

ASSESSOR'S

EVIDENCE

Washoe County Board of Equalization
Appeal Summary Page - Secured Roll

Hearing # **19-0045**
Hearing Date **02/21/2019**
Tax Year **2019**

APN: 212-010-08

Owner of Record: HD DEVELOPMENT OF MARYLAND INC

Property Address: 5125 SUMMIT RIDGE CT

Property Type: DISCOUNT WAREHOUSE
STORE

Gross Building Area: 105,810

Year Built: 1999

Parcel Size: 13.39 Acre

Description / Location: The subject property is a Discount Warehouse Store built by and for Home Depot. Its location, design and overall utility is still being capitalized upon by the first generation occupant. Please note that a local Home Depot was recently purchased by an investor on 4/26/18 for \$15,980,000.

2019/20 Taxable Value:

Land:	\$4,666,144
Improvements:	\$5,378,075
Total:	<hr/> \$10,044,219
Taxable Value / SF	\$94.93

Sales Comparison Approach:

Indicated Value	\$15,448,260
Indicated Value / SF	\$146

Income Approach:

Indicated Value	\$14,919,210
Indicated Value / SF	\$141

Conclusions: Taxable value does not exceed full cash value. Please refer to the analysis within for foundational support of this conclusion



ASSESSOR'S EXHIBIT I
24 PAGES

WASHOE COUNTY BOARD OF EQUALIZATION

COMMERCIAL / INDUSTRIAL

	TAXABLE VALUE	ASSESSED VALUE	TAXABLE \$/SF GBA	HEARING:	19-0045
LAND:	\$4,666,144	\$1,633,150		DATE:	02/21/2019
IMPROVEMENTS:	\$5,378,075	\$1,882,326	\$94.93		
TOTAL:	\$10,044,219	\$3,515,477		TAX YEAR:	2019
OWNER: HD DEVELOPMENT OF MARYLAND INC			TAXABLE \$/SF Land \$8.00	SEE LAND SALES	

SUBJECT													
BLDG#	APN	Location (Occupancy)	Use %	Total GBA (GBA)	Construction Type Exterior Walls	QC	Finish Area	Age(WAY) Height	Land (SF) %Coverage Zoning	Sale Price Sale Date	Sale Price/GBA	EGI GIM OER	NOI OAR
1	212-010-08	5125 SUMMIT RIDGE CT		105,810					583,268				
		DISCOUNT WAREHOUSE STORE	100%	105,810	MASONRY BRNG CONC TILT-UP	C15		1999 24	18% AC				
IMPROVED SALES													
IS-1	025-570-01	6590 S VIRGINIA ST		102,832					435,382	\$15,980,000	\$155		\$933,660
		DISCOUNT WAREHOUSE STORE	100%	102,832	MASONRY BRNG CONC TILT-UP	C15		1993 25	24% MUSV	04/26/2018	see note		5.84%
		HOME DEPOT											
IS-2	039-750-13	5150 MAE ANNE AVE		94,213					395,743	\$9,350,000	\$99		\$636,250
		DISCOUNT STORE	100%	94,213	MASONRY BRNG CONCRETE BLK	C20		1990 24	24% AC	09/12/2017			6.80%
		KOHL'S											
IS-3	040-141-42	6139 S VIRGINIA ST		81,838					240,016	\$24,100,000	\$294		\$1,145,146
	10, 12, 20, 22	SUPERMARKET	62%	81,838	MASONRY BRNG CONCRETE BLK	C25		1993 24	34% AC	07/24/2017	see note		4.75%
		DISCOUNT STORE	38%										
		WHOLE FOODS & SIERRA TRADING POST											
ADD'L INFO	ATTACHMENT B - Compilation of eight sales. Sales reflect Home Depot and Lowes properties from the Western Region. Sales date, price, \$/SF, NOI and Cap rate herein is the median reflected in the attached table. MEDIAN SIZE = 127,400sf									MEDIANS =	\$14,700,477	\$128.00	5.93%

COMMENTS:													
The subject property is a well maintained, fully functioning and performing Home Depot. The recent sale of a local Home Depot (IS-1) indicates that the taxable value does not exceed full cash value.													
IS-1: Sale of a Home Depot property; Sold with 100% occupancy at a 5.84% cap rate. Current rent noted at \$81,900/mth and/or \$0.80/sf/mth. The option for lease renewal is 8/31/24. A review of the rent found that excess rent may in fact exist. Discounting the excess rent and adjusting the sales price results in a ~\$1M reduction and/or equates to an adjusted market value of ~\$14,980,000 and/or \$146/sf. Please refer to Attachment "A" for additional information.													
IS-2: Sale of a big box property with Kohl's as tenant; Property is a co-anchor with other big box retailers. Sold with 100% occupancy at a 6.8% cap rate. The lease has 8yrs. remaining. Five year options are available.													
IS-3: Sale of a big box property w/Whole Food and Sierra Trading Post as tenants; Sold w/ 100% Occupancy at an est. 4.75% cap rate. Rent analysis not performed but strong rent is assumed. Sale is considered superior due to its large use as a supermarket which includes additional finish and partitioning. Based on the superiority, a 40% downward adjustment is being applied. This adjustment is based solely on the difference in costing the occupancy's in relation to the comparable and the subject. The result of the adjustment is \$177/sf.													
ADDITIONAL INFORMATION: A review of sales within the western region of the US was compiled. Sales include properties with Home Depot and Lowe's as tenants. Please refer to Attachment "B" for additional information of each sale. The median was taken and added to the table above. The results of this compilation illustrate a median sales price of \$14,700,477 and/or \$128/sf. Based on this result, the compilation is added evidence illustrating, as an indicator of value, that taxable value does not exceed full cash value.													
ADJUSTED SALES PRICES RANGE: \$100 to \$177/sf.													
MARKET VALUE: Estimated at \$14,980,000 and/or 146/sf.													
CONCLUSION = Taxable value does not exceed full cash value.													

COMMERCIAL / INDUSTRIAL

WASHOE COUNTY BOARD OF EQUALIZATION

LAND:	TAXABLE VALUE	ASSESSSED VALUE	TAXABLE	HEARING:	19-0045
	\$4,666,144	\$1,633,150	\$/SF Land	DATE:	02/21/2019
			\$8.00	TAX YEAR:	2019

OWNER: HOME DEPOT USA INC

LAND SALES

Sale #	APN	Location	Sale Date	Sale Price	Size(ac)	Size(sf)	\$/sf	Zoning	Comments
LS-1	040-900-19&20	DEL MONTE LN	05/03/2018	\$11,142,640	12.22	532,085	\$20	PUD	Monte Ln and Kietzke Ln is a part of the Rancharrah development project. One of the buyers is Tolles Development Co, a commercial real estate developer in the area. Offices, retail and restaurants are to be built as Village at Rancharrah per Reno Land Inc's master plan. The land price per SF in this sale is \$20.01.
LS-2	163-061-06 (now 12&13)	537 & 597 SOUTH MEADOWS PKWY	08/30/16	\$5,921,345	9.24	402,526	\$15	PUD	SVL verified arms length sale. Property was not on the market, however the owner was accepting offers and decided to sell to the buying party since they had a fair market offer. The new buyers purchased the land to construct a Sprout's Farmers Market and retail center.
LS-3	160-040-26	SOUTH MEADOWS PKWY	07/20/16	\$4,628,680	5.18	225,641	\$21	PUD	SVL verified arms length transaction. Property was not on the open market, however the seller was open to offers and accepted the buyer's market value offer. Property is going to be developed as a hotel.
LS-4	037-412-03 037-422-06	LEGENDS - 1425 GEORGE FERRIS DR & 1370 BIG FISH DR	08/07/17	\$6,748,617	6.50	283,082	\$24	NUD	The sale was for 2 parcels totaling 283,082 sf. The buyer was Big Shopping Centers that is an equity investor that purchases a portion or all of the property from developers to free up cash for the developer to use for improvements or other projects. They bought an 80% interest in these 2 vacant parcels , and the total purchase was computed using the sales price.
LS-5	400-040-15	1405 SKY MOUNTAIN	08/11/17	\$4,525,000	10.61	461,997	\$10	CC	Previously portion of APN 400-040-07 "The Great Western Marketplace" has been split into two parcels and was sold to two different parties. This lot is formerly the parking area.

COMMENTS:

Land sales herein represent large parcels that are located at premier locations throughout Reno/Sparks. Attributes affiliated with these superior locations include high traffic counts and excellent visibility from major arterial roads. Sales range in value from \$10/sf to \$24/sf. Based on the subjects superior location and the comparable sales, the subjects taxable land value is below market value.

WASHOE COUNTY BOARD OF EQUALIZATION

COMMERCIAL / INDUSTRIAL

	TAXABLE VALUE	ASSESSED VALUE	TAXABLE	HEARING: 19-0045
LAND:	\$4,666,144	\$1,633,150	\$/SF GBA	DATE: 02/21/19
IMPROVEMENTS:	\$5,378,075	\$1,882,326	\$94.93	
TOTAL:	\$10,044,219	\$3,515,477		TAX YEAR: 2019

APN: 212-010-08

OWNER: HD DEVELOPMENT OF MARYLAND INC

Income Approach

Potential Gross Income	105,810 sq ft. @	\$0.65 /mo =	\$68,777	
	sq ft. @	/mo =	\$0	
	sq ft. @	/mo =	\$0	
			\$68,777	
	x 12 months =		12	
			\$825,318	
- Vacancy & Collection loss		0%	\$0	
= Effective Gross Income			\$825,318	
- Operating Expenses		5%	\$41,265.90	
= Net Operating Income			\$784,052	
Divided by Overall Capitalization Rate		5.25%		
			\$14,934,326	
		Rounded		\$141 /sf GBA

Subject Income Information: The building is 100% owner occupied by Home Depot. A sale of a local Home Depot was recently purchased by an investor. The components of income that were affiliated with that sale was reviewed.

Potential Gross Income: The property is owner occupied and thus a contract or current rent does not exist. Please refer to Attachments "B" and "C" for the market rent analysis. Results from local rental data indicates that market rent for the subject, with consideration for subjects premium location and building (a first generation build to suit), is \$0.65. Applying this rent to the subject rentable area and annualizing it reflects a PGI of \$825,318.

Effective Gross Income: The subject is a first generation building build to suit. The property has had zero vacancy since it's construction. Moreover, vacancy for comparable big box properties at superior locations remains stable at 0%. Therefore, a 0% stabilized vacancy rate was utilized. The application results in a EGI that is equal to PGI.

Net Operating Income: The property, if available, would likely be leased on a NNN basis by which the tenant is responsible for all expenses. However, management fees and the costs in relation to capital reserves and replacement should be, and is, herein considered. Expenses estimated at 5%. Estimated NOI is \$784,052.

Capitalization Rate Analysis: Properties reflecting strong real estate fundamentals in primary locations remain in high demand amongst institutional investors. The subject property is a sought after investment that has been well maintained with a national credit tenant, has had zero vacancy, and has a premium location. Therefore, the overall investment risk is considered low. The cap rate on the sale of the local Home Depot was 5.84%. However, given the lower rents that were used in this analysis in relation to the contract rent that exists, overall risk is reduced.

For a summary of cap rates in relation to big box retail, please refer to Attachments "B" & "D". Cap rates attained at the local level suggest a range of 4.75% to 6.8% with 5.84% as the median. Rates from the Western Region level indicated a range of 5% to 6.25% and a median of 5.93%. The cap rate used in this equation was 5.25% and again is reflective of the lower rents used within the equation.

Indicated Value Income Approach: \$14,934,326 and/or \$141/sf.

Conclusion: The taxable value of the subject does not exceed full cash value.

Situs & Keyline Description:
5125 SUMMIT RIDGE CT RENO
PM 3180 FR LTS 1 2 & ALL
LT 4 (RS 3504)

Owner & Mailing Address:
HD DEVELOPMENT OF MARYLAND INC
PO BOX 105842
ATLANTA, GA 30348

WASHOE COUNTY APPRAISAL RECORD 2019

APN: 212-010-08

Card 1 of 3
Bld. 1-1



HOME DEPOT / NORTHWEST

Tax District: 1000

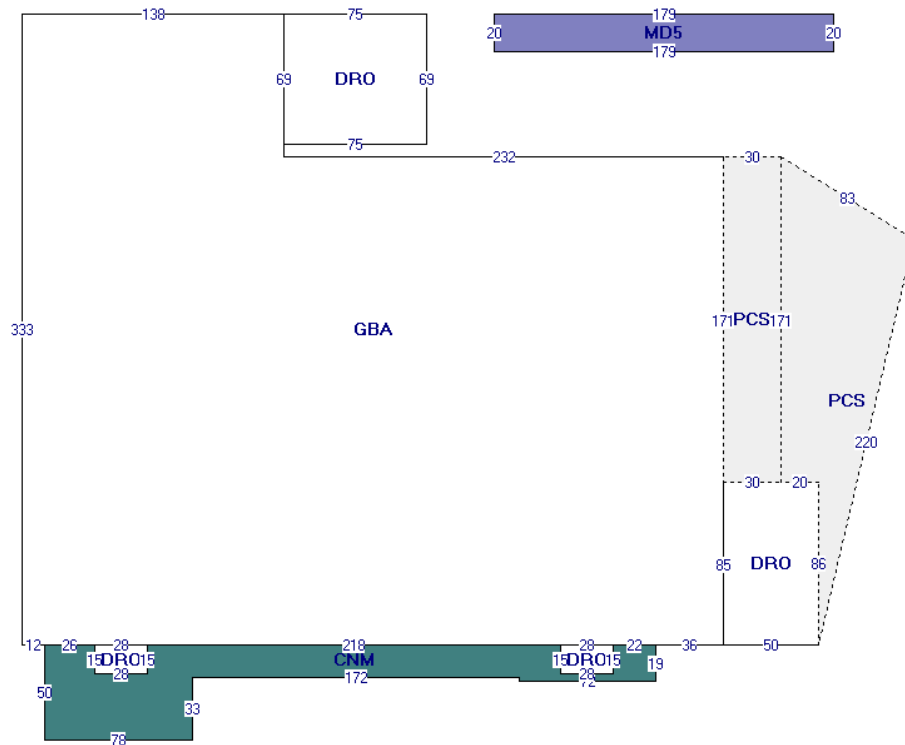
printed: 01/25/2019

ACTIVE

1010.17

RAKQ - Commercial

VALUATION HISTORY							PARCEL VALUE SUMMARY		Database	Roll Year	Prior % Complete	% Complete				
Roll Year	Taxable Land	Land New	Taxable Improvements	Improvement New	Total Taxable	Total Assessed	Primary Valuation	Building Level Cost	PROD							
2019 NR	4,666,144	0	5,378,075	0	10,044,219	3,515,477	Building Value	4,150,038								
2018 FV	4,082,876	0	5,354,919	0	9,437,795	3,303,228	Extra Feature Value	1,228,037								
2017 FV	4,082,876	0	5,407,948	0	9,490,824	3,321,788	Land Value	4,666,144								
2016 FV	3,499,608	0	5,521,597	0	9,021,205	3,157,422	Taxable Value	10,044,219								
2015 FV	3,499,608	0	5,466,331	0	8,965,939	3,138,079	Exemption	0			Reopen	Code:				
2014 FV	3,499,608	0	5,527,562	0	9,027,170	3,159,510	FLAGS				Reappraisal					
2013 FV	3,499,608	0	5,520,996	0	9,020,604	3,157,212	Type	Value								
2012 FV	3,499,608	0	5,651,872	0	9,151,480	3,203,018	Cap Code	NFM								
2011 FV	3,499,608	0	4,925,409	0	8,425,017	2,948,756	Eligible for Form?	NO								
2010 FV	3,499,600	0	4,878,130	-122,998	8,377,730	2,932,206	Low Cap Percentage	0								
2009 FV	3,966,185	0	4,831,429	0	8,797,614	3,079,165	Parcel Map	3180								
2008 FV	4,943,652	0	4,909,780	0	9,853,432	3,448,701										
BUILDING DETAILS				BUILDING FEATURES AND ADJUSTMENTS				BUILDING SUB-AREAS				BUILDING COST SUMMARY				
Type	Code	Description	Category	Units	Code	Description	Yr Blt	Units	Cost New	Tot Lump Sum Adj						
Occupancy	458	Discount	Units	1	DRO	DO - No Value Drawn for Info		0		Sub Area-RCN	5,328,046					
Story/Frame	C	MSNRY BRNG ~	No of Stories	1		Base Cost		105,810	3,141,499	% Incomplete	0					
Quality	0	Commercial	Quality Class	1.5		Exterior Walls		105,810	1,542,710	% Depreciation	30.00					
Year Built	WAY	%Comp	Year of Addn/Remodel			Heating & Cooling		105,810	227,500	\$ Dep & Inc	1,598,414					
1999	1999	100				Elevators		1	57,288	Obso/Other Adj.	0					
BUILDING CHARACTERISTICS						Sprinklers		119,078	278,642	Sub Area DRC	3,729,632					
Category	Code	Type	%			Mezzanines		3,580	80,407	Additive DRC	1,228,037					
Ext. Wall	818	CONC TILT-UP	100			Mezzanines		3,580	80,407	Total DRC	4,957,669					
Heating Type	606	SPACE HEATER	97			GBA	GBA - GROSS BUILDING AREA	105,810		Override						
Heating Type	611	PACKAGE UNIT	3			MD5	MEZ5 - DRO MEZZANINE STORAGE	0		Cost Code	89502					
Base Rate Adjustment				Adj.						PROPERTY CHARACTERISTICS						
Construction Modifiers				Adj.						Special Prop Code						
										Water						
										Sewer						
										Street						
										Municipal						
										Municipal						
										Paved						
BUILDING NOTES																
Gross Living/Building Area 105,810																
Perimeter 1,406																
#	Bld	Date	User ID	Activity Notes												
1	0-0	11/06/2018	aclancy	REXT BY GS - 10/04/2018												
EXTRA FEATURES, ADDITIVES, AND ADJUSTMENTS																
#	Code	Description	Quality	Bld #	Length	Width	Units	Unit Price	Year Built	Roll Year	% Comp	RCN	% Good	DRC	Override Value	Notes
1	CLEV	COOLING EVAPORATIVE W/DUCTS	EBLD	1-1	0	0	102635	2.95	1999		100	302,773	70.0	211,941		
2	CRBC	CONCRETE CURB 6", NO GUTTER	30	1-1	0	0	4000	13.59	1999		100	54,360	70.0	38,052		
3	CRBG	CONCRETE CURB 6", 1' GUTTER	30	1-1	0	0	1000	18.19	1999		100	18,190	70.0	12,733		
4	DKLV	DOCK LEVELER	30	1-1	0	0	4	7,922.00	1999		100	31,688	70.0	22,182		
5	FNC6	FENCE CHAIN LINK 6 FT	30	1-1	0	0	1000	18.83	1999		100	18,830	70.0	13,181		
6	FNI2	WROUGHT IRON FENCE-AVE	30	1-1	0	0	4745	16.05	1999		100	76,157	70.0	53,310		
7	FNI3	WROUGHT IRON FENCE-GOOD	30	1-1	0	0	300	24.14	1999		100	7,242	70.0	5,069		
8	FNTR	FENCE TOP RAIL	30	1-1	0	0	1000	2.47	1999		100	2,470	70.0	1,729		
9	FWAS	FLATWORK ASPHALT	30	1-1	0	0	300000	1.92	1999		100	577,200	70.0	404,040		
10	FWCO	FLATWORK CONCRETE	30	1-1	0	0	17660	4.45	1999		100	78,520	70.0	54,964		
11	GHS1	GREENHOUSE Q1	10	1-1	0	0	4300	41.91	1999		100	180,213	70.0	126,149		
12	PKL3	PARKING LOT LT 24' ONE FIXTURE	30	1-1	0	0	31	2,981.00	1999		100	92,411	70.0	64,688		
13	PMP4	PUMP HOUSE Q4 - GOOD	30	1-1	0	0	330	30.05	1999		100	9,917	70.0	6,942		
14	TKW4	TRUCK WELL CONCRETE WITH RETAINING WALL	30	1-1	0	0	5175	18.76	1999		100	97,083	70.0	67,958		
15	VES1	VESTIBULES/ATRIUMS	30	1-1	0	0	840	79.56	1999		100	66,830	70.0	46,781		
16	WLCB	WALL CONCRETE BLOCK	30	1-1	0	0	986	15.68	1999		100	15,460	70.0	10,822		
17	WLCB	WALL CONCRETE BLOCK	30	1-1	0	0	3420	15.68	1999		100	53,626	70.0	37,538		
18	WLSF	WALL STUCCO FRAME	30	1-1	0	0	1581	8.70	1999		100	13,755	70.0	9,628		
LAND VALUE		DOR Code	400	Neighborhood		1010.17 RAKQ - Commercial		Land Size		13.3900		Unit Type		AC		
#	Code	Description	Zone	Units	Unit Type	Sub Type	Unit Price	Influence 1 Code	Influence 1 %	Influence 2 Code	Influence 2 %	Taxable Value		Land Notes		
1	400	General Commercial: retail,	AC	583,268.00	SF	3	8.00					4,666,144				



BUILDING PERMITS

Date	Permit #	Description	Amount	Status	% Comp	Last Visit/Appr/Results	Notes
09/28/2017	SGN18-01755	SGIN;	4,362	Compl	0	05/30/18 EB	Compl NVC
02/24/2017	BLD17-01059	CELL SITE	30,000	Compl	100	04/14/17 TAO	Compl NVC
08/26/2015	BLD15-07351	REMODEL	65,000	Compl	100	03/23/16 GS	Compl
06/16/2014	BLD14-06968	REROOF ;	109,767	Compl	100	12/12/14 LLL	Compl
12/31/2013	BLD14-01131	ANTENNA	12000	Compl	100	07/21/14 TAO	Compl
10/12/2012	BLD13-01624	SEE NOTES	0	Compl	0	11/16/12 LLL	Compl NVC CHG OF CONT-

[illegible]

Grantor	Document	Date	LUC	Verif	Terms	Sales	Notes
HOME DEPOT USA INC,	2527645	02/27/2001	400	3NTT	1CTS		INC LETTER PER ERNIE/BOE
	N/A	09/30/1998	140	1SVR		3,525,000	
	2258902	09/30/1998	140	1SVR		3,525,000	F VERIFIED 12/2/98 LwH
	2258898	09/30/1998		3B		30,500	INCLUDES 212-010-

#	Bld	Date	User ID	Activity Notes
2	0-0	09/26/2017	smans	REXT BY GS - 08/01/2017
3	0-0	10/19/2016	rlope	REXT BY GS - 10/17/2016
4	0-0	11/06/2015	idiez	TAG FROM 1005 TO 1000 TMUGWB NOW SPECIAL ASSESSMENT
5	0-0	04/18/2014	llamb	AERL - PICTOMETRY REVIEW
6	1-1	10/07/2013	llamb	REXT AAKQ IMPROVEMENT LINE DONE 10/07/2013 BY REVIEWED-NO CHGS ON IMP
7	1-1	08/31/2012	llamb	REXT AAKQ IMPROVEMENT LINE DONE 08/31/2012 BY REVIEWED-NO CHGS ON IMP
8	1-1	04/17/2012	mbozm	DATA ADD CLEV, ADD TO PROP NAME, CHANGE EXT WALL AND HEAT TYPES.
9	1-1	02/13/2012	lizimm	BOE 2012/2013 - BOE UPHELD ASSESSOR VALUES
10	1-1	07/15/2011	GD	REXT AAKQ IMPROVEMENT LINE DONE 07/15/2011 BY REVIEWED-NO CHGS ON IMP

Situs & Keyline Description:
5125 SUMMIT RIDGE CT RENO
PM 3180 FR LTS 1 2 & ALL
LT 4 (RS 3504)

Owner & Mailing Address:
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							Building Value	4,150,038								
							Extra Feature Value	1,228,037								
							Land Value	4,666,144								
							Taxable Value	10,044,219								
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2017 FV	4,082,876	0	5,407,948	0	9,490,824	3,321,788	Type	Value								
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2015 FV	3,499,608	0	5,466,331	0	8,965,939	3,138,079	Eligible for Form?	NO								
2014 FV	3,499,608	0	5,527,562	0	9,027,170	3,159,510	Low Cap Percentage	0								
2013 FV	3,499,608	0	5,520,996	0	9,020,604	3,157,212	Parcel Map	3180								
2012 FV	3,499,608	0	5,651,872	0	9,151,480	3,203,018	NC / C New Land New Sketch									
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2009 FV	3,966,185	0	4,831,429	0	8,797,614	3,079,165										
2008 FV	4,943,652	0	4,909,780	0	9,853,432	3,448,701										
BUILDING DETAILS							BUILDING FEATURES AND ADJUSTMENTS				BUILDING SUB-AREAS				BUILDING COST SUMMARY	
Type	Code	Description	Category	Units	Code	Description	Yr Blt	Units	Cost New	Tot Lump Sum Adj		0				
Occupancy	458	Commercial/Industr	Units	1						Sub Area-RCN		5,328,046				
Story/Frame	C	Discount	No of Stories	1						% Incomplete		0				
Quality	0	MSNRY BRNG ~	Quality Class	1.5						% Depreciation		30.00				
Year Built	WAY	%Comp	Year of Addn/Remodel							\$ Dep & Inc		1,598,414				
1999	1999	100								Obso/Other Adj.		0				
BUILDING CHARACTERISTICS											Sub Area DRC		3,729,632			
Category	Code	Type	%							Additive DRC		1,228,037				
Ext. Wall	818	CONC TILT-UP	100							Total DRC		4,957,669				
Heating Type	606	SPACE HEATER	97							Override						
Heating Type	611	PACKAGE UNIT	3							Cost Code		89502				
Base Rate Adjustment							Adj.	PROPERTY CHARACTERISTICS								
Construction Modifiers							Adj.									
Gross Living/Building Area							105,810	BUILDING NOTES								
Perimeter							1,406									
#	Bld	Date	User ID	Activity Notes												
1	0-0	11/06/2018	aclancy	REXT BY GS - 10/04/2018												
EXTRA FEATURES, ADDITIVES, AND ADJUSTMENTS																
#	Code	Description	Quality	Bld #	Length	Width	Units	Unit Price	Year Built	Roll Year	% Comp	RCN	% Good	DRC	Override Value	Notes
19	YIMP	YARD IMPROVEMENTS	30	1-1	0	0	10	1,593.78	1999		100	15,938	70.0	11,156		
20	TCES	TELECOMMUNICATION EQUIP. SHELTERS	30	1-1	0	0	192	97.70	2012	2016	100	18,758	89.5	16,789		
21	PCS	PORCH CONCRETE SLAB	30	1-1	0	0	20	8.40	2012	2016	100	168	89.5	150		
22	WLCO	WALL CONCRETE	30	1-1	0	0	400	20.94	2012	2016	100	8,376	89.5	7,497		
23	WLR1	RETAINING WALL Q1	30	1-1	0	0	75	16.15	2012	2016	100	1,211	89.5	1,084		
24	FNW6	FENCE WOOD 6 FT	30	1-1	0	0	140	29.16	2012	2016	100	4,082	89.5	3,654		
LAND VALUE DOR Code 400 Neighborhood 1010.17 RAKQ - Commercial Land Size 13.3900 Unit Type AC																
#	Code	Description	Zone	Units	Unit Type	Sub Type	Unit Price	Influence 1 Code	%	Influence 2 Code	%	Taxable Value	Land Notes			

WASHOE COUNTY APPRAISAL RECORD

2019

HOME DEPOT / NORTHWEST

Tax District: 1000

printed: 01/25/2019

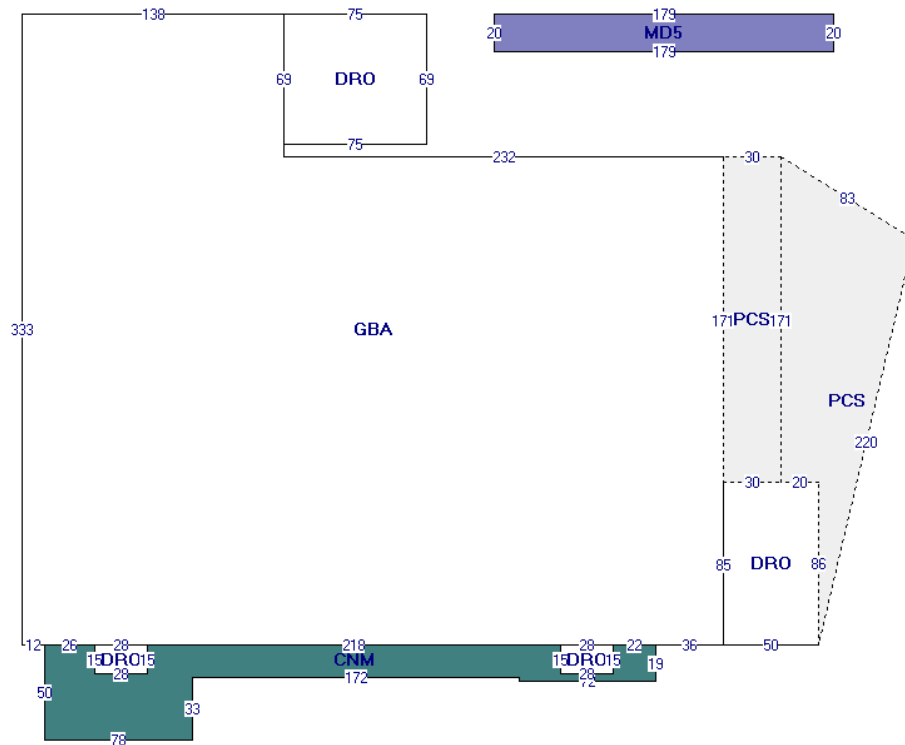
ACTIVE

APN: 212-010-08



1010.17

RAKQ - Commercial



BUILDING PERMITS

Date	Permit #	Description	Amount	Status	% Comp	Last Visit/Appr/Results	Notes
09/28/2017	SGN18-01755	SIGN;	4,362	Compl	0	05/30/18 EB Compl	NVC
02/24/2017	BLD17-01059	CELL SITE	30,000	Compl	100	04/14/17 TAO Compl	NVC
08/26/2015	BLD15-07351	REMODEL	65,000	Compl	100	03/23/16 GS Compl	
06/16/2014	BLD14-06968	REROOF ;	109,767	Compl	100	12/12/14 LLL Compl	
12/31/2013	BLD14-01131	ANTENNA	12000	Compl	100	07/21/14 TAO Compl	
10/12/2012	BLD13-01624	SEE NOTES	0	Compl	0	11/16/12 LLL Compl	NVC CHG OF CONT-

SALES/TRANSFER INFORMATION

Grantor	Document	Date	LUC	Verif	Terms	Sales	Notes
HOME DEPOT USA INC,	2527645	02/27/2001	400	3NTT			INC LETTER PER ERNIE/BOE
	N/A	09/30/1998	140	1SVR		3,525,000	
	2258902	09/30/1998	140	1SVR	1CTS	3,525,000	F VERIFIED 12/2/98 LJH
	2258898	09/30/1998		3B		30,500	INCLUDES 212-010-

#	Bld	Date	User ID	Activity Notes
2	0-0	09/26/2017	smans	REXT BY GS - 08/01/2017
3	0-0	10/19/2016	rlope	REXT BY GS - 10/17/2016
4	0-0	11/06/2015	idiez	TAG FROM 1005 TO 1000 TMUGWB NOW SPECIAL ASSESSMENT
5	0-0	04/18/2014	llamb	AERL - PICTOMETRY REVIEW
6	1-1	10/07/2013	llamb	REXT AAKQ IMPROVEMENT LINE DONE 10/07/2013 BY REVIEWED-NO CHGS ON IMP
7	1-1	08/31/2012	llamb	REXT AAKQ IMPROVEMENT LINE DONE 08/31/2012 BY REVIEWED-NO CHGS ON IMP
8	1-1	04/17/2012	mbozm	DATA ADD CLEV, ADD TO PROP NAME, CHANGE EXT WALL AND HEAT TYPES.
9	1-1	02/13/2012	lzimm	BOE 2012/2013 - BOE UPHELD ASSESSOR VALUES
10	1-1	07/15/2011	GD	REXT AAKQ IMPROVEMENT LINE DONE 07/15/2011 BY REVIEWED-NO CHGS ON IMP

This information is for use by the Washoe County Assessor for assessment purposes only.



HOME DEPOT / NORTHWEST

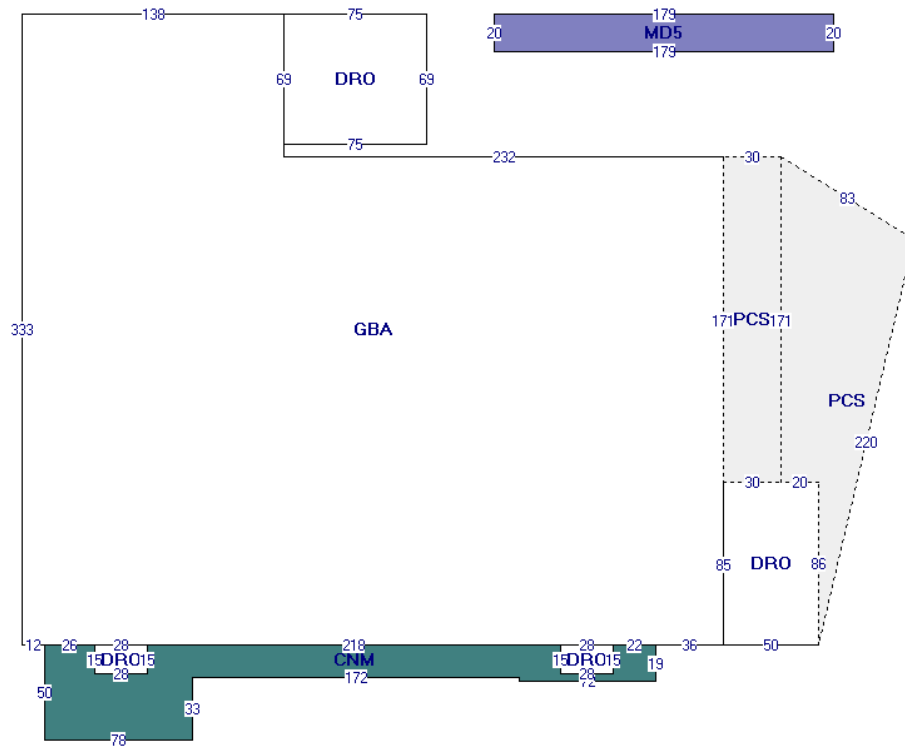
Tax District: 1000

printed: 01/25/2019

ACTIVE

1010.17

RAKQ - Commercial



BUILDING PERMITS

Date	Permit #	Description	Amount	Status	% Comp	Last Visit/Appr/Results	Notes
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08/26/2015	BLD15-07351	REMODEL	65,000	Compl	100	03/23/16 GS Compl	
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12/31/2013	BLD14-01131	ANTENNA	12000	Compl	100	07/21/14 TAO Compl	
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#	Bld	Date	User ID	Activity Notes

ATTACHMENT A

Home Depot Property Rights Adjustment

Contract Rent: \$81,900/monthly

Market Rent: \$66,841/monthly (\$0.65/SF *102,832)

\$15,059/monthly difference between contract and market

\$15,059*12=\$180,708 yearly difference

\$180,708

Time Calculation

Acquired: 4/26/2018

Lease Expires: 8/31/2024

2,319 total days at above Market Rent

2,319/365=6.35 years; Or 6 years, 4 months, and 6 days at above Market Rent

Discount Calculation

Year	Difference	Safe Rate 4% (Year)
1	\$180,708	
2	\$180,708	
3	\$180,708	
4	\$180,708	
5	\$180,708	
6	\$180,708	
6 to 6.35	\$76,394	

Net Present Value **\$1,005,349.23**

Rounded **\$1,005,000**

ATTACHMENT B

WESTERN REGIONAL FREESTANDING RETAIL SALES - Fully Occupied

Sale #	Tenant	State	City	Parcel #	Coverage Ratio	Building Size	Age	Sale Date	Sales Price	\$/SF	Cap Rate	Est. Annual Net Income	Est. Annual Rent	Est. Rent/ Mth	Lease Type	Years Left
													5% est. exp applied			
1	Home Depot	NM	Farmington	38172	0.29	129,924	2001	04/25/2018	\$9,100,000	\$70	6.20%	\$564,200	\$5	\$0.38	NNN	8
2	Lowe's	CA	Clovis	498-032-38S	0.32	164,351	2003	10/01/2018	\$12,409,500	\$76	5.56%	\$689,968	\$4	\$0.37	NNN	10
3	Home Depot	AZ	Phoenix	166-14-040	0.27	107,724	1999	09/29/2017	\$11,763,000	\$109	6.22%	\$731,659	\$7	\$0.60	NNN	3
4	Lowe's	WA	Mt. Vernon	P26247 & 49	0.45	137,472	1993	04/04/2018	\$16,991,453	\$124	5.85%	\$994,000	\$8	\$0.63	NNN	10
5	Hardware	WA	Puyallup	Multi	0.31	86,355	1951	09/06/2018	\$11,400,100	\$132	6.25%	\$712,506	\$9	\$0.72	NNN	18
6	Home Depot	CA	Stanton	131-401-13	0.39	107,000	1986	06/28/2018	\$22,558,000	\$211	5.37%	\$1,211,365	\$12	\$0.99	NNN	7+
7	Home Depot	NV	Las Vegas	138-34-717-007	0.24	105,275	1993	01/05/2017	\$23,100,000	\$219	6.00%	\$1,386,000	\$14	\$1.15	NNN	7
8	Lowe's	CA	Torrance	7357-027-030	0.23	127,400	1999	11/13/2017	\$47,500,000	\$373	5.00%	\$2,375,000	\$20	\$1.64	NNN	10
MEDIAN					0.30	117,562	1996	04/14/2018	\$14,700,477	\$128	5.93%	\$862,829	\$8	\$0.68	-	-

The table illustrates that Home Depots throughout the Western Region of the US are considered valuable properties. The value for similar properties in Reno Nevada, a central point within that Western Region, coincidently falls within the central portion of these illustrated values.

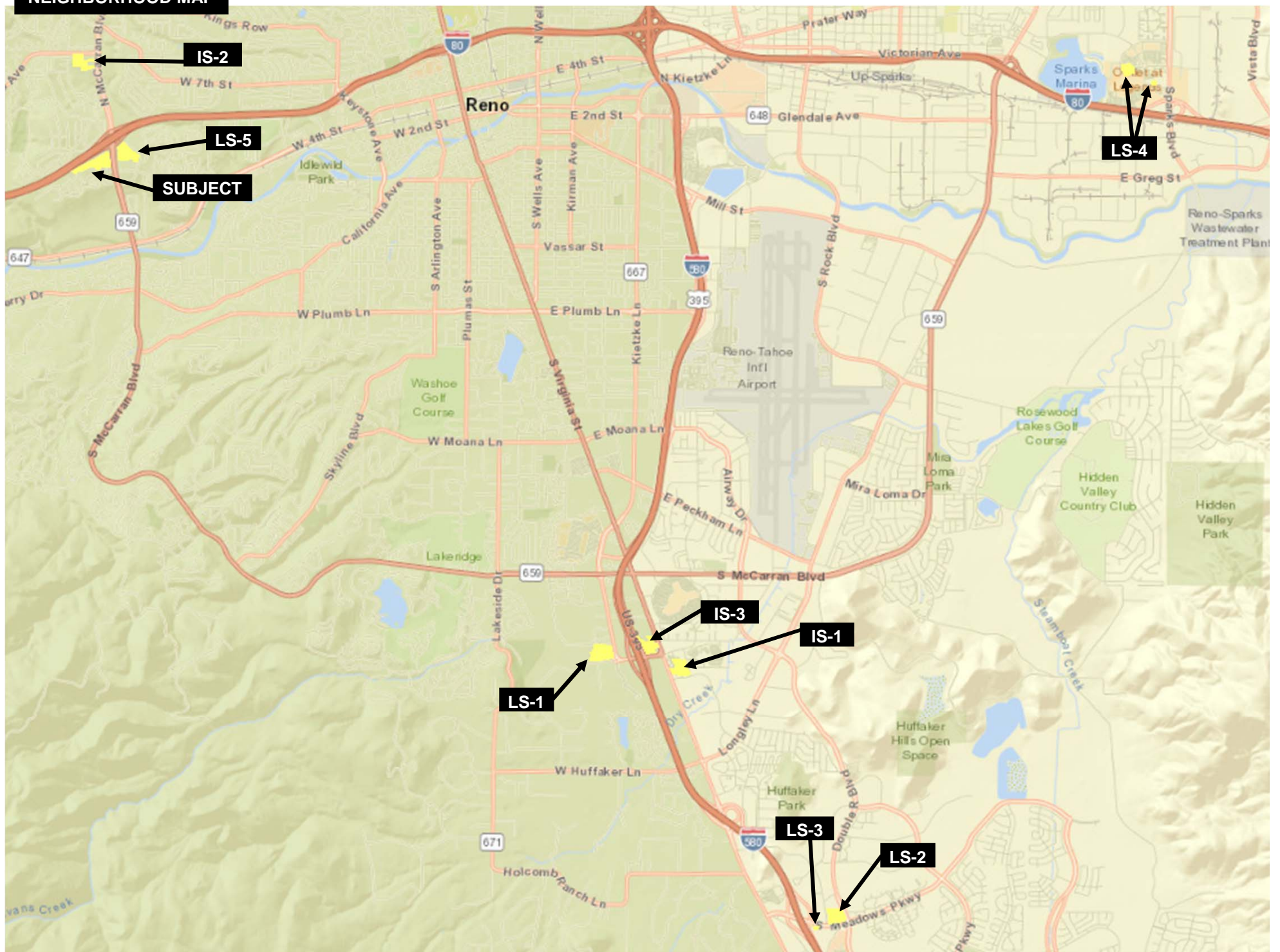
ATTACHMENT C

Box Store Rent Survey								
#	Location APN	Description	Sq Feet/ Year Built	Lease Date/ Term	Base Rent/SF	ADJ	Lease Type	Comments
Market Rents								
1	Undisclosed (Sparks Neighborhood Shopping Center inside McCarran Loop)	Retail Store	15,000-20,000 1980	9/2018 10 Year	\$0.62	\$0.68	NNN	Significant capital improvements were completed by owner prior to occupancy; tenant responsible for interior improvements; 10% rent escalation after 5 years; Five (5) options; Tenant received 4 months free rent
2	Undisclosed (Sparks Neighborhood Shopping Center inside McCarran Loop)	Retail Store	35,000-40,000 1980	9/2018 10 Year	\$0.42	\$0.46	NNN	Significant capital improvements were completed by owner prior to occupancy; tenant responsible for interior improvements and store front; 10% rent escalation after 5 years; Five (5) options; Tenant received 3 months free rent
3	1350 Disc Drive, Suite A 035-263-09	Big Lots	32,285 1996	08/01/2018 10 Year	\$0.50	\$0.55	NNN	Landlord contributed ~\$900,000 in tenant improvements. Rent is flat except for one 10% escalation after 5 years
4	125-165 Disc Drive, Ste. DM-2 510-083-09	Marshall's Home Goods	40,149 2006	9/2016 5 Year	\$0.63	\$0.69	NNN	Landlord responsible for tenant improvements; 2% escalations
5	Undisclosed (Spanish Springs Community Shopping Center)	Retail Store	20,000-25,000	09/01/2018 10 Year	\$0.69 *note	\$0.69	NNN *note	Landlord provided \$7.00/SF tenant improvement allowance and 5 months free rent; Options exist at end of term; Rent is MG @ \$0.74. *rent adjusted downward \$0.15/SF to reflect NNN.
6	2863 Northtowne Lane 026-182-38	Former Wal-Mart Teleperformance tenant (Call Center)	42,780 1994	11/2015 6 Year	\$0.79	\$0.79	NNN	Tenant paid for improvements; rent escalations exist; options exist to extend lease agreement to 12 years; tenant responsible for parking lot maintenance
7	2863 Northtowne Lane, Unit C 026-182-38	Former Wal-Mart Planet Fitness tenant	18,526 1994	11/2015 NA	\$0.75	\$0.75	NNN	Tenant paid for improvements; Improvements will include gym and spa
			Market Rent Median:		\$0.63	-	Reflects rents at neighborhood shopping centers. Upward adjustments for the regional power centers should be considered.	
			ADJUSTED MEDIAN		-	\$0.69	Subject is located at a regional power center and is a built to suit first generation building. Upward adjustment of 10% applied to rents at neighborhood shopping centers. Adjustment also supported by The Boulder Group Q4 "Big Box Report" Investment grade vs. non-investment grade stats.	
			RENT USED			\$0.65		
ADDITIONAL INFORMATION								
#	Location APN	Description	Sq Feet/ Year Built	Lease Date/ Term	Base Rent/SF	ADJ	Lease Type	Comments
	6590 S. Virginia St 025-570-01	Home Depot	102,832 1993	1993 30 Year	\$0.80	N/A	NNN	Contract rent affixed to the recent Home Depot sale. The existence of excess rent was reviewed in this analysis. Lease option in 2024.
	1030 W. Sunset (Henderson) 178-03-610-011	Home Depot	102,370 1992	2016 unknown	\$1.14	N/A	NNN	Property is located in Henderson NV. Lease renewed and negotiated in 2016.

ATTACHMENT D

CAP RATES			
SOURCE	MIN %	MAX %	MEDIAN %
Local Sales Data (See Sales IS-1 to IS-3)	4.75	6.8	5.84
Regional Home Improvement Sales (See Attachment B)	5	6.25	5.93
USED	5.25%		
REASONING: The recent sale of the local Home Depot sold at a Cap Rate of 5.84%. The subject had a contract rent that was found to have excess rent. Applying a market rent that is less than contract rent represents less risk to the investor, thus the cap rate (a portion of which is risk of the investment) was adjusted downward slightly.			

NEIGHBORHOOD MAP



39-78

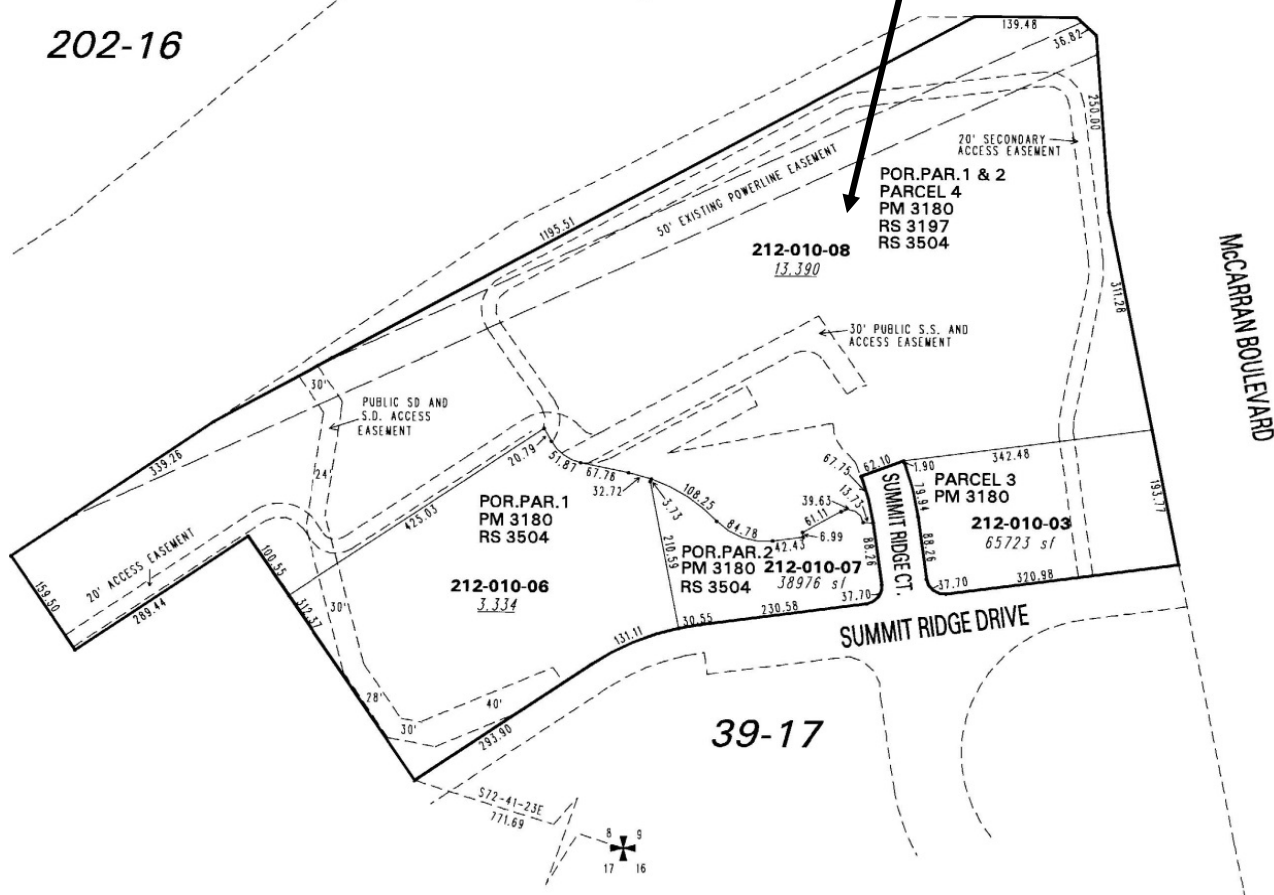
202-16

INTERSTATE HIGHWAY 80

SUBJECT

**POR. OF SE 1/4 SECTION 8
AND
POR. OF SW 1/4 SECTION 9
T19N - R19E**

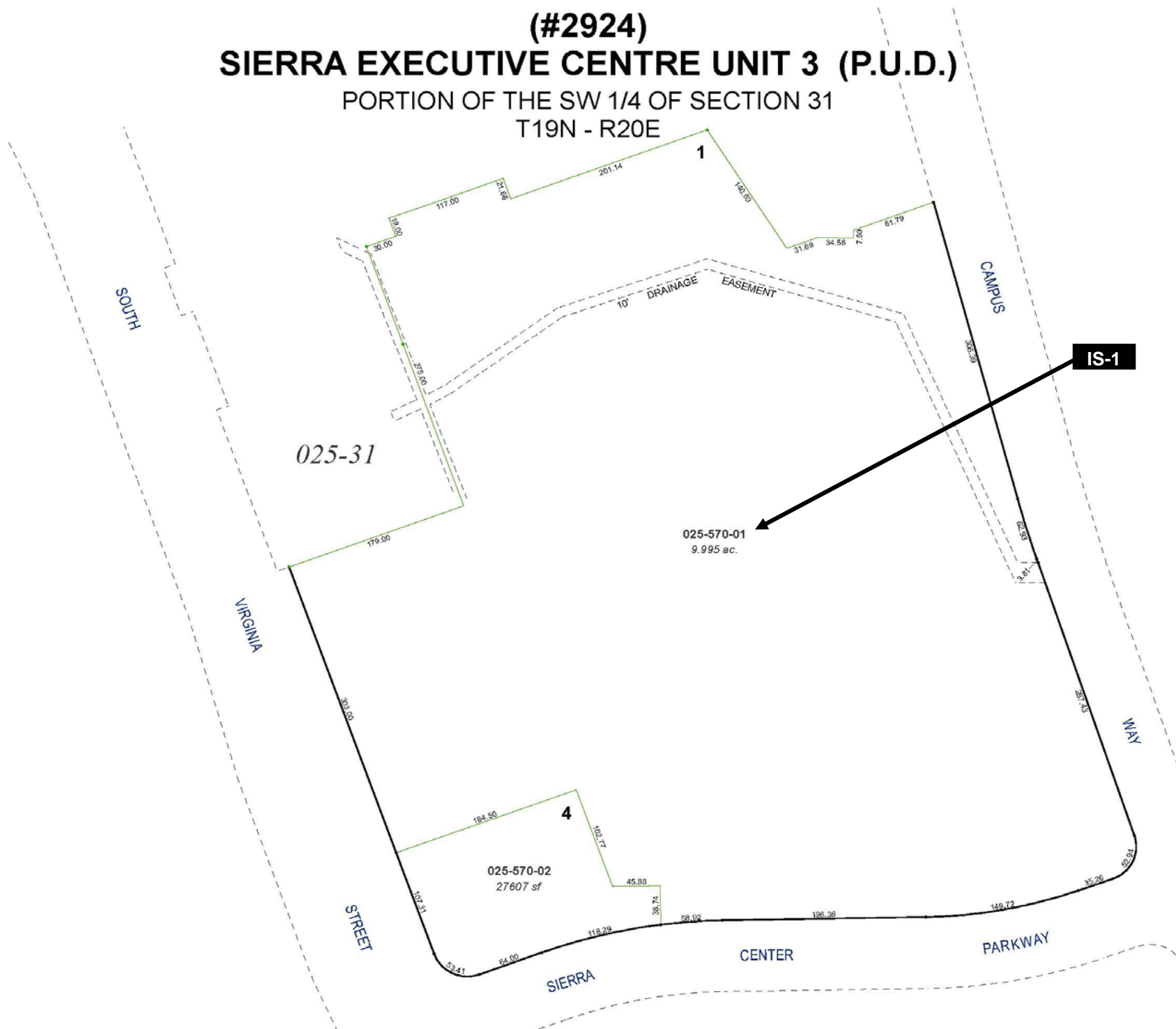
BOOK 400



1" = 20'



(#2924)
SIERRA EXECUTIVE CENTRE UNIT 3 (P.U.D.)
PORTION OF THE SW 1/4 OF SECTION 31
T19N - R20E



039-;

039-05

039-05

MAE ANNE AVENUE

351.36

5
4
8
9

PAR.1
P.M.2273

PAR.1
P.M.2657

039-750-02
65,878 sf

PAR.2
P.M.2657

039-750-03
34,691 sf

039-750-13
9,085 ac.
PAR. 1-A
PM 4163

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

PAR.1
P.M.3999

PAR.2
P.M.2348

039-750-04
26,934 sf

039-750-09
9,182 ac.

PAR.2
P.M.3999

039-750-10
35,045 sf

PAR.3
P.M.3999

039-750-11
6,923 ac.

BOULEVARD
McCARRAN

IS-2
PORTION NE 1/4 OF SECTION 8
T19N - R19E

BOOK 005

039-04

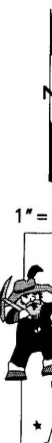
SIERRA HIGHLANDS DRIVE

039-06

039-12

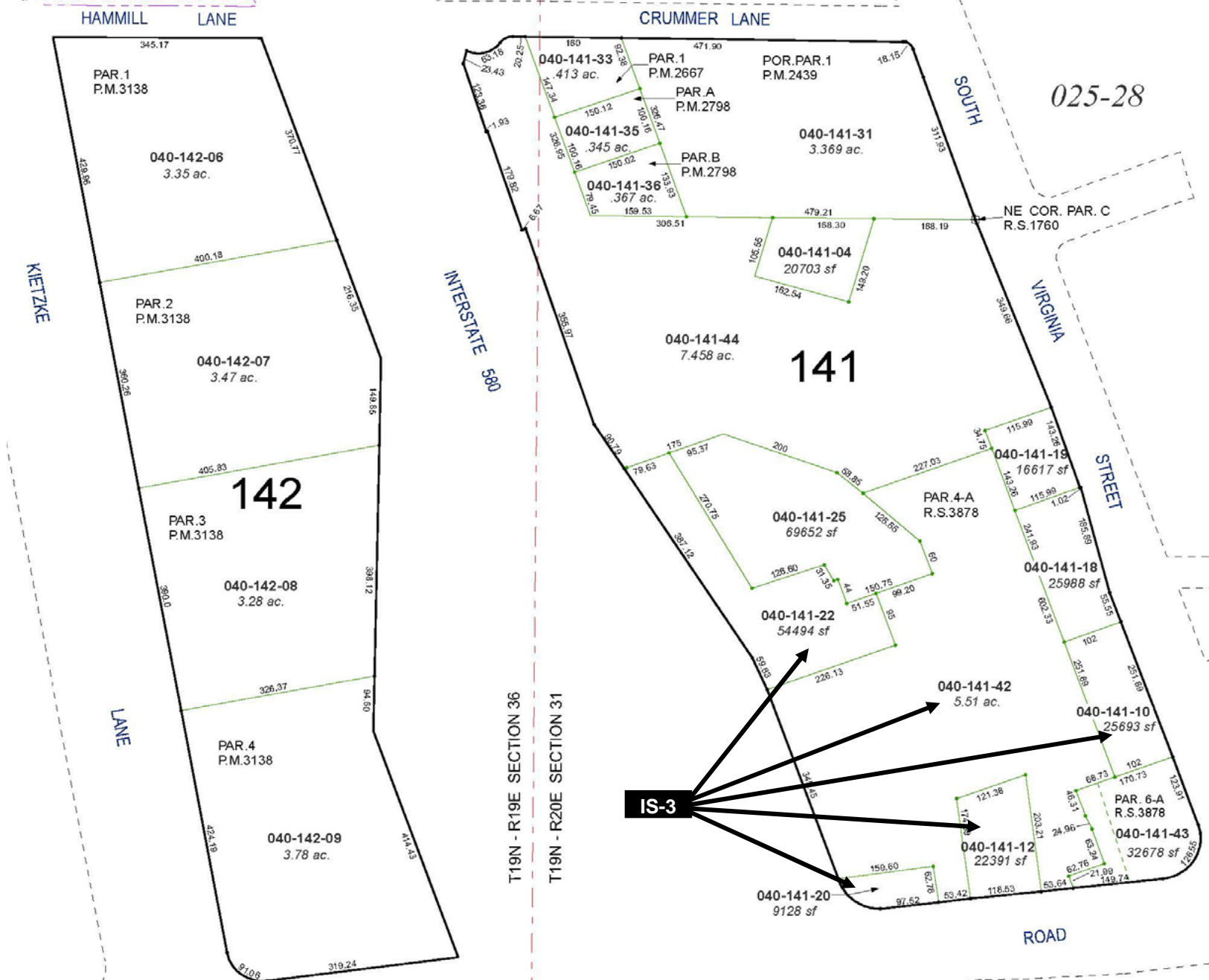
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039-70

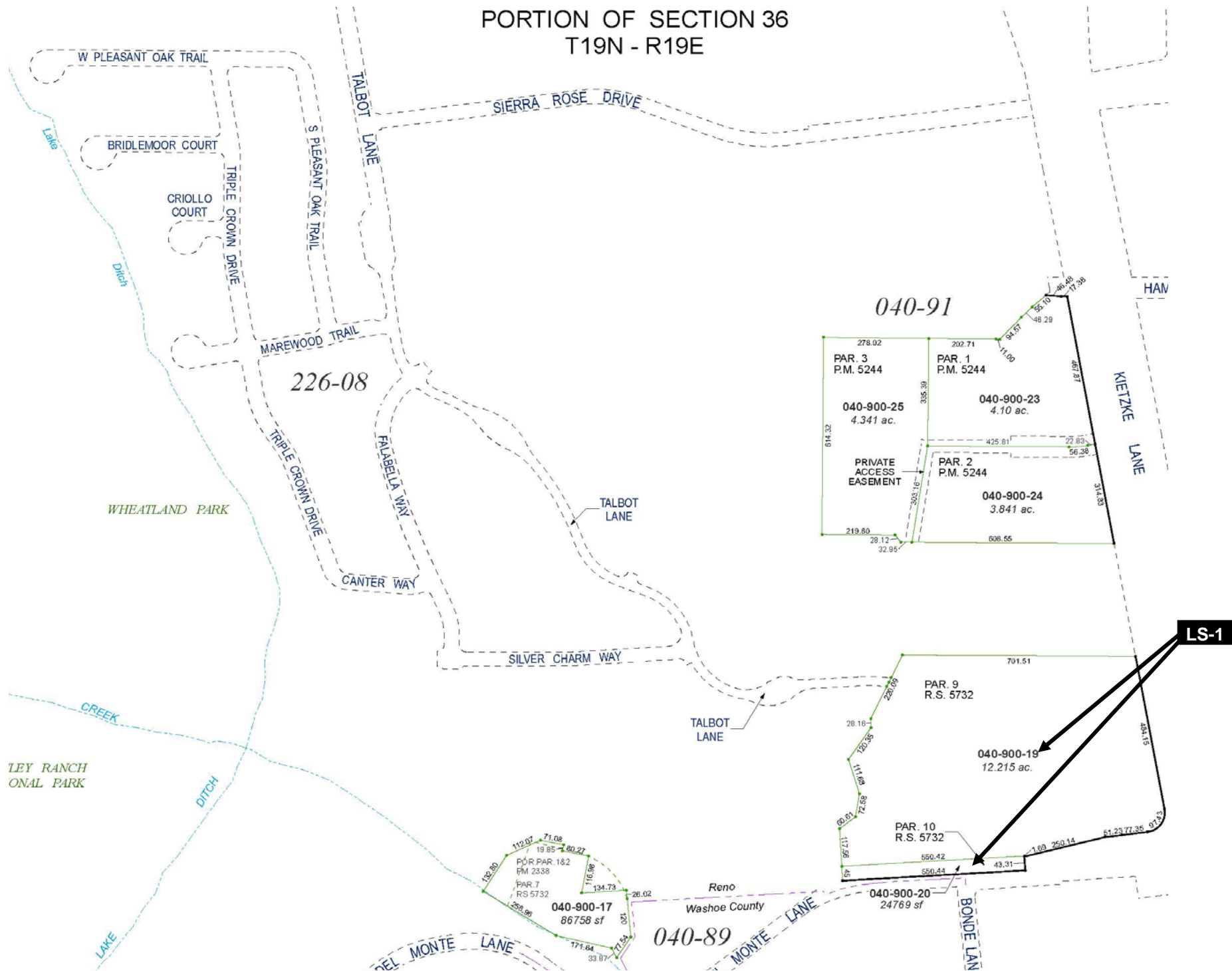


PORTION OF SECTION 36
T19N - R19E

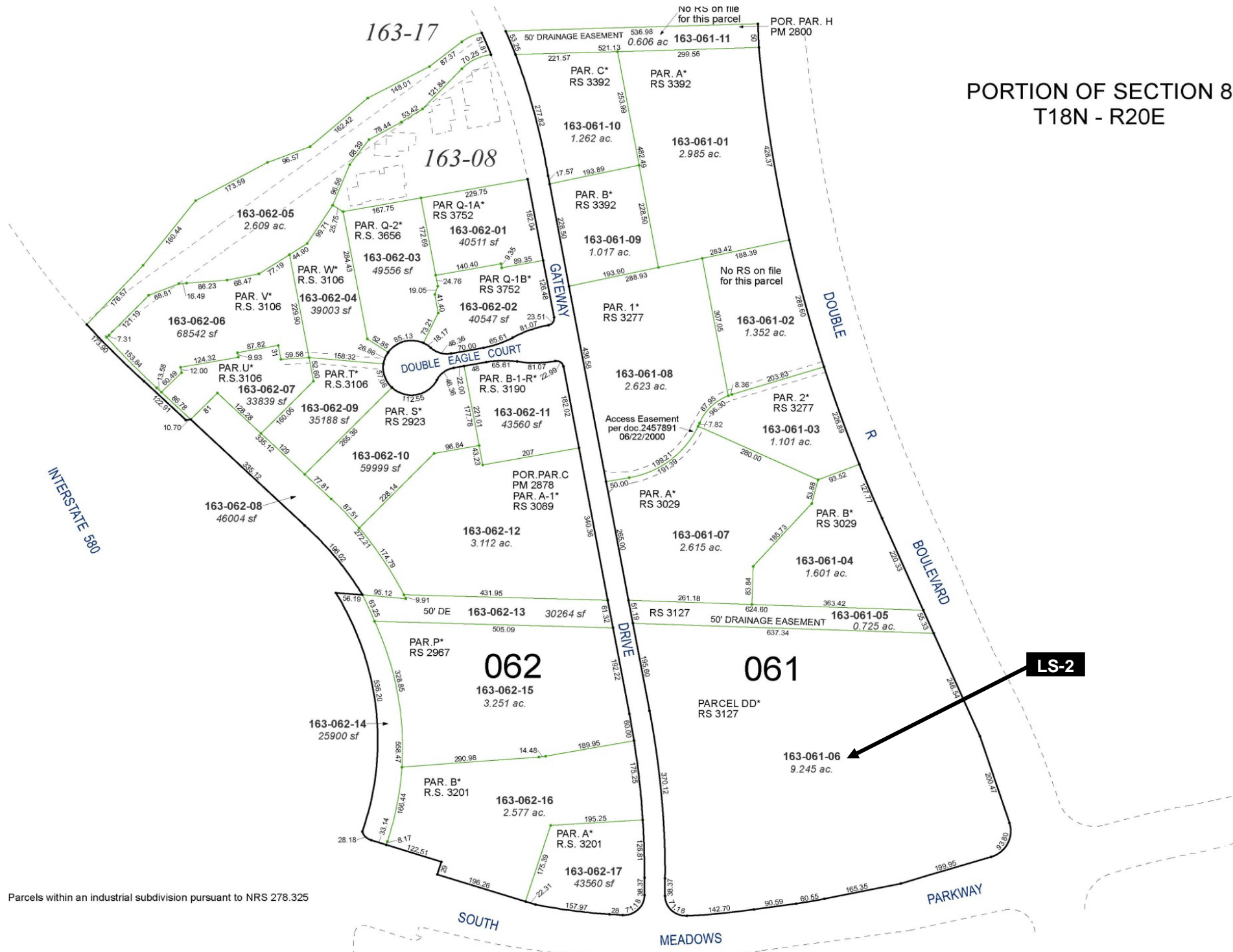
PORTION OF W 1/2 SECTION 31
T19N - R20E



PORTION OF SECTION 36
T19N - R19E

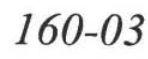


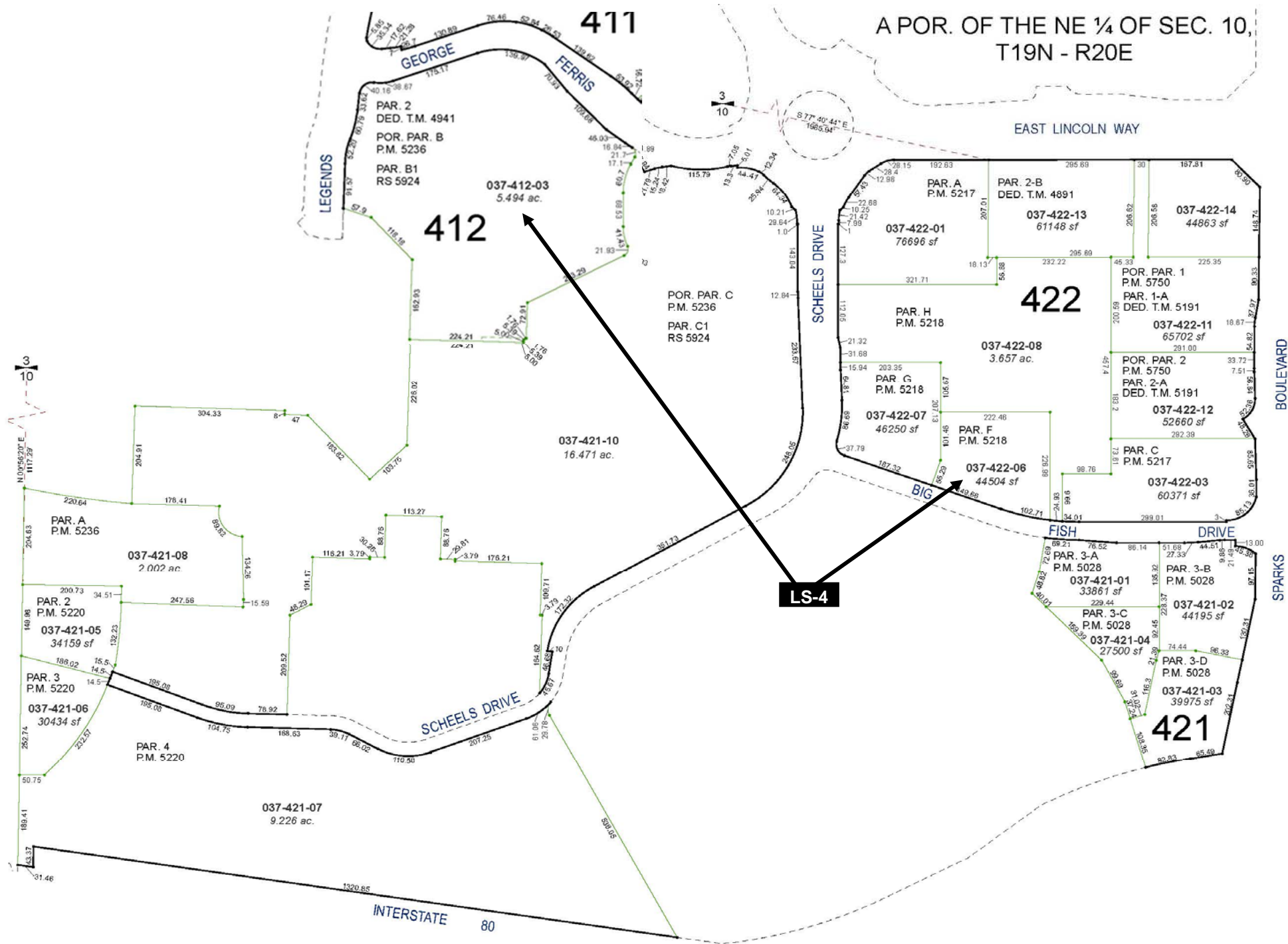
PORTION OF SECTION 8
T18N - R20E



Parcels within an industrial subdivision pursuant to NRS 278.325

160-32





PORTIONS OF SOUTH 1/2 OF SEC. 9 & NORTH 1/2 OF SEC. 16, T19N - R19E

