



STATE OF NEVADA  
STATE BOARD OF EQUALIZATION

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In the Matter of

Sahara Square LLC / Albertson's LLC  
APN: 162-10-511-003  
Clark County, Nevada  
PETITIONER

Michele Shafe  
Clark County Assessor  
RESPONDENT

Appeal of the Decision of the  
CLARK COUNTY  
BOARD OF EQUALIZATION

Case No. 14-235

**NOTICE OF DECISION**

***Appearances***

Bretta Ferrie appeared on behalf of ABS NV-O, LLC (Taxpayer).

Lisa Wilson and Jeff Payson appeared on behalf of the Clark County Assessor's Office (Assessor).

***Summary***

The matter of the Taxpayer's petition for review of property valuations for the 2014-15 Secured Roll within Clark County, Nevada, originally came before the State Board of Equalization (State Board) for hearing in Las Vegas, Nevada, on June 24, 2014 after due notice to the Taxpayer and the Assessor.

The State Board incorporated by reference the record of case 14-190 through 14-203 into the current case.<sup>1</sup>

<sup>1</sup> See Tr., 6-24-14, p. 54, l. 2 through p. 55, l. 12: 2 So what I would like to do, Mr. Chairman, with 3 your blessing, is Cases 14-190 through -- all the 4 Albertsons -- through 14-203 -- and I guess it does also 5 include, then, 14-235, 14-265, and 14-241 -- I would 6 like to incorporate by reference the comments that were 7 made in all of these cases, so there's outstanding 8 incorporation by reference to any of those cases listed 9 to the other cases and discussions we've had herein, so 10 we don't have to keep doing it, and that way someone can 11 go back and pick up one case and say, Keith wasn't -- 12 didn't consider X, Y, or Z, or Ben was sounding like an 13 idiot again. 14 CHAIRMAN MESERVY: Well, my only concern there 15 is you're talking about cases we haven't even heard yet. 16 Don't try to incorporate it when we haven't taken a 17 stance on those. 18 MS. WILSON: I would actually like to also point 19 out that 235, 241, and 265, I don't believe are subject 20 to the service transaction, so neither of those comments 21 would be relevant. 22 CHAIRMAN MESERVY: I think we should make it 23 more all the cases that we've heard prior to the case in 24 numerical sequence. 25 MR.

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.<sup>2</sup>
- 4) The subject property consists of an Albertson's supermarket containing a 56,122 square foot supermarket constructed in 1967, situated on a 4.95 acre parcel located at 2575 South Maryland Parkway, on the southwest corner of Sahara and Maryland Parkway in Clark County, Nevada.<sup>3</sup>
- 5) The Clark City Board of Equalization (County Board) ordered the total taxable value for the subject property, APN 162-10-511-003 of \$3,903,891 be upheld on the 2014-2015 secured roll.<sup>4</sup>
- 6) The State Board found the Taxpayer did not present sufficient evidence to support values different from that established by the County Board. The State Board found the Assessor's taxable value was well-supported by market data. The State Board further tested whether the taxable value exceeded full cash value by using the income approach. The State Board found the \$0.65 per square foot market rent for the supermarket used by the Assessor, as well as the 9.28% cap rate was supported by the market parameters and market information.<sup>5</sup>
- 7) The State Board affirmed the County Board's decision of \$3,903,891.<sup>6</sup>

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JOHNSON: Or we can do it again in 203, **Page 55 1** because she is correct that the last three didn't **2** include that service transaction. And that's just based **3** on -- I'm reading the case files that were all **4** similar -- very similar issues and similar presentation **5** and data. **6** CHAIRMAN MESERVY: Well, we have reviewed those **7** cases, so I guess I have no problem with that. **8** Do you have any objection, either party? **9** MS. FERRIE: No. **10** CHAIRMAN MESERVY: The Assessors have now -- **11** MR. JOHNSON: And that would apply at **14-190 12** through **14-203**

<sup>2</sup> See *Record, SBE page 85, Receipt of Certified Mail.*

<sup>3</sup> See *Record, SBE pages 69-71, Maps; and SBE page 77, Capitalization Summary; Tr., 6-24-14, p. 115, ll. 9-13: 10* an Albertsons store located at 2575 South Maryland **11** Parkway on the southwest corner of Sahara and Maryland **12** Parkway. It's a 56,122 square-foot supermarket **13** constructed in 1967, situated on one 4.95-acre parcel.

<sup>4</sup> See *Record, SBE page 11, CBE Decision Letter; and SBE page 83, CBE minutes.*

<sup>5</sup> See *Tr., 6-24-14, p. 126, l. 19 through p. 128, l. 5: 19* MR. HARPER: I'm very familiar with this **20** property. I recently appraised the retail center across **21** the street that has a Smith's grocery store in it. So **22** based on what I've seen in this immediate market area, **23** other rents, leases, I think the Assessor's Office at **24** \$0.65 is probably right on. **25** You know, they did use a higher cap rate at **Page 127 1** 9 percent than some of the others and, as Ms. Wilson **2** stated, the imputed cap rate is 9.28 percent. You know, **3** we could probably make a case for **9 1/2** cap rate, but I **4** don't really have a problem with the 9.28 as computed. **5** So I think the recommended taxable value at **6** \$3,903,891 is very well supported by the market **7** parameters and market information, and that would be my **8** lean to. **9** CHAIRMAN MESERVY: Okay. **10** MR. JOHNSON: I concur fully. I thought a **11** little bit about going up to the capitalization rate to **12 9 1/2**, but it all reasonably supports what the Assessor **13** came up with, so I'm fine there. **14** And just one more comment with the leases is: **15** Typically, by addendum to leases, we've been through a **16** very difficult financial period for everyone. And **17** although we have an initial lease that's 20 years old, **18** or whatever it may be, the parties would probably come **19** back together for one reason or another at a more recent **20** date and rent could have been adjusted. So even though **21** it's 20 years old on its face, we have no idea what **22** happened wherein that addendum, their amendment, what **23** may have been made to the lease during the term. **24** CHAIRMAN MESERVY: Yeah. If we did **9 1/2**, it **25** would be at 3,815,347, if we took that as the cap rate. **Page 128 1** So we came up with an 85,000 rate there. **2** And I think the reality of it is, it's starting **3** to rejuvenate a little bit in that mall, compared to **4** what it's been for the last few years, from what I've **5** seen. They started putting in a couple businesses.

<sup>6</sup> See *Tr., 6-24-14, p. 128, l. 10 through p. 129, l. 1: 10* But I do think that supports it. And in Case **11 14-235**, I make a motion that we uphold the County Board **12** of Equalization's decision with their total value of **13** \$3,903,891 that was reasonably supported by the data we Case No. 14-235 Sahara Square, LLC

- 8) 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 State Board has the authority to determine the taxable values in the State.
- 4) The subject property is appraised at the property taxable value without further adjustment, in accordance with NRS 361.227.
- 5) 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 denied based on the above Findings of Fact and Conclusions of Law. The Clark County Comptroller is instructed to certify the assessment roll of the county consistent with this decision.

BY THE STATE BOARD OF EQUALIZATION THIS 30<sup>th</sup> DAY OF SEPTEMBER, 2014.



Christopher G. Nielsen, Secretary  
CGN/ter

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14 considered here in the case today. 15 CHAIRMAN MESERVY: Do we have a second? 16 MR. HARPER: Second. 17 CHAIRMAN MESERVY: I didn't take it away this 18 time, did I? 19 All right. Any other comments? 20 (No response.) 21 CHAIRMAN MESERVY: All in favor? 22 MR. JOHNSON: Aye. 23 MR. HARPER: Aye. 24 CHAIRMAN MESERVY: Any opposed? 25 (No response.) Page 129  
1 CHAIRMAN MESERVY: Okay, unanimously passed.