

OPEN SPACE ADVISORY COMMITTEE

STAFF REPORT

MEETING DATE: February 25, 2013

AGENDA ITEM NUMBER: 3C

STAFF: Juan F. Guzman, Open Space Manager



REQUEST: Discussion only regarding the status of the Potter property transaction containing approximately 22 acres of land located near the southwest corner of Ormsby Boulevard and Kings Canyon Road, APN's 9-014-05 and 3-151-25.

GENERAL DISCUSSION:

The representatives of the Potter Trust and staff have accomplished the following. On September 25, 2012, the Board of Supervisors approved and appointed Stephen Johnson and Associates to be the appraiser of the property. The Board of agreed to allow the process to begin in steps. The first step was to visit the property and obtain from the appraisal a range of value prior to proceeding with the full appraisal. Staff and the applicant's attorney, Mr. Jim Cavilia, proceeded to visit the site with the appraiser on November 15, 2012. Subsequently, a range of value was provided and distributed to the applicant and his attorney. We received notice that the appraisal value was lower than anticipated; however, the applicant wished to continue negotiations. Attached for your use find the appraisal of the property.

More recently, in 2013, we met with Julian Potter and another representative of the Potter Trust who indicated that Julian was acting on behalf of the trust as leader for this project. Ms. Potter indicated that she would like to proceed expeditiously with the completion of the transaction and that she anticipates organizing some public meetings with neighbors in order to gather momentum and obtain more public support for this project. She also reiterated the interest of the Trust in continuing with the full appraisal.

The next step is to ask the applicant if it is necessary to meet in order to discuss any aspect of the appraisal. Otherwise, we will proceed with the secondary step of finding out properties that are of similar value within City ownership that may be of interest to the Potter Trust and may be offered by Carson City in exchange for the Potter lands.

RECOMMENDED ACTION: No action may be taken. This item has been placed on the agenda for discussion only.

A SUMMARY APPRAISAL
OF THE

POTTER HILL PROPERTY

LOCATED

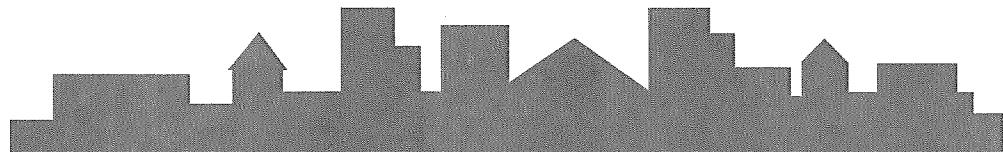
260± FEET SOUTH OF THE INTERSECTION OF
KINGS CANYON ROAD
AND SOUTH ORMSBY BOULEVARD,
CARSON CITY, NEVADA

OWNED BY

THE PATRICIA R. POTTER FAMILY TRUST

PREPARED FOR

CARSON CITY PARKS AND RECREATION DEPARTMENT



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A Summary Appraisal
Of The

Potter Hill Property

Located

260± Feet South of the Intersection of
Kings Canyon Road And South Ormsby Boulevard,
Carson City, Nevada

Owned By

The Patricia R. Potter Family Trust

Prepared For

Carson City Parks and Recreation Department

For the Purpose of Estimating
Market Value
As of
February 5, 2013

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February 15, 2013

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

Re: The Potter Hill Property, Located 260± Feet South of the Intersection of Kings Canyon Road and South Ormsby Boulevard, Carson City, Nevada

Dear Mr. Guzman:

This is in response to your request for a summary appraisal of the Potter Hill property located approximately 260 feet south of the intersection of Kings Canyon Road and Ormsby Boulevard, Carson City, Nevada. The property is also identified as Carson City Assessor's Parcel Numbers 009-014-05 and 003-151-25 and the portion of the adjacent Ormsby Boulevard. The subject property contains a gross land area of 22.35± acres. The subject is owned by the Patricia R. Potter Family Trust. The subject will be more completely described in the following report.

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 appraisers' opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in the 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. 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 property as of the effective date of valuation.

Reno ■ Lake Tahoe

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The purpose of the appraisal is to establish an estimate of the fee simple Market Value of the subject property. The intended use of the appraisal report is to assist the client in establishing a value as the basis for a possible exchange of the subject property. The intended users of the appraisal report include Carson City and the Patricia R. Potter Family Trust, and their representatives.

This appraisal has been prepared subject to the following extraordinary assumptions:

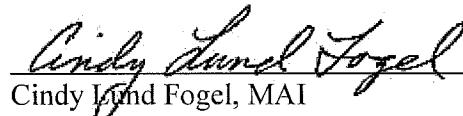
- The Subject Property is identified as Assessor's Parcel Numbers 009-014-05 and 003-151-25 and a portion of the adjacent Ormsby Boulevard. In a letter dated July 31, 2006, Northern Nevada Title Company did indicate that they were unable to locate a recorded dedication for that portion of Ormsby Boulevard lying adjacent to the subject parcels (APN 003-151-25 and 009-014-05). We have been instructed by the client to include this portion of Ormsby Boulevard in the land area for the subject ownership. For the purposes of this appraisal it has been assumed that the subject ownership has free and clear title to land area. The Market Value conclusions assume free and clear title to the subject property.
- The 1.52± acres for the Ormsby Boulevard land area is taken from the preliminary *Land Plan Map* for the subject property prepared by G.L. Szabo and Associates, Land Planning & Design, and is assumed to be correct.

After careful consideration of all data available, and upon thorough personal investigation of the subject property and comparable properties analyzed, it is our opinion that the Market Value of the subject property, as of February 5, 2013, is set out as follows:

FINAL MARKET VALUE CONCLUSION **\$225,000**
(Subject Ownership-22.35± Acres)

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

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SUMMARY OF SALIENT FACTS AND IMPORTANT CONCLUSIONS

Property Type	Vacant Land
Assessor's Parcel Numbers	003-151-25, 009-014-05 and a Portion of the South Ormsby Boulevard Right-of-Way
Address	
APN 003-151-25	501 South Ormsby Blvd, Carson City, Nevada
APN 009-014-05	502 South Ormsby Blvd, Carson City, Nevada
Location	260± feet south of the intersection of Kings Canyon Road and South Ormsby Boulevard, Carson City, Nevada.
Legal Description	A portion of the West 1/2 of Section 18, Township 15 North, Range 19 East, M.D.B.&M.
Owner of Record	Patricia R. Potter Family Trust
Land Area	
APN 003-151-25	1.83± Acres
APN 009-014-05	19.00± Acres
S. Ormsby Blvd R/W	<u>1.52± Acres</u>
Total Land Area	22.35± Acres
Topography	Gentle to Steeply Sloping Hillside. The topography of the subject is primarily steeply sloping hillside with areas of more gentle topography at the top of the subject hill area and within the more southeasterly portion of the site in the area of the old Carson Pioneer Cemetery.
Amenities	Very Good City and Good Mountain Views
Zoning	
APN 003-151-25	SF6 (Single Family 6,000 Square Foot Lots)
APN 009-014-05	SF2A (Single Family 2 Acre Lots)
Master Plan	
APN 003-151-25	LDR (Low Density Residential)
APN 009-014-05	MDR (Medium Density Residential)

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Flood Zone

FEMA Map Numbers 3200010091E/3200010091E
Effective Date January 16, 2009
Flood Zone Zone "D"

Improvements Carson Pioneer Cemetery, not in use since 1871

Highest and Best Use

It is these appraisers' opinion that the highest and best use of the subject property would be for future development with single-family residential subdivision uses. It is also recognized that due to the subject's excellent views and good location in west Carson City that the site would be a desirable location for an exclusive hilltop homesite with the possibility of ultimately subdividing the site to sell off additional homesites at such time as demand would warrant.

Proposed Possible Density*

Large View Lots 5 Lots
Clustered Housing 12 Duplex Units
Total 17 Dwelling Units

Type of Report Summary appraisal report

Completion Date of Report February 15, 2013

Effective Date of Valuation February 5, 2013

FINAL MARKET VALUE CONCLUSION **\$225,000**

*Source: *Land Plan Map* prepared by G.L. Szabo & Associates, Land Planning & Design

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PURPOSE OF APPRAISAL

This appraisal was prepared for the purpose of estimating the Market Value of the subject property as of a current date of valuation.

PROPERTY RIGHTS APPRAISED

The subject property is appraised as held in fee simple ownership. Fee simple estate is defined as "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."¹

INTENDED USE OF APPRAISAL

The intended use of the appraisal is to assist Carson City in negotiations regarding the possible exchange of the subject property. Any other use of this appraisal report requires the prior written authorization of these appraisers. Johnson-Perkins & Associates, Inc. is not responsible for unauthorized use of the appraisal report.

INTENDED USERS OF APPRAISAL

The intended users of this appraisal include Carson City and the Patricia R. Potter Family Trust and their representatives.

¹ Source: The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, 2010, page 78.

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SCOPE OF APPRAISAL

The preparation of this appraisal included:

- Identification, inspection and analysis of the subject property;
- Met with Mr. Robert Potter, one of the property owners, their representatives and representatives of Carson City;
- Identification and analysis of the subject neighborhood;
- Highest and Best Use Analysis;
- Research, comparison and analysis of comparable land sales;
- Completion of a Sales Comparison Approach Analysis for the subject property;
- Correlation of the value indications to a final Market Value conclusion for the subject property;
- Final Market Value conclusions for the subject property;
- Preparation of the Summary Appraisal Report in accordance with Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice.

EFFECTIVE DATE OF VALUATION

The opinions of value, as set forth in this report, apply as of February 5, 2013.

COMPLETION DATE OF REPORT

This report was completed on February 15, 2013.

MARKET VALUE DEFINED

Market Value means the most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1) Buyer and seller are typically motivated;
- 2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
- 3) A reasonable time is allowed for exposure in the open market;
- 4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.²

TYPE OF REPORT

This is a summary appraisal report which 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 were used in the appraisal process to develop the appraisers' opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in these appraisers' file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use as stated herein. These appraisers are not responsible for unauthorized use of this report.

² The Dictionary of Real Estate Appraisal, Fifth Edition; Appraisal Institute; 2010.

EXTRAORDINARY ASSUMPTIONS

This report, and the value conclusions set forth herein, are subject to extraordinary assumptions. An extraordinary assumption is defined as “An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions.”³ This appraisal has been prepared subject to the following extraordinary assumptions:

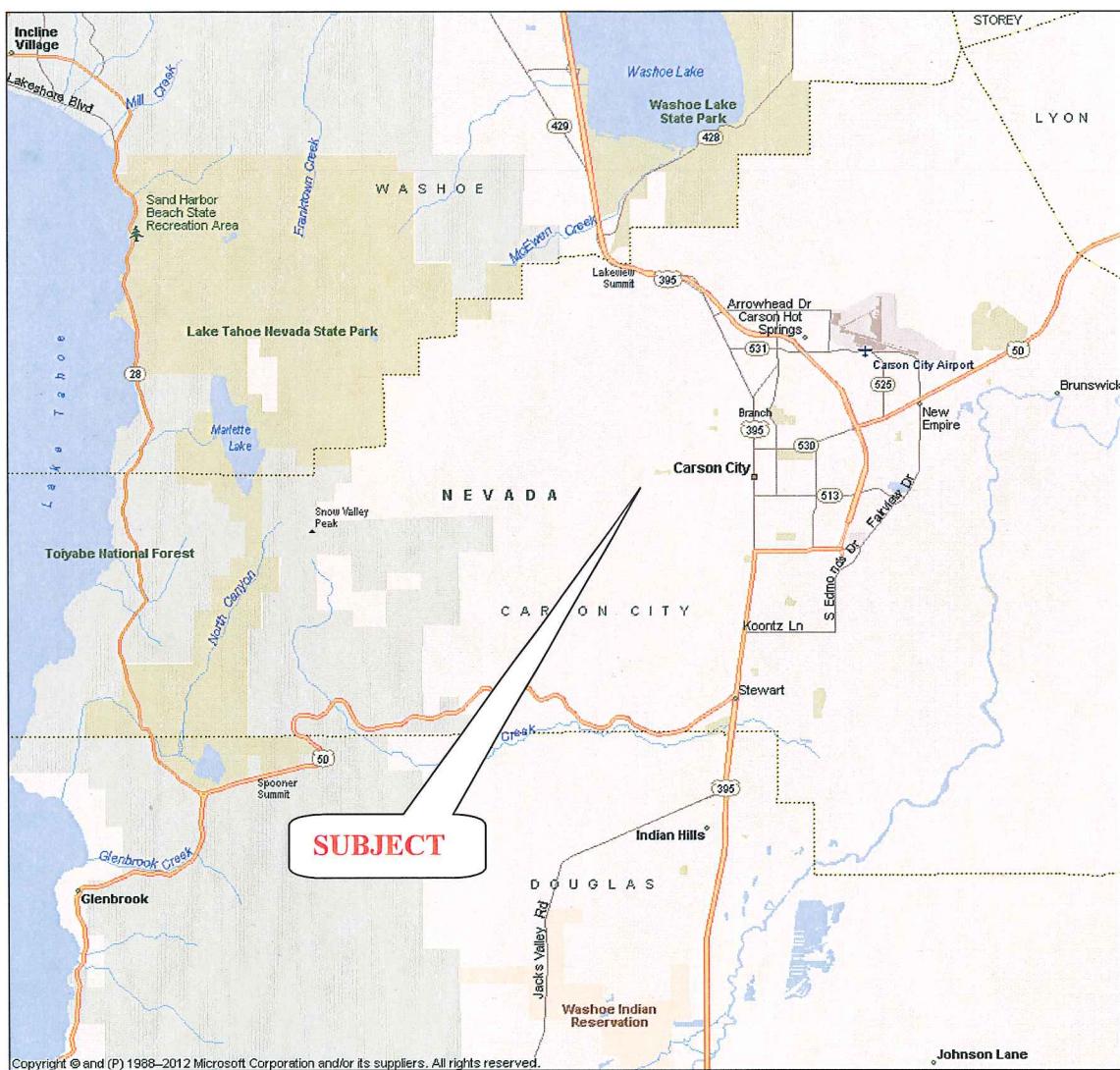
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³ Source: USPAP 2010-2011 Edition, Definitions; The Appraisal Foundation, Page U-3.

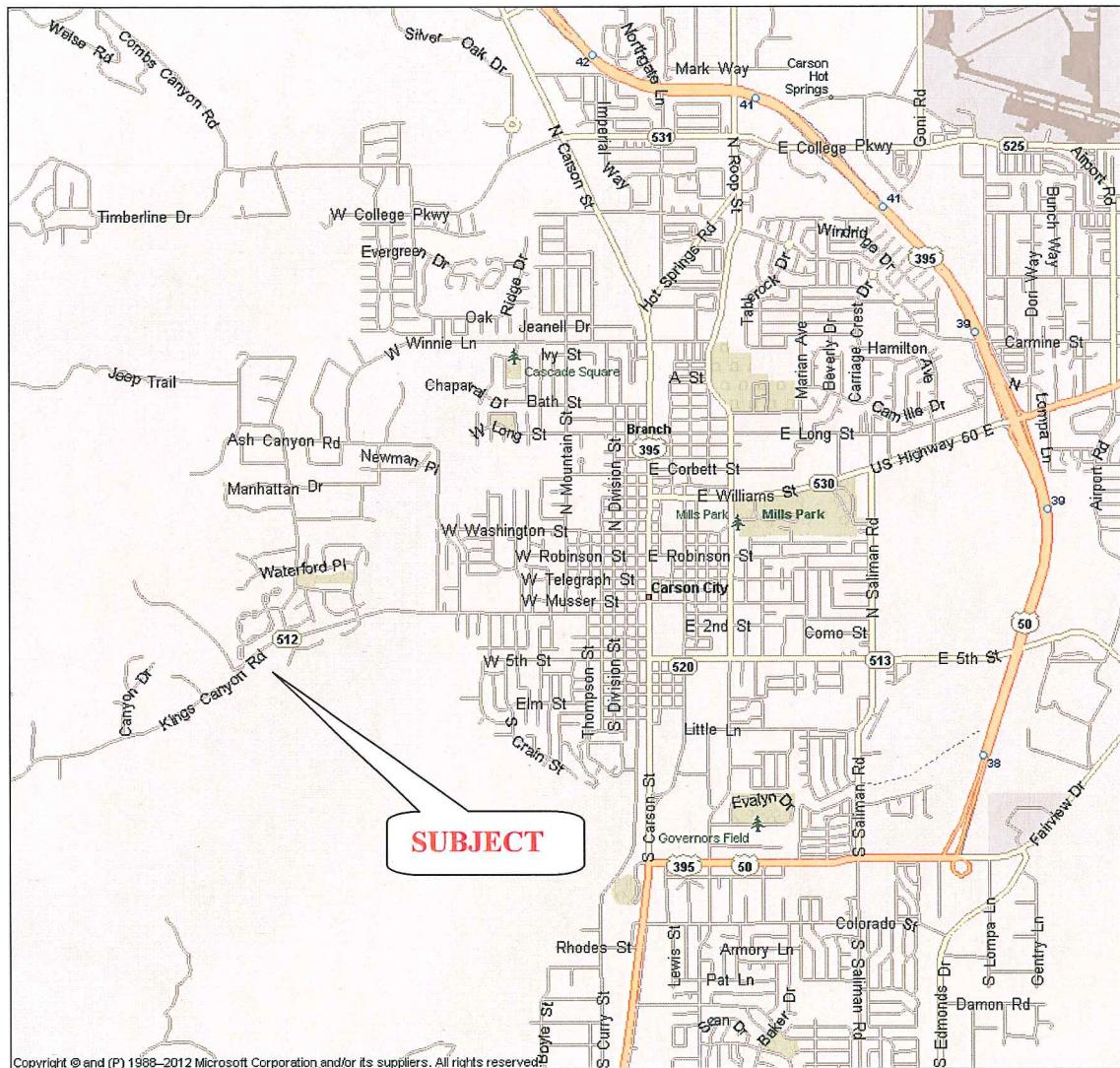
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CARSON AREA MAP



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NEIGHBORHOOD MAP



NEIGHBORHOOD DESCRIPTION

The subject property is located in the northwest area of Carson City. The subject neighborhood boundaries are generally considered to be U.S. 395 Highway to the north, Carson Street to the east, Kings Canyon Road to the south and the Toiyabe National Forest to the west.

U.S. Highway 395, is a major north-south highway that begins in Southern California, extends northeast into Nevada, and eventually into Oregon. U.S. Highway 395 is also the primary artery that links Reno with South Lake Tahoe.

Within Carson City, Carson Street is a major four-lane, two-way, asphalt paved roadway, most of which is improved with concrete curbs, gutters, sidewalks and streetlights. As a result of the commercial businesses, its link between Reno and South Lake Tahoe, and the 25-mile per hour speed limit, South Carson Street can become congested during the rush hours and other peak periods of the day. The new Carson City Bypass freeway is under construction and has been completed to the Fairview Drive interchange.

Carson Street is a major commercial corridor through the city. Commercial development along North Carson Street, at Winnie Lane, includes a McDonald's restaurant, a Rite-Aid, and a number of strip shopping centers. Additional commercial development along Carson Street includes a number of freestanding commercial uses as well as smaller neighborhood shopping centers. These utilizations include a number of fast food restaurants, retail-commercial uses and automobile sales facilities. A Save Mart grocery store is located at College Parkway and North Carson Street. The Eagle Medical Center is a 65,000± square foot medical office building on the west side of North Carson Street and just south of West Nye Lane. This is a good quality building with an attractive appeal, and has met with good market acceptance.

The West Nye Lane Professional Center is located on West Nye Lane. This is a good quality center that involves four newer office buildings. Many of the suites in this center are

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occupied by physicians. A number of freestanding commercial uses as well as smaller neighborhood shopping centers are located along this corridor. These utilizations include a number of fast food restaurants and retail commercial uses.

Major roadways within the subject neighborhood include East College Parkway, West Winnie Lane, Washington Street and Kings Canyon Road/King Street. Each of these roadways provides access to the residential areas of west Carson City and to the Carson Street commercial corridor. East College Parkway also provides access to the industrial areas around the airport.

Overall, due to the arterial and collector streets, the subject neighborhood is considered to have good accessibility to most portions of the Carson City area.

The primary development within the northerly portion of the subject neighborhood includes single family residential uses. The largest single family residential development within the subject neighborhood is the Silver Oak planned unit development. The newer single family homes in this community range in size from 2,500 to 3,000 square feet. In addition to single-family homes, Silver Oak includes commercial development such as the Save Mart, office buildings and an assisted living complex and a skilled nursing facility. Approximately 76 acres within Silver Oak is designated for development with commercial uses, parks and roads. Silver Oak includes an 18-hole championship golf course. Overall, the Silver Oak development is one of the premier communities within Carson City.

In 2002, Carson-Tahoe Hospital purchased a large tract of land adjacent to the Silver Oak Community in the northeast area of the subject neighborhood, and a 350,000± square foot regional medical center has been completed on the site. The hospital is becoming the focal point of the neighborhood. A number of new medical offices have been developed in the vicinity of the new hospital. In addition, as it is located at the north end of Carson City, with good visibility to southbound travelers along the new U.S. 395 freeway, it is anticipated that the regional medical center will become a Carson City landmark.

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The regional medical center and the new freeway were factors behind the development of two limited service hotels along North Carson Street, near the hospital. A Holiday Inn Express opened in February of 2004 with 85 rooms, and an adjacent 85-room Hampton Inn was opened in 2007.

Additional residential utilizations within the subject neighborhood are primarily lower density uses involving one to 2.5 acre sites. The Lakeview Subdivision is located within the northwesterly portion of the subject neighborhood and has been developed with custom homes. Many of the lots within this subdivision have good view amenities and overlook either Washoe Lake or the city of Carson. The single-family residences in the Lakeview Subdivision were constructed between 1971 to present, and generally range in size from $2,500\pm$ square feet to $4,800\pm$ square feet. The Timberline Subdivision is located within the west central portion of the subject neighborhood and is also improved with custom homes. This is a more wooded area and many of the lots do enjoy good city views. The single-family residences within the Timberline Subdivision range in size from $2,000\pm$ square feet to $4,000\pm$ square feet, and range in age from 1988 to relatively new.

Those properties located within the central portion of the subject neighborhood, in the vicinity of West Winnie Lane, include a lower density, with lot sizes ranging from $2\pm$ acres to $5.5\pm$ acres. Those properties located on the east side of West Winnie Lane are improved with single-family residences ranging in age from 45 years to new. These homes range in size from $2,000\pm$ square feet to $5,000\pm$ square feet. Those properties on the west side of West Winnie Lane involve primarily custom homes, ranging in size from $2,000\pm$ square feet to $6,000\pm$ square feet. These homes range in age from approximately 38 years to the early 2000s.

The Carriage Square Subdivision is located on the south side of West Winnie Lane, a short distance east of Ormsby Boulevard. The single-family residences in this subdivision were constructed between 1979 and 1991, and generally range in size from $1,700\pm$ square feet

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to 2,500± square feet. Lots within this subdivision range in size from 7,000± square feet to 12,800± square feet.

The Wellington Crescent and Kingston Park Subdivisions are also located in the southerly portion of the subject neighborhood, and include average to excellent quality custom homes. These single-family residences range in size from 3,000± square feet to 4,600± square feet, and range in age from 20 years to new. The Wellington Crescent and Kingston Park Subdivisions are two of the most desirable residential developments in the Carson City area.

The Long Ranch Planned Unit Development is situated in the southerly portion of the subject neighborhood and includes 6,000± square feet to 8,000± square foot lots which have been improved with average to good quality homes. These single family residences range in size from 1,500± to 2,000± square feet and were constructed between 1998 and 2001. Long Ranch includes numerous Open Space features such as common areas improved with landscaping and walking trails. The Long Ranch Park is centrally located within this development and is a 7 acre neighborhood park including a covered picnic shelter, picnic tables, playground equipment, horseshoe pits, walking paths, open turf areas and the Kings Canyon Creek.

Single family residential development, along Kings Canyon Road, in the southwesterly portion of the neighborhood includes custom homes on larger lots. These homes were construction between 1975 and 2000 and generally involve one acre homesites.

Overall, the immediate subject neighborhood is residential in nature, with a more rural setting, as the homesites primarily involve larger lots and a lower density. As previously noted, support commercial uses for the subject neighborhood are located along Carson Street.

The residential market has seen a significant slowdown over the past several years, however, there are signs that Northern Nevada's residential market is improving. The

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existing home sales continue to dominate the sales market in the region. Most residential land transactions within the market have involved finished lots, or properties with partial approvals for development, and there remains a large inventory of finished and tentative map lots. The bulk lot land sales which have occurred indicate prices between 60% and 90% lower than prices paid during the peak residential market of 2005 and 2006. Finished, approved lots are being purchased at prices well below the cost it took to install infrastructure; this has limited the demand for unfinished lots in the marketplace, and has stalled most development of raw, residential land throughout the region.

All public facilities are immediately available throughout the neighborhood. These utilities include municipal water and sewer service, electrical service, natural gas, telephone and cable television. Police protection is provided by Carson City Sheriff's Department, while fire protection is provided by the Carson City Fire Department.

In summary, the subject neighborhood is located in the northwestern portion of Carson City. The character of the neighborhood includes residential, commercial and professional and medical office uses. The largest project is Silver Oak, a planned unit development. The Carson Street commercial corridor consists of community shopping centers, fast food restaurants and other service-oriented retail facilities. There are no inharmonious uses in the subject neighborhood which would detract from property values.

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SUBJECT PHOTOGRAPHS



**VIEW LOOKING SOUTHERLY TOWARD THE SUBJECT PROPERTY FROM
KINGS CANYON ROAD**



**VIEW LOOKING WESTERLY TOWARD THE SUBJECT PROPERTY FROM ITS
EAST PROPERTY LINE**

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SUBJECT PHOTOGRAPHS



VIEW LOOKING NORTHERLY TOWARD THE CENTRAL PORTION OF THE SUBJECT FROM THE TRAIL



VIEW LOOKING NORTHERLY ALONG THE TRAIL WHICH BISECTS THE SUBJECT PARCELS

SUBJECT PHOTOGRAPHS



**VIEW LOOKING NORTHEASTERLY TOWARD THE NORTHEAST CORNER OF
THE SUBJECT OWNERSHIP FROM THE TRAIL**

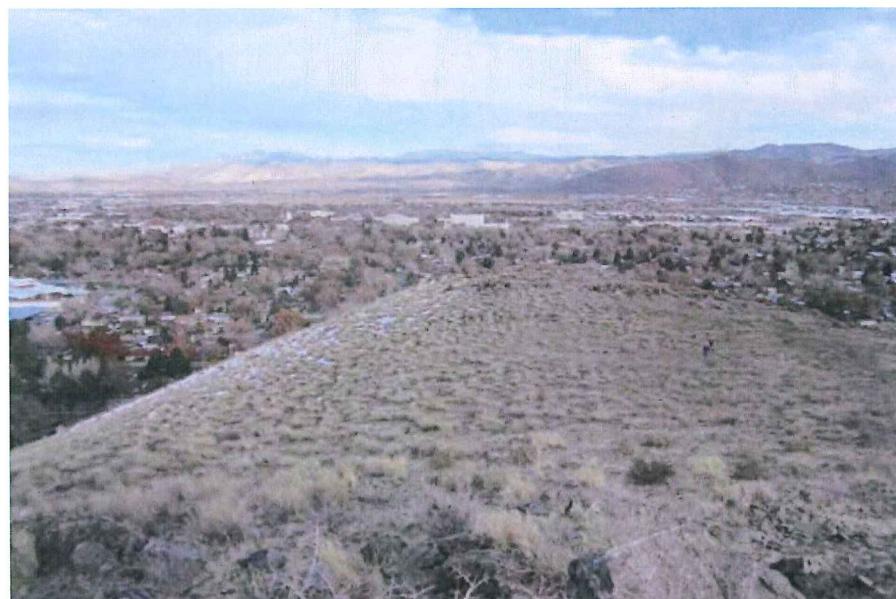


**VIEW LOOKING SOUTHEASTERLY TOWARD THE SOUTHEASTERLY
PORTION OF THE SUBJECT PROPERTY**

SUBJECT PHOTOGRAPHS

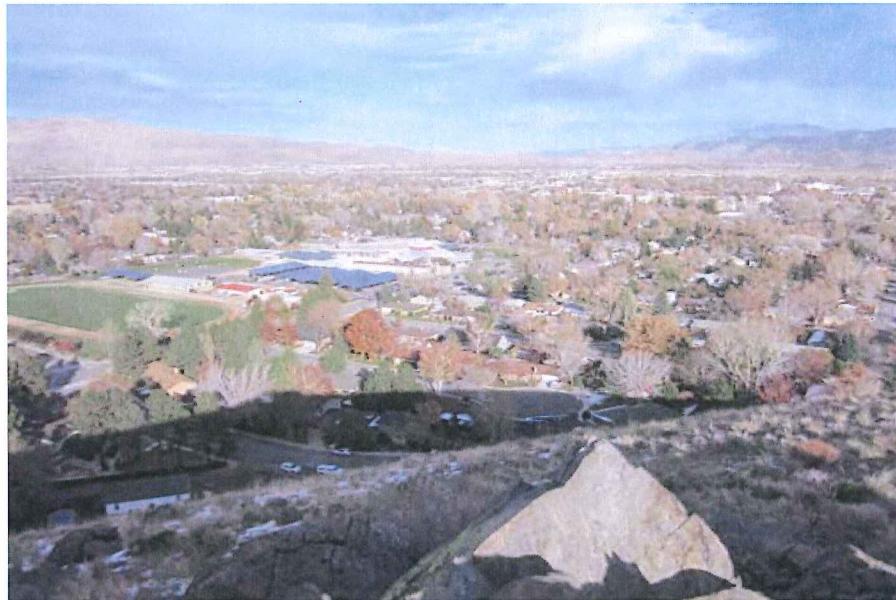


VIEW LOOKING WESTERLY ACROSS THE HILLTOP PORTION OF THE SUBJECT PROPERTY

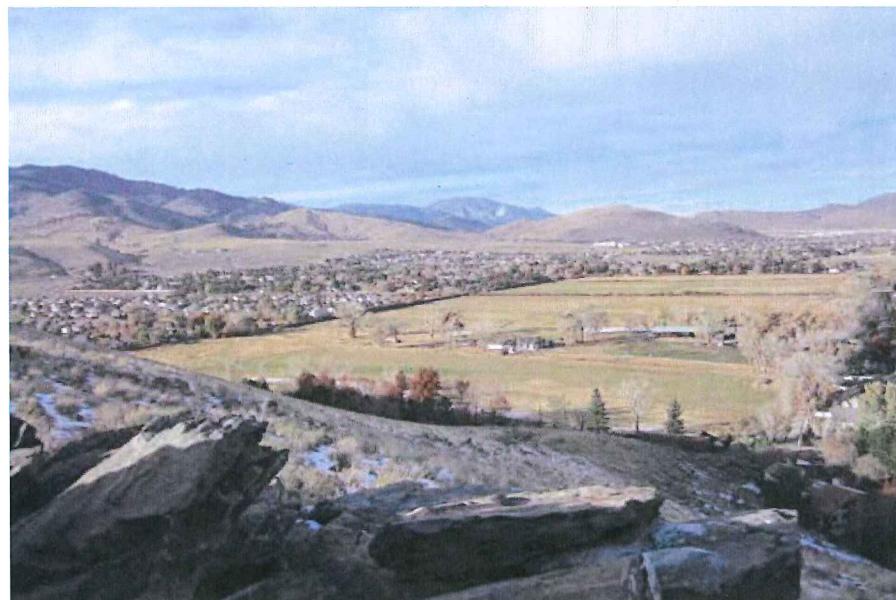


VIEW LOOKING EASTERLY ACROSS THE SUBJECT HILLTOP

SUBJECT PHOTOGRAPHS



VIEW LOOKING NORTHEASTERLY TOWARD CARSON CITY FROM THE SUBJECT HILLTOP



VIEW LOOKING NORTHWESTERLY TOWARD THE ANDERSON RANCH AND THE SURROUNDING MOUNTAINS FROM THE SUBJECT HILLTOP

SUBJECT PHOTOGRAPHS



**VIEW LOOKING EASTERLY TOWARD THE SUBJECT OWNERSHIP WITHIN
THE SOUTH ORMSBY BOULEVARD RIGHT-OF-WAY**



**VIEW LOOKING EAST TOWARD THE CENTRAL PORTION OF THE SUBJECT'S
EASTERLY PARCEL**

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SUBJECT PHOTOGRAPHS



VIEW LOOKING WESTERLY TOWARD THE CENTRAL PORTION OF THE SUBJECT OWNERSHIP



VIEW LOOKING NORTHERLY TOWARD THE EASTERLY PORTION OF THE SUBJECT PROPERTY

SUBJECT PHOTOGRAPHS

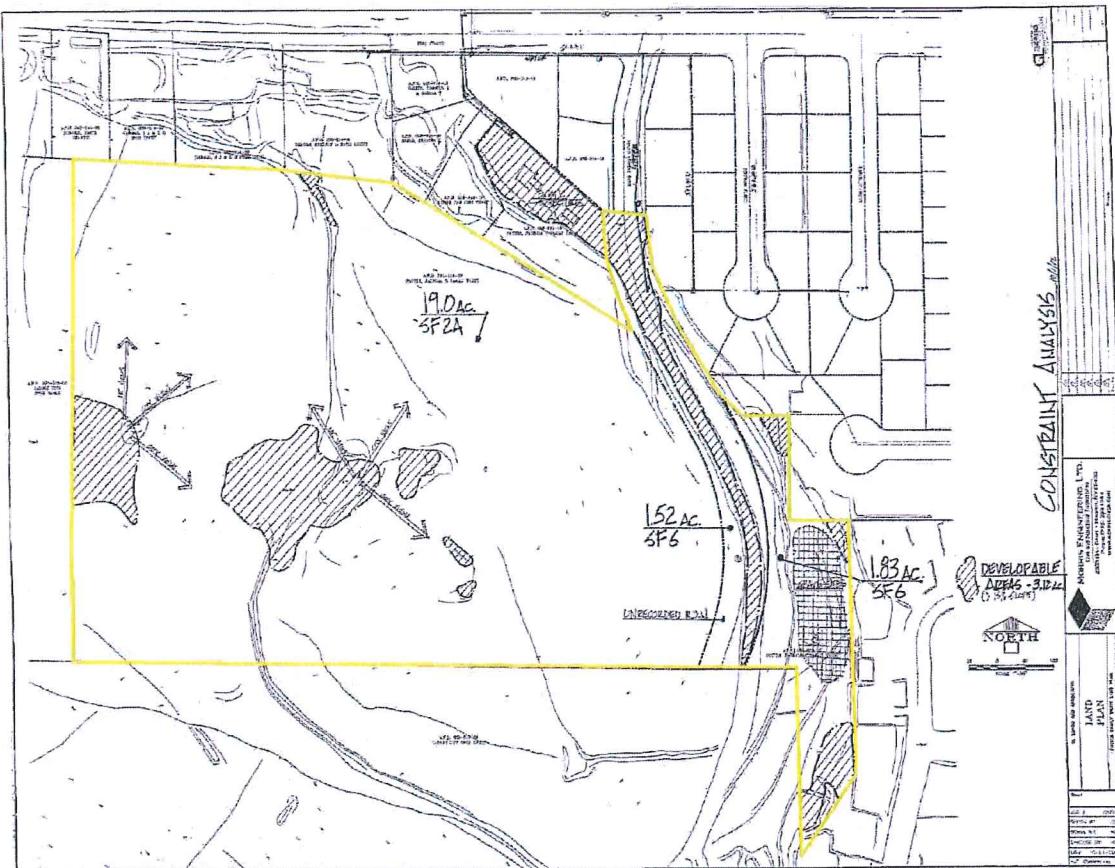


**LOOKING EASTERLY TOWARD THE OLD CARSON PIONEER CEMETERY
LOCATED IN THE SOUTHEAST CORNER OF THE SUBJECT SITE**



**VIEW OF ONE OF THE GRAVE SITES WITHIN THE SOUTHEASTERLY
PORTION OF THE SUBJECT PROPERTY**

SUBJECT LAND USE MAP



Land Area

APN 003-151-25	$1.83 \pm$ Acres
APN 009-014-05	$19.00 \pm$ Acres
S. Ormsby Blvd R/W	$1.52 \pm$ Acres
Total Land Area	$22.35 \pm$ Acres

SUBJECT AERIAL AND TOPOGRAPHIC MAP

C Hill at Kings Canyon Road



1 inch = 333 feet

The data contained herein has been housed and/or compiled in a geographic information system (GIS) by Douglas County for the use of Carson City. The data does not represent survey delineation and should not be construed as a replacement for the authoritative source, plat maps, deeds, resurveys, etc. No liability is assumed by Carson City or Douglas County or as to the sufficiency or accuracy of the data.

Parcel Boundary

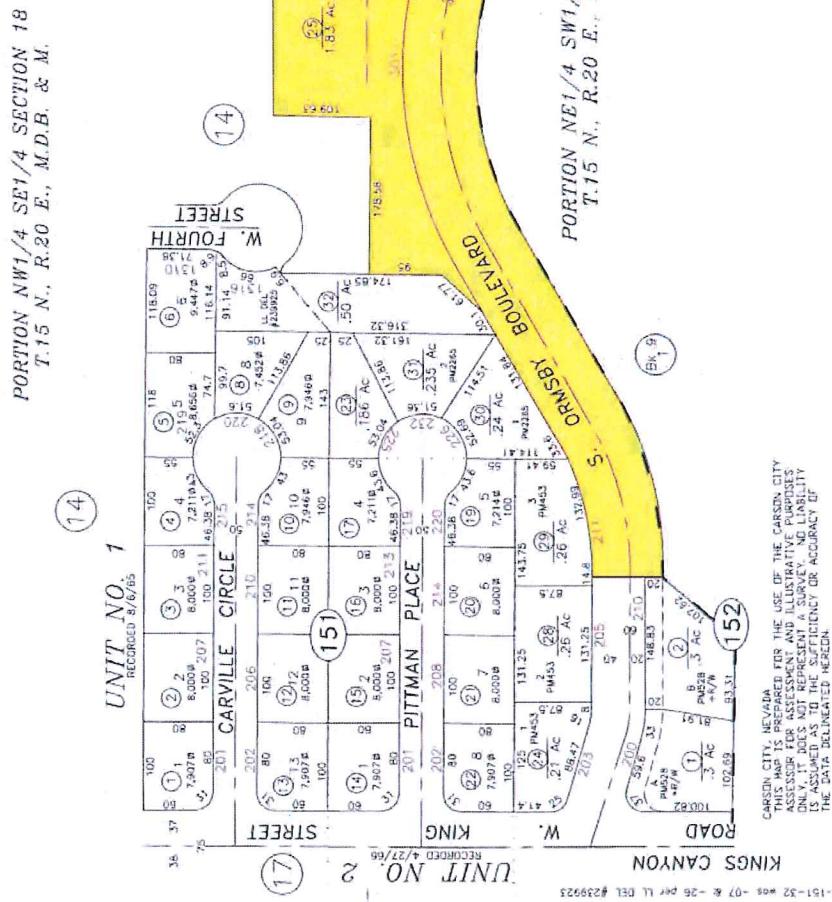
30 Ft Contour Lines



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SUBJECT PLOT MAP
A.P.N. 003-151-25 and Adjacent S. Ormsby Boulevard ROW

15-13



CARSON CITY, NEVADA
THIS MAP IS PREPARED FOR THE USE OF THE CARSON CITY
ASSESSOR FOR ASSESSMENT AND ILLUSTRATIVE PURPOSES
ONLY, IT DOES NOT REPRESENT A SURVEY. NO LIABILITY
IS ASSUMED AS TO THE SUFFICIENCY OR ACCURACY OF
THE DATA DELINEATED HEREON.

KINGS HILL PARK

Revised 10/01/93

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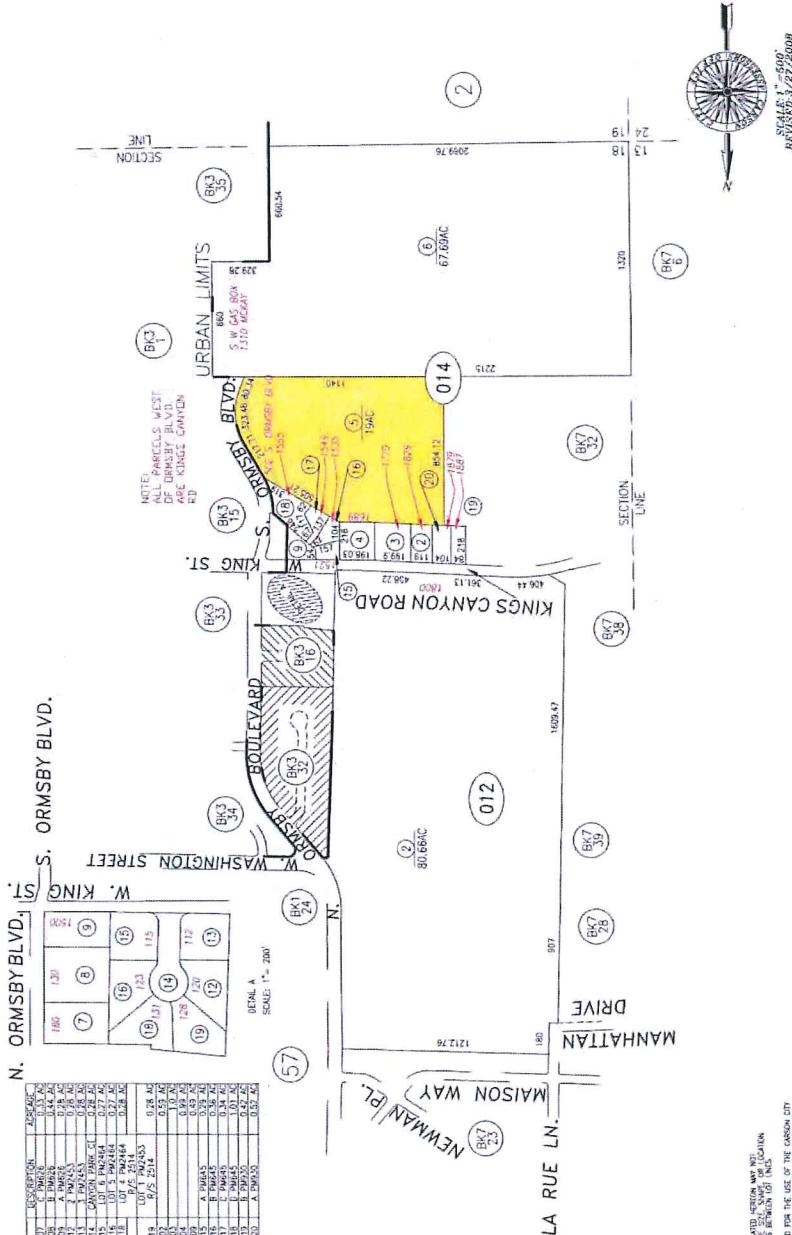
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SUBJECT PLOT MAP
A.P.N. 009-014-05

9-01

PORTION W1/2 SECTION 18, T. 15 N., R. 20 E., M.D.B. & M.

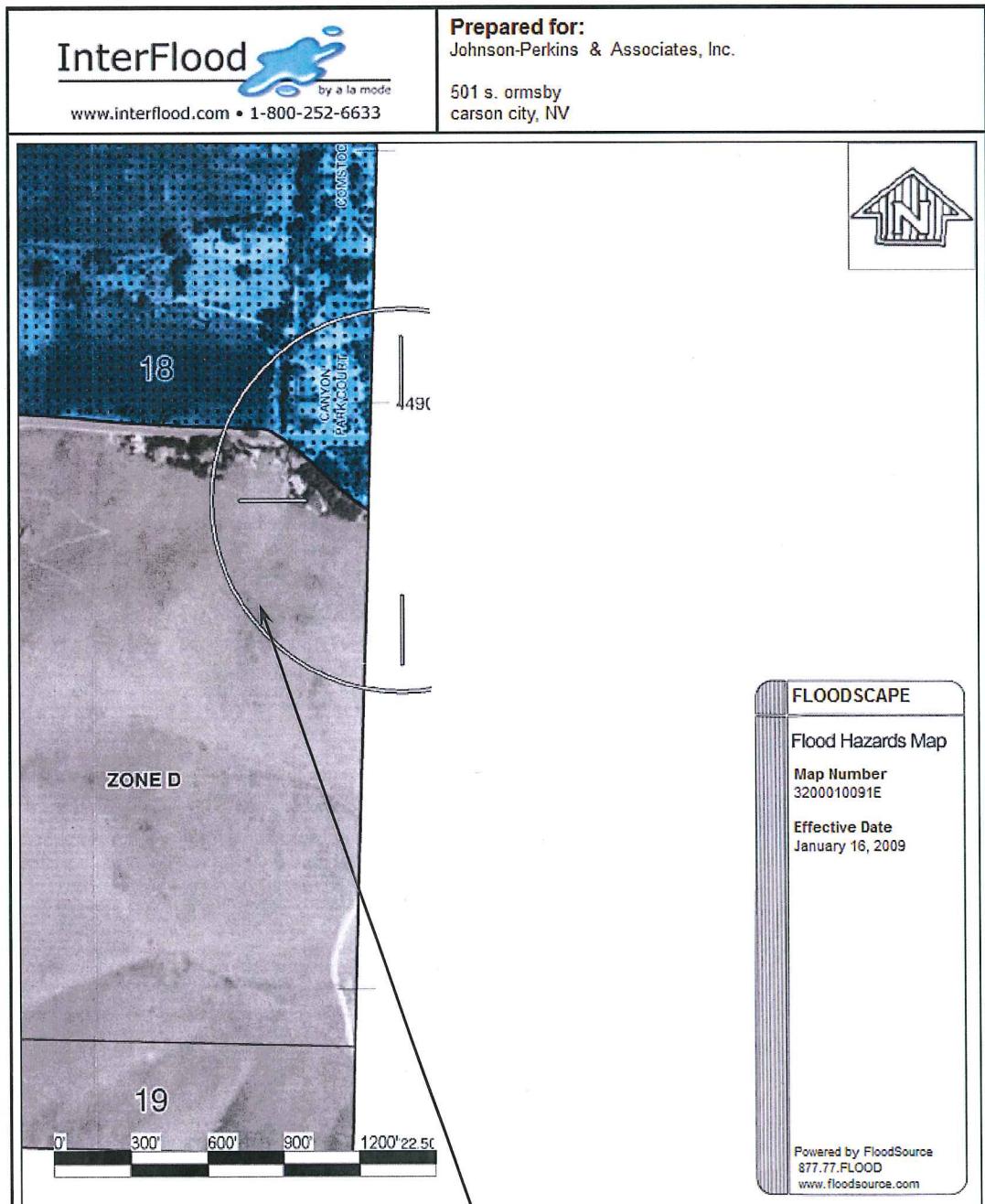


NOTE
SOME PARCELS BOUNDARIED HERIN MAY NOT
BE PRESENTED IN TRUE SIZE, SHAPE OR LOCATION
DUE TO DISCREPANCIES BETWEEN LOT LINES
CARSON CITY, NEVADA
THIS MAP IS PREPARED FOR THE USE OF THE CARSON CITY
ASSESSOR FOR ASSESSMENT AND SURVEYING PURPOSES
THIS MAP IS NOT UNDERTAKEN TO SURVEY UN LIABILITY

■ Reno ■ Lake Tahoe

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SUBJECT FLOOD ZONE MAP



Subject Property

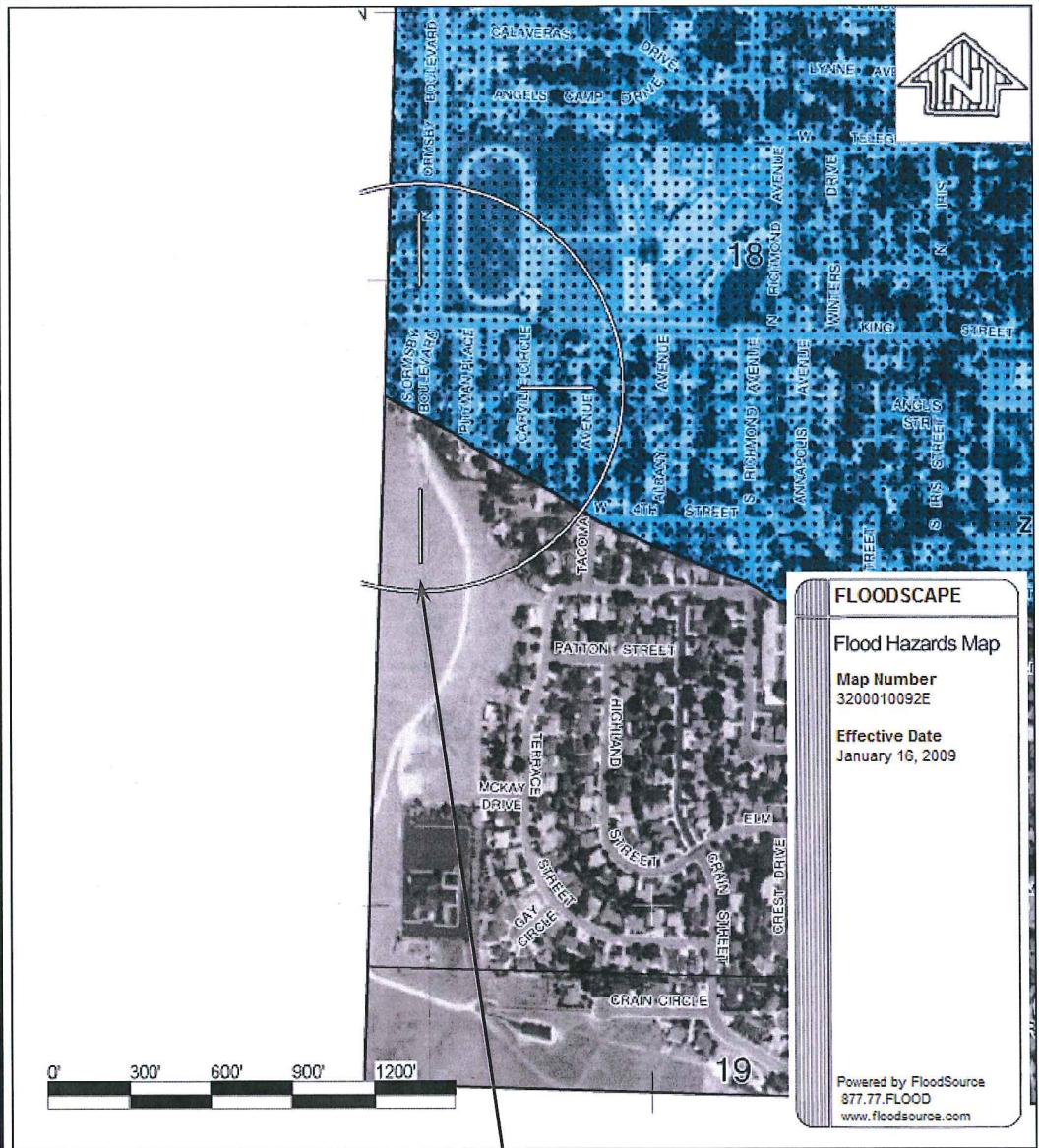
Reno ■ Lake Tahoe

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SUBJECT FLOOD ZONE MAP



Prepared for:
Johnson-Perkins & Associates, Inc.
501 s. ormsby
carson city, NV



Subject Property

Reno ■ Lake Tahoe

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SUBJECT PROPERTY IDENTIFICATION AND SITE DESCRIPTION

Assessor's Parcel Numbers	003-151-25, 009-014-05 and a Portion of the South Ormsby Boulevard Right-of-Way
Address	
APN 003-151-25	501 South Ormsby Blvd, Carson City, Nevada
APN 009-014-05	502 South Ormsby Blvd, Carson City, Nevada
Location	260± feet south of the intersection of Kings Canyon Road and South Ormsby Boulevard, Carson City, Nevada.
Legal Description	Portions of the West 1/2 of Section 18, Township 15 North, Range 19 East, M.D.B.&M.
Owner of Record	Patricia R. Potter Family Trust
Land Area	
APN 003-151-25	1.83± Acres
APN 009-014-05	19.00± Acres
S. Ormsby Blvd R/W	<u>1.52± Acres</u>
Total Land Area	22.35± Acres

The land areas set forth above are based upon a review of the Carson City Assessor's Parcel Maps for the subject and the *Land Plan Map* prepared by Morris Engineering, LTD, Civil and Structural Engineering, and are assumed to be correct.

Land Shape

The subject property is irregular in shape.

Access

The subject property has access from the south terminus of South Ormsby Boulevard. South Ormsby Boulevard, in the vicinity of the subject, is a two-way, two-lane, asphalt paved roadway, portions of which are improved with concrete curbs and gutters. Overall, the subject has adequate access. It is noted that if or when the property is developed that in all likelihood a secondary access would be required. A rough graded dirt trail is situated within the easterly portion of the subject site.

Zoning

SF6 (Single Family 6,000 Square Foot Lots)

Based upon a review of the *Land Plan Map* for the subject prepared by Morris Engineering, LTD, Civil and Structural Engineering, $3.35\pm$ acres within the easterly most portion of the subject property is zoned SF6, a Carson City single family residential zoning district which allows 6,000 square foot minimum lots. The purpose of the SF6 districts is to provide for the development of single-family detached dwellings in a suburban setting.

18.04.075 - Single-family 6,000 (SF6):

1. The primary permitted uses in the SF6 district are:

Single-family dwelling;
Park.

2. The accessory permitted uses, incidental to the primary permitted uses, within the SF6 district are:

Accessory structure;
Home occupation;
Recreation (swimming pool, tennis court) for individual or subdivision use.

3. The conditional uses in the SF6 district which require approval of a special use permit are:

Bed and breakfast inn (only within the historic district and subject to the provisions of Title 18 (Bed and Breakfast Inns));
Child care facility (accessory to residential use);
Church;
Guest building;
Municipal well facility;
School, k-12;
Temporary tract sales office;
Two-family duplex unit on corner lot;
Utility substation;
Youth Recreation Facility, operated by youth-oriented organizations recognized as non-profit by IRS Tax Code Section 501(3)(c) only.

(*Ord. 2006-4 § 10 (part), 2006: Ord. 2002-37 § 2, 2002: Ord. 2001-23 § 2 (part), 2001*).

SF2A (Single Family 2 Acre Lots)

The remaining $19\pm$ acres of the subject property is zoned SF2A. The primary permitted uses in the SF2A single-family district include single-family dwellings and public parks.

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18.04.050 - Single-family 2 Acre (SF2A):

1. The primary permitted uses in the SF2A district are this list plus other uses of a similar nature:
 - Single-family dwelling;
 - Park.
2. The accessory permitted uses incidental to primary permitted uses within the SF2A district are this list plus other uses of a similar nature:
 - Accessory farm structure;
 - Accessory structure;
 - Agricultural use;
 - Animals and fowl;
 - Guest building;
 - Home occupation;
 - Recreation (swimming pool, tennis court) for individual or subdivision use.
3. The conditional uses in the SF2A district which require approval of a special use permit are:
 - Agricultural use;
 - Bed and breakfast inn;
 - Child care facility (accessory to residential use);
 - Church;
 - Commercial stable/riding academy (accessory to residential use);
 - Municipal well facility;
 - School, k-12;
 - Utility substation;
 - Veterinary clinic.

(Ord. 2006-4 § 10 (part), 2006: Ord. 2001-23 § 2 (part), 2001).

Site Development Standards

Zoning Districts	Minimum Parcel Area (Acres or Square Feet)	Maximum Density	Minimum Lot Width (Feet)	Maximum Lot Depth (Feet)	Maximum Height (Feet)	Minimum Setbacks (Feet): Front	Minimum Setbacks (Feet): Side	Minimum Setbacks (Feet): Street Side	Minimum Setbacks (Feet): Rear
SF2A ⁽¹⁾	2 AC	1 per 2 AC parcel	200 ⁽⁹⁾	N/A	32*	50	20	20	30
SF6 ⁽¹⁾	6,000 SF 6,500 SF Corner	1 per 6,000 SF parcel/6,500 SF corner parcel	60 ⁽⁹⁾	180 ⁽⁷⁾ (120 cul-de-sac)	26*	20	5	10	10 ⁽³⁾

Master Plan

MDR (Medium Density Residential)

The subject's easterly 3.35± acres is master planned Medium Density Residential.

The Medium Density Residential Master Plan classification allows single family residential development at a maximum density of 3 to 8 dwelling units per one acre. Secondary complementary uses include duplexes or townhomes on individual lots in a planned neighborhood setting, as well as schools, parks, places of worship and other civic uses. The characteristics of the MDR include a mix of housing types in a neighborhood setting.

LDR (Low Density Residential)

The subject's westerly 19± acres is master planned Low Density Residential, 1/3 to 5 acres per dwelling unit. The Low Density Residential Master Plan classification allows single family residential development at a maximum density of 0.2 to 3 dwelling units per one acre. Secondary complementary uses include schools, parks, recreation and open space in a planned neighborhood setting. The characteristics of the LDR is a mix of low density housing types in a neighborhood setting. Clustering of residential units is encouraged as a means of preserving open spaces, while retaining a suburban density character.

Hillside Development Ordinance

Purpose and scope/applicability:

1. Purpose. The purpose of this chapter is to regulate development on hills and slopes in such a manner as to protect the public health, safety and welfare by minimizing the potential of such development to cause or contribute to landslides, erosion and sedimentation, deforestation, flooding or the aesthetic degradation of the city's natural environment. It is, therefore, the intent of Carson City to regulate development in hillside and skyline areas in order to accomplish the following:
 - a. To minimize the water runoff and soil erosion problems incurred in adjustment of the terrain to meet onsite and off-site development needs;
 - b. To provide for safe vehicular and pedestrian access and circulation;
 - c. To ensure that the open space as shown on any development plan is consistent with the objectives of the city master plan elements;
 - d. To minimize grading and cut and fill operations inconsistent with the retention of the natural character of hill areas and to shape essential grading to complement natural forms of the land;
 - e. To follow an alternative approach to conventional flatland practices of development in hillside areas;
 - f. To preserve significant features of hillside and skyline areas in essentially their natural state as part of a comprehensive open space system by allocating to open space and recreational use areas not suited for development as evidenced by topography, soils, geology and hydrology investigation reports; and
 - g. To preserve the skyline views of the city's hill areas.

Soils

A Class III Cultural Resource Inventory for the Potter Family Trust Parcels was prepared by Gnomon, Inc. dated September 30, 2008. Excerpts from this report are set out following:

“The project area is situated along the eastern slopes of the Carson Range along the west side of Carson City. It lies at the foot of C-Hill, just south of King Street and west of Terrace Street. A Forest Service road near the base of C-Hill bisects the project area. The larger, western parcel (APN 009-014-05) extends west from the Forest Service road, up the hillside, which ranges between 20 and 30 percent slope. The smaller, eastern parcel (APN 003-151-25) is located on the east side of the Forest Service road and extends east to the residential properties of Terrace Street and West 4th Street. It is much flatter than the larger parcel.”

“Geologically, bedrock within the project area is comprised of Juro-Cretaceous metamorphic and Cretaceous igneous rocks. Metamorphic rocks consist of volcanic flows derived from a previously existing volcanic mountain range. Igneous rocks within the project area are granitic in composition, consisting of granite, granodiorite and monzonite belonging to the Sierra Nevada batholiths (Archibald 1969; Trexler 1977). The metamorphic rock is more resistant to weathering than the igneous rock, which weathers to what is colloquially referred to as “decomposed granite”. The decomposed granite is the major source of landslide materials.”

“Soils in the drainages and along floodplains of the Carson Range have formed from alluvium from the granite and metavolcanic soils above. Granitic soils are mostly Corbet and Toiyabe with smaller amounts of Glenbrook and Haybourne soils. Metavolcanic soils are classified as Aldax Variant, Vicee, Koontz, and Sutro Variant with a small amount of Arkson. Soils formed from mixed alluvial deposits are mostly Holbrook, Jubilee, Surprise, and Toll. Outwash from surrounding drainages forms the floodplains where the mixed alluvial soils are located. Within the project area, soil associations include Holbrook very stony fine sandy

loam(4-15% slopes; approximately 98% of project area) and Koontz-Sutro variant association (steep; approximately 2% of project area). The Waterfall Fire (2004) created a strong hydrophobic soil within the Ash, Vicee, Coombs Canyon, and Kings Canyon Drainages of the Carson Range. In addition, those granitic-based soils are very erodible by wind and water. According to the NRCS Carson City Area soils survey report, wind erosion in this area on these soils could cause more soil to be lost by wind than by water. The soil survey estimates between 30 and over 100 tons per acre per year could be moved off site where the soil cover has been lost (Soils Survey Staff 2008).”

“Landslides in the project area, including debris slides and debris flows, frequently occur in response to earthquakes and rainfall. Deposits of these landslide events now blanket fans and aprons under Carson City and along eastern slopes of the Carson Range. Landslide deposits are evident along the steep north slope of C-Hill. Rainfall related flood events in Kings Canyon occurred as recently as 1997 and 2006.”

It has been noted that surrounding development does not appear to have been adversely impacted due to soil conditions. For the purposes of this appraisal, it is assumed that the soil conditions are adequate for a variety of development.

Cultural Recourses

According to the *Class III Cultural Resource Inventory Short Report* prepared by Gnomon, Inc. “the Carson Pioneer Cemetery (OR411) is located within the project area covering the southern half of Assessor’s Parcel Number 003-151-25 along the northwestern foot of C-Hill. Residential properties along Terrace Street define the cemetery’s eastern extent (Figure 5). The site consists of two marble, two sandstone, and two granite grave monuments, and eight aligned depressions likely to represent unmarked interments or burials exhumed (Figure 6). The dates of the deceased ranged from 1860 to 1871. Site OR411 may be considered eligible for the National Register of Historic Places. Site integrity must be evaluated before a final determination can be made.”

Topography

The westerly and central portions of the subject, which constitutes the majority of the site, has steeply up sloping hillside topography, with a saddle and plateaus at the top of the hill. As a result, the subject's hilltop area has more gentle topography. The more southeasterly portion of the subject site, in the vicinity of the old Carson Pioneer Cemetery, has more gentle topography. Due to the subject's topography, it does have very good views of the city as well as good views of the Sierra Nevada Mountains. The easterly portion of the subject site has level to down sloping topography to the east.

Flood Zone

FEMA Map Numbers	3200010091E/3200010091E
Effective Date	January 16, 2009
Flood Zone	Zone "D"

According to the Federal Emergency Management Agency, a Flood Zone "D" denotes areas with possible but undetermined flood hazards. No flood hazard analysis has been conducted in this area. Flood insurance rates are commensurate with the uncertainty of the flood risk.

Earthquake Zone	Risk Zone 3
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According to the most recent Uniform Building Code, the subject property is located in a Seismic Risk Zone 3. This zone encompasses areas which have a number of local faults and where there is relatively strong probability of moderate to strong seismic activity. Seismic Risk Zone 3 is characteristic of the entire area.

Hazardous Substances

Our standard on-site inspection of the subject property did not reveal any readily apparent evidence which would suggest the presence of contaminates or hazardous wastes on the subject property. For the purposes of this appraisal, it is assumed that the value of the subject property is not negatively impacted by the existence of toxic materials or hazardous waste.

Utilities

Water	Carson City
Sewer	Carson City
Natural Gas	Southwestern Gas
Electric	NV Energy
Telephone	AT&T

All utilities are reasonably available to the very southerly and very easterly portions of the subject site. However, with development of the property, utilities would need to be extended to the interior portions of the site.

Surrounding Development

The properties to the north and east of the subject are improved with the Kings Hill Park, Ormsby and Carson Highlands single family residential subdivisions. An LDS church facility is located generally southeast of the subject. The properties surrounding the subject to the south and west are large tracts of vacant land which are owned by Carson City and are designated Open Space. The Andersen Ranch is located a short distance north of the subject and the Carson City Middle School is located a short distance northeast of the subject property.

Easements

A Preliminary Title Report for subject parcels APN 003-151-25 and 009-014-05 prepared by Northern Nevada Title Company dated November 8, 2005 was provided to these appraisers. A review of the Preliminary Title Report denotes a 10 foot wide easement with the right to construct, operate and maintain a water pipeline, with appurtenances thereto, granted to Carson Water Company, recorded August 29, 1966, Document No. 10181 affecting a portion of said land.

The subject property includes a portion of what is denoted on the assessor's parcel map as the South Ormsby Boulevard Right-of-Way. In a letter dated July 31, 2006, Northern Nevada Title Company did indicate that they were unable to locate a recorded dedication for that portion of Ormsby Boulevard lying adjacent to Assessor's Parcel Numbers 003-151-25

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and 009-014-05. For the purposes of this appraisal, it has been assumed that the subject ownership has free and clear title to this land area. The Market Value conclusions assume free and clear title to the property.

We are unaware of any other easements or other encumbrances affecting the subject property's use potential. This appraisal has been conducted based upon the assumption that there are no easements, encumbrances, or restrictions which would prevent development of the subject property to its highest and best use.

Subject Sales History

The subject property has not been involved in any arms length transfers within the past five years.

Current Assessment & Taxable Value Data

Assessor's Parcel Number 2012/2013 Tax Year	003-151-25	009-014-05	Total
Assessed Values			
Land	\$32,025	\$770	\$32,795
Improvements	\$0	\$0	\$0
Total Assessed Value	\$32,025	\$770	\$32,795
2012/2013 Taxes	\$1,052.40	\$27.42	\$1,079.82
2012/2013 Taxable Value	\$91,500	\$2,200	\$93,700

It is noted that the table above does not include any assessment values or real estate taxes that would be associated with the subject's land area within Ormsby Boulevard.

Under Nevada State Law, the Carson City Assessor's Office estimates the taxable value of the subject site through direct comparison with recent land sales in the area. Then, the Assessor's Office estimates the replacement cost new of the improvements based upon *Marshall Valuation Service* and deducts straight line depreciation at 1.5% per year to arrive at an estimate of the taxable value of the subject improvements. A 35% assessment ratio is then applied to the taxable value to arrive at the assessed value of the property.

In the 2005 Legislative session, a new law regulating increases in real property taxes was signed into law. The Governor signed AB 489 into law on April 6, 2005. This bill provides for a partial abatement of property taxes. The level of abatement is based on the type and use of the property.

For primary residences, the abatement equals the amount of taxes that exceed last year's tax bill plus 3%. If the property contains rental unit and the rent on all units within the property are at or below the fair market rent for the county in which the dwelling is located, as most recently published by the United States Department of Housing and Urban Development (HUD), the abatement equals the amount of taxes which exceed last year's tax bill plus 3%. Most other properties (rental units where the rent exceeds the HUD guidelines, commercial, industrial, vacant land, mixed use, etc.) are subject to abatement at a higher level, which is calculated by comparing the lesser of;

1. The average percentage of change in the assessed valuation of all taxable property in the county as determined by the Department of Taxation, over the fiscal year in which the levy is made and the nine immediately preceding fiscal years; or
2. Eight percent; or
3. Twice the percentage of increase in the Consumer Price Index (All Items) for the immediately preceding calendar year, whichever is greater.

Special Assessments None

Summary and Conclusion

In summary, the subject property is an irregular shaped site containing a total land area of $22.35\pm$ acres. The majority of the site is zoned SF2A with the very easterly portion of the site zoned SF6. The property has gentle to steeply sloping hillside topography. Due to the topography of the site, it does enjoy good views of the Carson City area and of the Sierra Nevada Mountains. The property is located in southwest Carson City, $260\pm$ feet south of the intersection of Kings Canyon Road and South Ormsby Boulevard. Overall the subject has adequate access. All necessary utilities are reasonably available to the north and east

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boundaries of the subject site. The old Carson Pioneer Cemetery is situated in the southeast portion of the subject property. The cemetery has not been in use since 1871. It is our understanding that due to the historical nature of the cemetery site that any development of the property would need to be designed leaving the cemetery area undisturbed.

Reference is made to photographs and plot plan contained elsewhere in this appraisal report, which will enable the reader to more clearly visualize the subject property.

HIGHEST AND BEST USE ANALYSIS

Highest and best use is defined in the 5th Edition of *The Dictionary of Real Estate Appraisal* (Appraisal Institute, Chicago, 2010) as “The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.”

As the subject property is vacant and unimproved land, the Highest and Best Use of the subject site as vacant and available to be developed to its Highest and Best Use will be addressed.

In assessing the areas of physical possibility, consideration must be given to any constraints on development of the subject property as a result of its location or physical features. The subject is located in west Carson City. The immediate subject neighborhood is predominately oriented towards single family residential uses and large tracts of vacant land. Overall, the immediate subject neighborhood includes average to good quality homes in a desirable residential area.

The subject property is an irregular shaped site containing a total land area of 22.35± acres. The topography of the subject is primarily steeply sloping hillside with areas of more gentle topography at the top of the subject’s hill area and within the more southeasterly portion of the site in the area of the old Carson Pioneer Cemetery. Although it is our expectation that the subject’s topography will result in higher development costs for the property, it does afford the site very good views of the Carson City area and good views of the Sierra Nevada Mountains. The property has adequate access from South Ormsby Boulevard which terminates at the subject’s northeast corner. All necessary utilities are reasonably available to the north and east peripheries of the subject site. The old Carson Pioneer Cemetery is situated in the southeast corner of the subject property. As previously noted, the cemetery has not been in use since 1871. It is our understanding that due to the historical

nature of the cemetery site, that any development of the property would need to be designed leaving the cemetery area undisturbed. Any intense development of the subject property would require the extension of infrastructure including utility services and roadways.

The subject property is located within a Flood Zone "D", which designates areas with possible but undetermined flood hazards. No flood hazard analysis has been conducted in the Flood Zone "D" designated areas. The subject has adequate soils to support a wide variety of development and there are no known earthquake hazards or other environmental hazards which would adversely impact the development potential of the subject property.

Based upon an analysis of the available data, it is these appraisers' opinion that the subject's location and physical characteristics are most conducive to residential development.

In order to satisfy the criterion of highest and best use, a proposed use must also be legally permissible. The legally permissible utilizations of a property are governed by zoning ordinances, master plan designations and other restrictions. The westerly $19\pm$ acres of the site are zoned SF2A and master planned LDR. The primary permitted uses in the SF2A single-family district include single-family dwellings, at a density of two acres per lot, and public parks. The (LDR) Low Density Residential Master Plan classification allows single family residential development at a maximum density of 0.2 to 3 dwelling units per one acre. Secondary complementary uses include schools, parks, recreation and open space in a planned neighborhood setting.

The very easterly portion of the subject site, containing $3.35\pm$ acres, is designated SF6 (6,000 square foot lots) and is master planned MDR. The purpose of the SF6 district is to provide for the development of single-family detached dwellings in a suburban setting. The Medium Density Residential Master Plan classification allows single family residential development at a maximum density of 3 to 8 dwelling units per one acre. Secondary complementary uses include duplexes or townhomes on individual lots in a planned

neighborhood setting, as well as schools, parks, places of worship and other civic uses. The characteristics of the MDR include a mix of housing types in a neighborhood setting.

Overall, from a legally permissible perspective, the subject could be developed with a single-family residential subdivision, consisting of $6,000\pm$ square foot to 2 acre homesites. Under the subject's current zoning it is estimated that up to 35 dwelling units would be allowed. However, the constraints of the subject's hillside topography will result in a lower density for the subject site.

In order to ascertain the possible potential density for the subject, G.L. Szabo and Associates has prepared a preliminary *Land Plan Map* for the subject property. The *Land Plan Map* depicts 5 view lots on the subject's hilltop land and 12 clustered units (6 duplexes) on the easterly $3.35\pm$ acres of the subject property. It is our understanding that the southeast corner of the site, which is the site of the old cemetery, would remain undisturbed. The *Land Plan Map* design depicts a potential density for the subject's $22.35\pm$ acre site of 17 dwelling units.

In order for any utilization to represent the Highest and Best Use of the property, it must also be financially feasible. In other words, there must be sufficient demand to warrant the proposed use. The residential market has seen a significant slowdown over the past several years, however, there are signs that Northern Nevada's residential market is improving. The existing home sales continue to dominate the sales market in the region. Most residential land transactions within the market have involved finished lots, or properties with partial approvals for development, and there remains a large inventory of finished and tentative map lots. Finished, approved lots are being purchased at prices well below the cost it took to install infrastructure; which has limited the demand for unfinished lots in the marketplace, and has stalled most development of raw, residential land throughout the region. As a result, demand for raw, undeveloped land has been limited. Overall, based upon the current residential market and the amount of available land, development of the subject with a higher density project, in the short term, is not feasible at the present time.

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The highest and best use of the subject must also be maximally productive. To be maximally productive, the highest and best use must be the most intense utilization for which the subject could be developed. The subject is surrounded to the north and east by the Kings Hill Park, Ormsby and Carson Highlands single family residential subdivisions. The properties surrounding the subject to the south and west are large tracts of vacant land which are owned by Carson City and are designated Open Space. The Andersen Ranch is located a short distance north of the subject. The subject property does offer a desirable single family residential location and very good city and good mountain views.

As has been demonstrated by the adjacent residential subdivisions, there has been demand for single family residential homes in the Carson City area. In interviews with Realtors and other real estate professionals, it appears that the market for single family residences is currently stabilizing after a long period of decline. With strong consideration given to the subject's west Carson City location, immediately surrounding utilizations and current zoning, it is our opinion that single-family residential subdivision uses would meet the criteria of a maximally productive utilization of the subject.

As indicated above, the four criteria of the Highest and Best Use analysis indicates that the highest and best use for the subject would be for future development with single family residential subdivision uses. With consideration given to the very limited demand for vacant development land at the present time, it is these appraisers' opinion that it would be unlikely that the subject would be developed with any kind of higher density project in the foreseeable future. However, it is felt that due to the subject's excellent views and good location in west Carson City that the subject site would be a desirable location for exclusive hilltop homesites. The G.L. Szabo and Associates preliminary *Land Plan Map* indicates that up to 5 view lots could be achieved on the subject's hilltop land area. It is our expectation that the view lots would be improved with upscale custom homes. As a result, it is anticipated that the buyer/s would have the economic resources to bear the cost of the necessary infrastructure including a road and utilities to the homesites. Should a single buyer purchase

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the subject site they would have the ability to develop their own homesite with the potential of selling off additional homesites when demand strengthens.

Based upon a careful review of all information available, it is these appraisers' opinion that the highest and best use of the subject property, would be for future development with single-family residential subdivision uses. It is also recognized that due to the subject's excellent views and good location in west Carson City that the site would be a desirable location for an exclusive hilltop homesite with the possibility of ultimately subdividing the site to sell off additional homesites at such time as demand would warrant.

INTRODUCTION TO VALUATION ANALYSIS

There are three approaches to value which an appraiser must consider in estimating the value of a property. These approaches include the Cost Approach, the Income Approach and the Sales Comparison Approaches to Value.

As the subject property involves a vacant tract of land, the Cost Approach and the Income Approach to Value were not considered applicable and were not utilized in this appraisal assignment.

In this appraisal, the Sales Comparison Approach will be utilized to derive a value for the subject property. The Sales Comparison Approach is based on the principle of substitution which holds that the value of the subject property tends to be set by the price that would be paid to acquire a substitute property of similar utility and desirability.

SALES COMPARISON APPROACH TO LAND VALUE

In the Sales Comparison Approach Analysis, sales of similar properties are analyzed to arrive at an indication of the market value of the subject property. To establish an indication of the market value of the subject property, the Official Records of Carson City were searched for land sales in and around the local market with similar characteristics as the subject property. As our research revealed a very limited number of comparable land sales within the Carson City area, we did expand our search to nearby Washoe County.

Sales of large acreage undeveloped land have been very limited over the past several years. Therefore, current listings of comparable properties will also be included. All sales and listings found were investigated, analyzed and compared to the subject property. The sales set forth on the following chart were considered to be indicative of an appropriate land value for the subject property.

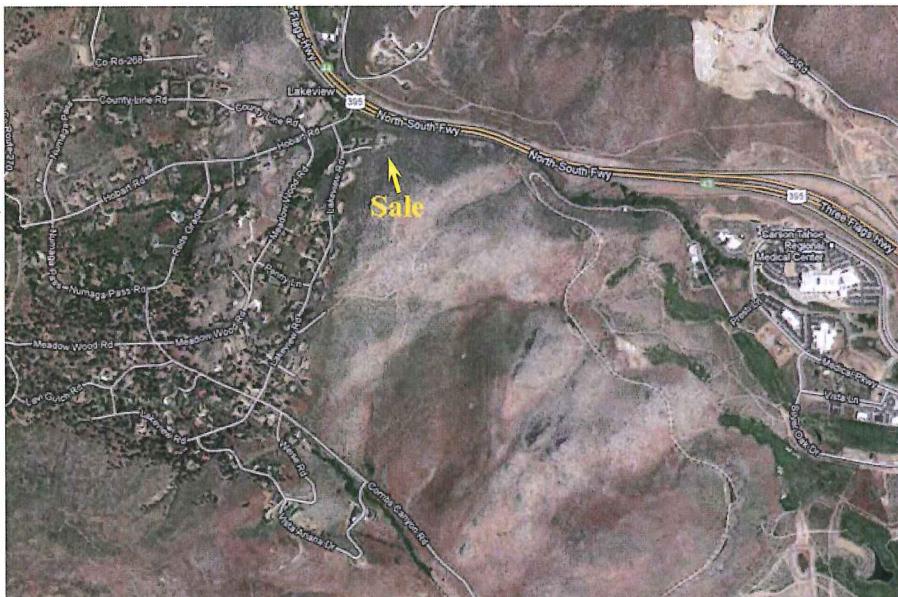
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COMPARABLE LAND SALES CHART

Sale Number	Assessor's Parcel Number Project Name Location	Sale Date Sale Price	Zoning Approvals/Lots Water Rights	Topography Flood Zone Utilities	Gross Land Area Potential Density DU/Acre	Price Per Acre
LS-1	07-092-12 1/4± Mile Northeast of the Northeast terminus of Buckskin Road, 1/3± mile East of Lakeview Road, Carson City	04/13/2009 \$1,000,000	SF1A Tentative Map (16 Units, 3-4 Ac Lots) Will Serve Letter	Moderately Sloping D Electric & Telephone will require Water & Septic	60.11± Ac .27	\$16,636
LS-2	038-830-01 &038-111-02 Canyon Ranch Along N/S U.S. Hwy 40, Verdi Reno	02/19/2010 \$1,050,000	UT40/OS Expired Tentative Map-159 Units 103 Acre Feet	Level to Steep X, A & AE Electric, Telephone, Gas	199.05± Ac 1.25	\$5,275
LS-3	055-301-43 Vacant Rural Land E/S of Ponderosa Drive, South of Franktown Road, Washoe Valley	06/18/2010 \$215,000	GR No Approvals 2.02 Acre Feet	Level to Steep X Electric, Telephone, Gas	40.65± Ac One Homesite	\$5,289
LS-4	009-253-13 4500 Voltaire Street, Carson City	06/15/2011 \$40,000	SF1A No Approvals N/A	Moderate to Steeply Upsloping D Reasonably Available	4.76± Ac One Homesite	\$8,403
LS-5	528-030-16 Vista Sierra Terminus of Planned Stonebrook Parkway, Sparks (Spanish Springs Valley)	07/10/2012 \$345,000	PUD Zoning (4DU/AC) Master Plan 196 Units None	Level, Below Grade (Fill Required) AO Must be Extended	49.026± Ac 4.00	\$7,037
LL-6	007-091-91 & 007-092-07 Both sides of Combs Canyon Road., 300±' N. of the intersection of Combs Canyon Road & Timberline Drive, Carson City	Current Listing \$492,000	SFR-1A (1 DU/AC) Tentative Map 8 Lots Letter of Intent	Undulating Gentle to Steeply Sloping AO, A & C Electric, Telephone, Gas will require Water & Septic	82.12± Ac .10 (10± Ac Lots)	Asking \$5,991
LL-7	009-311-65,67,68, 010-671-06 thru 15 Schulz Ranch Between Center Drive & Schulz Drive at the East Terminus of Topsy Lane, Carson City	Current Listing \$725,000	SR-SPA 403 Projected 8 Final Mapped Lots 395± Tentative Mapped Lots Letter of Intent	Level/Moderate X, Shaded X All Reasonably Available will Require Pump Station	90.887± Ac 4.43	Asking \$7,977
LL-8	534-450-13; 534-461-01 thru 462-06 Shadow Ridge Pyramid Highway & Horizon View Avenue, Spanish Springs Valley, Sparks, NV	Current Listing \$995,000	LDS 12 Finished Lots 180 Lot Expired Tentative Map Reasonably Available None	Level to Gentle Partially Graded X	93.0567± Ac 2.06	Asking \$10,692
Subject	003-151-25, 009-014-05 & Portion S. Ormsby Blvd R/W 260±' South of the Intersection of Kings Canyon Road & S. Ormsby Boulevard, Carson City	Date of Valuation 02/05/2013	SF6/SF12A No Approvals (Potentially 17 Units) None	Moderate to Steep Hillside D All Reasonably Available, Utilities & Road Will need to Be Extended	22.35± Ac .76	---

Reno ■ Lake Tahoe

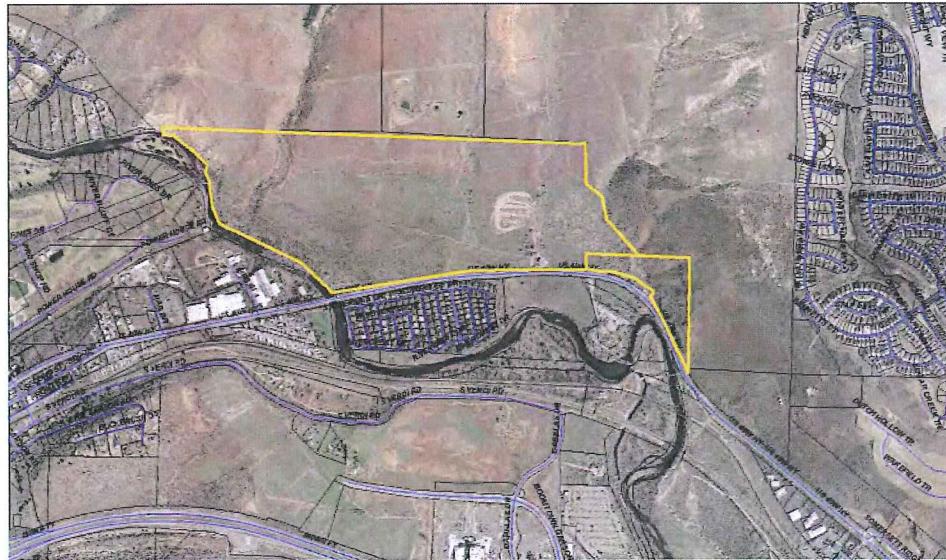
**COMPARABLE LAND AERIAL MAP AND DISCUSSION
SALE LS-1**



Property Type:	Vacant Land	City:	Carson City
Location:	1/4± mile northeast of the northeast terminus of Buckskin Road, 1/3± mile east of Lakeview Road	County:	Carson City
A.P.N.:	07-092-12	State:	Nevada
Topography:	Moderately Sloping	Flood Zone:	D, Areas of possible, but undetermined flooding potential
Zoning:	SF1A (1 Dwelling Unit/Acre)	Utilities:	Electric, telephone in proximity, municipal water to be extended, needs septic
Parcel Acreage:	60.11± Acres	Water Rights:	Will Serve Letter from Carson City for up to 60 lots
Number of Units:	16	Approvals:	Tentative Map – 16 Lots (3 to 4 Acre Lots)
Recording Date:	April 13, 2009	Price/Acre:	\$16,636
Sale Price:	\$1,000,000	Terms Of Sale:	\$250,000 Down Payment, seller financing, undisclosed terms
Document Number:	388570/403209	Time on Market:	Approximately one year
Transfer Tax:	\$3,900	Proposed Use:	Residential
Grantor:	Daniel & Lori Jenkins, et al	Verification:	MLS, Realty Executives Nevada's Choice, Lori Jenkins, Seller, and Public Records
Grantee:	Limited Partnership Management Services LLC, Marco Suarez, Trustee		
Views:	City, Mountain		

The central portion of this comparable has primarily gentle to moderately sloping topography and slopes more steeply up to the easterly and southerly portions of the parcel. Electric and telephone service are reasonably available to the site but will need to be extended prior to development. There is a canyon that runs from east to west on the south portion of the parcel. The property has good views of Carson City to the south and mountain views to the west. Access is via a dirt road extending from the end of Buckskin Road. The buyer had obtained Tentative Map approval for a 16 unit subdivision. Reportedly, the property includes a will-serve letter from Carson City for water for up to 60 lots. According to Ms. Jenkins, the property was originally available in 2006 for an asking price of \$3,000,000.

**COMPARABLE LAND AERIAL MAP AND DISCUSSION
 SALE LS-2**



Property Name:	Canyon Ranch	City:	Reno
Location:	East Side of the Truckee River and the North Side of U.S. Highway 40, Verdi	County:	Washoe
A.P.N.'s:	038-830-01 & 038-111-02	State:	Nevada
Topography:	Level to Moderately Sloping	Flood Zone:	Zone "X", "A" and "AE"
Zoning:	UT40/OS (Large Lot Residential/Open Space)	Utilities:	All Reasonably Available
Parcel Acreage:	199.05± Acres (Gross)	Water Rights:	103± Acre Feet
Number of Units:	159	Approvals:	Expired map for 159 lots
Recording Date:	February 19, 2010	Price/Acre:	\$5,275
Sale Price:	\$1,050,000	Terms of Sale:	Cash to Seller, Private Financing
Document No.:	3851141	Transfer Tax:	\$4,305.00
Grantor:	Oreo, Corporation	Time on Market:	Over Two Years
Grantee:	West Meadows Investments, LLC (Robert Fitzgerald)	Verification:	Washoe County Records & Mr. Robert Schiffmacher, MAI
Views:	Truckee River, Mountain		

This is the sale of Canyon Ranch, located on the north side of U.S. Highway 40 and the east side of the Truckee River, in Verdi. The property has frontage along the Truckee River and extensive frontage along U.S. Highway 40. This site contains a total of 199.05± acres, including 15.53± acres of open space. This property has generally level to moderately sloping topography. Overhead power lines traverse the property generally in an east-west direction. This property was foreclosed upon in October 2008 for \$3,482,401. The property had been listed at an asking price of \$2,250,000.

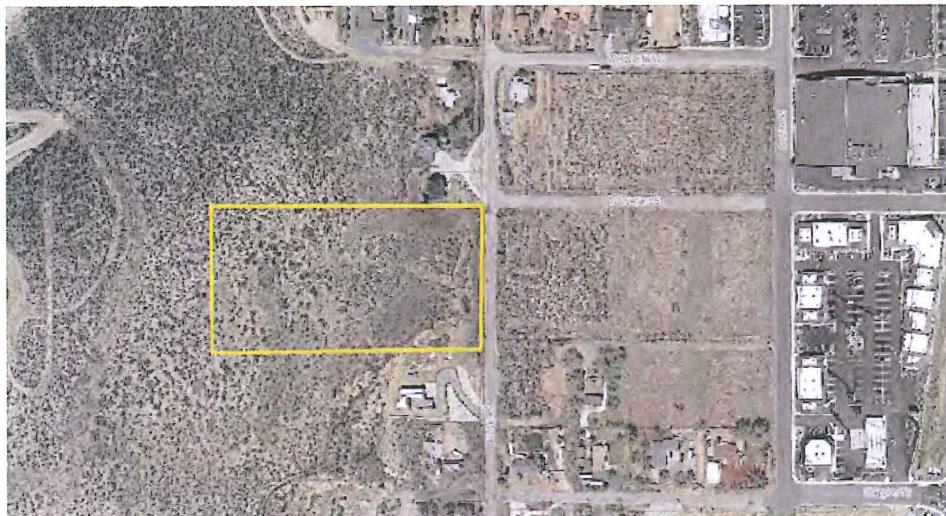
**COMPARABLE LAND AERIAL MAP AND DISCUSSION
SALE LS-3**



Property Name:	Vacant Land	City:	Washoe Valley
Location:	East Side of Ponderosa Point Dr., South of Franktown Rd.	County:	Washoe
A.P.N.:	055-301-43	State:	Nevada
Topography:	Level to Steep	Flood Zone:	Zone "X"
Zoning:	GR (General Rural)	Utilities:	All Available
Parcel Acreage:	40.65± Acres	Water Rights:	2.02± Acre Feet
Number of Units:	1	Approvals:	None
Recording Date:	June 18, 2010	Price/Acre:	\$5,289
Sale Price:	\$215,000	Transfer Tax	\$881.50
Document No.:	3889117	Terms Of Sale:	Cash
Grantor:	Ponderosa Land & Livestock Co. Inc.	Time On Market:	14 Months
Grantee:	Donald D. & Sherry E. Kuhl	Verification:	Megan LoPresti w/ Purple Wave Realty
Views:	Washoe Lake, Washoe Valley		

This is the sale of 40.65± acres located on the east side of Ponderosa Point Drive, just south of Franktown Road in Washoe Valley. The property is located just west of U.S. Highway 395. This property has generally level to steep sloping topography. The sale included 2.02± acre feet of water rights and natural gas and underground electricity are available to the site. A well and septic tank would need to be installed upon development of improvements. Access onto the site is available from Ponderosa Point Drive which is a newly paved road. This site does overlook Washoe Valley and Washoe Lake to the east and has mountain views to the west. In a discussion with the selling agent, Megan LoPresti of Purple Wave Realty, it was noted that the buyers have no immediate plans to build and there are no approvals for the site.

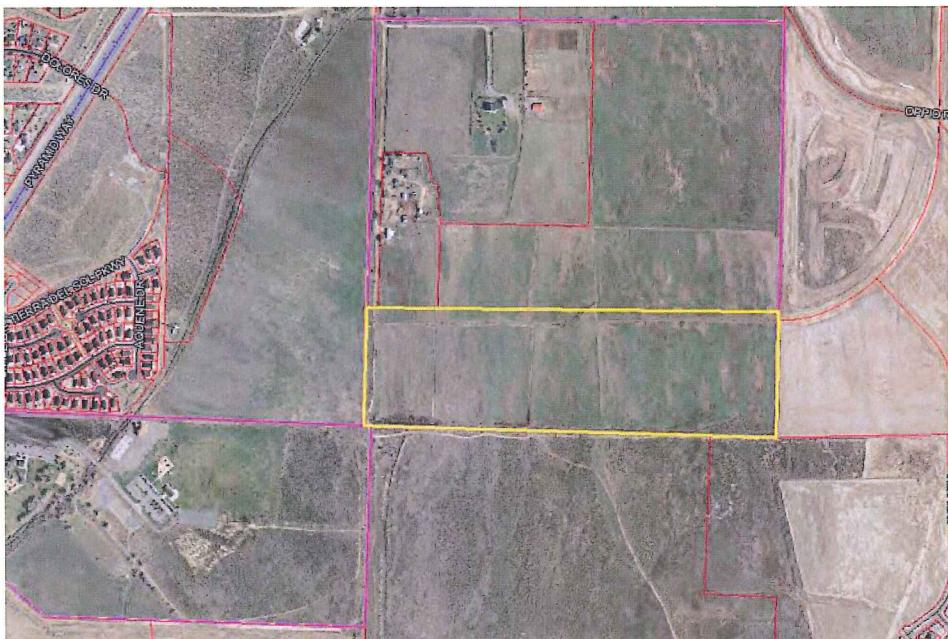
**COMPARABLE LAND AERIAL MAP AND DISCUSSION
 SALE LS-4**



Property Name:	Vacant Land	City:	Carson City
Location:	4500 Voltaire Street	County:	Carson
A.P.N.:	009-253-13	State:	Nevada
Topography:	Moderate to Steeply Upsloping	Flood Zone:	D, Areas of possible, but undetermined flooding potential
Zoning:	SF1A (1 Dwelling Unit/Acre)	Utilities:	Reasonably Available
Parcel Acreage:	4.76± Acres	Water Rights:	N/A
Number of Units:	1	Approvals:	None
Recording Date:	June 15, 2011	Price/Acre:	\$8,403
Sale Price:	\$40,000	Transfer Tax	\$916.50
Document No.:	412886	Terms Of Sale:	Cash to Seller
Grantor:	Deutsche Bank National Trust Company	Time On Market:	N/A
Grantee:	Dean Anderson and Martha Ververka	Verification:	Public Records
Views:	South City, Mountain		

This is the sale of 4.76± acres located on the west side Voltaire Street, just southwest of the west terminus of Overland Street. The property is located in southwest Carson City. This property has generally moderate to steeply up sloping topography. Access onto the site is available from Voltaire Street which is an asphalt paved rural road. This site does overlook south Carson City and has mountain views to the west.

**COMPARABLE LAND SALE AERIAL PHOTO AND DISCUSSION
 SALE LS-5**



Property Name:	Vista Sierra	City:	Sparks (Spanish Springs)
Location:	2,600± Feet East of Pyramid Highway	County:	Washoe
A.P.N.'s:	528-030-16	State:	Nevada
Topography:	Level/Below Grade	Flood Zone:	Zone "AO"
Zoning:	A7 (County Zoning-Residential)	Utilities:	Must Be Extended
Parcel Acreage:	49.026± Acres	Water Rights:	None
Number of Units:	Master Planned for 196	Approvals:	None
Recording Date:	July 10, 2012	Price/Acre:	\$7,037
Sale Price:	\$345,000	Transfer Tax:	\$1,414.50
Document No.:	4130061	Terms of Sale:	Cash
Grantor:	Vista Sierra, LLC	Time On Market:	Two Months
Grantee:	Naniloa Investment Company, LLC	Verification:	Paul Oliphant-Appraiser w/ Washoe County Assessor
Views:	Spanish Springs Valley		

This July 2012 sale involves a 49.026± acre parcel of land located in Spanish Springs, City of Sparks, Nevada. This property has level topography and is below grade. Extensive fill material will be required before development. This property did not include any approvals or water rights. Access to the site is via access easements. The most recent buyers also purchased the adjacent Stonebrook development which is located directly to the west of this property.

**COMPARABLE LAND MAP AND DISCUSSION
 LISTING LL-6**



Property Type:	Vacant Land	City:	Carson City
Location:	The southwest side and the northeast side of Combs Canyon Road, 300± feet north of the intersection of Combs Canyon Road & Timberline Drive	County:	Carson City
A.P.N.:	07-091-91 & 07-092-07	State:	Nevada
Topography:	Undulating, gently to steeply sloping	Flood Zone:	AO, A & C
Zoning:	SFR 1A (1 acre minimum lots)	Utilities:	Natural Gas, Electric and Telephone to the Site, Sewer Reasonably Available
Parcel Acreage:	82.12± Acres	Water Rights:	Water to be provided by Carson City as owner had water rights prior to conversion to new system
Number of Units:	8	Approvals:	Tentative Map
Listing Status:	Current Listing	Price Per Acre:	\$5,991
Asking Price:	\$492,000	Terms Of Sale:	N/A
Current Owner:	Combs Canyon LLC	Verification:	Andie Wilson, CCIM, Coldwell Banker Commercial
Views:	East Parcel-Partial City and Mountain		

This comparable consists of two parcels. The site is situated on both sides of Combs Canyon Road approximately 300± feet north of the intersection of Combs Canyon and Timberline Drive. The site's west parcel, located on the west side of Combs Canyon Road, has level to steeply sloping topography. The site's east parcel, located on the east side of Combs Canyon Road, has moderate to steeply sloping topography. The property is zoned for 1 acre single-family lots. It is our understanding that water and sewer will need to be extended to this site. The property owner has tentative map approval for 8 lots.

**COMPARABLE LAND AERIAL MAP AND DISCUSSION
LISTING LL-7**



Property Name:	Schulz Ranch	City:	Carson City
Location:	Between Center Drive & Schulz Drive at the East Terminus of Topsy Land	County:	Carson
A.P.N.:	009-311-65,67,68, 010-671-06 thru 15	State:	Nevada
Topography:	Level to Moderate	Flood Zone:	“X”, Shaded “X”
Zoning:	SR-SPA	Utilities:	Reasonably Available
Parcel Acreage:	90.887± Acres	Water Rights:	Letter of Intent
Number of Units:	8 Final Mapped Lots, 395± Tentative Mapped Lots	Approvals:	403 Projected, 8 Final Mapped Lots, 395± Tentative Mapped Lots
List Status:	Current Listing	Price per Acre:	\$7,977
Asking Price:	\$725,000	Terms of Sale:	N/A
Owner of Record:	F B Holdings, LLC (Bank Owned)	Verification:	Peter Ghishan, Commercial Partners of Nevada
Views:	Partial Mountain		

This listing is the Schulz Ranch site located between Center Drive and Schulz Drive at the east terminus of Topsy Lane in southeast Carson City. The ownership contains 90.887± acres of gross land area. The topography of the site varies from generally level to moderately sloping. The property is essentially raw land at the present time as no lots have been completed and it requires the extension of infrastructure including water and sewer services as well as interior roadways, prior to development. The map approvals have been extended to August 21, 2014. Mr. Ghishan did indicate that the list price was recently reduced from \$900,000 (\$9,902/acre) to \$725,000 (\$7,977/acre).

**COMPARABLE LAND MAP AND DISCUSSION
 LISTING LL-8**



Property Name:	Shadow Ridge (Portion)	City:	Sparks (Spanish Springs Market)
Location:	South side of Horizon View Avenue, 700± feet east of Pyramid Highway	County:	Washoe
A.P.N.:	534-450-13; 534-461-01 thru 462-06	State:	Nevada
Topography:	Level to Gently Sloping, Partially Graded	Flood Zone:	Zone "X"
Zoning:	LDS (Low Density Suburban)	Utilities:	Reasonably Available
Parcel Acreage:	93.0567± Acres	Water Rights:	None Included
Number of Units:	12 Finished Homesites, 180 Unit Tentative Map	Approvals:	Final Map, Expired Tentative Map
List Status:	Current Listing	Price Per Acre:	\$10,692
Asking Price:	\$995,000	Terms of Sale:	N/A
Current Owner:	Santa Barbara Bank & Trust	Verification:	Mark Krueger, ArchCrest Commercial Partners

This listing is a portion of Shadow Ridge, generally located to the east of the Pyramid Highway, to the north of Calle de la Plata. The listed property is located in the northerly portion of the Spanish Springs Valley. The 12 finished homesites are improved with concrete curbs, gutters and on-site utilities. The tentative map for the 180 units has expired. However, the listing broker has indicated that the owners are working on a new development plan to reinstate the tentative map approvals. Mr. Krueger has also indicated that there has been interest in the property, however, not at the current asking price. According to the listing broker, there are also 79 acre feet of water rights available at \$6,000 per acre foot.

LAND SALES DISCUSSION AND CORRELATION

To arrive at an estimate of the Market Value of the subject property, five land sales and three listings were considered. The comparable sales occurred between April 2009 and July 2012. The listings are current as of the date of valuation. The comparables range in size between $4.76\pm$ acres and $199.05\pm$ acres, in comparison to the subject's $22.35\pm$ acres. The comparables range in sale price from \$5,275 per acre to \$16,636 per acre.

The comparable properties utilized in this analysis will be compared and correlated to the subject property based upon several adjustment criteria. These include property rights conveyed, financing terms, conditions of sale, market conditions, location, zoning/use and physical characteristics. The following analysis will compare and correlate the sales in order to estimate the market value of the subject property's $22.35\pm$ acres.

Adjustments to Sales

As each of the sales involved fee simple cash or cash equivalent transactions, no adjustments are necessary due to property rights conveyed or terms of sale.

Sale LS-1 is the April 2009 sale of a $60.11\pm$ acre site located $1/4\pm$ mile northeast of the northeast terminus of Buckskin, $1/3\pm$ mile east of Lakeview Road in northwest Carson City.

In comparison to the subject property, this comparable requires a large downward adjustment due to its older date of sale in a declining market. A downward adjustment is required due to this comparable's superior location. A downward adjustment is necessary as this sale included a will serve letter for water for up to 60 lots. A minor downward adjustment is required due to this comparable's superior moderately sloping topography. A downward adjustment is required due to this comparable's superior views. As this sale included a tentative subdivision map for 16 units a minor downward adjustment is warranted. On the other hand, a large upward adjustment is warranted due to the subject's smaller size. This comparable requires an upward adjustment due to the subject's superior access to

utilities. This comparable is considered similar to the subject as it is also located in a Flood Zone D.

Overall, Sale LS-1, at \$16,636 per acre, is considered to be a very high indication of an appropriate per acre value for the subject site.

Sale LS-2 is the February 2010 sale of a $199.05\pm$ acre site known as Canyon Ranch located in the Verdi area of Reno.

In comparison to the subject property, this comparable requires a large downward adjustment due to its older date of sale in a declining market. Downward adjustments are necessary as this sale has the potential for a higher density than the subject and did include substantial water rights. Downward adjustments are required due to this comparable's proximity to the Truckee River and superior topography. On the other hand, a significant upward adjustment is warranted due to this comparable's much larger land area as compared to the subject. A large upward adjustment is required due to the subject's closer-in location. An upward adjustment is necessary due to the subject's superior city and mountain view amenities. This comparable requires a large upward adjustment due to the subject's superior access to utilities.

Overall, Sale LS-2, at \$5,275 per acre, is considered to be a very low indication of an appropriate per acre value for the subject.

Sale LS-3 is the June 2010 sale of a $40.65\pm$ acre parcel located on the east side of Ponderosa Point, south of Franktown Road, in West Washoe Valley.

In comparison to the subject property, this comparable requires a large downward adjustment due to its older date of sale. On the other hand, an upward adjustment is required due to the subject's closer-in location and superior access to municipal water and sewer services. A large upward adjustment is required due to the subject's higher potential density.

An upward adjustment is necessary due to this comparable's larger size as compared to the subject. This comparable is considered similar to the subject in regards to access, topography and views.

Overall, Sale LS-3, at \$5,289 per acre, is considered to be a very low indication of an appropriate per acre value for the subject.

Sale LS-4 is the June 2011 sale of a 4.76± acre parcel located at 4500 Voltaire Street, in southwest Carson City.

In comparison to the subject property, this comparable requires a downward adjustment due to its older date of sale. A large downward adjustment is required due to this comparable's much smaller size. On the other hand, upward adjustments are required due to the subject's more desirable location and superior views. A large upward adjustment is required due to the subject's higher potential density. This comparable is considered similar to the subject in regards to access, topography, availability of utilities and flood zone.

Overall, Sale LS-4, at \$8,403 per acre, is considered to be a low indication of an appropriate per acre value for the subject.

Sale LS-5 is the July 2012 sale of the Vista Sierra property, containing 49.026± acres located in the Spanish Springs area of Sparks, Washoe County.

In comparison to the subject property, this comparable requires a downward adjustment due to its plottage considerations. Downward adjustments are warranted due to this comparable's higher potential density and superior topography. On the other hand, this comparable requires a large upward adjustment as roads and utilities will need to be installed to the site prior to development. An upward adjustment is required due to the subject's much smaller size. Upward adjustments are required due to the subject's superior closer-in location

and superior view amenities. This comparable is similar to the subject as it is also located in a floodplain.

Overall, Sale LS-5, at \$7,037 per acre, is considered to be a very low indication of an appropriate per acre value for the subject.

Listing LL-6 is located on both sides of Combs Canyon Road in northwest Carson City.

In comparison to the subject property, downward adjustments are required as this comparable includes a letter of intent for water service and due to its listing status. A minor downward adjustment is indicated as the comparable includes a tentative map. The Combs Canyon property has gentle to steep slopes as compared to the subject's gentle to very steeply sloping hillside topography, requiring a downward adjustment. On the other hand, this comparable requires large upward adjustments due to its much larger size and inferior availability of utilities as compared to the subject. An upward adjustment is required as this comparable involves non-contiguous parcels.

Overall, Listing LL-6, at \$5,991 per acre, is considered to be a very low indication of an appropriate per acre value for the subject.

Listing LL-7 is the $90.887 \pm$ acre Schulz Ranch property, located in far southeast Carson City.

In comparison to the subject property, downward adjustments are required as this comparable includes a letter of intent for water service and due to the property's listing status. This comparable did include 8 final mapped lots and $395 \pm$ tentative subdivision map approvals, requiring a downward adjustment. A downward adjustment is required due to this comparable's higher potential density. Downward adjustments are required due to the comparable's superior topography and as it is located outside the floodplain. On the other

hand, this comparable requires a large upward adjustment due to the subject's superior location. A large upward adjustment is required due to this comparable's much larger size at $90.887\pm$ acres as compared to the subject at $22.35\pm$ acres. A large upward adjustment is required due to the subject's much superior view amenities.

Overall, Listing LL-7, at \$7,977 per acre is considered to be a very low indication of an appropriate per acre value for the subject.

Listing LL-8 is a portion of Shadow Ridge, generally located on the east side of the Pyramid Highway, to the north of Calle de la Plata. The listed property is located in the northerly portion of the Spanish Springs Valley area of Sparks.

In comparison to the subject property, downward adjustments are required as this comparable includes 12 final mapped and finished lots. A downward adjustment is necessary due to the property's listing status. Large downward adjustment is required due to this comparable's superior topography and as the comparable is partially graded. On the other hand, this comparable requires a large upward adjustment due to its remote location. A large upward adjustment is required due to this comparable's much larger size as compared to the subject. A large upward adjustment is required due to the subject's superior view amenities.

Overall, Listing LL-8 at \$10,692 per acre, is considered to be a slightly high indication of an appropriate per acre value for the subject.

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REAL ESTATE APPRAISERS & CONSULTANTS

FINAL RECONCILIATION AND VALUE CONCLUSION

To summarize, Sale LS-1, at \$16,636 per acre, was considered to be a very high indication of an appropriate per acre value for the subject. Sales LS-2, LS-3, LS-5 and listings LL-6 and LL-7 at \$5,275 to \$7,977 per acre, were considered to be very low indications of an appropriate per acre value for the subject. Sale LS-4, at \$8,403 per acre, was considered to be a low indicator, while Listing LL-8, at \$10,692 per acre, was considered to be a slightly high indicator of an appropriate per acre land value for the subject.

In estimating an appropriated per acre land value for the subject, consideration has been given to its good location in west Carson City, a desirable residential neighborhood. The property has gentle to steeply sloping hillside topography which has also been considered in this analysis. Although it is our expectation that the subject's topography will result in higher development costs for the property, it does afford the site very good views of the Carson City area and good views of the Sierra Nevada Mountains. As a result, the subject property is felt to be a desirable location for an exclusive hilltop homesite with the ability to ultimately subdivide the site to sell off additional homesites at such time as demand would warrant. Consideration is given to the subject's size at $22.35\pm$ acres, availability of utilities, development potential, and other physical characteristics. Consideration is also given to demand for development land. As previously discussed, other than finished lots, there is little demand for residential land at the current time.

Overall, based upon a review of the available data, it is our opinion that a per acre land value applicable to the subject, as of February 5, 2013, is \$10,000 per acre. Applying the selected value to the subject's $22.35\pm$ acres results in an indicated fee simple value of the subject property of \$223,500, which is rounded to \$225,000.

FINAL MARKET VALUE CONCLUSION **\$225,000**
(Subject Property – $22.35\pm$ Acres)

EXPOSURE AND MARKETING TIME

Exposure time is defined as the length of time that would have been necessary to expose the property on the open market, in order to have consummated the sale at the effective date of valuation. This analysis assumes the property was marketed at the value conclusion contained in this report. Marketing time, on the other hand, is the time necessary to consummate a sale of the subject property assuming that a marketing effort is begun as of the effective date of valuation and that the property is marketed at the final property value conclusion contained in this report.

In arriving at an estimate of an appropriate exposure and marketing time for the subject property, consideration is given the subject property's physical characteristics. Consideration is also given to the exposure and marketing times of similar properties in the Carson City area, and interviews with brokers familiar with similar properties. In addition, consideration is given to the estimated value conclusion. It is recognized that in the Highest and Best Use Analysis, it was indicated that the highest and best use of the subject property would be for future development with single-family residential subdivision uses. It is also recognized that due to the subject's excellent views and good location in west Carson City that the site would be a desirable location for an exclusive hilltop homesite with the possibility of ultimately subdividing the site to sell off additional homesites at such time as demand would warrant.

Based upon a review of the available data, it is our opinion that an appropriate exposure and marketing time for the entire subject property, assuming the property is marketed at the final property value conclusion, would be as follows:

EXPOSURE & MARKETING TIME CONCLUSION

TWO YEARS

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

APPRAISER'S CERTIFICATION

Each of the undersigned does hereby certify that, unless otherwise noted in this appraisal report:

- Stephen R. Johnson and Cindy Lund Fogel made a personal inspection of the property that is the subject of this report.
- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- No one provided significant real property appraisal assistance to the person signing this certificate.
- The appraisal was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

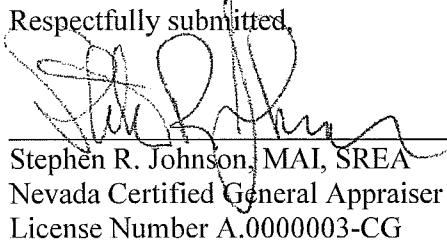
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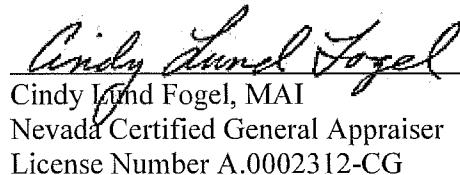
- The appraiser's state registration/certification has not been revoked, suspended, canceled or restricted.
- The Appraisal Institute conducts a mandatory program of continuing education for its designated members. As of the date of this report, Stephen R. Johnson and Cindy Lund Fogel have completed the requirements under the continuing education program of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

The purpose of the appraisal is to establish an estimate of the fee simple Market Value of the subject property, as of a current date of valuation. The subject property, which is the subject of this appraisal, was valued as of February 5, 2013, subject to the extraordinary assumptions set forth herein, as follows:

FINAL MARKET VALUE CONCLUSION **\$225,000**
(Subject Ownership-22.35± Acres)

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

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

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

This report was prepared by Johnson-Perkins & Associates, Inc. All opinions, recommendations, and conclusions expressed during the course of this assignment are rendered by the staff of Johnson-Perkins & Associates, as employees, not as individuals. The liability of Johnson-Perkins & Associates, Inc. and 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.

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) appears 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.

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REAL ESTATE APPRAISERS & CONSULTANTS

INFORMATION SUPPLIED BY OTHERS

Information (including projections of income and expenses) provided by informed local sources, such as government 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(s). 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, 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 included in the report are there to assist the reader in visualizing the property and are not necessarily drawn to scale. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced or used apart from the report.

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 designee 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.

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REAL ESTATE APPRAISERS & CONSULTANTS

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 not a construction, engineering, or architectural expert, 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 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.

TOXIC MATERIALS AND HAZARDS

Unless otherwise stated in the appraisal report, no attempt has been made to identify or report the presence of any potentially toxic materials and/or condition such as asbestos, urea formaldehyde foam insulation, PCBs, any form of toxic waste, polychlorinated biphenyl, pesticides, lead-based paints 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 potentially toxic materials and/or conditions. If any potentially 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.

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REAL ESTATE APPRAISERS & CONSULTANTS

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, 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 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 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 assumes 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.

ARCHEOLOGICAL SIGNIFICANCE

No investigation has been made by the appraiser and no information has been provided to the appraiser regarding potential archeological significance of the subject property or any portion thereof. This report assumes no portion of the subject property has archeological significance.

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

Any distribution of the total value between the land and improvements, between partial ownership interests or any other partition of total value applies only under the stated use. Moreover, separate allocations between components are not valid if this report is used in conjunction with any other analysis.

COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. It is assumed that the property is in direct compliance with the various detailed requirements of the ADA.

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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.

ROUNDING

Some figures presented in this report were generated using computer models that make calculations based on numbers carried out to three or more decimal places. In the interest of simplicity, most numbers have been rounded. Thus, these figures may be subject to small rounding errors.

QUANTITATIVE ANALYSIS

Although this analysis employs various mathematical calculations to provide value indications, the final estimate is subjective and may be influenced by our experience and other factors not specifically set forth in this report.

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) does 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, and 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) does 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.

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ECONOMIC AND SOCIAL TRENDS

The appraiser assumes no responsibility for economic, physical or demographic factors which may affect or alter the opinions in this report if said economic, physical or demographic factors were not present as of the date of value of this appraisal. The appraiser is not obligated to predict future political, economic or social trends.

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.

SUBSURFACE RIGHTS

No opinion is expressed as to the value of subsurface oil, gas or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials, except as is expressly 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 an excellent workmanlike manner in accord with plans, specifications or other information supplied to these appraisers and set forth in the appraisal report, unless otherwise explicitly stated in the appraisal. 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 superefficient.

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.

LEGAL EXPENSES

Any legal expenses incurred in defending or representing ourselves concerning this assignment will be the responsibility of the client.

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CHANGES AND MODIFICATIONS

The appraiser(s) reserves the right, at the cost of the client, 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 on the date of valuation of this report.

DISSEMINATION OF MATERIAL

Neither all nor any part of the contents of this report shall be disseminated to the general public through advertising or sales media, public relations media, new media or other public means of communication without the prior written consent and approval of the appraiser(s).

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.

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

QUALIFICATIONS OF APPRAISER
STEPHEN R. JOHNSON

Professional Designations

MAI - Member Appraisal Institute (Certified through 2012)	1976
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SREA - Senior Real Estate Analyst; Society of Real Estate Appraisers	1984
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State Licensing and Certification

Certified General Appraiser-State of Nevada License #A.0000003-CG (Certified through 04/30/2013)	1991
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Certified General Appraiser-State of California License #AG007038 (Certified through 06/18/2013)	1992
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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 - (Appointed by Governor Richard Bryan, January 1984 & 1988)	1984-1991
(Appointed by Governor Kenny C. Guinn, March 2000 & 2004)	2000-2008
Member Nevada Commission of Appraisers of Real Estate - (Appointed by Governor Bob Miller, August 7, 1989)	1989-1994
Commissioner, Nevada Commission of Appraisers of Real Estate (Appointed by Governor Jim Gibbons)	2009-Present
President, Nevada Commission of Appraisers of Real Estate	2012-2013

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	

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

QUALIFICATIONS OF APPRAISER
STEPHEN R. JOHNSON

Offices Held (continued)

Elected 1 of 2 National Representatives to the Inter-	
National 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	1994 to present
(Staff of 11 Appraisers)	
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	

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

**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	

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

**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

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

QUALIFICATIONS OF APPRAISER
CINDY LUND FOGEL

Professional Designations

MAI – Member of the Appraisal Institute	2000
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State Licensing and Certification

Nevada Certified General Appraiser License #A.0002312-CG (Certified through 5/31/14)	1996
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Offices Held

Board of Director, Reno/Carson/Tahoe Chapter Appraisal Institute	2011/2012
President, Reno/Carson/Tahoe Chapter Appraisal Institute	2009/2010
Vice President, Reno/Carson/Tahoe Chapter Appraisal Institute	2008
Education Chair, Reno/Carson/Tahoe Chapter Appraisal Institute	2006
Education Chair, Reno/Carson/Tahoe Chapter Appraisal Institute	2003
Education Chair, Reno/Carson/Tahoe Chapter Appraisal Institute	2002
President, Reno/Carson/Tahoe Chapter Appraisal Institute	2001
Vice President, Reno/Carson/Tahoe Chapter Appraisal Institute	2000
Treasurer, Reno/Carson/Tahoe Chapter Appraisal Institute	1999
Secretary, Reno/Carson/Tahoe Chapter Appraisal Institute	1998

Occupational History

Johnson - Perkins & Associates Real Estate Appraiser	1994 - Present
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Johnson - Wright & Associates Real Estate Appraiser	1992 - 1994
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Stephen R. Johnson & Associates Real Estate Appraiser	1990 - 1992
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Admitted as Expert Witness

Washoe County Board of Equalization	
Nevada State Board of Equalization	

Appraisal Education & Technical Training

Real Estate 103 and 202	1986
Real Estate Financing	1986
American Institute of Real Estate Appraisers	1991
Course 1A-1 "Real Estate Appraisal Principles"	
Course 1A-2 "Basic Valuation Procedures"	
Course 1BA "Cap Theory & Tech, Part A"	1992
Course 1BB "Cap Theory & Tech, Part B"	
Nevada Law (NRS 645C)	1993

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

QUALIFICATIONS OF APPRAISER
CINDY LUND FOGEL

Appraisal Education & Technical Training (Continued)

Standards of Professional Practice Parts A & B	1993
Advanced Applications	1993
Report Writing and Valuation Analysis	1995
Case Studies in Law and Ethics	1998
Standards of Professional Practice, Part C	1998
Advanced Income Capitalization	1999
Standards of Professional Practice, Part C	2000 & 2002
7-Hour National USPAP Update Course	2004
7-Hour National USPAP Update Course	2006
Cost Approach to Commercial Appraising	2006
Uniform Appraisal Standards/Federal Land Acquisitions	2007
7-Hour National USPAP Update Course	2007
7-Hour National USPAP Update Course	2008
Business Practices and Ethics	2008
Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book)	2009
7-Hour National USPAP Update Course	2010
Business Practices and Ethics	2010

Appraisal Seminars

Corridor Valuation & Yellow Book Issues and Divided Partial Interests	2010
The Lending World in Crisis – What Clients Need There Appraisers to Know	2011
Qualitative Analysis: How and Why It Is Important	2011
Diminution of Value and Severance Damages 2011	
Forecasting Revenue/Appraising Distressed Commercial Real Estate	2009
Valuation of Easements and Other Partial Interests	2009
Construction Defects and Cost Trends & Feasibility Analysis	2008
Valuation of Detrimental Conditions	2008
Spotlight on Common Errors & Confidentiality USPAP Issues	2008
The Essentials, Current Issues & Misconceptions in Appraising	2007
Attacking & Defending an Appraisal in Litigation	2007
Market Analysis and Site to do Business	2006
Analyzing Distressed Properties	2005
Appraising From Blueprints and Specifications 2005	
Appraisal Valuation Modeling	2004
Subdivision Valuation	2004
The Road Less Traveled: Special Purpose Properties	2004
Scope of Work Seminar	2003
Appraisal Consulting: A Solutions Approach for Professionals	2002

Formal Education

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