

**PETITIONER'S  
EVIDENCE**

Washoe County Board of Equalization

PETITION FOR REVIEW OF TAXABLE VALUATION

Submit this Petition Form no later than 5 p.m. of the date due. **Most types of appeals must be filed no later than January 15<sup>th</sup>.**  
 If the appeal involves valuation of property escaping taxation, or a determination that agricultural property has been converted to a higher use, a different due date may apply.

Please Print or Type:

Part A. PROPERTY OWNER/ PETITIONER INFORMATION (Agent's Information to be completed in Part H)

NAME OF PROPERTY OWNER AS IT APPEARS ON THE TAX ROLL: Lowe's HIW Inc.					
NAME OF PETITIONER (IF DIFFERENT THAN PROPERTY OWNER LISTED IN PART A): Lowe's Home Centers Inc. <i>Blake Nelson - Altus Group</i>				TITLE <i>Agent</i>	
MAILING ADDRESS OF PETITIONER (STREET ADDRESS OR P.O. BOX) <i>P.O. Box 92129</i>				EMAIL ADDRESS: <i>blake.nelson@altusgroup.com</i>	
CITY <i>Southlake</i>	STATE <i>TX</i>	ZIP CODE <i>76092</i>	DAYTIME PHONE <i>817-264-9221</i>	ALTERNATE PHONE <i>817-789-8249</i>	FAX NUMBER <i>817-251-4833</i>

Part B. PROPERTY OWNER ENTITY DESCRIPTION

Check organization type which best describes the Property Owner if an entity and not a natural person. Natural persons may skip Part B.

- Sole Proprietorship       Trust       Corporation  
 Limited Liability Company (LLC)    General or Limited Partnership    Government or Governmental Agency  
 Other, please describe: \_\_\_\_\_

The organization described above was formed under the laws of the State of \_\_\_\_\_.

The organization described above is a non-profit organization.  Yes    No

Part C. RELATIONSHIP OF PETITIONER TO PROPERTY OWNER IN PART A

Check box which best describes the relationship of Petitioner to Property Owner:  Additional information may be necessary.

- Self       Trustee of Trust       Employee of Property Owner  
 Co-owner, partner, managing member       Officer of Company  
 Employee or Officer of Management Company  
 Employee, Officer, or Owner of Lessee of leasehold, possessory interest, or beneficial interest in real property  
 Other, please describe: *Agent*

Part D. PROPERTY IDENTIFICATION INFORMATION

1. Enter Physical Address of Property:

ADDRESS <i>1355 Scheels Dr.</i>	STREET/ROAD	CITY (IF APPLICABLE) <i>Sparks</i>	COUNTY <i>Washoe</i>
Purchase Price:		Purchase date:	

2. Enter Applicable Assessor Parcel Number (APN) or Personal Property Account Number from assessment notice or tax bill:

ASSESSOR'S PARCEL NUMBER (APN) <i>037-031-06</i>	ACCOUNT NUMBER
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3. Does this appeal involve multiple parcels? Yes  No  *List multiple parcels on a separate, letter-sized sheet.*

If yes, enter number of parcels:	Multiple parcel list is attached. <input type="checkbox"/>
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4. Check Property Use Type:

<input type="checkbox"/> Vacant Land	<input type="checkbox"/> Mobile Home (Not on foundation)	<input type="checkbox"/> Mining Property
<input type="checkbox"/> Residential Property	<input checked="" type="checkbox"/> Commercial Property	<input type="checkbox"/> Industrial Property
<input type="checkbox"/> Multi-Family Residential Property	<input type="checkbox"/> Agricultural Property	<input type="checkbox"/> Personal Property
<input type="checkbox"/> Possessory Interest in Real or Personal property		

5. Check Year and Roll Type of Assessment being appealed:

<input checked="" type="checkbox"/> 2019-2020 Secured Roll	<input type="checkbox"/> 2018-2019 Reopen	<input type="checkbox"/> 2018-2019 Unsecured/Supplemental	<input type="checkbox"/> 2018-2019 Exemption Value
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Part E. VALUE OF PROPERTY

Property Owner: What is the value you seek? Write N/A on each line for values which are not being appealed. See NRS 361.025 for the definition of Full Cash Value.		
Property Type	Assessor's Taxable Value	Owner's Opinion of Value
Land	5239740	<i>5239740</i>
Buildings	8512697	<i>6187047</i>
Personal Property		
Possessory Interest in real property		
Exempt Value		
Total	13,752,437	<i>11,426,787</i>

PETITIONER'S EXHIBIT A  
7 PAGES

**REAL PROPERTY TAX VALUATION PACKAGE**

**Large Big-Box Retail Stores**



**Property Name:** Lowe's Of Sparks  
**Address:** 1355 Scheels Dr,  
**City, State:** Sparks, NV  
**Jurisdiction:** Washoe County  
**Account Number(s):** 037-031-06

**Valuation Date As Of:** January 1, 2019

## Why Are All Large Big-Box Retail Stores Different?

**HOME DEPOT**



**LOWE'S**



**COSTCO**



**SAM'S CLUB**



**TARGET**



**WALMART**



### EXTRA FEATURES OF LARGE BIG BOX STORES

	Home Depot	Lowe's	Costco	Sam's Club	Target	Walmart
Vinyl Flooring	X	X	X	X	✓	✓
Drop Down Ceilings	X	X	X	X	✓	✓
Painted/Finished Walls	X	X	✓	✓	✓	✓
Restaurants	X	X	✓	✓	✓	✓
Deli	X	X	✓	✓	✓	✓
Meat Department	X	X	✓	✓	✓	✓
Bakery	X	X	✓	✓	✓	✓
Refrigerated Aisles	X	X	✓	✓	✓	✓
Pharmacy	X	X	✓	✓	✓	✓
Eye Center	X	X	✓	✓	✓	✓
Tire Shop	X	X	✓	✓	X	✓
Gas Pumps	X	X	✓	✓	X	✓
Garden Center	✓	✓	X	X	X	✓
<b>Overall Rank:</b>	<b>Low/Avg</b>	<b>Low/Avg</b>	<b>Average</b>	<b>Average</b>	<b>Avg/High</b>	<b>Avg/High</b>

\*This analysis is based on the average store's finish out. Not all stores are built exactly the same.

## Cost Approach

MARSHALL VALUATION SERVICE COST SCHEDULE			
Primary Building:	Big Box Retail	Wall Height:	24 Ft.
Effective Age:	7 Years	Number of Buildings:	1
Condition:	Low	Gross Building Area:	119,528 SF
Exterior Wall:	Cheap block or tilt-up, light panelized roof, no glass storefront	Net Leasable Area:	119,528 SF
<b>Building Components</b>		Warehouse Discount Store (458)	
<b>Section / Page</b>		Sect: 13 / Page: 28	
<b>Cost Updated As Of</b>		May, 2018	
<b>Date of Valuation</b>		<b>January 1, 2019</b>	
<b>Construction Quality</b>		Low	
<b>Class</b>		C	
<b>Component Sq. Ft.</b>		119,528	
<b>Base Cost Per Square Foot</b>		\$40.25	
<b>Square Foot Multipliers</b>			
Sprinklers		\$1.98	
Heating/Cooling		\$5.35	
Subtotal		\$47.58	
<b>Construction Multipliers</b>			
Height Multiplier		1.255	
Area / Perimeter Multiplier		0.817	
Current Cost Multiplier		1.020	
Local Multiplier		1.090	
<b>Final Base Cost Per Square Foot</b>		\$54.26	
<b>Base Building Cost</b>		\$6,485,554	
<b>Site Improvements</b>			
	<u>Rate</u>	<u>SF</u>	
Parking Area	\$1.09	229,500	\$249,052
Canopy Area	\$10.85	5,464	\$59,295
Other Area	\$13.56	9,240	\$125,340
Extra Site Improvements		\$275,000	\$275,000
<b>Total Building &amp; Site Imp. Costs (Rounded)</b>			\$7,194,241
COST APPROACH CONCLUSION			
<b>Total Replacement Cost New</b>			\$7,194,241
<b>Accrued Depreciation</b>			
Physical Depreciation	-14%	(\$1,007,194)	
Functional Obsolescence	0%	\$0	
Economic Obsolescence	0%	\$0	
<b>Total Accrued Depreciation</b>			(\$1,007,194)
<b>Depreciated Replacement Cost</b>			\$6,187,047
<b>Estimated Land Value</b>			\$2,947,357
<b>Indicated As Is Value</b>			\$9,134,404
<b>Indicated As Is Value (Rounded)</b>			\$9,130,000
<b>Value Per SF</b>			\$76.38

52,897,400  
11,426,787

\* Cost Approach is using cost data straight out of Marshall & Swift Cost Valuation book and all data is updated to the current date of valuation



## Income Capitalization Approach

INCOME PRO FORMA				
Account:	037-031-06	Year Built:	2012	
County:	Washoe County	Land Acres:	10 AC	
Address:	1355 Scheels Dr	Gross Area:	119,528 SF	
Property Type:	Big Box Retail	Net Leasable:	119,528 SF	
	<u>Area</u>	<u>Rate</u>	<u>Total Value</u>	<u>\$/sf</u>
<b>Gross Potential Income</b>	119,528	\$6.00	\$ 717,168	6.00
Other Income 1			\$ -	0.00
Other Income 2			\$ -	0.00
<b>Total Income</b>			\$ 717,168	6.00
<i>Less</i>				
Vacancy		10.0%	\$ 71,717	0.60
Credit Loss			\$ -	0.00
<b>Effective Gross Income</b>			\$ 645,451	5.40
<i>Less</i>				
Operating Expenses		15.0%	\$ 96,818	0.81
Reserves			\$ -	0.00
<b>Net Operating Income</b>			\$ 548,634	4.59
Market Capitalization Rate		8.25%		
Effective Tax Rate		0.00%		
Overall Capitalization Rate		<b>8.25%</b>		
<b>Stabilized Value</b>			\$ 6,650,103	55.64
<i>Less: Excess Land</i>			\$ -	
<b>2019 Market Value Rounded</b>			<b>\$ 6,650,000 or</b>	<b>55.64</b>

\*The Income Approach is based off available lease comps and contains both current asking rates and confirmed lease rates.

\*\*The rents have not been adjusted for this specific market and the current building's size and condition.

## Sales Comparison Approach

List of Comparable Sales						
Sale	Property Name	Address	City, State	County	Sale Date	Sale Price
1	Lowe's	2450 Oddie Blvd	Sparks, NV	Washoe	01/29/2016	\$6,510,000
2	Target	505 E Prater Way	Sparks, NV	Washoe	02/16/2016	\$6,561,948
3	Former Kmart	4855 Summit Ridge Dr	Reno, NV	Washoe	08/11/2017	\$4,525,000
4	Kmart	2125-2285 Oddie Blvd	Sparks, NV	Washoe	02/28/2017	\$11,272,964
5	Dollar Tree	2424 Oddie Blvd	Reno, NV	Washoe	05/29/2015	\$4,100,000

Sale Adjustments to Equal Subject Property											
	Sale 1		Sale 2		Sale 3		Sale 4		Sale 5		Average
Property Name:	Lowe's		Target		Former Kmart		Kmart		Dollar Tree		
Acres	12.09		9.18		19.54		11.67		5.09		11.51
Bldg. SF	177,809		105,705		166,318		145,029		73,414		133,655
Year Built	1998		1990		1996		1988		2008		1996
<b>Sale Info:</b>											
Sale Date	01/29/2016		02/16/2016		08/11/2017		02/28/2017		05/29/2015		
Sale Price	\$6,510,000		\$6,561,948		\$4,525,000		\$11,272,964		\$4,100,000		
Sale \$/SF	\$36.61		\$62.08		\$27.21		\$77.73		\$55.85		\$51.89
<b>Adjustments:</b>	<b>% Adj</b>	<b>\$/SF</b>	<b>% Adj</b>								
Size	5%	\$1.83	0%	\$0.00	5%	\$1.36	0%	\$0.00	-5%	-\$2.79	1%
Location	0%	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$0.00	0%
Condition	5%	\$1.83	5%	\$3.10	5%	\$1.36	5%	\$3.89	0%	\$0.00	4%
<b>Total Adj:</b>	10%	\$3.66	5%	\$3.10	10%	\$2.72	5%	\$3.89	-5%	-\$2.79	5%
Adj Sale Price:	\$7,161,000		\$6,890,045		\$4,977,500		\$11,836,612		\$3,895,000		
Avg Sale \$/SF:	\$40.27		\$65.18		\$29.93		\$81.62		\$53.06		\$54.01

Summary of Sales Comparison Approach		
<u>Subject's Area</u>	<u>Avg Sale \$/SF:</u>	<u>Total Indicated Value</u>
119,528	\$54.05	\$6,460,000

## Summary of Values

Summary of Values			
<b>CURRENT AND PRIOR YEAR VALUES</b>		<i>Total</i>	<i>Per SF</i>
2019 Proposed Value (County)		\$13,752,437	\$115.06
<b>INDICATED MARKET VALUES</b>		<i>Total</i>	<i>Per SF</i>
Cost Approach	<i>11,426,787</i>	\$9,134,404	\$76.42
Sales Comparison Approach		\$6,460,000	\$54.05
Income Capitalization Approach		\$6,650,000	\$55.64
<b>MEDIAN MARKET VALUE</b>		<b>\$6,555,000</b>	<b>\$54.84</b>
<b>CONCLUDED MARKET VALUE</b>			
<b>Valuation Method Selected</b>	<b>Date of Value</b>	<b>2019 Total Value</b>	<b>Per SF</b>
MEDIAN MARKET VALUE	January 1, 2018	\$6,555,000	\$54.84
<b>INDICATED VALUE (ROUNDED)</b>	<b>January 1, 2018</b>	<b><u>\$9,130,000</u></b>	<b><u>\$76.38</u></b>