

ASSESSOR'S

EVIDENCE

Washoe County Board of Equalization
Appeal Summary Page - Secured Roll

Hearing # **20-0080**
Hearing Date **2/20/2020**
Tax Year **2020**

APN: 510-381-01
Owner of Record: WAL-MART REAL ESTATE BUSINESS TRUST
Property Address: 5065 PYRAMID WAY
Property Type: MEGA WAREHOUSE DISCOUNT STO 100%
Gross Building Area: 197,159
Year Built: 2005
Parcel Size: 21.79 AC
Description / Location: The subject consists of a Walmart Mega Discount Warehouse that fronts Pyramid Highway in the Spanish Springs Submarket of Sparks.

2020/21 Taxable Value:	Land:	\$5,243,932
	Improvements:	\$11,809,238
	Total:	<u>\$17,053,170</u>
	Taxable Value / SF	\$86

Sales Comparison Approach:	Indicated Value Range	\$21,700,000
	Indicated Value Range/SF	\$110

Income Approach:	Indicated Value Range	\$20,700,000
	Indicated Value Range/SF	\$105

Conclusions: The subject is a fully functioning building serving its highest and best use as designed by the owner. No under-utilization, functional obsolescence, or deferred maintenance was observed at the property. The sales comparison approach is reconciled to \$21,700,00 or \$110/SF and the income approach yields a value of \$20,700,000 or \$105/SF. Both approaches to value support the current taxable value, which does not exceed full cash value.

RECOMMENDATION: Uphold X Reduce



ASSESSOR'S EXHIBIT I
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WASHOE COUNTY BOARD OF EQUALIZATION

COMMERCIAL / INDUSTRIAL

	TAXABLE VALUE	ASSESSED VALUE	TAXABLE	HEARING:	20-0080
LAND:	\$5,243,932	\$1,835,376	\$/SF GBA	DATE:	2/20/2020
IMPROVEMENTS:	\$11,809,238	\$4,133,233	\$86.49		
TOTAL:	\$17,053,170	\$5,968,610		TAX YEAR:	2020
OWNER: WAL-MART REAL ESTATE BUSINESS TRUST			TAXABLE		
			\$/SF Land		
			\$5.52		

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	510-381-01	5065 PYRAMID WAY MEGA WAREHOUSE DISCOUNT STORE	100%	197,159 197,159	MASONRY BRNG CONCRETE BLOCK	C25		2005 20	949,129 21% C2				

IMPROVED SALES													
IS-1	025-570-01	6590 S VIRGINIA ST Home Depot	100% Discount WH Store	102,832	Con.Tilt	1.5	102,832	1993	435,382 24% MUSV	\$14,975,000* 4/26/2018	\$145.63	\$982,800 NA NA	\$933,660 5.84%
IS-2	039-750-13	5150 MAE ANNE AVE Kohls	100% Discount Store	94,213	Con. Blk	2.0	94,213	1990	395,742 23% AC	\$9,350,000 9/12/2017 1SVR	\$99.24	\$656,250 NA NA	\$636,250 6.80%
IS-3	038-881-08 038-870-12	8650 BOOMTOWN GARSON RD Cabela's	100% WH Show Store	127,616	Con. Precast Panel	3.0	127,616	2007	980,100 13% AC	\$26,213,000 5/14/2019	\$205.41	NA NA NA	NA NA

LAND SALES													
Sale #	APN	Location	Sale Date	Sale Price	Size(sf)	\$/sf	Tax/Unit	Zoning	Comments				
LS-1	140-212-01	1175 STEAMBOAT PKWY	03/09/18	\$10,800,000	19,895	\$12.46	NA	PUD	Located on SE corner of Damonte Ranch and Steamboat Parkway across from RC Willey & Home Depot. PUD zoning allows for mixed land uses. Purchased for senior living community.				
LS-2	025-480-44	6550 LONGLEY LANE	03/08/18	\$4,238,823	14.86	\$6.55	NA	IC	Located on SW corner of Double R Blvd and Longley Ln. IC zoning allows light industrial and commercial land use. Industrial flex building constructed.				
LS-3	164-354-01	647 INNOVATION DR	08/22/19	\$16,708,928	22.203	\$17.28	NA	PUD	Bordered by Longley Lane, Double R Blvd, and Innovation Dr. IC zoning was changed to PUD before transaction. Purchased by Universal Health Services who runs and operates Northern Nevada Medical Center. Proposed project is a 4-story hospital with medical offices, and parking garage.				
LS-4	163-090-26	9200 DOUBLE R BLVD	04/27/18	\$6,534,000	15.000	\$10.00	NA	PUD	Parcel is located in PUD which allows for a variety of commercial uses. Topography will require extensive fill and groundwork. Buyer is a known apartment developer.				

COMMENTS:
SEE ATTACHED COMMENTS SECTION

COMMENTS:

Improved Sales:

IS-1: Home Depot located on South Virginia Street that had ~6 years remaining on current lease at time of sale. Contract rent of \$0.80/SF is approximately \$0.15/SF above market rent. Consequently, a property rights adjustment of -\$1,005,000 is made for the excess rent. The adjusted sale price of \$14,975,000 or \$145/SF reflects the fee simple value. Buyer is a REIT that specializes in single tenant, free-standing retail properties and stated that this was an arms-length transaction.

IS-2: Kohl's had nine years remaining on a 20-year lease. They have six 5-year options, with rent escalations every five years. This was part of a 1031 tax deferred exchange. Market financing on this transaction. Contract rent of \$0.58/SF is within range of market for this property.

IS-3: Cabela's was purchased by a joint venture led by Sansome Pacific which acquired 11 Bass Pro Shops for \$324.3 million. This was a sale-leaseback deal with the lease term reported to be 25 years. Purchase included adjacent 1.698 AC parcel that is considered surplus land.

Improved Sales Conclusion:

The comparable sale prices range from \$99/SF to \$205/SF. Like the subject, IS-1 is a first-generation retail space designed specifically for the tenant, Home Depot. After adjusting the sale price for excess rent, the \$14,975,000 or \$145/SF adjusted sale price reflects a fee simple value for a well located big-box store. However, an additional adjustment is necessary for the relatively small size of IS-1's building (102,832 SF) when compared to the subject (197,159 SF). Due to the differences in building size, IS-1 is considered a high indicator of value. Like the subject property, IS-2 is also a free-standing, single-tenant, retail building. The subject's multi-use characteristics (i.e. grocery, pharmacy, garden & home center, vision center, nail and hair salons, and McDonalds) are superior to IS-2's department store use. While the Kohl's comp would require a downward adjustment for building size, an upward adjustment is necessary for use. Overall, IS-2 is considered a low indicator of value. IS-3 was part of a portfolio purchase of 11 Bass Pro Shop stores. This was a sale-leaseback transaction with a lease term of 25 years. Cabela's design, quality, and interior finishes are superior to the subject and would require a downward adjustment. An additional downward adjustment is necessary for Cabela's smaller building size (127,616 SF). However, the West Reno location is outside of the city core and has significantly less residential density within a five-mile radius. Consequently, an upward adjustment is warranted for inferior location. Based on IS-3's building attributes and size, it is considered a high indicator of value. If IS-1 and IS-2 are given the most weight in the analysis, they bracket the subject value between \$99/SF and \$145/SF. Due to building size differences between the comps and subject, a market value in the mid to low end of the range is supported. The sales comparison approach is reconciled to a value of \$110/SF or \$21,700,000.

Land Sales:

The subject fronts the Pyramid Highway in the Spanish Springs Submarket. Spanish Springs is a large residential market that contains such neighborhoods as Desert Springs, Eagle Canyon, Kiley Ranch, Wingfield Springs, La Posada, Calle De La Plata, and Pebble Creek. This area is experiencing robust residential growth with several new subdivisions being developed. The Pyramid Highway serves as the main transportation route from Reno/Sparks to Spanish Springs. The subject enjoys good signage from Pyramid Highway and ingress/egress is provided from double turn lanes at the signaled intersection of Los Altos Parkway and Pyramid Highway. Overall, this is considered a prime retail location. The comparable land sales share many of the subject's locational characteristics and retail/commercial land use, and the comps establish a value range between \$6.55/SF and \$17.28/SF. However, the sale at the low end of the range (LS-2) was purchased for industrial/flex use, which is inferior to the subject and considered a low indicator of value. The market value of the subject likely falls in the middle of the established range, which supports the current taxable land value of \$5.53/SF.

WASHOE COUNTY BOARD OF EQUALIZATION

COMMERCIAL / INDUSTRIAL

	TAXABLE VALUE	ASSESSED VALUE
LAND:	\$5,243,932	\$1,835,376
IMPROVEMENTS:	\$11,809,238	\$4,133,233
TOTAL:	\$17,053,170	\$5,968,610

TAXABLE	HEARING: <u>20-0080</u>
\$/SF GBA	DATE: <u>02/20/20</u>
\$86.49	
	TAX YEAR: <u>2020</u>

APN: 510-381-01
OWNER: WAL-MART REAL ESTATE BUSINESS TRUST

TAXABLE
\$/SF Land
\$5.52

Income Approach				
Potential Gross Income	197,159 sq ft. @	\$0.60 /mo =	\$118,295	
	sq ft. @	/mo =	\$0	
	sq ft. @	/mo =	\$0	
			\$118,295	
	x 12 months =		12	
			\$1,419,545	
- Vacancy & Collection loss		0%	\$0	
= Effective Gross Income			\$1,419,545	
- Operating Expenses		5%	\$70,977.24	
= Net Operating Income			\$1,348,568	
Divided by Overall Capitalization Rate		6.50%	\$20,747,193	
		Rounded	\$105 /sf GBA	

Subject Income Information: The subject is an owner occupied Wal-Mart Supercenter located in Spanish Springs. The petitioner did not provide any data regarding store performance or gross sales.

Potential Gross Income: A survey of big box and grocery store rents in Washoe County was conducted to estimate the PGI for the subject property (See Attached). The box store rents range from \$0.42/SF-\$0.79/SF with a median of \$0.62/SF, while the grocery store rents range from \$0.75/SF to \$1.25/SF with a median of \$1.17/SF. The subject's construction provides for multiple uses that include: grocery; pharmacy; garden & home center; vision center; nail and hair salons; and McDonalds. While many of these uses would warrant a rent at the top end of the range, a downward adjustment for size is necessary. Based on the subject's multi-use construction, age, size, and location, a market rent of \$0.60/SF is supported.

Effective Gross Income: Although most Wal-Mart stores are owner occupied, triple net lease structures are standard when Wal-Mart is the tenant. For high performing, well located stores, a lease term of at least 10 years with multiple options is common. Wal-Mart is a well-capitalized, credit tenant and would be considered a low risk to default on leasing terms. As a result, a vacancy/credit loss deduction is not necessary.

Net Operating Income: The owner of a building leased by Wal-Mart would have minimal expenses. A 5% deduction for operation expenses is made to account for miscellaneous expenses and reserves for replacement.

Capitalization Rate Analysis: Box retail and shopping center capitalization rates for Washoe County are provided in the Retail Capitalization Chart (See Attached). Similar to the Subject, the Home Depot and Kohl transactions represent free-standing, single-tenant, net leased properties. The cap rates for these deals range between 5.84% and 6.80%. Since the contract rent at the Kohl's is market rent for a department store, it is likely a better indicator of local cap rate than the Home Depot. However, the credit risk associated with Wal-Mart is anticipated to be lower. Although not used in the Sales Comparison analysis, further evidence of cap rates for big box sales with credit tenants is also provided on the chart. The sales consist of 2 Wal-Marts and 1 Lowe's in California and 1 Home Depot in Las Vegas. The cap rates for these regional big box sales range from 5.21% to 6.00% with a median of 5.51%. Based on the market data, a cap rate of 6.5% for the subject property is supported.

Indicated Value Income Approach: The value indicated by the income approach is \$20,747,193 or \$105/SF.

Comments: As of the lien date, the subject is a fully functioning building serving its highest and best use as designed by the owner. No under-utilization, functional obsolescence, or deferred maintenance was observed at the property. The leased fee interest at market rates is equivalent to the fee simple value.

APPRAISAL RECORD



APN: **510-381-01**

2020

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ACTIVE

Roll YR

Code

%Comp

Situs **5065 PYRAMID WAY SPARKS** Database **PROD** NBHD **DGAQ** Appr **HNS** Exemption AV|Exemption
 Owner **WAL-MART REAL ESTATE BUSINESS TRUST** Printed **2/7/2020** Sparks Galleria Commec
PO BOX 8050 BENTONVILLE, AR 72712 Tax District **2000**
 Property Name

Reopen			
Reappraisal			

Valuation History							Parcel Value Summary		OBSO	<input type="checkbox"/> Change <input type="checkbox"/> No Change	
Yr Roll	Taxable Land	New Land	Taxable Imps	New Imps	Total Taxable	Total Assessed	Primary Valuation	STANDARD	NewLand		
2020 VN	5,243,932		11,809,238		17,053,170	5,968,610	Land Value	5,243,932	Initials/Date		
2020 NR	5,243,932		11,809,238		17,053,170	5,968,610	Building Value	9,640,319		<input type="checkbox"/> NC <input type="checkbox"/> C <input type="checkbox"/> New Sketch	
2019 FV	5,243,932		11,357,746		16,601,678	5,810,587	XFOB Value	2,168,919			
2018 FV	5,243,932		11,300,051		16,543,983	5,790,394	Obsolescence	0	Parcel Total		
2017 FV	5,243,932		11,404,629		16,648,561	5,826,996	Taxable Value	17,053,170	New Const		
2016 FV	5,243,932		11,581,384		16,825,316	5,888,861	Total Exemption		New Land		
2015 FV	6,050,691		11,596,403		17,647,094	6,176,483			Remainder		

Building Data													
1-1	Code	Description	Adjustments & Modifiers			Name	Code/Units	Description	%	Name	Code/Units	Description	%
Type	COMM	Commercial/Industria	BUILDING LEVEL			SHP	2	SLIGHTLY IRREGULAR	100				
Occ	720	Mega Warehouse Disco	Rate Adj			ST	1	No of Stories	100				
Stry/Frm	C	MSNRY BRNG ~ MASONRY	Lump Sum			WH	20	Avg Wall Height/Floor	100				
Quality	C25	Commercial 2.5 (Abov				EW	812	CONCRETE BLOCK	100				
Year Built	2005		PARCEL LEVEL			HEAT	611	PACKAGE UNIT	100				
WAY	2005		Lump Sum	0									
Remodel Yr			%Obso	0.0000									
% Comp	100	%DPR 22.5											

Sub Area							Extra Features														
Code	Description	Yr Built	DPR Yr	Units	Price Per Unit	RCN	#	Code	Description	QC	BLDG #	Units	\$/Unit	Yr Built	Roll Year	%Comp	RCN	DRC	Override Value	Notes	
GBA	GROSS BUILDING A			197,159	59.03	11,638,296	1	CRBC	CONC CURB	30	1	670	14.19	2005		100	9,507	7,368			
							2	CRBG	CURB & GUT	30	1	24,000	19.00	2005		100	456,000	353,400			
							3	DKLV	DOCK LEVEL	30	1	6	8,424.00	2005		100	50,544	39,172			
							4	FNIL	FN IRON-LO	30	1	13,000	8.41	2005		100	109,330	84,731			
							5	FWAS	FW ASPHALT	30	1	419,000	2.00	2005		100	839,006	650,229			
							6	FWCO	FW CONCRET	30	1	71,000	4.59	2005		100	325,890	252,565			
							7	PKLT	PKG LOT LI	30	1	419,000	0.69	2005		100	289,110	224,060			
							8	TKW4	TK CON W/R	30	1	9,890	19.66	2005		100	194,437	150,689			
							9	WLCB	WALL CO BL	30	1	5,800	16.46	2005		100	95,468	73,988			
							Gross Living Area		197,159	Perimeter	3,976	Sub Area RCN		11,638,296	10	YIMP	YARD IMPS	30	1	258	1,664.00
Building Notes				Building Cost Summary																	
				Building RCN				11,638,296													
				Depreciation				2,618,617													
				Building DRC				9,019,679													
				Extra Feature DRC				2,168,919													
				Building Obso																	
Building Name				Total DRC				11,188,598													
				Override Value																	

Land Value: 1 Lines Total												Land Data		Property Characteristics	
Code	Description	Zoning	Units	Type	Unit Price	Adj 1	%-\$	Adj 2	%-\$	Taxable Land	Note	Land Size-Sf	949,128	Water	Municipal
400	General Commercial: reta	C2	949,128	SF1	6.50	NOTE	85			5,243,932	UNUSABLE AREA-15%	Acre Size	21.789	Sewer	Municipal
												DOR Code	400	Street	Paved
												Deferment		SPC	
												CAGC			

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

APPRAISAL RECORD

APN: **510-381-01**

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Owner **WAL-MART REAL ESTATE BUSINESS TRUST**
Keyline Description **PM 4162 LT 1**

NBHD **DGAQ Sparks Galleria Commercial Area**

Appr **HNS**



Activity Information						
Date	User ID	Activity Notes				
11/1/2019 7/21/2014	HNS TAO	Re-appraisal Review Permit Review Aerial Review				
Sales/Transfer Information						
Grantor	Doc #	Date	LUC	Price	Verif	
RIALTO LLC, RIALTO LLC,	3107117 3008495	10/1/2004 3/18/2004	110 140	8,648,583 0	1G 3NTT	
Permit Information						
Date	Permit	Description	Amount	Status	% Comp	
8/1/2019	SBLD19-21316	INTERIOR REMODEL TO INCLUD		A		
3/6/2019	FIRE19-20276	Relocate 290 fire sprinkle		C	100%	
1/30/2019	SBLD18-23113	Interior remodel to includ		C	100%	
11/28/2018	SBLD18-23270	Install eight (8) new lett		C	100%	
7/2/2018	FIRE18-21983	Use existing 2 1/2 main fo		C	100%	

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2020

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ACTIVE

Roll YR

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Situs 5065 PYRAMID WAY SPARKS Database PROD NBHD DGAQ Appr HNS Exemption AV|Exemption
Owner WAL-MART REAL ESTATE BUSINESS TRUST Printed 2/7/2020 Sparks Galleria Commerc
PO BOX 8050 BENTONVILLE, AR 72712 Tax District 2000
Property Name

Reopen

Reappraisal

Valuation History

Parcel Value Summary

OBSS

☐ Change☐ No Change

Yr Roll	Taxable Land	New Land	Taxable Imps	New Imps	Total Taxable	Total Assessed	Primary Valuation	STANDARD	NewLand
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2018 FV	5,243,932		11,300,051		16,543,983	5,790,394	Obsolescence	0	
2017 FV	5,243,932		11,404,629		16,648,561	5,826,996	Taxable Value	17,053,170	
2016 FV	5,243,932		11,581,384		16,825,316	5,888,861	Total Exemption		
2015 FV	6,050,691		11,596,403		17,647,094	6,176,483			

Parcel Total

☐ NC☐ C☐ New Sketch

Building Data

1-2	Code	Description	Adjustments & Modifiers	Name	Code/Units	Description	%	Name	Code/Units	Description	%
Type	MISC	Miscellaneous	BUILDING LEVEL								
Occ	600	Miscellaneous	Rate Adj								
Stry/Frm	0	NONE	Lump Sum								
Quality	40	Good									
Year Built	2005		PARCEL LEVEL								
WAY	2005		Lump Sum	0							
Remodel Yr			%Obso	0.0000							
% Comp	100	%DPR	22.5								

Sub Area

Code	Description	Yr Built	DPR Yr	Units	Price Per Unit	RCN	#	Code	Description	QC	BLDG #	Units	\$/Unit	Yr Built	Roll Year	%Comp	RCN	DRC	Override Value	Notes
CNM	CANOPY METAL			12,486	63.52	793,061														
STR	STORAGE ROOM			150	51.77	7,765														

Gross Living Area Perimeter Sub Area RCN 800,826

Building Notes

Building Cost Summary

Building RCN	800,826
Depreciation	180,186
Building DRC	620,640
Extra Feature DRC	
Building Obso	
Building Name	Total DRC
	620,640
	Override Value

Land Value: 1 Lines Total

Code	Description	Zoning	Units	Type	Unit Price	Adj 1	%-\$	Adj 2	%-\$	Taxable Land	Note	Land Data	Property Characteristics		
												Land Size-Sf	949,128	Water	Municipal
												Acre Size	21.789	Sewer	Municipal
												DOR Code	400	Street	Paved
												Deferment		SPC	
												CAGC			

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 Keyline Description **PM 4162 LT 1**

NBHD **DGAQ Sparks Galleria Commercial Area**

Appr **HNS**

Activity Information						
Date	User ID	Activity Notes				
Sales/Transfer Information						
Grantor	Doc #	Date	LUC	Price	Verif	
RIALTO LLC,	3107117	10/1/2004	110	8,648,583	1G	
RIALTO LLC,	3008495	3/18/2004	140	0	3NTT	
Permit Information						
Date	Permit	Description	Amount	Status	% Comp	
4/8/2005	A0404621	WALL		C	100%	
3/2/2005	A0404550	COMM RETAIL		C	100%	

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Box Store Rent Survey

#	Location APN	Description	Sq Feet/ Year Built	Lease Date/ Term	Base Rent/SF	Lease Type	Comments
Market Rents							
	Undisclosed (Spanish Springs Community Shopping Center)	Retail Store	20,000-25,000 2007	9/1/2018 10 Year	\$0.69	NNN*	*Rent adjusted downward \$0.15/SF to reflect NNN; Landlord provided \$7.00/SF TI allowance and 5 months free rent; Options exist at end of term;
	Undisclosed (Sparks Neighborhood Shopping Center inside McCarran Loop)	Retail Store	15,000-20,000 1980	9/2018 10 Year	\$0.62	NNN	Significant capitol improvements were completed by owner prior to occupancy; tenant responsible for interior TI's; 10% rent escalation after 5 years; Five (5) options; Tenant received 4 months free rent.
	Undisclosed (Sparks Neighborhood Shopping Center inside McCarran Loop)	Retail Store	35,000-40,000 1980	9/2018 10 Year	\$0.42	NNN	Significant capitol improvements were completed by owner prior to occupancy; tenant responsible for interior TI's and store front; 10% rent escalation after 5 years; Five (5) options; Tenant received 3 months free rent.
	1350 Disc Drive, Suite A 035-263-09	Big Lots	32,285 1996	8/1/2018 10 Year	\$0.50	NNN	Landlord contributed ~\$900,000 in TI's. Rent is flat except for one 10% escalation after 5 years.
	125-165 Disc Drive, Ste. DM-2 510-083-09	Marshall's Home Goods	40,150 2006	8/9/2018 10 Year	\$0.63	NNN	Landlord responsible for TI's; Rent flat for first 5 years then a \$0.04/SF bump for final final 5 years; \$0.15/SF CAM also increases \$0.04/SF after 5 years.
Market Rent Median:					\$0.62		
Contract Rents							
	2863 Northtowne Lane 026-182-38	Former Wal-Mart Teleperformance tenant (Call Center)	42,780 1994	11/2015 6 Year	\$0.79	NNN	Tenant paid for TI's; rent escalations exist; options exist to extend lease agreement to 12 years; tenant responsible for parking lot maintenance.
	2863 Northtowne Lane, Unit C 026-182-38	Former Wal-Mart Planet Fitness tenant	18,526 1994	11/2015 NA	\$0.75	NNN	Tenant paid for TI's; Improvements will include gym and spa.
	5150 Mae Anne Avenue 039-750-13	Kohl's	94,213 1990	2006 20 Year	\$0.58	NNN	Seven years remaining on current lease; Tenant has six 5-year options with rent escalations every 5 years.
	6590 S. Virginia St 025-570-01	Home Depot	102,832 1993	1993 30 Year	\$0.80	NNN	No percentage rent; lease expires 2024
Contract Rent Median:					\$0.77		

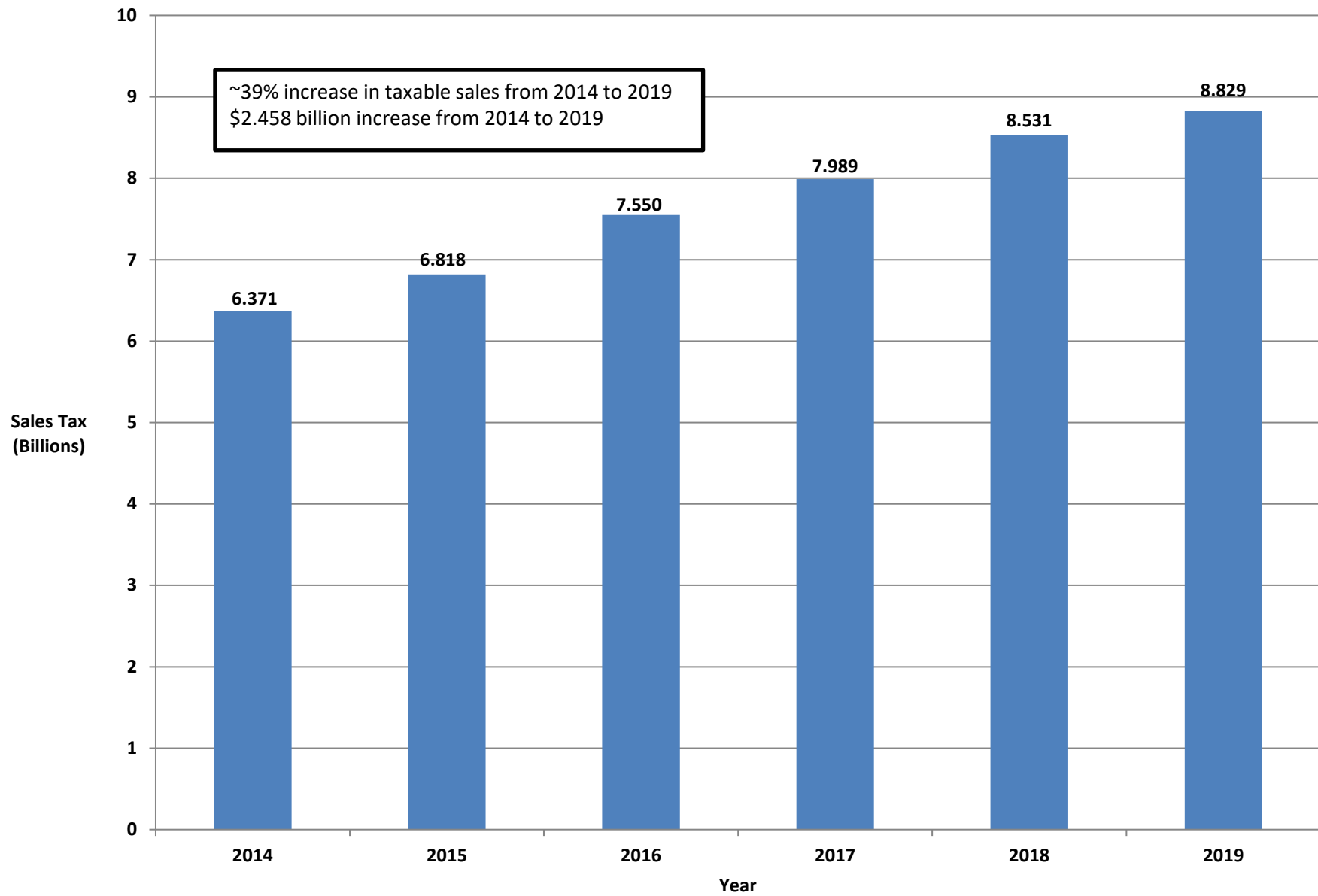
Grocery Store Rent Survey

#	Location	APN	Description	Sq Feet/ Year Built	Lease Date/ Term	Base Rent/SF	Lease Type	Comments
Market Rents								
	8165 S. Virginia St 043-030-34		Lee's Discount Liquor	23,411 1987	06/25/2019 3 Year	\$1.25	NNN	Former Scolari's demised into 2 spaces
	1350 Disc Drive, Suite A 035-263-09		Grocery Outlet	20,416 1996	11/1/2017 10 Year	\$0.75	NNN	Landlord contributed ~\$600,000 in TI's. Rent is flat except for one 10% escalation after 5 years.
	125-165 Disc Drive, Ste. DM-1 510-083-09		Sprouts	30,000 2006	9/2016 5 Year	\$1.17	NNN	Landlord responsible for TI's; 2% escalations
Market Rent Median:						\$1.17		
Contract Rents								
	4819 Kietzke Lane 024-055-33		Natural Grocers	31,850 1996	2/2014 10 Year	\$0.67	NNN	Landlord contributed ~\$17/SF in TI's; 2% rent escalations
	2389 Wingfield Hills Road 528-321-06		Wingfield Springs Raleys Supermarket	58,299 2008	2008 25 years	\$1.39	NNN	5 year options
	18144 Wedge Parkway 049-731-10		Galena Junction Raleys Supermarket	61,554 1996	1996 25 years	\$0.89	NNN	Current lease has 3+ years left; Tenant has three 5-year options; percentage rent of 1% for gross receipts greater than \$30 million.
	3310 S McCarran Blvd. 021-281-12		Mira Loma Raley's Supermarket	36,000 1985	2005 20 years	\$1.00	NNN	Former Scolari's now occupied by Raley's; Owner hopes renegotiate lease at next renewal.
Contract Rent Median:						\$0.99		

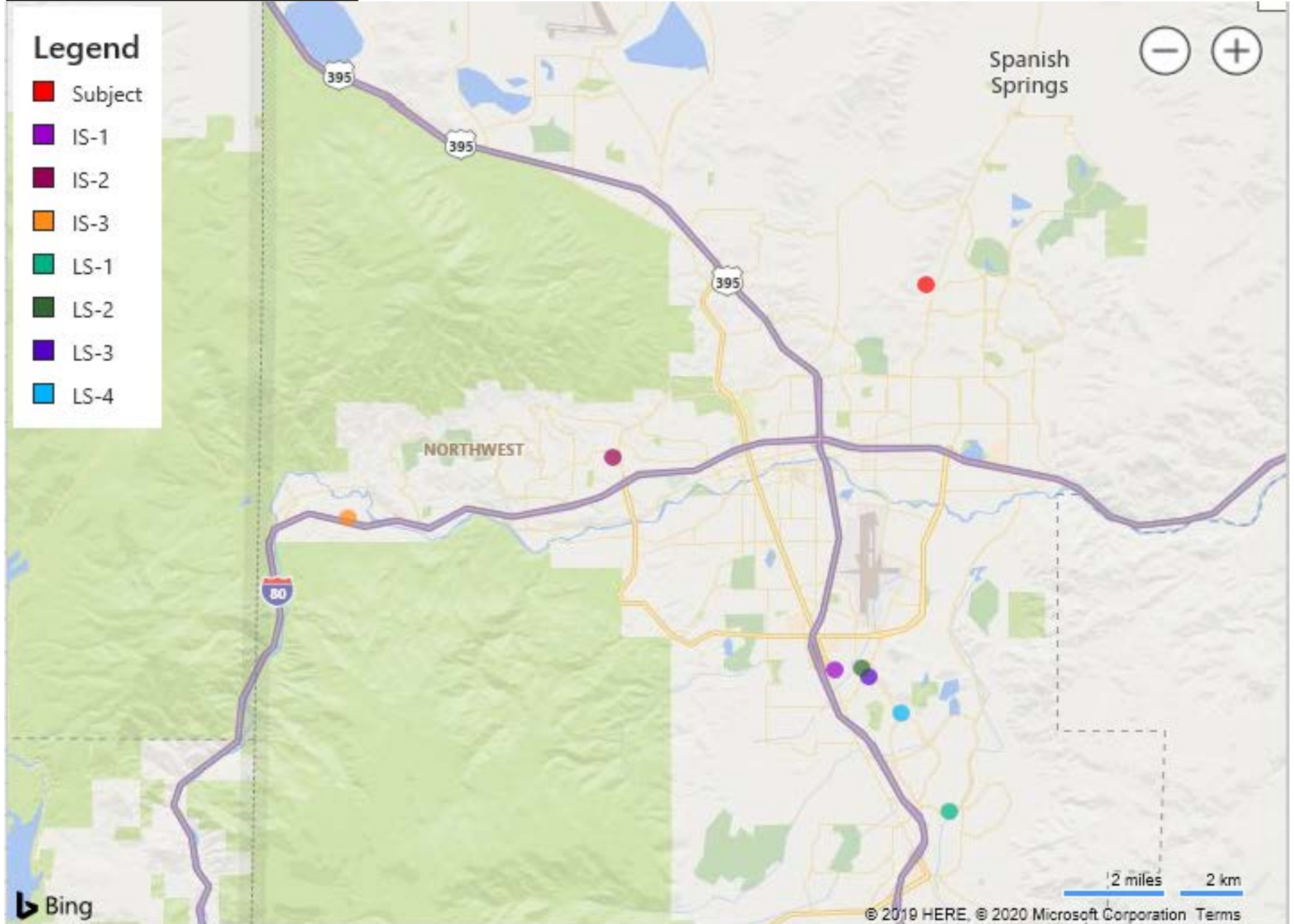
RETAIL CAPITALIZATION RATE CHART

APN	NBC	Location	Use %	Total Finish Area	Year Built	Land (SF) %Coverage Zoning	Sale Price Sale Date	NOI OAR	Notes
025-570-01 OBGQ		6590 S Virginia St. Home Depot	100% Discount WH Store	102,832	1993	435,382 24% MUSV	\$15,980,000 4/26/2018	\$933,660 5.84%	Arms length transaction in an investment sale. The property is fully leased to national credit home improvement center with market big box lease rate and 6 more years left in the current lease.
039-750-13 BCAQ		5150 Mae Anne Ave. Kohl's	100% Discount Store	94,213	1990	395,742 23% AC	\$9,350,000 9/12/2017	\$636,250 6.80%	Kohl's has nine years remaining on a 20-year lease. They have six 5-year options, with rent escalations every five years. This was part of a 1031 tax deferred exchange. Market financing on this transaction.
510-083-09, etal DGAQ		125 Disc Dr Sparks Galleria	C. Shopping Center	204,228	2010	1,184,396 17% RCSO	\$36,190,000 10/9/2019	\$2,771,881 6.82%	Sale of Sparks Galleria which is a community shopping center in the Spanish Springs Submarket. Taco Bell and two pad sites that front Disc Drive were acquired through a separate transaction for \$4,460,000. Leasable area includes 8,402 SF of mezzanine space in Gold's Gym (APN 510-083-03). Cap rate and NOI are reported for total purchase price of \$40,650,000 which includes Taco Bell, 2 pad sites, and Galleria shopping center. Total vacancy was ~13% at time of sale for the shopping center.
040-880-24 OBGQ		6990 S McCarran Blvd	Office Shopping Center	76,487	2004	211,702 36% GO	\$17,900,000 1/10/2019	\$1,170,959 6.54%	Listed with Colliers on market for 3 mos 14 days. bankruptcy sale at 6.54% cap rate. Total GBA 76,487 SF. 76% office, 16% neighborhoods shopping center, and 8% restaurant. Sale price per SF is \$234. Estimated rent rate is in the range of \$1.33/SF to \$2.08/SF/MO. 100% leased when sold.
041-243-09,10,11 RBEQ		4780-4798 Caughlin Pkwy Caughlin Shopping Center	N. Shopping Center	111,716	1992	478,332 23% PUD	\$18,000,000 8/29/2018	\$1,413,000 7.85%	Raleys moved into the previous Scolari's market prior to this transaction. This sale includes the Starbucks and Wells Fargo Bank parcels. Total bldg SF is 111,716. Total land 10.98 acres. \$161/SF is comparable to the Mira Loma Shopping center earlier. Costar reports 92% of space was leased at time of sale. NOI reported as actual.
021-281- 08,12,13,14,02 NDEQ		3310 S McCarran Blvd Mira Loma Shopping Center	N. Shopping Center	104,717	1993	405,793 26% AC	\$16,350,000 3/2/2018	\$1,150,000 7.03%	Buyer indicated that environmental issues exists (dry cleaners). Raleys took over the Scolari lease and overall vacancy is very low. Buyer plans to renovate and increase rents in time. Buyer believes the new SE connector and future homes at Bella Vista will also add value.
Big Box Sales with Credit Tenants									
0823-026-040		11729 Imperial Hwy Norwalk CA Wal-Mart	Discount Store	111,830	1998	334,105 33% N/A	\$20,200,000 05/02/17	\$1,100,000 5.45%	Located in Los Angeles County with good visibility and access to Interstate 5; Seven years remaining on net lease; Sale Price is ~\$181/SF
223-0082-20,49		8961 Greenback Ln Orangevale CA Wal-Mart	Discount Store	98,000	2006	422,532 23% N/A	\$13,500,000 02/17/17	\$703,350 5.21%	Located ~ 20 miles from Downtown Sacramento; Nine years remaining on net lease; Store smaller than typical supercenter due to zoning and building restrictions; Sale price is \$138/SF
138-34-717-015		861 S. Rainbow Blvd. Las Vegas, NV Home Depot	100% Discount Store	105,275	1993	436,907 24% C-1	\$23,100,000 01/05/17	\$1,386,000 6.00%	Located just north of the West Charleston Blvd. and South Rainbow Blvd. intersection in West Las Vegas. Long term, net leased property to credit tenant.
498-032-38S		875 Shaw Ave Clovis, CA Lowe's	100% Discount Store	164,351	2003	508,345 32% C-2	\$12,409,500 10/01/18	\$690,000 5.56%	Building is 100% occupied by Lowe's on a NNN lease. Ten years are remaining on the lease term at time of sale. Property was on the market for approximately 3 months with an asking price of \$14,526,000

Annual Washoe County Sales & Use Tax

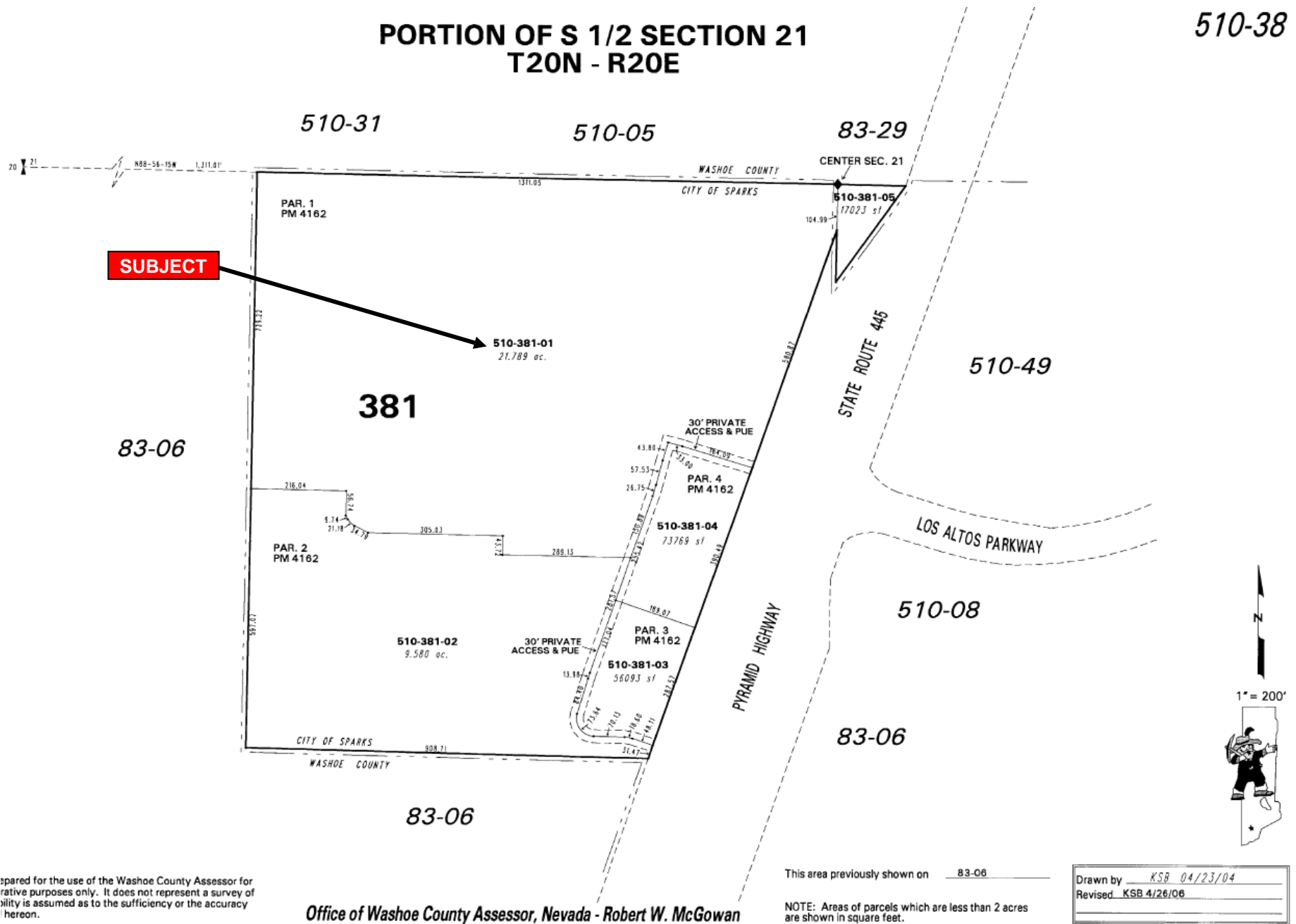


NEIGHBORHOOD MAP



PORTION OF S 1/2 SECTION 21 T20N - R20E

510-38



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rative purposes only. It does not represent a survey of
ility is assumed as to the sufficiency or the accuracy
hereon.

Office of Washoe County Assessor, Nevada - Robert W. McGowan

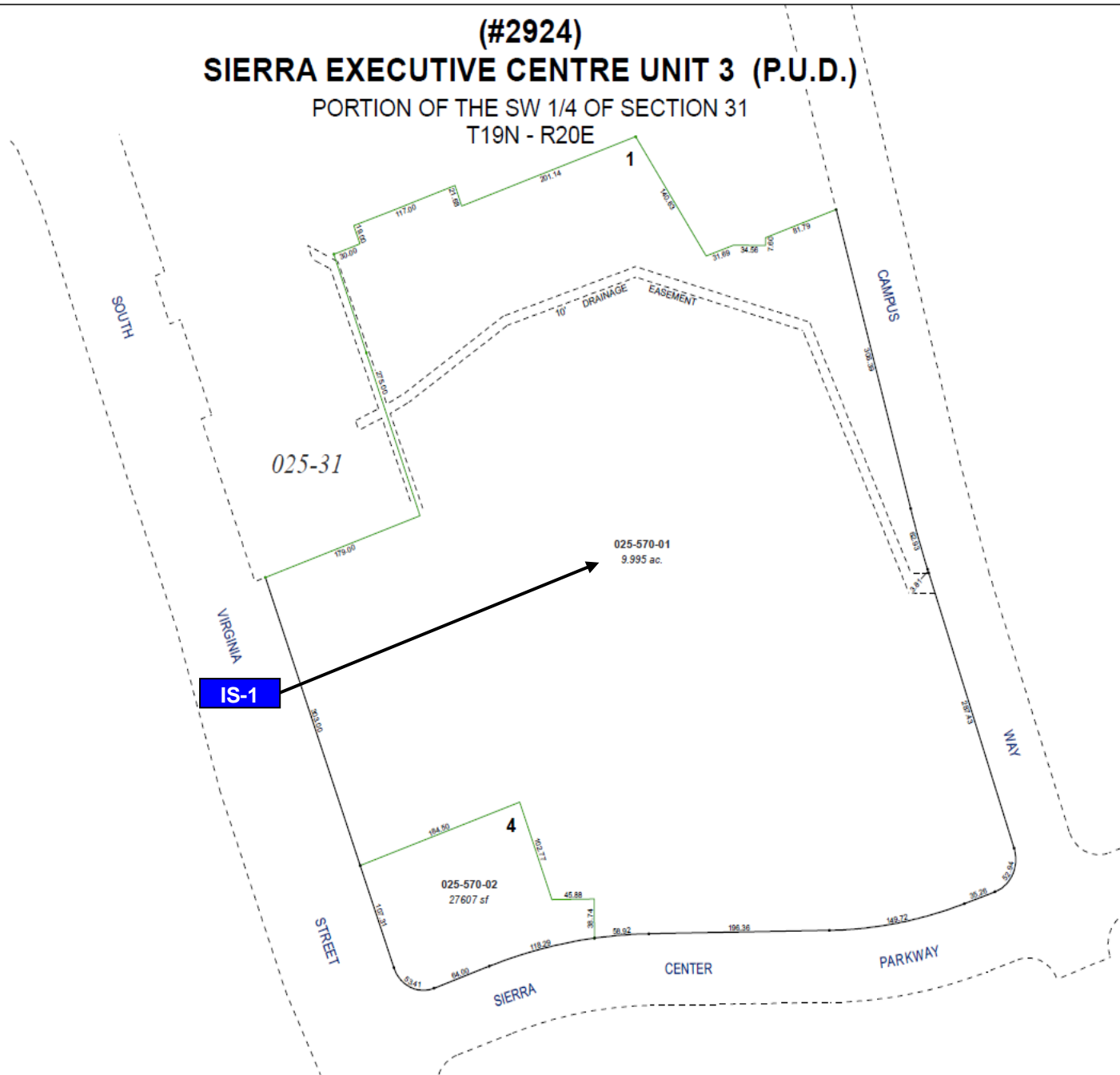
This area previously shown on 83-06

NOTE: Areas of parcels which are less than 2 acres
are shown in square feet.

ARC/INFO 8.0 WINDOWS 2000/5.0

(#2924)
SIERRA EXECUTIVE CENTRE UNIT 3 (P.U.D.)

PORTION OF THE SW 1/4 OF SECTION 31
 T19N - R20E



Assessor's Map Number
025-57

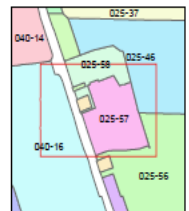
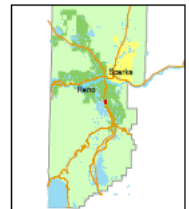
STATE OF NEVADA
WASHOE COUNTY
ASSESSOR'S OFFICE
 Michael E. Clark, Assessor

1001 East Ninth Street
 Building D
 Reno, Nevada 89512
 (775) 328-2231



Feet
 0 25 50 75 100

1 inch = 100 feet



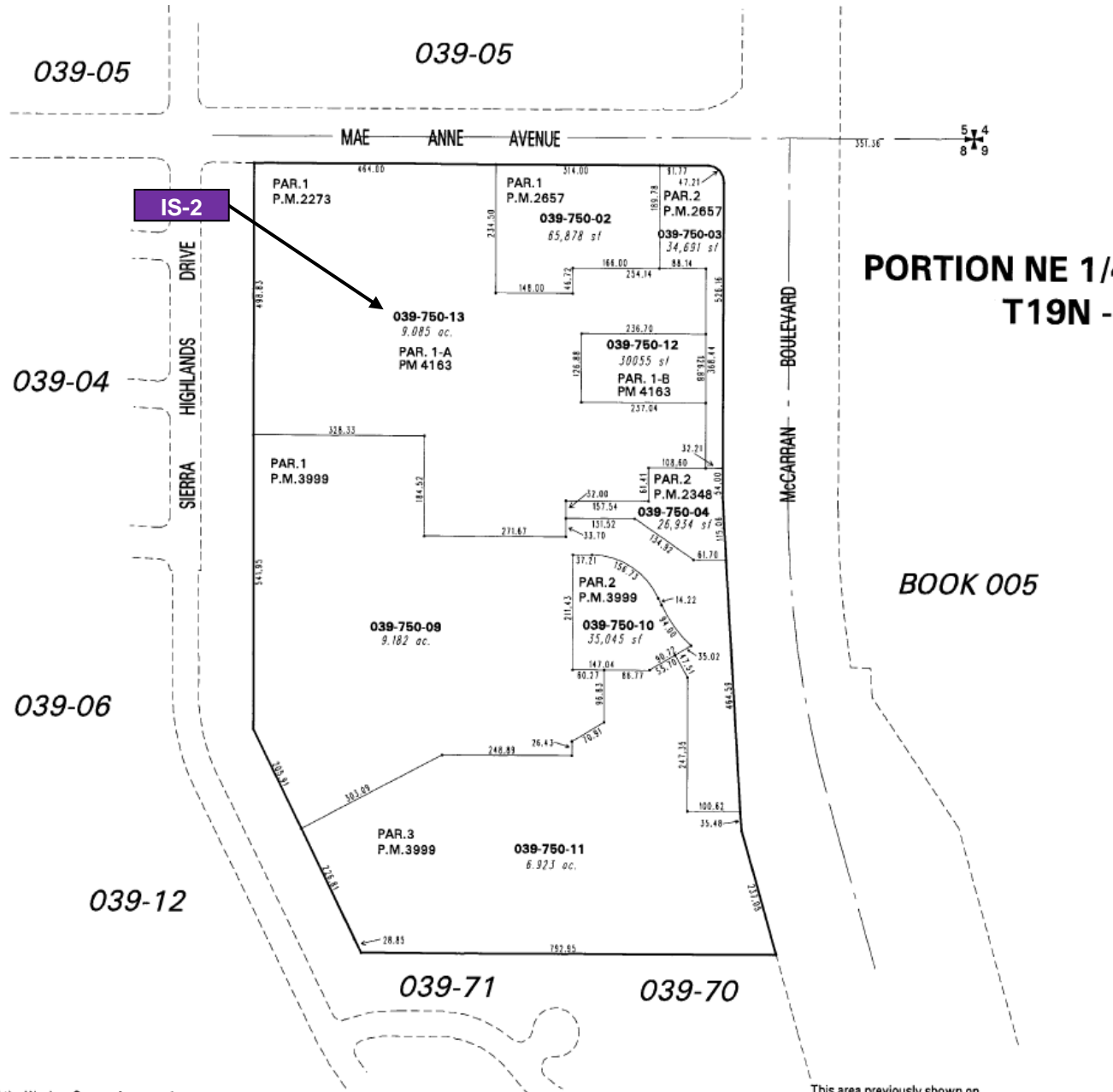
created by: TWT 8/3/2015

last updated:

area previously shown on maps)
 025-31 & 48

NOTE: This map was prepared for the use of the Washoe County Assessor for assessment and illustrative purposes only. It does not represent a survey of the premises. No liability is assumed as to the sufficiency or accuracy of the data delineated hereon.

039-75



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Office of Washoe County Assessor, Nevada - Robert W. McGowan

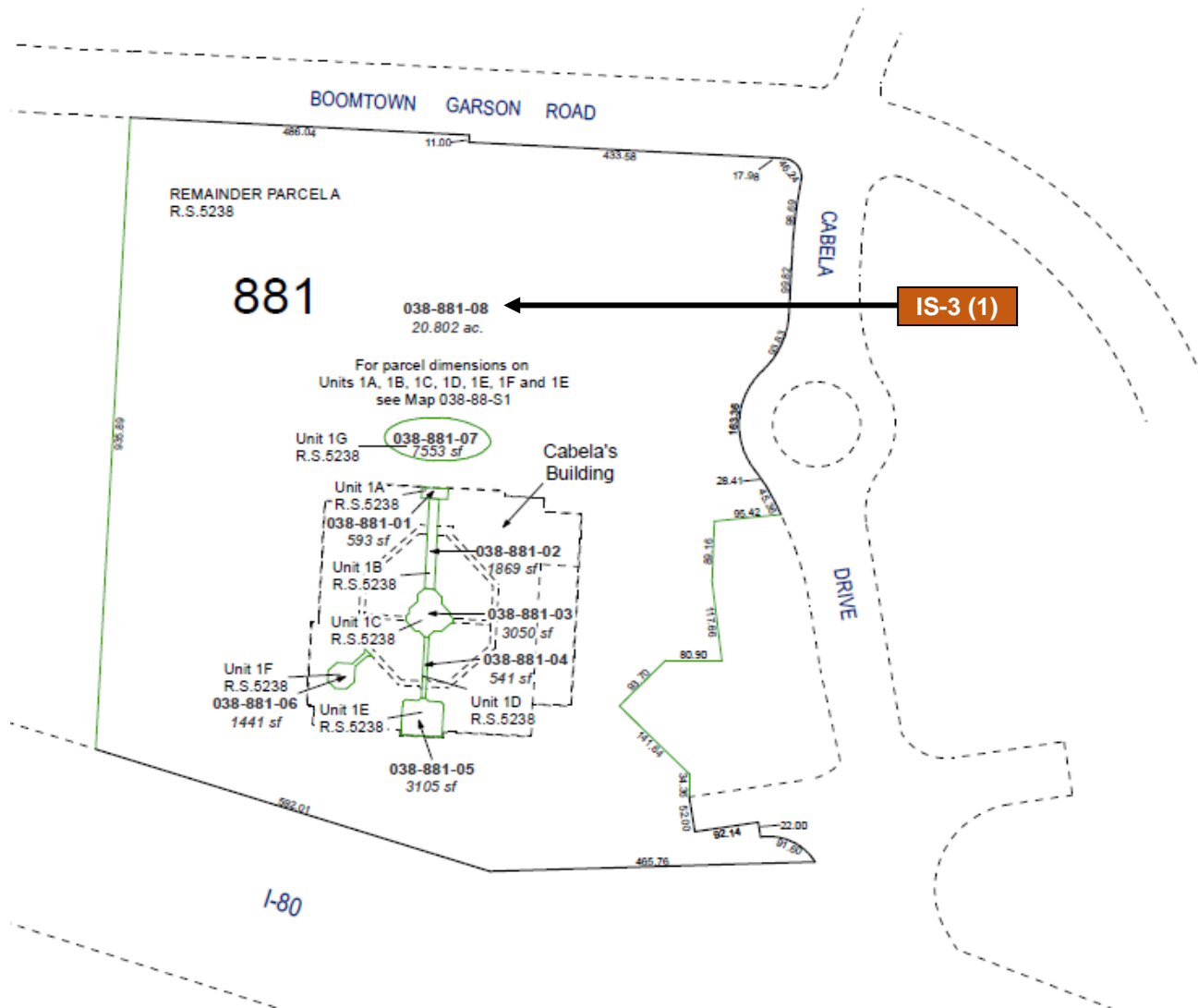
This area previously shown on _____

NOTE: Areas of parcels which are less than 2 acres are shown in square feet.

Drawn by CFB 4/30/2003
Revised PK 4/24/04

ARC/INFO 8.1.2 WINDOWS 2000 5.0

PORTION OF THE W 1/2 SECTION 16
T19N - R18E

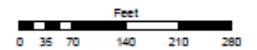


Assessor's Map Number

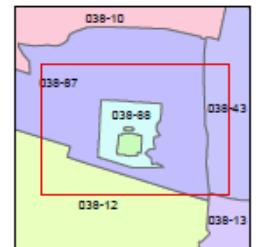
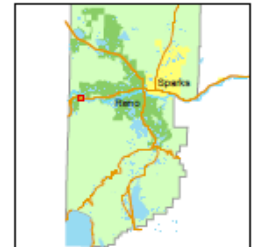
038-88

STATE OF NEVADA
WASHOE COUNTY
ASSESSOR'S OFFICE
Joshua G. Wilson, Assessor

1001 East Ninth Street
Building D
Reno, Nevada 89512
(775) 328-2231



1 inch = 200 feet



created by: CFB 06/21/2010

last updated:

Assessor's Map Number

038-87

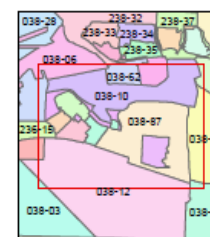
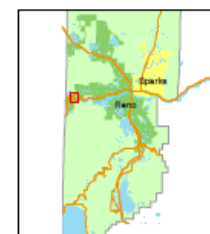
STATE OF NEVADA
WASHOE COUNTY
ASSESSOR'S OFFICE

1001 East Ninth Street, Building D
Reno, Nevada 89512
(775) 328-2231



0 100 200 300 400
Feet

1 inch = 400 feet

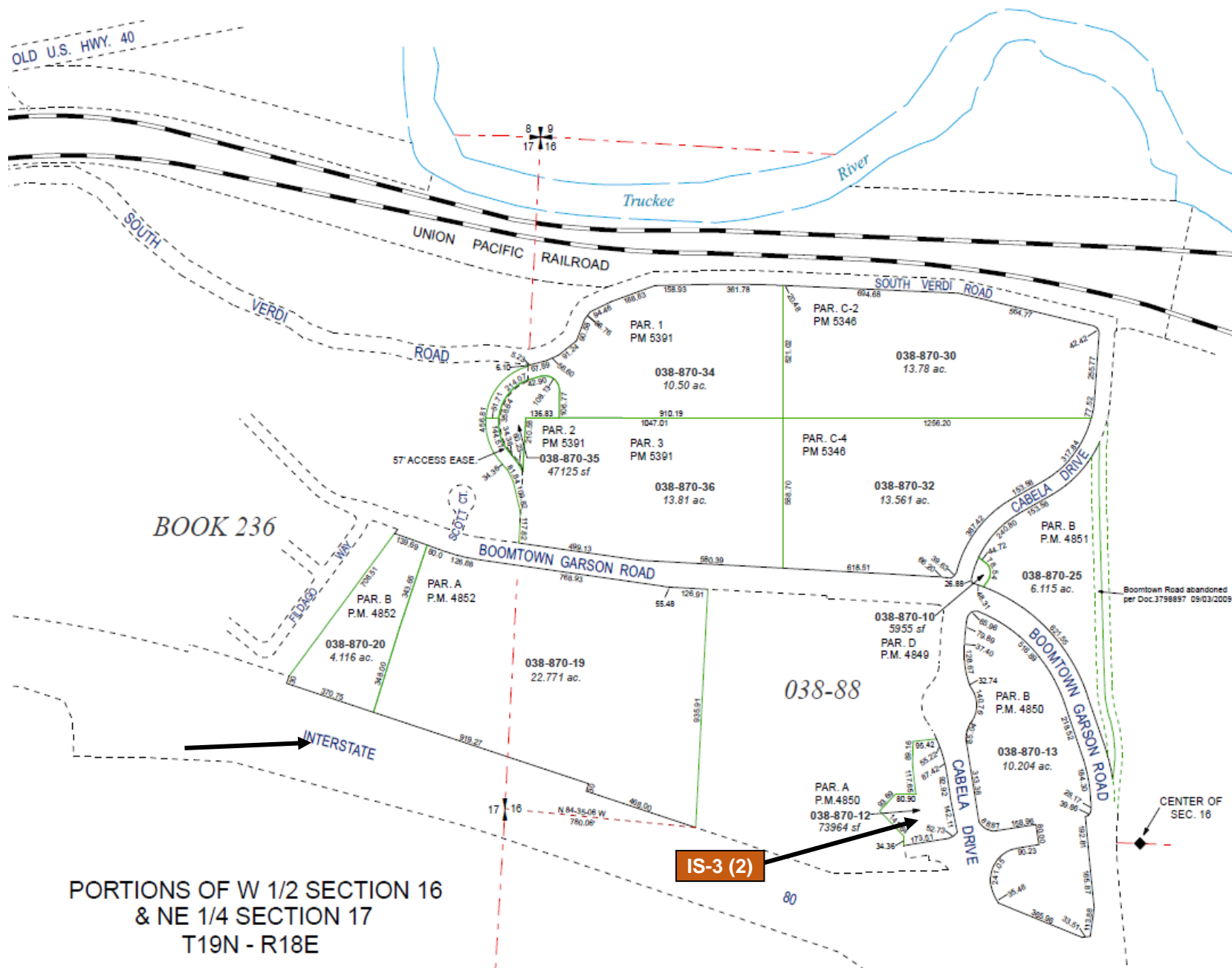


created by: CFB 6/10/2009

updated: KSB 4/13/17 KSB 5/17/18

JMO 3/26/19

area previously shown on map(s):



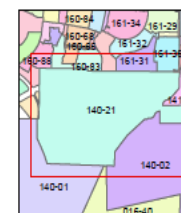
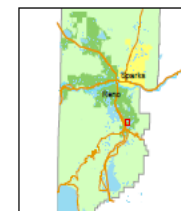
PORTIONS OF W 1/2 SECTION 16
& NE 1/4 SECTION 17
T19N - R18E

140-21

1001 East Ninth Street
Building D
Reno, Nevada 89512
(775) 328-2231

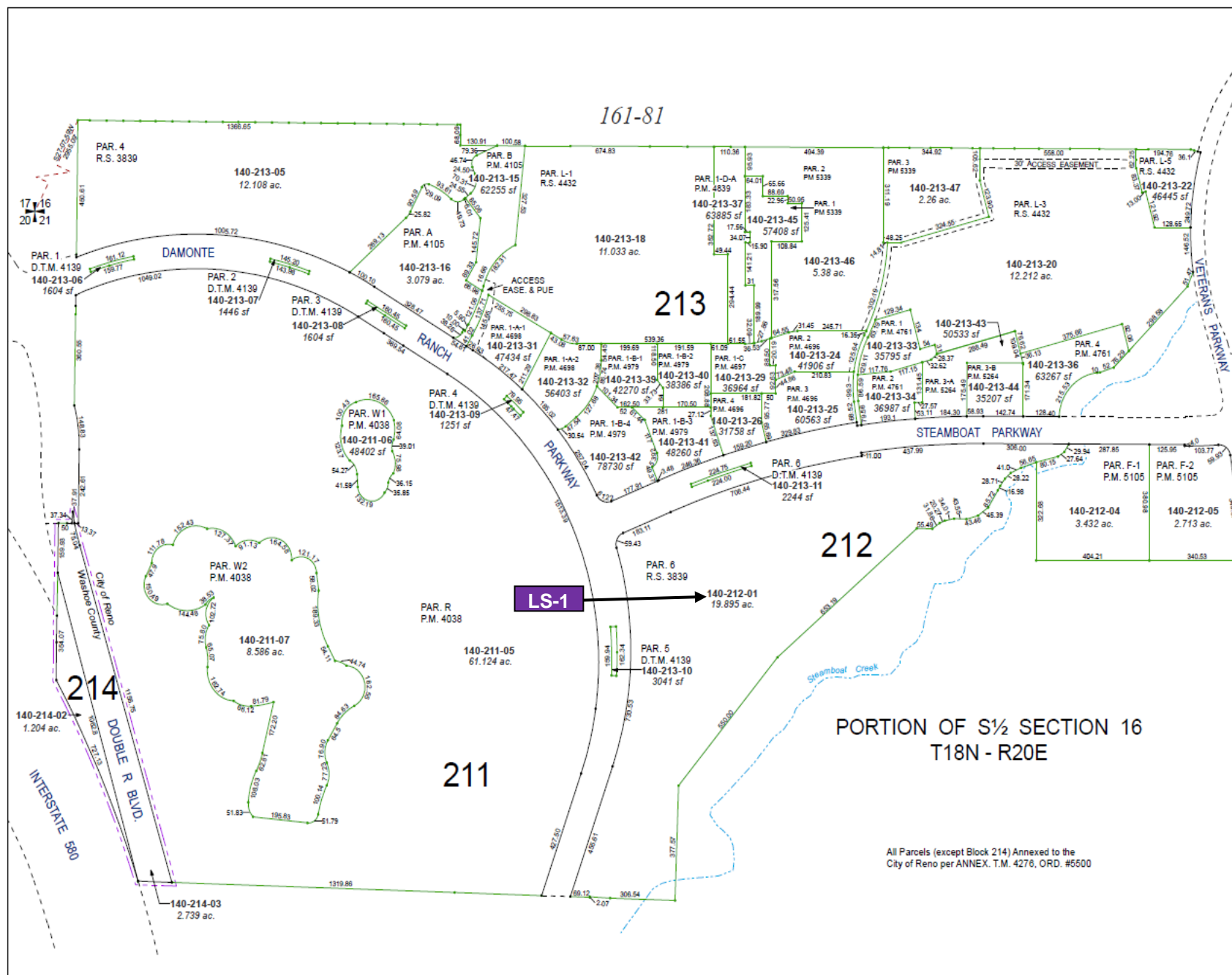


1 inch = 300 feet

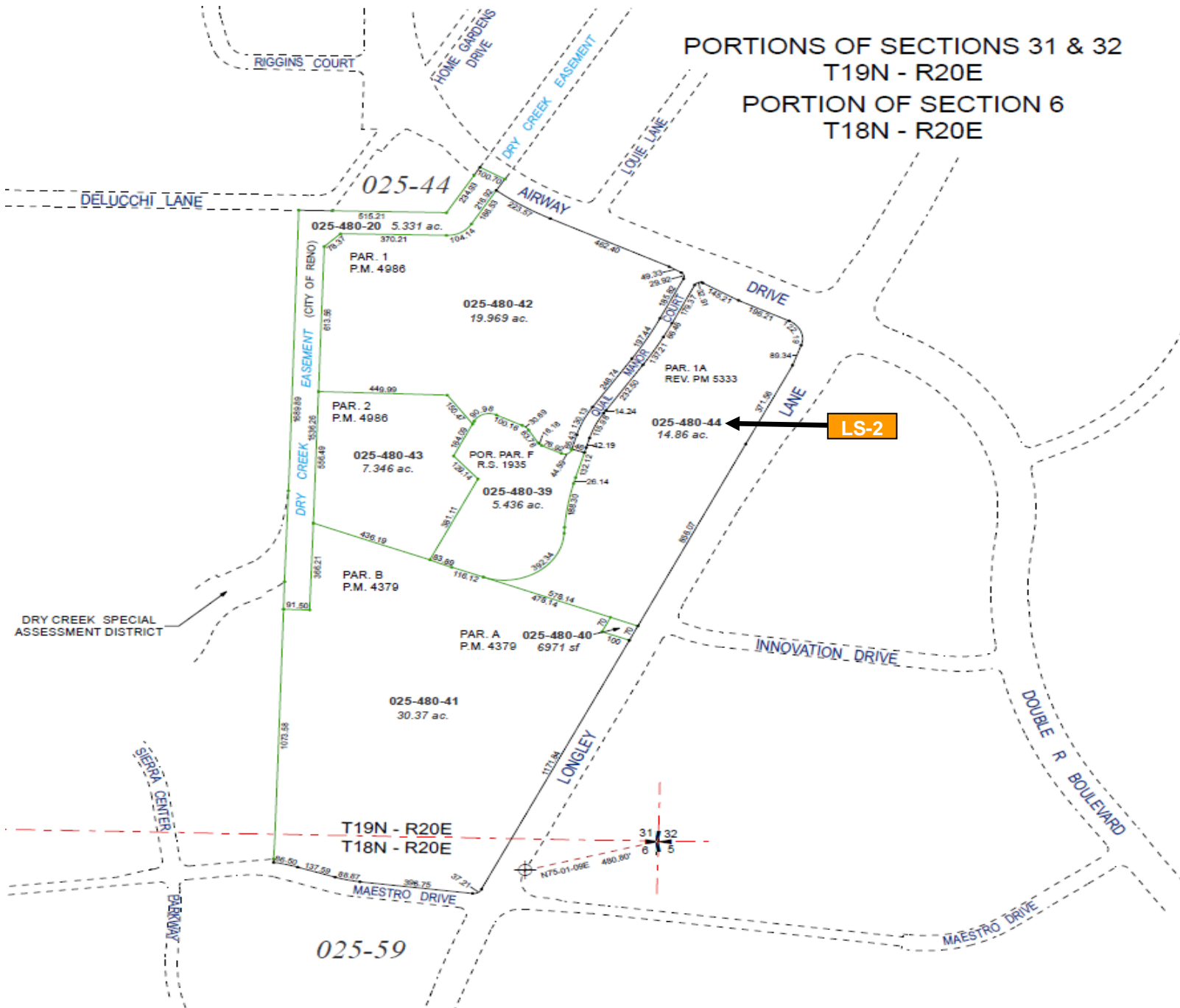


016-40 016-52

NOTE: This map was prepared for the use of the Washoe County Assessor for assessment and illustrative purposes only. It does not represent a survey of the premises. No liability is assumed as to the sufficiency or accuracy of the data delineated herein.



PORTIONS OF SECTIONS 31 & 32
T19N - R20E
PORTION OF SECTION 6
T18N - R20E



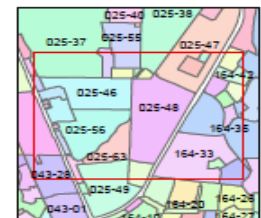
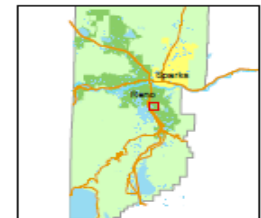
Assessor's Map Number
025-48

STATE OF NEVADA
WASHOE COUNTY
ASSESSOR'S OFFICE
Michael E. Clark, Assessor

1001 East Ninth Street
Building D
Reno, Nevada 89512
(775) 328-2231

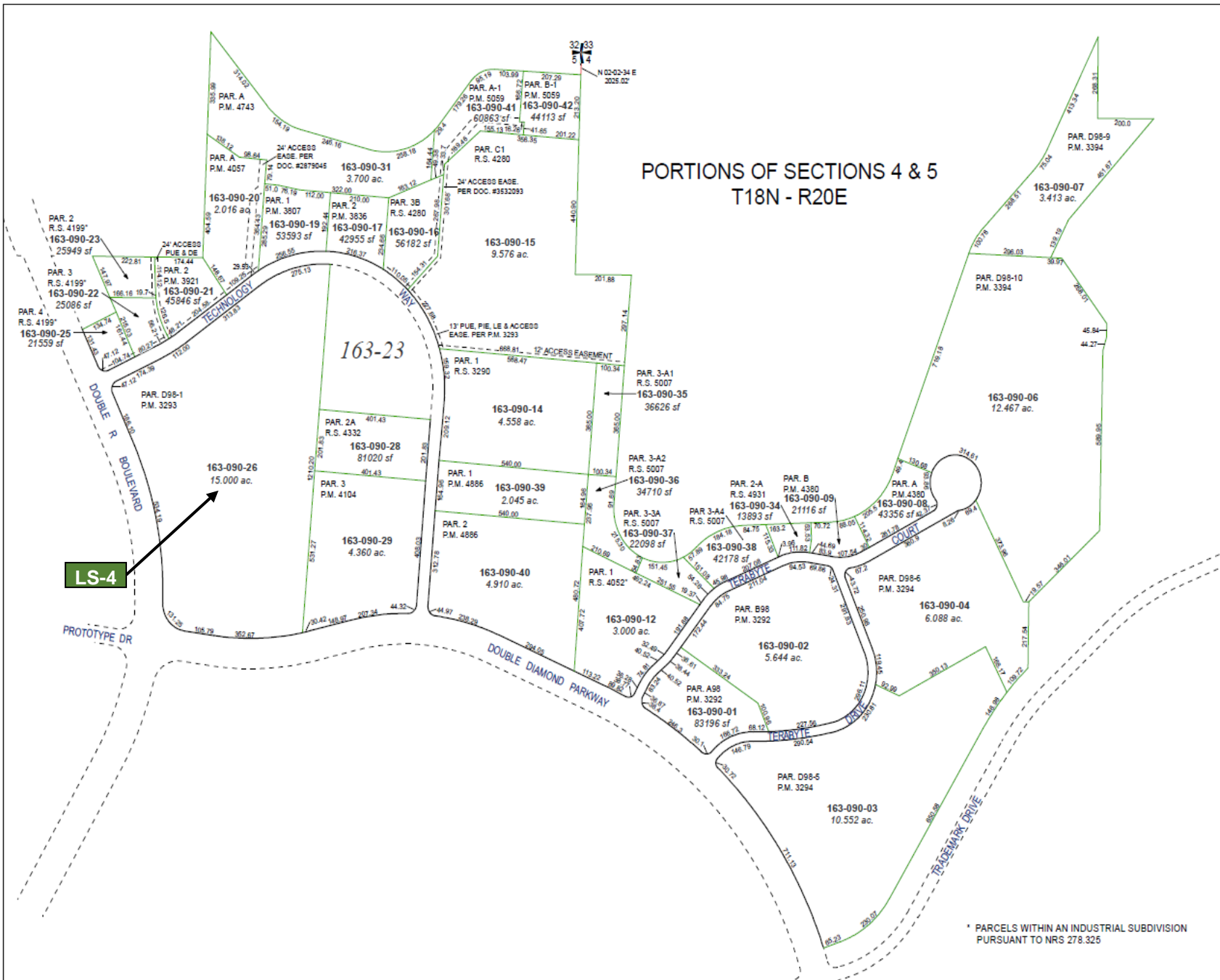


Feet
0 100 200 300 400
1 inch = 400 feet



created by: TWT 07/27/2015
last updated: QR 3/5/18
area previously shown on map(s)

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Assessor's Map Number

163-09

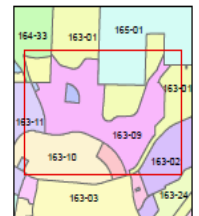
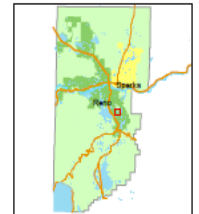
STATE OF NEVADA
WASHOE COUNTY
ASSESSOR'S OFFICE
 Joshua G. Wilson, Assessor

1001 East Ninth Street
 Building D
 Reno, Nevada 89512
 (775) 328-2231



Feet
 0 50 100 200 300

1 inch = 300 feet



created by: **NLH 10/20/2011**

last updated:

area previously shown on map(s)

160-48

* PARCELS WITHIN AN INDUSTRIAL SUBDIVISION
 PURSUANT TO NRS 278.325

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