

**City of Carson City
Agenda Report**

Date Submitted: April 8, 2008

Agenda Date Requested: April 17, 2008

Time Requested: Consent

To: Mayor and Supervisors

From: Parks and Recreation Department-Open Space

Subject Title: Action to appoint and authorize the Mayor, the City Clerk Recorder, or designee to swear Ms. Cindy Lund Fogel with Johnson-Perkins and Associates, Inc., as the appraiser for Carson City with regard to the self-contained appraisal of the following property in Carson City: 1) APN 7-101-51, a portion consisting of approximately 20 acres and a 40 foot wide times a 1,000 foot long access easement located at the western terminus of paved portion of Ash Canyon Road.

Staff Summary: Appraisals are required by state law in order to determine the value of property to be purchased. This action is for appointment of Cindy Lund Fogel as the appraiser for the property, as required by N.R.S. 244.275. The approximate cost of the appraisal is \$6,000 which will be paid from the Open Space Question 18 fund.

Type of Action Requested: (check one)

☐ Resolution

☐ Ordinance

☒ Formal Action/Motion

☐ Other (Specify)

Does This Action Require a Business Impact Statement: ☐ Yes ☒ No

Recommended Board Action: I move to appoint and authorize the Mayor, the City Clerk Recorder, or designee to swear Ms. Cindy Lund Fogel with Johnson-Perkins and Associates, Inc., as the appraiser for Carson City with regard to the self-contained appraisal of the following property in Carson City: 1) APN 7-101-51, a portion consisting of approximately 20 acres and a 40 foot wide times a 1,000 foot long access easement located at the western terminus of paved portion of Ash Canyon Road.

Explanation for Recommended Board Action: State law requires the appointment of an appraiser who shall be sworn to make a true appraisal of the subject property according to the best of their knowledge and ability. The appraisal is required in order to determine the value of properties in question. For clarification, this action does not require compliance with the list of appraisers that the Board recently approved as part of AB 312 as codified in N.R.S. 244.2795. This list is used only when the City wishes to sell or lease City property. The provisions of N.R.S. 244.275 are used in this case where the City is considering buying property.

Applicable Statute, Code, Policy, Rule or Regulation: N.R.S. 244.275

Fiscal Impact: Approximately \$6,000

Explanation of Impact: This action is required by N.R.S. 244.275. An appraisal is required in order to establish the fair market value of the property

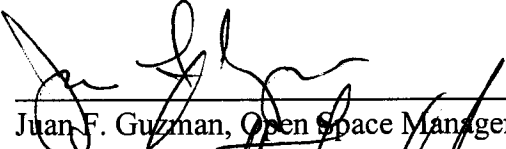
Funding Source: Open Space Professional Services 254-5047-452-0309.

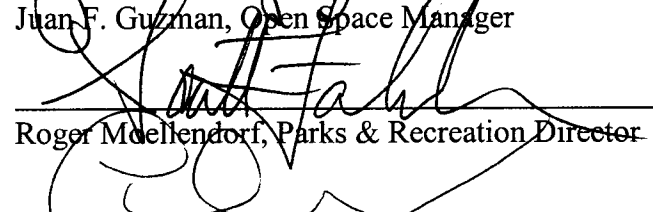
Alternatives:

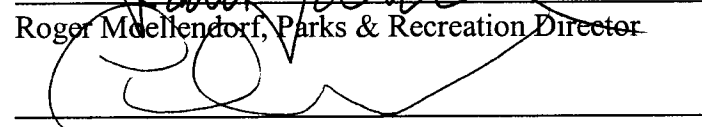
Not to approve and swear Ms. Cindy Lund Fogel as the appraiser for the Carson City Open Space Program for this appraisal.

Supporting Material:

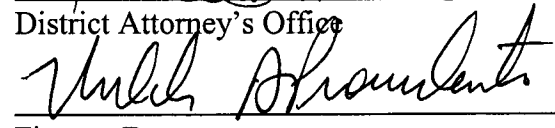
- Copy of N.R.S. 244.275
- Estimates from Ms. Cindy Lund Fogel, with Johnson-Perkins and Associates, Inc.

Prepared By:  **Date:** 4, 7, 08
Juan F. Guzman, Open Space Manager

Reviewed By:  **Date:** 4, 7, 08
Roger Moellendorf, Parks & Recreation Director

 **Date:** 4, 8, 08
Larry Werner, City Manager

 **Date:** 4, 8, 08
District Attorney's Office

 **Date:** 4, 8, 08
Finance Department

Board Action Taken:

Motion: _____ 1: _____ Aye/Nay
2: _____

(Vote Recorded By)

PROJECT INFO
NRS Chapter 332 Services less than \$50,000

NRS 332 Services less than \$50,000

 X less than \$25,000 requires one (1) written quote
 \$25,000 to \$49,999 requires two (2) or more written quotes

CONTRACT TITLE: Joost Property APN 07-101-51

CONTRACT TERM:

Desired effective date ASAP

Desired termination date 60 days after date of execution of this agreement

CORRESPONDENCE FOR VENDOR SHALL BE ADDRESSED TO:

Contact Person / Title: Ms. Cindy Lund Fogel

Company Name: Johnson-Perkins and Associates, Inc.

Address: 295 Holcomb Ave., Ste. 1

City: Reno **State:** Nevada **Zip Code:** 89502

Telephone #: 775-322-1155 **Fax #:** 775-322-1156

E-Mail Address: clf@johnsonperkins.com

SCOPE OF WORK: Proposal(s), Fee Schedule(s), and/or Quote(s) must be provided as attachment(s).

AMOUNT TO BE PAID VENDOR:

Amount to be paid based on Time & Materials Yes

or

Amount to be paid based on Lump Sum

WHO WILL SIGN CONTRACT FOR VENDOR:

Name / Title: Ms. Cindy Lund Fogel

Company Name: Johnson-Perkins and Associates, Inc.

Business License #: 08-8977

Address: 295 Holcomb Ave., Ste. 1

City: Reno **State:** Nevada **Zip Code:** 89502

Telephone #: 775-322-1155 **Fax #:** 775-322-1156

E-Mail Address: clf@johnsonperkins.com

PROJECT INFO
NRS Chapter 332 Services less than \$50,000

CITY INFORMATION:

Contract will be signed by Department Head ☒ Yes ☐ No

If no, Contract will be signed by:

Name / Title: _____

Department / Division: _____

Telephone # (775) 887 - _____ ext _____ Fax # (775) 887 - _____

Invoice(s) will be mailed to:

City Accounts Payable Clerk / Title: Daria Petrenko, Management Assistant V

Department / Division: Parks and Recreation Department

Telephone # (775) 887 – 2363 ext. 1008 Fax # (775) 887 - 2145

Funding Source:

Original budget amount(s) approved: \$60,000.00

Actual amount(s) requested: \$6,000.00

Variance(s) from original budget amount:

Fiscal Year(s) in which funding was allocated: FY 07/08

Expense account title(s): professional services

Expense account number(s): 254-5047-452-0309

Will federal funding be used for this project? ☐ Yes ☒ No

If yes, please list the required federal forms that have been provided. _____

If yes, special requirements for newspaper advertisement provided via e-mail as a Word document attachment. ☐ Yes ☐ No ☒ N/A

Will City be reimbursed using FTA or FHWA funds? ☐ Yes ☒ No

If yes and there is required verbiage that must be included in the bid and/or contract, verbiage has been provided via e-mail as a Word document attachment. ☐ Yes ☒ No



March 25, 2008

VIA EMAIL: jguzman@ci.carson-city.nv.us

Mr. Juan Guzman
Open Space Manager
Carson City Parks and Recreation Department
3303 Butti Way, Building 9
Carson City, Nevada 89701

RE: A Fee Simple Acquisition and a Permanent Easement - The Joost Land and Cattle Co.,
Inc. Property, A.P.N. 07-101-51 (Portion), Carson City, Nevada

Dear Mr. Guzman:

This letter is in response to your request for a fee proposal regarding the preparation of a summary appraisal report of a fee simple acquisition and a proposed permanent easement. The acquisitions will involve approximately 20± acres of vacant land and a 20± foot wide easement area which are portions of Carson City Assessor's Parcel Number 07-101-51. The subject ownership is located at the west terminus of Ash Canyon Road, Carson City, Nevada. The subject's larger parcel is currently owned by The Joost Land and Cattle Company, Inc.

It is our understanding that you are requesting an estimate of the Market Value and recommended just compensation due the owner of the property as a result of the proposed fee simple acquisition and the permanent easement acquisition as of a current date of valuation. The intended users of the appraisal are the Carson City Parks and Recreation Department and their representatives. The intended use is to assist in negotiations to acquire the fee simple take area and the permanent access easement.

A summary appraisal report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the *Uniform Standards of Professional Appraisal Practice* for a summary appraisal report. As such, it presents only summary discussions of

the data, reasoning and analyses that are used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the subject data, reasoning and analysis is retained in these appraisers' 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. The appraiser is not responsible for unauthorized use of the report.

Based upon a review of the scope of the proposed assignment, our firm hereby proposes to prepare a complete summary appraisal report of the properties described above for a fee of \$6,000.

It should be noted that this fee addresses the cost of preparing the summary appraisal report only, and does not include allowances for extraordinary client meetings, property owner meetings, and various other consultations which may be requested.

Based upon a review of our current work schedule and the scope of the proposed assignment, we propose to deliver the completed appraisal report within 45 to 60 days from receipt of your acceptance of this proposal. Unexpected delays over which these appraisers have no control may affect the delivery date.

This firm will require the client to provide all information and documentation that he/she may have relative to previous purchases, listings or offers involving the subject property. Our firm will also require copies of any engineering studies, environmental assessments, asbestos reports, surveys, maps or other material information that would impact the value of the subject property.

The appraisal fee, as set forth above, does not include provisions for additional professional services which may be required to complete the appraisal analysis, such as engineering, soils testing, cost estimating or preliminary title reports. If such professional services are required, these costs will be billed in addition to the above appraisal fee. Prior to incurring such expense, your review and authorization will be requested.

In the event that we are required to provide expert witness testimony in regard to the appraisal, you will be billed, in addition to the fee as set forth above, for pre-trial preparation, conferences and expert witness testimony at the then prevailing rates. The current litigation rate for the principle appraiser is \$275 per hour, while the fee for associate appraisers ranges between \$75 and \$250 per hour. Additional costs such as photo enlargements, trial exhibits, aerial photography and other items will be billed based on their actual cost.

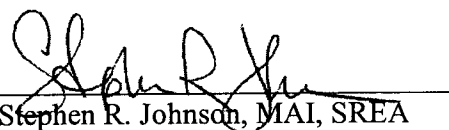
All appraisal services provided by this firm will be developed and prepared in conformity with and subject to the requirements of the *Code of Ethics and Standards of Professional Practice* of the Appraisal Institute, as well as the *Uniform Standards of Professional Appraisal Practice* as promulgated by the Appraisal Foundation.

The appraisal report will be prepared in accordance with the requirements of Nevada Revised Statute 645-C.

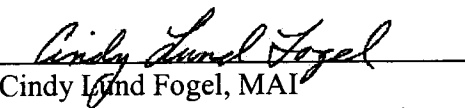
The appraisal report will be prepared in accordance with our Standard Assumptions and Limiting Conditions, which by reference are incorporated in this fee proposal, and which will be set forth in the completed appraisal report. The acceptance of this proposal indicates your acceptance and concurrence with the Standard Assumptions and Limiting Conditions under which your assignment will be prepared.

Should the above meet with your approval, please signify by signing, dating and returning one copy of this proposal to us. We appreciate being considered for this assignment. If you have any additional questions, please contact us.

Respectfully submitted,



Stephen R. Johnson, MAI, SREA
Nevada Certified General Appraiser
License Number A.0000003-CG



Cindy Lund Fogel, MAI
Nevada Certified General Appraiser
License Number A.0002312-CG

ACKNOWLEDGED AND ACCEPTED:

Signature

Print/Type Name

Title

Date

Enclosure

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are contingent upon the following assumptions and limiting conditions:

LIMITS OF LIABILITY

The liability of Johnson-Perkins & Associates, Inc., its employees and associates is limited to the client only and to the fee actually received by the appraisal firm. There is no accountability, obligation, or liability to any third party. If the appraisal report is disseminated to anyone other than the client, the client shall make such party or parties aware of all limiting conditions and assumptions affecting the appraisal assignment. Neither the appraisers nor the appraisal firm is in any way to be responsible for any costs incurred to discover or correct any physical, financial, and/or legal deficiencies of any type present in the subject property. In the case of limited partnerships or syndication offerings or stock offerings in real estate, the client agrees that in the event of a lawsuit brought by a lender, a partner or part owner in any form of ownership, a tenant, or any other party, the client will hold the appraiser(s) and the appraisal firm completely harmless in such action with respect to any and all awards or settlements of any type in such lawsuits.

COPIES, PUBLICATION, DISTRIBUTION AND USE OF REPORT

Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for any purpose or any function other than its intended use, as stated in the body of the report. The appraisal fee represents compensation only for the analytical services provided by the appraiser(s). The appraisal report remains the property of the appraisal firm, though it may be used by the client in accord with these assumptions and limiting conditions.

The Bylaws and Regulations of the Appraisal Institute require each Member and Candidate to control the use and distribution of each appraisal report signed by such Member or Candidate. Except as hereinafter provided, the client may distribute copies of this appraisal report in its entirety to such third parties as he may select. However, selected portions of this appraisal report shall not be given to third parties without the prior written consent of those signing the appraisal report. Neither all nor any part of this appraisal report shall be disseminated to the general public by use of advertising media, public relations media, news media, sales media, or other media for public communication without the prior written consent of the appraisal firm.

This appraisal is to be used only in its entirety, and no part is to be used without the whole report. All conclusions and opinions concerning the analysis as set forth in the report were prepared by the appraiser(s) whose signature(s) appear(s) on the appraisal report, unless it is indicated that one or more of the appraisers was acting as "Review Appraiser." No change of any item in the report shall be made by anyone other than the appraiser(s). The appraiser(s) and the appraisal firm shall bear no responsibility for any such unauthorized changes.

CONFIDENTIALITY

Except as provided for subsequently, neither the appraiser(s) nor the appraisal firm may divulge the analyses, opinions, or conclusions developed in the appraisal report, nor may they give a copy of the report to anyone other than the client or his designee as specified in writing.

However, this condition does not apply to any requests made by the Appraisal Institute for purposes of confidential ethics enforcement. Also, this condition does not apply to any order or request issued by a court of law or any other body with the power of subpoena.

INFORMATION SUPPLIED BY OTHERS

Information (including projections of income and expenses) provided by informed local sources, such as governmental agencies, financial institutions, realtors, buyers, sellers, property owners, bookkeepers, accountants, attorneys, and others, is assumed to be true, correct, and reliable. No responsibility for the accuracy of such information is assumed by the appraiser. Neither the appraiser(s) nor the appraisal firm is liable for any information or the work product provided by subcontractors. The client and others utilizing the appraisal report are advised that some of the individuals associated with Johnson-Perkins & Associates, Inc. are independent contractors and may sign the appraisal report in that capacity. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction or from affidavit or other sources thought reasonable. To the best of our judgment and knowledge, all such information is considered appropriate for inclusion. In some instances, an impractical and uneconomic expenditure of time would be required in attempting to furnish absolutely unimpeachable verification. The value conclusions set forth in the appraisal report are subject to the accuracy of said data. It is suggested that the client consider independent verification as a prerequisite to any transaction involving a sale, a lease, or any other commitment of funds with respect to the subject property.

TESTIMONY, CONSULTATION, COMPLETION OF CONTRACT FOR APPRAISAL SERVICE

The contract for each appraisal, consultation, or analytical service is fulfilled, and the total fee is payable upon completion of the report. The appraisers(s) or those assisting in the preparation of the report will not be asked or required to give testimony in court or in any other hearing as a result of having prepared the appraisal, either in full or in part, except under separate and special arrangements at an additional fee. If testimony or a deposition is required because of any subpoena, the client shall be responsible for any additional time, fees, and charges, regardless of the issuing party. Neither the appraiser(s) nor those assisting in the preparation of the report is required to engage in post-appraisal consultation with the client or other third parties, except under a separate and special arrangement and at an additional fee.

EXHIBITS AND PHYSICAL DESCRIPTIONS

It is assumed that the improvements and the utilization of the land are within the boundaries of the property lines of the property described in the report and that there is no encroachment or trespass unless noted otherwise within the report. No survey of the property has been made by the appraiser(s), and no responsibility is assumed in connection with such matters. Any maps, plats, or drawings reproduced and scale. The reliability of the information contained on any such map or drawing is assumed accurate by the appraiser and is not guaranteed to be correct.

TITLE, LEGAL DESCRIPTIONS, AND OTHER LEGAL MATTERS

No responsibility is assumed by the appraiser(s) or the appraisal firm for matters legal in character or nature. No opinion is rendered as to the status of title to any property. The title is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in the appraisal report. The legal description, as furnished by the client, his donee, or as derived by the appraiser(s), is assumed to be correct as reported. The appraisal is

not to be construed as giving advice concerning liens, title status, or legal marketability of the subject property.

ENGINEERING, STRUCTURAL, MECHANICAL, ARCHITECTURAL CONDITIONS

This appraisal should not be construed as a report on the physical items that are a part of any property described in the appraisal report. Although the appraisal may contain information about these physical items (including their adequacy and/or condition), it should be clearly understood that this information is only to be used as a general guide for property valuation and not as a complete or detailed report on these physical items. The appraiser(s) is/are not a construction, engineering, or architectural expert(s), and any opinion given on these matters in this report should be considered tentative in nature and is subject to modification upon receipt of additional information from appropriate experts. The client is advised to seek appropriate expert opinion before committing any funds to the property described in the appraisal report.

Any statement in the appraisal regarding the observed condition of the foundation, roof, exterior walls, interior walls, floors, heating system, plumbing, insulation, electrical service, all mechanicals, and all matters relating to construction is based on a casual inspection only. Unless otherwise noted in the appraisal report, no detailed inspection was made. For instance, the appraiser is not an expert on heating systems, and no attempt was made to inspect the interior of the furnace. The structures were not investigated for building code violations, and it is assumed that all buildings meet the applicable building code requirements unless stated otherwise in the report.

Such items as conditions behind walls, above ceilings, behind locked doors, under the floor, or under the ground are not exposed to casual view and, therefore, were not inspected unless specifically so stated in the appraisal. The existence of insulation, if any is mentioned, was discovered through conversations with others and/or circumstantial evidence. Since it is not exposed to view, the accuracy of any statements regarding insulation cannot be guaranteed.

Because no detailed inspection was made, and because such knowledge goes beyond the scope of this appraisal, any comments on observed conditions given in this appraisal report should not be taken as a guarantee that a problem does not exist. Specifically, no guarantee is given as to the adequacy or condition of the foundation, roof, exterior walls, interior walls, floors, heating systems, air conditioning systems, plumbing, electrical service, insulation, or any other detailed construction matters. If any interested party is concerned about the existence, condition, or adequacy of any particular item, we would strongly suggest that a mechanical and/or structural inspection be made by a qualified and licensed contractor, a civil or structural engineer, an architect, or other experts.

This appraisal report is based on the assumption that there are no hidden, unapparent, or apparent conditions on the property site or improvements which would materially alter the value as reported. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them. All mechanical components are assumed to be in operable condition and standard for the properties of the subject type. Conditions of heating, cooling, ventilating, electrical, and plumbing equipment are considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. No judgment is made in the appraisal as to the adequacy of insulation, the type of insulation, or the energy efficiency of the improvements or equipment which is assumed to be standard for the subject's age, type, and condition.

AMERICANS WITH DISABILITIES ACT COMPLIANCE

The Americans with Disabilities Act (ADA) became effective January 26, 1992. Unless otherwise noted in this report, we have not made a specific compliance survey or analysis of this property to determine whether or not it is in conformance with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, would reveal that the property is not in compliance with one or more requirements of the Act. If so, this fact could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, and since these appraisers are not experts at identifying whether a property complies or does not comply with the ADA, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property. Before committing funds to any property, it is strongly advised that appropriate experts be employed to ascertain whether the existing improvements, if any, comply with the ADA. Should the improvements be found to not comply with the ADA, a re-appraisal at an additional cost may be necessary to estimate the effects of such circumstances.

TOXIC MATERIALS AND HAZARDS

Unless otherwise stated in the appraisal report, no attempt has been made to identify or report any toxic materials and/or conditions such as asbestos, urea-formaldehyde foam insulation, or soils or ground water contamination on any land or improvements described in the appraisal report. Before committing funds to any property, it is strongly advised that appropriate experts be employed to inspect both land and improvements for the existence of such toxic materials and/or conditions. If any toxic materials and/or conditions are present on the property, the value of the property may be adversely affected, and a re-appraisal at an additional cost may be necessary to estimate the effects of such circumstances.

SOILS, SUB-SOILS, AND POTENTIAL HAZARDS

It is assumed that there are no hidden or unapparent conditions of the soils or sub-soil which would render the subject property more or less valuable than reported in the appraisal. No engineering or percolation tests were made, and no liability is assumed for soil conditions. Unless otherwise noted, sub-surface rights (mineral and oil) were not considered in making this appraisal. Unless otherwise noted, the land and the soil in the area being appraised appeared to be firm, but no investigation has been made to determine whether or not any detrimental sub-soil conditions exist. Neither the appraiser(s) nor the appraisal firm is/are liable for any problems arising from soil conditions. These appraisers strongly advise that, before any funds are committed to a property, the advice of appropriate experts be sought.

If the appraiser(s) has/have not been supplied with a termite inspection report, survey or occupancy permit, no responsibility is assumed, and no representation is made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained.

Neither the appraiser(s) nor the appraisal firm assume(s) responsibility for any costs or for any consequences arising from the need or lack of need for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for flood hazard insurance.

LEGALITY OF USE

This appraisal report assumes that there is full compliance with all applicable federal, state, and local environmental regulations and laws, unless non-compliance is stated, defined, and considered in the appraisal report. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in the appraisal report. It is assumed that all required licenses, consents, or other legislative or administrative authority from any local, state, or national government, private entity, or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

COMPONENT VALUES

If the total property value set forth in this report is distributed between land and improvements, this distribution applied only under the existing program of utilization as set forth in the appraisal. The separate valuations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

AUXILIARY AND RELATED STUDIES

No environmental or impact studies, special market studies or analyses, special highest and best use studies, or feasibility studies have been requested or made by the appraiser(s) unless otherwise specified in an agreement for services and so stated in the appraisal report.

DOLLAR VALUES AND PURCHASING POWER

The estimated market value set forth in the appraisal report and any cost figures utilized are applicable only as of the date of valuation of the appraisal report. All dollar amounts are based on the purchasing power and price of the dollar as of the date of value estimates.

VALUE CHANGE, DYNAMIC MARKET, ALTERATION OF ESTIMATE BY APPRAISER

All values shown in the appraisal report are projections based on our analysis as of the date of valuation of the appraisal. These values may not be valid in other time periods or as conditions change. Projected mathematical models set forth in the appraisal are based on estimates and assumptions which are inherently subject to uncertainty and variations related to exposure, time, promotional effort, terms, motivation, and other conditions. The appraiser(s) do(es) not represent these models as indicative of results that will actually be achieved. The value estimates consider the productivity and relative attractiveness of a property only as of the date of valuation set forth in the report.

In cases of appraisals involving the capitalization of income benefits, the estimate of market value, investment value, or value in use is a reflection of such benefits and of the appraiser's interpretation of income, yields, and other factors derived from general and specific client and market information. Such estimates are as of the date of valuation of the report. They are subject to change as market conditions change.

This appraisal is an estimate of value based on analysis of information known to us at the time the appraisal was made. The appraiser(s) do(es) not assume any responsibility for incorrect analysis because of incorrect or incomplete information. If new information of significance comes to light, the value given in this report is subject to change without notice. The appraisal report

itself and the value estimates set forth therein are subject to change if either the physical or legal entity or the terms of financing are different from what is set forth in the report.

EXCLUSIONS

Furnishings, equipment, other personal property, and value associated with a specific business operation are excluded from the value estimate set forth in the report unless otherwise indicated. Only the real estate is included in the value estimates set forth in the report unless otherwise stated.

PROPOSED IMPROVEMENTS, CONDITIONED VALUE

It is assumed in the appraisal report that all proposed improvements and/or repairs, either on-site or off-site, are completed in a good and workmanlike manner in accord with plans, specifications, or other information supplied to these appraisers and set forth in the appraisal report. In the case of proposed construction, the appraisal is subject to change upon inspection of the property after construction is completed. The estimate of Market Value is as of the date specified in the report. Unless otherwise stated, the assumption is made that all improvements and/or repairs have been completed according to the plans and that the property is operating at levels projected in the report.

MANAGEMENT OF PROPERTY

It is assumed that the property which is the subject of the appraisal report will be under typically prudent and competent management, which is neither inefficient nor super-efficient.

FEE

The fee for any appraisal report, consultation, feasibility, or other study is for services rendered and, unless otherwise stated in the service agreement, is not solely based upon the time spent on any assignment.

CHANGES AND MODIFICATIONS

The appraiser(s) reserve(s) the right to alter statements, analyses, conclusions, or any value estimates in the appraisal if any new facts pertinent to the appraisal process are discovered which were unknown when the appraisal report was prepared.

The acceptance and/or use of the appraisal report by the client or any third party constitutes acceptance of the *Assumptions And Limiting Conditions* set forth in the preceding paragraphs. The appraiser's liability extends only to the specified client, not to subsequent parties or users. The appraiser's liability is limited to the amount of the fee received for the services rendered.

QUALIFICATIONS OF APPRAISER STEPHEN R. JOHNSON

Professional Designations

MAI - Member Appraisal Institute 1976
(Certified through 2012)

SREA - Senior Real Estate Analyst; Society of Real Estate Appraisers 1984

State Licensing and Certification

Certified General Appraiser-State of Nevada 1991
License # A.0000003-CG
(Certified through 4/30/2009)

Certified General Appraiser-State of California 1992
License # AG007038
(Certified through 6/18/2009)

Association Memberships and Affiliations

Member Reno Board of Realtors
Member Nevada Association of Realtors
International Right-of-Way Association
Member Nevada State Board of Equalization - 1984-1991
(Appointed by Governor Richard Bryan, January 1984 & 1988)
(Appointed by Governor Kenny C. Guinn, March 2000 & 2004) 2000-2008
Member Nevada Commission of Appraisers of Real Estate - 1989-1994
(Appointed by Governor Bob Miller, August 7, 1989)

Offices Held

Chairman, National Ethics Administration Division 1995
Vice Chairman, National Ethics Commission 1993/94
Regional Member, Ethics Administration
Appraisal Institute, Region 1 1989-1992
President, Sierra-Nevada Chapter #60, AIREA - 1989
Vice President, Sierra-Nevada Chapter #60, AIREA - 1988
Secretary, Sierra-Nevada Chapter #60, AIREA - 1987
Vice Governor District 3 (Northern California & Nevada)
Society of Real Estate Appraisers (SREA) - 1980-1981
Past President & Membership Chairman -
Reno/Carson/Tahoe Chapter #189
Member 1976 Young Men's Council, SREA, Atlanta, Georgia
Discussion Leader 1977 Young Men's Council, SREA,
Las Vegas, Nevada

QUALIFICATIONS OF APPRAISER STEPHEN R. JOHNSON

Offices Held (continued)

Elected 1 of 2 National Representatives to the International Board of Governors of the SREA, representing the Young Men's Council -	1977
International Professional Practice Committee, SREA -	1978-1981
International Conference Committee, SREA -	1978 & 1979
National Candidates Guidance Committee of the American Institute of Real Estate Appraisers (AIREA) -	1978-1981
Chairman National Division of Member and Chapter Services, AIREA -	1981
Board of Directors Northern California Chapter #11, AIREA -1	1980
Admissions Committee, Sierra-Nevada Chapter #60, AIREA	
Board of Directors, Sierra-Nevada Chapter #60, AIREA	1984-1986
Board of Directors, Reno-Carson-Tahoe Chapter	

Appraisal Experience

Independent Fee Appraiser	1976 to present
President, Stephen R. Johnson & Associates	1976-1992
President, Johnson - Wright & Associates	
President, Johnson - Perkins & Associates (Staff of 11 Appraisers)	1994 to present
Alves Appraisal Associates	1972-1976
Alves-Kent Appraisal Associates	1970-1972

Qualified as an Expert Witness

Nevada District Courts:
Washoe County, Carson City, Douglas County,
and Elko County

U.S. Bankruptcy Courts:
Reno, Las Vegas, Sacramento, and Los Angeles

U.S. District Court, San Francisco, California

United States Tax Court

Arizona Superior Court, Maricopa County, Phoenix

Douglas County Board of Equalization

Washoe County Board of Equalization

Nevada State Board of Equalization

King County Superior Court, Seattle, Washington

QUALIFICATIONS OF APPRAISER STEPHEN R. JOHNSON

Formal Education

Reno High School Graduate -	1966
Bachelor of Science Degree in Business Administration	
Majoring in Real Estate, from the University of Nevada, Reno	1972

Appraisal Education

University of Nevada:	
B.A. 430 Real Estate Evaluation	1970
B.A. 432 Real Estate Appraisal Problems	1971
American Institute of Real Estate Appraisers:	
Course 1A Basic Appraisal Principles, Methods & Techniques, San Francisco, CA	1972
Course 1B Capitalization Theory & Techniques, San Francisco, California	1973
Course 2 Urban Properties, San Francisco, California	
Course 6 Investment Analysis, Memphis, Tennessee	1976
Society of Real Estate Appraisers:	
Course 301 Special Applications of Appraisal Analysis, Pomona, California	1974

Numerous Continuing Education Seminars and Courses

Appraisal Instructor

Nevada Association of Realtors
 Department of Commerce, Real Estate Division, State of Nevada
 Appraisal "A" Residential Appraising
 Appraisal "B" Apartment and Commercial Property Appraising
 Western Nevada Community College
 R.E. 206 Real Estate Appraising
 Northern Nevada Real Estate School
 Real Estate Appraisal

QUALIFICATIONS OF APPRAISER **STEPHEN R. JOHNSON** **REPRESENTATIVE APPRAISAL CLIENTS AND PROPERTIES**

BARTON MEMORIAL HOSPITAL
CITY OF RENO
CITY OF SPARKS
COLONIAL BANK
R.J.B. DEVELOPMENT COMPANY CARSON CITY
DOUGLAS COUNTY
LINCOLN COUNTY
LYON COUNTY
WASHOE COUNTY
MINERAL COUNTY
EMERALD BAY POST OFFICE
NEVADA STATE PARK SYSTEM
NEVADA STATE DEPT. OF TRANSPORTATION
NEVADA STATE DIVISION OF LANDS
NEVADA ATTORNEY GENERAL'S OFFICE
U.S. DEPARTMENT OF NAVY
U.S. FOREST SERVICE
FNMA - REGIONAL OFFICE
INTERNAL REVENUE SERVICE
FEDERAL TRADE COMMISSION
WASHOE COUNTY REGIONAL TRANS.
RENO TAHOE AIRPORT AUTHORITY
TAHOE REGIONAL PLANNING AGENCY
CALIFORNIA ATTY GENERAL'S OFFICE
CALIFORNIA TAHOE CONSERVANCY
CITY OF SOUTH LAKE TAHOE
PLACER COUNTY REDEVELOPMENT AGENCY
NEW HAMPSHIRE DEPARTMENT OF JUSTICE
MISSOURI HWY AND TRANS. DEPT COMMISSION
IDAHO TRANSPORTATION DEPARTMENT
COLONIAL BANK
PLUMAS BANK
SECURITY BANK OF NEVADA
LIBERTY BANK
FIRST INDEPENDENT BANK OF NV
NORTHERN NEVADA BUSINESS BANK
NEVADA STATE BANK
UNION BANK
VALLEY BANK OF NEVADA
BANK OF AMERICA
THE BANK OF CALIFORNIA
CROCKER NATIONAL BANK
WELLS FARGO BANK
B OF A TRUST DEPARTMENT
FIRST FEDERAL SAVINGS & LOAN
FIRST WESTERN SAVINGS & LOAN
AMERICAN SAVINGS AND LOAN
NEVADA SAVINGS & LOAN
DILORETO CONST. & DEVELOPMENT
DERMODY PROPERTIES
TRAMMELL CROW CO.
MCKENZIE PROPERTIES
HOMEWOOD HIGH & DRY MARINA
TAHOE KEYS MARINA
TAHOE CITY MARINA

WASHOE MEDICAL CENTER
PLAZA RESORT CLUB
ROYAL BANK OF SCOTLAND
CARSON-TAHOE HOSPITAL
JOHNNY RIBEIRO BUILDER
KEEVER CONSTRUCTION COMPANY
SIERRA PACIFIC POWER COMPANY
SOUTH LAKE TAHOE PUBLIC UTILITY DIST.
TAHOE DOUGLAS SEWER DISTRICT
GLENBROOK WATER COMPANY
TAHOE PARK WATER COMPANY
NORTH FOOTHILL APARTMENTS
MEADOWOOD APARTMENTS
WOODSIDE VILLAGE APARTMENTS
SIERRA WOODS APARTMENTS
AMESBURY PLACE APARTMENTS
SUNDANCE APARTMENTS
KEYSTONE SQUARE SHOPPING CTR.
POZZI MOTORS
CARSON CITY DATSUN-AMC-JEEP
LEMMON VALLEY LAND COMPANY
CONSOLIDATED FREIGHTWAYS
RINGSBY UNITED
SYSTEMS 99
EASTMAN KODAK
HALLMARK CARDS
OSCAR MEYER AND COMPANY
GENERAL ELECTRIC
CHEMETRO
CITY SERVICES MINERAL CO.
SUPERIOR OIL COMPANY
TRAVELERS INSURANCE
FARMERS INSURANCE COMPANY
FIRST AMERICAN TITLE CO. OF NV.
FIDELITY TITLE INSURANCE CO
MERRILL LYNCH RELOCATION
YOUNG ELECTRIC SIGN COMPANY
THE TRUST FOR PUBLIC LANDS
THE TRUCKEE DONNER LAND TRUST
THE CONSERVATION FUND
THE NATURE CONSERVANCY
SUGAR BOWL SKI RESORT
THE FEATHER RIVER LAND TRUST
SKI INCLINE RESORT
KIRKWOOD ASSOCIATES
NORTHSTAR
SQUAW VALLEY U.S.A.
LEWIS HOMES OF NEVADA
SYNCON HOMES
MGM GRAND HOTEL CASINO & THEME PARK
EL DORADO HOTEL - CASINO
COMSTOCK HOTEL - CASINO
LAKESIDE INN HOTEL - CASINO
RAMADA EXPRESS HOTEL - CASINO

QUALIFICATIONS OF APPRAISER CINDY LUND FOGEL

Professional Designations

MAI – Member of the Appraisal Institute 2000

State Licensing and Certification

Nevada Certified General Appraiser
License #A.0002312-CG (Certified through 5/31/08) 1996

Offices Held

Secretary, Reno/Carson/Tahoe Chapter Appraisal Institute 1998
Treasurer, Reno/Carson/Tahoe Chapter Appraisal Institute 1999
Vice President, Reno/Carson/Tahoe Chapter Appraisal Institute 2000
President, Reno/Carson/Tahoe Chapter Appraisal Institute 2001
Education Chair, Reno/Carson/Tahoe Chapter Appraisal Institute 2002
Education Chair, Reno/Carson/Tahoe Chapter Appraisal Institute 2003
Board of Trustees, Reno/Carson/Tahoe Chapter Appraisal Institute 2004
Education Chair, Reno/Carson/Tahoe Chapter Appraisal Institute 2006
Vice President, Reno/Carson/Tahoe Chapter Appraisal Institute 2008

Appraisal Education & Technical Training

Real Estate 103 and 202 1986
Truckee Meadows Community College
Real Estate Financing 1986
Truckee Meadows Community College

American Institute of Real Estate Appraisers 1991
Course 1A-1 "Real Estate Appraisal Principles"
Arizona State University, Tempe

Course 1A-2 "Basic Valuation Procedures"
University of Colorado, Boulder

Course 1BA "Cap Theory & Tech, Part A" 1992
Portland State University, Portland

Course 1BB "Cap Theory & Tech, Part B"
Portland State University, Portland

Nevada Law (NRS 645C) 1993
Standards of Professional Practice Parts A & B 1993

**QUALIFICATIONS OF APPRAISER
CINDY LUND FOGEL**

Appraisal Education & Technical Training (Continued)

Advanced Applications Portland State University, Portland	1993
Report Writing and Valuation Analysis University of San Diego, California	1995
Case Studies in Law and Ethics Las Vegas Chapter of the Appraisal Institute	1998
Standards of Professional Practice, Part C Las Vegas Chapter of the Appraisal Institute	1998
Course 510 – Advanced Income Capitalization University of San Diego, California	1999
Standards of Professional Practice, Part C. Reno-Carson-Tahoe Chapter of the Appraisal Institute	2000 & 2002
Appraisal Consulting: A Solutions Approach for Professionals Reno – Carson – Tahoe Chapter of the Appraisal Institute	2002
Scope of Work Seminar Reno – Carson – Tahoe Chapter of the Appraisal Institute	2003
7-Hour National USPAP Update Course Reno – Carson – Tahoe Chapter of the Appraisal Institute	2004
Appraisal Valuation Modeling Reno – Carson – Tahoe Chapter of the Appraisal Institute	2004
Subdivision Valuation Sacramento - Sierra Chapter of the Appraisal Institute	2004
The Road Less Traveled: Special Purpose Properties Sacramento - Sierra Chapter of the Appraisal Institute	2004
Analyzing Distressed Properties Appraisal Institute Online Course	2005

QUALIFICATIONS OF APPRAISER CINDY LUND FOGEL

Appraisal Education & Technical Training (Continued)

Appraising From Blueprints and Specifications Appraisal Institute Online Course	2005
Market Analysis and Site to do Business Reno – Carson – Tahoe Chapter of the Appraisal Institute	2006
7-Hour National USPAP Update Course Reno – Carson – Tahoe Chapter of the Appraisal Institute	2006
Cost Approach to Commercial Appraising Appraisal Institute Online Course	2006
Uniform Appraisal Standards/Federal Land Acquisitions Reno – Carson – Tahoe Chapter of the Appraisal Institute	2007
7-Hour National USPAP Update Course Reno – Carson – Tahoe Chapter of the Appraisal Institute	2007
The Essentials, Current Issues & Misconceptions in Appraising Sacramento - Sierra Chapter of the Appraisal Institute	2007
Attacking & Defending an Appraisal in Litigation Sacramento - Sierra Chapter of the Appraisal Institute	2007

Formal Education

University of Nevada-Reno	1989
Bachelor of Arts, College of Arts and Science	
Truckee Meadows Community College, Associate in Arts	1984
Sparks High School, Sparks, Nevada	1975

Occupational History

Johnson - Perkins & Associates Real Estate Appraiser	1994 - Present
Johnson - Wright & Associates Real Estate Appraiser	1992 - 1994

**QUALIFICATIONS OF APPRAISER
CINDY LUND FOGEL**

Occupational History (Continued)

Stephen R. Johnson & Associates Real Estate Appraiser	1990 - 1992
--	-------------

Cake and Flower Shoppe Head Floral Designer	1989 - 1990
--	-------------

Western Florist Manager	1975 - 1989
----------------------------	-------------

Admitted as Expert Witness

Washoe County Board of Equalization
Nevada State Board of Equalization