

ASSESSOR'S

EVIDENCE

Washoe County Board of Equalization
Appeal Summary Page - Secured Roll

Hearing # 19-0028R18
Hearing Date 02/21/2019
Tax Year 2018

APN: 040-162-53
Owner of Record: CROSSING SC LLC
Property Address: 6405 S VIRGINIA ST
Property Type: NEIGHBORHOOD SHOPPING CTR 100%
Gross Building Area: 7,774
Year Built: 1989
Parcel Size: 30231 SqFt 0.69 AC

Description / Location: The subject parcel is located in The Crossing Shopping Center at Meadowood Square in the southwest corner of Neil Road and S Virginia St intersection.

2018/2019 Taxable Value: Land: \$362,616
Improvements: \$489,776
Total: \$852,392
Taxable Value / SF \$109.65

Sales Comparison Approach: Indicated Value Range \$890,000 to \$1,130,000
Indicated Value Range / SF \$115 to \$145

Income Approach: Indicated Value \$1,130,000
Indicated Value / SF \$146

Conclusions: The comparable sales indicate the property value is in the range of \$ 890,000 to \$ 1,130,000, i.e. \$115/SF to \$145/SF. The income approach to value indicates a value of \$1,130,000, i.e. \$146/SF. Both values demonstrate the total taxable value does not exceed full cash value.

RECOMMENDATION: Uphold **X** Reduce



Prepared By: Jane Tung, Appraiser

Reviewed By:

Mike Gonzales, Senior Appraiser

ASSESSOR'S EXHIBIT I
22 PAGES

WASHOE COUNTY BOARD OF EQUALIZATION

COMMERCIAL / INDUSTRIAL

| | | | |
|----------------------|----------------------|-----------------------|------------------|
| | TAXABLE VALUE | ASSESSED VALUE | TAXABLE |
| LAND: | \$362,616 | \$126,916 | \$/SF GBA |
| IMPROVEMENTS: | \$489,776 | \$171,422 | \$109.65 |
| TOTAL: | \$852,392 | \$298,337 | |

TAXABLE
\$/SF Land
\$12.00

| | |
|------------------|-------------------|
| HEARING: | <u>19-0028R18</u> |
| DATE: | <u>02/21/2019</u> |
| TAX YEAR: | <u>2018</u> |

OWNER: CROSSING SC LLC

| SUBJECT | | | | | | | | | | | |
|----------------|--------------------------------|--------------------------------------|------------|--------------------|-------------------------------------|---------------|----------------|--------------------|--|-------------------------------|-------------------|
| BLDG# | APN | Location (Occupancy) | Use % | Total GBA (GBA) | Construction Type Exterior Walls | QC | Finish Area | Age(WAY) Height | Land (AC) %Coverage Zoning | Sale Price Sale Date | Sale Price/GBA |
| | 040-162-53 | 6405 S VIRGINIA ST | | 7,774 | | | | | 0.69 | \$3,700,000 | \$114.54 |
| 1 | | NEIGHBORHOOD SHOPPING CTR | 100% | 7,774 | MASONRY BRNG CONCRETE BLK | C15 | | 1989 14 | 1120160% MU | 07/28/2014 (for 3 parcels) | |
| IMPROVED SALES | | | | | | | | | | | |
| IS-1 | 043-030-17, -32, -33, -34 | 8195 S VIRGINIA ST | | 75,357 | | | | | 6.79 | \$9,100,000 | \$120.76 |
| 1 | | RESTAURANT | 7% | 5,474 | WD/STL FRAME STUD-STUCCO | C30 | | 1986 (1988) 12 | 25% | 04/07/2017 | |
| 2 | | COMM SHOPPING CTR | 31% | 23283 | MASONRY BRNG CONC BLK | C20 | | 1987 16 | MUSV | | |
| 3 | | MARKET | 62% | 46600 | MASONRY BRNG CONC BLK | C20 | | 1987 20 | | | |
| IS-2 | 040-141-10, -12, -20, -22, -42 | 6139 S VIRGINIA ST | | 81,838 | | | | | 8.07 | \$24,100,000 | \$294.48 |
| 1 | | SUPERMARKET | 62% | 51,048 | MASONRY BRNG CONC BLK | C25 | | 1988 (1993) 24 | 23% | 07/14/2017 | |
| | | DISCOUNT STORE | 38% | 30,790 | MASONRY BRNG CONC BLK | C20 | | 1988 (1993) 24 | AC | | |
| IS-3 | 039-750-13 | 5150 MAE ANN AVE | | 94,213 | | | | | 9.09 | \$9,350,000 | \$99.24 |
| 1 | | DISCOUNT STORE | 100% | | MASONRY BRNG CONC BLK | C20 | | 1990 24 | 23% AC | 09/12/2017 | |
| IS-4 | 024-055-33, -37, -44, -45 | 4811, 4827, 4871, 4875 KIETZKE LN | | 344,707 | MASONRY BRNG CONCRETE BLK | C15, C20, C30 | | 1996-2005 | 34.33 | \$48,490,000 | \$140.67 |
| | | DISCOUNT STORE | 88% | 304,877 | | | | 12 to 24 | 23% AC | 07/13/2016 | |
| | | RETAIL | 3% | 11,326 | | | | | | | |
| | | NEIGHBORHOOD SHOPPING CTR | 6% | 20,004 | | | | | | | |
| | | RESTAURANT | 2% | 8,500 | | | | | | | |
| LAND SALES | | | | | | | | | | | |
| Sale # | APN | Location | Sale Date | Sale Price | Size(AC) | \$/sf | Tax/Unit | Zoning | Comments | | |
| LS-1 | 040-900-25 | 5315 KIETZKE LN | 02/01/2017 | \$4,448,159 | 4.34 | \$23.53 | \$9.50 | PUD | Level finish grade lot next to Rancharrah development. No Kietzke Ln frontage. | | |
| LS-2 | 025-372-40 | 1111 MEADOWOOD MALL LINK | 03/21/2017 | \$1,724,976 | 1.80 | \$22.00 | \$12.00 | MUCC | Situated in the southwest corner of S McCarran and Meadowood Mall Link. Construction for a hotel is in progress. | | |
| LS-3 | 040-900-24 | 5301 KIETZKE LN | 11/01/2016 | \$3,847,219 | 3.84 | \$22.99 | \$9.50 | PUD | Level lot in proximity to Rancharrah development with Kietzke Ln frontage. | | |

COMMENTS:

The subject is one of 5 parcels in The Crossing Shopping Center at Meadowood Square. It is the only parcel out of the 4 parcels appealed that has S Virginia St frontage and hence the higher land value. 2 of the 5 parcels, 040-162-51 and -53, were assessed in 2018 Reopen period and the taxpayer have filed 2018 petitions to review. The building on 040-162-51 was built in 1973 with 10,650 SF of GBA on about an 1 AC lot. On parcel 040-162-53 the building was built in 1989 with 7,774 SF of GBA on a 0.69 AC lot fronting S Virginia St. The total GBA of the shopping center excluding Taco Bell is 66,723 SF on 5.4 AC. In July 2014, parcels 040-162-50, -51, and -53 were purchased by the current owner for \$ 3.7M, i.e. \$114.54/SF. As of 1/23/19 the property is 99% occupied per Costar.

In reviewing the comparable improved sales, IS-1 is the Southwest Pavilion Center that was formerly a Scolari's supermarket and community shopping center. The center was 67% vacant with higher risk in income stream when sold. It is the most similar to the subject in use but inferior in occupancy rate and location. It would require an upward adjustment to be comparable. IS-2 is the Del Monte Plaza where Whole Foods and Sierra Trading Post are just north of the subject on the other side of Neil Rd. 100% occupied with long term leases in place when sold. It is similar in location but superior in finishing. It would require a downward adjustment. IS-3 is the Kohl's store in Northwest Reno which is farthest from the subject. It has 9 years remaining on a 20-year lease when sold. It is inferior in location and frontage to a major street, but superior in finishing. IS-4 is the oldest sale for 4 parcels in the Firecreek Cross shopping center with 29% vacancy when sold. It is similar in location but the acreage and square footage of GBA are much larger than the subject shopping center. It would require an upward adjustment for price for SF for larger size and for inferior occupancy rate. The indicated value by these comparable improved sales is in the range of \$99 to \$294/SF. After appropriate adjustments the indicated value for this subject is estimated to be in the range of \$115 to \$145/SF resulting in a total value range of \$890,000 to \$1,130,000.

For comparable land sales, both LS-1 and LS-3 are level lots along Kietzke Ln north of the subject. They are similar to the overall The Crossing shopping center size but larger than the subject parcel. Their proximity to Rancharrah offsets the lack of frontage to S Virginia St. LS-2 is a lot at the entrance to the Meadowood Mall also north of the subject. It has similar frontage to a major street and similar lot size to the subject parcel. These sales range from \$22/SF to \$23.53/SF. They are in support of the 2018/2019 taxable land value at \$12/SF.

WASHOE COUNTY BOARD OF EQUALIZATION

COMMERCIAL / INDUSTRIAL

| | | | | | |
|--|----------------------|----------------------|-----------------------|------------------|----------------------------|
| | LAND: | TAXABLE VALUE | ASSESSED VALUE | TAXABLE | HEARING: 19-0028R18 |
| | | \$362,616 | \$126,916 | \$/SF GBA | DATE: 02/21/19 |
| | IMPROVEMENTS: | \$489,776 | \$171,422 | \$109.65 | |
| | TOTAL: | \$852,392 | \$298,337 | | TAX YEAR: 2018 |

APN: 040-162-53
 OWNER: CROSSING SC LLC

TAXABLE
\$/SF Land
 \$12.00

Income Approach

| | | | | |
|--|----------------|--------------|----------------|-----------------------|
| Potential Gross Income | 7,774 sq ft. @ | \$1.20 /mo = | \$9,329 | |
| | sq ft. @ | /mo = | \$0 | |
| | sq ft. @ | /mo = | \$0 | |
| | | | <u>\$9,329</u> | |
| | x 12 months = | | <u>12</u> | |
| | | | | \$111,946 |
| - Vacancy & Collection loss | | | 10% | <u>\$11,195</u> |
| = Effective Gross Income | | | | \$100,751 |
| - Operating Expenses | | | 10% | <u>\$10,075</u> |
| = Net Operating Income | | | | \$90,676 |
| Divided by Overall Capitalization Rate | | | 8.00% | \$1,133,449 |
| | | | | Rounded \$146 /SF GBA |

Subject Income Information: The subject is located in The Crossing Shopping Center at Meadowood Square with the S Virginia St frontage. In this building tenants include a pet store, a pizza restaurant, a sandwich shop, and others. The spaces range from about 700SF to 1900SF in size.

Potential Gross Income: A rent of \$1.20/SF/MO NNN was used indicating a PGI of \$111,946.

Effective Gross Income: A vacancy and collection loss of 10% was applied to the PGI to arrive at an EGI of \$100,751.

Net Operating Income: The operating expense ratio of 10% was used based on NNN lease rent rate yielding an NOI of \$90,676.

Capitalization Rate Analysis: Cap rate for a performing neighborhood shopping center in the area is in the range of 7 to 8%. 8% was applied for analysis.

Indicated Value Income Approach: Applying the cap rate of 8% the value indicated is \$1,133,449, or rounded \$1,130,000.

Comments:

No actual rent roll or income expense statement provided. Market data were referenced. Rents for shopping center spaces in the area range from \$1.20 to \$1.50/SF/MO NNN. The rent rates found from 2017 range from \$1.20/SF to \$1.30/SF. A rent of \$1.20/SF/MO was used with more weights given to rent rates found from 2017 and the similarity in the location. Operating expense ratio for NNN leases is generally below 20%. Cap rate for a performing retail shopping center property as the subject in the Meadowood submarket ranges between 7% to 8%. Based on the data available, a vacancy rate of 10%, an expense ratio of 10%, and a cap rate of 8% were applied. It resulted in a rounded value of \$146/SF GBA which supports the subject's 2018/2019 taxable value.

Situs & Keyline Description:
6405 S VIRGINIA ST RENO
PM 2269 LT1

Owner & Mailing Address:
CROSSING SC LLC
PO BOX 4606
INCLINE VILLAGE, NV 89450

WASHOE COUNTY APPRAISAL RECORD
2018

APN: 040-162-53

Card 1 of 2
Bld. 1-1



COMP USA CENTER (DEL MONT)

Tax District: 1000

printed: 01/23/2019

ACTIVE

2984.17

OBGQ - 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 | | RDE_2018 | | | | | |
| 2018 FV | 362,616 | 0 | 489,776 | 0 | 852,392 | 298,337 | Building Value | 429,930 | | | | | | | |
| 2017 FV | 332,398 | 0 | 477,109 | 0 | 809,507 | 283,327 | Extra Feature Value | 59,846 | | | | | | | |
| 2016 FV | 332,398 | 0 | 488,372 | 0 | 820,770 | 287,270 | Land Value | 362,616 | | | | | | | |
| 2015 FV | 332,398 | 0 | 492,773 | 0 | 825,171 | 288,810 | Taxable Value | 852,392 | | | | | | | |
| 2014 FV | 332,398 | 0 | 490,189 | 0 | 822,587 | 287,905 | Exemption | 0 | | | | Reopen | Code: | | |
| 2013 FV | 362,616 | 0 | 488,549 | 0 | 851,165 | 297,908 | FLAGS | | | | | | Reappraisal | | |
| 2012 FV | 362,616 | 0 | 499,557 | 0 | 862,173 | 301,761 | Type | Value | | | | | | | |
| 2011 FV | 362,616 | 0 | 471,202 | 0 | 833,818 | 291,837 | Cap Code | NFM | | | | NC / C | New Land | New Sketch | |
| 2010 FV | 423,100 | 0 | 468,344 | 0 | 891,444 | 312,005 | Eligible for Form? | NO | | | | | | | |
| 2009 FV | 513,740 | 0 | 516,327 | 0 | 1,030,067 | 360,523 | Low Cap Percentage | 0 | | | | By: | Date: | | |
| 2008 FV | 498,073 | 0 | 526,683 | 0 | 1,024,756 | 358,665 | Parcel Map | 2269 | | | | | | | |
| 2007 FV | 498,073 | 0 | 499,912 | 0 | 997,985 | 349,295 | | | | | | | | | |

| 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 | 412 | Commercial/Industr Neighborhood | Units | 1 | GBA | GBA - GROSS BUILDING AREA | | 7,774 | | | Sub Area-RCN | 746,079 | | | |
| C | | MSNRY BRNG ~ | No of Stories | 1 | | Base Cost | | 7,774 | 480,355 | | % Incomplete | 0 | | | |
| 0 | | Commercial | Quality Class | 1.5 | | Exterior Walls | | 7,774 | 168,389 | | % Depreciation | 43.50 | | | |
| | | | Avg Wall Height/Floor | 14 | | Heating & Cooling | | 7,774 | 67,789 | | \$ Dep & Inc | 324,544 | | | |
| | | | Alternate Shape Code | 1 | | Sprinklers | | 8,614 | 29,546 | | Obso/Other Adj. | 0 | | | |
| | | | Sprinkler System Generic - | 8614 | | | | | | | Sub Area DRC | 421,535 | | | |
| | | | | | | | | | | | Additive DRC | 59,846 | | | |
| | | | | | | | | | | | Total DRC | 481,381 | | | |
| | | | | | | | | | | | Override | | | | |
| | | | | | | | | | | | Cost Code | 89502 | | | |
| PROPERTY CHARACTERISTICS | | | | | | | | | | | | | | | |
| | | | | | | | | | | Water | Municipal | | | | |
| | | | | | | | | | | Sewer | Municipal | | | | |
| | | | | | | | | | | Street | Paved | | | | |
| BUILDING NOTES | | | | | | | | | | | | | | | |
| Gross Living/Building Area 7,774 | | | | | | | | | | | | | | | |
| Perimeter 433 | | | | | | | | | | | | | | | |

| # | Bld | Date | User ID | Activity Notes |
|---|-----|------------|---------|--------------------------|
| 4 | 0-0 | 10/05/2017 | rdalton | REXT BY JCT - 09/05/2017 |

| 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 | 200 | 12.98 | 1989 | | 100 | 2,596 | 56.5 | 1,467 | | |
| 2 | FWAS | FLATWORK ASPHALT | 30 | 1-1 | 0 | 0 | 17500 | 2.38 | 1989 | | 100 | 41,664 | 56.5 | 23,540 | | |
| 3 | PKLT | PARKING LOT LIGHTING | 30 | 1-1 | 0 | 0 | 15000 | 0.63 | 1989 | | 100 | 9,450 | 56.5 | 5,339 | | |
| 4 | TRS1 | TRASH ENCLOSURE CHAIN LINK FENCE | 30 | 1-1 | 0 | 0 | 80 | 11.13 | 1989 | | 100 | 890 | 56.5 | 503 | | |
| 5 | YIMP | YARD IMPROVEMENTS | 30 | 1-1 | 0 | 0 | 4 | 1,562.00 | 1989 | | 100 | 6,248 | 56.5 | 3,530 | | |
| 6 | GIN3 | GREASE INTERCEPTOR-CONCRETE 1500 GALLON | 30 | 1-1 | 0 | 0 | 1 | 4,313.00 | 2017 | 2017 | 100 | 4,313 | 98.5 | 4,248 | | |
| 7 | MN | MANUAL COST | 30 | 1-1 | 20 | 12 | 1 | 27,379.00 | 2003 | 2018 | 100 | 27,379 | 77.5 | 21,219 | | 2 SIDED ILLUMINATED SIGN 240 SF |

| LAND VALUE | DOR Code | Neighborhood | Zone | Units | Unit Type | Sub Type | Unit Price | Influence 1 Code | Influence 1 % | Influence 2 Code | Influence 2 % | Taxable Value | Land Notes |
|------------|----------|-------------------|------|-----------|-----------|----------|------------|------------------|---------------|------------------|---------------|---------------|------------|
| 2984.17 | 400 | OBGQ - Commercial | MU | 30,218.00 | SF | | 12.00 | | | | | 362,616 | |



040-162-53 05/29/2016

BUILDING PERMITS

| Date | Permit # | Description | Amount | Status | % Comp | Last Visit/Appr/Results | Notes |
|------------|-------------|-------------|--------|--------|--------|-------------------------|-----------------|
| 09/10/2017 | BLD18-01734 | FIRE | 2,158 | Compl | 0 | 05/30/18 EB Compl | NVC |
| 05/18/2017 | BLD17-07890 | EXHAUST | 6,770 | Compl | 100 | 06/02/17 MAG Compl | |
| 12/02/2016 | BLD17-03102 | CHANGE OF | 52,000 | Compl | 0 | 12/30/99 | |
| 11/15/2016 | SGN17-03396 | SIGN; | 4,120 | Compl | 0 | 12/30/99 | |
| 11/07/2016 | BLD17-02816 | GREASE | 18937 | Compl | 100 | 04/26/17 MAG Compl | |
| 10/27/2016 | BLD17-02726 | INTER | 5000 | Compl | 100 | 03/01/17 MAG Compl | |
| 06/17/2016 | BLD16-04761 | REMODEL | 150000 | Compl | 100 | 03/26/18 JCT Compl | PERMIT CANCELED |

SALES/TRANSFER INFORMATION

| Grantor | Document | Date | LUC | Verif | Terms | Sales | Notes |
|----------------------|----------|------------|-----|-------|-------|-----------|-------|
| KRS RENO SC 1313 INC | 4377420 | 07/28/2014 | 400 | 4MV | | 3,700,000 | |
| KRS RENO SC 1313 | 3333898 | 01/10/2006 | 400 | 3BGG | | 6,576,366 | |
| | 1258083 | 07/06/1988 | | | | | |

| # | Bld | Date | User ID | Activity Notes |
|----|-----|------------|---------|---|
| 5 | 0-0 | 10/22/2016 | rlope | REXT BY MAG - 09/21/2016 |
| 6 | 0-0 | 07/27/2016 | gvice | Reassigning of Permits based on new neighborhoods for 2017-18 |
| 7 | 0-0 | 11/06/2015 | idiez | TAG FROM 1005 TO 1000 TMUGWB NOW SPECIAL ASSESSMENT |
| 8 | 1-1 | 10/02/2013 | magon | REXT OBGQ IMPROVEMENT LINE DONE 10/23/2013 BY RD, LAND LINE DONE |
| 9 | 1-1 | 10/04/2012 | magon | REXT OBGQ IMPROVEMENT LINE DONE 10/18/2012 BY JAK, LAND LINE DONE |
| 10 | 1-1 | 07/19/2011 | magon | REXT OBGQ IMPROVEMENT LINE DONE 08/24/2011 BY REVIEWED-NO CHGS ON IMP |
| 11 | 1-1 | 07/27/2010 | magon | REXT OBGQ IMPROVEMENT LINE DONE 10/28/2010 BY JAK, LAND LINE DONE |
| 12 | 1-1 | 10/28/2009 | magon | REXT OBGQ IMPROVEMENT LINE DONE 10/28/2009 BY REVIEWED-NO CHANGES ON |
| 13 | 1-1 | 07/28/2009 | magon | DATA CHNG 2ND EXT WALL TO C843 |

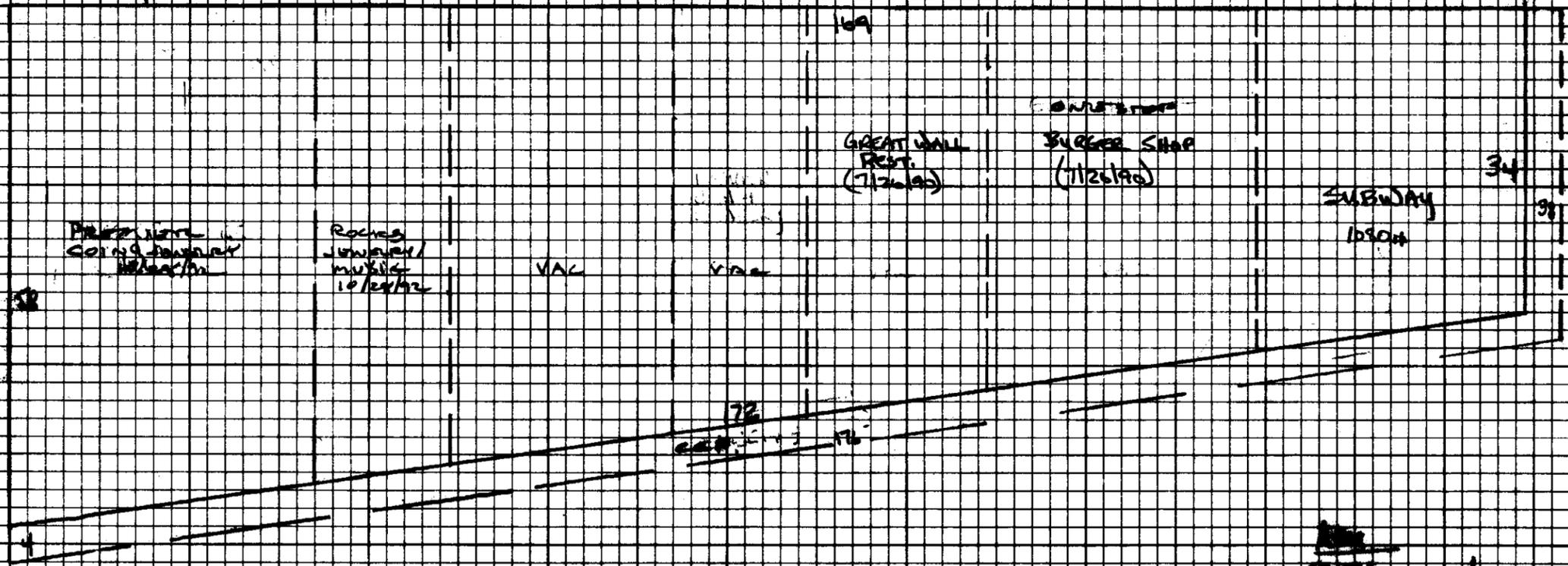


| BUILDING PERMITS | | | | | | | |
|------------------|-------------|-------------|--------|--------|--------|-------------------------|-----------------|
| Date | Permit # | Description | Amount | Status | % Comp | Last Visit/Appr/Results | Notes |
| 09/10/2017 | BLD18-01734 | FIRE | 2,158 | Compl | 0 | 05/30/18 EB Compl | NVC |
| 05/18/2017 | BLD17-07890 | EXHAUST | 6,770 | Compl | 100 | 06/02/17 MAG Compl | |
| 12/02/2016 | BLD17-03102 | CHANGE OF | 52,000 | Compl | 0 | 12/30/99 | |
| 11/15/2016 | SGN17-03396 | SIGN; | 4,120 | Compl | 0 | 12/30/99 | |
| 11/07/2016 | BLD17-02816 | GREASE | 18937 | Compl | 100 | 04/26/17 MAG Compl | |
| 10/27/2016 | BLD17-02726 | INTER | 5000 | Compl | 100 | 03/01/17 MAG Compl | |
| 06/17/2016 | BLD16-04761 | REMODEL | 150000 | Compl | 100 | 03/26/18 JCT Compl | PERMIT CANCELED |

| SALES/TRANSFER INFORMATION | | | | | | | |
|----------------------------|----------|------------|-----|-------|-------|-----------|-------|
| Grantor | Document | Date | LUC | Verif | Terms | Sales | Notes |
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| KRS RENO SC 1313 | 3333898 | 01/10/2006 | 400 | 3BGG | | 6,576,366 | |
| | 1258083 | 07/06/1988 | | | | | |

| # | Bld | Date | User ID | Activity Notes |
|---|-----|------|---------|----------------|
| | | | | |

CIRCUIT CITY
40-162-52



~~812 x 169~~
7774

VIRGINIA ST.

Site Plan for The Crossing At Meadowood Square in 2014 Sale



2019-2020 Meadowood Area Retail/Shopping Center Rent Survey

| # | Location APN | Description | Total Sq Ft/ Yr Blt (WAY) | Lease Date/ Term | Base Rent/SF/ MO | CAM Fee | Total Rent/SF | Comments |
|---|----------------------------------|--|------------------------------|------------------------|------------------------|---------|---------------|---|
| 1 | 7675 S Virginia St 043-011-48 | Longley West Plaza | 59,974 1996 | Various Net | \$1.15 | \$0.35 | \$1.50 | 2018 actual average rent. Shopping center near the intersection of S Virginia St and Longley Ln. Space sizes range from 1200 to 7400 SF. 91% Occupied. The most recent lease signed with a base rent at \$1.33/SF/MO. |
| 2 | 7111 S Virginia St 043-281-04 | Sierra Meadows Plaza | 51,000 1986 | Various NNN | \$1.28 | \$0.52 | \$1.80 | 2018 actual average rent. Shopping center near the intersection of S Virginia St and Green Acres Dr. Space sizes range from 750 to 6700 SF. 7196 SF finished as medical offices. 56% Occupied. Current asking rent is \$1.50/SF/MO NNN. |
| 3 | 7499 Longley Ln 025-493-10 | An-Asian Kitchen & Bar Sardina's Italian Bistro | 5,127 2001(2002) | Various NNN | \$1.44 | \$0.18 | \$1.62 | 2018 actual rent reported. Two spaces of 3771 SF and 1356 SF. |
| 4 | 6135 Lakeside Dr 042-222-26 | Shops at Bartley Ranch | 33,578 1988 | Various MG | \$1.14 | \$0.34 | \$1.48 | 2017 actual average rent. Located south of the intersection of S McCarran Blvd and Lakeside Dr. Space sizes range from 750 SF to 3800 SF including a convenience market, restaurants, offices, etc. 79% occupied. The asking rent found from 2017 was \$1.20/SF/MO NNN. |
| 5 | 7025 Longley Ln 025-590-02 | Longley Professional Center | 13,800 1996 | Various NNN | \$1.50 | | \$1.50 | Asking rent per Loopnet as of 1/2019. 5382 SF finished as veterinary office. Other spaces range from 790 SF to 3420 SF. Near the intersection of Longley Ln and Maestro Dr. 61% occupied. |

Median: \$1.28 \$1.50
Average: \$1.30 \$1.58

2019-2020 Retail Shopping Center Capitalization Rate Chart

| APN NBC | Location | Use % | Total Finish Area | Year Built (WAY) | Land (SF) %Coverage Zoning | Sale Price Sale Date | NOI OAR | Comments |
|-------------------------------|--|--|-------------------------|---------------------|----------------------------------|----------------------------|----------------------|--|
| 164-460-05 EFLQ | 8040 S Virginia St Quail Park South | 100% Neighborhood Shopping Center | 14,681 | 2007 | 14,474 100% MUSV | \$4,100,000 12/19/2016 | \$321,120 8.24% | South of the intersection of S Virginia St and Longley Ln. Part of the Quail Park South Shopping Center. 13% vacancy at sale. The NOI and cap rate reflect this vacancy rate. The existing tenants are Medical Office(St. Mary's), dental office (Western Dental), and a small pharmacy. |
| 039-750-03, 09, 11 BCAQ | 5110 Mae Anne Ave. Ridgeview Plaza | 60% Box Store 40% Line Space | 173,877 | 1989 | 736,224 24% AC | \$33,000,000 01/14/2016 | \$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. |
| 040-162-84 & - 85 OBGQ | 6675 & 6795 S Virginia St The Commons | 90% Discount/Retail Store 10% Retail/Dental Office | 155,519 | 2005 2006 | 538,402 29% MU | \$28,944,841 06/22/2018 | \$2,745,500 9.50% | The Commons near the Meadowood Mall anchored by Petsmart, Total Wine, and DSW Shoes. There are 7 buildings totaling 155,519 SF. 91% occupied when sold. The asking price was \$34.5M and cap rate of 7.43%. Sold at 16% discount. |
| 042-222-26 OBGQ | 6135 Lakeside Dr Shops at Bartley Ranch | 84% Restaurant/Retail Store 16% Office/Conv Market/ Fast Food Restaurant | 33,578 | 1988 &1997 | 166,399 20% NC | \$5,075,000 02/07/2018 | 7.50% | Neighborhood shopping center south of the Lakeside Dr and S McCarran Blvd intersection. 86% occupied when sold. Cap rate reported at the time of sale per Costar. |

Median (Washoe): 7.87%

Average (Washoe): 8.02%

Situs & Keyline Description:
6405 S VIRGINIA ST RENO
PM 2269 LT1

Owner & Mailing Address:
CROSSING SC LLC
PO BOX 4606
INCLINE VILLAGE, NV 89450

WASHOE COUNTY APPRAISAL RECORD

APN: 040-162-53

Card 1 of 2
Bld 1-1

2018 JUN 11 2018 8

COMP USA CENTER (DEL MONT)

Tax District: 1000

printed: 03/08/2018

ACTIVE

2984 17

OBGQ - 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 | | | | | |
| 2018 NR | 362,616 | 0 | 535,275 | 66,718 | 897,891 | 314,262 | Building Value | 429,930 | | PROD | | | |
| 2017 FV | 332,398 | 0 | 477,109 | 0 | 809,507 | 283,327 | Extra Feature Value | 105,345 | | | | | |
| 2016 FV | 332,398 | 0 | 488,372 | 0 | 820,770 | 287,270 | Land Value | 362,616 | | | | | |
| 2015 FV | 332,398 | 0 | 492,773 | 0 | 825,171 | 288,810 | Taxable Value | 897,891 | | | | | |
| 2014 FV | 332,398 | 0 | 490,189 | 0 | 822,587 | 287,905 | Exemption | 0 | | | | | |
| 2013 FV | 362,616 | 0 | 488,549 | 0 | 851,165 | 297,908 | FLAGS | | | | | | |
| 2012 FV | 362,616 | 0 | 499,557 | 0 | 862,173 | 301,761 | Type | Value | | | | | |
| 2011 FV | 362,616 | 0 | 471,202 | 0 | 833,818 | 291,837 | Cap Code | NFM | | | | | |
| 2010 FV | 423,100 | 0 | 468,344 | 0 | 891,444 | 312,005 | Eligible for Form? | NO | | | | | |
| 2009 FV | 513,740 | 0 | 516,327 | 0 | 1,030,067 | 360,523 | Low Cap Percentage | 0 | | | | | |
| 2008 FV | 498,073 | 0 | 526,683 | 0 | 1,024,756 | 358,665 | Parcel Map | 2269 | | | | | |
| 2007 FV | 498,073 | 0 | 499,912 | 0 | 997,985 | 349,295 | | | | | | | |

2018/19 Reopen
Code IC
Reappraisal
NC (C) New Land New Sketch
By JCT Date 6/8/18

| BUILDING DETAILS | | | | BUILDING FEATURES AND ADJUSTMENTS | | | | BUILDING SUB-AREAS | | | | BUILDING COST SUMMARY | | | |
|------------------|------|--------------------|----------------------------|-----------------------------------|------|---------------------------|--------|--------------------|----------|------------------|--|-----------------------|--|--|--|
| Type | Code | Description | Category | Units | Code | Description | Yr Bld | Units | Cost New | Tot Lump Sum Adj | | | | | |
| Occupancy | 412 | Commercial/Industr | Units | 1 | GBA | GBA - GROSS BUILDING AREA | | 7,774 | | | | | | | |
| Story/Frame | C | Neighborhood | No of Stories | 1 | | Base Cost | | 7,774 | 480,355 | | | | | | |
| Quality | 0 | MSNRY BRNG ~ | Quality Class | 1.5 | | Exterior Walls | | 7,774 | 168,389 | | | | | | |
| Year Built | 1989 | Commercial | Avg Wall Height/Floor | 14 | | Heating & Cooling | | 7,774 | 67,789 | | | | | | |
| WAY | 1989 | %Comp | Alternate Shape Code | 1 | | Sprinklers | | 8,614 | 29,546 | | | | | | |
| | | | Sprinkler System Generic - | 8614 | | | | | | | | | | | |

| BUILDING CHARACTERISTICS | | | | PROPERTY CHARACTERISTICS | | | |
|--------------------------|------|--------------|-----|--------------------------|-----------|--------|-----------------|
| Category | Code | Type | % | Water | Municipal | Street | Municipal Paved |
| Ext. Wall | 812 | CONCRETE BLK | 60 | | | | |
| Ext. Wall | 843 | CURTAIN-CO/G | 40 | | | | |
| Heating Type | 611 | PACKAGE UNIT | 100 | | | | |

| BASE RATE ADJUSTMENT | | | | CONSTRUCTION MODIFIERS | | | |
|----------------------|------|------|------|------------------------|------|------|------|
| Adj. | Adj. | Adj. | Adj. | Adj. | Adj. | Adj. | Adj. |
| | | | | | | | |

| GROSS LIVING/BUILDING AREA | | | | PERIMETER | | | |
|----------------------------|-----------|------|-----------|-----------|-----------|------|-----------|
| Area | Perimeter | Area | Perimeter | Area | Perimeter | Area | Perimeter |
| 7,774 | 433 | | | | | | |

| # | Bld | Date | User ID | Activity Notes |
|---|-----|------------|---------|--------------------------|
| 4 | 0-0 | 10/05/2017 | rdalton | REXT BY JCT - 09/05/2017 |

| 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 | 200 | 12.98 | 1989 | | 100 | 2,596 | 56.5 | 1,467 | | |
| 2 | FWAS | FLATWORK ASPHALT | 30 | 1-1 | 0 | 0 | 17500 | 2.38 | 1989 | | 100 | 41,664 | 56.5 | 23,540 | | |
| 3 | PKLT | PARKING LOT LIGHTING | 30 | 1-1 | 0 | 0 | 15000 | 0.63 | 1989 | | 100 | 9,450 | 56.5 | 5,339 | | |
| 4 | TRS1 | TRASH ENCLOSURE CHAIN LINK FENCE | 30 | 1-1 | 0 | 0 | 80 | 11.13 | 1989 | | 100 | 890 | 56.5 | 503 | | |
| 5 | YIMP | YARD IMPROVEMENTS | 30 | 1-1 | 0 | 0 | 4 | 1,562.00 | 1989 | | 100 | 6,248 | 56.5 | 3,530 | | |
| 6 | GIN3 | GREASE INTERCEPTOR-CONCRETE 1500 GALLON | 30 | 1-1 | 0 | 0 | 1 | 4,313.00 | 2017 | 2017 | 100 | 4,313 | 98.5 | 4,248 | | |
| 7 | SG26 | SIGNS ILLUMINATED-PLASTIC - TWO SIDES | 30 | 1-1 | 0 | 0 | 360 | 188.15 | 2017 | 2018 | 100 | 67,734 | 98.5 | 66,718 | | |
| | MAN | Manual cost | 30 | 1-1 | 20 | 12 | 1 | 27,379 | 2003 | 2018 | 100 | | 77.5 | | | 2 sided illuminated signs, 20' x 12' = 240 SF. Use low end of cost range from M+S, sec 64 P3, 240 x 114.08 = 27,379, for fair quality. |

| LAND VALUE | | | | DOR Code | | | | Neighborhood | | | | Land Size | | | | Unit Type | | | |
|------------|------|----------------------------|------|-----------|-----------|----------|------------|------------------|---------------|------------------|---------------|---------------|--|--|--|-----------|--|--|--|
| # | Code | Description | Zone | Units | Unit Type | Sub Type | Unit Price | Influence 1 Code | Influence 1 % | Influence 2 Code | Influence 2 % | Taxable Value | | | | | | | |
| 1 | 400 | General Commercial retail, | MU | 30,218.00 | SF | | 12.00 | | | | | 362,616 | | | | | | | |

WAY = 1989 * .5 + 2017 * .5 = 2003
At 77.5% total DRC = 21,219

SERVICE STATIONS

YARD IMPROVEMENTS

PAVING

| Cost per square foot | LOW COST | AVERAGE | HIGH |
|---|----------|---------|--------|
| Concrete islands | 10.25 | 12.00 | 13.95 |
| Island pump shelters, including lighting/supports | 51.50 | 67.50 | 87.50 |
| 5" - 6" concrete, approaches and drives | 4.34 | 5.76 | 7.19 |
| 4" concrete, walks, etc. | 3.60 | 4.68 | 5.76 |
| Apron channel drain and grate, per linear foot | 67.50 | 87.50 | 112.00 |
| Asphalt | 2.22 | 3.30 | 4.00 |
| 6" curb, per linear foot | 10.05 | 12.60 | 15.90 |
| Precast concrete bumpers, per linear foot | 5.42 | 6.91 | 9.02 |
| Wood bumpers, per linear foot | 5.02 | 7.19 | 9.76 |
| Metal guard rail, pipe or posts, per linear foot | 23.90 | 31.50 | 42.75 |

YARD LIGHTING

| | | | |
|--------------------------------------|----------|----------|----------|
| Cost per pole, 12' | 945.00 | 1,160.00 | 1,480.00 |
| Cost per pole, 24' | 1,430.00 | 1,710.00 | 2,140.00 |
| Add per fixture, incandescent | 440.00 | 535.00 | 725.00 |
| fluorescent or quartz-iodine | 825.00 | 995.00 | 1,160.00 |
| mercury vapor | 915.00 | 1,200.00 | 1,680.00 |
| high-pressure sodium or metal halide | 1,030.00 | 1,480.00 | 2,080.00 |

SIGNS

Cost per square foot of signs includes installation, lighting and wiring, but not cost of poles or structural supports.

| | COST RANGE |
|---|------------------|
| * Illuminated plastic, add 35% for 2 sides | 84.50 - 114.08 |
| Metal, painted two sides | 55.50 - 83.50 |
| painted one side | 44.75 - 65.50 |
| Add for porcelainized metal, per face | 9.99 - 13.10 |
| Add for neon tubing, per face | 35% - 45% |
| Plastic interior lighting | 68.50 - 98.50 |
| Spheres, per foot of diameter, including post | 740.00 - 1110.00 |

Installation amounts to 18% to 25% of total cost.

SIGN POSTS OR POLES

Cost per linear foot of poles set in concrete and painted. For tapered poles, use the diameter at the base. For cantilevered posts, add 50% to the cost. Decorative pole covers cost \$1,450 to \$3,250 each.

| | | | |
|----|----------------|-----|-----------------|
| 4" | 51.50 - 67.50 | 10" | 102.00 - 161.00 |
| 6" | 68.50 - 100.00 | 12" | 118.00 - 198.00 |
| 8" | 86.50 - 134.00 | 14" | 134.00 - 231.00 |

PIPING

Average cost: \$1,200 to \$1,590 per pump or dispenser per product, plus \$780 to \$1,040 per tank, plus \$412 to \$535 for each air and water well or stand. Add 50% for double wall installations.

EQUIPMENT

Miscellaneous office and garage repair and lube equipment, cash registers, safes, fume exhausters, etc., not listed below, can be found in Section 65. See Section 61 for Tanks.

OFFICE OR BOOTH EQUIPMENT

| | |
|--|----------------------|
| Electronic remote control totalizer, per hose | 1,480.00 - 2,650.00 |
| Computer cabinet | 1,510.00 - 2,020.00 |
| Tank monitor console | 4,375.00 - 7,950.00 |
| Food booth shelving, gondolas, etc., per booth | 3,950.00 - 15,800.00 |
| merchandise freezer, each | 4,975.00 - 7,150.00 |
| walk-in cooler, per square foot | 112.00 - 183.00 |

AIR COMPRESSORS

| H.P. | COST RANGE | H.P. | COST RANGE | H.P. | COST RANGE |
|------|---------------------|-------|---------------------|-------|----------------------|
| 1/3 | 1,340.00 - 1,590.00 | 1 1/2 | 2,875.00 - 3,525.00 | 7 1/2 | 6,000.00 - 7,100.00 |
| 1/2 | 1,710.00 - 2,060.00 | 2 | 3,225.00 - 3,900.00 | 10 | 6,800.00 - 8,150.00 |
| 3/4 | 2,080.00 - 2,450.00 | 3 | 3,825.00 - 4,525.00 | 15 | 8,350.00 - 9,900.00 |
| 1 | 2,420.00 - 2,775.00 | 5 | 4,675.00 - 5,550.00 | 20 | 9,550.00 - 11,400.00 |

If the cost without installation is desired, deduct 30% on small size; 25% on medium, 20% on large sizes.

HOISTS

| Frame, lift (in-ground) | COST RANGE | COST RANGE |
|---------------------------------|-----------------------|--|
| auto, 8,000-lb single post | 8,450.00 - 10,000.00 | 8,000-lb. double post 10,800.00 - 13,200.00 |
| truck, 11,000-lb. double post | 11,500.00 - 14,000.00 | 16,500-lb. double post 15,400.00 - 17,700.00 |
| truck, 19,500-lb. double post | 16,600.00 - 18,600.00 | 24,000-lb. double post 19,300.00 - 21,900.00 |
| bus or heavy truck | | 36,000-lb. double post 23,900.00 - 27,000.00 |
| Drive-on (surface mount) | | |
| auto, 7,000-lb. four post | 10,400.00 - 12,800.00 | 8,000-lb. single post 9,300.00 - 10,800.00 |
| truck, 12,000-lb. four post | 12,000.00 - 14,300.00 | |

Large commercial-type grease pits with air and electric outlets cost \$11.70 to \$16.85 per cubic foot. Installation cost of hoists is approximately 20% to 30% of the total cost.

PUMPS AND DISPENSERS

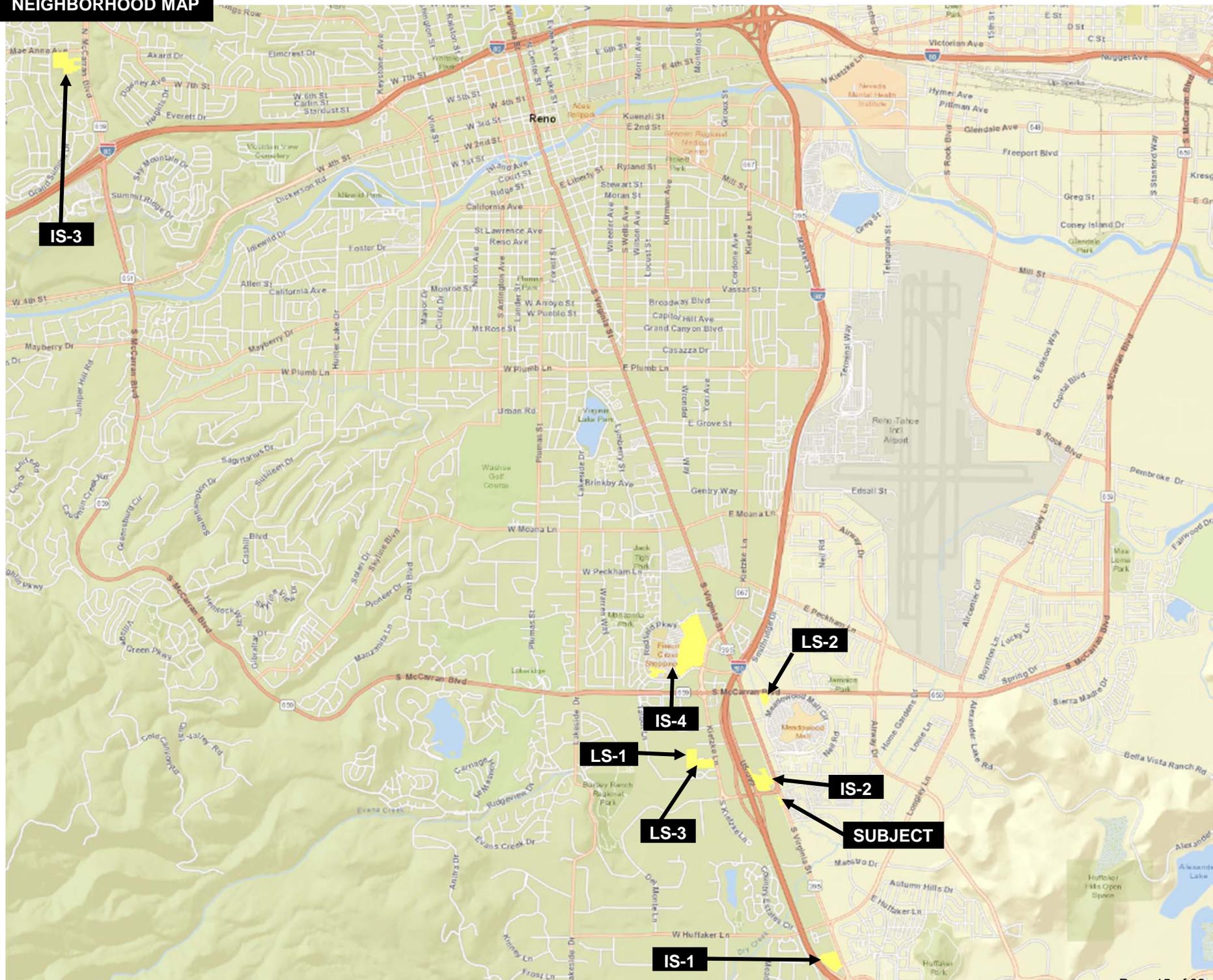
| | |
|---|-----------------------|
| Mechanical dispenser including vapor recovery, exclusive of submerged pumps | |
| single | 3,975.00 - 5,150.00 |
| twin | 5,950.00 - 7,550.00 |
| Electronic dispenser including vapor recovery, exclusive of submerged pumps | |
| single | 6,750.00 - 9,150.00 |
| twin | 9,150.00 - 12,300.00 |
| three hose | 12,800.00 - 18,700.00 |
| Add for double- (two-) sided operation | 4,800.00 - 5,550.00 |
| Add to all multiple types for mixed products, per hose | 348.00 - 560.00 |
| Add for point of purchase, per acceptor | 3,150.00 - 3,975.00 |
| Add to all types for integral suction pump, per dispenser | 505.00 - 725.00 |
| Submerged pumps, one pump may serve several dispensers | |
| 1/3 horsepower | 1,460.00 - 1,730.00 |
| 3/4 horsepower | 1,710.00 - 2,160.00 |
| 1 1/2 horsepower | 2,140.00 - 2,650.00 |
| Industrial or Commercial pumps | 2,800.00 - 3,625.00 |
| Add for ticket printer and counter | 535.00 - 760.00 |
| Consumer pumps, electric | 1,110.00 - 2,220.00 |
| Utility pumps, electric, farm and ranch type | 760.00 - 1,140.00 |
| Hand pumps, farm and ranch type | 364.00 - 550.00 |

Costs include 10% installation cost on aboveground items, 20% for submerged pumps
For piping, see table to the left. Monitoring systems, see tanks, Section 61.

AIR AND WATER SERVICE

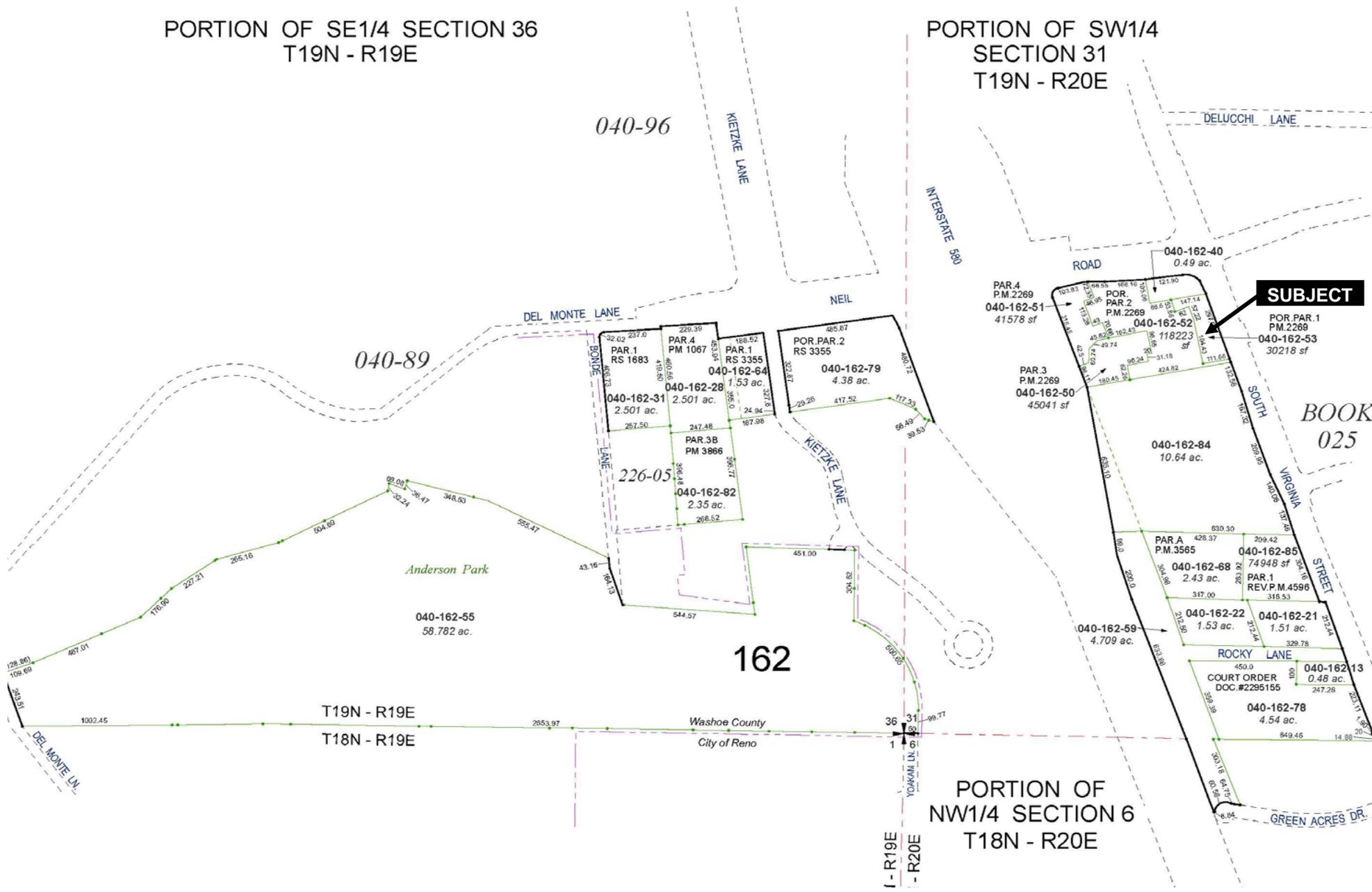
| Cost per unit | LOW COST | AVERAGE | HIGH |
|--|----------|----------|----------|
| Air and water wells, disappearing hose | 600.00 | 760.00 | 950.00 |
| Automatic tire inflater | 1,430.00 | 1,650.00 | 1,970.00 |
| Single swing-arm stand | 471.00 | 560.00 | 700.00 |
| Water or air hydrant | 440.00 | 505.00 | 560.00 |

NEIGHBORHOOD MAP



PORTION OF SE1/4 SECTION 36
T19N - R19E

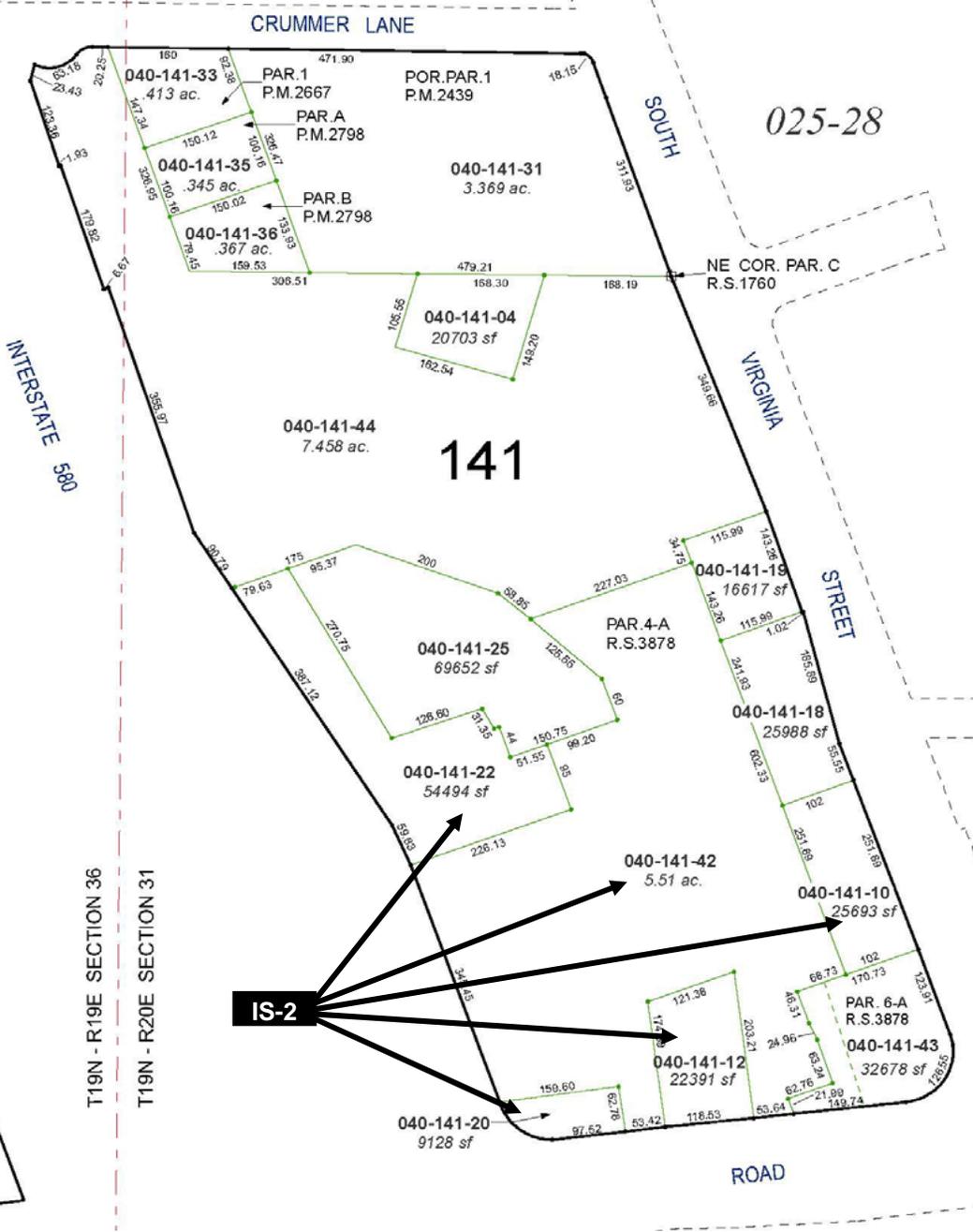
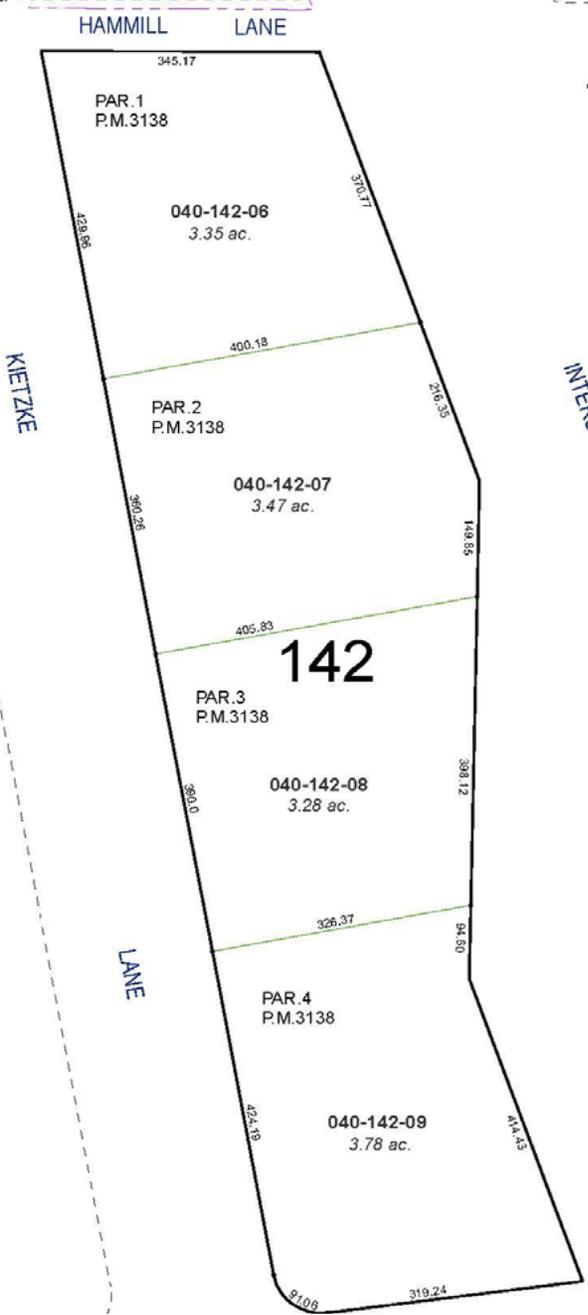
PORTION OF SW1/4 SECTION 31
T19N - R20E



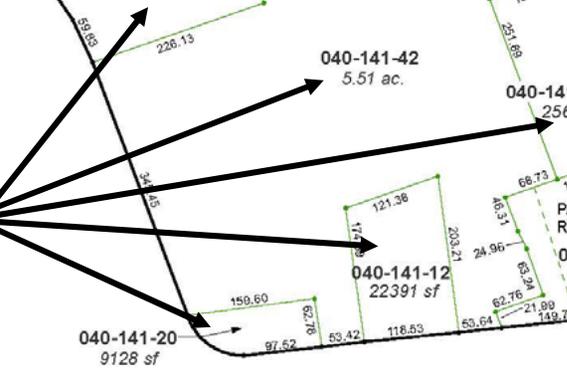
PORTION OF SECTION 36
T19N - R19E

PORTION OF W 1/2 SECTION 31
T19N - R20E

Washoe County
Reno City Limits



IS-2



MAE ANNE AVENUE

351.36
5 4
8 9

PORTION NE 1/4 OF SECTION 8 T19N - R19E

BOOK 005

DRIVE
HIGHLANDS
SIERRA

BOULEVARD
McCARRAN

IS-3

039-04

039-06

039-12

PAR.1
P.M.2273

PAR.1
P.M.2657

PAR.2
P.M.2657

039-750-13
9.085 ac.
PAR. 1-A
PM 4163

039-750-12
30055 sf
PAR. 1-B
PM 4163

PAR.1
P.M.3999

PAR.2
P.M.2348

039-750-09
9.182 ac.

PAR.2
P.M.3999

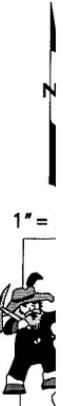
039-750-10
35,045 sf

PAR.3
P.M.3999

039-750-11
6.923 ac.

039-71

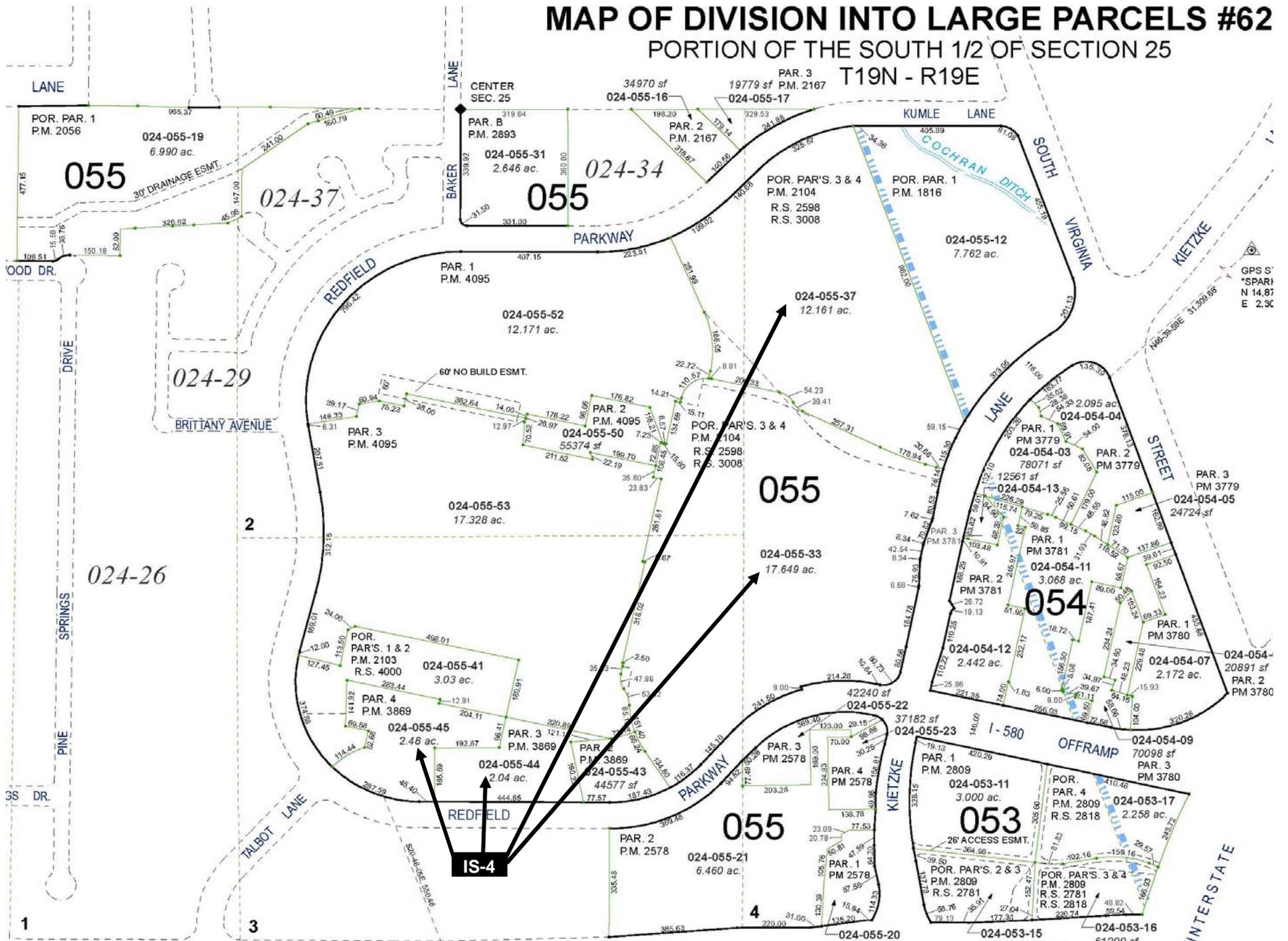
039-70



MAP OF DIVISION INTO LARGE PARCELS #62

PORTION OF THE SOUTH 1/2 OF SECTION 25

T19N - R19E



PORTION OF SECTION 36
T19N - R19E

