

ASSESSOR'S

EVIDENCE

Washoe County Board of Equalization
Appeal Summary Page - Secured Roll

Hearing # 18-0056
Hearing Date 2/14/2018
Tax Year 2018

APN: 024-055-52
Owner of Record: SAMS REAL ESTATE BUSINESS TRUST
Property Address: 4835 KIETZKE LN
Property Type: DISCOUNT WAREHOUSE STORE 100%
Gross Building Area: 150,626
Year Built: 2002
Parcel Size: 12.17 Acre
Description / Location: The subject consists of a Sam's Club in the Firecreek Crossing Shopping Center in the Meadowood Submarket.

2016/17 Taxable Value:	Land:	\$5,301,680
	Improvements:	\$7,416,441
	Total:	<u>\$12,718,121</u>
	Taxable Value / SF	\$84.44

Sales Comparison Approach:	Indicated Value	\$15,000,000
	Indicated Value / SF	\$100

Income Approach:	Indicated Value	\$15,800,000
	Indicated Value / SF	\$105

Current Obsolescence And/Or Building Adjustment: \$0

Conclusions: The subject is a fully functioning building serving its highest and best use as designed by the owner. No under-utilization, functional obsolescence, or deferred maintenance was observed at the property. The sales comparison approach is reconciled to \$15,000,000 or \$100/SF and the income approach yields a value of \$15,800,000 or \$105/SF. Both approaches to value support the current taxable value, which does not exceed full cash value.

RECOMMENDATION: Uphold X Reduce



ASSESSOR'S EXHIBIT I
17 PAGES

WASHOE COUNTY BOARD OF EQUALIZATION

COMMERCIAL / INDUSTRIAL

	TAXABLE VALUE	ASSESSED VALUE	TAXABLE
LAND:	\$5,301,680	\$1,855,588	\$/SF GBA
IMPROVEMENTS:	\$7,416,441	\$2,595,754	\$84.44
TOTAL:	\$12,718,121	\$4,451,342	
			TAXABLE
			\$/SF Land
			\$10.00

HEARING:	<u>18-0056</u>
DATE:	<u>2/14/2018</u>
TIME:	<u></u>
TAX YEAR:	<u>2018/2019</u>

OWNER: SAMS REAL ESTATE BUSINESS TRUST

SUBJECT													
BLDG#	APN	Location (Occupancy)	Use %	Total GBA (GBA)	Construction Type Exterior Walls	QC	Finish Area	Age(WAY) Height	Land (SF) %Coverage Zoning	Sale Price Sale Date	Sale Price/GBA	EGI GIM OER	NOI OAR
1	024-055-52	4835 KIETZKE LN DISCOUNT WAREHOUSE STORE	100%	150,626 150,626	MASONRY BRNG CONC BLK TEX	C10	150,626	2002 32	530,169 28% AC				

IMPROVED SALES													
IS-1	039-750-13	5150 MAE ANNE AVE Kohls	100% Discount Store	94,213	Concrete Block	2.0	94,213	1990 24	395,742 23% AC	\$9,350,000 9/12/2017	\$99.24	NA NA NNN	\$636,250 6.80%
IS-2	039-750-03,09,11	5110 MAE ANNE AVE Ridgeview Plaza	60% Box Str. 40% Line	173,877	Masonry	2.0	173,877	1989 23	736,224 24% AC	\$33,000,000 1/14/2016	\$189.79	NA NA NA	\$2,258,144 6.84%
IS-3	025-021-19,21	5017 S MCCARRAN BLVD Smithridge Plaza	56% Box Str. 44% Line	137,691	Wood STL Frame	2.0	137,691	1983 16	556,262 25% MUCC	\$22,300,000 8/31/2015	\$161.96	NA NA NA	\$1,393,750 6.25%

LAND SALES													
Sale #	APN	Location	Sale Date	Sale Price	Size(sf)	\$/sf	Tax/Unit	Zoning	Comments				
LS-1	163-061-06	537 SOUTH MEADOWS PKWY	08/30/16	\$5,921,345	9.245	\$14.53	NA	PUD	SVL verified arms length sale. Property was not on the market, however the owner was accepting offers and decided to sell to the buying party since they had a fair market offer. The new buyers purchased the land to construct a Sprout's Farmers Market and retail center.				
L2-2	040-900-06	KIETZKE LANE	10/26/15	\$8,023,752	12.28	\$15.00	NA	PUD	Parcels were valued as agriculture at time of sale. The buyer is Rancharrah who plans to develop the property with retail land use as part of the larger Rancharrah development. No special conditions to the sale.				
LS-3	040-143-17,18	KIETZKE LANE	10/14/15	\$5,567,110	11.36	\$11.25	NA	PUD	Parcels were valued as agriculture at time of sale. The buyer is Rancharrah who plans to develop the property with retail land use as part of the larger Rancharrah development. No special conditions to the sale.				
LS-4	015-220-08,09, 10,12,25,46,49,5 0,53,55,56,58,01 5-261-16-17	E PLUMB LANE	09/22/16	\$26,347,183	45.60	\$13.26	NA	MUSV/CC	No SVL. Costar indicates SP = \$26,923,683, minus \$576,500 for add'l H2O rights = \$26,347,183 cash equiv. Terms were 63% down, and a mortgage for the remaining 37%. Numerous media sources indicate buyer would not disclose SP however, the RGJ did quote buyer as stating that the asking price was \$30M+ and the DEC also confirms the above SP. Various sources have quoted the owner as stating the future use of the property will be ~1,200 residential units, 100K Sq. Ft. of retail and 70-80K Sq. Ft. of office, all to be initiated in 2017.				

COMMENTS:
SEE ATTACHED COMMENTS SECTION

COMMENTS:

Improved Sales:

IS-1: Kohl's has nine years remaining on a 20-year lease. They have six 5-year options, with rent escalations every five years. This was part of a 1031 tax deferred exchange. Market financing on this transaction.

IS-2: Center Co-Anchored with Safeway and Kohl's. Other box retail tenants include Ross Dress For Less, and PetSmart. Center was 98.5% occupied at time of sale. No deferred maintenance reported.

IS-3: Box stores in center include: Steinmart, Big Lots, and Trader Joes. Occupancy was 82% at time of sale. Reported as arms-length transaction with buyer liking the upside potential for increasing rents. Buyer anticipated upgrades to facades, columns, mechanical systems, asphalt, and striping.

The comparable sale prices range from \$99.25/SF to \$189.79/SF. Although IS-2 and IS-3 are neighborhood shopping centers, over 50% of the GBA is occupied with box retail. Due to the existence of pad and inline spaces, IS-1 and IS-2 are considered high indicators of value. Most weight is given to IS-1, which is a single tenant, NNN property that was purchased by a regional investor. The subject is a discount store and has less interior finish than the Kohl's. However, this is somewhat offset by the fact that the Kohl's is second generation space. As a result, IS-1 is considered a reasonable indicator of value for the subject. Based on the comparable sales, a market value of \$100/SF is supported.

Land Sales:

The subject parcel is located in the Fieldcreek Shopping Center in the Meadowood Submarket. In addition to the strong demographics of West Reno, the subject is in one of the main regional shopping areas of Reno/Sparks. Meadowood Mall is less a mile to the east and major arterial routes such as South McCarran Boulevard, South Virginia Street, and Interstate 580 are in close proximity to the subject. The McCarran On/Off ramp with Interstate 580 is less than a quarter of a mile to the southeast. The subject shares the center with a Wal-Mart Supercenter, Babies R' Us, and Michael's. The subject enjoys excellent access from Redfield Parkway and Kietzke Lane. Overall, this is considered a prime retail location. The comparable land sales share many of the subject's locational characteristics and retail/commercial land use. Their sale prices range from \$11.25/SF to \$15.00/SF. The subject's taxable land value of \$10.00/SF is supported by the comparable land sales.

Situs & Keyline Description:
4835 KIETZKE LN RENO
PM 4095
LT 1

Owner & Mailing Address:
SAMS REAL ESTATE BUSINESS TRUST
PO BOX 8050
BENTONVILLE, AR 72712

WASHOE COUNTY APPRAISAL RECORD 2018

APN: 024-055-52

Card 1 of 1
Bld. 1-1



FIRECREEK CROSSING

Tax District: 1000

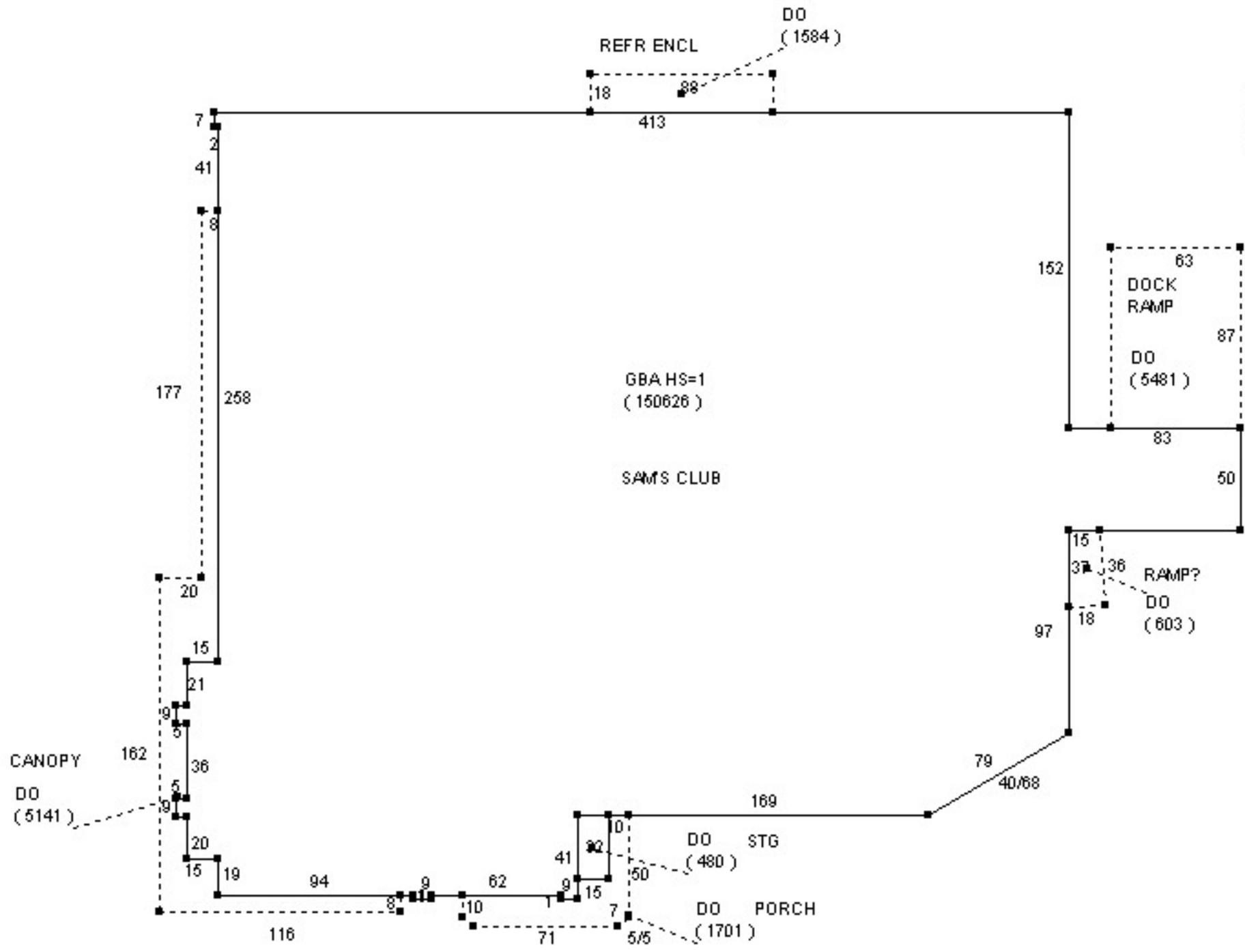
printed: 02/05/2018

ACTIVE

1211.17

AIDQ - Commercial

VALUATION HISTORY							PARCEL VALUE SUMMARY				Database	Roll Year	Prior % Complete	% Complete		
Roll Year	Taxable Land	Land New	Taxable Improvements	Improvement New	Total Taxable	Total Assessed	Primary Valuation	Building Level Cost		PROD						
						Building Value	6,486,311									
2018 NR	5,301,680	0	7,416,441	0	12,718,121	4,451,342	Extra Feature Value	930,130								
2017 SBE	5,301,680	0	5,242,140	0	10,543,820	3,690,337	Land Value	5,301,680								
2016 FV	5,301,680	0	7,676,729	0	12,978,409	4,542,443	Taxable Value	12,718,121				Reopen	Code:			
2015 FV	5,301,680	0	7,659,921	0	12,961,601	4,536,560	Exemption	0				Reappraisal				
2014 FV	5,301,680	0	7,599,651	0	12,901,331	4,515,466	FLAGS									
2013 FV	5,301,680	0	7,546,364	0	12,848,044	4,496,815	Type	Value								
2012 FV	5,301,680	0	7,664,200	0	12,965,880	4,538,058	Cap Code	NFM				NC / C	New Land	New Sketch		
2011 FV	5,301,680	0	7,166,178	0	12,467,858	4,363,750	Eligible for Form?	NO								
2010 FV	5,301,700	0	7,105,098	0	12,406,798	4,342,379	Low Cap Percentage	0								
2009 FV	5,858,370	0	7,225,526	0	13,083,896	4,579,364	Parcel Map	4095				By:	Date:			
2008 FV	6,241,161	0	7,331,863	0	13,573,024	4,750,558										
2007 FV	6,241,161	0	6,975,785	0	13,216,946	4,625,931										
BUILDING DETAILS				BUILDING FEATURES AND ADJUSTMENTS				BUILDING SUB-AREAS				BUILDING COST SUMMARY				
Type	Code	Description	Category	Units	Code	Description	Yr Blt	Units	Cost New	Tot Lump Sum Adj						
COMM	458	Commercial/Industr	No of Stories	1	DRO	DO - No Value Drawn for Info		0		8,534,620						
Occupancy	C	Discount	Quality Class	1		Base Cost		150,626	4,225,059	% Incomplete						
Story/Frame	0	MSNRY BRNG ~	Avg Wall Height/Floor	32		Exterior Walls		150,626	2,589,412	% Depreciation	24.00					
Quality	0	Commercial	Alternate Shape Code	1		Heating & Cooling		150,626	1,429,441	\$ Dep & Inc	2,048,309					
Year Built	WAY	%Comp	Year of Addn/Remodel													
2002	2002	100														
BUILDING CHARACTERISTICS																
Category	Code	Type	%													
Ext. Wall	815	CONC BLK TEX	95													
Ext. Wall	804	BLOCK W/STUC	5													
Heating Type	611	PACKAGE UNIT	100													
Base Rate Adjustment				Adj.												
Construction Modifiers				Adj.												
Gross Living/Building Area							150,626									
Perimeter							1,775									
#	Bld	Date	User ID	Activity Notes												
1	0-0	01/17/2018	lzimmer	UPDATE APPRAISER & SENIOR APPR ON APPEAL												
EXTRA FEATURES, ADDITIVES, AND ADJUSTMENTS																
#	Code	Description	Quality	Bld #	Length	Width	Units	Unit Price	Year Built	Roll Year	% Comp	RCN	% Good	DRC	Override Value	Notes
1	CRBC	CONCRETE CURB 6", NO GUTTER	30	1-1	0	0	3000	12.98	2002		100	38,940	76.0	29,594		
2	DKLV	DOCK LEVELER	30	1-1	0	0	5	7,691.00	2002		100	38,455	76.0	29,226		
3	FWAS	FLATWORK ASPHALT	30	1-1	0	0	350000	1.84	2002		100	642,320	76.0	488,163		
4	FWCO	FLATWORK CONCRETE	30	1-1	0	0	2500	5.13	2002		100	12,818	76.0	9,742		
5	PKLT	PARKING LOT LIGHTING	30	1-1	0	0	350000	0.63	2002		100	220,500	76.0	167,580		
6	TKR2	TRUCK RAMPS CONCRETE	30	1-1	0	0	603	63.45	2002		100	38,260	76.0	29,078		
7	TKW4	TRUCK WELL CONCRETE WITH RETAINING WALL	30	1-1	0	0	5481	18.22	2002		100	99,864	76.0	75,897		
8	WLCB	WALL CONCRETE BLOCK	30	1-1	0	0	400	14.97	2002		100	5,988	76.0	4,551		
9	WLKC	WALK-IN COOLER	20	1-1	0	0	1584	79.99	2002		100	126,709	76.0	96,299		
LAND VALUE		DOR Code	400	Neighborhood		1211.17 AIDQ - Commercial		Land Size		12.1710		Unit Type		AC		
#	Code	Description	Zone	Units	Unit Type	Sub Type	Unit Price	Influence 1 Code	Influence 1 %	Influence 2 Code	Influence 2 %	Taxable Value	Land Notes			
1	400	General Commercial: retail,	AC	530,168.00	SF	5	10.00					5,301,680	WALMART PARC VAL TOGETHER			



Sum Area By Label :
 DO = 14990, (P = 1846)
 GBA = 150626, (P = 1775)

024-055-52
 4835 KIETZKE LN
 TO 4/30/02

Box Store Rent Survey

#	Location APN	Description	Sq Feet/ Year Built	Lease Date/ Term	Base Rent/SF	NNN / CAM Fee	Comments
	125-165 Disc Drive, Ste. DM-1 510-083-09	Sprouts	30,000 2006	9/2016 5 Year	\$1.17	NNN \$0.24	Landlord responsible for Tis; 2% escalations
	125-165 Disc Drive, Ste. DM-2 510-083-09	Marshall's	40,149 2006	9/2016 5 Year	\$0.63	NNN \$0.24	Landlord responsible for Tis; 2% escalations
	2863 Northtowne Lane 026-182-38	Former Wal-Mart Teleperformance tenant (Call Center)	42,780 1994	11/2015 6 Year	\$0.79	NNN None	Tenant paid for TIs; rent escalations exist; options exist to extend lease agreement to 12 years; tenant responsible for parking lot maintenance
	2863 Northtowne Lane, Unit C 026-182-38	Former Wal-Mart Planet Fitness tenant	18,526 1994	11/2015 NA	\$0.75	NNN NA	Tenant paid for TIs; Improvements will include gym and spa
	4819 Kietzke Lane 024-055-33	Natural Grocers	31,850 1996	2/2014 10 Year	\$0.67	NNN NA	Landlord contributed ~\$17/SF in Tis; 2% rent escalations

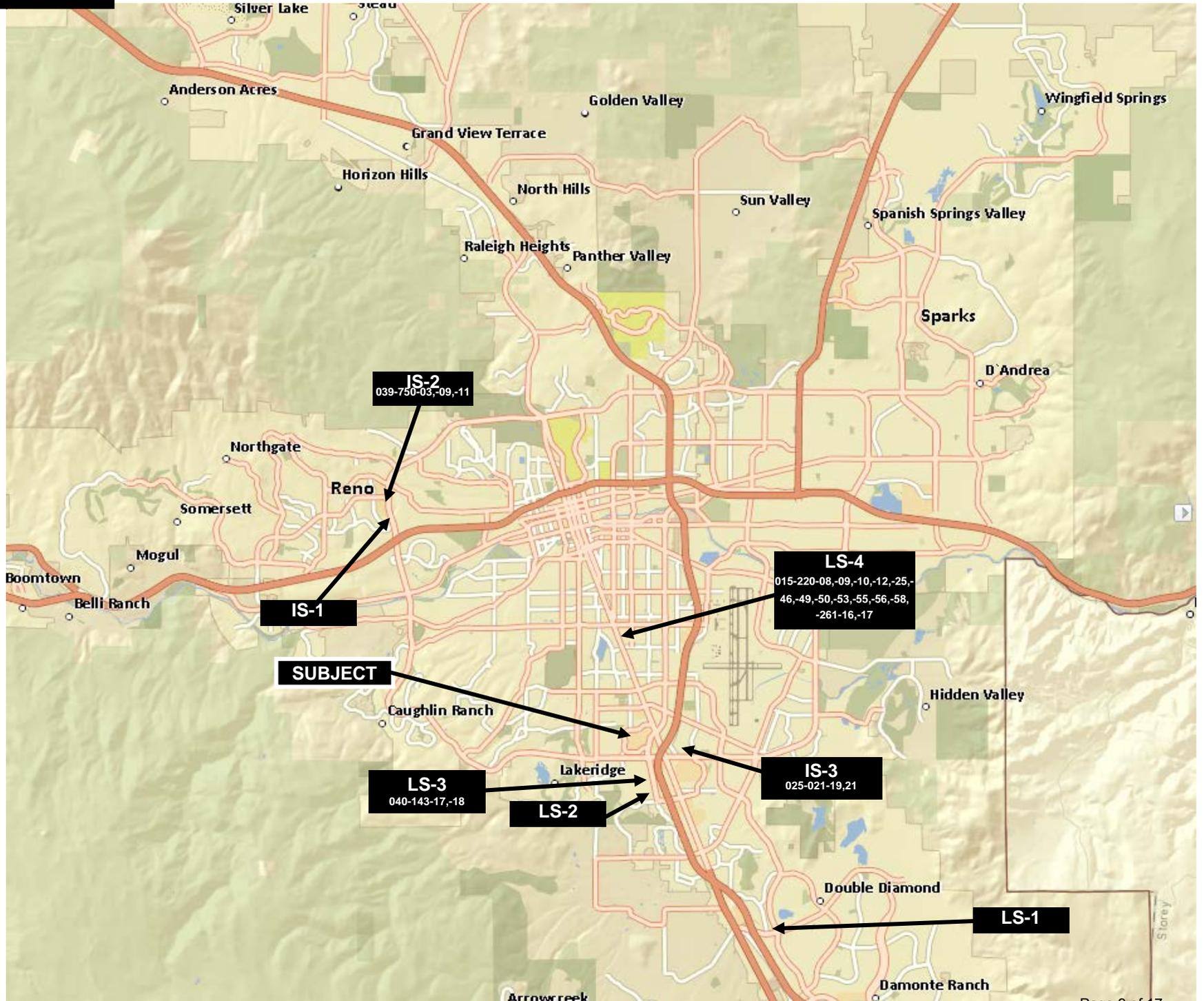
Median: \$0.75
Average: \$0.80

RETAIL CAPITALIZATION RATE CHART

APN NBC	Location	Use %	Total Finish Area	Year Built	Land (SF) %Coverage Zoning	Sale Price Sale Date	NOI OAR	Notes
039-750-13 BCAQ	5150 Mae Anne Ave. Kohl's	100% Discount Store	94,213	1990	395,742 23% AC	\$9,350,000 9/12/2017	\$636,250 6.80%	Kohl's has nine years remaining on a 20-year lease. They have six 5-year options, with rent escalations every five years. This was part of a 1031 tax deferred exchange. Market financing on this transaction.
039-750-03, 09, 11 BCAQ	5110 Mae Anne Ave. Ridgeview Plaza	60% Box 40% Line	173,877	1989	736,224 24% AC	\$33,000,000 1/14/2016	\$2,258,144 6.84%	Center Co-Anchored with Safeway and Kohl's. Other box retail tenants include Ross Dress For Less, and PetSmart. Center was 98.5% occupied at time of sale. No deferred maintenance reported.
025-021-19, 21 ADAQ	5017 S. McCarran Blvd. Smithridge Plaza	56% Box 44% Line	137,691	1983	556,262 25% MUCC	\$22,300,000 8/31/2015	\$1,393,750 6.25%	Box stores in center include: Steinmart, Big Lots, and Trader Joes. Occupancy was 82% at time of sale. Reported as arms-length transaction with buyer liking the upside potential for increasing rents. Buyer anticipated upgrades to facades, columns, mechanical systems, asphalt, and striping.
025-012- 21,22 NAAQ	4000 Kietzke Lane Crossroads Center	100% Neigh Shp. Center	57,355	1976	216,760 26% MUCC	\$8,500,000 8/18/2015	\$558,450 6.57%	Non-Anchored neighborhood shopping center that was 93.3% occupied at time of sale. Transaction was part of 1031 exchange for buyer.
Big Box Sales with Credit Tenants in Las Vegas								
138-34-717- 015	861 S. Rainbow Blvd. Home Depot	100% Discount Store	105,275	1993	436,907 24% C-1	\$23,100,000 01/05/17	\$1,386,000 6.00%	Located just north of the West Charleston Blvd. and South Rainbow Blvd. intersection in West Las Vegas. Long term, net leased property to credit tenant.
178-03-610- 011	1030 W. Sunset Rd. Home Depot	100% Discount Store	102,370	1992	383,763 27% CC	\$23,162,717 06/10/16	\$1,400,000 6.04% (pro forma)	Located just west of U.S Highway 95 in Henderson. Tenant signed 10 year extension prior to sale which resulted in pro forma cap rate of 6.04%

Median (Washoe): 6.69%
Average (Washoe): 6.62%

NEIGHBORHOOD MAP



MAP OF DIVISION INTO LARGE PARCELS #62

PORTION OF THE SOUTH 1/2 OF SECTION 25

T19N - R19E

Assessor's Map Number
024-05

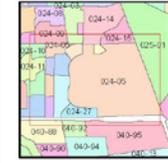
STATE OF NEVADA
WASHOE COUNTY
ASSESSOR'S OFFICE
Michael E. Clark, Assessor

1001 East Herb Street
Reno, Nevada 89512
(775) 305-3214



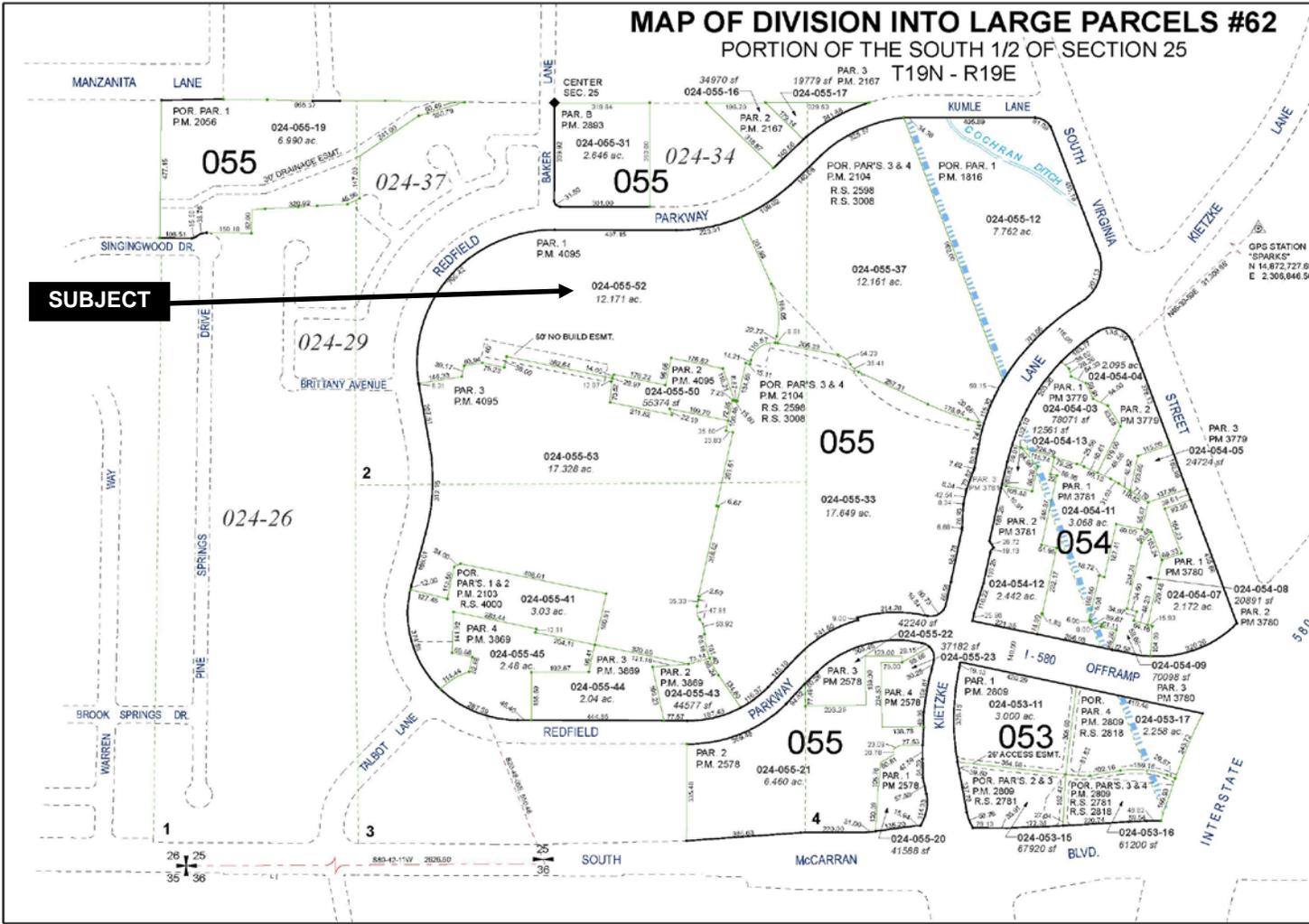
0 100 200 300
Feet

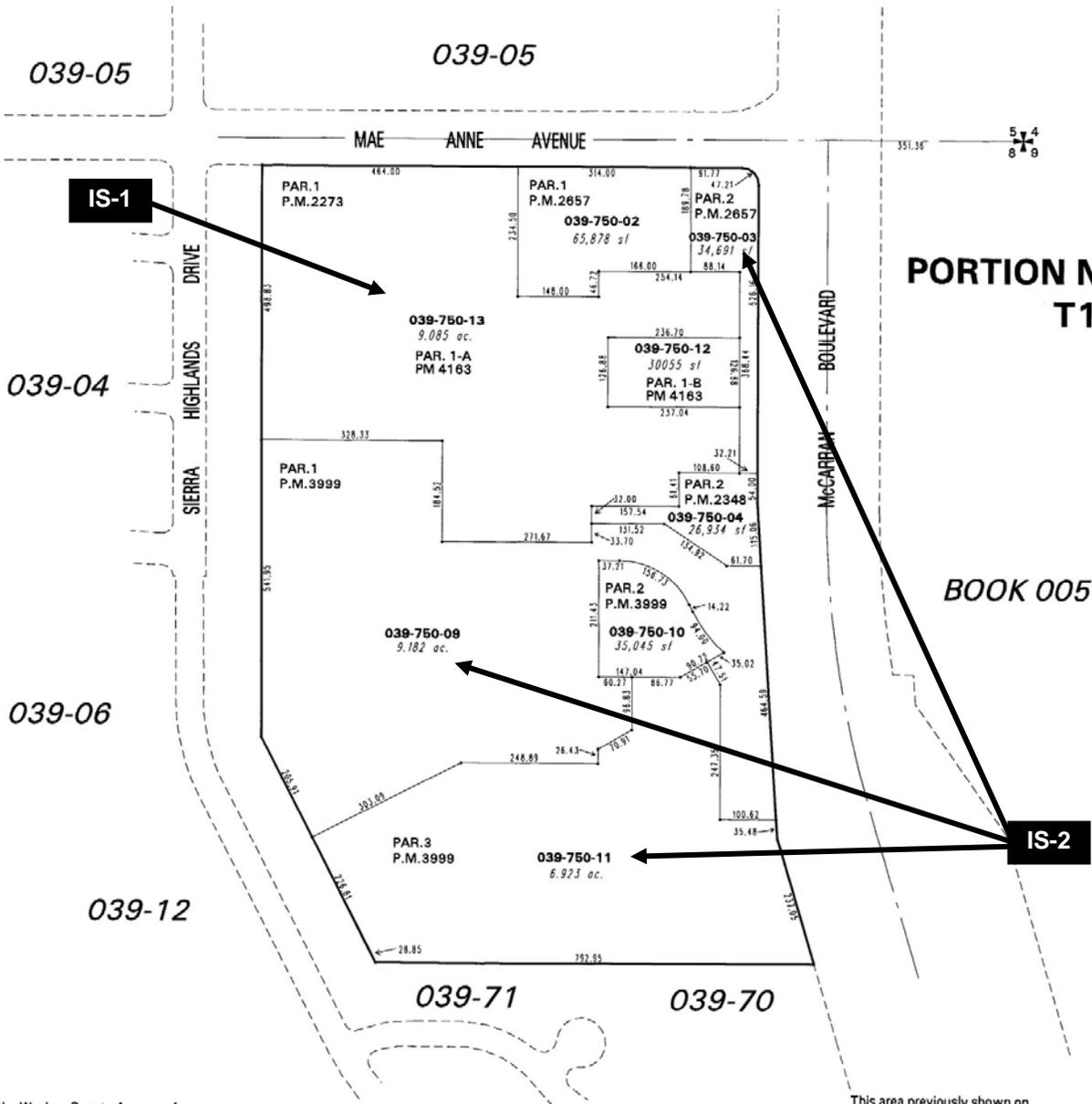
1 inch = 300 feet



created by: **TWT 6/15/2015**
last updated:
area previously shown on map(s)

NOTE: This map was prepared for the use of the Washoe County Assessor for assessment and illustrative purposes only. It does not represent a warranty of the premises. No liability is assumed as to the sufficiency or accuracy of the data delineated herein.





NOTE: This map is prepared for the use of the Washoe County Assessor for assessment and illustrative purposes only. It does not represent a survey of the premises. No liability is assumed as to the sufficiency or the accuracy of the data delineated hereon.

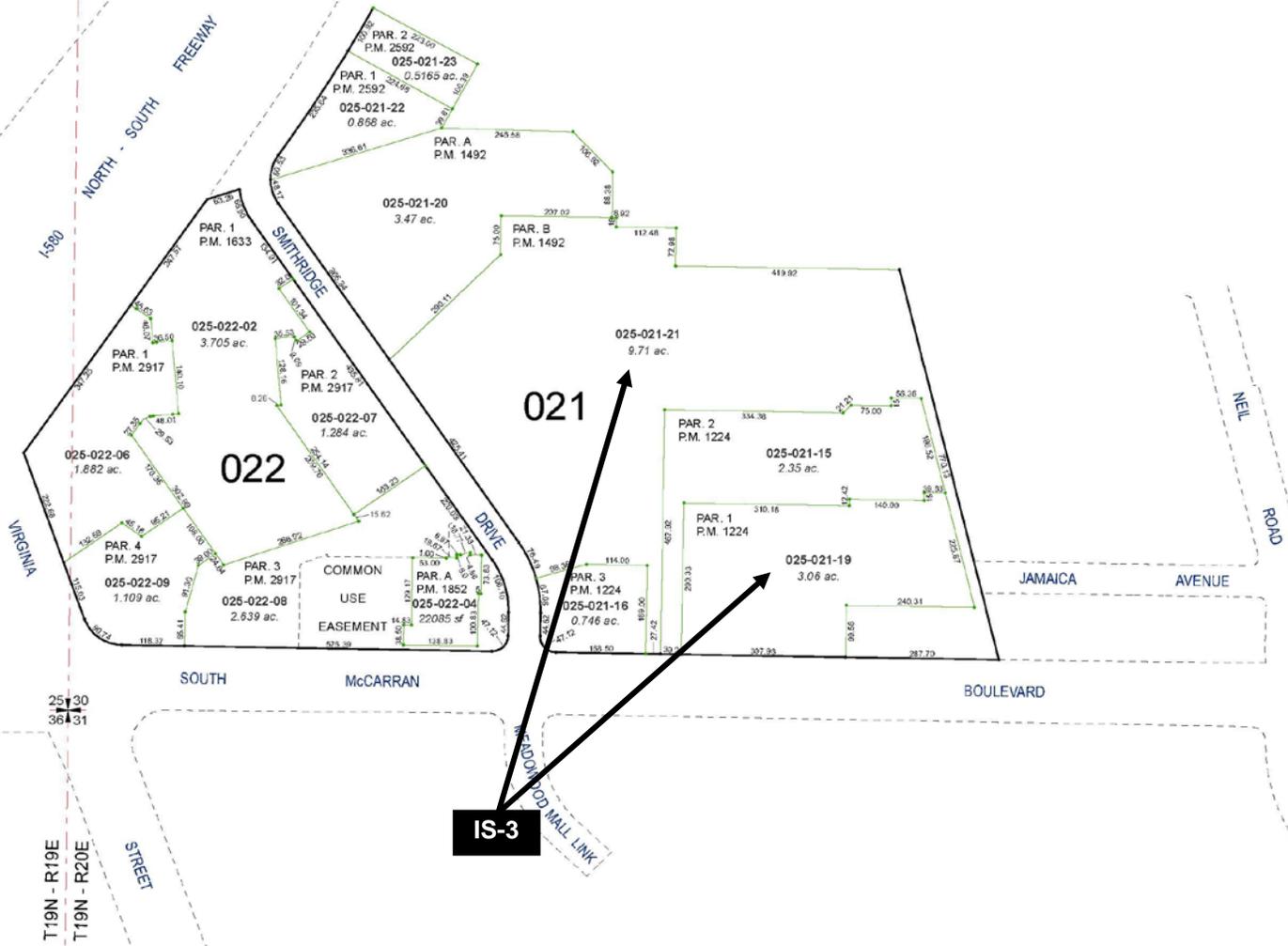
Office of Washoe County Assessor, Nevada - Robert W. McGowan

This area previously shown on _____

NOTE: Areas of parcels which are less than 2 acres are shown in square feet.

Drawn by	CFB 4/30/2003
Revised	PK 4/24/04
A/C: INFO 8.1.2 WINDOWS 3000 S.O	

PORTIONS OF SE 1/4 OF SECTION 25, T19N - R19E
& SW 1/4 OF SECTION 30, T19N - R20E



Assessor's Map Number

025-02

STATE OF NEVADA
WASHOE COUNTY
ASSESSOR'S OFFICE
Michael E. Clark, Assessor

1001 East North Street
Building D
Reno, Nevada 89512
(775) 326-2231



1 inch = 200 feet



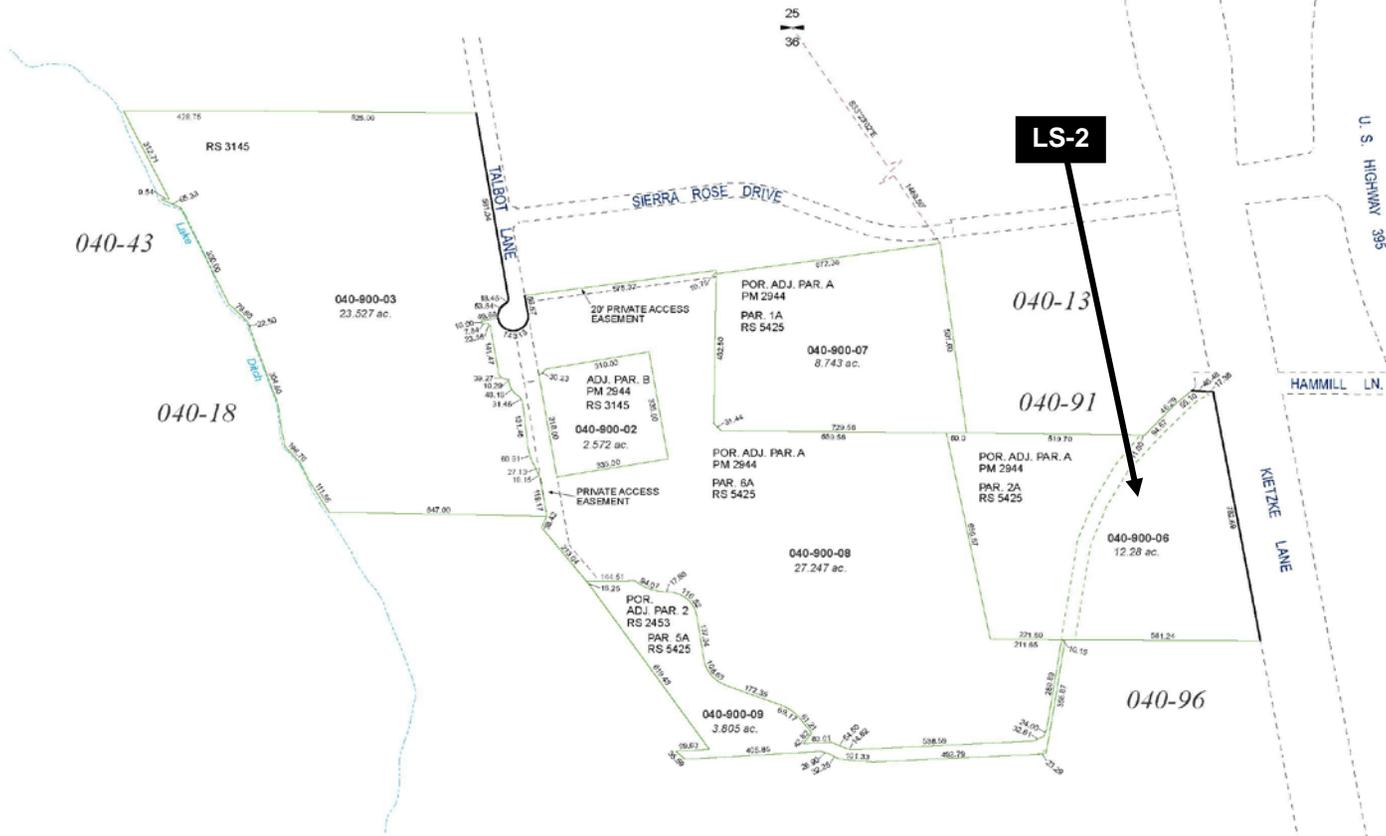
created by: **TWT 7/14/2015**

last up-dated _____

areas previously shown on map(s) _____

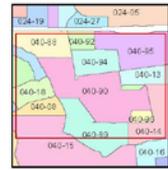
NOTE: This map was prepared for the use of the Washoe County Assessor for assessment and illustrative purposes only. It does not represent a survey of the premises. No liability is assumed as to the sufficiency or accuracy of the data delineated herein.

POR. OF SECTION 36, T19N - R19E



Assessor's Map Number
040-90

STATE OF NEVADA
WASHOE COUNTY
ASSESSOR'S OFFICE
Joshua G. Wilson, Assessor
1001 East North Street
Building D
Reno, Nevada 89512
(775) 328-2251

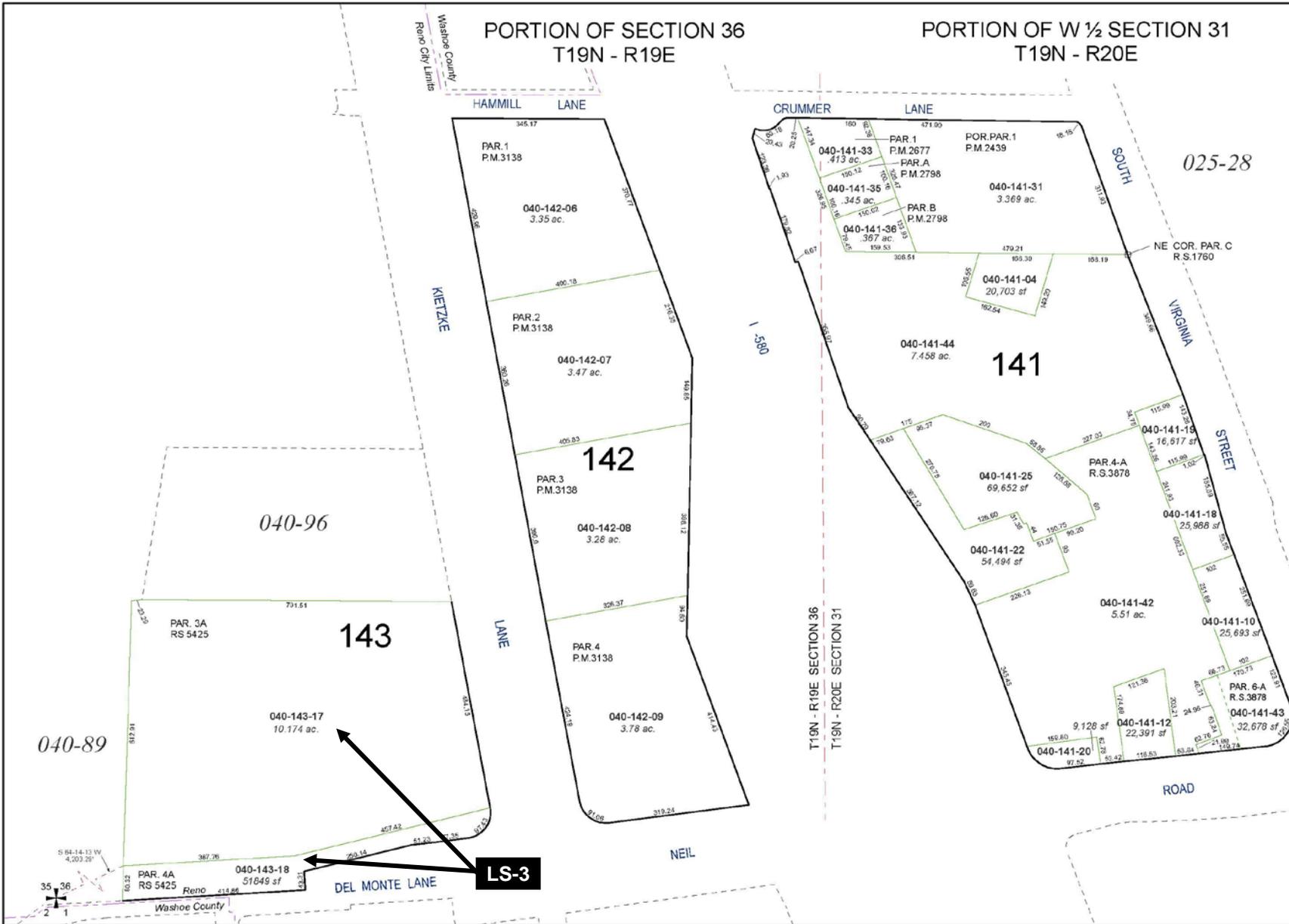


created by: **KSB 6/7/12**
last updated:
area previously shown on maps):
040-08

NOTE: This map was prepared for the use of the Washoe County Assessor for assessment and administrative purposes only. It does not represent a survey of the premises. No liability is assumed as to the sufficiency or accuracy of the data disseminated herein.

PORTION OF SECTION 36
T19N - R19E

PORTION OF W 1/2 SECTION 31
T19N - R20E



Assessor's Map Number
040-14

STATE OF NEVADA
WASHOE COUNTY
ASSESSOR'S OFFICE
Joshua G. Wilson, Assessor

1001 East North Street
Building D
Reno, Nevada 89512
(775) 325-2231



Feet
0 50 100 150 200
1 inch = 200 feet



created by: CFB 02/16/2010
last updated: KSB 8/07/12
area previously shown on map(s)

NOTE: This map was prepared for the use of the Washoe County Assessor for assessment and illustrative purposes only. It does not represent a survey of the premises. No liability is assumed as to the sufficiency or accuracy of the data delineated hereon.

Assessor's Map Number

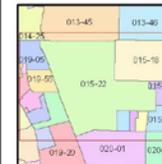
015-22

STATE OF NEVADA
WASHOE COUNTY
ASSESSOR'S OFFICE
Joshua G. Wilson, Assessor

1001 East Ninth Street
Building G
Reno, Nevada 89512
(775) 320-2231



1 inch = 200 feet

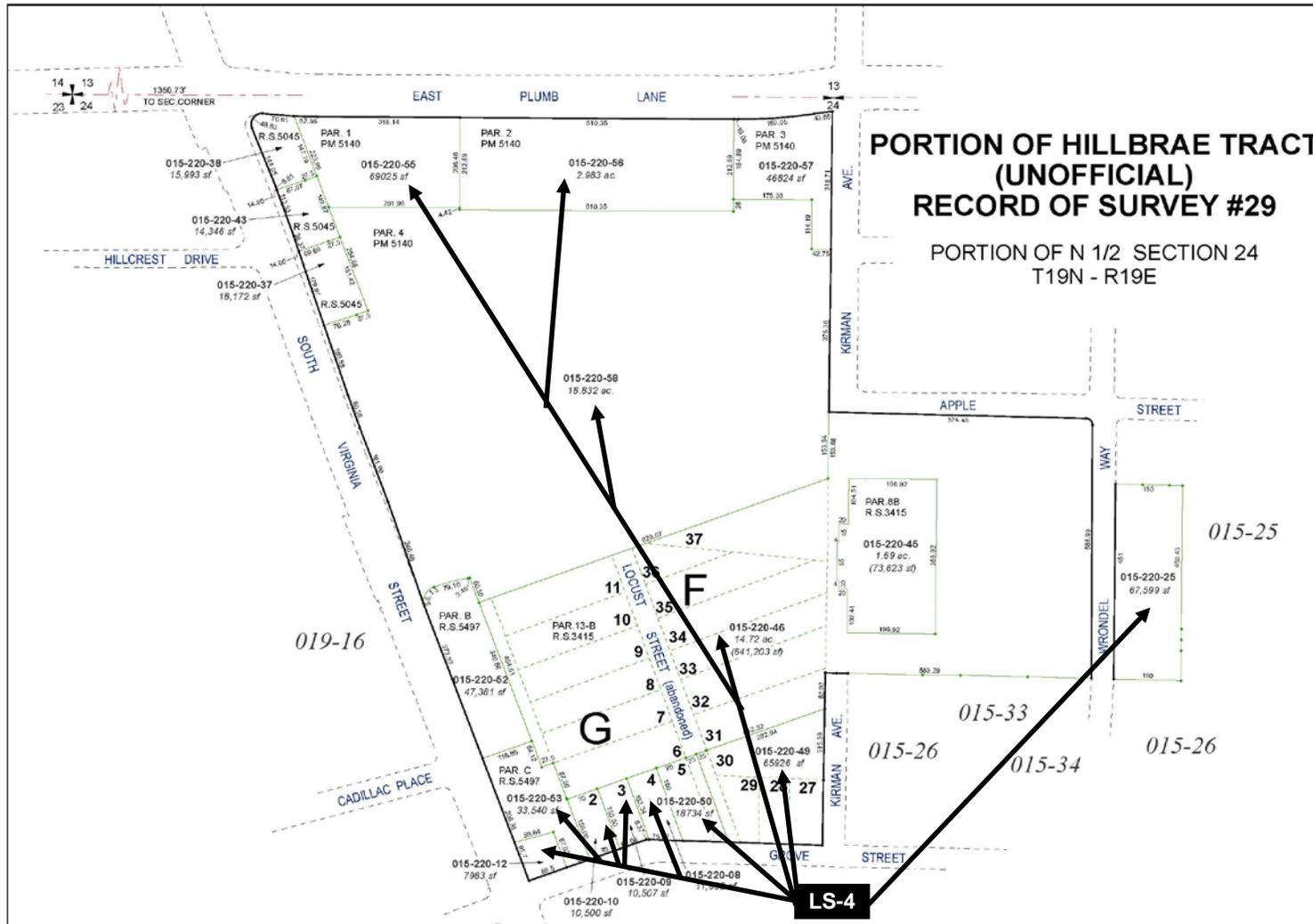


created by: CFB 06/3/2009

last updated: CFB 6/25/13 KSB 12/24/14

area previously shown on map(s)

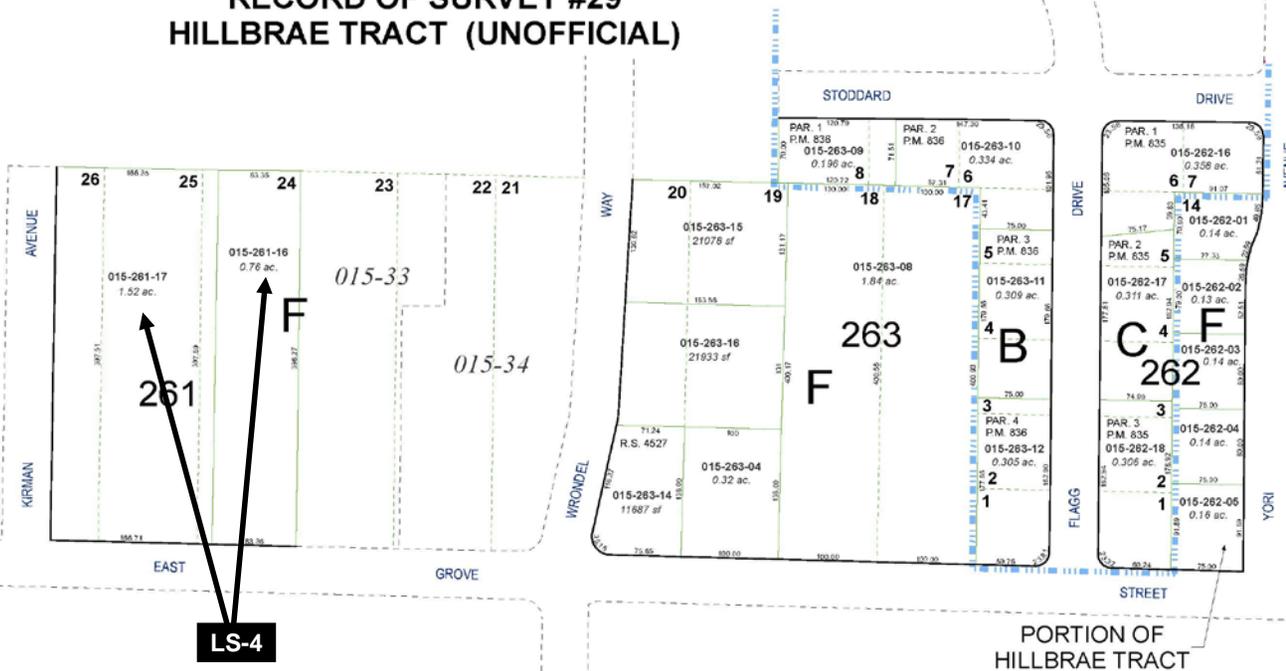
NOTE: This map was prepared for the use of the Washoe County Assessor for assessment and illustrative purposes only. It does not represent a survey of the premises. No liability is assumed as to the sufficiency or accuracy of the data delineated hereon.



**RECORD OF SURVEY #29
HILLBRAE TRACT (UNOFFICIAL)**

**(#814)
GOLDEN TERRACE
SUBDIVISION**

PORTION OF THE NE 1/4 OF SECTION 24
T19N - R19E



Assessor's Map Number
015-26

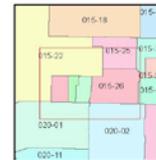
STATE OF NEVADA
**WASHOE COUNTY
ASSESSOR'S OFFICE**
Joshua G. Wilson, Assessor

1001 East Ninth Street
Building C
Reno, Nevada 89512
(775) 838-2231



0 25 50 75 100
Feet

1 inch = 100 feet



Created by: TW/T 3/5/2014

Last updated:

Area previously shown on map(s)

NOTE: This map was prepared for the use of the Washoe County Assessor for assessment and illustrative purposes only. It does not represent a survey of the premises. No liability is assumed as to the sufficiency or accuracy of the data delineated herein.