



JOHNSON | PERKINS | GRIFFIN
REAL ESTATE APPRAISERS & CONSULTANTS

AN APPRAISAL
OF

**A PROPOSED FEE ACQUISITION
AND
A PROPOSED PERMANENT EASEMENT**

LOCATED
AT

**470 FOOTHILL ROAD, RENO, NEVADA
(WASHOE COUNTY A.P.N. 044-300-19)**

OWNED BY

TRUCKEE MEADOWS FIRE PROTECTION DISTRICT

PREPARED FOR

TRUCKEE MEADOWS FIRE PROTECTION DISTRICT

**TRUCKEE MEADOWS WATER AUTHORITY
SOUTH HILLS BPS RELOCATION PROJECT**

FOR THE PURPOSE OF
ESTIMATING THE FOLLOWING VALUES

Value Scenario	Value Addressed	Date of Value
Market Value	Fee Simple Acquisition	January 29, 2024
Market Value	Permanent Easement Acquisition	January 29, 2024



February 1, 2024

Via Email: cmoore@tmfpd.us

Charles A. Moore, Fire Chief
Truckee Meadows Fire & Rescue
3663 Barron Way,
Reno, Nevada 89511

Re: Appraisal – A Proposed 12,000± Square Foot Parcel and a Proposed Permanent Utility Easement for the South Hills BPS Relocation Project, 470 Foothill Road Reno, Washoe County, Nevada (Portions of APN 044-300-19)

Dear Mr. Moore:

This is in response to your request for an appraisal of a proposed 12,000± square foot parcel to be sold in fee and a permanent utility and access easement to be located within portions of Washoe County Assessor's Parcel Number 044-300-19. The subject of this appraisal report is set forth in the chart below.

SUBJECT PROPERTY SUMMARY	
Owner of Record	Truckee Meadows Fire Protection District
Address	470 Foothill Road, Reno, Washoe County, Nevada
Location	The Northeast Corner of Foothill Road & Broken Hill Road, Reno, Nevada
Assessor's Parcel Number (APN)	044-300-19
Land Area (APN 044-300-19)	3.00± Acres (130,680± Square Feet)
Washoe County Zoning	MDS (Medium Density Suburban)
Washoe County Master Plan	Suburban Residential
Flood Zone	Zone "X" (Unshaded)
Improvements on Site	Fire Station No. 33

The following chart summarizes the proposed fee simple acquisition and permanent easement areas on the subject property, as provided by the Truckee Meadows Water Authority.



APN	Proposed Acquisition Type	Land Area	
		Acres	Square Feet
Portion of 044-300-19	Fee Simple Acquisition	0.2755 Acres	12,000 Square Feet
Portion of 044-300-19	Permanent Easement	0.1050 Acres	4,575 Square Feet

The proposed 12,000± square foot parcel is to be located in the very northeasterly corner of the subject ownership (larger parcel) and will be purchased in fee. This parcel will be improved with a Truckee Meadows Water Authority booster pump station (BPS).

The proposed permanent utility easement acquisition is to be located along the easterly boundary of the subject site. This easement will be an access and underground water pipeline easement for the South Hills BPS Relocation Project. The easement will be approximately 25 feet wide and will contain 4,575± square feet. This easement will provide ingress and egress to the South Hills BPS site from Broken Hill Road.

The following summarizes the purpose of the appraisal, the client of the appraisal, the intended users of the appraisal, and the intended use of the appraisal.

PURPOSE, CLIENT, INTENDED USE & INTENDED USERS OF APPRAISAL	
Purpose of Appraisal	The purpose of the appraisal is to form an opinion of the following: <ol style="list-style-type: none">1) Market Value of the fee simple interest of the identified subject larger parcel;2) Market Value of the fee simple interest of the proposed 12,000± square foot parcel;3) Market Value of the proposed Permanent Utility and Access Easement acquisition.4) Analysis of any potential Damages or Special Benefits to the property, as a result of the proposed acquisitions.
Client of Appraisal	The Truckee Meadows Fire Protection District
Intended User of Appraisal	The intended users include the Truckee Meadows Fire Protection District and the Truckee Meadows Water Authority, and their representatives.
Intended Use of Appraisal	The intended use of the appraisal will be to assist the Truckee Meadows Fire Protection District and the Truckee Meadows Water Authority in negotiations regarding the sale of the necessary fee simple acquisition area and the permanent easement for the South Hills BPS Relocation Project. Any other use of this appraisal report requires the written authorization of this appraisal firm.

Based upon a physical inspection of the subject property and a review of the exhibit map depicting the proposed fee simple acquisition and permanent easement, the subject's fire station improvements will not be impacted by the proposed acquisitions. The improvements are located



in the northwesterly portion of the subject's larger parcel while the proposed acquisition areas are to be located in the very northeasterly corner and along the easterly boundary of the subject site. As a result, the subject's fire station building and associated site improvements will not be impacted by the proposed acquisitions. Therefore, for the purposes of this analysis the subject property will be addressed as vacant land.

This is an appraisal report and is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an appraisal report. Supporting documentation concerning the data, reasoning and analyses is retained in this appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use as stated herein. This appraisal firm is not responsible for unauthorized use of the report.

This appraisal has been completed subject to the following extraordinary assumptions:

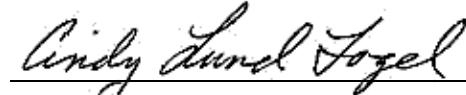
- This appraisal report and the value conclusions set forth in this report are based upon the extraordinary assumption that the proposed acquisition areas, as set forth on the exhibit map provided by the Truckee Meadows Water Authority, are correct. Any change in the proposed fee simple or permanent easement acquisition areas could impact the final Market Value and compensation conclusions set forth in this report.
- It is assumed that any on-site improvements will be protected in place or replaced in kind in the event that they are impacted by the proposed permanent easement.



After careful consideration of all data available, and upon thorough personal investigation of the subject property and comparable properties analyzed, it is my opinion that the Market Value of the subject property, as described throughout this appraisal report, are as follows:

FINAL MARKET VALUE CONCLUSION		
SOUTH HILLS BPS RELOCATION PROJECT (PORTIONS OF APN 044-300-19)		
Effective Date of Value	Value Conclusion	Recommended Compensation
Value of the Larger Parcel, Before Proposed Acquisitions	\$2,613,600	
Value of the Fee Simple Acquisition (12,000± SF Parcel)	\$240,000	\$240,000
Value of Permanent Easement Acquisition	\$68,625	\$68,625
Total Value of Acquisitions	\$308,625	\$308,625
Value of the Remainder, Before Fee and Easement Acquisitions	\$2,304,975	
Value of the Remainder, After Fee and Easement Acquisitions	\$2,304,975	
Damages	\$0	
Special Benefits	\$0	
Recommended Real Property Compensation		\$308,625

Respectfully Submitted,



Cindy Lund Fogel, MAI
Nevada Certified General Appraiser
License Number A.0002312-CG



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SUMMARY OF SALIENT FACTS AND IMPORTANT CONCLUSIONS

SUBJECT PROPERTY SUMMARY	
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Washoe County Master Plan	Suburban Residential
Flood Zone	Zone "X" (Unshaded)
Improvements on Site	Fire Station No. 33

LEGAL DESCRIPTION

Parcel A of Parcel Map No. 5199 for South Hills Investment Company, Filed in the Office of the County Recorder of Washoe County on November 25, 2015 as File No. 4536437 of Official Records, Washoe County, Nevada

LAND AREAS

APN	Acquisition Type	Acquisition Land Area	
		Acres	Square Feet
Portion of 044-300-19	Fee Simple Acquisition	0.2755 Acres	12,000 Square Feet
Portion of 044-300-19	Permanent Utility Easement	0.1050 Acres	4,575 Square Feet

DATES OF APPRAISAL

Date Description	Date
Dates of Inspection	December 21, 2023 January 29, 2024
Effective Date of Value	January 29, 2024
Completion Date of Appraisal	February 1, 2024



FINAL MARKET VALUE CONCLUSIONS		
SOUTH HILLS BPS RELOCATION PROJECT (PORTIONS OF APN 044-300-19)		
Effective Date of Value	Value Conclusion	Recommended Compensation
January 29, 2024		
Value of the Larger Parcel, Before Proposed Acquisitions	\$2,613,600	
Value of the Fee Simple Acquisition (12,000± SF Parcel)	\$240,000	\$240,000
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Total Value of Acquisitions	\$308,625	\$308,625
Value of the Remainder, Before Fee and Easement Acquisitions	\$2,304,975	
Value of the Remainder, After Fee and Easement Acquisitions	\$2,304,975	
Damages	\$0	
Special Benefits	\$0	
Recommended Real Property Compensation		\$308,625



PURPOSE, CLIENT, INTENDED USE & INTENDED USERS OF APPRAISAL	
Purpose of Appraisal	The purpose of the appraisal is to form an opinion of the following: <ol style="list-style-type: none">1) Market Value of the fee simple interest of the identified subject larger parcel;2) Market Value of the fee simple interest of the proposed 12,000± square foot parcel;3) Market Value of the proposed Permanent Utility and Access Easement acquisition;4) Analysis of any potential Damages or Special Benefits to the property as a result of the proposed acquisitions.
Client of Appraisal	The Truckee Meadows Fire Protection District
Intended User of Appraisal	The intended users include the Truckee Meadows Fire Protection District and the Truckee Meadows Water Authority, and their representatives.
Intended Use of Appraisal	The intended use of the appraisal will be to assist the Truckee Meadows Fire Protection District and the Truckee Meadows Water Authority in negotiations regarding the sale of the necessary fee simple acquisition area and the permanent easement for the South Hills BPS Relocation Project. Any other use of this appraisal report requires the written authorization of this appraisal firm.

VALUE DEFINED
“Value” means the highest price, on the date of valuation, that would be agreed to by a seller, who is willing to sell on the open market and has reasonable time to find a purchaser, and a buyer, who is ready, willing and able to buy, if both the seller and the buyer had full knowledge of all the uses and purposes for which the property is reasonably adaptable and available. In determining value, except as otherwise provided in this subsection, the property sought to be condemned must be valued at its highest and best use without considering any future dedication requirements imposed by the entity that is taking the property. If the property is condemned primarily for a profit-making purpose, the property sought to be condemned must be valued at the use to which the entity that is condemning the property intends to put the property, if such use results in a higher value for the property. ¹

¹ Section 2, NRS 37.009(6)



DEFINITIONS OF PROPERTY RIGHTS APPRAISED	
Fee Simple Estate Defined	Fee Simple Estate is defined as “Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.” ²
Easement Defined	Easement is defined as “The right to use another’s land for a stated purpose.” ³
Larger Parcel Defined	In governmental land acquisitions and in valuation of charitable donations of partial interests in property such as easements, the tract or tracts of land that are under the beneficial control of a single individual or entity and have the same, or an integrated, highest and best use. Elements for consideration by the appraiser in making a determination in this regard are contiguity, or proximity, as it bears on the highest and best use of the property, unity of ownership, and unity of highest and best use. In most states, unity of ownership, contiguity, and unity of use are the three conditions that establish the larger parcel for the consideration of severance damages. In federal and some state cases, however, contiguity is sometimes subordinated to unitary use. ⁴
Damages Defined	In condemnation, the loss in value to the remainder in a partial taking of property. Generally, the difference between the value of the whole property before the taking and the value of the remainder after the taking is the measure of the value of the part taken and the damages to the remainder. Note that different regions of the country and different courts may use terms such as <i>consequential damages</i> and <i>severance damages</i> differently. ⁵
Special Benefits Defined	In condemnation, the benefits that arise from the peculiar relation of the land in question to the public improvement, usually resulting from a change in its highest and best use. Special benefits may accrue to multiple parcels (such as all four quadrants of a newly constructed freeway interchange) because the parcels are directly benefitted in a similar manner, if not to the same degree. ⁶

² Source: [The Dictionary of Real Estate Appraisal, 7th Edition](#), Appraisal Institute, 2022, page 73.

³ Source: [The Dictionary of Real Estate Appraisal, 7th Edition](#), Appraisal Institute, 2022, page 58.

⁴ Source: [The Dictionary of Real Estate Appraisal, 7th Edition](#), Appraisal Institute, 2022, page 105.

⁵ Source: [The Dictionary of Real Estate Appraisal, 7th Edition](#), Appraisal Institute, 2022, page 48.

⁶ Source: [The Dictionary of Real Estate Appraisal, 7th Edition](#), Appraisal Institute, 2022, page 178.



SCOPE OF APPRAISAL

The completion of this appraisal assignment included:

- Inspection of the subject property and analysis of subject property data provided by the client, the Truckee Meadows Water Authority and the Washoe County Assessor's Office;
- Identification and analysis of the subject market;
- Completion of a Highest and Best Use Analysis;
- Research of the Official Records of Washoe County and other reliable sources for comparable land sales data;
- Verification of the comparable land sales;
- Completion of the Sales Comparison Approach to Value to arrive at the fee simple Market Value of the identified larger parcel;
- Estimation of the Market Value of the proposed 12,000± square foot parcel to be purchased in fee;
- Estimation of the Market Value of the proposed permanent utility & access easement;
- Analysis of any potential Damages or Special Benefits to the property as a result of the proposed acquisitions;
- Preparation of an appraisal report.

TYPE OF REPORT

This is an appraisal report and is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the *Uniform Standards of Professional Appraisal Practice* for a summary appraisal report. Supporting documentation concerning the data, reasoning and analysis is retained in the appraiser's file. The depth of discussion contained in the report is specific to the needs of the client and for the intended use as stated herein. This appraiser is not responsible for unauthorized use of the report.



STATEMENTS OF LIMITING CONDITIONS

EXTRAORDINARY ASSUMPTIONS

Extraordinary Assumptions-An extraordinary assumption is defined as “an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.”⁷

- This appraisal report and the value conclusions set forth in this report are based upon the extraordinary assumption that the proposed fee simple and permanent easement acquisition areas, as set forth on the exhibit map provided by the Truckee Meadows Water Authority, are correct. Any change in the proposed acquisition areas could impact the final Market Value and compensation conclusions set forth in this report.
- It is assumed that any on-site improvements will be protected in place or replaced in kind in the event that they are impacted by the proposed permanent easement acquisition.

HYPOTHETICAL CONDITIONS

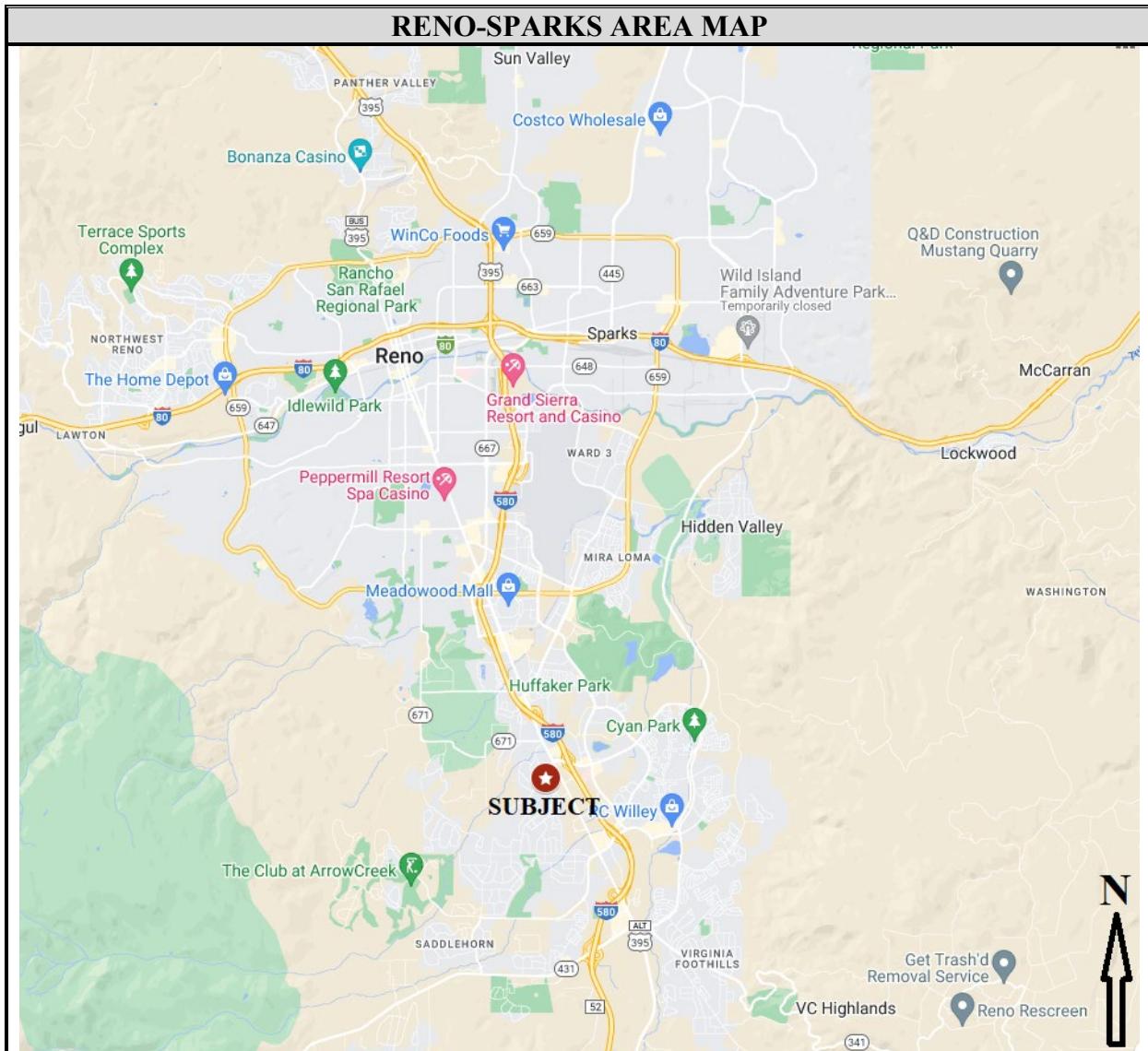
Hypothetical Conditions-A hypothetical condition is defined as “a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.”⁸

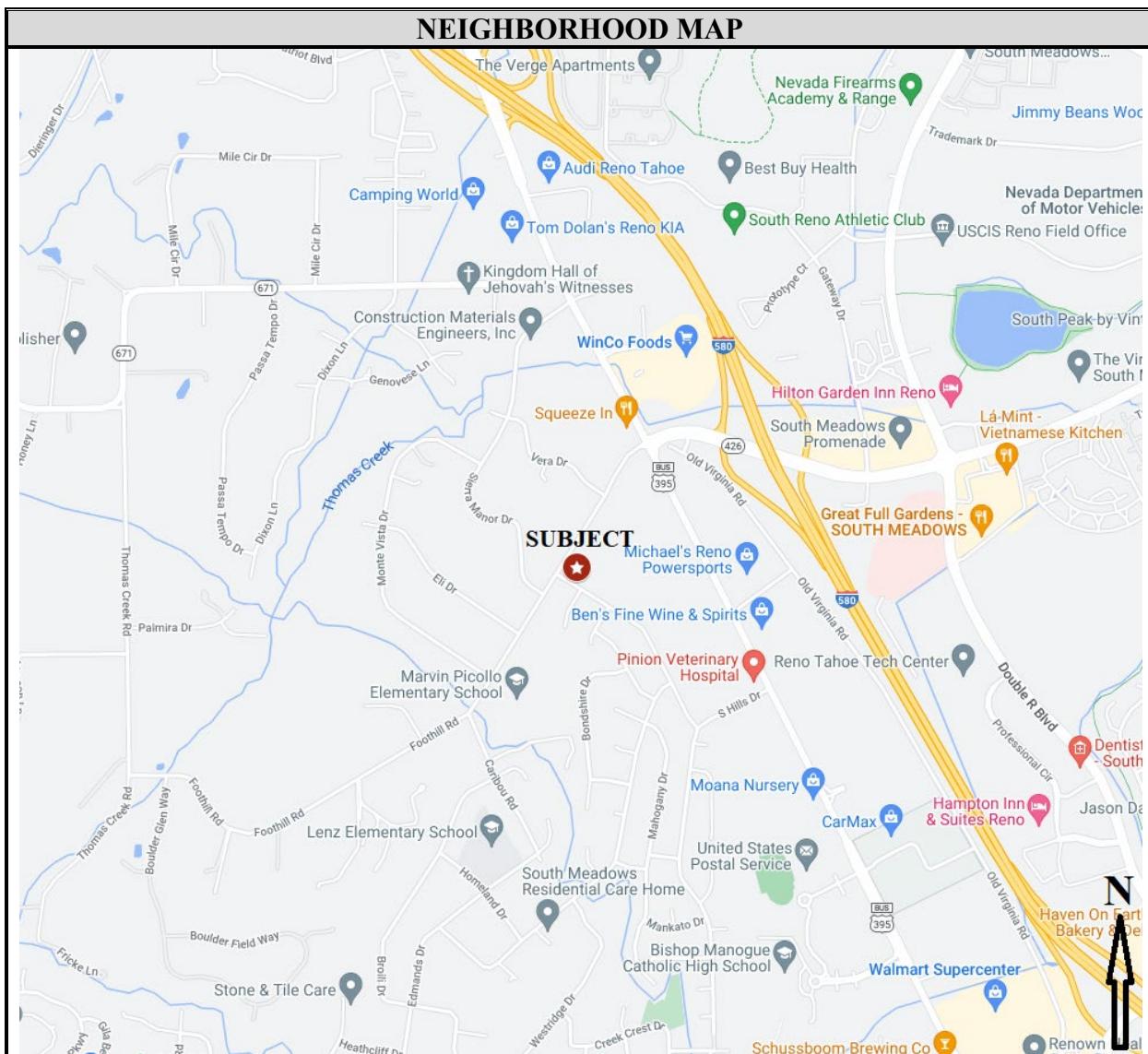
- None

The use of extraordinary assumptions might have affected the assignment results. The conclusions, as set forth herein are subject to modification in the event that the extraordinary assumptions are not true.

⁷ Source: USPAP 2024 Edition, Definitions; The Appraisal Foundation, Page 4.

⁸ Source: USPAP 2024 Edition, Definitions; The Appraisal Foundation, Page 4.







NEIGHBORHOOD DESCRIPTION

The subject property is situated in the southwest suburban Reno area. The subject neighborhood is generally bounded on the east by South Virginia Street (Business Route 395), on the north by Del Monte Lane, on the west by Toiyabe National Forest and on the south by the Mt. Rose Highway (SR 431). The subject is situated in a neighborhood which is primarily developed with residential uses. Commercial uses are located in the vicinity of South Virginia Street, or along major east-west arterial roadways which intersect with South Virginia Street. The subject neighborhood includes properties located within the limits of the City of Reno, as well as unincorporated properties located within Washoe County.

Major Roadways

Major north-south roadways servicing the subject neighborhood include Interstate 580 and South Virginia Street (Business Route 395). Major east-west roadways include Del Monte Lane/Neil Road, Foothill Road/South Meadows Parkway and Arrowcreek Parkway/Damonte Ranch Parkway.

Interstate 580 runs in a north-south direction and is a six-lane, two-way limited-access freeway. There are full interchanges with Interstate 580 at South Virginia Street, South Meadows Parkway and Damonte Ranch Parkway.

South Virginia Street, which forms the easterly boundary of the subject neighborhood, is the main north-south roadway through the City of Reno. South Virginia Street is a four and six-lane, two-way asphalt-paved roadway that is improved with concrete curbs, gutters, sidewalks and streetlights. A majority of development along South Virginia Street includes retail-commercial and support uses.

All of the roadways in the subject neighborhood have historically been well maintained and are in average condition at the present time. Due to the large number of primary and secondary arterial streets, the subject neighborhood is considered to have good accessibility to most portions of the Reno-Sparks area.

Residential Uses

The western portion of the subject neighborhood, west of South Virginia Street, is primarily single-family residential in nature. The western portion of the subject neighborhood is situated within Washoe County's Southwest Truckee Meadows Area Plan. In the past this area



involved large ranches and open space which have transitioned to residential uses, resulting in rural suburban development. Residential uses generally involve low density rural (larger lot) homesites characterized by a mature community in a pastoral suburban setting.

The Diamond J Subdivision is a gated development involving primarily larger lot, hillside homesites offering scenic views of the Sierra Nevada Mountains, Peavine Mountain and the city of Reno. This project has been developed with good to excellent quality single family homes.

The prestigious Arrowcreek community is located in the southwesterly portion of the subject neighborhood. Arrowcreek is a master planned gated community comprised of 1,000 homesites on 3,200 acres, many with city, valley and/or mountain views. Arrowcreek includes extensive open space, walking and biking trails, a clubhouse with swimming pools, fitness facility and basketball and tennis courts. Arrowcreek also features two 18-hole championship golf courses: The Legends course designed by Arnold Palmer and the Challenge Course designed by Fuzzy Zoeller and John Harbottle III. This project has been developed with good to excellent quality single family homes.

Saddlehorn is known as an upscale community located in the South Suburban area of Reno, just north of Mt. Rose Highway, south of Arrowcreek Parkway, and west of I-580. Established in 1989, this custom home community offers amenities consisting of a park with tennis courts, miles of paved walking trails and large parcel sites. Saddlehorn homes (all custom built) range from 2,000 square feet to 6,000 square feet. Custom homesites range from .50 acre to 1.0+ acres, and most homesites feature mountain or city views.

In general, single-family residential subdivisions in the western portion of the subject neighborhood are considered some of the premier residential areas within the Reno area.

Multi-family uses in the subject neighborhood are generally located along South Virginia Street. The Alexander at South Virginia is a 350-unit apartment is located on a 15.20± acre parcel of land on the east side of South Virginia Street. The Sierra Vista, The Village at Arrowcreek and the Village South Apartments are located in the southwest portion of the subject neighborhood along Arrowcreek Parkway. The recently constructed Inova Luxury Apartments at the Summit are located along the Mt. Rose Highway, just west of the Summit Mall. Additional multi-family development has occurred within the South Meadows and Damonte



Ranch areas to the east of the subject neighborhood.

Retail Uses

The South Meadows Marketplace is located on the northeast corner of South Meadows Parkway and South Virginia Street. This center is anchored by a WinCo Foods Store. Further south, the South Towne Crossing shopping center is a large-scale retail development located at the northeast corner of Damonte Ranch Parkway and South Virginia Street. This project is a major retail development and is anchored by a Wal-Mart store and numerous pad sites have been developed in South Towne Crossing. This center includes a CVS Pharmacy and various smaller users.

Kohl's department store is located across from Wal-Mart near the southeast corner of Damonte Ranch Parkway and South Virginia Street. A bank branch and restaurant are located just east of the Kohl's.

In 2006, an outdoor mall, the Summit Shopping Center, opened in the southerly portion of the subject neighborhood and is anchored by a Dillard's department store. This mall also includes numerous other retail stores and restaurants, including a BJ's Brew House, and a movie theater.

The Tamarack Junction casino, restaurant and lounge facility is located one-third mile south of the intersection of Damonte Ranch Parkway and South Virginia Street.

Additionally, several automobile dealerships have opened within the southern portion of the subject neighborhood. All of these dealerships are located along South Virginia Street (Business Route 395), which is becoming a major auto dealership row within the Reno area.

Office Uses

Professional office utilizations are generally located in the South Meadows Business Park and the Damonte Ranch area, east of the subject neighborhood. A majority of the office development in the south Reno area is of good to very good quality construction. Due to the quality and quantity of the professional office development in south Reno, this area has become a major suburban office center.



Utilities and Public Services

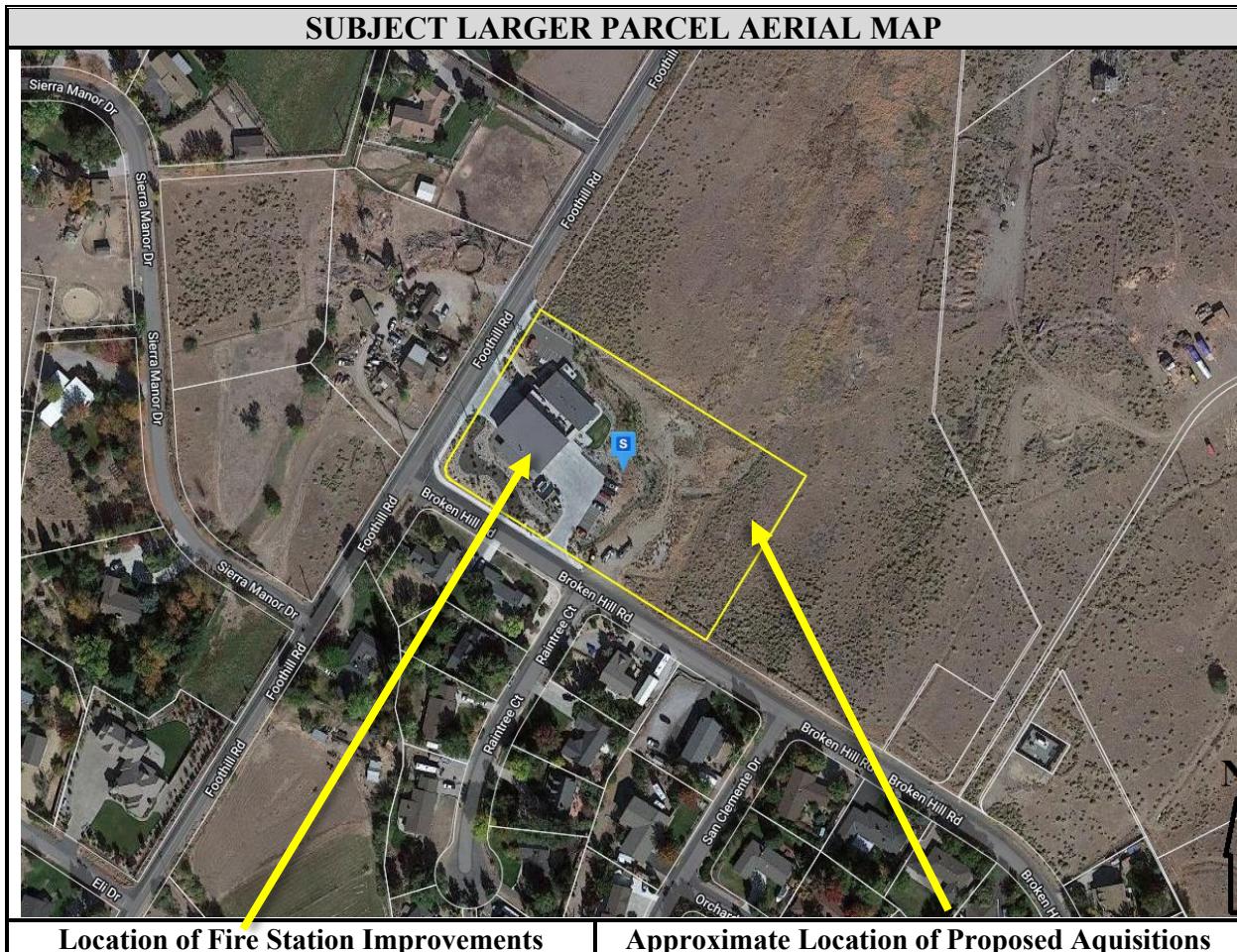
The subject neighborhood includes properties located within the limits of the City of Reno, as well as unincorporated properties located within Washoe County. Police protection is provided by the Reno City Police Department and the Washoe County Sheriff's Department. Fire protection is provided by the Reno City Fire Department and the Truckee Meadows Fire District. Schools and busing are provided by the Washoe County School District. RTC Ride provides regional transportation to the Reno-Sparks area, and does maintain bus stops throughout the subject neighborhood, generally along the major roadways.

Recreational uses in the neighborhood include Anderson Park, the Wolf Run Golf Course, and smaller neighborhood parks including Saddlehorn, Thomas Creek and Whites Creek parks. The South Valleys Regional Park, the Jennifer M. O'Neal Reno Ice Rink and the South Valleys Library are located on Wedge Parkway, west of the Summit Mall on the west side of Interstate 580.

All utilities are immediately available to the subject neighborhood, including electricity, natural gas, water, telephone, sewer and cable television service. NV Energy provides gas, and electricity to the subject neighborhood, while AT&T provides telephone service to the area. The City of Reno and the Washoe County Utilities Division provide sewer service to the neighborhood, while Waste Management provides primary garbage removal service. Water service is provided by the Truckee Meadows Water Authority.

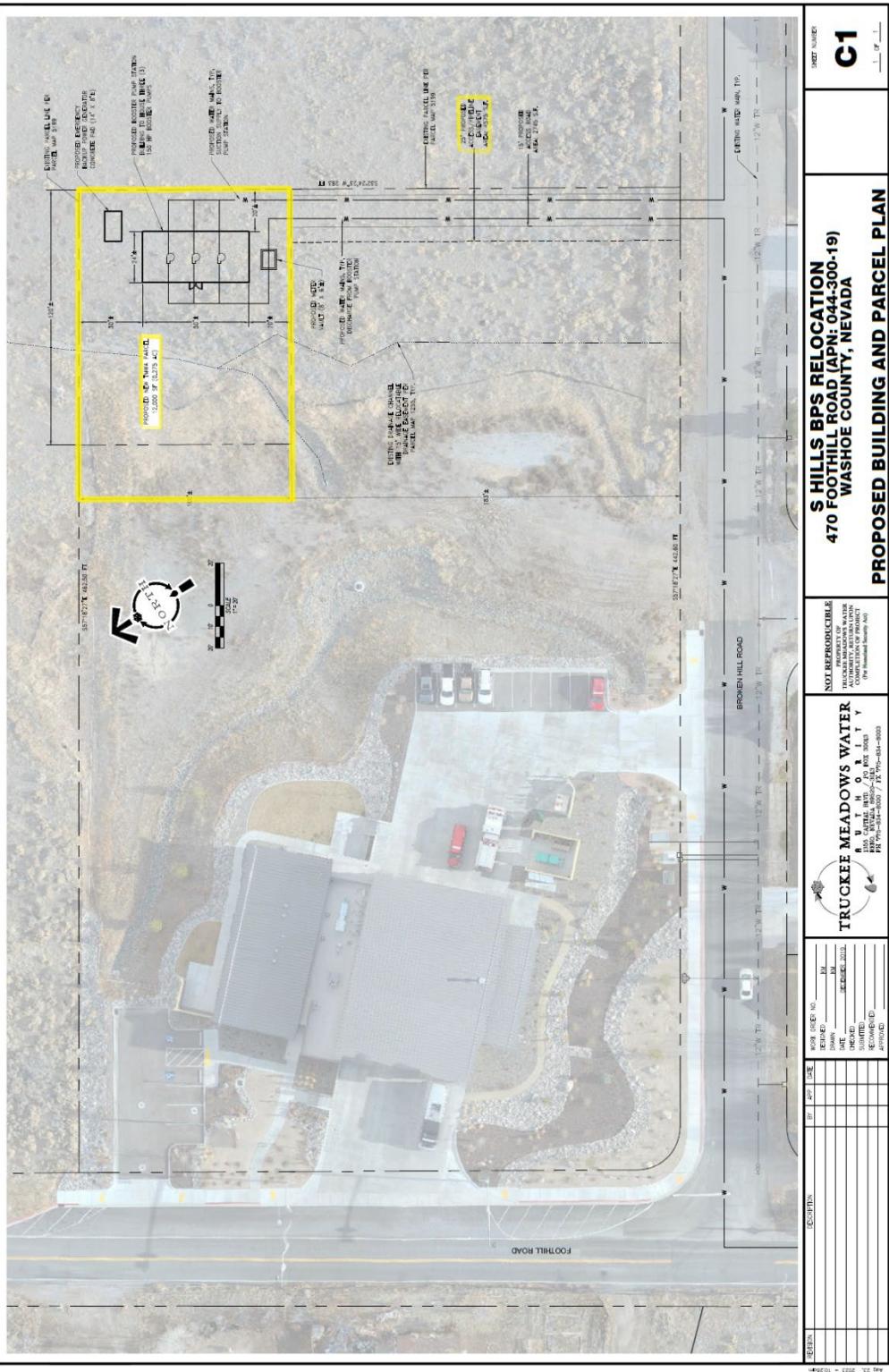
Summary

In summary, the subject neighborhood is located in southwest Reno. This area includes upscale residential developments in a more rural setting, apartment projects as well as support retail development. Office uses are generally located in the South Meadows and Damonte Ranch business parks. Since the opening of I-580 to the Mt. Rose Highway, the subject neighborhood is considered to have good accessibility to most portions of the Reno-Sparks area. There are no known inharmonious uses in the subject neighborhood the area is anticipated to continue to meet with good market acceptance.





**PROPOSED FEE SIMPLE & EASEMENT ACQUISITIONS EXHIBIT MAP
(SOUTH HILLS BPS RELOCATION PROJECT)**





PROJECT DESCRIPTION AND IDENTIFICATION OF THE LARGER PARCEL

In governmental land acquisitions the larger parcel is defined as, “the tract or tracts of land that are under the beneficial control of a single individual or entity and have the same, or integrated, highest and best use”. Elements for consideration by the appraiser in making a determination in this regard are contiguity, or proximity, as it bears on the highest and best use of the property, unity of ownership, and unity of highest and best use.⁹

The following chart summarizes the proposed fee simple acquisition and permanent easement areas on the subject property, as provided by the Truckee Meadows Water Authority.

APN	Proposed Acquisition Type	Land Area	
		Acres	Square Feet
Portion of 044-300-19	Fee Simple Acquisition	0.2755 Acres	12,000 Square Feet
Portion of 044-300-19	Permanent Utility Easement	0.1050 Acres	4,575 Square Feet

Reference is made to the TMWA exhibit map contained on the preceding page which depicts the location, dimensions, and size of the proposed acquisitions.

The proposed 12,000± square foot parcel is to be located in the very northeasterly corner of the subject ownership (larger parcel) and will be purchased in fee. This parcel will be improved with a Truckee Meadows Water Authority booster pump station (BPS) as part of the South Hills BPS Relocation Project.

The proposed permanent utility easement acquisition is to be located along the easterly boundary of the subject site. This easement will be an access and underground water pipeline easement for the South Hills BPS Relocation Project. The easement will be approximately 25 feet wide and will contain 4,575± square feet. This easement will provide ingress and egress to the South Hills BPS site from Broken Hill Road.

It is an extraordinary assumption of this appraisal that any site improvements located within the proposed easement area which may be impacted during the course of construction will be protected in place or replaced in kind.

⁹ Source: The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, 2022, page 105.



The subject property is improved with Fire Station No. 33. According to the Washoe County Assessor's records the building contains $10,448\pm$ square feet and was constructed in 2018. The fire station improvements are located in the northwesterly portion of the subject's larger parcel while the proposed acquisition areas are to be located in the very northeasterly corner and along the easterly boundary of the subject site. As a result, the subject's fire station improvements will not be impacted by the proposed acquisitions.

Based upon a physical inspection of the subject property as well as a review of the acquisitions exhibit map, the subject improvements are not considered to be impacted by the proposed acquisitions. As the subject improvements are not felt to be impacted by the proposed acquisitions, only the land value is being addressed in this appraisal. Therefore, for the purposes of this analysis, the subject larger parcel will be addressed as a vacant parcel containing $3.00\pm$ acres.



JOHNSON | PERKINS | GRIFFIN
REAL ESTATE APPRAISERS & CONSULTANTS

SUBJECT LARGER PARCEL PHOTOGRAPHS



**LOOKING WESTERLY TOWARD FOOTHILL ROAD
THE SUBJECT LARGER PARCEL TO THE LEFT**



**LOOKING NORTHERLY TOWARD BROKEN HILL ROAD
THE SUBJECT LARGER PARCEL TO THE RIGHT**



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REAL ESTATE APPRAISERS & CONSULTANTS

SUBJECT LARGER PARCEL PHOTOGRAPHS



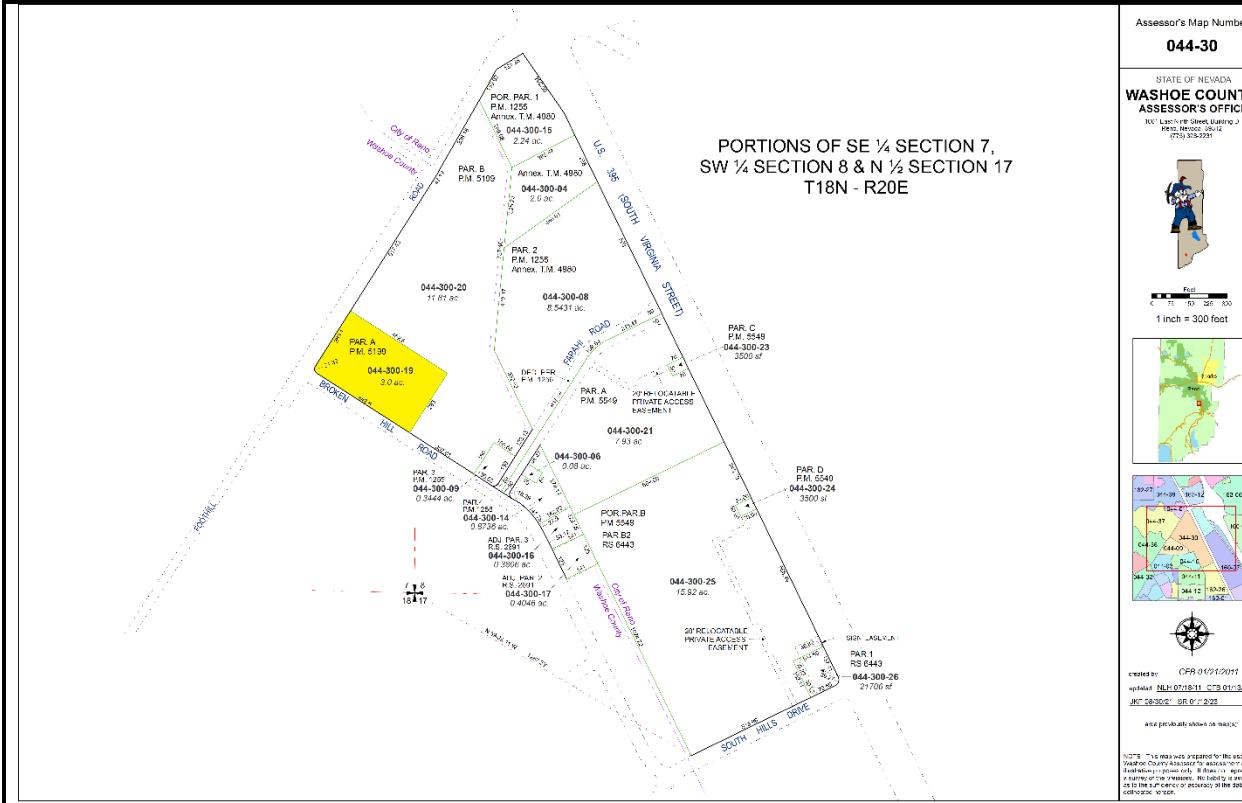
LOOKING SOUTHEASTERLY TOWARD THE SUBJECT LARGER PARCEL FROM THE INTERSECTION OF FOOTHILL ROAD AND BROKEN HILL ROAD



LOOKING NORTHWESTERLY TOWARD THE SUBJECT LARGER PARCEL



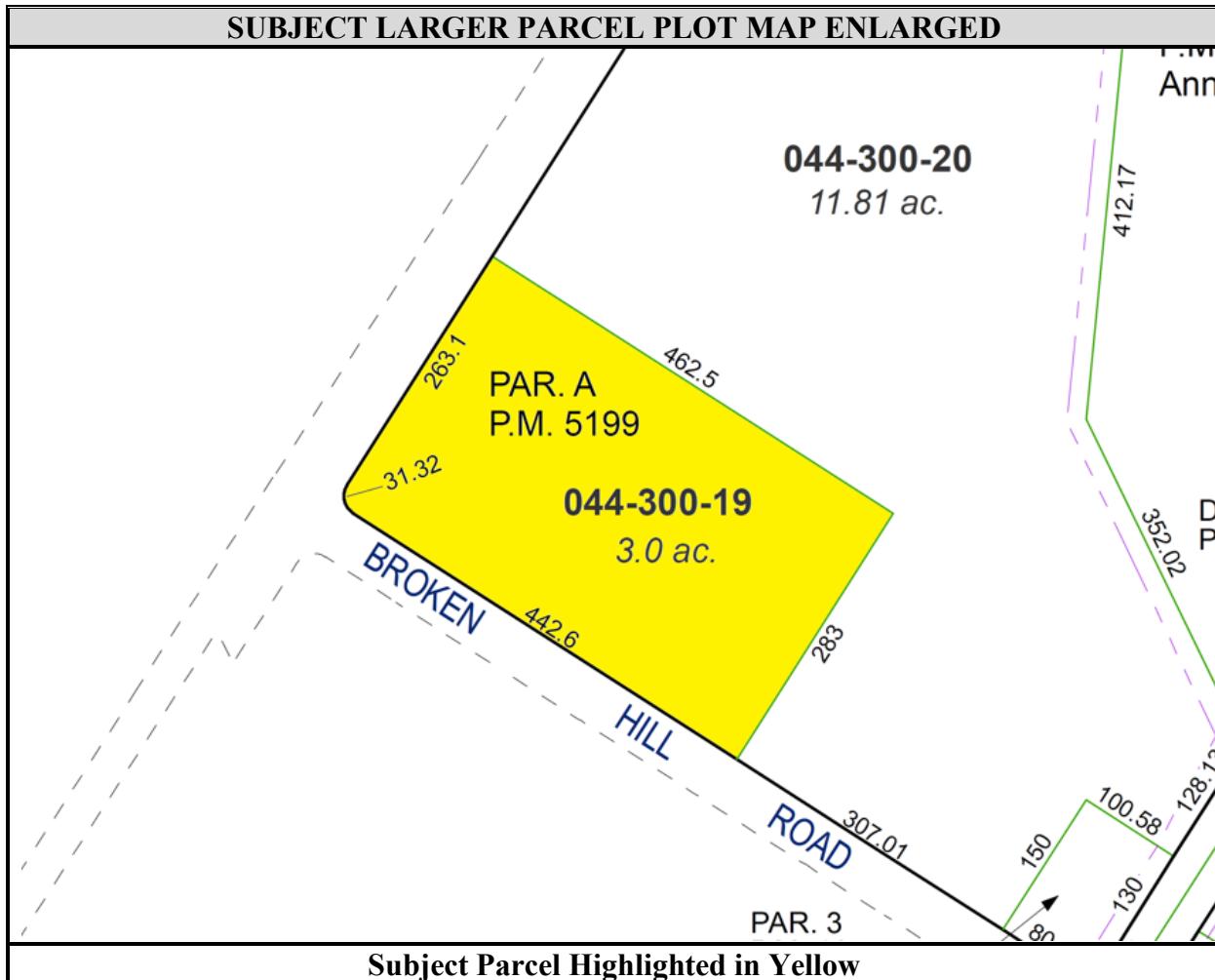
SUBJECT LARGER PARCEL PLOT MAP



Subject Larger Parcel Highlighted in Yellow

SUBJECT LARGER PARCEL LAND AREA

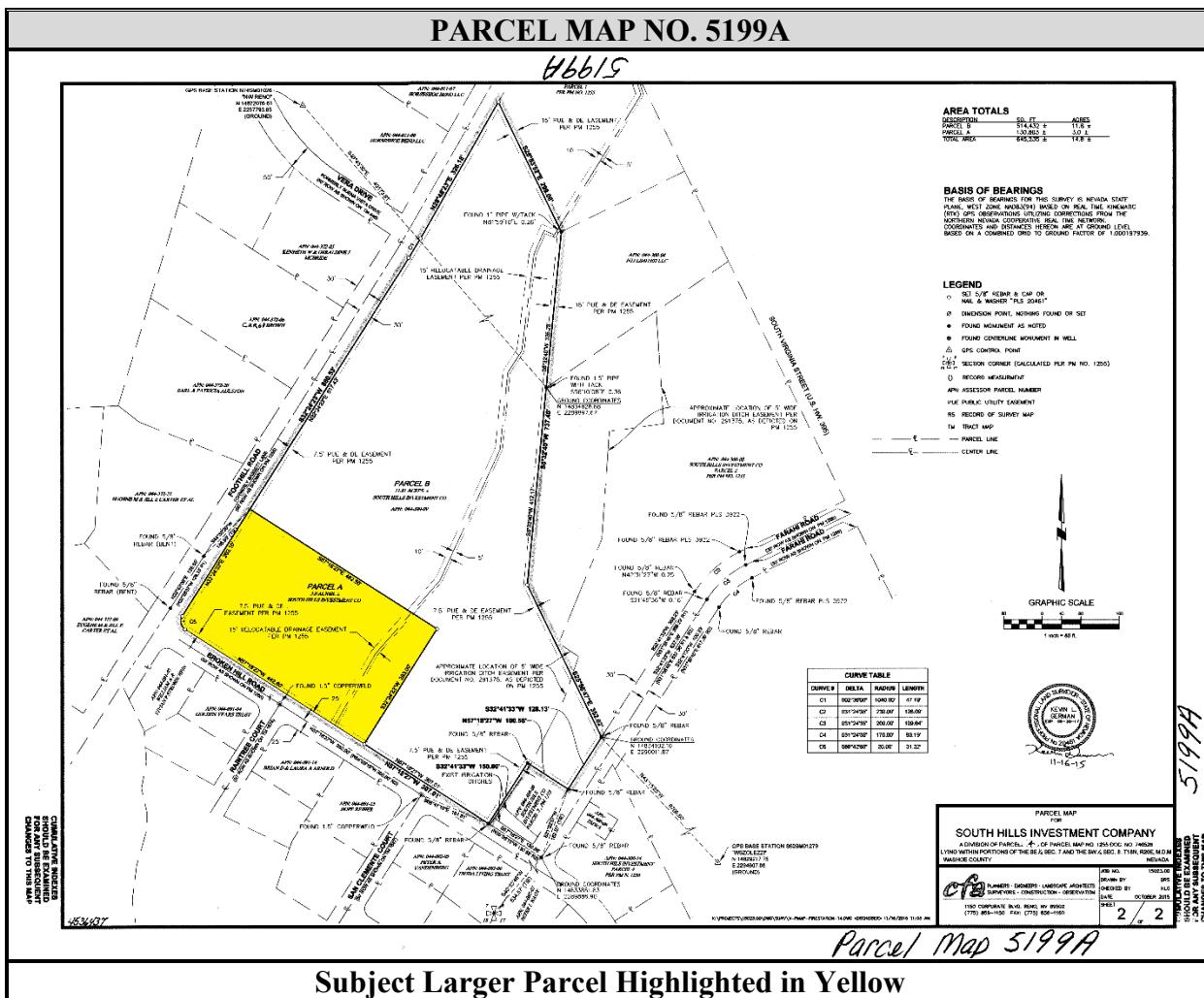
Assessor's Parcel Number	Land Acreage	Land Square Feet
044-300-19	3.00± Acres	130,680± Square Feet





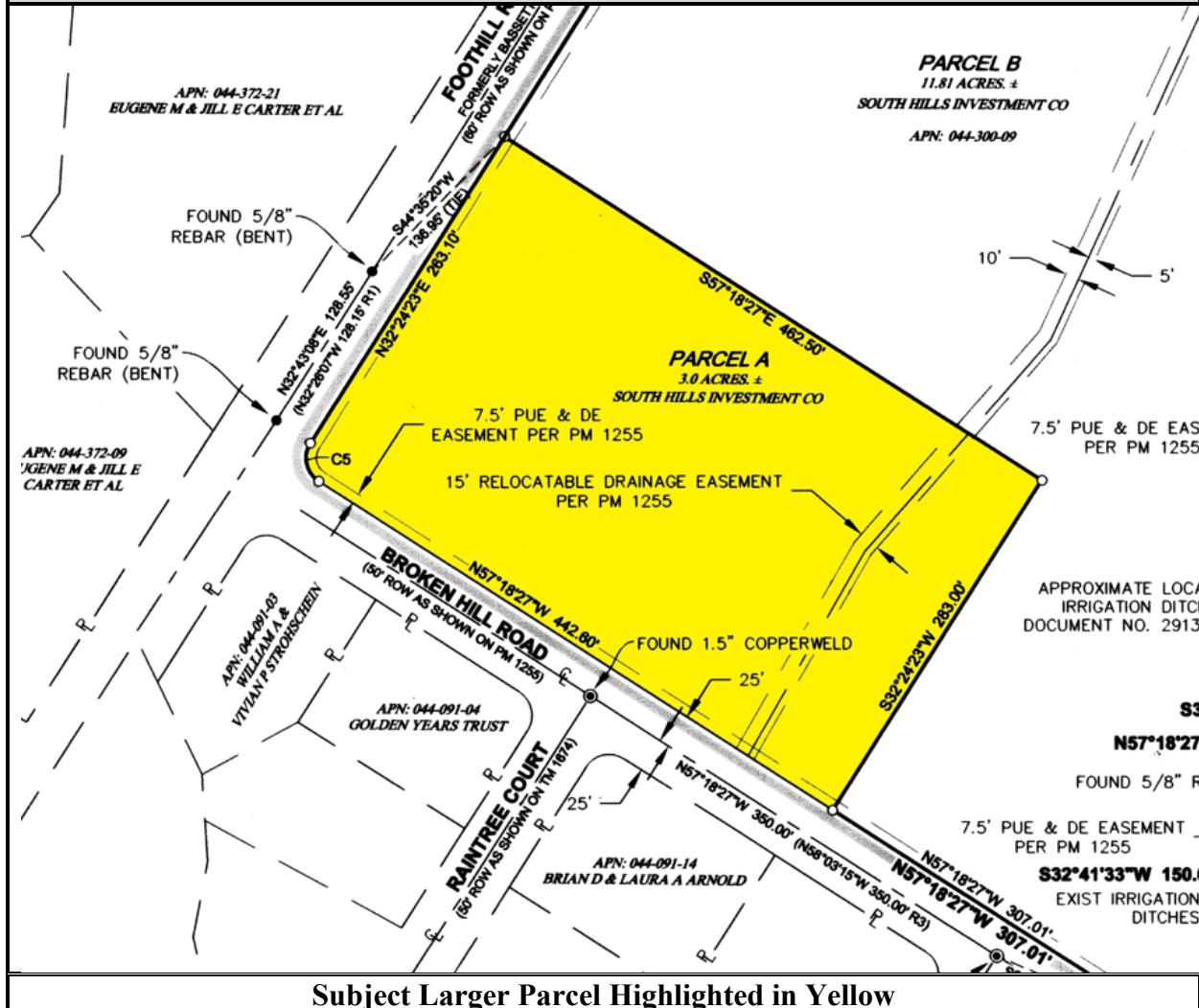
PARCEL MAP NO. 5199A

5199A





PARCEL MAP NO. 5199A ENLARGED





SUBJECT PROPERTY ZONING		
Washoe County A.P.N.	Washoe County Zoning Designation	Current Use
044-300-19	MDS (Medium Density Suburban)	Vacant Land
SUBJECT ZONING MAP & DESCRIPTION		
	<p>CPA: Not Available JURISDICTION: 3 ACRES (GIS): Not Available PLANAREA: SW ZONING: MDS MASTER PLAN: SR RZA: Not Available MPA: Not Available ZONING DESC: MEDIUM DENSITY SUBURBAN MASTER PLAN DESC: SUBURBAN RESIDENTIAL</p>	
(h) <u>Medium Density Suburban Regulatory Zone.</u> The Medium Density Suburban (MDS) Regulatory Zone is intended to create and preserve areas where the predominant dwelling type is single-family, detached units at three (3) units per acre. Small neighborhood commercial and civic uses may be permitted when they serve the needs of the residents and are compatible with the residential character of the area. The maximum number of dwelling units that may be located in this regulatory zone is three (3) units per one (1) acre. The minimum lot area in this regulatory zone is twelve thousand (12,000) square feet.		



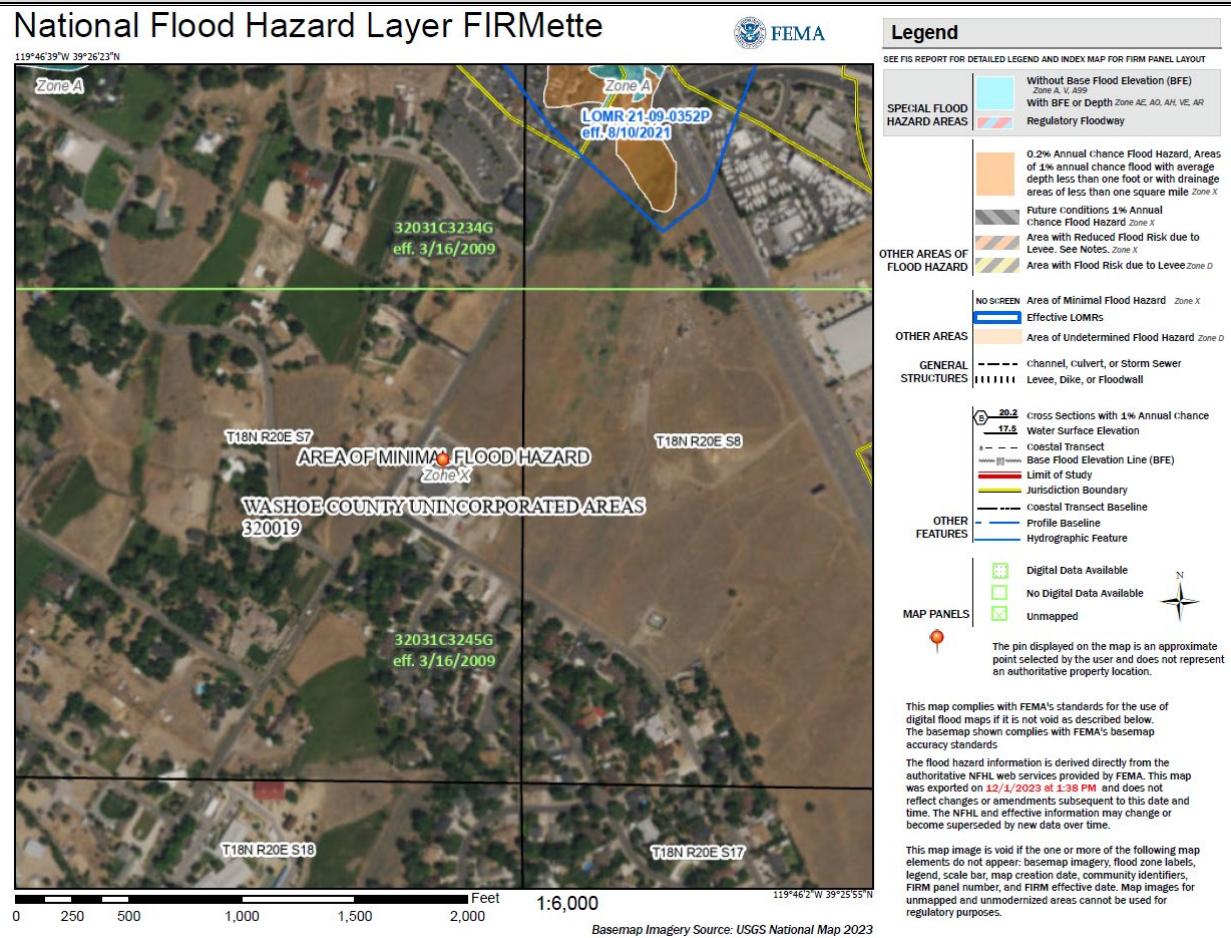
SUBJECT PROPERTY MASTER PLAN		
Washoe County A.P.N.	Washoe County Master Plan Designation	Current Use
044-300-19	Suburban Residential	Vacant Land
SUBJECT MASTER PLAN MAP & DESCRIPTION		
 <p>CPA: Not Available JURISDICTION: 3 ACRES (GIS): Not Available PLANAREA: SW ZONING: MDS MASTER PLAN: SR RZA: Not Available MPA: Not Available ZONING DESC: MEDIUM DENSITY SUBURBAN MASTER PLAN DESC: SUBURBAN RESIDENTIAL</p>		
<p>(c) Suburban Residential. The Suburban Residential Master Plan category is intended primarily for residential uses of low to medium densities. Supporting neighborhood scale commercial uses and mixed use village center development is allowed with approval of a discretionary permit. The following Regulatory Zones are allowed in and are consistent with the Suburban Residential Master Plan category: Low Density Suburban One, Low Density Suburban Two, Medium Density Suburban, Medium Density Suburban Four, High Density Suburban, Public and Semi-Public Facilities, Specific Plan, Parks and Recreation, and Open Space.</p>		



SUBJECT PROPERTY FLOOD ZONE INFORMATION

The subject property is located within an Unshaded Zone "X". The Zone "X" designation does not require flood insurance.

SUBJECT FLOOD ZONE MAP



ZONE	DESCRIPTION
C and X (unshaded)	Area of minimal flood hazard, usually depicted on FIRMs as above the 500-year flood level. Zone C may have ponding and local drainage problems that don't warrant a detailed study or designation as base floodplain. Zone X is the area determined to be outside the 500-year flood and protected by levee from 100-year flood.

Flood Zone Designation	FEMA Map #	Date of Flood Zone Designation
Zone "X" Unshaded	32031C3245G	March 16, 2009
SOURCE: FEMA		



SUBJECT LARGER PARCEL IDENTIFICATION AND SITE DESCRIPTION

SUBJECT PROPERTY SUMMARY	
Address	470 Foothill Road, Reno, Washoe County, Nevada
Location of Larger Parcel	Northeast corner of Foothill Road and Broken Hill Road, Reno, Washoe County, Nevada
Assessor's Parcel Number (APN)	044-300-19
Owner of Record	Truckee Meadows Fire Protection District
Flood Zone	Zone "X" (Unshaded)
Property Type Appraised	Vacant Land

LEGAL DESCRIPTION

Parcel A of Parcel Map No. 5199 for South Hills Investment Company, Filed in the Office of the County Recorder of Washoe County on November 25, 2015 as File No. 4536437 of Official Records, Washoe County, Nevada

SUBJECT LARGER PARCEL LAND AREA

Assessor's Parcel Number	Land Acreage	Land Square Feet
044-300-19	3.00± Acres	130,680± Square Feet

SUBJECT PROPERTY SHAPE AND TOPOGRAPHY CHARACTERISTICS

The subject property is of rectangular shape and has level to gently upsloping topography. The subject lies at grade with Foothill Road which borders the subject to the northwest and is generally at grade with Broken Hill Road which borders the subject to the southwest.

UTILITIES & PUBLIC SERVICES

Utility & Public Service	Provider
Electricity & Natural Gas	NV Energy
Telephone/Cable/Internet	Various Providers
Water	Truckee Meadows Water Authority
Sewer	Municipal Sewer Service
Waste Disposal	Waste Management
Fire Protection	Truckee Meadows Fire Protection District City of Reno Fire Department
Police Protection	Washoe County Sheriff's Department City of Reno Police Department

Utility and public services are immediately available to the subject larger parcel



SUBJECT PROPERTY ROADWAY FRONTAGES & ACCESS

Roadway Frontage	Roadway Access
Foothill Road and Broken Hill Road	Foothill Road and Broken Hill Road
<p>The subject property is located on northeasterly corner of Foothill Road and Broken Hill Road. The subject has 280± feet of frontage on Foothill Road and 460± feet of frontage along Broken Hill Road. Each of these streets is a two-way, two-lane, asphalt paved roadway. Foothill Road, adjacent to the subject is improved with concrete curbs, gutters and sidewalks. The subject larger parcel is located approximately 1,260 feet south of the intersection of Foothill Road and South Virginia Street (U.S. Highway 395). It is noted that this intersection is signalized. The subject property has good visibility and has adequate to good access from secondary streets. The access point for the subject property is depicted by the arrow on the map below.</p>	

Access Aerial Map





EARTHQUAKE ZONE

The subject property, as well as the entire Reno-Sparks area, falls within a Seismic Risk Zone 3, an area identified as being subject to moderate seismic activity. As a result, building plans are typically reviewed by a structural engineer to assess earthquake hazards. This appraisal report and the market value conclusions set forth in the report, assume that the subject property is not adversely impacted by earthquake hazards to a greater degree than is typical for the Reno-Sparks area.

HAZARDOUS SUBSTANCES

My standard on-site inspection of the subject property did not reveal any readily apparent evidence which would suggest the presence of contaminants or hazardous wastes on the subject property. The reader is cautioned that this appraiser is not expert at identifying environmental hazards or at identifying contamination on the subject site. For the purposes of this appraisal, it is assumed that the value of the subject is not negatively impacted by the existence of toxic materials or hazardous wastes.

SUBJECT PROPERTY SOIL CHARACTERISTICS

A soils assessment was not provided by the client. However, based upon the existing improvements on the subject site as well as surrounding improvements, it is my expectation that the subject property does have adequate soils to allow for normal development.

SURROUNDING DEVELOPMENT

The properties to the north and south of the subject involve vacant land. The properties to the west and northwest have been improved with single family homes. The Marvin Picollo Elementary School is located a short distance to the west of the subject. The South Creek Retail Center is located a short distance to the northwest of the subject. Tenants within this center include primarily retail shops and the Squeeze-In and Los Compadres Restaurants. The properties a short distance to the southeast, along South Virginia Street, are being improved with an auto dealership and an apartment project.

SUBJECT SALES HISTORY

There have been no arm's length transactions of the subject property in the past five years.

IMPROVEMENTS

The subject property is improved with Fire Station No. 33 as well as site improvements including paved parking and landscaping. The fire station improvements are located in the northwesterly portion of the subject's larger parcel while the proposed acquisition areas are to be located in the very northeasterly corner and along the easterly boundary of the subject site. As a result, the subject's fire station improvements will not be impacted by the proposed acquisitions. Therefore, for the purposes of this analysis the subject property will be addressed as vacant land.



SUBJECT PROPERTY EASEMENTS & ENCUMBRANCES

A.P.N.	Title Report	Title Company	Order/File No.	Effective Date
044-300-19	Yes	Stewart Title Company	2215206	January 2, 2024

Reference is made to the Preliminary Title Report issued by Stewart Title Company, under Order Number 2215206 and dated January 2, 2024, which denotes a number of public utility easements on the subject site. A copy of the preliminary title report is contained in the addenda.

I have also reviewed the recorded parcel maps for the subject. Based upon a review of Parcel Map No. 5199 a 7.5-foot-wide public utility and drainage easement is depicted within and parallel to the subject's property lines. This easement widens to 10 feet coincident with any public right-of-ways (Foothill Road and Broken Hill Road). A 10-foot-wide snow storage easement is depicted along the subject's Foothill Road and Broken Hill Road frontages. The subject is encumbered with a 15-foot-wide relocatable drainage easement which traverses the southerly portion of the property in a generally southwest to northeasterly direction. Easement to be relocated with development of the subject parcel per Parcel Map No. 1255.

A physical inspection of the subject site did not reveal the presence of any overt easements or encumbrances which might affect the subject's use potential or market value. For the purposes of this analysis, it is assumed that there are no easements on the subject property, which would limit the utility or development potential of the subject.

SUMMARY

The subject larger parcel is located at 470 Foothill Road in southeast Reno. The subject's larger parcel is of rectangular shape and contains $3.00\pm$ acres of land area. The property lies in a Flood Zone Unshaded "X". The subject's larger parcel involves level to gently upsloping topography, being at grade with the surrounding roadways. The immediate subject neighborhood includes a mix of residential and commercial uses.



HIGHEST AND BEST USE ANALYSIS

Highest and best use is defined in the 7th Edition of *The Dictionary of Real Estate Appraisal* (Appraisal Institute, Chicago, 2022) as: “The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.”

As the subject parcel is being addressed as vacant land, the highest and best use of the subject site as vacant and available to be developed will be addressed.

Physically Possible

The subject larger parcel is located at 470 Foothill Road in southwest Reno. The subject property is situated at the northeasterly corner of Foothill Road and Broken Hill Road. The subject’s larger parcel is of rectangular shape and contains 3.00± acres of land area. The property lies in a Flood Zone Unshaded “X”. The subject’s larger parcel involves level to gently upsloping topography, being at grade with the surrounding roadways. All utilities are immediately available to the subject site.

The subject property has adequate physical features to support a variety of development.

Legally Permissible

In order to satisfy the criteria of highest and best use, a proposed use must also be legally permissible. The subject property is zoned MDS (Medium Density Suburban) which allows single-family dwellings at three units per acre as well as small neighborhood commercial and civic uses when they serve the needs of the residents and are compatible with the residential character of the area. A summary of the purposes and development requirements of the zoning designation are set forth in a previous section of this report. I have reviewed the allowed uses under the subject’s current zoning code. The subject’s zoning allows residential and support commercial or civic uses.

Financially Feasible and Maximally Productive Uses

In order to represent the highest and best use of a property, it must be financially feasible and represent the maximally productive use of the site. The immediate subject neighborhood has been developed with a mix of residential and commercial uses. The properties to the north and south of the subject involve vacant land. The properties to the west and northwest have been improved with single family homes. The South Creek Retail Center is located a short distance to



the northwest of the subject. Tenants within this center include primarily retail shops and restaurants. The surrounding developments have met with adequate to good demand. The subject is situated a short distance from South Virginia street which is a major commercial corridor. It is noted that the properties to the southeast of the subject, along South Virginia Street, are currently being improved with an auto dealership and an apartment project. With consideration given to the developments in the immediate subject neighborhood as well as the subject's zoning and physical characteristics, a support commercial use of the subject would meet the criteria of the maximally productive use of the site.

Conclusion

Based upon the subject's physically possible, legally permissible, financially feasible and maximally productive uses, the highest and best use of the subject property "if vacant" would be for development with a support commercial utilization.



INTRODUCTION TO VALUATION ANALYSIS

In this appraisal, the Sales Comparison Approach to Value will be utilized to estimate the fee simple Market Value of the subject land. As the subject larger parcel is being addressed as a vacant parcel of land, the Cost and Income Approaches to value were not considered to be applicable. The Sales Comparison Approach is based on the principal of substitution, which holds that the value of the subject property tends to be set by the price that would be paid to acquire a substitute property of similar utility and desirability.

SALES COMPARISON APPROACH TO LAND VALUE

In the Sales Comparison Approach analysis, sales of similar properties are analyzed to arrive at an indication of the market value of the subject property. The Official Records of Washoe County were searched for sales of comparable vacant land with similar characteristics as the subject property. All sales found were investigated, analyzed and compared to the subject on a price per square foot basis.

Once the fee simple value of the subject's larger parcel has been estimated, the value of each of the subject's proposed acquisitions, as a portion of the larger parcel, will be analyzed.

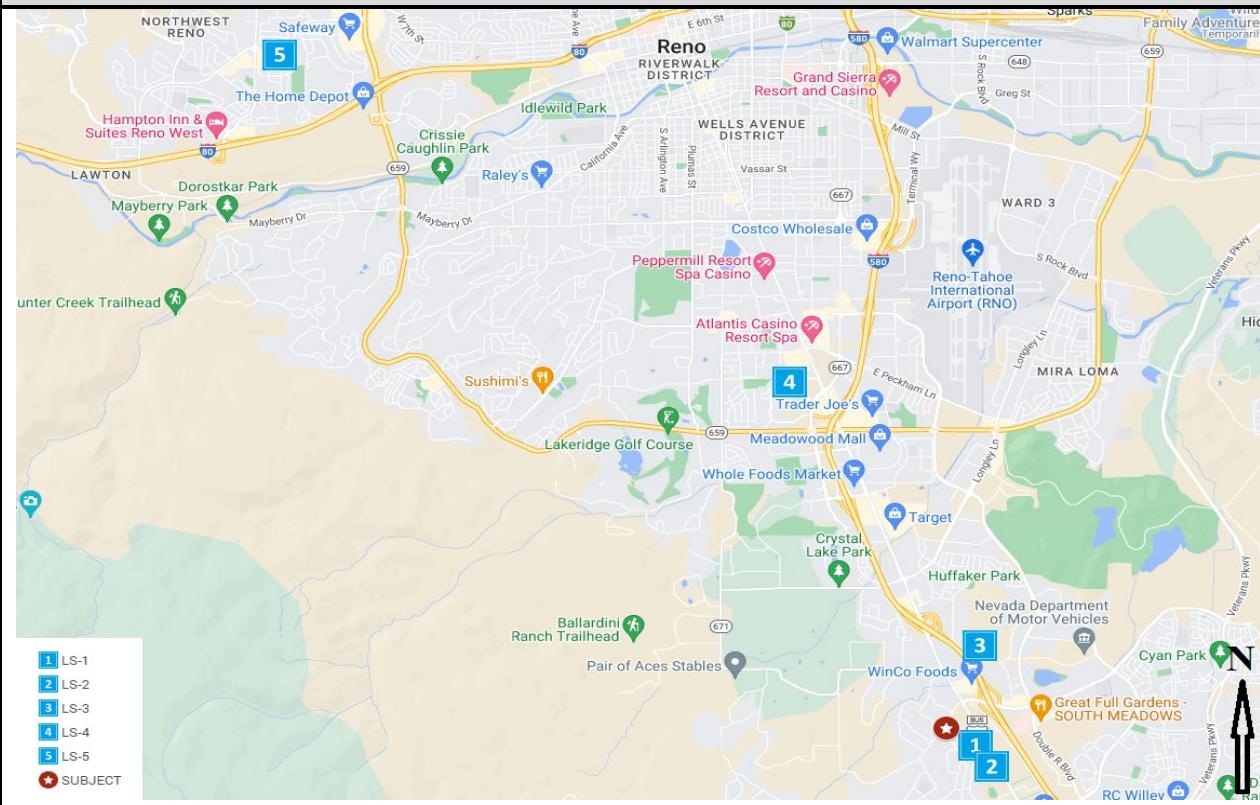
The following chart summarizes the comparable land sales which are considered to be indicative of the land value of the subject's $3.00 \pm$ acre larger parcel.



COMPARABLE LAND SALES CHART

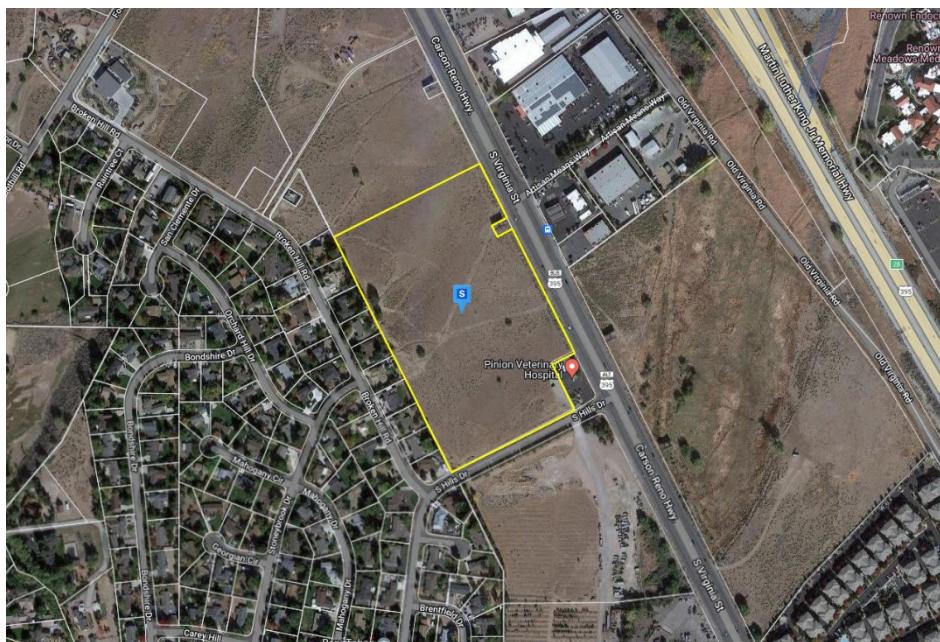
Sale Number	A.P.N. Location City, State	Recording Date Sale Price	Zoning Utilities	Topography Flood Zone	Land Acres Land SF	Price/SF
LS-1	044-300-22 (Now 044-300-25) West Side of S. Virginia Street North Side South Hills Drive South Reno	9/1/2021 \$14,735,926	MS (Mixed-Use Suburban) Adjacent to Site	Level to Gentle "X" Unshaded	15.92 Acres 693,475 SF	\$21.25
LS-2	162-260-01 11201 S. Virginia Street Southwest Corner of S. Virginia Street & South Hills Drive, South Reno	9/22/2021 \$8,800,000	MS (Mixed-Use Suburban) Adjacent to Site	Level to Gentle "X" Unshaded	10.63 Acres 463,043 SF	\$19.00
LS-3	163-071-08, 164-290-02, 03 & 06 9300 Gateway Drive Southeast Reno	4/27/2022 \$5,769,500	MF-30 (Multi-Family, 30 units/acre) All Available	Level to Gentle "X" Unshaded & Shaded	6.310 Acres 274,883 SF	\$20.99
LS-4	024-055-31 Northeast Corner of Redfield Parkway & Baker Lane, South Central Reno	10/12/2022 \$2,675,000	MU (Mixed Use Urban) All Available	Level "X" Unshaded	2.646 Acres 115,260 SF	\$23.21
LS-5	202-053-01 & 03 East Side of Grandpoint Way, at Mae Anne Avenue, Northwest Reno	6/1/2023 \$5,750,000	NC & MF-14 (Neighborhood Commercial & Multi-Family, 14 units/acre) All Available	Level to Gentle "X" Unshaded	7.355 Acres 320,384 SF	\$17.95
Subject Larger Parcel	044-300-19 470 Foothill Road Northeast Corner of Foothill Road & Broken Hill Road South Reno	Date of Value 1/29/2024 ---	MDS (Medium Density Suburban) All Available	Level to Gentle "X" Unshaded	3.00 Acres 130,680 SF	---

COMPARABLE LAND SALES MAP





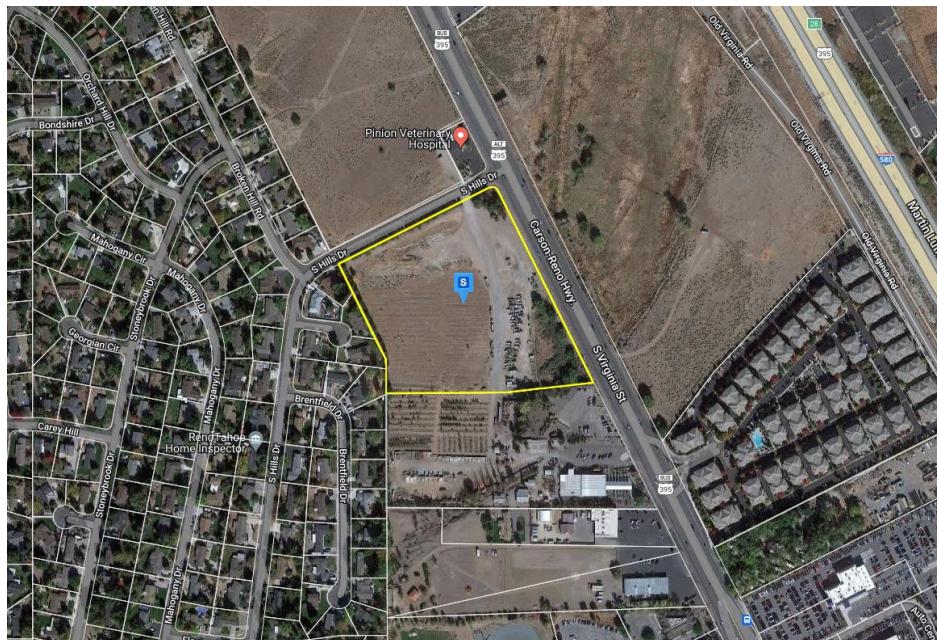
**COMPARABLE LAND SALE PROFILE
SALE LS-1**



Property ID:	South Virginia Street Land	Submarket:	Southwest Reno
Property Type:	Vacant Land	City:	Reno
Location:	11111 South Virginia Street	County:	Washoe
A.P.N.:	044-300-22 (Now 25)	State:	Nevada
Topography:	Level to Gentle	Frontage:	South Hills Blvd & S Virginia Street
Zoning:	Mixed-Use Suburban	Utilities:	Adjacent to Site
Parcel Acreage:	15.92± Acres	Water Rights:	None Included
Parcel Square Feet	693,475± Square Feet	Improvements:	None
# of Lots/Units:	N/A	Flood Zone:	"X", Minimal Flood Hazard
Approvals	None	Opportunity Zone:	N/A
Easements:	Typical	Shape:	Rectangular
Recording Date:	September 1, 2021	Grantor:	South Hills Investment, LLC
Sale Price:	\$14,735,926	Grantee:	Corwin Brothers Properties LLC
Document #:	5221951	Arm's Length:	Yes
Transfer Taxes:	\$60,417.60	Terms of Sale:	Cash to Seller
Price Per Acre:	\$663,691	Conditions of Sale:	None Known
Price/Square Foot:	\$21.25	Time on Market:	N/A
Price/Unit:	N/A	Verification:	CoStar; Rick Casazza-Colliers
This sale property is a 15.92± acre site located on the southwest side of South Virginia Street, and the north side of South Hills Drive in south Reno; this parcel wraps around the corner. This property's mixed-use suburban zoning allows retail, office multi-family or mixed use development. The property has level to gently sloping topography. The site was purchased for the development of a new Corwin Ford auto dealership.			



**COMPARABLE LAND SALE PROFILE
SALE LS-2**



Property ID:	South Hills Drive Land	Submarket:	Southwest Reno
Property Type:	Vacant Multi-Family Land	City:	Reno
Location:	11201 South Virginia Street	County:	Washoe
A.P.N.:	162-260-01	State:	Nevada
Topography:	Level to Gentle	Frontage:	South Hills Blvd & S Virginia Street
Zoning:	Mixed-Use Suburban	Utilities:	Adjacent to Site
Parcel Acreage:	10.63± Acres	Water Rights:	None Included
Parcel Square Feet	463,043± Square Feet	Improvements:	None
# of Lots/Units:	N/A	Flood Zone:	"X", Minimal Flood Hazard
Approvals	None	Opportunity Zone:	N/A
Easements:	Typical	Shape:	Slightly Irregular
Recording Date:	September 22, 2021	Grantor:	L&R Investments
Sale Price:	\$8,800,000	Grantee:	Oakmont Properties-South Virginia, LLC
Document #:	5229540	Arm's Length:	Yes
Transfer Taxes:	\$36,080.00	Terms of Sale:	Cash to Seller
Price Per Acre:	\$726,792	Conditions of Sale:	None Known
Price/Square Foot:	\$19.00	Time on Market:	N/A
Price/Unit:	N/A	Verification:	CoStar; Dan Oster-NAI
This sale property is a 10.63± acre site located on the southwest corner of South Virginia Street and South Hills Drive in south Reno. The property has level to gently sloping topography. This property's mixed-use suburban zoning allows retail, office multi-family or mixed use development. The site was purchased for the development of a new multi-family residential development. The property had previously been utilized by Moana Nursery.			



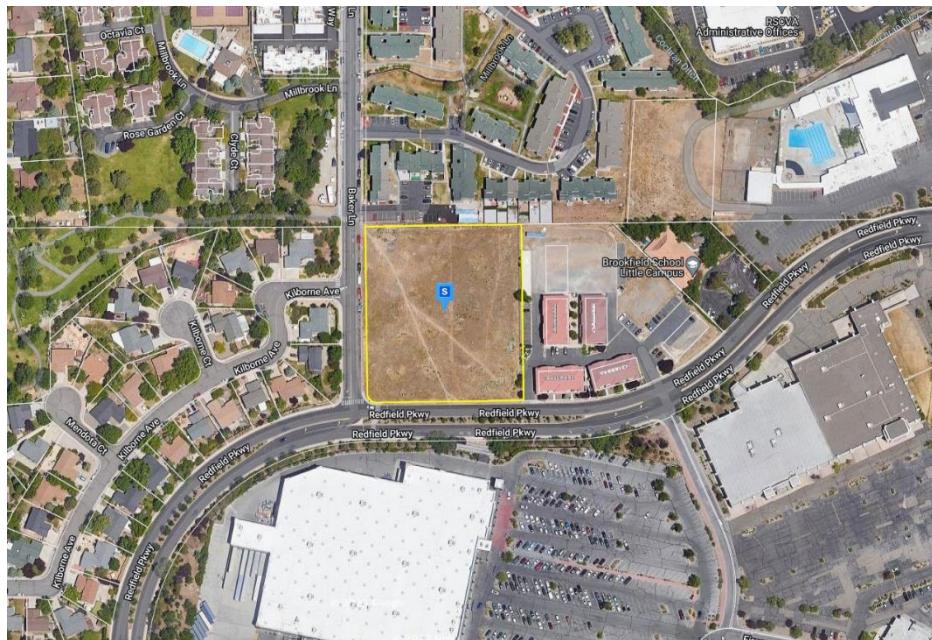
**COMPARABLE LAND SALE PROFILE
SALE LS-3**



Property ID:	Pecetti Ranch Land	Submarket:	Southeast Reno
Property Type:	Vacant Land	City:	Reno
Address:	9300 Gateway Drive	County:	Washoe
A.P.N.:	163-071-08, 164-290-02, 03 & 06	State:	Nevada
Topography:	Level to Gentle, Some Upslope	Frontage:	Gateway Drive
Zoning:	(MF-30) Multi-Family, 30 DU/AC	Utilities:	All Available
Parcel Acreage:	6.310± Acres	Water Rights:	None Known
Parcel Square Feet	274,883± Square Feet	Improvements:	None
# of Lots/Units:	N/A	Flood Zone:	"X", Unshaded & Shaded
Approvals	None	Opportunity Zone:	N/A
Easements:	30' Wide Slope Easement	Shape:	Irregular
Recording Date:	April 27, 2022	Grantor:	Avision Development Partners, LLC
Sale Price:	\$5,769,500	Grantee:	W.S.H.R.C. Thrive Gateway Homes IX L.P.
Document #:	5298620	Arm's Length:	Yes
Transfer Taxes:	\$23,654.95	Terms of Sale:	Cash to Seller
Price Per Acre:	\$914,342	Conditions of Sale:	None Known
Price/Square Foot:	\$20.99	Time on Market:	N/A
Price/Unit:	N/A	Verification:	Public Records
This comparable is the April 2022 sale of four adjoining parcels located on the north side of Gateway Drive in southeast Reno. This property is located approximately 200 feet east of Offenhauser Drive. The sale included a total land area of 6.31± acres. This property is zoned Multi-Family at 30 dwelling units per acre. The majority of the sale property has level to gentle topography and slopes upward in the easterly portion of the site. It is noted that this site is encumbered with a 30 foot wide slope easement along a portion of its Gateway Drive frontage.			



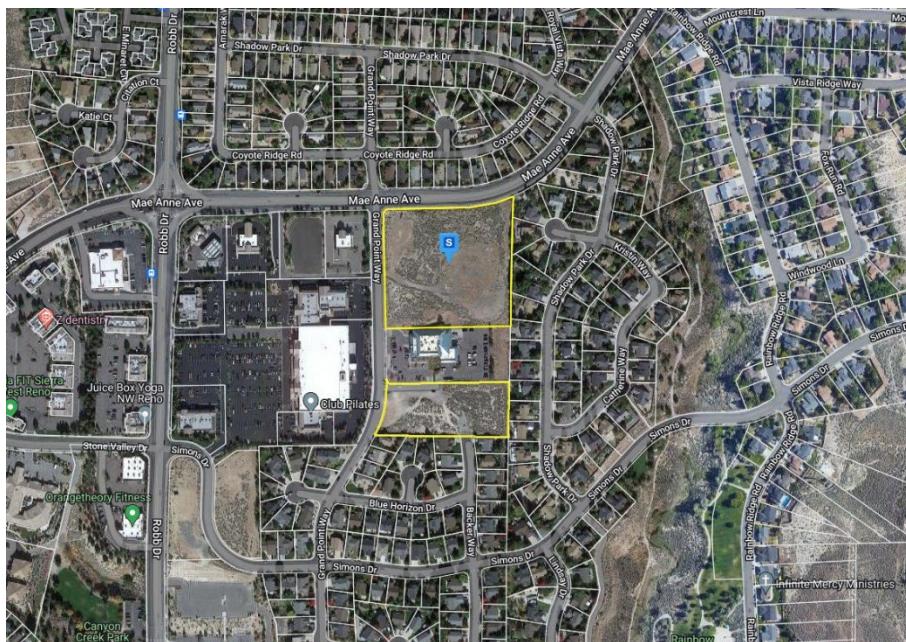
**COMPARABLE LAND SALE PROFILE
SALE LS-4**



Property ID:	Redfield Parkway Land	Submarket:	South Central Reno
Property Type:	Vacant Land	City:	Reno
Location:	4500 Baker Lane	County:	Washoe
A.P.N.:	024-055-31	State:	Nevada
Topography:	Level	Frontage:	Redfield Parkway & Baker Lane
Zoning:	(MU) Mixed-Use Urban	Utilities:	All Available
Parcel Acreage:	2.646± Acres	Water Rights:	None Known
Parcel Square Feet	115,260± Square Feet	Improvements:	None
# of Lots/Units:	222 Proposed	Flood Zone:	"X", Minimal Flood Hazard
Approvals	Only Zoning	Opportunity Zone:	N/A
Easements:	Typical	Shape:	Rectangular
Recording Date:	October 12, 2022	Grantor:	JDP Land, LLC
Sale Price:	\$2,675,000	Grantee:	Vintage Housing Holdings, LLC
Document #:	5338724	Arm's Length:	Yes
Transfer Taxes:	\$10,964.50	Terms of Sale:	Cash to Seller
Price Per Acre:	\$1,010,960	Conditions of Sale:	None Known
Price/Square Foot:	\$23.21	Time on Market:	N/A
Price/Unit:	\$12,050	Verification:	Public Records & Appraisers' Files
This sale property is located at the northeast corner of Redfield Parkway and Baker Lane in South Central Reno. This property contains 2.646± acres, has level topography and all utilities were reasonably available. This property is located directly north of the Redfield Promenade Shopping Center which is anchored by a Walmart. This property was marketed as a potential commercial retail or apartment site. The surrounding developments include a mix of apartment and single-family homes.			



**COMPARABLE LAND SALE PROFILE
SALE LS-5**



Property ID:	Grandpoint Way Land	Submarket:	Northwest Reno
Property Type:	Vacant Land	City:	Reno
Address:	East Side of Grandpoint Way, at Mae Anne Avenue	County:	Washoe
A.P.N.:	202-053-01 & 03	State:	Nevada
Topography:	Level	Frontage:	Mae Anne Ave & Grand Point Way
Zoning:	(NC & MF-14) Neighborhood Commercial & Multi-Family, 14 units/acre	Utilities:	All Available
Parcel Acreage:	7.355± Acres	Water Rights:	None Included
Parcel Square Feet	320,384± Square Feet	Improvements:	None
# of Lots/Units:	N/A	Flood Zone:	"X", Unshaded
Approvals	None	Opportunity Zone:	N/A
Easements:	Typical	Shape:	Rectangle, Non-Contiguous
Recording Date:	June 1, 2023	Grantor:	Simons Trust et al
Sale Price:	\$5,750,000	Grantee:	Dr Horton Inc NNV
Document #:	5383815	Arm's Length:	Yes
Transfer Taxes:	\$23,575.00	Terms of Sale:	Cash to Seller
Price Per Acre:	\$781,781	Conditions of Sale:	None Reported
Price/Square Foot:	\$17.95	Time on Market:	2.5± Years
Price/Unit:	N/A	Verification:	MLS & Public Records
<p>This comparable is located in northwest Reno on Mae Anne Avenue. The sale included two non-contiguous parcels containing a total land area of 7.355± acres. The site includes a 5.101± acre parcel located at the southeast corner of Mae Anne Avenue and Grandpoint Way, as well as a 2.251± acre parcel located a short distance south on the east side of Grandpoint Way. It is noted that the intervening parcel is improved with a post office. The property is zoned Neighborhood Commercial and Multi-Family at 14 dwelling units per acre. Surrounding properties contain primarily single-family residential uses. A neighborhood shopping center, which is anchored by a Raley's, is located directly west of the site. The sale site was subsequently approved for development with townhomes.</p>			



COMPARABLE LAND SALES DISCUSSION AND COMPARISON SUBJECT'S LARGER PARCEL

The comparable land sales utilized in this analysis range in date of sale from September 2021 to June 2023, in comparison to the subject's effective date of value of January 29, 2024. The comparable sales range in land area from $2.646\pm$ acres to $15.92\pm$ acres in comparison to the subject larger parcel which contains $3.00\pm$ acres. The comparable sales indicate a range in sale price from \$17.95 per square foot to \$23.21 per square foot.

The comparable properties utilized in this analysis will be compared and correlated to the subject property based upon several adjustment criteria. These include property rights conveyed, financing terms, conditions of sale, market conditions, location, physical characteristics and zoning. The sales will be analyzed based upon a price per square foot basis.

In this section of the appraisal the Market Value of the fee simple interest in the subject property is being estimated. The comparable sales involved the transfer of a fee simple interest, therefore, no adjustment for property rights is indicated.

The comparable sales involve cash to the seller or cash transactions, and as a result, no adjustment for cash equivalency is indicated.

Market Conditions

The comparable land sales range in date of sale from September 2021 to June 2023, in comparison to the subject's effective date of value of January 29, 2024. While there had been increased activity and demand for commercial land in the Reno-Sparks area over the past two years, brokers familiar with the local commercial real estate market have indicated that in recent months rising interest rates have impacted the market resulting in a decline in sales activity. With consideration given to current market conditions, upward adjustments for date of sale are indicated to Sales 1 through 4 which occurred in 2021 and 2022. Sale 5 occurred in 2023, and no adjustment for date of sale is indicated.

Location

The subject property at 470 Foothill Road in south Reno. Sales 1 and 2 are located in the immediate subject neighborhood and no adjustment for location is required. Sale 3 is located in South Meadows and surrounding properties include a mix of industrial, commercial and residential development and this sale requires a downward adjustment for its superior location.



Comparable Sale 5 is located in northwest Reno, at Mae Anne Avenue and Grandpoint Drive and is considered to have a competitive location as compared to the subject and no adjustment is indicated.

Zoning/Development Potential

The subject property is zoned MDS (Medium Density Suburban) and the highest and best use of the subject site, “as vacant”, was concluded to be low intensity support commercial uses.

The comparables are zoned for commercial or higher density multi-family uses and require a downward adjustment for their more intense zoning designations.

Frontage/Parcel Situs

The subject property is a corner site having frontage on Foothill Road and Broken Hill Road, a connector street. Sales 1 and 2 are located on South Virginia Street (U.S. Highway 395), a major arterial roadway, requiring a large downward adjustment for their superior street frontage. Sales 3 and 5 are located on arterial roadways and are adjusted downward for their superior street frontage. Sale 4 has similar street frontage as the subject and no adjustment is required.

Sale 1 is an interior parcel; however, it has frontage on two streets and is given a minor upward adjustment as compared to the subject’s corner situs. Sales 2, 4 and 5 are corner sites, similar to the subject, and no adjustment for parcel situs is required. Sale 3 is adjusted upward as it is an interior parcel.

Size

Generally, a relationship exists between the size of the parcel and the per unit price paid. For those sales which are smaller than the subject property, a downward adjustment will be made to the price per square foot. Conversely, for those sales which are larger than the subject property, an upward adjustment will be made to the price per square foot.

Topography/Shape

The subject property has level to gently upsloping topography. Each of the comparables, has similar topography as the subject, with the exception of Sale 3, and no adjustments are necessary. The majority of the Sale 3 property has level to gentle topography and slopes upward in the easterly portion of the site, requiring an upward adjustment.



With the exception of Sale 3, the comparables range in shape from rectangular to slightly irregular as compared to the subject's rectangular shape, and no adjustments are required. Sale 3 is adjusted upward for its irregular shape.

Availability of Utilities

The subject property has reasonable access to all necessary utilities. Each of the comparables had immediate or reasonable access to utilities. As a result, no adjustment for availability of utilities is indicated.

Flood Zone

Similar to the subject site, each of the comparables is located in a Flood Zone "X", and no adjustment is indicated for this factor.

Easements/Encumbrances

As previously noted, the subject's larger parcel is encumbered with a relocatable drainage easement. As the drainage easement is relocatable it is not considered to negatively impact the subject site. The subject is also encumbered with typical utility and drainage easements.

Sale 3 is encumbered with a 30-foot-wide slope easement along its Gateway Drive frontage, requiring an upward adjustment. None of the remaining comparable sales required adjustments for this factor.

Other Adjustments

Sale 3 is adjusted downward as it enjoys freeway visibility.

The following chart summarizes the adjustments made to the sales in comparison to the subject property. An equal sign indicates the sale property and the subject are similar and/or competitive for a particular criterion. A plus sign indicates that the comparable sale property is inferior for a particular criterion, and an upward adjustment is required to the sale price per square foot of the comparable; conversely, a minus sign indicates that the comparable is superior to the subject for a particular criterion, and a downward adjustment is required to the sale price per square foot of the comparable.



COMPARABLE LAND SALE ADJUSTMENT CHART

Sale Number	Subject	LS-1	LS-2	LS-3	LS-4	LS-5	
Sale Date	01/29/2024	09/01/2021	09/22/2021	4/27/2022	10/12/2022	6/1/2023	
Sale Price/SF	N/A	\$21.25	\$19.00	\$20.99	\$23.21	\$17.95	
ADJUSTMENTS TO SALES							
Property Rights	Fee Simple =	Fee Simple =	Fee Simple =	Fee Simple =	Fee Simple =	Fee Simple =	
Terms of Sale	Assuming Cash	Cash Equ. =	Cash Equ. =	Cash Equ. =	Cash Equ. =	Cash Equ. =	
Sale Conditions	Assuming None	None =	None =	None =	None =	None =	
Market Conditions	1/29/2024	9/1/2021 +	9/22/2021 +	4/27/2022 +	10/12/2022 +	6/1/2023 =	
Location	South Reno	South Reno =	South Reno =	South Meadows --	Central Reno -	Northwest Reno =	
Legal/Zoning	MDS	MS -	MS -	MF-30 -	MU -	NC/MF14 -	
Frontage	Foothill Rd & Broken Hill Rd.	Major Arterial --	Major Arterial --	Arterial -	Redfield Pkwy/Baker Ln =	Arterial -	
Parcel Situs	Comer Parcel	Interior/Two Streets +/=	Corner =	Interior +	Corner =	Comer =	
Size	3.00 Acres 130,680 SF	15.92 Acres ++	10.63 Acres ++	6.310 Acres +	2.646 Acres =	7.355 Acres +	
Topography	Level to Gently Upsloping	Level/Gentle =	Level/Gentle =	Level/Gentle Upslope +	Level =	Level/Gentle =	
Shape	Rectangle	Rectangle =	Slightly Irreg. =	Irregular +	Rectangle =	Rectangle =	
Utilities	All Available	All Available =	All Available =	All Available =	All Available =	All Available =	
Flood Zone	Unshaded "X"	Unshaded "X" =	Unshaded "X" =	Unshaded & Shaded "X" =	Unshaded "X" =	Unshaded "X" =	
Easements/ Encumbrances	Typical	Typical =	Typical =	30' Slope Ease. +	Typical =	Typical =	
Other	None	None =	None =	Lmt Freeway Visibility -	None =	Non-Contiguous ++	
Overall Indication		Reasonable	Reasonable	Reasonable	High	Low	

Summary

To summarize, the comparable sales indicate a range in sale price from \$17.95 per square foot to \$23.21 per square foot.

The highest price per square foot is illustrated by Sale 4, at \$23.21 per square foot. This comparable is considered to be a high indicator of an appropriate per square foot value for the subject larger parcel primarily due to its superior location and more intense zoning.

The lowest price per square foot is illustrated by Sale 5, at \$17.95 per square foot. This comparable was considered to be a low indicator of an appropriate per unit value for the subject property, primarily due to this comparable's larger size and as it involved non-contiguous



parcels.

The remaining comparables illustrate a narrow range of sale prices per unit from \$19.00 to \$21.25 per square foot and are considered to bracket an appropriate per unit value for the subject larger parcel.

SUMMARY OF OVERALL ADJUSTMENTS

Sale Number	Price/SF	Overall Adjustment
LS-1	\$21.25	Reasonable Indicator
LS-2	\$19.00	Reasonable Indicator
LS-3	\$20.99	Reasonable Indicator
LS-4	\$23.21	High Indicator
LS-5	\$17.95	Low Indicator



LAND VALUE CONCLUSION AS PART OF THE SUBJECT LARGER PARCEL

In estimating an appropriate per unit value for the subject larger parcel, consideration has been given to its location, corner situs, size, and other physical characteristics. Consideration is given to the comparable land sales analyzed. Consideration is also given to the draft Purchase and Sale Agreement between the Truckee Meadows Fire Protection District (seller) and the Truckee Meadows Water Authority (buyer). According to the purchase agreement, the purchase price of the subject's proposed $12,000\pm$ square foot parcel is \$240,000, which equates to \$20.00 per square foot of land area. Based upon an analysis of comparable sales data as set forth above, it is our opinion that the \$20.00 per square foot is a reasonable indicator of value for the subject property.

Based upon a review of the available data, and with consideration given to the analysis as set forth above, it is my opinion that a per square foot value applicable to the Fee Simple Interest in the subject larger parcel, as of January 29, 2024, is \$20.00 per square foot. Applying the indicated per unit value to the subject's $130,680\pm$ square feet results in an indicated value of \$2,613,600.

It is my opinion that the Market Value of the subject larger parcel in the before condition (prior to the acquisitions), as of January 29, 2024, is \$2,613,600.

LARGER PARCEL MARKET VALUE CONCLUSION-BEFORE ACQUISITIONS			
A.P.N.	Larger Parcel Size	Value Per Square Foot	Larger Parcel Land Value Conclusion
044-300-19	$130,680\pm$ Square Feet	\$20.00	\$2,613,600



EXPOSURE AND MARKETING TIME

Exposure time is defined as the length of time that would have been necessary to expose the property on the open market, in order to have consummated the sale at the effective date of valuation. This analysis assumes the property was marketed at the value conclusion contained in this report.

Marketing time, on the other hand, is the time necessary to consummate a sale of the subject property assuming that a marketing effort is begun as of the effective date of valuation and that the property is marketed at the final property value conclusions contained in this report.

In arriving at an estimate of an appropriate exposure and marketing time for the subject property, consideration is given the subject property's physical characteristics. Consideration is also given to the exposure and marketing times in the Reno area and interviews with brokers and property managers familiar with similar properties. Brokers familiar with the Northern Nevada commercial real estate market in have indicated that in recent months rising interest rates have impacted the market resulting in a decline in sales activity. Consideration is also given to current market conditions.

Based upon a review of the available data, it is our opinion that an appropriate exposure and marketing time for the subject property, "as if vacant", assuming it is marketed at its final property value conclusion, would be approximately one year.

EXPOSURE & MARKETING TIME CONCLUSION		
Property Description	Exposure Time	Marketing Time
044-300-19	Approximately One Year	Approximately One Year



DESCRIPTION OF THE PROPOSED ACQUISITIONS

As part of the South Hills BPS Relocation Project, a fee simple acquisition and a public utility easement acquisition will be required on portions of the subject larger parcel. The following chart summarizes the proposed fee simple acquisition and permanent easement areas as provided by the Truckee Meadows Water Authority.

APN	Proposed Acquisition Type	Land Area	
		Acres	Square Feet
Portion of 044-300-19	Fee Simple Acquisition	0.2755 Acres	12,000 Square Feet
Portion of 044-300-19	Permanent Easement	0.1050 Acres	4,575 Square Feet

The proposed 12,000± square foot parcel is to be located in the very northeasterly corner of the subject ownership (larger parcel) and will be purchased in fee. This parcel will be improved with a Truckee Meadows Water Authority booster pump station (BPS) as part of the South Hills BPS Relocation Project.

The proposed permanent utility easement acquisition is to be located along the easterly boundary of the subject site. This easement will be an access and underground water pipeline easement for the South Hills BPS Relocation Project. The easement will be approximately 25 feet wide and will contain 4,575± square feet. This easement will provide ingress and egress to the South Hills BPS site from Broken Hill Road.

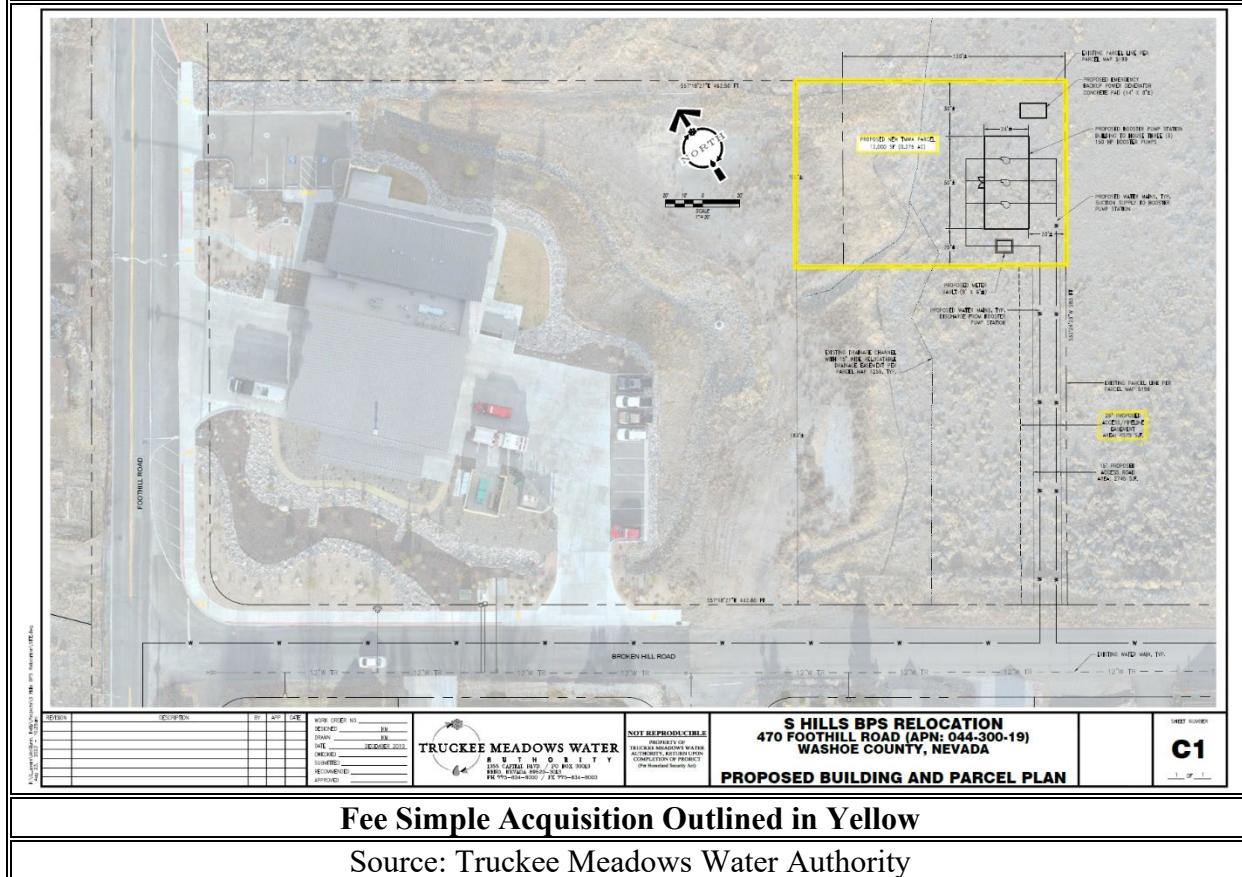
The following pages summarize photographs, maps and legal descriptions of the proposed acquisitions.



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REAL ESTATE APPRAISERS & CONSULTANTS

PROPOSED ACQUISITIONS SOUTH HILLS BPS RELOCATION PROJECT

**FEE SIMPLE ACQUISITION MAP
WASHOE COUNTY A.P.N. 044-300-19**





FEE SIMPLE ACQUISITION EXHIBIT MAP

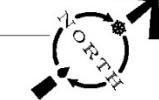


1335 CAPITAL BLVD. PO BOX 30013 RENO, NEVADA 89520-3013 PHONE: 775-834-8080

S. HILLS BPS RELOCATION
470 FOOTHILL RD. APN: 044-300-19
PROPOSED PARCEL PLAN

DATE: SEPT. 2023
DRAWN BY: JRH
WORK ORDER #: -
SCALE: XX

EXHIBIT
B



FOOTHILL ROAD

BROKEN HILL ROAD

EXISTING TMFPD PARCEL
APN: 044-300-19
(3.00 AC)

PROPOSED NEW
TMWA PARCEL
12,000SF (0.275 AC)

K:\0\Users\mcginn\Kelly\Projects\S. Hills BPS Relocation\PL_Exhibit\Drawing
Sep. 01, 2023 - 11:22am



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**PROPOSED FEE SIMPLE ACQUISITION PHOTOGRAPHS
PROPOSED 12,000± SQUARE FOOT PARCEL**



**LOOKING TOWARD THE PROPOSED FEE SIMPLE ACQUISITION AREA
FACING EASTERLY FROM BROKEN HILL ROAD**



**LOOKING TOWARD THE PROPOSED FEE SIMPLE ACQUISITION AREA
FACING SOUTHEASTERLY**



VALUE OF ACQUISITION AREAS AS PART OF LARGER PARCEL

Once the fee simple unencumbered value of the larger parcel is derived, the next step is determining the value of the acquisition areas. The proposed acquisition areas include a Fee Simple acquisition and a Permanent Utility and Access Easement acquisition. In this section of the report, the value of the Fee Simple acquisition will be addressed.

Acquisition of the Fee Simple Interest in the Proposed 12,000± Square Foot Parcel

The following summarizes the proposed Fee Simple acquisition area, including the total land area to be acquired, and the general location of the proposed acquisition.

APN	Proposed Acquisition Type	Land Area	
		Acres	Square Feet
Portion of 044-300-19	Fee Simple Acquisition	0.2755 Acres	12,000 Square Feet

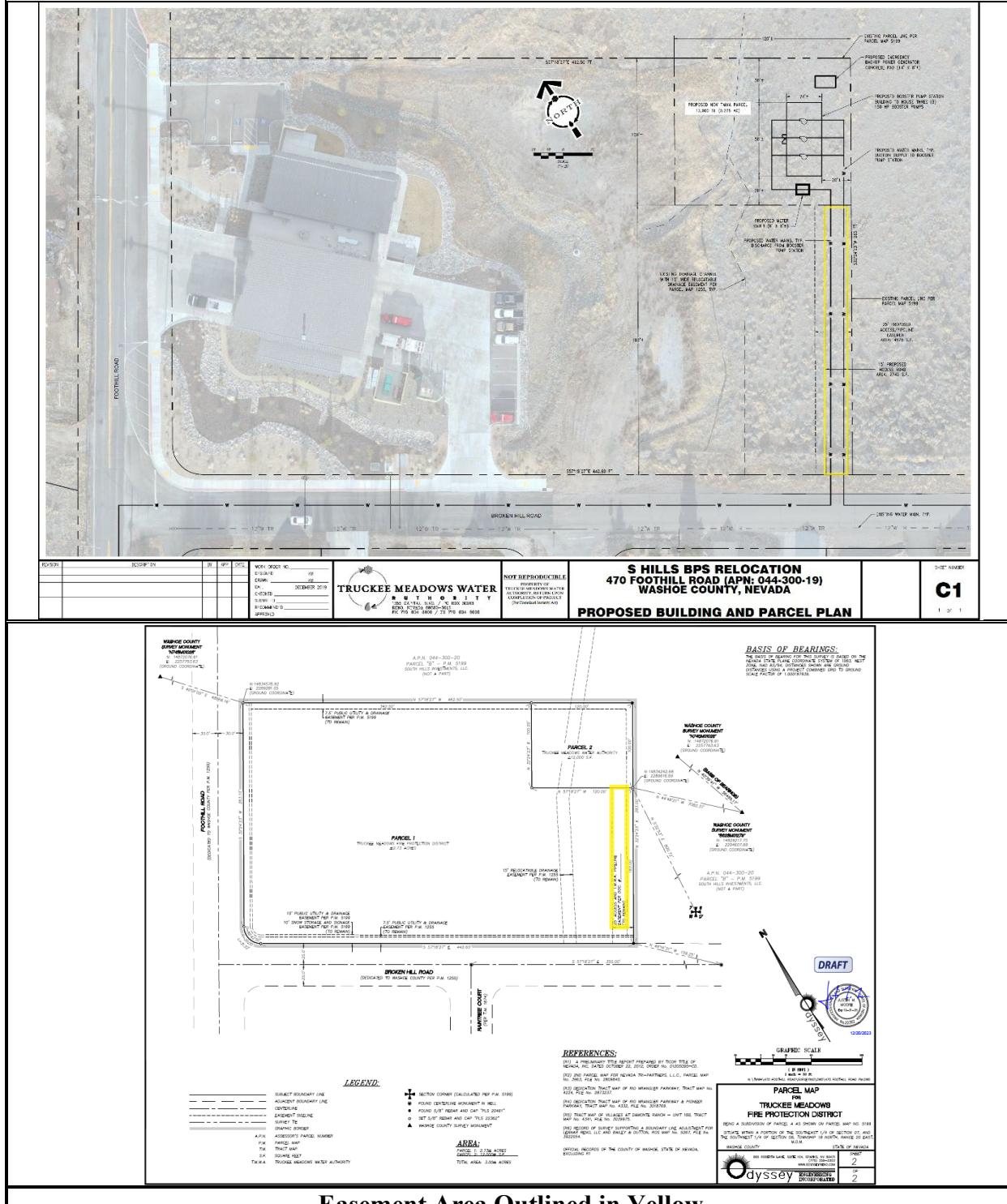
The proposed 12,000± square foot parcel is to be located in the very northeasterly corner of the subject ownership (larger parcel) and will be purchased in fee. This parcel will be improved with a Truckee Meadows Water Authority booster pump station (BPS) as part of the South Hills BPS Relocation Project. It is my understanding that this parcel will be improved with a pumphouse structure and will be fenced and gated.

As the Fee Simple acquisition is a full acquisition of all property rights, the value of this acquisition is based upon 100% of the per square foot fee simple market value of the larger parcel. The market value of the unencumbered fee simple interest of the larger parcel's underlying land was previously determined to be \$20.00 per square foot. Applying the indicated per unit value to the subject's 12,000± square feet results in an indicated value of \$240,000. The following summarizes the value of the proposed Fee Simple acquisition, as part of the larger parcel before the proposed acquisition.

FEE SIMPLE VALUE ACQUISITION SUMMARY			
Washeoe County A.P.N.	Fee Simple Acquisition Area	Value Per Square Foot	Value Conclusion (Before Condition)
Portion of 044-300-19	12,000± Square Feet	\$20.00/SF	\$240,000



**PROPOSED EASEMENT ACQUISITION EXHIBIT MAP
(SOUTH HILLS BPS RELOCATION SITE - PERMANENT UTILITY EASEMENT)**



Easement Area Outlined in Yellow

Source: Truckee Meadows Water Authority



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PROPOSED PERMANENT UTILITY EASEMENT PHOTOGRAPHS



**VIEW OF THE PROPOSED PERMANENT EASEMENT ACQUISITION AREA
FACING NORTHEASTERLY FROM BROKEN HILL ROAD**



**VIEW OF THE APPROXIMATE LOCATION OF THE PROPOSED PERMANENT
EASEMENT AREA TAKEN FROM BROKEN HILL ROAD**



DESCRIPTION OF THE PROPOSED EASEMENT ACQUISITION

A permanent utility and access easement is required on the subject property for the installation of underground pipelines (water facilities) as well as ingress and egress to the South Hills BPS Relocation Project site. The Permanent Easement on the subject property, as provided by the Truckee Meadows Waters Authority, is summarized below.

APN	Proposed Acquisition Type	Land Area	
		Acres	Square Feet
Portion of 044-300-19	Permanent Easement	0.1050 Acres	4,575 Square Feet
The proposed permanent utility easement acquisition is to be located along the easterly boundary of the subject site. This easement will be an access and underground water pipeline easement for the South Hills BPS Relocation Project. The easement will be approximately 25 feet wide and will contain 4,575± square feet. This easement will provide ingress and egress to the South Hills BPS site from Broken Hill Road.			

A map depicting the location of the proposed easement is set forth on the following page.



VALUE OF ACQUISITION AREA AS PART OF LARGER PARCEL

Once the fee simple unencumbered value of the subject's larger parcel land area is derived, the next step is determining the value of the easement to be acquired. The easement addressed in this appraisal report is a Permanent Access and Utility Easement. The permanent easement will control the surface and subsurface uses of the easement area.

Acquisition of Permanent Access Easement

The proposed permanent utility easement acquisition is to be located along the easterly boundary of the subject larger parcel. This easement will be an access and underground water pipeline easement for the South Hills BPS Relocation Project. The easement will be approximately 25 feet wide and will contain $4,575\pm$ square feet. This easement will provide ingress and egress to the South Hills BPS site from Broken Hill Road.

The Permanent Easement acquisition is not a full acquisition of all property rights. Fee Simple ownership is equivalent to full ownership of all property rights of a property. Each individual right, including an easement interest, has some potential value. A permanent easement reflects something less than the unencumbered fee simple ownership. The property owner retains the underlying title, but use of the land area has been restricted by the permanent easement. As a result, the owner of the underlying parcel will have less than the total "bundle of rights" associated with real property ownership.

In valuing an easement, consideration must be given to the impact of the easement on the larger parcel. Factors which are considered include the proposed use of the easement, the term of the easement (permanent or temporary), location of the easement relative to the larger parcel, if the area is already encumbered by existing easements, and the terms and conditions of the easement.

To arrive at an estimate of the value of the permanent access and utility easement, a factor will be applied to the unencumbered fee simple value to account for the fact that the property owner now has something less than unencumbered fee simple ownership and that the use of the land is restricted. To derive an appropriate easement factor applicable to the subject property, I have analyzed various easement acquisition data.

The best evidence of the value of an easement is considered to be demonstrated by the actions of utility companies and other governmental agencies that commonly acquire easements.



In an interview with representatives of NV Energy (formerly Sierra Pacific Power Company), it was indicated that they typically pay 30% to 50% of the unencumbered fee simple value for the acquisition of an overhead power line distribution easement, and that on some occasions, they pay between 75% and 90% of the unencumbered fee value for the acquisition of a high voltage transmission line easement. The officials of NV Energy, however, did point out that typically, when acquiring a high voltage transmission line easement; they are severely limiting the surface utilizations of the underlying property. NV Energy indicated that these easements are typically acquired at 50% of the unencumbered fee simple value.

AT&T has acquired a number of underground easements for the installation of their fiber optic cables in the Reno area based upon 50% of the unencumbered fee simple value of the property.

Williams Communication Company has acquired underground fiber optic cable easements through the Truckee and Reno areas. In many cases the property owners were compensated 100% of the fee value, due to the small size of the required easement and the small dollars involved. Williams Communications Company was also willing to pay 100% of the fee value to avoid incurring appraisal, legal and other costs associated with condemning an easement. In instances where Williams Communications was required to obtain appraisal services and legal services, the compensations were based upon 50% to 75% of the unencumbered fee simple value.

This appraisal firm also contacted representatives of the Washoe County Department of Public Works in Reno, Nevada who indicated that Washoe County has acquired storm drain easements based upon 50% of the unencumbered fee simple value of the property. In the vast majority of the instances, the County acquires the necessary utility, drainage and roadway easements by simply requiring the developers to dedicate the easements as part of the approval process.

Consideration is also given to published articles relating to easement valuations. Mr. Donald Sherwood, MAI, SR/WA, published an easement valuation matrix. This matrix is often utilized as a check of reasonableness for easement valuations on a generalized basis. The following chart summarizes this matrix.



EASEMENT VALUATION MATRIX

Percentage of Fee	Comments	Potential Types of Easements
90% - 100%	<ul style="list-style-type: none">• Severe impact on surface use• Conveyance of future uses	Overhead electric, flowage easements, railroad right of way, irrigation canals, exclusive access easements
75% - 89%	<ul style="list-style-type: none">• Major impact on surface use• Conveyance of future uses	Overhead electric, pipelines, drainage easements, railroad right of way, flowage easements
51% - 74%	<ul style="list-style-type: none">• Some impact on surface use• Conveyance of ingress/egress rights	Pipelines, scenic easements
50%	<ul style="list-style-type: none">• Balanced use by both owner and easement holder	Water or sewer lines, cable lines, telecommunications
26% - 49%	<ul style="list-style-type: none">• Location along a property line• location across non-usable land area	Water or sewer line, cable lines
11% - 25%	<ul style="list-style-type: none">• Subsurface or air rights with minimal effect on use and utility• Location with a setback	Air rights, water or sewer line
0% - 10%	<ul style="list-style-type: none">• Nominal effect on use and utility	Small subsurface easement

In valuing the proposed Permanent Access Easement on the identified larger parcel, consideration is given to factors associated with the easement. These factors are summarized following.



FACTORS CONSIDERED IN VALUATION OF PUE	
Type of Easement	Permanent Access & Underground Utility Easement
Proposed Use of Easement	Installation of Underground Water Pipelines and Access by Utility Company
Term of Easement	Permanent
Location of Easement	Along the Easterly Boundary of Site
Is Area Already Encumbered by Easements?	7.5-Foot-Wide Utility and Drainage Easement
Impact of Easement on Permanent Improvements	None
Conditions of Easement	No Permanent Structures Allowed
Other Factors	The property owner will be allowed access over the easement area.

Indicated Value of the Access Easement Acquisition

It is my understanding that the proposed permanent easement is required by the Truckee Meadows Water Authority for water utilities facilities and ingress and egress to the proposed South Hills Booster Pump Station Relocation Site. The easement will contain $4,575\pm$ square feet of land area.

Consideration is given to the location of the proposed easement along a portion of the easterly boundary of the subject's larger parcel. The proposed easement will be located in an area of the subject larger parcel which is typically utilized in conjunction with setbacks. As previously noted, the proposed easement land area is currently encumbered by a 7.5 foot wide utility and drainage easement. The permanent easement will control the surface and subsurface uses of the easement area.

Based upon these factors, and with consideration given to the fact that the proposed easement will control the surface and subsurface uses of the easement area, it is my opinion that a factor of 75% is applicable to arrive at an indication of the market value of the proposed permanent access and utility easement.



The unencumbered Market Value of the fee simple interest in the subject's larger parcel was previously estimated to be \$20.00 per square foot. The following summarizes the calculation of the market value of the permanent utility and access easement acquisition.

PERMANENT UTILITY AND ACCESS EASEMENT VALUE SUMMARY			
Permanent Access Easement Land Area	Value Per Value/SF	Easement Factor	Value Conclusion
4,575± Square Feet	\$20.00/SF	75%	\$68,625

Summary of the Acquisition

The following summarizes the value of the proposed acquisition, as part of the identified larger parcel before the proposed acquisition

VALUE OF PROPOSED ACQUISITION AS PART OF LARGER PARCEL	
Acquisition Type	Value Conclusion
Permanent Access Easement	\$68,625
TOTAL VALUE OF EASEMENT ACQUISITION AREA	\$68,625



VALUE OF THE REMAINDER AS PART OF THE LARGER PARCEL

The value of the remainder parcel as part of the larger parcel is the value of the property in the before condition less the value of the acquisitions. My opinion of the value of the remainder as part of the larger parcel in the before condition is as follows:

VALUE OF THE REMAINDER AS PART OF THE LARGER PARCEL	
Value of the Larger Parcel Before Acquisition	\$2,613,600
Value of the Proposed Acquisitions	
Value of Fee Simple Acquisition Area	(\$240,000)
Value of the Easement Acquisition Area	(\$68,625)
Less Total Value of Acquisitions	(\$308,625)
VALUE OF REMAINDER AS PART OF THE LARGER PARCEL	\$2,304,975



VALUE OF THE REMAINDER AFTER THE ACQUISITION

In this analysis, the value of the remainder after the acquisitions are completed, disregarding any Special Benefits. Factors which are considered in the valuation of the remainder after the acquisitions include the physical and legal characteristics of the remainder parcel, the impact of the acquisitions on the remainder parcel, and the highest and best use of the remainder parcel after the acquisitions.

Physical Description of the Remainder

After the proposed acquisition, which is a fee simple acquisition and a permanent utility and access easement, the subject property will have the essentially same physical characteristics as the property had in the before condition. The chart below summarizes the changes to the parcel after the proposed acquisitions.

DIFFERENCES BETWEEN BEFORE AND AFTER			
Factor	Before Acquisition	After Acquisition	Change
Size	3.00± Acres	2.72± Acres	Small Reduction
Shape	Rectangular	Slightly Irregular	Small Change
Access	Foothill Rd & Broken Hill Rd	Foothill Rd & Broken Hill Rd	No Change
Buildings/Structures	None Impacted	None Impacted	No Change
Other Improvements	On-Site Improvements	On-Site Improvements	No Change
Legal Characteristics	MDS	MDS	No Change
Development Potential	Residential/Support Commercial Allowed	Residential/Support Commercial Allowed	No Change
Easements	Typical	Typical + Utility & Access Easement	Small Change
Other	N/A	N/A	N/A

Overall, the subject's physical and legal characteristics will be similar after the acquisitions, other than a small reduction in size to the parcel and a small change in the shape of the parcel.

Highest & Best Use-After Acquisition

The next step in the appraisal is to determine the Highest and Best Use of the remainder parcel, after the acquisition. The subject's physical and legal characteristics will be similar after the acquisitions, other than the new 12,000± parcel and the existence of the proposed permanent easement. Overall, it is my opinion that the highest and best use, after the acquisition, is the same as the highest and best use before the acquisition.



Value of Remainder After Acquisition (Disregarding Special Benefits)

After the acquisition, the subject property will have the same general physical characteristics, other than a small reduction in size and a small change in shape. The subject property will retain its corner situs and will continue to have access from two roadways. The subject will also have the same highest and best use as it did before the acquisition.

To calculate the Market Value of the property in the after condition, the remainder parcel (*less the fee simple and permanent easement land areas*) is valued at the price per square foot value, while the easement area is valued at the price per square foot value multiplied by the owners' remaining interest of 25%.

Based upon an analysis of the subject property before and after the acquisition, the value of the property in the after condition, disregarding special benefits, is calculated as follows:

VALUE OF THE REMAINDER AFTER ACQUISITION			
Value of Larger Parcel After Acquisition	114,105± SF	\$20.00	\$2,282,100
Value of Permanent Easement at 25%	4,575± SF	\$20.00 x 25%	\$22,875
VALUE OF REMAINDER AFTER ACQUISITION			\$2,304,975



CALCULATION OF SEVERANCE DAMAGES

Damages are defined as “In condemnation, the loss in value to the remainder in a partial taking of property. Generally, the difference between the value of the whole property before the taking and the value of the remainder after the taking is the measure of the value of the part taken and the damages to the remainder. Note that different regions of the country and different courts may use terms such as *consequential damages* and *severance damages* differently.”¹⁰

To assess any potential damages, I have analyzed and valued the subject property in the before and after condition. The proposed acquisitions include a fee simple acquisition and a permanent utility and access easement. Overall, it is my opinion that the proposed acquisitions will not result in damages to the subject remainder parcel.

Severance Damages are calculated by subtracting the value of the remainder after the acquisition (disregarding Special Benefits) from the value of the remainder as part of the larger parcel. The following sets forth this calculation:

SEVERANCE DAMAGE CALCULATION	
Value of the Remainder as Part of the Larger Parcel	\$2,304,975
Less Value of the Remainder After the Acquisition	\$2,304,975
CALCULATION OF SEVERANCE DAMAGES	\$0

¹⁰ Source: The Dictionary of Real Estate Appraisal, 7th Edition, Appraisal Institute, 2022, page 48.

SPECIAL BENEFITS ANALYSIS

Special Benefits are defined as “In condemnation, the benefits that arise from the peculiar relation of the land in question to the public improvement, usually resulting from a change in its highest and best use. Special benefits may accrue to multiple parcels (such as all four quadrants of a newly constructed freeway interchange) because the parcels are directly benefitted in a similar manner, if not to the same degree.”¹¹

In analyzing Special Benefits, it is important to distinguish between General Benefits and Special Benefits. In analyzing a property’s remainder value, only Special Benefits should be considered. The distinction between General Benefits and Special Benefits are described in the *Uniform Appraisal Standards for Federal Land Acquisitions* as follows:

Direct and special benefits commonly include new access to a waterway or highway, or filling in of swampland. An upward shift in the remainder property’s highest and best use is often an indication of special and direct benefits. For example, a partial acquisition for the extension of a mass transit system had a special and direct benefit on remainder property that was eligible for special zoning that would allow higher-density residential development due to its location within a certain distance of a new mass transit station. Comparable sales typically provide the best evidence of special and direct benefits. The existence or absence of special and direct benefits turns not on the specifications of the government project, but on its impact in the market. For instance, in a partial acquisition for reservoir purposes: “The question is whether the market value of the remainder was increased by its prospective frontage on the [new reservoir created by the government project, which spurred demand for lakeside subdivision]. Market value ‘is . . . a reflection of the state of mind of the public with respect to the property.

General and indirect benefits, in contrast, are those “which result to the public as a whole, and therefore to the individual as one of the public; for he pays in taxation for his share of such general benefits. Thus, compensation would not be offset by the benefit of a “general increase in the value of property in the neighborhood” caused by a government project. In modern federal acquisitions, appraisers are rarely, if ever, asked to analyze and estimate general and indirect benefits, which relate to taxation, not just compensation. But this makes the distinction between the types of benefits no less critical.¹²

Essentially, Special Benefits are those which are direct to a property, and these benefits must be a direct result of the public improvement. General Benefits are those which result from

¹¹ Source: The Dictionary of Real Estate Appraisal, 7th Edition, Appraisal Institute, 2022, page 178.

¹² Source: Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book), 2016, pages 162-163.



sharing in the common advantage and convenience of increased public facilities and the general advance in value of real estate in the vicinity. According to the Federal Rule, Special Benefits accrue to the remainder property value, and can offset both the value of the part acquired and any damages. However, according to the State Rule for the State of Nevada, Special Benefits may only offset damages to the remainder. The State Rule is being utilized in this appraisal report, as any disputes relating to the acquisition of right-of-way and easements would be heard in Nevada District Court.

Under the State Rule, Special Benefits may only be used to offset Severance Damages to the remainder. As there are no Severance Damages to the remainder, Special Benefits would not affect the recommended compensation in this analysis.

Additionally, after the acquisition, the subject property will have the physical and legal characteristics, and the property has the same highest and best use after the acquisition as it had before the acquisitions. Therefore, a re-valuation of the subject property utilizing different comparable sales data than the data used to value the property in the before condition is not necessary.

The Market Value of the remainder after the acquisition, considering special benefits, takes into consideration the above analysis. None of the factors analyzed resulted in a change in the Market Value of the subject property in the after condition. The following sets forth this calculation:

CALCULATION OF SPECIAL BENEFITS	
Value of the Remainder as Part of the Larger Parcel	\$2,304,975
Less Value of the Remainder After the Acquisition	\$2,304,975
CALCULATION OF SPECIAL BENEFITS	\$0



VALUE CONCLUSION-FEE SIMPLE & PERMANENT EASEMENT ACQUISITIONS

The chart below summarizes the Market Value of the real property acquisitions, which includes a fee simple acquisition and a permanent easement acquisition.

FINAL MARKET VALUE CONCLUSIONS		
SOUTH HILLS BPS RELOCATION PROJECT (PORTIONS OF APN 044-300-19)		
Effective Date of Value	Value Conclusion	Recommended Compensation
Value of the Larger Parcel, Before Proposed Acquisitions	\$2,613,600	
Value of the Fee Simple Acquisition (12,000± SF Parcel)	\$240,000	\$240,000
Value of Permanent Easement Acquisition	<u>\$68,625</u>	<u>\$68,625</u>
Total Value of Acquisitions	\$308,625	\$308,625
Value of the Remainder, Before Fee and Easement Acquisitions	\$2,304,975	
Value of the Remainder, After Fee and Easement Acquisitions	\$2,304,975	
Damages	\$0	
Special Benefits	\$0	
Recommended Real Property Compensation		\$308,625



APPRAISER'S CERTIFICATION

Each of the undersigned does hereby certify that, unless otherwise noted in this appraisal report, that they do certify to the best of their belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have not performed services, as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification.
- The Appraisal Institute conducts a mandatory program of continuing education for its designated members. As of the date of this report, Cindy Lund Fogel has completed the requirements under the continuing education program of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

Respectfully Submitted,


Cindy Lund Fogel

Cindy Lund Fogel, MAI
Nevada Certified General Appraiser
License Number A.0002312-CG



STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are contingent upon the following assumptions and limiting conditions.

LIMITS OF LIABILITY

This report was prepared by Johnson Perkins Griffin, LLC. All opinions, recommendations, and conclusions expressed during the course of this assignment are rendered by the staff of Johnson-Perkins & Associates, as employees, not as individuals. The liability of Johnson Perkins Griffin, LLC and its employees and associates is limited to the client only and to the fee actually received by the appraisal firm. There is no accountability, obligation, or liability to any third party. If the appraisal report is disseminated to anyone other than the client, the client shall make such party or parties aware of all limiting conditions and assumptions affecting the appraisal assignment. Neither the appraisers nor the appraisal firm is in any way to be responsible for any costs incurred to discover or correct any physical, financial and/or legal deficiencies of any type present in the subject property. In the case of limited partnerships or syndication offerings or stock offerings in real estate, the client agrees that in the event of a lawsuit brought by a lender, a partner or part owner in any form of ownership, a tenant or any other party, the client will hold the appraiser(s) and the appraisal firm completely harmless in such action with respect to any and all awards or settlements of any type in such lawsuits.

COPIES, PUBLICATION, DISTRIBUTION AND USE OF REPORT

Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for any purpose or any function other than its intended use, as stated in the body of the report. The appraisal fee represents compensation only for the analytical services provided by the appraiser(s). The appraisal report remains the property of the appraisal firm, though it may be used by the client in accord with these assumptions and limiting conditions.

This appraisal is to be used only in its entirety, and no part is to be used without the whole report. All conclusions and opinions concerning the analysis as set forth in the report were prepared by the appraiser(s) whose signature(s) appears on the appraisal report, unless it is indicated that one or more of the appraisers was acting as "Review Appraiser." No change of any item in the report shall be made by anyone other than the appraiser(s). The appraiser(s) and the appraisal firm shall bear no responsibility for any such unauthorized changes.

CONFIDENTIALITY

Except as provided for subsequently, neither the appraiser(s) nor the appraisal firm may divulge the analyses, opinions or conclusions developed in the appraisal report, nor may they give a copy of the report to anyone other than the client or his designee as specified in writing. However, this condition does not apply to any requests made by the Appraisal Institute for purposes of confidential ethics enforcement. Also, this condition does not apply to any order or request issued by a court of law or any other body with the power of subpoena.



INFORMATION SUPPLIED BY OTHERS

Information (including projections of income and expenses) provided by informed local sources, such as government agencies, financial institutions, Realtors, buyers, sellers, property owners, bookkeepers, accountants, attorneys, and others is assumed to be true, correct and reliable. No responsibility for the accuracy of such information is assumed by the appraiser(s). Neither the appraiser(s) nor the appraisal firm is liable for any information or the work product provided by subcontractors. The client and others utilizing the appraisal report are advised that some of the individuals associated with Johnson Perkins Griffin, LLC are independent contractors and may sign the appraisal report in that capacity. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction or from affidavit or other sources thought reasonable. To the best of our judgment and knowledge, all such information is considered appropriate for inclusion. In some instances, an impractical and uneconomic expenditure of time would be required in attempting to furnish absolutely unimpeachable verification. The value conclusions set forth in the appraisal report are subject to the accuracy of said data. It is suggested that the client consider independent verification as a prerequisite to any transaction involving a sale, a lease or any other commitment of funds with respect to the subject property.

TESTIMONY, CONSULTATION, COMPLETION OF CONTRACT FOR APPRAISAL SERVICE

The contract for each appraisal, consultation or analytical service is fulfilled and the total fee is payable upon completion of the report. The appraisers(s) or those assisting in the preparation of the report will not be asked or required to give testimony in court or in any other hearing as a result of having prepared the appraisal, either in full or in part, except under separate and special arrangements at an additional fee. If testimony or a deposition is required, the client shall be responsible for any additional time, fees and charges, regardless of the issuing party. Neither the appraiser(s) nor those assisting in the preparation of the report is required to engage in post- appraisal consultation with the client or other third parties, except under a separate and special arrangement and at an additional fee.

EXHIBITS AND PHYSICAL DESCRIPTIONS

It is assumed that the improvements and the utilization of the land are within the boundaries of the property lines of the property described in the report and that there is no encroachment or trespass unless noted otherwise within the report. No survey of the property has been made by the appraiser(s) and no responsibility is assumed in connection with such matters. Any maps, plats, or drawings reproduced and included in the report are there to assist the reader in visualizing the property and are not necessarily drawn to scale. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced or used apart from the report.

TITLE, LEGAL DESCRIPTIONS, AND OTHER LEGAL MATTERS

No responsibility is assumed by the appraiser(s) or the appraisal firm for matters legal in character or nature. No opinion is rendered as to the status of title to any property. The title is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in the appraisal report. The legal description, as furnished by the client, his designee or as derived by the appraiser(s), is assumed to be correct as reported. The appraisal is not to be construed as giving advice concerning liens, title status, or legal marketability of the subject property.



ENGINEERING, STRUCTURAL, MECHANICAL, ARCHITECTURAL CONDITIONS

This appraisal should not be construed as a report on the physical items that are a part of any property described in the appraisal report. Although the appraisal may contain information about these physical items (including their adequacy and/or condition), it should be clearly understood that this information is only to be used as a general guide for property valuation and not as a complete or detailed report on these physical items. The appraiser(s) is not a construction, engineering, or architectural expert, and any opinion given on these matters in this report should be considered tentative in nature and is subject to modification upon receipt of additional information from appropriate experts. The client is advised to seek appropriate expert opinion before committing any funds to the property described in the appraisal report.

Any statement in the appraisal regarding the observed condition of the foundation, roof, exterior walls, interior walls, floors, heating system, plumbing, insulation, electrical service, all mechanicals, and all matters relating to construction is based on a casual inspection only. Unless otherwise noted in the appraisal report, no detailed inspection was made. For instance, the appraiser is not an expert on heating systems, and no attempt was made to inspect the interior of the furnace. The structures were not investigated for building code violations, and it is assumed that all buildings meet the applicable building code requirements unless stated otherwise in the report.

Such items as conditions behind walls, above ceilings, behind locked doors, under the floor, or under the ground are not exposed to casual view and, therefore, were not inspected, unless specifically so stated in the appraisal. The existence of insulation, if any is mentioned, was discovered through conversations with others and/or circumstantial evidence. Since it is not exposed to view, the accuracy of any statements regarding insulation cannot be guaranteed.

Because no detailed inspection was made, and because such knowledge goes beyond the scope of this appraisal, any comments on observed conditions given in this appraisal report should not be taken as a guarantee that a problem does not exist. Specifically, no guarantee is given as to the adequacy or condition of the foundation, roof, exterior walls, interior walls, floors, heating systems, air conditioning systems, plumbing, electrical service, insulation, or any other detailed construction matters. If any interested party is concerned about the existence, condition, or adequacy of any particular item, we would strongly suggest that a mechanical and/or structural inspection be made by a qualified and licensed contractor, a civil or structural engineer, an architect or other experts. This appraisal report is based on the assumption that there are no hidden, unapparent or apparent conditions on the property or improvements which would materially alter the value as reported. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them. All mechanical components are assumed to be in operable condition and standard for the properties of the subject type. Conditions of heating, cooling, ventilating, electrical and plumbing equipment are considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. No judgment is made in the appraisal as to the adequacy of insulation, the type of insulation, or the energy efficiency of the improvements or equipment which is assumed to be standard for the subject's age, type and condition.

TOXIC MATERIALS AND HAZARDS

Unless otherwise stated in the appraisal report, no attempt has been made to identify or report the presence of any potentially toxic materials and/or condition such as asbestos, urea formaldehyde foam insulation, PCBs, any form of toxic waste, polychlorinated biphenyl, pesticides, lead-based paints or soils or ground water contamination on any land or improvements described in the appraisal report. Before committing funds to any property, it is strongly advised that appropriate experts be employed to inspect both land and improvements for the existence of such potentially toxic materials and/or conditions. If any potentially toxic materials and/or conditions are present on the property, the value of the property may be adversely affected and a re-appraisal at an additional cost may be necessary to estimate the effects of such circumstances.



SOILS, SUB-SOILS, AND POTENTIAL HAZARDS

It is assumed that there are no hidden or unapparent conditions of the soils or sub-soil which would render the subject property more or less valuable than reported in the appraisal. No engineering or percolation tests were made and no liability is assumed for soil conditions. Unless otherwise noted, the land and the soil in the area being appraised appeared to be firm, but no investigation has been made to determine whether or not any detrimental sub-soil conditions exist. Neither the appraiser(s) nor the appraisal firm is liable for any problems arising from soil conditions. These appraisers strongly advise that, before any funds are committed to a property, the advice of appropriate experts be sought.

If the appraiser(s) has not been supplied with a termite inspection report, survey or occupancy permit, no responsibility is assumed and no representation is made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained.

Neither the appraiser(s) nor the appraisal firm assumes responsibility for any costs or for any consequences arising from the need or lack of need for flood hazard insurance. An Agent for the Federal Flood Insurance Program should be contacted to determine the actual need for flood hazard insurance.

ARCHEOLOGICAL SIGNIFICANCE

No investigation has been made by the appraiser and no information has been provided to the appraiser regarding potential archeological significance of the subject property or any portion thereof. This report assumes no portion of the subject property has archeological significance.

LEGALITY OF USE

This appraisal report assumes that there is full compliance with all applicable federal, state and local environmental regulations and laws, unless non-compliance is stated, defined and considered in the appraisal report. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined and considered in the appraisal report. It is assumed that all required licenses, consents, or other legislative or administrative authority from any local, state or national government, private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

COMPONENT VALUES

Any distribution of the total value between the land and improvements, between partial ownership interests or any other partition of total value applies only under the stated use. Moreover, separate allocations between components are not valid if this report is used in conjunction with any other analysis.

COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. It is assumed that the property is in direct compliance with the various detailed requirements of the ADA.



AUXILIARY AND RELATED STUDIES

No environmental or impact studies, special market studies or analyses, special highest and best use studies or feasibility studies have been requested or made by the appraiser(s) unless otherwise specified in an agreement for services and so stated in the appraisal report.

DOLLAR VALUES AND PURCHASING POWER

The estimated market value set forth in the appraisal report and any cost figures utilized are applicable only as of the date of valuation of the appraisal report. All dollar amounts are based on the purchasing power and price of the dollar as of the date of value estimates.

ROUNDING

Some figures presented in this report were generated using computer models that make calculations based on numbers carried out to three or more decimal places. In the interest of simplicity, most numbers have been rounded. Thus, these figures may be subject to small rounding errors.

QUANTITATIVE ANALYSIS

Although this analysis employs various mathematical calculations to provide value indications, the final estimate is subjective and may be influenced by our experience and other factors not specifically set forth in this report.

VALUE CHANGE, DYNAMIC MARKET, ALTERATION OF ESTIMATE BY APPRAISER

All values shown in the appraisal report are projections based on our analysis as of the date of valuation of the appraisal. These values may not be valid in other time periods or as conditions change. Projected mathematical models set forth in the appraisal are based on estimates and assumptions which are inherently subject to uncertainty and variations related to exposure, time, promotional effort, terms, motivation, and other conditions. The appraiser(s) does not represent these models as indicative of results that will actually be achieved. The value estimates consider the productivity and relative attractiveness of a property only as of the date of valuation set forth in the report.

In cases of appraisals involving the capitalization of income benefits, the estimate of market value, investment value or value in use is a reflection of such benefits and of the appraiser's interpretation of income, yields and other factors derived from general and specific client and market information. Such estimates are as of the date of valuation of the report, and are subject to change as market conditions change.

This appraisal is an estimate of value based on analysis of information known to us at the time the appraisal was made. The appraiser(s) does not assume any responsibility for incorrect analysis because of incorrect or incomplete information. If new information of significance comes to light, the value given in this report is subject to change without notice. The appraisal report itself and the value estimates set forth therein are subject to change if either the physical or legal entity or the terms of financing are different from what is set forth in the report.



ECONOMIC AND SOCIAL TRENDS

The appraiser assumes no responsibility for economic, physical or demographic factors which may affect or alter the opinions in this report if said economic, physical or demographic factors were not present as of the date of value of this appraisal. The appraiser is not obligated to predict future political, economic or social trends.

EXCLUSIONS

Furnishings, equipment, other personal property and value associated with a specific business operation are excluded from the value estimate set forth in the report unless otherwise indicated. Only the real estate is included in the value estimates set forth in the report unless otherwise stated.

SUBSURFACE RIGHTS

No opinion is expressed as to the value of subsurface oil, gas or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials, except as is expressly stated.

PROPOSED IMPROVEMENTS, CONDITIONED VALUE

It is assumed in the appraisal report that all proposed improvements and/or repairs, either on-site or off-site, are completed in an excellent workmanlike manner in accord with plans, specifications or other information supplied to these appraisers and set forth in the appraisal report, unless otherwise explicitly stated in the appraisal. In the case of proposed construction, the appraisal is subject to change upon inspection of the property after construction is completed. The estimate of market value is as of the date specified in the report. Unless otherwise stated, the assumption is made that all improvements and/or repairs have been completed according to the plans and that the property is operating at levels projected in the report.

MANAGEMENT OF PROPERTY

It is assumed that the property which is the subject of the appraisal report will be under typically prudent and competent management which is neither inefficient nor superefficient.

FEE

The fee for any appraisal report, consultation, feasibility or other study is for services rendered and, unless otherwise stated in the service agreement, is not solely based upon the time spent on any assignment.

LEGAL EXPENSES

Any legal expenses incurred in defending or representing ourselves concerning this assignment will be the responsibility of the client.



CHANGES AND MODIFICATIONS

The appraiser(s) reserves the right, at the cost of the client, to alter statements, analyses, conclusions, or any value estimates in the appraisal if any new facts pertinent to the appraisal process are discovered which were unknown on the date of valuation of this report.

DISSEMINATION OF MATERIAL

Neither all nor any part of the contents of this report shall be disseminated to the general public through advertising or sales media, public relations media, new media or other public means of communication without the prior written consent and approval of the appraiser(s).

The acceptance and/or use of the Appraisal Report by the client or any third party constitutes acceptance of the Assumptions and Limiting Conditions set forth in the preceding paragraphs. The appraiser's liability extends only to the specified client, not to subsequent parties or users. The appraiser's liability is limited to the amount of the fee received for the services rendered.



QUALIFICATIONS OF APPRAISER CINDY LUND FOGEL

Professional Designations

MAI – Member of the Appraisal Institute 2000

State Licensing and Certification

Nevada Certified General Appraiser
License #A.0002312-CG (Certified through 5/31/24) 1996

Offices Held

Board of Directors, Reno/Carson/Tahoe Chapter Appraisal Institute	2011/2012
President, Reno/Carson/Tahoe Chapter Appraisal Institute	2009/2010
Vice President, Reno/Carson/Tahoe Chapter Appraisal Institute	2008
Education Chair, Reno/Carson/Tahoe Chapter Appraisal Institute	2002
President, Reno/Carson/Tahoe Chapter Appraisal Institute	2001
Vice President, Reno/Carson/Tahoe Chapter Appraisal Institute	2000
Treasurer, Reno/Carson/Tahoe Chapter Appraisal Institute	1999
Secretary, Reno/Carson/Tahoe Chapter Appraisal Institute	1998

Occupational History

Johnson Perkins Griffin, LLC Real Estate Appraiser	03/2015 to Present
Johnson - Perkins & Associates Real Estate Appraiser	1994 – 02/2015
Johnson - Wright & Associates Real Estate Appraiser	1992 - 1994
Stephen R. Johnson & Associates Real Estate Appraiser	1990 - 1992

Admitted as Expert Witness

Washoe County Board of Equalization
Nevada State Board of Equalization

Appraisal Education & Technical Training

American Institute of Real Estate Appraisers	1991
Course 1A-1 "Real Estate Appraisal Principles"	
Course 1A-2 "Basic Valuation Procedures"	
Course 1BA "Cap Theory & Tech, Part A"	1992
Course 1BB "Cap Theory & Tech, Part B"	
Nevada Law (NRS 645C)	1993
Standards of Professional Practice Parts A & B	1993
Advanced Applications	1993
Report Writing and Valuation Analysis	1995
Case Studies in Law and Ethics	1998
Standards of Professional Practice, Part C	1998



**QUALIFICATIONS OF APPRAISER
CINDY LUND FOGEL**

Appraisal Education & Technical Training (Continued)

7-Hour National USPAP Update Course	2006
Cost Approach to Commercial Appraising	2006
Uniform Appraisal Standards/Federal Land Acquisitions	2007
7-Hour National USPAP Update Course	2007
7-Hour National USPAP Update Course	2008
Business Practices and Ethics	2008
Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book)	2009
7-Hour National USPAP Update Course	2010
Business Practices and Ethics	2010
Corridor Valuation & Yellow Book Issues and Divided Partial Interests	2010
7-Hour National USPAP Update Course	2012
State of Nevada Economic Overview, Brian Bonnenfant	2013
7-Hour National USPAP Update Course	2014
7-Hour National USPAP Update Course	2016
Eminent Domain & Condemnation	2016
Business Practices & Ethics	2016
7-Hour National USPAP Update Course	2018
Solving Land Valuation Puzzles	2018
2019 Northern Nevada Real Estate Overview	2019
7-Hour National USPAP Update Course	2020
Laws for Nevada Appraisers	2020
The Basics of Expert Witness for Commercial Appraisers	2020
Appraisal of Land Subject to Ground Leases	2020
Appraising Small Apartment Properties	2021
Northern Nevada Real Estate Overview	2022
Course 421 – Valuation of Partial Acquisition	2023
2023 Northern Nevada Real Estate Overview	2023

Appraisal Seminars

Uniform Appraisal Standards for Federal Land Acquisitions	2022
2022-2023 7-Hour National USPAP Update Course	2022
That's a Violation	2022
Appraising Airports and Airplane Hangars	2014
Online Data Verification Methods	2014
Online Advanced Internet Search Strategies	2014
Effective Rent and Seller Concessions in Market Value Appraisals	2013
Appraisal Curriculum Overview	2011
Diminution of Value and Severance Damages	2011
Qualitative Analysis: How and Why it is Important	2011
The Lending World in Crisis-What Clients Need	2011
Forecasting Revenue/Appraising Distressed Commercial Real Estate	2009
Valuation of Easements and Other Partial Interests	2009
Construction Defects and Cost Trends & Feasibility Analysis	2008
Valuation of Detrimental Conditions	2008



**QUALIFICATIONS OF APPRAISER
CINDY LUND FOGEL**

Appraisal Seminars (Continued)

Spotlight on Common Errors & Confidentiality USPAP Issues	2008
The Essentials, Current Issues & Misconceptions in Appraising	2007
Attacking & Defending an Appraisal in Litigation	2007
Analyzing Distressed Properties	2005
Appraisal Valuation Modeling	2004
Subdivision Valuation	2004

Formal Education

University of Nevada-Reno: Bachelor of Arts, College of Arts and Science	1989
Truckee Meadows Community College, Associate in Arts	1984
Sparks High School, Sparks, Nevada	1975

Types of Property Appraised

Vacant Land
Warehouses and Industrial Buildings
Professional Office Buildings
Commercial Buildings
Apartment Complexes
Aircraft Hangars
Right-of-Way & Public Utility Easements

Representative Client List

Regional Transportation Commission
Truckee Meadows Water Authority
Reno-Tahoe Airport Authority
Carson City Airport Authority
Minden-Tahoe Airport Authority
Truckee Tahoe Airport
Town of Truckee, California
University of Nevada, Reno
Desert Research Institute
Washoe County School District
Community Services Agency
NV Energy
Carson City
Churchill County
State of Nevada Division of State Lands
V & T Railroad Commission
Washoe County Community Services
Thomas Hall, Attorney
Mark Wray, Attorney
Robison Sharp Sullivan Brust, Attorneys
City of Fallon, Nevada
City of Fernley, Nevada



JOHNSON | PERKINS | GRIFFIN
REAL ESTATE APPRAISERS & CONSULTANTS

APPRAISER CERTIFICATE

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE

REAL ESTATE DIVISION

NOT TRANSFERABLE

This is to Certify That : CINDY LUND FOGEL

Certificate Number: A.0002312-CG

Is duly authorized to act as a CERTIFIED GENERAL APPRAISER from the issue date to the expiration date at the business address stated here in, unless the certificate is sooner revoked, cancelled, withdrawn, or invalidated.

Issue Date: September 6, 2022

Expire Date: May 31, 2024

In witness whereof, THE DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION, by virtue of the authority vested in Chapter 645C of the Nevada Revised Statutes, has caused this Certificate to be issued with its Seal printed thereon. This certificate must be conspicuously displayed in place of business.

FOR: JOHNSON PERKINS GRIFFIN, LLC
6121 LAKESIDE DRIVE, SUITE 160
RENO, NV 89511

REAL ESTATE DIVISION

SHARATH CHANDRA
Administrator



ADDENDA



TITLE COMMITMENT

for

470 Foothill Road
Reno, NV 89511

Escrow Number:
2215206

Escrow Officer
Tami Haworth

Tami.Haworth@stewart.com

Branch Location:
Reno Office
5390 Kietzke Ln., Suite 101
Reno, NV 89511

Signed and Received by:

TRANSACTION QUESTIONNAIRE

HELP US HELP YOU TO A SMOOTH CLOSING

IF ANY OF THE BELOW QUESTIONS ARE ANSWERED “YES”, OR IF YOU HAVE ANY QUESTIONS ABOUT THE BELOW INFORMATION, PLEASE CONTACT YOUR ESCROW OFFICER IMMEDIATELY

- Have any of the principals filed bankruptcy?
- Do any of the principals plan to use a Power of Attorney?
- Are any of the principals going through a divorce?
- Is anyone currently vested in title deceased and/or incapacitated?
- Do any of the principals NOT have a valid photo identification?
- Is there construction work in progress, recently completed or is there unfinished construction?
- Is there a manufactured or mobile home on the property?
- Are the sellers a non-resident alien or an out of the country seller?
- Will a new entity be formed? (i.e. Partnership, LLC, Corporation)
- Will any of the principals be participating in a 1031 Exchange?
- Are any of the principals unable to sign at a Stewart Title Company office? If so, an approved notary will be required

THANK YOU FOR CHOOSING STEWART TITLE COMPANY!



ALTA COMMITMENT FOR TITLE INSURANCE (07-01-2021)

ISSUED BY
STEWART TITLE GUARANTY COMPANY

NOTICE

IMPORTANT - READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I - Requirements; Schedule B, Part II - Exceptions; and the Commitment Conditions, STEWART TITLE GUARANTY COMPANY, a Texas corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Amount of Insurance and the name of the Proposed Insured.

If all of the Schedule B, Part I - Requirements have not been met within six months after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

Authorized Countersignature
Stewart Title Company
5390 Kietzke Ln., Suite 101
Reno, NV 89511



Frederick H. Eppinger
President and CEO

David Hisey
Secretary

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ALTA Commitment for Title Insurance (07-01-2021)

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COMMITMENT CONDITIONS

1. DEFINITIONS

- a. "Discriminatory Covenant": Any covenant, condition, restriction, or limitation that is unenforceable under applicable law because it illegally discriminates against a class of individuals based on personal characteristics such as race, color, religion, sex, sexual orientation, gender identity, familial status, disability, national origin, or other legally protected class.
- b. "Knowledge" or "Known": Actual knowledge or actual notice, but not constructive notice imparted by the Public Records.
- c. "Land": The land described in Item 5 of Schedule A and improvements located on that land that by State law constitute real property. The term "Land" does not include any property beyond that described in Schedule A, nor any right, title, interest, estate, or easement in any abutting street, road, avenue, alley, lane, right-of-way, body of water, or waterway, but does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
- d. "Mortgage": A mortgage, deed of trust, trust deed, security deed, or other real property security instrument, including one evidenced by electronic means authorized by law.
- e. "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
- f. "Proposed Amount of Insurance": Each dollar amount specified in Schedule A as the Proposed Amount of Insurance of each Policy to be issued pursuant to this Commitment.
- g. "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.
- h. "Public Records": The recording or filing system established under State statutes in effect at the Commitment Date under which a document must be recorded or filed to impart constructive notice of matters relating to the Title to a purchaser for value without Knowledge. The term "Public Records" does not include any other recording or filing system, including any pertaining to environmental remediation or protection, planning, permitting, zoning, licensing, building, health, public safety, or national security matters.
- i. "State": The state or commonwealth of the United States within whose exterior boundaries the Land is located. The term "State" also includes the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, and Guam.
- j. "Title": The estate or interest in the Land identified in Item 3 of Schedule A.

2. If all of the Schedule B, Part I - Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.

3. The Company's liability and obligation is limited by and this Commitment is not valid without:

- a. the Notice;
- b. the Commitment to Issue Policy;
- c. the Commitment Conditions;
- d. Schedule A;
- e. Schedule B, Part I - Requirements;
- f. Schedule B, Part II - Exceptions; and
- g. a countersignature by the Company or its issuing agent that may be in electronic form.

4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company is not liable for any other amendment to this Commitment.

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ALTA Commitment for Title Insurance (07-01-2021)

Page 2 of 4



5. LIMITATIONS OF LIABILITY

- a. The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
 - i. comply with the Schedule B, Part I - Requirements;
 - ii. eliminate, with the Company's written consent, any Schedule B, Part II - Exceptions; or
 - iii. acquire the Title or create the Mortgage covered by this Commitment.
- b. The Company is not liable under Commitment Condition 5.a. if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
- c. The Company is only liable under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.
- d. The Company's liability does not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Condition 5.a. or the Proposed Amount of Insurance.
- e. The Company is not liable for the content of the Transaction Identification Data, if any.
- f. The Company is not obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I - Requirements have been met to the satisfaction of the Company.
- g. The Company's liability is further limited by the terms and provisions of the Policy to be issued to the Proposed Insured.

6. LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT; CHOICE OF LAW AND CHOICE OF FORUM

- a. Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
- b. Any claim must be based in contract under the State law of the State where the Land is located and is restricted to the terms and provisions of this Commitment. Any litigation or other proceeding brought by the Proposed Insured against the Company must be filed only in a State or federal court having jurisdiction.
- c. This Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.
- d. The deletion or modification of any Schedule B, Part II—Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.
- e. Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.
- f. When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

7. IF THIS COMMITMENT IS ISSUED BY AN ISSUING AGENT

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for closing, settlement, escrow, or any other purpose.

8. PRO-FORMA POLICY

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

9. CLAIMS PROCEDURES

This Commitment incorporates by reference all Conditions for making a claim in the Policy to be issued to the Proposed Insured. Commitment Condition 9 does not modify the limitations of liability in Commitment Conditions 5 and 6.

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ALTA Commitment for Title Insurance (07-01-2021)

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10. CLASS ACTION

ALL CLAIMS AND DISPUTES ARISING OUT OF OR RELATING TO THIS COMMITMENT, INCLUDING ANY SERVICE OR OTHER MATTER IN CONNECTION WITH ISSUING THIS COMMITMENT, ANY BREACH OF A COMMITMENT PROVISION, OR ANY OTHER CLAIM OR DISPUTE ARISING OUT OF OR RELATING TO THE TRANSACTION GIVING RISE TO THIS COMMITMENT, MUST BE BROUGHT IN AN INDIVIDUAL CAPACITY. NO PARTY MAY SERVE AS PLAINTIFF, CLASS MEMBER, OR PARTICIPANT IN ANY CLASS OR REPRESENTATIVE PROCEEDING. ANY POLICY ISSUED PURSUANT TO THIS COMMITMENT WILL CONTAIN A CLASS ACTION CONDITION.

11. ARBITRATION

The Policy contains an arbitration clause. All arbitrable matters when the Proposed Amount of Insurance is \$2,000,000 or less may be arbitrated at the election of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at <http://www.alta.org/arbitration>.

STEWART TITLE GUARANTY COMPANY

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at: Stewart Title Guaranty Company, P.O. Box 2029, Houston, Texas 77252-2029.

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ALTA COMMITMENT FOR TITLE INSURANCE (07-01-2021)

SCHEDULE A

ISSUED BY

STEWART TITLE GUARANTY COMPANY

Transaction Identification Data, for which the Company assumes no liability as set forth in Commitment Condition 5.e.:

Issuing Agent: Stewart Title Company
Issuing Office: 5390 Kietzke Ln., Suite 101, Reno, NV 89511
Issuing Office's ALTA® Registry ID:
Loan ID Number:
Commitment Number: 2215206
Issuing Office File Number: 2215206
Property Address: 470 Foothill Road, Reno, NV 89511
Revision Number:

Inquiries Should be Directed to:

Tami Haworth, Escrow Officer
Fax:
Email: Tami.Haworth@stewart.com

1. Commitment Date: January 2, 2024 at 7:00AM

2. Policy to be issued:

Proposed Amount of Insurance

(a) 2021 ALTA® Owner's Policy - Standard

Proposed Insured: To Follow

(b) 2021 ALTA® Loan Policy - Standard

Proposed Insured:

3. The estate or interest in the Land at the Commitment Date is:

FEE SIMPLE

4. The Title is, at the Commitment Date, vested in:

Truckee Meadows Fire Protection District

5. The Land is described as follows:

See Exhibit "A" Attached Hereto

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ALTA Commitment for Title Insurance Schedule A (07-01-2021)

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ALTA COMMITMENT FOR TITLE INSURANCE (07-01-2021)

SCHEDULE A

ISSUED BY

STEWART TITLE GUARANTY COMPANY

STEWART TITLE GUARANTY COMPANY



Authorized Countersignature
Bill Bernard, Title Officer

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ALTA Commitment for Title Insurance Schedule A (07-01-2021)

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ALTA COMMITMENT FOR TITLE INSURANCE (07-01-2021)

EXHIBIT "A"

LEGAL DESCRIPTION

ISSUED BY

STEWART TITLE GUARANTY COMPANY

File No.: 2215206

All that certain real property situate in the County of Washoe, State of Nevada, described as follows;

Parcel A, of Parcel Map No. 5199, for South Hills Investment Company, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on November 25, 2015, as File No. 4536437, of Official Records.

APN: 044-300-19

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ALTA Commitment for Title Insurance Schedule A (07-01-2021)

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ALTA COMMITMENT FOR TITLE INSURANCE (07-01-2021)

SCHEDULE B PART I

ISSUED BY

STEWART TITLE GUARANTY COMPANY

File No.: 2215206

Requirements

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees, and charges for the Policy to the Company.
4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
5. Show that restrictions or restrictive covenants have not been violated.
6. Furnish proof of payment of all bills for labor and material furnished or to be furnished in connection with improvements erected or to be erected.
7. Pay all taxes, charges, and assessments affecting the land that are due and payable.
8. After the review of all the required documents, the Company reserves the right to add additional items and/or make additional requirements prior to the issuances of any policy of title insurance.
9. The subject property appears to be free and clear of any liens or mortgages. An OWNERS FREE & CLEAR AFFIDAVIT, will be required to verify that this property is in fact unencumbered by any loans or liens.
10. Entity documentation and signing authority will be required for Truckee Meadows Fire Protection District for review prior to close of the transaction contemplated herein.
11. PLEASE PROVIDE BUYERS NAME PRIOR TO CLOSE OF ESCROW

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ALTA Commitment for Title Insurance Schedule BI (07-01-2021)

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ALTA COMMITMENT FOR TITLE INSURANCE (07-01-2021)

SCHEDULE B PART II

ISSUED BY

STEWART TITLE GUARANTY COMPANY

File No.: 2215206

Exceptions

Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This Commitment and the Policy treat any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, repudiated, removed, and not republished or recirculated. Only the remaining provisions of the document will be excepted from coverage.

The Policy will not insure against loss or damage resulting from the terms and conditions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I - Requirements are met.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. Any lien or right to a lien for services, labor, equipment or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.

Exceptions 2-5 will be omitted on extended coverage policies.

6. Taxes or assessments which are not now payable or which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records, proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
7. (a) unpatented mining claims, (b) reservations or exceptions in patents or in acts authorizing the issuance thereof; (c) water rights, claims or title to water; whether or not the matters excepted under (a), (b) or (c) are shown by the public records, (d) Indian tribal codes or regulations, Indian treaty or aboriginal rights, including easements or equitable servitudes.
8. Minerals of whatsoever kind, subsurface and surface substances, including but not limited to coal, lignite, oil, gas, uranium, clay, rock, sand and gravel in, on, under and that may be produced from the Land, together with all rights, privileges, and immunities relating thereto, whether or not appearing in the Public Records or listed in Schedule B. The Company makes no representation as to the present ownership of any such interests. There may be leases, grants, exceptions or reservations of interests that are not listed.
9. The lien, if any, of supplemental taxes, assessed pursuant to the provision of the Nevada Revised Statutes.

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ALTA Commitment for Title Insurance Schedule BII (07-01-2021)

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ALTA COMMITMENT FOR TITLE INSURANCE (07-01-2021)

SCHEDULE B PART II

ISSUED BY

STEWART TITLE GUARANTY COMPANY

10. Any liens that may be created for delinquent waste management charges pursuant to NRS 444.520.
11. Rights of way for any existing roads, trails, canals, streams, ditches, drain ditches, pipe, pole or transmission lines traversing said premises.
12. Water rights, claims or title to water, whether or not recorded.
13. Taxes for the fiscal year 2023 - 2024 have been paid in full in the amount of \$ 49.13
Assessors Parcel No.: 044-300-19
14. Any deferred taxes, interest and penalties, which may become due upon the conversion of said land from Agricultural or Open Space to any higher use.
15. Any liens for water and/or sewer which may be levied by reasons of said premises being within the Washoe County Department of Water Resources, Utilities Service Division. Specific amounts may be obtained by calling (775)954-4601.
16. Terms, Covenants, Conditions, Restrictions, Easements and Provisions in that certain instrument, recorded June 10, 1930, in Book J, Page 332, as Document No. [51479](#), of Bonds and Agreement Records.
17. EASEMENT: An easement affecting the portion of said land, and for the purposes stated herein, and incidental purposes in favor of Sierra Pacific Power Company and Bell Telephone Company of Nevada, for electric and communication facilities, recorded June 21, 1950, in Book 256, Page 138, as Document No. [185284](#), of Deed Records.
18. EASEMENT: An easement affecting the portion of said land, and for the purposes stated herein, and incidental purposes, for Ditches, recorded October 3, 1958, in Book 490, Page 181, as Document No. [293175](#), of Deed Records.
19. EASEMENT: An easement affecting the portion of said land, and for the purposes stated herein, and incidental purposes, for irrigation and canal(s), recorded April 23, 1973, in Book 725, Page 370, as Document No. [283615](#), of Official Records.
20. EASEMENT: An easement affecting the portion of said land, and for the purposes stated herein, and incidental purposes, for irrigation, recorded August 29, 1975, in Book 913, Page 756, as Document No. [376279](#), of Official Records.
21. Easements, dedications, reservations, provisions, recitals, building set back lines, and any other matters as provided for or delineated on Parcel [Map No. 1255](#), filed in the office of the County Recorder of Washoe County, State of Nevada, on May 27, 1981, as Document No. 740526.
22. Terms, Covenants, Conditions, Restrictions, and Provisions in that certain instrument, recorded September 9, 1998, in Book 5378, Page 734, as Document No. [2251308](#), of Official Records.

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ALTA Commitment for Title Insurance Schedule BII (07-01-2021)

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ALTA COMMITMENT FOR TITLE INSURANCE (07-01-2021)

SCHEDULE B PART II

ISSUED BY

STEWART TITLE GUARANTY COMPANY

23. Easements, dedications, reservations, provisions, recitals, building set back lines, and any other matters as provided for or delineated on Parcel [Map No. 5199](#), filed in the office of the County Recorder of Washoe County, State of Nevada, on November 25, 2015, as Document No. 4536437.
24. Rights of parties in possession.

THE FOLLOWING NOTES ARE FOR INFORMATION PURPOSES ONLY:

Stewart Title Company RESERVES THE RIGHT TO AMEND THIS COMMITMENT/REPORT AT ANY TIME.

*****ATTENTION LENDERS*****

THE 100 ENDORSEMENT IS NO LONGER BEING OFFERED. THE REPLACEMENT ALTERNATIVE IS THE ALTA 9.10-06 AND IS NOW REFLECTED IN THE ALTA SUPPLEMENT IN THE COMMITMENT/REPORT.

NOTE: Any notes following the legal description (if any) referencing NRS 111.312 are required for recording purposes only and will not be insured in any policy of title insurance.

ALTA SUPPLEMENT: This commitment/report is preparatory to the issuance of a 2021 ALTA Extended Coverage Lenders Policy of Title Insurance. We have no knowledge of any fact which would preclude the issuance of said ALTA Policy with an ALTA 9.10-06 and a CLTA 116.01-06/ALTA 22-06 attached. The CLTA 116.01-06/ALTA 22-06 Endorsement will read as follows: There is located on said land a Commercial Building, known as 470 Foothill Road, Reno, NV 89511.

NOTE: A search of the Official Records for the county referenced in the above order number, for the 24 months immediately preceding the date above discloses the following instruments purporting to convey the title to said land: None

NOTE: If any current work of improvements have been made on the herein described real property (within the last 90 days) and this Commitment/Report is issued in contemplation of a Policy of Title Insurance which affords mechanic lien priority coverage (i.e. ALTA POLICY); the following information must be supplied for review and approval prior to the closing and issuance of said Policy: (a) Copy of Indemnity Agreement; (b) Financial Statements; (c) Construction Loan Agreement; (d) If any current work of improvements have been made on the herein described real property Building Construction Contract between borrower and contractor; (e) Cost breakdown of construction; (f) Appraisal; (g) Copy of Voucher or Disbursement Control Statement (if project is complete).

NOTE: This commitment/report makes no representations as to water, water rights, minerals or mineral rights and no reliance can be made upon this commitment/report or a resulting title policy for such rights or ownership.

NOTE: Notwithstanding anything to the contrary in this commitment/report, if the policy to be issued is other than an ALTA Owner's Policy (7/1/21) or ALTA Loan Policy (7/1/21), the policy may not contain an arbitration clause, or the terms of the arbitration clause may be different from those set forth in this commitment/report. If the policy does contain an arbitration clause, and the Amount of Insurance is less than the amount, if any, set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties.

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ALTA Commitment for Title Insurance Schedule BII (07-01-2021)

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ALTA COMMITMENT FOR TITLE INSURANCE (07-01-2021)

SCHEDULE B PART II

ISSUED BY

STEWART TITLE GUARANTY COMPANY

NOTE: The map, if any, attached hereto is subject to the following disclaimer:

Stewart Title Company does not represent this plat as a survey of the land indicated hereon, although believed to be correct, no liability is assumed as to the accuracy thereof.

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STEWART INFORMATION SERVICES CORPORATION
GRAMM-LEACH BLILEY PRIVACY NOTICE

This Stewart Information Services Corporation Privacy Notice ("Notice") explains how we and our affiliates and majority-owned subsidiary companies (collectively, "Stewart," "our," or "we") collect, use, and protect personal information, when and to whom we disclose such information, and the choices you have about the use and disclosure of your information. Pursuant to Title V of the Gramm-Leach Bliley Act ("GLBA") and other Federal and state laws and regulations applicable to financial institutions, consumers have the right to limit some, but not all sharing of their personal information. Please read this Notice carefully to understand how Stewart uses your personal information.

The types of personal information Stewart collects, and shares depends on the product or service you have requested.

Stewart may collect the following categories of personal and financial information from you throughout your transaction:

1. Identifiers: Real name, alias, online IP address if accessing company websites, email address, account name, unique online identifier, or other similar identifiers.
2. Demographic Information: Marital status, gender, date of birth.
3. Personal Information and Personal Financial Information: Full name, signature, social security number, address, driver's license number, passport number, telephone number, insurance policy number, education, employment, employment history, bank account number, credit card number, debit card number, credit reports, or any other information necessary to complete the transaction.

Stewart may collect personal information about you from:

1. Publicly available information from government records.
2. Information we receive directly from you or your agent(s), such as your lender or real estate broker.
3. Information we receive from consumer reporting agencies and/or governmental entities, either directly from these entities or through others.

Stewart may use your personal information for the following purposes:

1. To provide products and services to you in connection with a transaction.
2. To improve our products and services.
3. To communicate with you about our affiliates', and others' products and services, jointly or independently.

Stewart may use or disclose the personal information we collect for one or more of the following purposes:

- To fulfill or meet the reason for which the information is provided.
- To provide, support, personalize, and develop our website, products, and services.
- To create, maintain, customize, and secure your account with Stewart.
- To process your requests, purchases, transactions, and payments and prevent transactional fraud.
- To prevent and/or process claims.
- To assist third party vendors/service providers who complete transactions or perform services on Stewart's behalf pursuant to valid service provider agreements.
- As necessary or appropriate to protect the rights, property or safety of Stewart, our customers, or others.
- To provide you with support and to respond to your inquiries, including to investigate and address your concerns and monitor and improve our responses.
- To help maintain the safety, security, and integrity of our website, products and services, databases and other technology-based assets, and business.
- To respond to law enforcement or regulator requests as required by applicable law, court order, or governmental regulations.
- Auditing for compliance with federal and state laws, rules, and regulations.
- Performing services including maintaining or servicing accounts, providing customer service, processing, or fulfilling orders and transactions, verifying customer information, processing payments.
- To evaluate or conduct a merger, divestiture, restructuring, reorganization, dissolution, or other sale or transfer of some or all our assets, whether as a going concern or as part of bankruptcy, liquidation, or similar proceeding, in which personal information held by us is among the assets transferred.

Stewart will not collect additional categories of personal information or use the personal information we collected for materially different, unrelated, or incompatible purposes without providing you notice.

Disclosure of Personal Information to Affiliated Companies and Nonaffiliated Third Parties

Stewart does not sell your personal information to nonaffiliated third parties. Stewart may share your information with those you have designated as your agent throughout the course of your transaction (for example, your realtor, broker, or a lender). Stewart may disclose your personal information to non-affiliated third-party service providers and vendors to render services to complete your transaction.

We share your personal information with the following categories of third parties:

- Non-affiliated service providers and vendors we contract with to render specific services (For example, search companies, mobile notaries, and companies providing credit/debit card processing, billing, shipping, repair, customer service, auditing, marketing, etc.)
- To enable Stewart to prevent criminal activity, fraud, material misrepresentation, or nondisclosure.
- Stewart's affiliated and subsidiary companies.
- Parties involved in litigation and attorneys, as required by law.
- Financial rating organizations, rating bureaus and trade associations, taxing authorities, if required in the transaction.
- Federal and State Regulators, law enforcement and other government entities to law enforcement or authorities in connection with an investigation, or in response to a subpoena or court order.

The law does not require your prior authorization or consent and does not allow you to restrict the disclosures described above. Additionally, we may disclose your information to third parties for whom you have given us authorization or consent to make such disclosure. We do not otherwise share your Personal Information or browsing information with non-affiliated third parties, except as required or permitted by law.

Right to Limit Use of Your Personal Information

You have the right to opt-out of sharing of your personal information among our affiliates to directly market to you. To opt-out of sharing your information with affiliates for direct marketing, you may send an "opt out" request to OptOut@stewart.com, or contact us through other available methods provided under "Contact Information" in this Notice. We do not share your Personal Information with nonaffiliates for their use to directly market to you without your consent.

How Stewart Protects Your Personal Information

Stewart maintains physical, technical, and administrative safeguards and policies to protect your personal information.

Contact Information

If you have specific questions or comments about this Notice, the ways in which Stewart collects and uses your information described herein, or your choices and rights regarding such use, please do not hesitate to contact us at:

Phone: Toll Free at 1-866-571-9270
Email: Privacyrequest@stewart.com

Postal Address: Stewart Information Services Corporation
Attn: Mary Thomas, Chief Compliance and Regulatory Officer
1360 Post Oak Blvd., Ste. 100, MC #14-1
Houston, TX 77056

STEWART INFORMATION SERVICES CORPORATION PRIVACY NOTICE FOR CALIFORNIA RESIDENTS

Stewart Information Services Corporation and its affiliates and majority-owned subsidiary companies (collectively, "Stewart," "our," or "we") respect and are committed to protecting your privacy. Pursuant to the California Consumer Privacy Act of 2018 ("CCPA") and the California Privacy Rights Act of 2020 ("CPRA"), we are providing this **Privacy Notice** ("CCPA Notice"). This CCPA Notice explains how we collect, use, and disclose personal information, when and to whom we disclose such information, and the rights you, as a California resident have regarding your Personal Information. This CCPA Notice supplements the information contained in Stewart's existing privacy notice and applies solely to all visitors, users, consumers, and others who reside in the State of California or are considered California Residents as defined in the CCPA ("consumers" or "you"). All terms defined in the CCPA & CPRA have the same meaning when used in this Notice.

Personal and Sensitive Personal Information Stewart Collects

Stewart has collected the following categories of personal and sensitive personal information from consumers within the last twelve (12) months:

A. Identifiers. A real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, Social Security number, driver's license number, passport number, or other similar identifiers.

B. Personal information categories listed in the California Customer Records statute (Cal. Civ. Code § 1798.80(e)). A name, signature, Social Security number, address, telephone number, passport number, driver's license or state identification card number, insurance policy number, education, employment, employment history, bank account number, credit card number, debit card number, or any other financial information.

C. Protected classification characteristics under California or federal law. Age, race, color, ancestry, national origin, citizenship, marital status, sex (including gender, gender identity, gender expression), veteran or military status.

D. Commercial information. Records of personal property, products or services purchased, obtained, or considered, or other purchasing or consuming histories or tendencies.

E. Internet or other similar network activity. Browsing history, search history, information on a consumer's interaction with a website, application, or advertisement.

F. Geolocation data

Stewart obtains the categories of personal and sensitive information listed above from the following categories of sources:

- Directly and indirectly from customers, their designees, or their agents (For example, realtors, lenders, attorneys, brokers, etc.)
- Directly and indirectly from activity on Stewart's website or other applications.
- From third parties that interact with Stewart in connection with the services we provide.

Use of Personal and Sensitive Personal Information

Stewart may use or disclose the personal or sensitive information we collect for one or more of the following purposes:

- To fulfill or meet the reason for which the information is provided.
- To provide, support, personalize, and develop our website, products, and services.
- To create, maintain, customize, and secure your account with Stewart.
- To process your requests, purchases, transactions, and payments and prevent transactional fraud.
- To prevent and/or process claims.
- To assist third party vendors/service providers who complete transactions or perform services on Stewart's behalf pursuant to valid service provider agreements.
- As necessary or appropriate to protect the rights, property or safety of Stewart, our customers, or others.
- To provide you with support and to respond to your inquiries, including to investigate and address your concerns and monitor and improve our responses.
- To personalize your website experience and to deliver content and product and service offerings relevant to your interests, including targeted offers and ads through our website, third-party sites, and via email or text message (with your consent, where required by law).
- To help maintain the safety, security, and integrity of our website, products and services, databases and other technology-based assets, and business.
- To respond to law enforcement or regulator requests as required by applicable law, court order, or governmental regulations.
- Auditing for compliance with federal and state laws, rules, and regulations.
- Performing services including maintaining or servicing accounts, providing customer service, processing, or fulfilling orders and transactions, verifying customer information, processing payments, providing advertising or marketing services or other similar services.
- To evaluate or conduct a merger, divestiture, restructuring, reorganization, dissolution, or other sale or transfer of some or all our assets, whether as a going concern or as part of bankruptcy, liquidation, or similar proceeding, in which personal information held by us is among the assets transferred.

Stewart will not collect additional categories of personal or sensitive information or use the personal or sensitive information we collected for materially different, unrelated, or incompatible purposes without providing you notice.

Disclosure of Personal Information to Affiliated Companies and Nonaffiliated Third Parties

Stewart does not sell your personal information to nonaffiliated third parties. Stewart may share your information with those you have designated as your agent throughout the course of your transaction (for example, a realtor, broker, or a lender).

We share your personal information with the following categories of third parties:

- a. Service providers and vendors we contract with to render specific services (For example, search companies, mobile notaries, and companies providing credit/debit card processing, billing, shipping, repair, customer service, auditing, marketing, etc.)
- b. Affiliated Companies.
- c. Parties involved in litigation and attorneys, as required by law.
- d. Financial rating organizations, rating bureaus and trade associations.
- e. Federal and State Regulators, law enforcement and other government entities

In the preceding twelve (12) months, Stewart has disclosed the following categories of personal information:

Category A: Identifiers

Category B: California Customer Records personal information categories

Category C: Protected classification characteristics under California or federal law

Category D: Commercial Information

Category E: Internet or other similar network activity

Category F: Non-public education information

A. Your Consumer Rights and Choices Under CCPA and CPRA

The CCPA and CPRA provide consumers (California residents as defined in the CCPA) with specific rights regarding their personal information. This section describes your rights and explains how to exercise those rights.

i. Access to Specific Information and Data Portability Rights

You have the right to request that Stewart disclose certain information to you about our collection and use of your personal information over the past 12 months. Once we receive and confirm your verifiable consumer request, Stewart will disclose to you:

- The categories of personal information Stewart collected about you.
- The categories of sources for the personal information Stewart collected about you.
- Stewart's business or commercial purpose for collecting that personal information.
- The categories of third parties with whom Stewart shares that personal information.
- The specific pieces of personal information Stewart collected about you (also called a data portability request).
- If Stewart disclosed your personal data for a business purpose, a listing identifying the personal information categories that each category of recipient obtained.

ii. Deletion Request Rights

You have the right to request that Stewart delete any personal information we collected from you and retained, subject to certain exceptions. Once we receive and confirm your verifiable consumer request, Stewart will delete (and direct our service providers to delete) your personal information from our records, unless an exception applies.

Stewart may deny your deletion request if retaining the information is necessary for us or our service providers to:

1. Complete the transaction for which we collected the personal information, provide a good or service that you requested, take actions reasonably anticipated within the context of our ongoing business relationship with you, or otherwise perform our contract with you.
2. Detect security incidents, protect against malicious, deceptive, fraudulent, or illegal activity, or prosecute those responsible for such activities.
3. Debug products to identify and repair errors that impair existing intended functionality.
4. Exercise free speech, ensure the right of another consumer to exercise their free speech rights, or exercise another right provided for by law.
5. Comply with the California Electronic Communications Privacy Act (Cal. Penal Code § 1546 seq.).
6. Engage in public or peer-reviewed scientific, historical, or statistical research in the public interest that adheres to all other applicable ethics and privacy laws, when the information's deletion may likely render impossible or seriously impair the research's achievement, if you previously provided informed consent.
7. Enable solely internal uses that are reasonably aligned with consumer expectations based on your relationship with us.
8. Comply with a legal obligation.
9. Make other internal and lawful uses of that information that are compatible with the context in which you provided it.

iii. Opt-Out of Information Sharing and Selling

Stewart does not share or sell information to third parties, as the terms are defined under the CCPA and CPRA. Stewart only shares your personal information as commercially necessary and in accordance with this CCPA Notice.

iv. Correction of Inaccurate Information

You have the right to request that Stewart correct any inaccurate information maintained about.

v. **Limit the Use of Sensitive Personal Information**

You have the right to limit how your sensitive personal information, as defined in the CCPA and CPRA is disclosed or shared with third parties.

Exercising Your Rights Under CCPA and CPRA

If you have questions or comments about this notice, the ways in which Stewart collects and uses your information described herein, your choices and rights regarding such use, or wish to exercise your rights under California law, please submit a verifiable consumer request to us by the available means provided below:

1. Emailing us at OptOut@stewart.com; or
2. Visiting <https://www.stewart.com/en/quick-links/ccpa-request.html>

Only you, or someone legally authorized to act on your behalf, may make a verifiable consumer request related to your personal information. You may also make a verifiable consumer request on behalf of your minor child, if applicable.

To designate an authorized agent, please contact Stewart through one of the methods mentioned above.

You may only make a verifiable consumer request for access or data portability twice within a 12-month period. The verifiable consumer request must:

- Provide sufficient information that allows us to reasonably verify you are the person about whom we collected personal information or an authorized representative.
- Describe your request with sufficient detail that allows us to properly understand, evaluate, and respond to it.

Stewart cannot respond to your request or provide you with personal information if we cannot verify your identity or authority to make the request and confirm the personal information relates to you.

Making a verifiable consumer request does not require you to create an account with Stewart.

Response Timing and Format

We endeavor to respond to a verifiable consumer request within forty-five (45) days of its receipt. If we require more time (up to an additional 45 days), we will inform you of the reason and extension period in writing.

A written response will be delivered by mail or electronically, at your option.

Any disclosures we provide will only cover the 12-month period preceding the verifiable consumer request's receipt. The response we provide will also explain the reasons we cannot comply with a request, if applicable.

Stewart does not charge a fee to process or respond to your verifiable consumer request unless it is excessive, repetitive, or manifestly unfounded. If we determine that the request warrants a fee, we will tell you why we made that decision and provide you with a cost estimate before completing your request.

Non-Discrimination

Stewart will not discriminate against you for exercising any of your CCPA rights. Unless permitted by the CCPA, we will not:

- Deny you goods or services.
- Charge you a different prices or rates for goods or services, including through granting discounts or other benefits, or imposing penalties.
- Provide you a different level or quality of goods or services.
- Suggest that you may receive a different price or rate for goods or services or a different level or quality of goods or services.

Record Retention

Your personal information will not be kept for longer than is necessary for the business purpose for which it is collected and processed. We will retain your personal information and records based on established record retention policies pursuant to California law and in compliance with all federal and state retention obligations. Additionally, we will retain your personal information to comply with applicable laws, regulations, and legal processes (such as responding to subpoenas or court orders), and to respond to legal claims, resolve disputes, and comply with legal or regulatory recordkeeping requirements.

Changes to This CCPA Notice

Stewart reserves the right to amend this CCPA Notice at our discretion and at any time. When we make changes to this CCPA Notice, we will post the updated Notice on Stewart's website and update the Notice's effective date.

Link to Privacy Notice

<https://www.stewart.com/en/privacy.html>

Contact Information

Stewart Information Services Corporation
Attn: Mary Thomas, Chief Compliance and Regulatory Officer
1360 Post Oak Blvd., Ste. 100, MC #14-1
Houston, TX 77056

Assessor's Map Number

044-30

STATE OF NEVADA

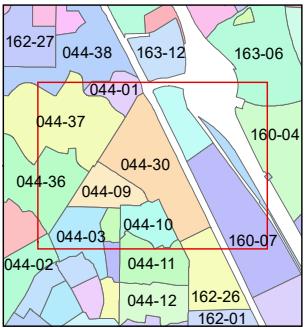
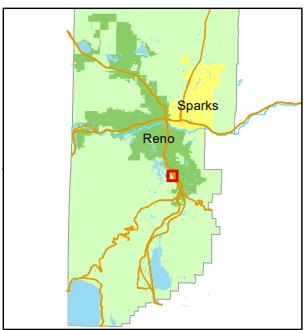
**WASHOE COUNTY
ASSESSOR'S OFFICE**

1001 East Ninth Street, Building D
Reno, Nevada 89512
(775) 328-2231



Feet
0 75 150 225 300

1 inch = 300 feet



created by: CFB 01/21/2011

updated: NLH 07/18/11 CFB 01/13/16

JKF 08/30/21 SR 01/12/23

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.

**PORTIONS OF SE $\frac{1}{4}$ SECTION 7,
SW $\frac{1}{4}$ SECTION 8 & N $\frac{1}{2}$ SECTION 17
T18N - R20E**

