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TO: WASHOE COUNTY BOARD OF EQUALIZATION

FROM: STEVEN T. POLIKALAS, ESQ.
ON BEHALF OF OWNER C5 INVESTMENTS LLC

PARCEL NO. 046-080-50 HEARING NO. 19-0062

DATE OF HEARING: 02/22/2019 TIME: 9:00 AM

PLACE: WASHOE COUNTY COMMISSION CHAMBERS
Washoe County Administration Complex
1001 E. Ninth Street, Building A
Reno, Nevada

SUBJECT PROPERTY



Petitioner Ex # B Date 2-22
APN 046-080-50
Number of Pages 14

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Washoe County Board of Equalization Hearing
275 US Highway 395, Washoe Valley, Nevada - Parcel No. 046-080-50
02/22/19

THE PROPERTY: The Subject Property is located at 275 US Highway 395 Washoe Valley, Nevada (APN 046-080-50). The Subject Property is known as Sol Cannabis, a new 27,360 square foot greenhouse cultivation and dispensary facility located in Washoe Valley adjacent to the former Cattleman's Restaurant.

THE ASSESSOR'S TAXABLE VALUE:

2018/2019 Total: \$ 3,749,263

2019/2020 Total: \$ 3,787,749

THE OWNER'S OPINION OF TAXABLE VALUE:

2018/2019 Total: \$ 2,500,000

2019/2020 Total: \$ 2,500,000

JUSTIFICATION FOR REDUCTION OF TAXABLE VALUE:

The Subject Property was constructed in 2018 as a co-located 27,360 square foot greenhouse cannabis cultivation and dispensary facility with a 2,920 square foot finished basement. The Washoe County Assessor's office has classified the Subject Property as 21,600 square feet of Institutional Greenhouse space classed as above average at a 25 quality. The remaining 5,760 square feet of the building is classified as a Retail Store classed above average at a 25 quality.

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The property owner believes that the dispensary portion of the Subject Property is out of equalization compared to other dispensary properties that are superior from a location and quality standpoint. The Dispensary which is located at 100 W. Plumb Lane is valued by the Washoe County Assessor's office as a 6,003 square foot retail store classed at a 20 quality as opposed to the Subject Property which has the retail store portion classed at 25 quality. Mynt Dispensary which is located at 132 E. 2nd Street is valued by the Washoe County Assessor's office as a 3,312 square foot retail store classed at 20 quality. Reef dispensary located at 5105 Sun Valley Boulevard has been valued by the Washoe County Assessor's office as a 1,600 square foot retail store classed at 20 quality. Kanna dispensary located at 5398 Sun Valley Boulevard has been valued by the Washoe County Assessor's office as a 2,060 square foot retail store classed at 10 quality. All of these comparables are stand alone buildings in densely populated areas unlike the Subject Property.

The owner also believes that the cultivation portion of the Subject Property is out of equalization when compared to other cultivation properties that are superior from a location and build out standpoint. Kynd cultivation, located at 1645 Crane Way in Sparks, is valued by the Washoe County Assessor's Office as a 54,080 square foot Industrial Storage Warehouse quality classed at 10 as opposed to the Subject Property at 25. Silver State Trading Company's cultivation facility is valued by the Washoe County Assessor as a 158,040 square foot Industrial Warehouse classed at 15 quality as opposed to the subject at 25 quality.

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The greenhouse portion of the building is not insulated and has no grow lights unlike the other cultivation facilities. The production and yield of cannabis is much lower than the other cultivation facilities that are considered much more state of the art than the subject. Currently only 1 harvest has occurred at the Subject Property due to limitation of sunlight in the greenhouse. The other cultivation facilities can harvest up to 8 times annually due to expensive grow lighting and environment systems that the Subject Property does not have.

The most comparable property to the Subject Property is the Moana Lane Nursery greenhouse and retail store located at 3397 Pyramid Way in Sparks. This property has been valued by the Washoe County Assessor's Office as a 4,640 square foot retail store with a quality class of 20 and the 3,402 square foot greenhouse is a line item on the Extra Features and Yard Improvements (XFOBs) which has a much lower value per foot than the subject.

The owner respectfully asks the board to consider reducing the quality class to a 15 on the greenhouse portion of the property and 20 on the retail store.



Photo of the Subject Property on 2/15/19 with nothing being grown due to lack of sunlight



Photo of Moana Lane Nursery at 3397 Pyramid Way

Reef's 165,000 Square Foot Cultivation, Production and Dispensary Facility Las Vegas, NV



Inside Reef's Las Vegas Facility



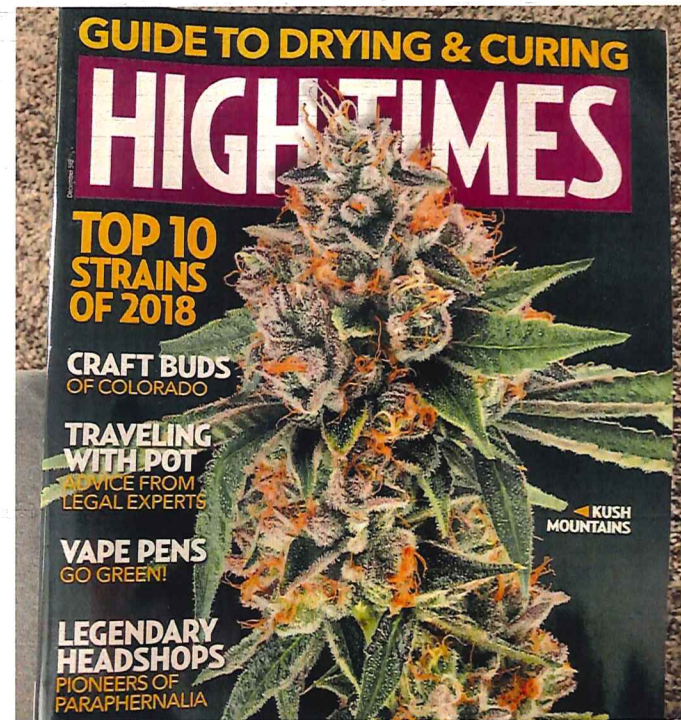
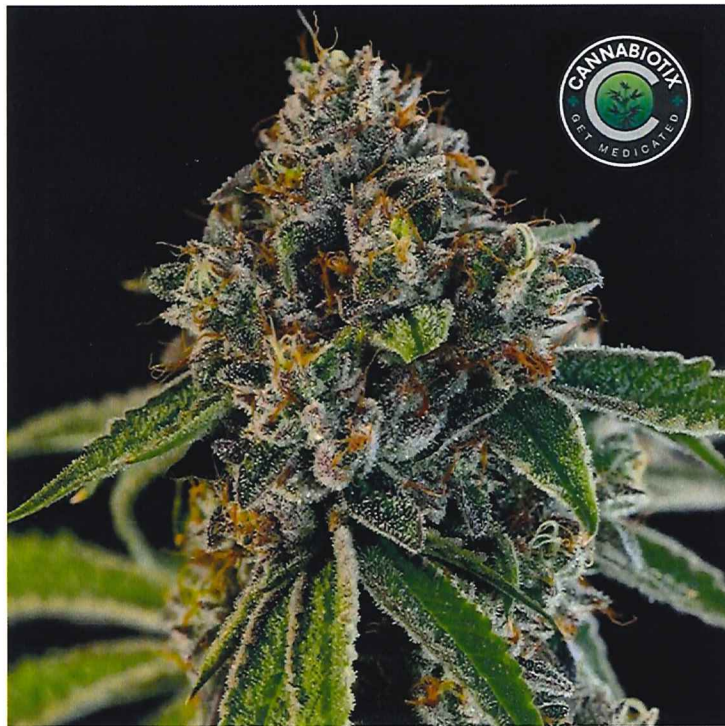
Purple Punch Marijuana Grown by Reef



Cannabiotix Cultivation Facility Las Vegas, NV



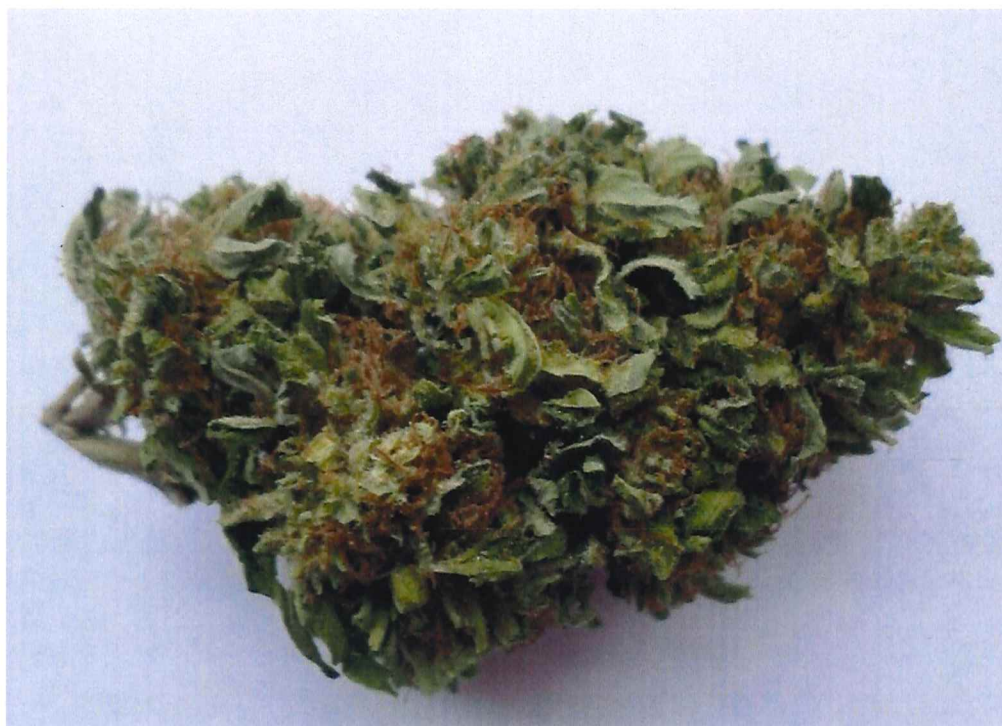
Cannabiotix Wins High Times Strain of the Year



Sol Cultivation Facility



Sol Marijuana



A photograph of a large indoor cannabis cultivation facility. The room is filled with rows of cannabis plants growing under numerous bright, yellowish-orange grow lights. The plants are densely packed and appear to be in the flowering stage. The lighting is warm and focused on the plants. The text is overlaid in the center of the image.

"THEY WOULD NEVER GET THAT LARGE
IN MOTHER NATURE, BUT WE'VE
CREATED A PERFECT ENVIRONMENT." —
MATTHEW MORGAN, FOUNDER OF
TRYKE COMPANIES

