

**BEFORE THE NEBRASKA TAX EQUALIZATION  
AND REVIEW COMMISSION**

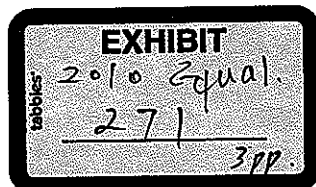
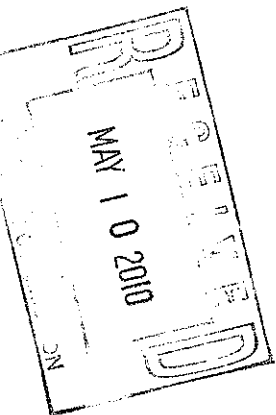
IN THE MATTER OF THE )  
EQUALIZATION OF VALUE OF REAL )  
PROPERTY WITHIN HITCHCOCK )  
COUNTY, NEBRASKA, FOR TAX YEAR )  
2010 )

COUNTY NUMBER 44

AFFIDAVIT

COMES NOW, Ruth A. Sorensen, and after being sworn, and on her oath, deposes and states the following:

1. That at all times relevant hereto, I am the duly appointed Property Tax Administrator for the state of Nebraska. As provided by Neb. Rev. Stat. §77-701 (2009), I am the chief administrative officer of Department of Revenue's Property Assessment Division. By operation of Neb. Rev. Stat. §77-115, I perform the duties and have the authority of the county assessor in every county in which the assessment function has been assumed by the State. The state has assumed the assessment function for Hitchcock County. A summary of my qualifications has been received by this Commission as Exhibit 109, and all of the information in Exhibit 109 describing my background and experience is true and correct to the best of my knowledge and belief.
2. As part of my duties as the assessor for Hitchcock County, I oversee the setting of real property values in Hitchcock County for ad valorem taxes. Every effort is made to verify all sales information reported to the Assessment Office on the Real Estate Transfer Statement, Form 521.
3. The standards developed by the International Association of Assessing Officers ("IAAO") and generally accepted mass appraisal techniques, as they relate to the mass appraisal of real property in Harlan and Hitchcock Counties have been relied upon when setting values.
4. In the process of establishing the value of agricultural and horticultural land in Hitchcock County, the qualified and non-qualified sales for Hitchcock County and the surrounding counties of Dundy, Chase, Hayes, Frontier, and Red Willow Counties were studied. Questionnaires received from the grantor and grantee were examined, parties were called to further research those sales, and realtors, auctioneers, attorneys, farm managers, and neighboring assessors were consulted to determine the value of agricultural and horticultural land in Hitchcock County. The properties that were identified as sales suitable for use in setting values were verified by soil types, approximate number of acres, and parcels involved in each sale. The Farm Service Agency and the local Natural Resources District offices were contacted to verify certain information.

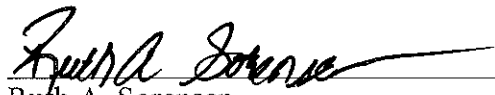


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5. Majority land use greater than 80% and 95% was considered.
6. In reviewing sales in Hitchcock County for the study period applicable to this year, 27 sales occurred in the earliest year in the study period, 29 sales occurred in the middle year of the study period, but only 13 sales occurred in the most recent year of the study period.
7. The market value of agricultural and horticultural land in Hitchcock county has been appreciating for some time. It is my opinion that relying on a listing of only those sales that occurred in Hitchcock county does not accurately reflect the true level of value for agricultural and horticultural land in Hitchcock county.
8. The qualified and non-qualified sales from the surrounding counties were analyzed. 11 sales were identified which exhibited similarity in market characteristics for inclusion in the setting of agricultural and horticultural land values in Hitchcock County.
9. After verifying and adding these sales to the spreadsheet that was developed for analyzing agricultural and horticultural land in Hitchcock County (which spreadsheet is identified and attached as Affidavit Exhibit 1), it was determined that the indicated median for such land was 74%, with a mean of 72%, a weighted mean of 70%, a price-related differential of 103.23, and a coefficient of dispersion of 18.36. All measures were within the acceptable levels.
10. The measures of central tendency for majority land use greater than 80% and 95% for irrigated, grass, and dry agricultural and horticultural land also fall within acceptable ranges. These subclasses are at an acceptable level of value, which is further supported by other statistical measures.
11. It is my opinion that relying on only the median and other measures of central tendency generated from the sales that occurred within Hitchcock County results in significant disequalization both within the county, as well as across county lines.
12. It is my further opinion that the Commission's proposed adjustment of -8.25% to all agricultural and horticultural land in Hitchcock County makes little, if any, sense in the face of a dramatically appreciating market for such land. Such a blanket adjustment ignores the local market conditions and the economic reality for agricultural and horticultural land in this area of the state.
13. The Commission's proposed adjustment, in particular, would lower the value of "1D" land from \$520 per acre to \$475 per acre. In addition to my opinion that this ignores the appreciation in the market value of agricultural and horticultural land, such an adjustment would also cause the value per acre for dry land to be lower the 2009 value of \$485 per acre.

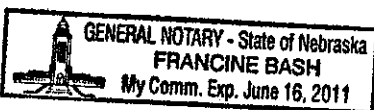
14. Agricultural and horticultural land in Hitchcock County is comprised primarily of grass, which makes up roughly half of the agricultural and horticultural land in the county.
15. The Commission's proposed adjustment lowers the indicated median for grass land to 67%.
16. I have analyzed the trend in sales from July 1, 2009 to the date of this affidavit and note that the trend in the appreciation of the market value for agricultural and horticultural land has continued.
17. As the assessor for Hitchcock County, I respectfully request that, based on the foregoing information, the Commission not order the adjustment which was suggested in its order to show cause.

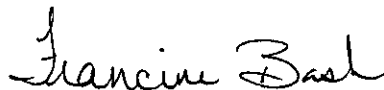
FURTHERMORE AFFIANT SAYETH NOT.

  
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 Ruth A. Sorensen  
 Assessor for Hitchcock County

County of Lancaster            )  
   ) ss.  
 State of Nebraska            )

On this, the 10<sup>th</sup> day of May, 2010, before me, a Notary Public in and for the County of Lancaster, State of Nebraska, came an individual known to me as Ruth A. Sorensen, and signed the above affidavit, acknowledging such as her free and voluntary act and deed.

(Seal) 

  
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 Notary Public