

Mark Warren, MAI

Real Estate Appraiser and Consultant

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775 843-2507

May 14, 2025

Alicia Reban, Executive Director
Nevada Land Trust
P.O. Box 20288
Reno, NV 89515

RE: Review of Appraisal Report prepared by Matthew Lubawy, MAI

Dear Ms. Reban,

At your request, I have conducted a review of the appraisal report identified above. The report addresses a vacant industrial parcel located in the Stead industrial zone in north Reno.

The purpose of the appraisal was to formulate an opinion of market value for a fee simple interest in the subject property. This review was conducted to formulate an opinion as to whether the report is credible as defined in the *Uniform Standards of Professional Appraisal Practice* (USPAP), and whether it meets USPAP Standard 1 *Real Property Appraisal - Development*, and Standard 2, *Real Property Appraisal - Reporting*. The report is dated March 12, 2025, with a date of value of February 25, 2025. The 2024 edition of USPAP is the relevant standard for the appraisal.

At your request, I have conducted a desk review. I have not inspected the real estate that is the subject of the appraisal report, nor have I viewed the comparable sales described in the report. The standards under which this review report was prepared state that the reviewer must “develop an opinion as to whether the opinions and conclusions [of the report under review] are credible within the context of the standards applicable to that work.” The report is credible under the appropriate standards. Further, the report complies with prevailing appraisal development and reporting standards as of the date of the appraisal.

My conclusions are summarized in the review report that follows this letter of transmittal. If you have any questions regarding this review please do not hesitate to contact me. This review is subject to certain assumptions and limiting conditions, which are detailed in the attached review report.

Sincerely,



Mark Warren, MAI

REPORT OF REVIEW

The assignment criteria for the review are summarized below. The effective date of this review is May 14, 2025.

Review Report Assignment Criteria

Reviewer	Mark Warren, MAI
Client for Review	Alicia Reban, Executive Director Nevada Land Trust P.O. Box 20288 Reno, NV 89515
Purpose of Review	To develop an opinion as to whether the appraiser's work product is credible within the context of the <i>Uniform Standards of Professional Appraisal Practice</i> , 2024 edition.
Intended Use of Review	Program compliance
Intended User of Review	Client
Date of Review	March 12, 2025

Scope of Work of Review

I undertook the following activities in the preparation of this report.

- Read the appraisal report and verified information about the subject property and comparable sales from Washoe County Assessor data and other sources.
- Checked math calculations
- Prepared a written report setting forth the reviewer's conclusions and opinions.
- No extraordinary assumptions or hypothetical conditions are employed in this review.

I did not independently develop an opinion of value in this assignment. This is a desk review of the appraiser's work product. I did not inspect the property that is the subject of this review. I verified the appraiser's factual statements about the property's location, access and other parameters. I viewed the appropriate assessment records for each comparable sale to verify basic physical data but did not independently verify transaction data with the parties involved. I am quite familiar with the subject property's neighborhood and have viewed the subject in course of

conducting numerous other appraisals in this area. “Viewed” refers to the physical act of observing visually but does not imply a detailed inspection and evaluation of the property.

Description of Report under Review

Appraiser	Matthew Lubawy, MAI Valbridge Property Advisors 3034 S. Durango Drive #100 Las Vegas, NV 89117
Client	Ms. Joanne Lowden Natural Resource Planning Coordinator Washoe County Department of Parks and Open Space 1001 E. Ninth Street Reno, Nevada 89512
Subject of Appraisal	Assessor’s Parcel 568-100-12 13.325-acre vacant land parcel located on the north side of Lear Boulevard approximately 420 feet east of Sage Point Court, Reno, Nevada. Parcel is zoned IC, Industrial Commercial.
Purpose of Appraisal	To form an opinion of value of the fee simple interest in the property
Intended Use	The appraisal report states that “the intended use of this report is for grant purposes. It is not intended for any other use.”
Intended User	Washoe County Community Services Department
Date of Value	February 25, 2025
Date of Report	March 12, 2025
Highest and Best Use	Industrial site

Valuation

The appraiser employed the sales comparison approach to value the subject property, which is appropriate for vacant land. He researched and presented five sales of industrial sites in the North Valleys region of Reno, where the subject is located. The table below summarizes the sales data presented in the appraisal.

Summary of Comparable Sales

Sale No.	Sale Date	Acres	APN	Zoning	Price	\$/SF
1	7/23	4.019	082-492-15	MS	\$1,300,000	\$7.43
2	9/23	4.850	090-142-16	I	\$1,570,000	\$5.12
3	12/23	2.707	082-101-54, 75	IC & MS	\$875,000	\$7.42
4	11/2424	2.257	090-141-10	I	\$450,000	\$4.58
5	**	3.008	082-101-20	IC	\$1,100,000	\$8.40
Subject	DOV 2/25/2025	13.3	568-100-12	IC	---	---

**Under Contract at Date of Value (DOV)

All of the sale properties are industrial or industrial-commercial sites in the Stead/North Valleys market. This is a major submarket within the greater Reno-Sparks industrial market.

Making adjustments to comparable sales is the standard method to process market information for the sales comparison approach. The appraiser canvassed the market to identify sales that illustrate the general range of prices encountered for other industrial sites in the area. Prices paid for these properties should establish a reasonable range of value for the subject site as well. However, no two properties are identical. Vacant sites may vary in size, topography, proximity to utilities, access, and other factors. Any of these elements and others factors can impact price and thus result in variations in sale prices across the market. Adjustments that address variances in physical and legal characteristics among the comparable sales are known as property-related adjustments

Prices can also vary based upon factors related to the transaction itself. Market value assumes that buyers and sellers are normally motivated and that their bargaining positions are not compromised by exigent circumstances, such as a seller in financial distress, or a buyer who needs a property as a key part of an assemblage. Price changes over time due to market dynamics are included in this category as well. Adjustments related to the buyer or seller circumstances are known as transaction adjustments.

With respect to transaction adjustments, the appraiser considered the following:

Property Rights Conveyed	Whether 100% of the unencumbered fee or some other interest, such as a leased fee, was conveyed
Financing	The impact on price of financing, if any
Conditions of Sale	Buyer/seller motivation, effectiveness of marketing effort, others
Expenditures after Sale	Costs buyer will incur to make property available to develop it to its intended use, such as demolition of existing improvements
Market Conditions	Considers price changes over time

The table below summarizes adjustments applied to the sales for these factors. Most sales were not adjusted.

Component	Sales Adjusted for this Factor
Property Rights Conveyed	None
Financing	None
Conditions of Sale	None – see note below
Expenditures after Sale	Sale 3 adjusted for after-sale demo of old residence
Market Conditions	All sales adjusted at 6% annually from date of sale to date of value

The magnitude the adjustments was modest. All adjustments were appropriate and were supported in the narrative.

None of the sales was adjusted for market conditions. The actual conditions of sale for Sale 3 were not described in the report but are presumed to be similar to the other sales. This appears to be an inadvertent omission. The impact is negligible and does not affect the credibility of the report.

Property related adjustments are summarized below. The adjustments are self-explanatory and no additional commentary is necessary to describe the characteristics addressed.

Location	All properties in same market are, no adjustments
Corner Influence	Corner exposure not a factor for industrial parcels, no adjustments
Size	Appraiser states that demand for all size classes is good and that no reaction to parcel size is observed in the market
Utilities	Present for all properties, no adjustments
Topography	Sale 1 has varied topography and was adjusted upward 5% to reflect subject's level topography
Floodplain	All properties outside 100-year floodplain. No adjustments
Zoning	All properties zoned for industrial use, no adjustments
Fault/Easements/Drainage	Sales 2 and 4 have issues that impact the net usable area of the site and are adjusted accordingly

All adjustments were appropriate and were adequately supported in the narrative. Sales 2 and 4 had the largest net adjustments. This reflects geologic and other issues that reduced the net usable area on these sites. The table below summarizes all property-related adjustments.

Summary of Adjusted Sale Prices

Sale	1	2	3	4	5
\$/SF	\$7.43	\$5.12	\$7.42	\$4.58	\$8.40
Adjusted \$/SF	\$6.91	\$6.24	\$6.51	\$6.52	\$6.72
% Adjusted	-7.0%	21.9%	12.3%	42.4%	-20.0%

Based on this data, the appraiser selected a value of \$6.60 per square foot, and a total value of \$3,380,000 for the site. The actual magnitude of adjustments is a judgement by the appraiser based upon the extent of the impact and on the appraiser's understanding of the factors that influence value in this market. The appraiser obtained and verified and analyzed the appropriate data to support his judgment.

Reviewer's Conclusions

Standards Rule 3-3, *Review of An Appraisal* in the 2024 edition of USPAP states the following:

When necessary for credible assignment results in the review of analyses, opinions, and conclusions, the reviewer must:

- i. Develop an opinion as to whether the analyses are appropriate within the context of the requirements applicable to that work;
- ii. Develop an opinion as to whether the opinions and conclusions are appropriate within the context of the requirements applicable to that work; and,
- iii. Develop the reasons for any disagreement

When necessary for credible assignment results in the review of a report, the reviewer must:

- i. Develop an opinion as to whether the report is appropriate and not misleading within the context of the requirements applicable to that work; and,
- ii. Develop the reasons for any disagreement

The applicable standards for the appraisal are Standard 1, *Real Property Appraisal Development* and Standard 2, *Real Property Appraisal Reporting* in the 2024 edition of the *Uniform Standards of Professional Appraisal Practice*. I conclude that:

- The analyses, opinions and conclusions reported by the appraiser are appropriate,
- The report is credible and not misleading.

CERTIFICATE OF REVIEWER

I certify that, unless otherwise noted in this appraisal report:

- The statements of fact contained in this review report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of the report under review and no personal interest with respect to the parties involved.
- I have performed no services as an appraiser, or in any other capacity regarding the property that is the subject of the report under review 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 the work under review 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 an action or event resulting from the analyses, conclusions or opinions in this review or from its use.
- My compensation for completing this assignment is not contingent upon developing or reporting predetermined assignment results or results that favor the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal review.
- My analyses, opinions, and conclusions were developed, and this review report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have not made a personal inspection of the subject of the work under review.
- No one provided significant real property appraisal assistance to the person signing this certification.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice 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.
- As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.

Respectfully submitted,



Mark Warren, MAI

May 14, 2025

REVIEW APPRAISER'S GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

The appraisal review has been prepared under the following general assumptions:

1. All statements of fact in the work under review are assumed to be true and accurate. All analyses, conclusions and opinions expressed by the appraiser(s) are assumed to be technically sound and conducted without bias, unless noted in the review.
2. No responsibility is assumed for the legal description provided or for matters pertaining to legal or patent considerations. It is assumed that good and marketable title would be available in the event of a sale.
3. The subject property is appraised free and clear of any or all liens, encumbrances, and reservations, except as stated in the report.
4. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
5. If applicable, all engineering studies and consultation reports utilized in the appraisal process are assumed to be correct, unless otherwise noted. Plot plans and illustrative materials, if presented, are included only to help the reader visualize the property.
6. It is assumed that there are no hidden or unapparent conditions of the property or subsoil that renders it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.
7. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws, unless the lack of compliance is stated, described, and considered in the analyses.
8. It is assumed that all required licenses, permits, consents, and other legislative or administrative authority from all local, state, or national government or private entity or organization can be obtained for the use on which the opinion of value contained in this report is based.
9. It is assumed that within the boundaries or property lines of the property described that there are no encroachments or trespass, unless otherwise noted.
10. It is assumed that the appraiser did not observe hazardous materials or other potential environmental conditions on the property.

This appraisal review has been prepared under the following general limiting conditions

1. Possession of this review report, or a copy thereof, does not carry with it the right of publication.

2. Neither all nor any part of the contents of this review report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser. The appraiser is aware that once the appraisal report has been used by the client, the documents may be made available to the public.
3. Any opinions of value provided in the review report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the opinion of value, unless such proration or division of interests has been set forth in the report.