

SILVERWING DEVELOPMENT

245 E. LIBERTY STREET, SUITE 215

RENO, NEVADA 89501

TELEPHONE: (775) 825-5305

TO: WASHOE COUNTY BOARD OF EQUALIZATION

FROM: BIGGEST LITTLE INVESTMENTS LP

PARCEL
NO.

020-254-61

HEARING
NO.

20-0025

DATE OF
HEARING:

02/19/2020

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 # A Date 2-19-20
APN 020-254-61
Number of Pages 13

THE PROPERTY: The Subject Property is located at 3650 South Virginia Street in Reno, Nevada (APN 020-254-61). The Subject Property is known as the Sierra Marketplace Shopping Center which is adjacent to the Atlantis Casino and consists of 169,667 square feet of retail space situated on 13.053 acres of land. Sierra Marketplace suffers from very high vacancy at 65%. The owner submitted his 2019 Annual NOI which indicates \$550,210.00. When this amount is applied to a 7.5% cap rate due to no corporate tenants and risk for high vacancy, a value of \$7,335,000.00 is indicated.

THE ASSESSOR'S TAXABLE VALUE:

2020/2021 Total: \$ 10,802,267.00

THE OWNER'S OPINION OF TAXABLE VALUE:

2020/2021 Total: \$7,335,000.00

JUSTIFICATION FOR REDUCTION OF TAXABLE VALUE:

Sierra Marketplace has suffered from high vacancy for upwards of 10 years with few leasing offers. This property has been extensively marketed and the offers that have been received are very low and require major capital expenditures from the landlord. The property has deferred maintenance such as needing a new roof over and etc. Based on the condition, lack of interest and limited similar market comparables a reduction is warranted. Commercial properties transact predicated on their income and risk associated from factors such as high vacancy and pattern of it for 10+ years. The owner is asking that some relief be given until new tenants are acquired.

Washoe County Board of Equalization Hearing
3650 South Virginia Street, Nevada - Parcel No. 020-254-61
02/19/2020

Based on the foregoing, to establish appropriate equalized value of the Subject Property, the Owner respectfully requests the Board of Equalization reduce the total taxable value of the Subject Property to \$7,335,000 for the 2020/2021 tax year.

Washoe County Assessor's Office

Use Code: 400

Occ. Code: Neighborhood Shopping Ctr

Obsolescence: \$4,635,166

Neighborhood: ADAQ

Appraiser: WJ

APN:020-254-61

Property Address: 3650 S VIRGINIA ST

Building: 1

	12/31/2019 Year-to-Date	12/31/2018 Last Year
Potential Gross Income (as if rented 100%)	\$	\$
less Vacancy Loss	\$	\$
less Credit/bad debt loss	\$	\$
less Rent concessions	\$	\$
Effective Gross Income From Rents	\$ 950,845	\$ 875,859
plus Common Area Maintenance income	\$	\$
plus Miscellaneous income (vending, laundry, etc.)	\$ 4,488	\$ 6,813
Effective Gross Income from all sources	\$ 955,333	\$ 882,672

Operating Expenses

Real Estate Taxes	\$ 137,971	\$ 134,637
Insurance	\$ 20,213	\$ 20,637
Management Fees	\$ 57,051	\$ 52,552
Payroll	\$ 48,028	\$ 49,758
Workman's comp/Payroll taxes	\$ 8,491	\$ 8,725
Administrative	\$ 11,892	\$ 56,802
Advertising/Promotion	\$ 5,204	\$
Janitorial	\$ 419	\$ 1,369
Supplies	\$ 1,434	\$ 2,155
Laundry	\$	\$
Security	\$ 4,311	\$ 4,112
Utilities		
Electrical	\$ 20,276	\$ 22,307
Water	\$ 11,602	\$ 12,387
Sewer	\$ 11,298	\$ 10,212
Trash	\$ 27,113	\$ 28,148
HVAC	\$	\$
Routine Maintenance		
Parking Lot	\$ 917	\$ 4,410
Landscaping	\$ 8,721	\$ 4,513
Snow Removal	\$	\$
Building	\$	\$
Repairs and Replacements		
Flooring	\$ 365	\$
Painting	\$ 3,022	\$ 438
Plumbing	\$ 7,507	\$ 522
Electrical	\$	\$ 472
HVAC	\$	\$ 3,182
General Bldg	\$ 438	\$ 2,351
Miscellaneous (please identify)		
ROOFING	\$	\$ 68
MISCELLANEOUS	\$ 24,850	\$
Total Operating Expenses	\$ 405,123	\$ 419,757
Net Operating Income	\$ 550,210	\$ 462,915

Date

Print Name

Signature

Day Phone #

AT A 7.5 CAP VALUE IS

\$ 7,336,133

= \$ 7,974,369

AT \$ 47 PER FOOT LIKE 210 SALE

Rent Roll
1 - BIGGEST LITTLE INVESTMENTS, LP
From 12/31/19

Unit	Tenant Code	Tenant Name	Unit Sqft	Actual Rent	Deposit	Lease From	Lease To	NSF	Late
01---A1	CRI	CRICKET WIRELESS LLC MAS WIRELESS LLC	1,138.0	2,704.78	2,475.00	6/1/2016	5/31/2022	0	0
02---A2A3		VACANT	1,918.0						
03---A4A5		VACANT	2,000.0						
04---A6	ELE	N V ELEMENTS	750.0	1,941.50	1,725.00	2/16/2015	2/28/2020	1	0
05---A7	NAPA	NELSON ALBERTO PINTO AGENCY	1,250.0		2,315.00	12/1/2019	11/30/2022	0	0
06---A8A9	STAFF	SOURCED STAFFING	1,750.0	2,625.00	2,625.00	11/1/2019	10/31/2022	0	0
07-A1012		VACANT	3,250.0					0	0
08---B		VACANT	68,972.0						
09---C1	BED	BAZAAR EUROPEAN DELI & CAFE	2,098.0	4,175.02	3,671.50	8/18/2016	6/30/2021	0	0
10---C2	BED2	BAZAAR EUROPEAN DELI 2	750.0	1,000.00	0.00	10/19/2018	/ /	0	0
11---C3		VACANT	750.0						
12---C4	PVI	SIERRA SMOKE SHOP	1,250.0	2,454.42	2,250.00	9/17/2014	9/16/2024	0	0
13---C5		VACANT	1,000.0						
14---C6		VACANT	800.0						
15---C7	FMP	FIC/MAXUM/PELICAN	2,125.0	3,700.00	0.00	/ /	/ /	0	0
16---C8	WCR	WASHOE COUNTY REPUBLICAN CENTRAL CMTEE	1,700.0	850.00	0.00	6/15/2008	/ /	0	0
17---C9	WCR2	WASHOE COUNTY REPUBLICAN CENTRAL CMTEE	1,275.0	250.00	0.00	/ /	/ /	0	0
18---C10	JOX	JOX SPORTS BAR	2,125.0	4,325.00	4,200.00	4/27/2018	3/31/2024	0	0
19-C1112	ABH	ATLANTIS	3,400.0	1,360.00	0.00	8/21/2017	5/21/2018	0	0
20---C13		VACANT	1,700.0						
21---D1	RICH	RICHARDSON GALLERY STORAGE	3,234.0	2,000.00	0.00	/ /	/ /	0	0
22---D2	DN	DECORACIONES NELLY	13,125.0	10,000.00	10,000.00	/ /	/ /	0	0
23---E	STO	STORAGE	3,000.0	4,000.00	0.00	5/1/2011	/ /	0	0
23---E		VACANT	34,660.0						
24---E4	VAD	V A DENTAL	7,484.0	13,471.20	0.00	4/1/2016	3/31/2026	0	0
39---J	RICH	RICHARDSON GALLERY	3,750.0	4,500.00	1,000.00	1/1/2001	4/30/2002	0	0
40---K1	GEI	GEICO INSURANCE BLUE TAHOE LLC	1,285.0	2,645.59	2,313.00	7/1/2013	12/31/2022	0	0
41---K2	RAPID	RAPID CASH	2,675.0	6,169.22	0.00	11/15/2018	11/30/2028	0	0
42---L	POP	POPEYE'S LOUISIANA KITCHEN	3,750.0	14,137.50	0.00	8/17/2013	8/16/1933	0	0
29		Total	172,964.0	82,309.23	32,574.50			1	0
20		Total Occupied	57,914						
69		% Occupied	33.5						
9		Total Vacant	115,050						
31		% Vacant	66.5						

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Mike Churchfield <mchurchfield@gmail.com>

Comps requested

2 messages

Jackins, Wendy <WJackins@washoecounty.us>
To: Mike Churchfield <mchurchfield@gmail.com>

Wed, Feb 5, 2020 at 11:14 AM

Hey Mike,

Haven't thrown my packet together, but these are the sales I'll be using. Will you please send me the ones you have?

026-284-34	2302 Oddie Blvd	\$5,900,000	\$72.62	EVERGREEN
		04/11/2019		
043-030-33	8155 S Virginia St	\$9,100,000	\$120.76	PINK SCOLAR'S CENTER
043-030-34		04/07/2017		
031-012-21	2289 Oddie Blvd	\$14,600,000	\$76.92	PARADISE PLAZA
031-012-23		02/28/2017		
031-012-24				
031-012-25				
033-152-05	533 E Prater	\$11,750,000	\$64.67	IRONHORSE PLAZA
033-152-17		02/19/2016		
033-152-19				



Wendy Jauregui-Jackins

Appraiser | Washoe County Assessor's Office

wjackins@washoecounty.us | Office: 775-328-2236 | Fax: 775-328-3643

1001 E. Ninth Street, Reno, NV 89512





Mike Churchfield <mchurchfield@gmail.com>

Paradise Plaza Sale after NNN's were sold by new buyer

2 messages

Mike Churchfield <mchurchfield@gmail.com>
To: "Jackins, Wendy" <wjackins@washoecounty.us>

Wed, Feb 5, 2020 at 1:47 PM

Wendy,

Thank you for your help with all of these appeals. I broke out the Paradise Plaza sale to see where the price per foot would end up after the new buyer's sold off the Jack in the Box and Walgreen's as they were the value of the center. I hope my spreadsheet makes sense as it is further support that Mr. Farahi's center is over valued based on this sales comp.

Regards,

Mike



Paradise Plaza Sale.xlsx
11K

Mike Churchfield <mchurchfield@gmail.com>
To: benfarahi@biggestlittle.com

Wed, Feb 5, 2020 at 1:48 PM

See below for your records.

Thanks,

Mike

[Quoted text hidden]



Paradise Plaza Sale.xlsx
11K

Paradise Plaza			
Total Bldg. SF	Sale Price	Sale Date	Price Per Foot
189,734	\$14,600,000	2/28/2017	\$76.95
New buyers sold the Walgreens			
Total Bldg. SF	Sale Price	Sale Date	Price Per Foot
14,459	\$6,800,000	8/14/2017	\$470.30
New buyers also sold Jack in The Box			
Total Bldg. SF	Sale Price	Sale Date	Price Per Foot
3,129	\$1,200,000	1/31/2018	\$383.51
Paradise Plaza after NNN's were sold off			
Total Bldg. SF	Price aafter NNN Sales	Price Per Foot	
172,146	\$7,800,000	\$45.31	



Mike Churchfield <mchurchfield@gmail.com>

Evergreen Plaza

1 message

Mike Churchfield <mchurchfield@gmail.com>

Wed, Feb 5, 2020 at 3:06 PM

To: "Jackins, Wendy" <wjackins@washoecounty.us>

Good Afternoon Wendy,

Please find my attached listing packet for your comp at 2302 Oddie. As you can see there were only two spaces that were vacant when the property sold to the new buyer and now there's only one 2,400 sqft space available for lease. This indicates an overall vacancy of 3% and at the time of purchase it was 96% occupied or 4% vacant. The property has two large anchor tenants who have been there for years, CVS & Savers. I feel that this comparable is not representative of Mr. Farahi's center as it was sold with a 96% occupancy with a corporate backed CVS on a long lease.

Thanks,

Mike



Evergreen Plaza Flyer.pdf
2069K

FOR LEASE

Evergreen Plaza

2300-2400 Oddie Blvd, Sparks, NV 89431



CONTACT

Brian Cooper
775.470.8864
bcooper@kiddermathews.com

Mike Churchfield
775.470.8867
mikec@kiddermathews.com

**km Kidder
Mathews**

kiddermathews.com

This information supplied herein is from sources we deem reliable. It is provided without any representation, warranty or guarantee, expressed or implied as to its accuracy. Prospective Buyer or Tenant should conduct an independent investigation and verification of all matters deemed to be material including, but not limited to, statements of income and expenses. CONSULT YOUR ATTORNEY, ACCOUNTANT, OR OTHER PROFESSIONAL ADVISOR.

For Lease

Evergreen Plaza

Property Highlights

PROPERTY ADDRESS 2300-2400 Oddie Blvd.
Sparks, NV 89431

APN 026-284-34

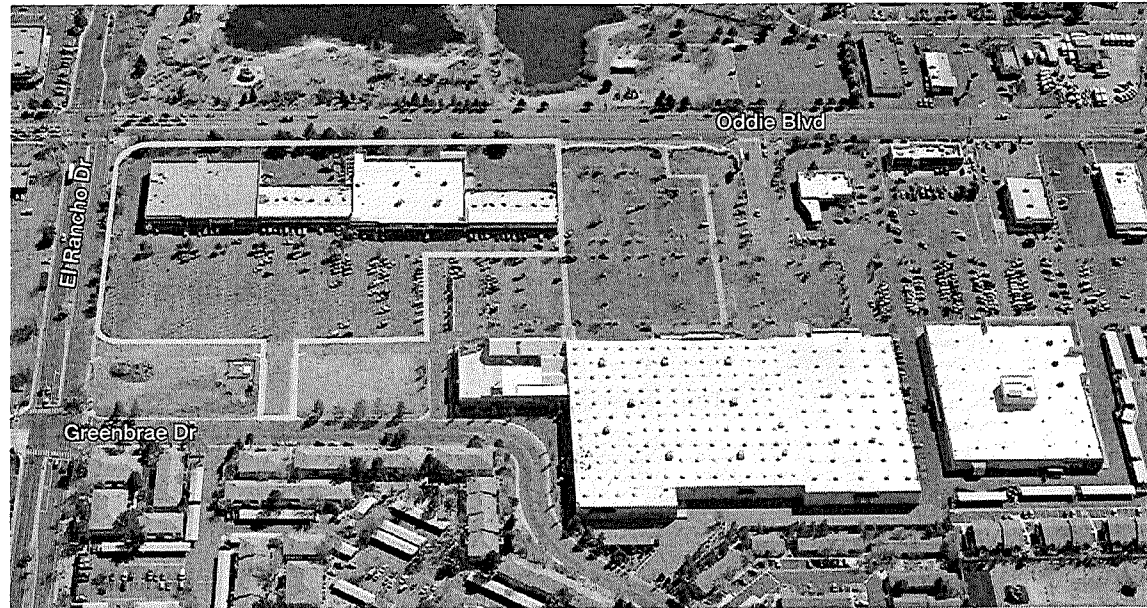
ZONING Mixed Use Development (MUD)

LOCATION Centrally located on Oddie Blvd in Sparks
Hard corner stop at Oddie Blvd & El Rancho Dr

FEATURES Growing retail trade area
Ease of accessibility

TRAFFIC COUNTS ±14,000 CPD - Oddie Blvd @ Sullivan Ln
±13,230 CPD - Oddie Blvd @ El Rancho Dr

PROPERTY OVERVIEW Well located opportunity in a quickly growing retail trade area.
Property is anchored by CVS since 1980.
Long-term tenant success.
Adjacent to Renown Hospital admin and call center offices of ±500 employees.
Ideally located around new multi-family developments.



Brian Cooper
775.470.8864
bcooper@kiddermathews.com

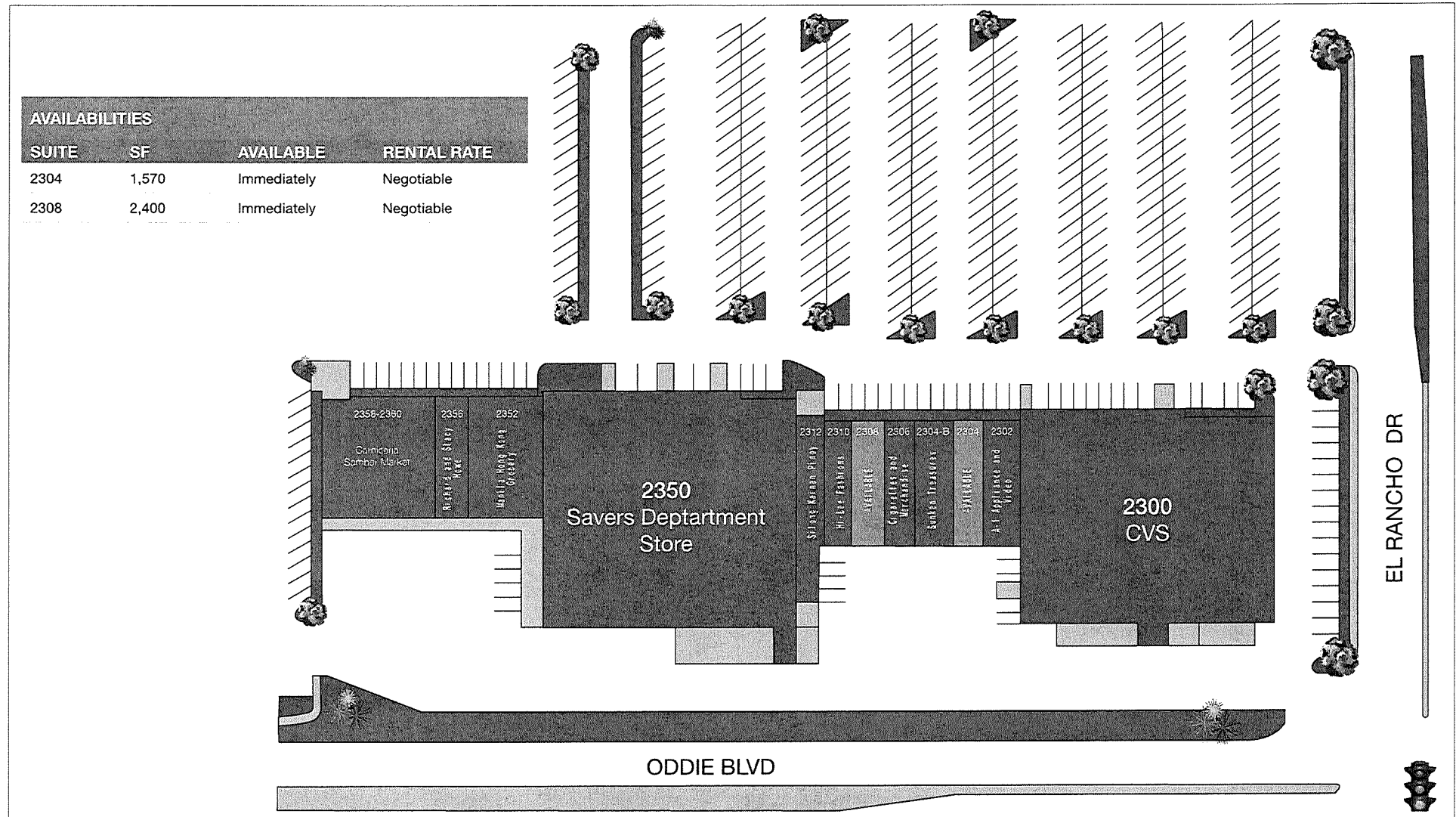
Mike Churchfield
775.470.8867
mikec@kiddermathews.com

km Kidder Mathews

For Lease

Evergreen Plaza

SITE PLAN



Brian Cooper
775.470.8864
bcooper@kiddermathews.com

Mike Churchfield
775.470.8867
mikec@kiddermathews.com

km Kidder Mathews