

SILVERWING DEVELOPMENT

245 E. LIBERTY STREET, SUITE 215

RENO, NEVADA 89501

TELEPHONE: (775) 825-5305

TO: WASHOE COUNTY BOARD OF EQUALIZATION

FROM: SWD-QUARRY FVS II LLC

PARCEL NO. 032-371-01 HEARING NO. 20-0019A
032-372-16 HEARING NO. 20-0019U

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 032-371-01 thru 16
Number of Pages 7

Washoe County Board of Equalization Hearing
1240 Avenue of The Oaks, Sparks, Nevada - Parcel No. 032-371-01 – 032-372-16
02/19/2020

THE PROPERTY: The Subject Property is located at 1240 Avenue of The Oaks in Sparks, Nevada (APNs 032-371-01 – 032-372-16). The Subject Property is known as Fountain House II and was constructed as a mixed use development with ground floor retail and apartments above. The Subject Property's land was purchased by Silverwing Development for **\$271,000** on **August 31st, 2017** from the City of Sparks. The land parcels are very small and were very complex to develop as the total land square footage of both parcels is 16,594 square feet. Currently, the Assessor has the parcels land collectively valued at \$472,910 which is nearly double the purchase price and appraised value as these two parcels were as well purchased from the City of Sparks.

THE ASSESSOR'S TAXABLE VALUE:

2020/2021 Total: \$ 3,577,153.00

THE OWNER'S OPINION OF TAXABLE VALUE:

2020/2021 Total: \$2,750,000.00

JUSTIFICATION FOR REDUCTION OF TAXABLE VALUE:

The Fountain House II land was sold by the City of Sparks to Silverwing Development for \$270,000 or \$16.27 per foot on 5/8/2018. The land was appraised prior to purchase for \$270,000 or \$16.27 per foot by Johnson Perkins and Associates which is attached. Multiple appraisals were conducted to satisfy NRS 279.500 which states that the public selling entity receives fair market value for the sale of a property as this was sold by The City of Sparks. This value was determined with the current zoning in place

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for the mixed-use development that was constructed on the property.

Additional relief is being sought for the retail portion of Fountain House II. Due to the new development being a new concept, the retail space has been very challenging to fill with the tenants. For the current retail tenants low lease rates are being offered which in turn affects the value of the property. The property has interior hallways which have to be maintained, heated, and cooled all as an expense of the owner unlike a traditional apartment complex.

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 land value of the Subject Property to \$270,000 or \$8.42 per foot for the 2020/2021 tax year and the improvement value be reduced to \$2,480,000 to indicate an overall total taxable value of \$2,750,000.00 for the 2020/2021 tax year.

AN APPRAISAL
OF

TWO PARCELS OF LAND

LOCATED ON

THE NORTHEAST CORNER OF
AVENUE OF THE OAKS AND 13TH STREET

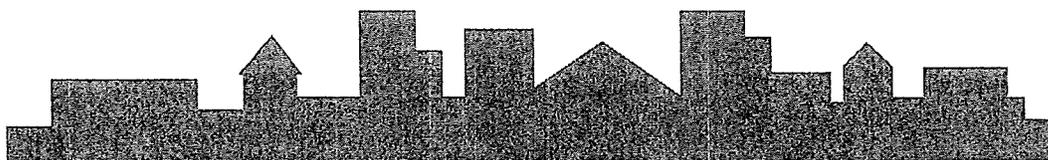
AND THE NORTH SIDE OF AVENUE OF THE OAKS,
234' EAST OF 13TH STREET
SPARKS, WASHOE COUNTY, NEVADA

OWNED BY

REDEVELOPMENT AGENCY OF THE CITY OF SPARKS

APPRAISED FOR

THE CITY OF SPARKS



JOHNSON-PERKINS & ASSOCIATES, INC.
REAL ESTATE APPRAISERS & CONSULTANTS

AN APPRAISAL
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OWNED BY

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APPRAISED FOR

THE CITY OF SPARKS

For The Purpose Of

Estimating Market Value

As Of

December 22, 2014

JOHNSON~PERKINS & ASSOCIATES, INC.
REAL ESTATE APPRAISERS & CONSULTANTS

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Chad Gerken

March 6, 2015

Mr. Armando Ornelas, Sparks City Planner
City of Sparks
431 Prater Way
Sparks, Nevada 89434

Re: Victorian Square – Subject Property 3

Dear Mr. Ornelas:

This is in response to your request for an appraisal of two parcels of land located in Victorian Square, Sparks, Washoe County, Nevada. Subject Property 3A is identified as Washoe County Assessor's Parcel Number 032-314-23. The subject property contains 9,915± square feet.

Subject Property 3B is identified as Washoe County Assessor's Parcel Number 032-136-11. The subject property contains 9,925± square feet.

Both properties are owned by the Redevelopment Agency of the City of Sparks.

This appraisal is being prepared for the purpose of estimating the Market Value of the fee simple interest in each of the subject properties, as of a current date of valuation.

The intended use of this appraisal is for internal management purposes, and/or possible disposition of the property. An appraisal is required to establish the Market Value before the City and Agency conduct a public hearing and make the findings required by NRS 279.486. The intended users of the appraisal report include the City of Sparks, the Redevelopment Agency of the City of Sparks and their designated representatives.

An appraisal report 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. It will present summary discussions of the data, reasoning and analyses that are used in the appraisal process to develop the appraiser's opinion of value. Supporting

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documentation concerning the data, reasoning and analyses is retained in this appraiser's file. The depth of the discussion contained in the 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 report sets forth pertinent data, statistics and other information considered necessary to establish the market value of the subject properties' fee simple estate. The market value estimate was derived through an analysis and correlation of the data set forth in the following report. The subject properties and the comparable properties analyzed were personally inspected by the undersigned. No one other than the undersigned prepared the analysis, conclusions and opinions concerning real estate that are set forth in the accompanying appraisal report.

After careful consideration of all data available, and upon thorough personal inspection of the subject property and the comparable properties analyzed, it is my opinion that the Market Value of the subject properties' fee simple estate, as of December 22, 2014 is:

SUBJECT PROPERTY 3A

"AS-IS" MARKET VALUE CONCLUSION **\$135,500**

SUBJECT PROPERTY 3B

"AS-IS" MARKET VALUE CONCLUSION **\$135,500**

Respectfully Submitted,



Reese Perkins, MAI, SRA
Nevada Certified General Appraiser
License Number A.0000120-CG