adopted as such to the same extent as if originally so denominated.

DECISION

The Petition of the Taxpayer is granted based on the above Findings of Fact and Conclusions of Law. The Clark County Comptroller is instructed to correct the assessment roll by adjusting the assessed valuation of the subject property as follows:

2011-2012 Secured Roll

	Taxable Value		Assessed Value	
Parcel Number 176-08-411-002	**Established by County Board of Equalization**	**Revised By State Board**	**Established by County Board of Equalization**	**Revised by State Board**
Land	$0	$0	$0	$0
Improvements	$6,997,698	$10,000	$2,449,194	$3,500
TOTAL	**$6,997,698**	**$10,000**	**$2,449,194**	**$3,500**

The Clark County Comptroller is instructed to certify the assessment roll of the county consistent with this decision and to inform the State Board of the revised assessed value for each community unit to which this decision applies.

BY THE STATE BOARD OF EQUALIZATION THIS 2nd DAY OF MARCH, 2015.

Deonne E Contine

Deonne Contine, Secretary
DC/ter

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CLARK COUNTY ASSESSOR
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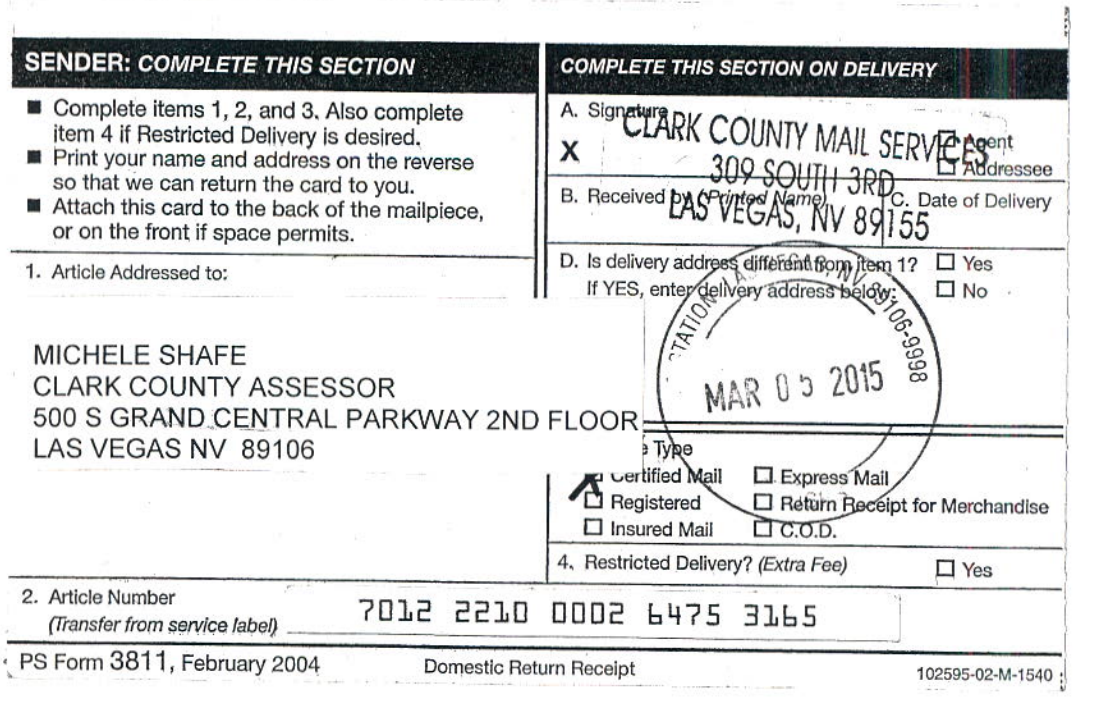

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CLARK COUNTY ASSESSOR
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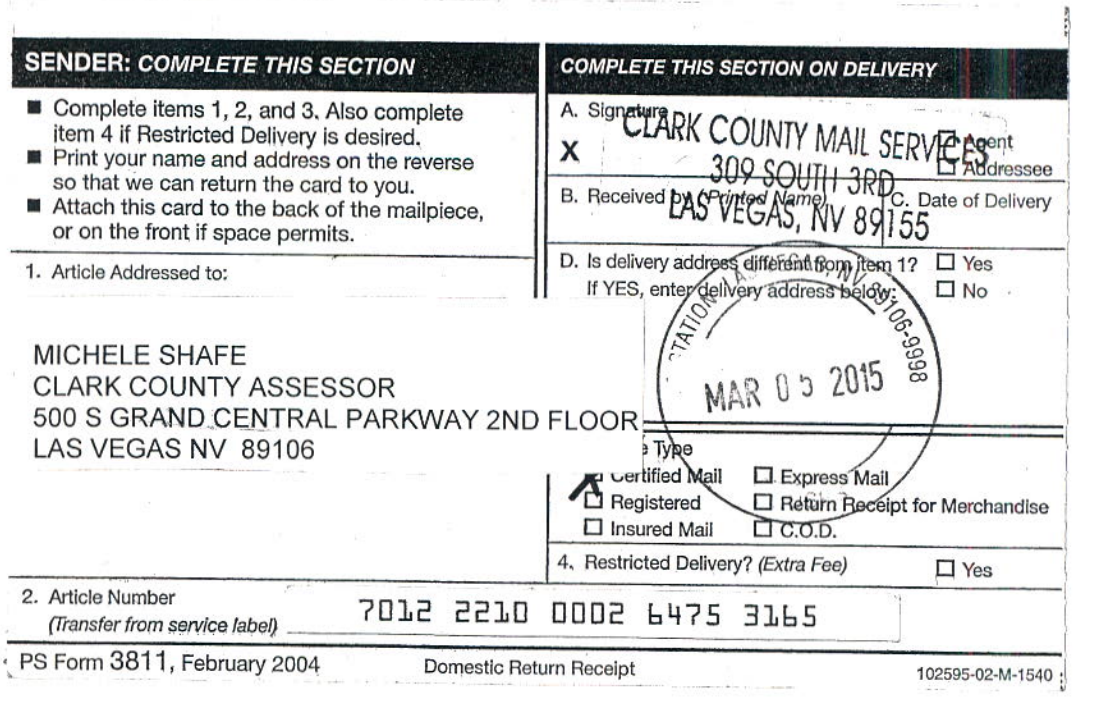

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B. Received by (Printed Name) LAS VEGAS, NV 89155 C. Date of Delivery

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