

Carter-Ott Appraisal, Ltd.
Real Estate Appraisers and Consultants

6142 Torrington Drive • Reno, NV 89511 • (775) 827-4550

April 23, 2026

Kyle Chisholm
School Property Planning Manager
Washoe County School District Capital Projects
14101 Old Virginia Road
Reno, NV 89521

Re: Amendment to appraisal for property located at 10580 Stead Boulevard, Reno, Nevada, and improved with the Old Stead Elementary School, being a portion of Washoe County Assessor's Parcel Number (APN) 550-020-05.

Dear Kyle:

The purpose of this letter is to amend the report and value conclusion originally sent to you on April 20, 2026. Specifically, this letter includes a third valuation scenario, which limits the use to one in conjunction with a private or public elementary or middle school use.

I re-visited the deed restriction associated with the above referenced parcel, which encompasses the entire 33.8 +/- acres upon which O-Brien Middle School, the solar field area and the subject's Old Stead Elementary School are situated. Washoe County Deed document #5155507 includes this deed restriction with a copy of this deed attached for reference.

As background, the deed transferred various parcels from Sky Vista Homeowners Association to the Washoe County School District with the primary purpose to provide ingress/egress to the easterly portion of the subject's 33.8 +/- parcel from Silver Lake Road. The parcels involved, which are now owned by the Washoe County School District, are APN 550-502-22 and 550-202-26 (formerly APN 550-512-01 and a portion of 550-502-13). The transfer deed includes a significant restriction relating to the use of the subject's 33.8 acre parcel (APN 550-020-05). Specifically, for a period of 50 years following the date of this transfer deed (3/19/2021), it is stated that the "the property shall only be used in conjunction with the operation of a public or private elementary or middle school."

The deed further states that "if the Property ceases to be used in conjunction with the operation of a public or private elementary or middle school for twenty four (24) consecutive months, title to the Property shall automatically revert to Grantor." Based on page one of the deed, paragraph one, the "**Property**," in this case, seems to be defined as the parcels that were granted from Sky Vista Homeowners Association to the Washoe County School District for these access points.

My appraisal originally submitted to you on April 20, 2026 involved the assumption that an alternative use for the approximate 10 acre portion of the site would be probable. It was assumed in my appraisal that access to the 10-acre portion of the site could continue to be gained from the three curb-cuts along Stead Boulevard.

Upon further analyzing this deed restriction, I have incorporated a third valuation scenario with the value reflecting a public or private elementary or middle school use and/or a use that could be approved in conjunction with said uses.

Based on information in the highest and best use contained in the original report dated April 20, 2026 along with my review of improved building sales (included in the addenda of the original report), it is estimated that the "as is" value of permanent building improvements, with continued use of existing site improvements, would be approximately \$125 per sq.ft.

Thus, based on the continued use of the 10 +/- acres with a similar use or use in conjunction with a public or private elementary or middle school, it is my opinion that as of March 15, 2026, the subject property had the following estimated "as is" value of the fee simple interest in the property of:

Valuation Scenario (3)
"As Is" Value
Use in Conjunction with Operation of a Private or Public Elementary or Middle School
FIVE MILLION TWO HUNDRED THOUSAND DOLLARS
\$5,200,000

The value above assumes that there would be a "market" for participants to use the existing buildings and infrastructure per the deed restriction.

It is highly recommended that this deed restriction be discussed with your legal department. Similar to the above, it would be recommended that the "property" referenced in paragraph 4 of this letter and as referenced on page 1, paragraph 1 of the deed and the second page of the deed, which call for the potential reversion of the "Property" to the Grantor, be clarified.

In addition, on page 3, items 1.5, 1.7 and various other sections in the deed document, it appears that modification in use "could" be allowed with the Grantor's (Sky Vista Homeowners Association) written consent.

Furthermore, while the deed restriction encompasses the entire 33.8 +/- acre parcel, and given the very busy location of the Old Stead Elementary school on Stead Boulevard, it would seem that a new and well developed corner parcel would be very complementary to the area and could aide with the marketability of homes in the area, especially within areas served by the Sky Vista Homeowner's Association.

Notwithstanding the above value, the value reported as Scenario #1 in the original report submitted to you is judged to be viable, assuming approval from the Sky Vista Homeowners Association and/or that legal clarification could be made.

Please attach this letter to the report that was submitted to you on April 20, 2026, the appraisal of which should be relied on for all other associated information. A certification is also attached associated with this value scenario/conclusion.

Respectfully submitted,



JULIE C. OTT, MAI
Certified General Appraiser
State of Nevada, License No. A.0000748-CG
Expires 8/31/2026

CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. 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, the approval of a loan or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. My analyses, opinions, and conclusions were developed and this report was prepared in conformity the Uniform Standards of Professional Appraisal Practice.
8. I personally inspected the subject property.
9. No one provided significant professional assistance to the person signing this report.
10. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional ethics and the Standards of Professional Practice of the Appraisal Institute.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. In accordance with the competency provision of the Uniform Standards of Professional Appraisal Practice (USPAP), I have verified that my knowledge and experience is sufficient to allow me to competently complete this appraisal unless stated otherwise in this report.
13. Other than the original appraisal submitted to you on April 20, 2026, 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.


JULIE C. OTT, MAI
Certified General Appraiser
State of Nevada, A.0000748-CG
Expires 8/31/2026

DOC #5155507

03/19/2021 02:57:51 PM

Electronic Recording Requested By
WESTERN TITLE

Washoe County Recorder

Kalie M. Work

Fee: \$43.00 RPTT: \$0

Page 1 of 18

**APN: 550-502-22 AND 550-512-01
and a portion of 550-502-13**

RPTT: None

Escrow no. 118305-PAH

**When Recorded Mail To and
Mail Tax Statements To:**

Washoe County School District

14101 Old Virginia Road

Reno, Nevada 89521

Attn:

The undersigned hereby affirms that this document submitted for recording does not contain the personal information of any person or persons per N.R.S. 239B.030.

**GRANT BARGAIN AND SALE DEED
WITH DECLARATION OF DEED RESTRICTIONS**

SKY VISTA HOMEOWNERS ASSOCIATION, a Nevada nonprofit corporation, as the Grantor (hereinafter referred to as "**Association**" or "**Grantor**"), does hereby grant, bargain, sell, and convey unto **WASHOE COUNTY SCHOOL DISTRICT**, a federal and state regulated educational agency whose address is 425 East Ninth Street, Reno, Nevada 89520 as the Grantee (hereinafter referred to as "**WCSD**" or "**Grantee**"), certain real property in the County of Washoe, State of Nevada (hereinafter referred to as the "**Property**") described on Exhibit "A" attached hereto and incorporated herein by this reference.

TOGETHER WITH the tenements, hereditaments and appurtenances thereto belonging or appertaining, or otherwise associated with the Property.

RESERVING UNTO Grantor, and its successors and assigns, a non-exclusive easement for public pedestrian access, ingress and egress over the Property.

ALSO RESERVING THEREFROM AND IT BEING EXPRESSLY AGREED that the Grantor hereby specifically conveys a determinable fee to the Property and reserves in and for the benefit of Grantor a possibility of reverter. For a period of fifty (50) years following the date this deed is recorded, the Property shall be subject to a restrictive covenant running in favor of Grantor as follows: (i) the Property shall be used only in conjunction the operation of a public or private elementary or middle school located upon Washoe County Assessor's Parcel Number APN 550-020-05 and for no other purpose; and (ii) if at any time during the fifty (50) years following the date of recordation of this deed, the Property ceases to be used in conjunction with the operation

of a public or private elementary or middle school for twenty four (24) consecutive months, title to the Property shall automatically revert to Grantor.

IT BEING FURTHER AGREED that Grantee does hereby acknowledge and accept the Property in its "where is and as is" condition "with all faults" and subject to the reservations and limitations described above and the Declaration of Deed Restrictions attached hereto as Exhibit "B".

SUBJECT ONLY TO:

1. General and special taxes and assessments for the current fiscal tax year and any and all unpaid bonds and/or assessments.
2. All covenants, conditions, restrictions, reservations, rights, right-of-way and easements set forth in that certain Amended Declaration of Covenants, Conditions, and Restrictions for Sky Vista, recorded July 15, 1997 in the Office of the Recorder of Washoe County, Nevada as Document No. 2117163, as subsequently amended by document recorded June 18, 1999 as Document No. 2352249 ("**Declaration**"); provided, however, the Property shall no longer be considered common area of Grantor, Grantee shall not be a member of Grantor, the Property will not be subject to assessment by Grantor, Grantee shall have no voting rights in the Sky Vista Homeowners' Association, and Grantee shall have no right to enforce the Declaration against any individual member, officer, director or manager of Grantor.
3. All additional covenants, conditions and restrictions set forth in Exhibit "B" attached hereto ("**Declaration of Deed Restrictions**"), which are hereby incorporated by reference and made a part hereof, which Declaration of Deed Restrictions shall run with title to the Property and be binding upon Grantee, its successors-in-interest and assigns, and all others holding any interest in the Property, whether now or in the future.
4. All other matters of record or apparent.

[Signatures, and Notary blocks continued on following pages]

IN WITNESS WHEREOF, Grantor has caused this Deed to be executed on the date hereinafter written.

Dated as of 03-04-21, 2021.

Grantor:

Sky Vista Homeowners Association,
a Nevada nonprofit corporation

By: Frances L. Scheele
President Frances L Scheele

By: Bonnie Gaskin
Secretary Bonnie Gaskin

Acknowledged and accepted:

Washoe County School District, a federal
and state regulated educational agency

By: Petr Ekhart

Name: Petr Ekhart

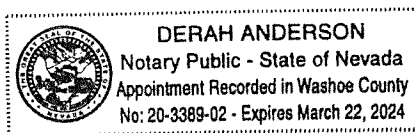
Title: Chief Operating Officer

STATE OF NEVADA)
 : ss.
COUNTY OF WASHOE)

On the 1 day of March, 2021, before me, a notary public in and for said State, personally appeared and proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal

Darah Anderson
NOTARY PUBLIC

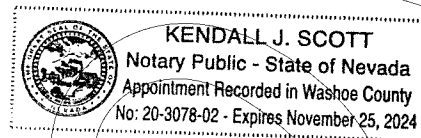


STATE OF NEVADA)
 : ss.
 COUNTY OF WASHOE)

On the 1 day of March, 2021, before me, a notary public in and for said State, personally appeared Peter Etchart and proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal

Kendall J. Scott
 NOTARY PUBLIC



STATE OF NEVADA)
 : ss.
 COUNTY OF WASHOE)

On the 4th day of March, 2021, before me, a notary public in and for said State, personally appeared Frances Schae and proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal

Derah Anderson
 NOTARY PUBLIC

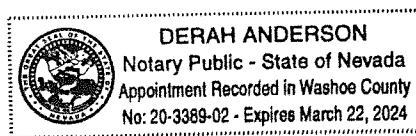


EXHIBIT "A"

All that certain real property situate in the County of Washoe, State of Nevada, described as follows:

PROPERTY A:

All that certain real property situate within a portion of the Southwest One-Quarter (SW 1/4) of Section Five (5), Township Twenty (20) North, Range Nineteen (19) East, Mount Diablo Meridian, City of Reno, County of Washoe, State of Nevada, further described as being a portion of Parcel B per the Parcel Map for "ERGS, Inc. a Nevada Corporation," recorded as Parcel Map No. 5040, on November 4, 2010, as File No. 3939961, and a portion of Parcel C Common Area per the Official Plat of "Sky Vista Village 11D Subdivision" recorded as Subdivision Tract Map No. 4150, on December 17, 2020, as File No. 2777699, both filed in the Official Records of Washoe County, Nevada, and being more particularly described as follows:

BEGINNING at the southwesterly corner of said Parcel C Common Area;
 THENCE departing said southwesterly corner and along the westerly line of said Parcel C Common Area, North $01^{\circ} 48' 36''$ East a distance of 681.81 feet to the beginning of a tangent curve to the left;
 THENCE departing said westerly line, 43.13 feet along the arc of a 27.50 foot radius curve through a central angle of $89^{\circ} 51' 15''$ to the southerly right-of-way of Silver Lake Road;
 THENCE along said southerly right-of-way, South $88^{\circ} 02' 39''$ East a distance of 27.43 feet;
 THENCE continuing along said southerly right-of-way, North $89^{\circ} 19' 33''$ East a distance of 76.38 feet to the beginning of a non-tangent curve to the left;
 THENCE departing said southerly right-of-way, from a radial line which bears South $00^{\circ} 40' 27''$ East, 42.00 feet along the arc of a 27.50 foot radius curve through a central angle of $87^{\circ} 30' 57''$ to the easterly line of said Parcel C Common Area;
 THENCE along said easterly line, South $01^{\circ} 48' 36''$ West a distance of 532.83 feet to the southwesterly corner of Lot 114 per said Tract Map No. 4150, being marked by a found $5/8''$ rebar and cap stamped "PLS 4787;"
 THENCE departing said corner and along the southerly line of said Lot 114, North $76^{\circ} 11' 06''$ East a distance of 113.42 feet to the westerly right-of-way of Moonset Court, also being the beginning of a non-tangent curve to the left;
 THENCE along said westerly right-of-way, from a radial line which bears North $76^{\circ} 11' 06''$ East, 38.13 feet along the arc of a 218.00 foot radius curve through a central angle of $10^{\circ} 01' 14''$ to the northeasterly corner of Lot 115 per said Tract Map No. 4150;
 THENCE departing said corner and along the northwesterly line of Lot 115 and

Lot 116 per said Tract Map No. 4150, South 49° 35' 38" West a distance of 165.60 feet;

THENCE continuing along the northwesterly line of said Lot 116, South 01° 48' 36" West a distance of 35.89 feet to the southeasterly corner of said Parcel C Common Area;

THENCE departing said corner and along the southerly line of said Parcel C Common Area, North 88° 11' 24" West a distance of 50.00 feet to the POINT OF BEGINNING.

NOTE: The above metes and bounds description appeared previously in that certain document recorded in the office of the County Recorder of Washoe County, Nevada on March 10, 2021, as Document No. 5151409 of Official Records.

Reference is made to Parcel C-1 Common Area, as shown on Record of Survey No. 6237, recorded March 10, 2021, as Document No. 5151410, Official Records.

PROPERTY B:

Parcels of land situate within the South one-half of Section 5, T.20N., R.19E., M.D.M., Washoe County, Nevada, more particularly described as follows:

Common Area "A" as shown on the plat of Sky Vista Village 11C Subdivision, recorded on February 28, 2003, as Tract Map 4176A, Document No. 2813476, Official Records of Washoe County, Nevada.

Assessor's Parcel Number(s):
550-502-13, 22& 550-512-01,
Portion 550-020-34

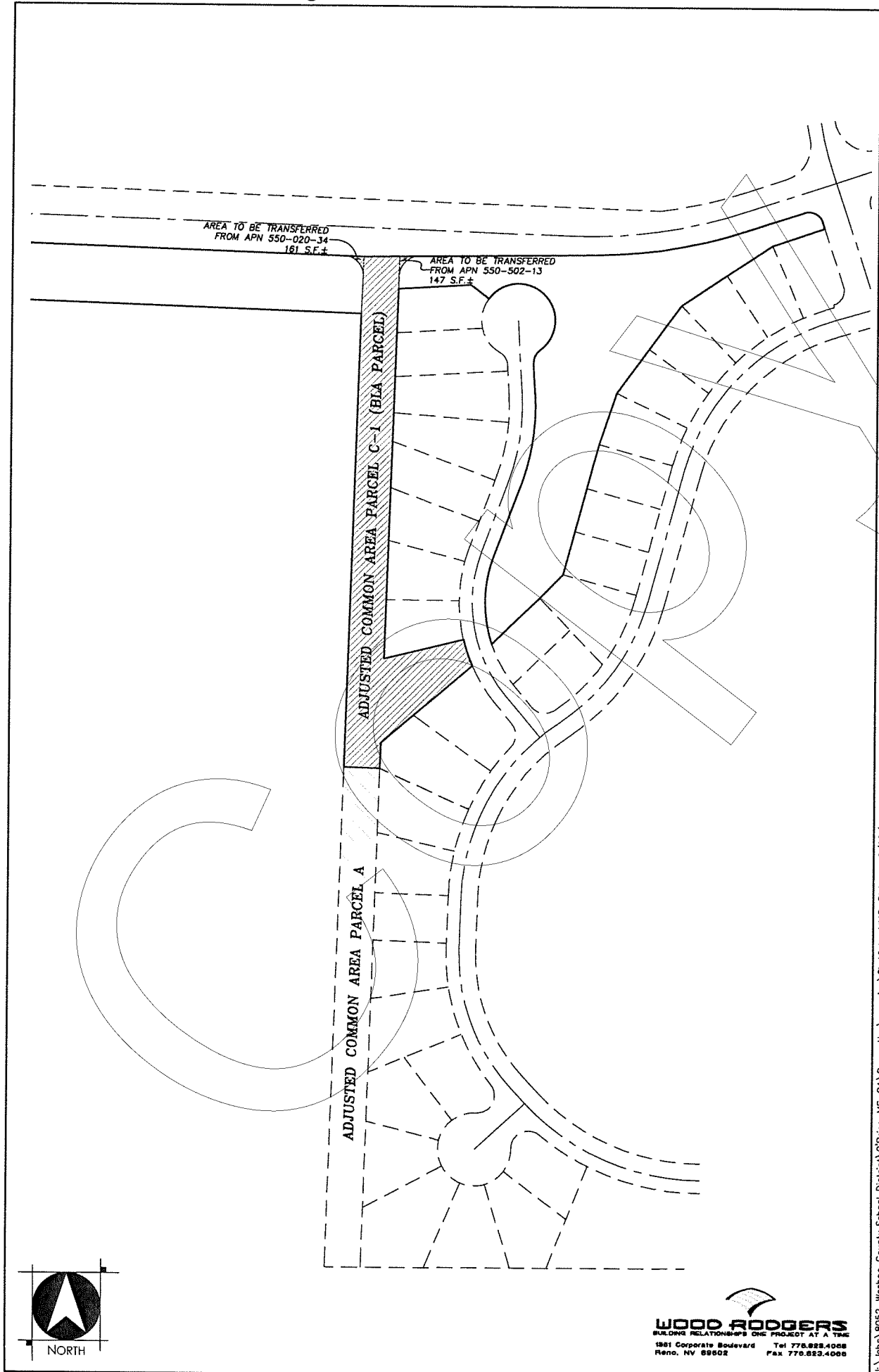


EXHIBIT "B"**DECLARATION OF DEED RESTRICTIONS**

This **Declaration of Deed Restrictions**, is made as of the date of recording of the Grant Bargain and Sale Deed ("**GBS Deed**") to which this Declaration of Deed Restrictions is attached, by the SKY VISTA HOMEOWNERS ASSOCIATION, a Nevada corporation ("**Grantor**"), and is acknowledged and agreed to by the WASHOE COUNTY SCHOOL DISTRICT, a federal and state regulated educational agency ("**Grantee**"). This Declaration of Deed Restrictions encumbers, affects, and runs with title to the "**Property**" as described in Exhibit "A" to the Grant Bargain and Sale Deed ("**GBS Deed**") to which this Declaration of Deed Restrictions is attached.

RECITALS

The covenants, conditions, limitations, restrictions, and use restrictions set forth in this Declaration of Deed Restrictions, are intended to run with the land and bind the Property, and shall inure to the benefit of Grantor, its successors and assigns. The Amended Declaration of Covenants, Conditions and Restrictions for Sky Vista, (as more particularly identified as the "Declaration" in the body of the GBS Deed) and this Declaration of Deed Restrictions, are collectively referred to as the "**CC&Rs**." Grantor and Grantee intend that the development, construction, improvement, alteration, use, and ownership of each and every portion of the Property, and the activities of all persons on the Property, and/or any portion thereof, shall comply with the CC&Rs, and with all applicable laws and legal authority, including, but not necessarily limited to, Nevada and/or federal laws or regulations, ordinances of the City of Reno and/or Washoe County, including the Washoe County General Plan, the Sky Vista Final Planned Unit Development Plan as amended and recorded March 3, 2003 in the Official Records of Washoe County as Document No. 2816015, and all covenants and conditions set forth in the recorded subdivision tract maps for the Property (collectively, "Laws").

NOW, THEREFORE, Grantor hereby declares that all of the Property shall be held, encumbered, hypothecated, used, and improved subject to the Declaration, and subject further to the protective covenants, conditions, restrictions, reservations, and easements set forth in this Declaration of Deed Restrictions, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Property, and in furtherance of the protection, maintenance, improvement, and use of the Property and all portions thereof. The protective covenants, conditions, restrictions, reservations, easements, and equitable servitudes set forth herein shall run with and burden the Property and shall be binding upon all persons having or acquiring any right, title or interest in the Property, or any part thereof, their heirs, successors in interest and assigns; shall inure to the benefit of every portion of the Property and any interest therein; and shall inure to the benefit of and be binding upon, and may be enforced by Grantor, its successors in interest and assigns. All acts of Grantor may be exercised by a majority of its Board of Directors in accordance with NRS 116.3103.

ARTICLE I

USE AND ALIENATION RESTRICTIONS

1.1 Use in Conjunction with School Site. The Property shall be used, improved and limited exclusively for use in conjunction with the operation of a public or private school on land located immediately adjacent to the Property, said adjacent land being commonly referred to as Washoe County Assessor's Parcel Number ("APN") 550-020-05 (the "**School Site**"). Grantor has granted to Grantee a determinable fee interest in the Property subject to a right of reversion for a period of fifty (50) years from the date of recordation of the GBS Deed, in the event the School Site fails to be operated as a public or private elementary or middle school. No part of the Property shall ever be used or caused to be used or allowed or authorized to be used in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, primary storage, vending or other such nonresidential purposes other than in conjunction with the operation of a public or private school on the School Site.

1.2 Right of First Refusal. Grantee covenants and agrees that it will not sell, lease, or otherwise convey any interest in the Property, including the granting of easements or access rights, without first securing the written consent of Grantor, which consent may be withheld in Grantor's sole and absolute discretion. The Property is located immediately adjacent to residential properties owned by members of Grantor, and Grantor has a continuing interest in regulating and controlling the use and maintenance of the Property in order to better ensure the peaceful and quiet enjoyment of its members and the aesthetics of the Sky Vista community. Grantor has also been involved in expensive and protracted litigation concerning the use of the Property and wants to avoid similar disputes concerning the Property's use and access rights to the Property. Therefore, subject to the determinable fee interest granted to Grantee and Grantor's possibility of reverter, should any private third-party offer to purchase the Property or any portion of it, before accepting such Offer, Grantee must first offer to convey the Property or any portion of it to Grantor on the terms and conditions Grantee is willing to accept. If Grantor desires to exercise this right of first refusal, Grantor shall have four (4) consecutive thirty (30) day periods to secure the requisite consent of its Members. In all events, the Property shall remain subject to the possibility of reverter in favor of Grantor should the School Site not be operated as a public or private elementary or middle school.

1.3 Applicability of Declaration. The Property shall remain subject to the Declaration (and all future amendments thereto), provided, however, the Property shall no longer be considered common area of Grantor, Grantee shall not be a member of Grantor, the Property will not be subject to general reoccurring homeowner assessments, Grantee shall have no voting rights in the Grantor Association, and Grantee shall have no right to enforce the Declaration against any individual member, officer, director, employee or manager of Grantor. Notwithstanding the foregoing, Grantor shall have the right to enforce against Grantee and the Property, general use restrictions and Owner responsibilities set forth in the Declaration, as the same may be amended from time to time.

1.4 Enforcement. Every Person who now or hereafter owns or acquires any right, title or interest in or to any portion of the Property is and shall be conclusively deemed to have consented and agreed to each and all of the CC&Rs, whether or not any reference to the CC&Rs is contained in the instrument by which such Person acquires an interest in the Property. Each and all of said CC&Rs shall be enforceable by Grantor, subject to and as provided in the CC&Rs through civil action; however, Grantor shall have no obligation to do so nor any liability whatsoever for failure to do so. Notwithstanding the foregoing, or any other provision in this Declaration of Deed Restrictions, Grantor shall have the power and authority, in its sole discretion, without the obligation or liability whatsoever for failure to do so, to enforce the CC&Rs, including, but not limited to any or all of the provisions set forth herein, at any time and from time to time.

1.5 No Commercial or Business Use. No part of the Property shall ever be used or caused to be used or allowed or authorized to be used in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, primary storage, vending or other such nonresidential purpose other than in conjunction with the operation of a public or private school on the School Site, without Grantor's prior written consent, which consent may be withheld by Grantor in its sole and absolute discretion.

1.6 Open Space Designation. Grantee covenants and agrees that it will not seek nor support an amendment to the Washoe County General Plan and or to the Final PUD Plan for Sky Vista which would change the characterization or zoning of the Property to something other than open space, without Grantor's prior written consent, which consent may be withheld by Grantor in its sole and absolute discretion.

1.7 Entitlements. Grantee covenants and agrees that it will not seek to change or amend or otherwise support any change or amendment to any entitlement on or pertaining to the Property without Grantor's prior written consent, which consent may be withheld by Grantor in its sole and absolute discretion.

1.8 No Vehicular Use. Vehicular use shall be limited to what is described as Common Area Parcel C in the legal description attached to this GBS Deed as Exhibit "A". No public vehicular use shall be permitted on Common Area Parcel A except as may be necessary to service public utilities. Grantee agrees that it will not grant nor otherwise seek to expand the vehicular use of Parcel C nor convey or grant to any third-party vehicular use or access across Common Area Parcel A except in connection with public utility easements.

1.9 Approval of Improvement Plans. Complete copies of all improvement plans and specifications, including but not limited to detailed grading, drainage, infrastructure, landscaping and hardscaping plans for and affecting the Property (collectively "Improvement Plans"), existing now or in the future, shall be subject to the approval of Grantor, which approval shall not be unreasonably withheld. Grantee shall provide Grantor with complete copies of all Improvement Plans. Failure of Grantor to respond to any request for approval or consent within thirty (30) days

of receipt of a complete set of Improvement Plans, shall constitute Grantor's approval of the same. Grantee covenants and warrants that it will install all landscaping and other Improvements on the Property in strict accordance with the approved Improvement Plans.

1.10 Maintenance and Repairs. Grantee shall be solely responsible for the repair, replacement and maintenance of all landscaping vegetation, irrigation, hardscape, infrastructure, and other improvements (collectively "Improvements") installed or placed on the Property, or any portion thereof. Landscaping and irrigation systems on the Property, as approved by Grantor, shall be completed within sixty (60) days of initial occupancy of any building on the School Site, unless a written extension is granted by Grantor. No plants or seeds infected with insects or plant diseases shall be brought upon, grown or maintained upon any part of the Property. If Grantee permits any Improvement located upon the Property to fall into disrepair so as to create a dangerous, unsafe, or unsightly condition, Grantor, after affording Grantee reasonable notice, shall have the right but not the obligation to correct such condition, and to enter upon the Property for said purpose, and Grantee shall promptly reimburse the Grantor for the cost thereof. Grantee shall be liable for all costs and expenses incurred by Grantor in taking such corrective acts, plus all costs incurred in collecting the amounts due. Grantee shall pay all amounts due for such work within ten (10) days after receipt of written demand therefor.

1.11 No Subdivision. No portion of the Property may be subdivided nor may any portion of the Property be combined or merged with a larger adjacent parcel without the prior written approval of Grantor, which approval may be withheld in Grantor's sole and absolute discretion.

1.12 Nuisances. No rubbish, trash, waste, residue, brush, weeds or debris of any kind shall be placed or permitted to accumulate anywhere on the Property or to unreasonably render the Property a fire hazard, and no odor shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, unsightly, or offensive. No noise or other nuisance shall be permitted to exist or operate upon the Property in violation of any applicable noise ordinance. No condition shall be permitted to exist on the Property which would induce, breed or harbor infectious plant diseases or noxious insects. Grantee shall comply with all requirements of local or state health authorities and with all other governmental authorities with respect to the use of the Property and shall remove all excess fire fuels from the Property on a regular basis.

1.13 No Hazardous Activities. No activities shall be conducted, nor shall any Improvements be constructed anywhere on the Property which are or might be unsafe or hazardous to any person or any property. No adverse environmental condition shall be permitted to exist, nor shall any toxic or hazardous wastes be generated, treated, stored, disposed of, or otherwise deposited in or on or allowed to emanate from the Property, including without limitation, the surface waters and subsurface waters thereof.

1.14 No Drilling. No oil drilling, oil, gas or mineral development operations, oil refining, geothermal exploration or development, quarrying or mining operations of any kind shall be permitted upon, in, or below the Property, nor shall oil, water or other wells, tanks, tunnels or

mineral excavations or shafts be permitted upon or below the surface of any portion of the Property.

1.15 Signs. No sign, poster, display, billboard or other advertising device or other display of any kind, including political signs or banners, shall be installed or displayed to public view on any portion of the Property.

1.16 Improvements. No fence or wall or other Improvement shall be erected or altered without the prior written approval of Grantor or Grantor's Architectural Committee. All alterations or modifications of existing fences or walls or other Improvements of any kind on the Property shall require similar approval. All Improvements shall be maintained at all times in a neat, orderly and weatherproof manner, including without limitation, periodic painting or resurfacing as customary with respect to the exterior construction materials employed. All hardscape, including but not limited to paved areas, parking lots, sidewalks, curbs and gutters shall be maintained at all times in a neat, orderly and weatherproof manner. All mechanical equipment placed upon the Property shall be concealed from view of the neighboring properties to the extent possible in an enclosure approved by Grantor. Grantee shall not permit anything to be placed in or on the Property which may cause sunlight glare or reflection into neighboring homes.

1.17 Drainage. Grantee agrees to accept the burden of, and not in any way interfere with, the natural or established drainage pattern over the Property, or from adjoining or other property over the Property, provided, however, in the event it is necessary to change the established drainage pattern, Grantee will obtain prior written approval from Grantor and will make adequate provisions for proper drainage away from adjacent residences. No structure or other material, including a wall or fence, shall be placed or permitted to remain on the Property which may damage, interfere with, obstruct, or retard the flow of water through existing drainage channels, or which may change the direction of flow of such channels. Without limiting the foregoing, Grantee shall use all reasonable efforts to prevent surface drainage on the Property from accumulating behind a perimeter wall or fence on adjacent properties in order to prevent or minimize the penetration of such water through or under such wall or fence and any staining of such wall or fence. "Established" drainage is defined as the drainage pattern existing at the time of conveyance of the Property to Grantee.

(a) Grantee agrees, as a part of the acceptance of the burden of the established drainage pattern over or from the Property, to maintain any storm drain inlet and all other drainage features and improvements located on the Property in a clean and fully functioning state, unblocked and free of silt and debris.

(b) In the event Grantee, subject to Grantor's approval, alters the grading of the Property within five feet of the Property line shared with adjacent homes, and this alteration results in a slope steeper than one foot vertically to three feet horizontally, that slope must be stabilized mechanically in order to protect the adjoining properties.

(c) Grantee agrees to comply with and assume responsibility for anything done or required to be done in compliance with to the National Pollutant Discharge Elimination System (NPDES) and Storm Water Pollution Prevention Plan (SWPPP). Grantee shall assume all responsibility and liability relating to the prevention of pollutant discharge from the Property.

(d) All storm water ditches, culverts, swales, outlets, inlets, and catch basins located upon the Property shall be maintained by Grantee.

1.18 No Waiver. The failure of Grantor to insist in any one or more instances upon the strict performance of any of the terms, covenants, conditions or restrictions of any provision of the Declaration or this Declaration of Deed restrictions, or to exercise any right or option herein contained, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. No waiver of any provision hereof shall be deemed to have been made unless expressed in writing and signed by Grantor.

1.19 Water Supply and Sewer Systems. No individual water supply system, or cesspool, septic tank, or other sewage disposal system, or exterior water softener system, shall be permitted on the Property unless such system is designed, located, constructed and equipped in accordance with the requirements, standards and recommendations of any water or sewer district serving the Property, and any applicable governmental health authorities having jurisdiction, and approved in writing by Grantor.

1.20 Utilities. Hookups for water, sewer, gas, electric and telecommunications, whether to main lines under public rights of way or otherwise, shall be the sole responsibility of Grantee, and Grantor shall have no responsibility or liability, therefore.

1.21 Antennae. No outdoor above ground antennae, satellite dish, or other device for the transmission or reception of television signals, or any other form of electromagnetic radiation or signal, whether attached to a building or free-standing, shall be installed, used or maintained upon the Property without the prior written approval of Grantor, which approval may be denied or made conditional in Grantor's sole and complete discretion. No cellular telephone tower may be installed on the Property.

1.21 Declaration. The foregoing use restrictions and provisions shall be in addition to, and cumulative with, any and all applicable restrictions set forth in the Declaration which shall be fully enforceable against the Property. In the event of any conflict, every attempt shall be made to reconcile and interpret together the Declaration and this Declaration of Deed Restrictions. In the event of a conflict, the covenants, conditions, and restrictions set forth in this Declaration of Deed Restrictions made specifically applicable to the Property, shall control.

1.22 Indemnification. Grantee shall indemnify, defend and hold free and harmless the Grantor, its officers, directors, employees, managers, agents, attorneys, members, representatives,

successors in interest and assigns (collectively "Grantor Parties") from and against any and all liabilities and claims arising out of or resulting from, or claimed to arise out of or result from, in whole or in part: (i) any negligent act or omission of Grantee, its members, managers, affiliates, subsidiaries, employees, agents, contractors, subcontractors, consultants, officers, or representatives (collectively "Grantee Parties") in connection with the Property or the School Site, except to the extent arising from any fault, act, or omission of Grantor or any of the Grantor Parties; (ii) any non-compliance of Grantee or any of the Grantee Parties with any laws or regulations relating to the Property, the School Site, or any Improvements on the Property; (iii) any personal injury or property damage suffered by any person on the Property during Grantee's ownership of the Property; (iv) any release, use, discharge, storage, generation, manufacture or disposal of Hazardous Substances on, under, in, from and about the Property by Grantee or any of the Grantee Parties, or with the express permission or authorization (or tacit permission after actual knowledge) of Grantee; (v) any liability or claim arising from or caused by the fraud or intentional misrepresentations of Grantee, and or (vi) and liability or claim arising from or relating to breach of contract by Grantee or any of the Grantee Parties, it being the express intention that Grantor have no liability or responsibility whatsoever with respect to activities of Grantee, its agents, contractors, or third parties under contract with Grantee on or about the Property. Grantee shall not be required to indemnify Grantor against any loss, damage, injury or claim to the extent (i) caused by the negligence or willful misconduct of Grantor Parties, (ii) caused by the fraud or intentional misrepresentations of Grantor Parties, or (iii) arising out of any personal injury or property damage suffered by a person during Grantor's ownership of the Property except to the extent arising from Buyer's entry upon or activities on such Property while owned by Grantor. Without limiting the foregoing, the indemnity provided in this Section is expressly intended to include indemnification for any claim or cause of action under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (the "Superfund Act"), and any Nevada hazardous waste control laws, or any applicable laws; provided, however, that such indemnity shall be limited to liability caused by a hazardous substance placed or permitted to be placed on the Property by Grantee. Nothing in the foregoing shall limit the rights of any owner, under applicable laws.

ARTICLE 2

GENERAL PROVISIONS

2.1 **Severability.** Invalidity of any provision of this Declaration by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

2.2 **Term.** The covenants and restrictions of this Deed Restriction shall run with the land and bind the Property and shall inure to the benefit of and be enforceable by Grantor and/or Grantee, and their respective legal representatives, heirs, successor in interest and assigns.

2.3 **Interpretation.** The provisions of this Declaration of Deed Restrictions shall be liberally construed to effectuate the document's intended purposes. The article and section headings have been inserted for convenience only and shall not be considered or referred to in

resolving questions of interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter.

2.4 Amendment. Notwithstanding any other provision in this Declaration of Deed Restrictions, this Declaration may not be amended without the prior written consent of both Grantor and Grantee, and any purported amendment in contravention of the foregoing shall be null and void.

2.5 No Public Right or Dedication. Nothing contained in this Declaration of Deed Restrictions shall be deemed to be a gift or dedication of all or any part of the Property to the public, or for any public use.

2.6 Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title, estate or interest in or to any portion of the Property or the School Site, hereby consents and agrees, and shall be conclusively deemed to have consented and agreed, to every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to this Declaration of Deed Restrictions is contained in the instrument by which such person acquired an interest in the Property, the School Site, or any portion thereof.

2.7 Covenants of Grantee to Grantor. No provision contained herein shall rescind, modify or amend any provisions contained within previous agreements between Grantee and Grantor, including, but not limited to representations, warranties and covenants intended to survive the close of Escrow contained in the Purchase and Sale Agreement and Escrow Instructions concerning the Property and executed by Grantee as Buyer and Grantor as Seller, regardless of whether such agreements are Recorded or not Recorded, with respect to or related to the Property.

2.8 Successors in Interest and Assigns. All references to "Grantor" or the "Grantee" shall refer to their respective successors in interest and assigns as the context dictates.

IN WITNESS WHEREOF, Grantor and Grantee respectively have executed this Declaration of Deed Restrictions as of the 4th day of March 2021.

Grantor:

Sky Vista Homeowners Association,
a Nevada nonprofit corporation

By: Frances Scheele
President Frances Scheele

By: Bonnie Gaskin
Secretary Bonnie Gaskin

Acknowledged and accepted by Grantee:

Washoe County School District, a federal
and state regulated educational agency

By: Peter Etchart

Name: Peter Etchart

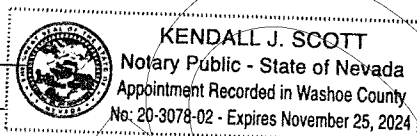
Title: Chief Operating Officer

STATE OF NEVADA)
 : ss.
 COUNTY OF WASHOE)

On the 1 day of March, 2021, before me, a notary public in and for said State, personally appeared Peter Etchart and proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal

Kendall J. Scott
 NOTARY PUBLIC

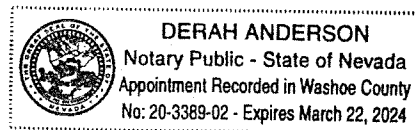


STATE OF NEVADA)
 : ss.
 COUNTY OF WASHOE)

On the 4th day of March, 2021 before me, a notary public in and for said State, personally appeared Frances Scheele and proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal

Derah Anderson
 NOTARY PUBLIC

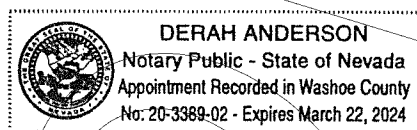


STATE OF NEVADA)
 : ss.
COUNTY OF WASHOE)

On the 4th day of Bonnie Gaskin, 2021, before me, a notary public in and for said State, personally appeared Secretary and proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal

Derah Anderson
NOTARY PUBLIC



WASHOE COUNTY RECORDER

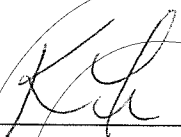
OFFICE OF THE RECORDER
KALIE M. WORK, RECORDER

1001 E. NINTH STREET
RENO, NV 89512
PHONE (775) 328-3661
FAX (775) 325-8010

LEGIBILITY NOTICE

The Washoe County Recorder's Office has determined that the attached document may not be suitable for recording by the method used by the Recorder to preserve the Recorder's records. The customer was advised that copies reproduced from the recorded document would not be legible. However, the customer demanded that the document be recorded without delay as the parties rights may be adversely affected because of a delay in recording. Therefore, pursuant to NRS 247.120 (3), the County Recorder accepted the document conditionally, based on the undersigned's representation (1) that a suitable copy will be submitted at a later date (2) it is impossible or impracticable to submit a more suitable copy.

By my signing below, I acknowledge that I have been advised that once the document has been microfilmed it may not reproduce a legible copy.



Signature

3/19/2021

Date



Printed Name

APPRAISAL REPORT
OF
OLD STEAD ELEMENTARY SCHOOL PROPERTY
LOCATED AT

10580 STEAD BOULEVARD
RENO, NEVADA

A PORTION OF:
WASHOE COUNTY APN 550-020-05

As of
March 15, 2026

Prepared For:

Washoe County School District

Prepared By:

Carter-Ott Appraisal Ltd.
6142 Torrington Drive
Reno, NV 89511

Carter-Ott Appraisal, Ltd.
Real Estate Appraisers and Consultants

6142 Torrington Drive • Reno , NV 89511 • (775) 827-4550

April 20, 2026

Kyle Chisholm
School Property Planning Manager
Washoe County School District Capital Projects
14101 Old Virginia Road
Reno, NV 89521

Re: Appraisal of property located at 10580 Stead Boulevard, known as the “Old” Stead Elementary School, in Reno, Nevada, situated on a portion of Washoe County Assessor’s Parcel Number (APN) 550-020-05.

Dear Mr. Chisholm:

I have conducted an analysis in the form of an “appraisal report” which is intended to comply with the reporting requirements set forth under Standard Rule 2-2 (a) of the Uniform Standards of Professional Appraisal Practice for a Summary Appraisal report. As such, the appraisal is for the intended use or users noted below.

The function and intended use of the appraisal is to provide an estimate of the market value for the Washoe County School District’s planning due diligence process of potentially re-purposing, leasing, or selling the school site. The client for the appraisal is the Washoe County School District. The intended users are you and your staff along with the State Superintendent of Public Education and staff.

The assessor’s parcel referenced above contains a total of about 33.79 acres and houses both the O’Brien Middle School on the south side of the parcel and the Old Stead Elementary School on the northwest portion of the parcel. However, for the purposes of this appraisal, it is assumed that a self-contained site or separate parcel is carved out for the Old Stead Elementary school with a total of 10 acres. This 10- acre parcel includes site improvements, four main school buildings, and a music/computer building totaling approximately 41,619 sq.ft., with the original buildings constructed in 1950.

Thus, based on the examination and study made, it is my opinion that as of March 15, 2026, the subject property had the following estimated market value of the fee simple interest of the underlying land of:

Valuation Scenario (1) - As a Vacant Site
FIVE MILLION EIGHT HUNDRED SEVENTY THOUSAND DOLLARS
\$5,870,000

Although the current zoning is Public Facility, the estimated value is based on the highest and best use of the parcel as a vacant site available for a use that would be highly probable given traffic and surrounding uses. The value above considered estimated demolition costs and some level of entitlement related fees. The entitlement related fees are judged to be offset somewhat by potential fixture unit credits that would contribute to the value.

In addition to the fee simple value, which reflects the "as is" value of the underlying land, it was also requested that the rental value of the school buildings, which assumes that any tenant would have use of the associated site areas, be considered.

Based on the condition of the five permanent school buildings, with the "as is" condition considered, the estimated market rental value is as follows:

Rental Value Scenario (2) - Rental to Third Party Tenant(s)
NINETY-FIVE CENTS PER SQUARE FOOT PER MONTH
\$.95 psf

The above rental assumes triple net expenses and a relatively short term lease. This assumes that any tenant would pay for all expenses associated with operating and maintaining the property. This rental also recognizes that the landlord/ Washoe County School District, as an owner, is not subject to paying real estate taxes with this benefit passed through to a tenant. If real estate taxes are assessed due to a non-profit tenancy, than the rental rate may need to be adjusted. Furthermore, it is also assumed that any tenant would benefit from the use of solar, which currently aids with electricity service to the buildings.

The appraisal is additionally subject to the extraordinary limiting conditions and assumptions on page 5 along with standard limited conditions included in the addenda.

Respectfully submitted,



JULIE C. OTT, MAI

Certified General Appraiser

State of Nevada, License No. A.0000748-CG

Expires 8/31/2026

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[illegible]

SUBJECT PHOTOGRAPHS



Front View of Subject, Looking Southeasterly



Front View of Subject, Looking Northeasterly



View, Looking Southeasterly from Front Parking Area



South Side View and Front of Building M, Looking Easterly



North Side of School, Looking Southerly



Rear View of Playground and Elementary School, Looking Southwesterly

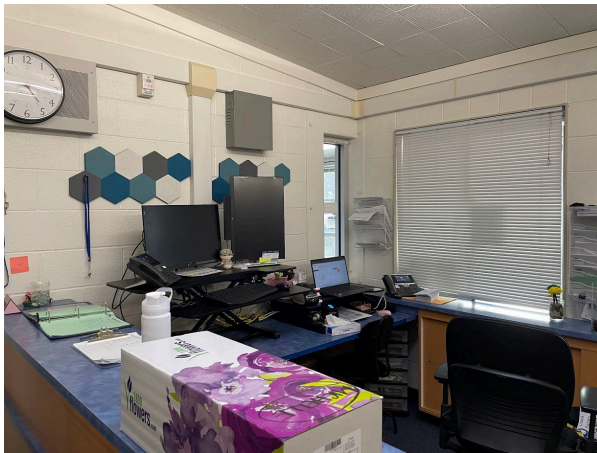
SUBJECT PHOTOGRAPHS



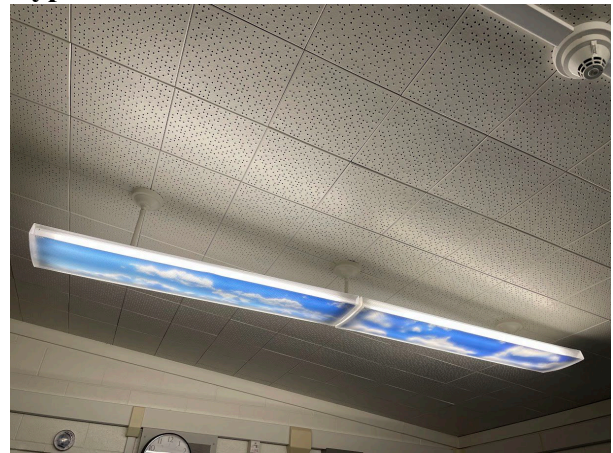
Front – Foyer/ Entrance Area



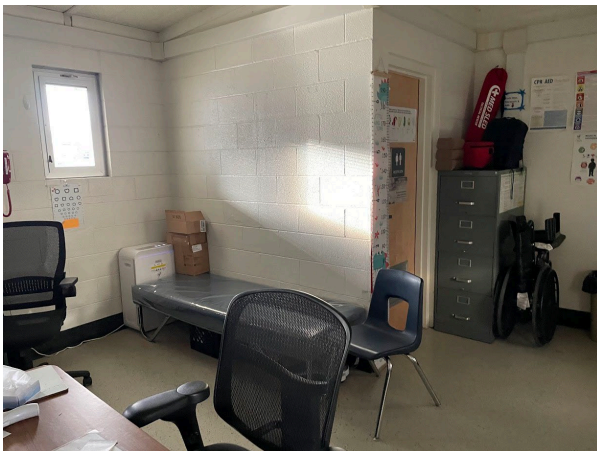
Typical Restroom Near Main Entrance



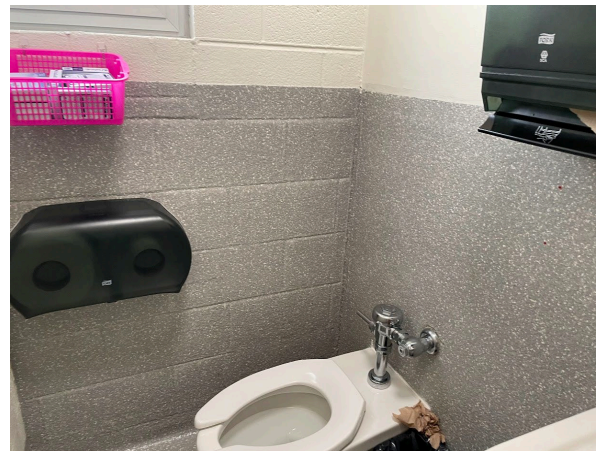
Reception/ Admin. Office Area



Ceiling Finishes in Front Office Area



Clinic



Restroom within Clinic

SUBJECT PHOTOGRAPHS



Multi-Purpose Room



Ceiling Finishes Within Multi-purpose Room



Typical Staff Office



One of Several Electrical/Mechanical Rooms



Staff Lounge



Kitchen Area Off Multi-purpose Room

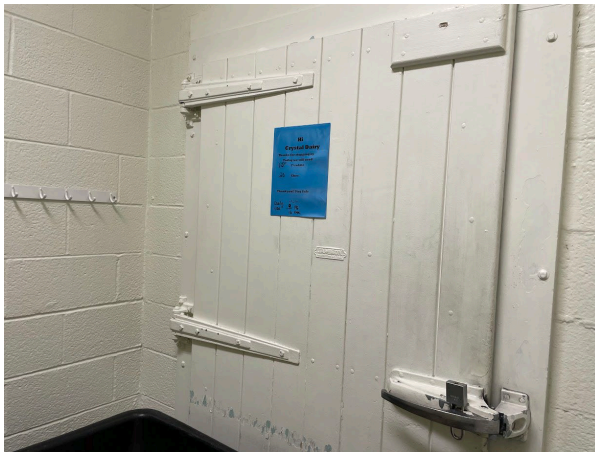
SUBJECT PHOTOGRAPHS



Kitchen



Storage Janitorial Room



Walk-In Refrigerator Off Kitchen



Hood Area in Kitchen



Center/ Main Building Housing Classrooms and Multi-Purpose Room, Looking Easterly



Main Building, Looking Southwesterly

SUBJECT PHOTOGRAPHS



Easterly Building, Looking Northeasterly



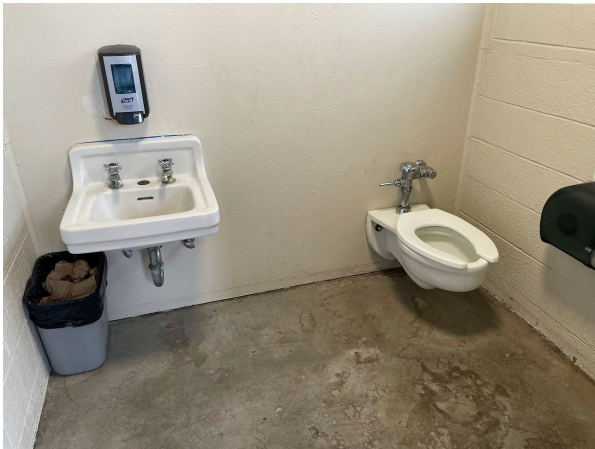
Easterly Building and Mobile, Looking Easterly



Mobile (Typical) on North Side of Property



View of Buildings, Looking Southerly



Typical Restroom on End of Each Building with Exterior Access Only



Typical Classroom

SUBJECT PHOTOGRAPHS



Typical Classroom with Sink Area



Typical Restroom in Classroom (one per classroom)



Typical Ceiling Finishes in Classrooms



Counselor's Offices (Newer as were remodeled from former basement)



Newer Water Heater Servicing Counselor Offices



Building M on South Side of Property – Housing Music & Computer Classes (No plumbing)

SUBJECT PHOTOGRAPHS



Typical Room within Music Building



Interior of Typical Mobile with Plumbing



One of Two Restrooms within Mobile



Typical Classroom Area within Mobile Secured Area, Looking Easterly



View of School Buildings and Play Area, Looking Northwesterly



View of Road On South Side of Subject, Looking Westerly

SUBJECT PHOTOGRAPHS



**View of Subject, Looking Northeasterly
Along Southerly Road**



View of Building M, Looking Northerly



**New Nearby O'Brien Middle School,
Looking Southeasterly**



**Street View, Looking Northerly Along
Stead Boulevard**



**Street View, Looking Southerly Along
Stead Boulevard**



**Signalized Crossing Along Stead Blvd.,
Just South of Entrance to School Parking
Area/ Entrance, Looking Northeasterly**

EXECUTIVE SUMMARY

Location:	10580 Stead Boulevard, Reno, NV.	
APN:	A Portion of Washoe County Assessors Parcel Number 550-020-05	
Land Area:	Approximately 10 acres or 435,600 sq.ft., situated on the northwest corner of the larger 34 +/- acre parcel.	
Existing Improvements:	Four original school buildings containing a total of about 39,603 sq.ft., constructed originally in 1950. On the south side of original school buildings is a permanent modular with about 2,016 sq.ft., built in 1996. The total building area is 41,619 sq.ft. with the site still operating as an elementary school, serving grades kindergarten through 5th grade. Additional improvements consist of two mobile buildings. However, these buildings are not included in the overall real estate value; rather the rental estimate could be applicable for these mobiles, assuming a continued similar use. The majority of the site is fenced encompassing play areas and asphalt. The asphalt parking area in front is not fenced.	
Owner of Record:	Washoe County School District, a political subdivision of the State of Nevada	
Zoning:	PF - Public Facilities	
Land Use:	P/QP - Public/Quasi-Public	
Interest Appraised:	Fee Simple	
Purpose of Appraisal:	To estimate the market value of the subject property and rental value for the Washoe County School District under scenarios note.	
Date of Report:	April 20, 2026	
Market Value Date:	March 15, 2026	
Highest & Best Use	As If Vacant Mixed Use	As Improved Phase out Existing building/Improvements and demolish for development
Estimated "As Is" Land Value:	\$5,870,000 or approximately \$13.48 per sq.ft. of land area	
Rental Value:	Approximately \$.95 per sq.ft. Per month on a triple net basis, assuming a relatively short term lease.	
Estimated Exposure Time:	Within 9 to 12 months	

INTRODUCTION AND DEFINITIONS

Purpose, Intended Use and Intended User of the Appraisal

The purpose, function, and intended use of this report is to provide an opinion of market value of the property for Washoe County School District's planning and due diligence process of potentially re-purposing, leasing, or selling the school site. The client for the appraisals is the Washoe County School District. The intended users are you and your staff along with the State Superintendent of Public Education and their staff. No other use or users are intended by this appraiser.

Market Value: means the most probable price which 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 sale.

(Source: Office of the Comptroller of the Currency under 12 CFR, Part 34, Subpart C - Appraisals, 34.42 Definitions [f].)

Property Rights Appraised

Because the property is owner-occupied with no leases in place, the fee simple interest is valued subject to any utility and roadway easements.

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.

Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, Seventh Edition, 2022, p. 73.

In estimating the “rental value” for the various buildings with associated use of parking and yard area, “**Rent**” is defined as follows: an amount paid for the use of the land, improvements, or a capital good.

Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, Seventh Edition, 2022, p. 162.

THE SCOPE OF WORK or type and extent of research and analyses for this assignment has included the following:

- 1) Discussions on the scope of work and sharing of general information via a virtual meeting held on February 17, 2026 with Kyle Chisholm, Kamrun Ahmadi, Adam Searcy and the appraiser (engaged by the Board of Education);
- 2) A viewing of property initially on February 25, 2026, accompanied by Kyle Chisholm and the school principal; a more recent exterior site visit as of March 15, 2026, which is the effective date of valuation;
- 3) Research and investigation of market conditions relative to the subject property and discussions with brokers and owners who have sold other properties in the area;
- 4) Collection, verification, and analysis of comparable sales as available through Washoe County Assessor's records, costar and various commercial property listing services;
- 5) Based on the highest and best use as a vacant property, the sales comparison approach is the primary approach to value used, considering land sales, estimated demolition costs and entitlement related costs. The cost approach, which considers estimated replacement costs new of improvements and depreciation was not judged to be applicable. While the income approach was not judged to be applicable, the rental value was estimated with methodologies in the income approach used;
- 6) Presentation of findings in this summarized appraisal format.

FIVE-YEAR SALES HISTORY AND PROPERTY STATUS

As noted, the property was constructed originally as the Stead Elementary School in 1950 with a southerly building, housing the music/computer room built at a later date. Over the years, several “temporary” or mobile buildings have been added to the site; however, these buildings are not considered to be a part of the real property and are not valued in this report, except for a rental estimate.

Sharing the 33.79- acre site with Stead Elementary School was the original O’Brien Middle School that was constructed in 1974. The former O’Brien Middle school was demolished with a new O’Brien Middle School completed in 2022. The building improvements for the new O’Brien middle school are situated near the southeast corner of the shared parcel with playing fields and the entrance near the southwest corner of the larger parcel.

Constructed in 2016 on the larger parcel’s northeast corner is a photovoltaic solar system. It is estimated that this portion of the parcel takes up about 6.6 +/- acres.

With the aging “old” Stead Elementary school, tremendous amount of housing growth in the North Valleys along with very congested location on Stead Boulevard, the WCSD board approved the relocation and building of a “new” Stead elementary school. This new elementary school site is located about ½ mile southeast as the crow flies and about 1 1/2 miles southeast via Silver Lake Road to Cloudburst Drive. Construction began in 2024, and the school is scheduled to be opened for the 2027/2028 academic year.

In the meantime, the old Stead Elementary school is finishing out its academic year. The Washoe County School District (WCSD) is now exploring a potential re-purposing or sale of the property. The property has not been sold nor listed for sale or rent to the knowledge of the appraiser

**LIMITING CONDITIONS, EXTRAORDINARY ASSUMPTIONS,
AND HYPOTHETICAL CONDITIONS**

Except for the conditions noted below, the standard Limiting Conditions and Assumptions may be found in the Addenda of the report.

- 1) Per prior agreement with the client, this is a summary report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP). As such, information is presented in a summarized format. The appraisal is for use by those individuals named within the introduction to this report with no other use or users than those noted intended by the appraiser.
- 2) While various environmental and building assessment reports have been provided to the appraiser, it is an extraordinary assumption in this report that there are no major negative environmental conditions nor major structural issues impacting the property. As such, in estimating the underlying land value, demolition costs were estimated based on typical baseline costs that would be expected.

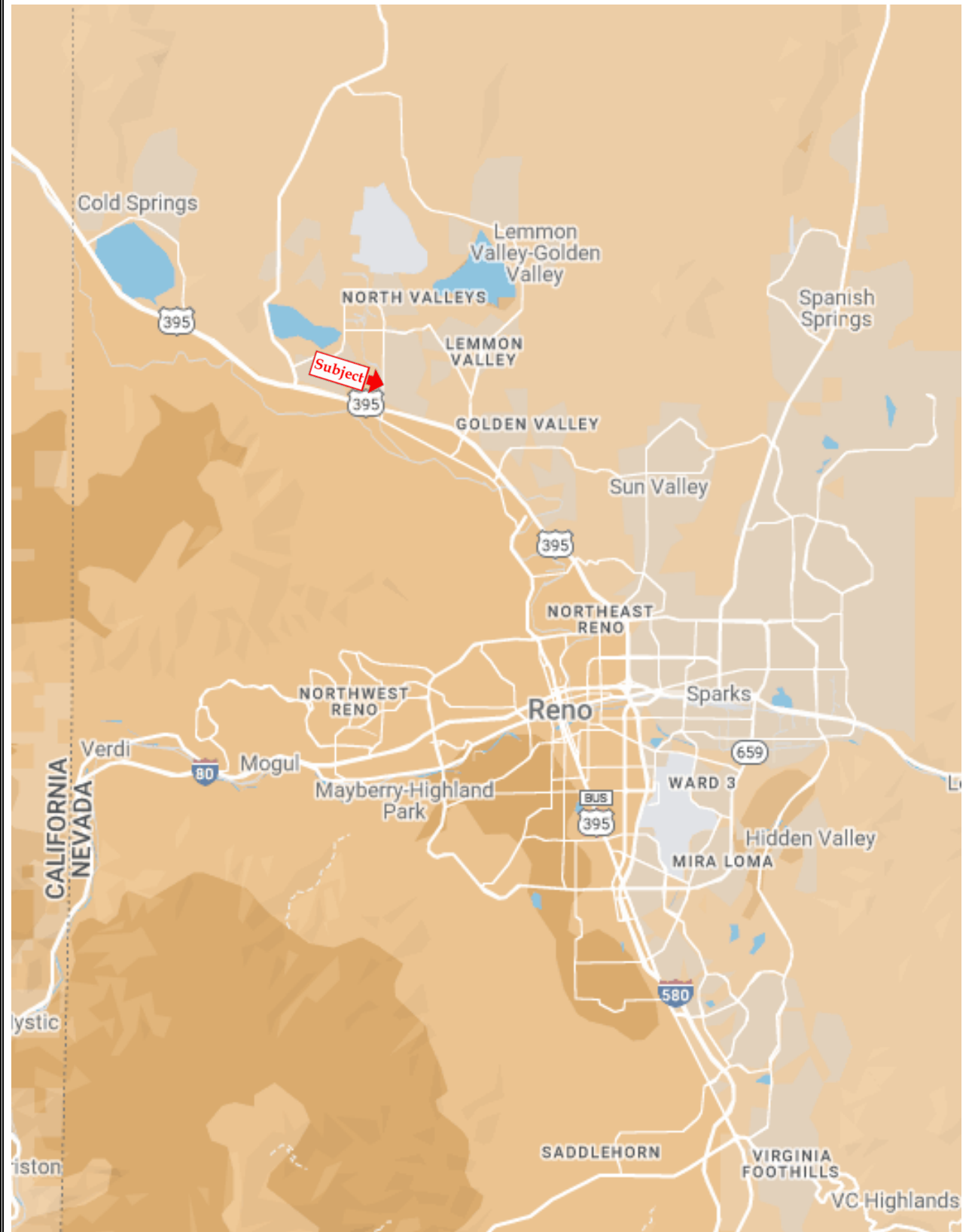
However, if a current environmental assessment and/or analysis of the building improvements by licensed contractors and/or engineers reveal substantial issues, then the value estimated and marketability of the property could be impacted.

- 3) No values are allocated to mobile school buildings, which are considered to be temporary and personal property. However, the rental rate estimated for the permanent school building could be extracted to these mobile buildings.
- 4) This appraisal is based on the extraordinary assumption that the area, encompassing the Old Stead Elementary school containing approximately 10 acres would be separately parceled. It is further assumed that the parcel will be a self-contained parcel with the same three ingress/egress points along Stead Boulevard along with access to all utilities exist. If a future development requires an additional access point from the road encircling the balance of the school property to the east and south, it is assumed that the WCSD would cooperate in allowing such emergency ingress/egress. Furthermore, if the parcel size is smaller or larger than the 10 acres assumed, then the value would correspondingly change. Per documents received from the WCSD, there are also various water facilities easements associated with O'Brien Middle School that should be confirmed on whether or not they would impact the subject's 10 acre parcel.

Report Format

The first section of the report provides a general overview of the residential and commercial markets along with an employment and population summary, as of the valuation time frame. The next section following provides a brief location, property synopsis, and valuation summary.

Area Map



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REAL ESTATE MARKETS/ ECONOMIC AND POPULATION SUMMARY

Single Family Residential Market. In terms of the single family market, according to the Sierra Nevada Realtors, at the end of March 2026, the median home price for an existing home in the Reno/Sparks and surrounding Washoe County market was \$590,000. This reflect an approximate 3.5 % increase over the median home price in February 2026, which was about \$570,000. The median home price one year prior for Reno/Sparks Washoe County was \$543,950 or about 8.5 % less than the current median home value for the region. The median home price reported in May 2022 at \$615,000 for Reno/Sparks set an all time high for the area with this likely setting a peak for this time frame and reflecting a 23 % increase over the prior year or May 2021. It is judged that the median home price will remain steady going forward given the recent slight increase in interest rates upon which to finance and other inflationary factors.

Multi-Family Residential Market. Like the single family market, trends for the multi-family market have shifted over the last few years. According to the Johnson-Perkins-Griffin report, which surveyed approximately 31,819 units within 121 complexes in the Reno/Sparks market having a minimum of 80 units*, the overall vacancy rate as of the end of the 4th quarter 2025 was about 2.7 %. This reflects a slight increase over the vacancy rate reported at the end of the 3rd quarter 2025 that was about 2.4 %. However, this quarter's vacancy rate is a slight decrease over that one year prior or the 4th quarter 2024 at 3.2 %. The subject's West Sparks/North Valleys market has an estimated 4th quarter 2025 vacancy rate of 3.3 %, which is an increase over the 3rd quarter 2025 vacancy rate of 2.4 %.

*The survey excludes affordable housing, student and senior housing projects, and covers projects that have reached a stabilized occupancy rate of at least 90 %.

Over the last few years, there has been a steady upward increase in residential rents, market-wide, with historically low apartment vacancy rates. However, with the number of market rate apartments under construction and planned, it is judged that the market will see continued fluctuations and potentially flattening or some downward pressure on rents and absorption levels. If one were to include smaller complexes under the 80-unit size, we are seeing slightly higher vacancy rates for these complex sizes – some of which are the older product types. Offsetting this is an overall slow down in the new apartment construction pipeline, which could also lead to increasing rents and tighter vacancy rates over the longer term. A significant issue in the Reno/Sparks region is the need for continued affordable rental properties.

As of the end of the 4th quarter 2025, the average monthly rent for all apartment sub-markets and for units surveyed was \$1,759. This reflects a slight increase over the average rents as of the 3rd quarter

2025 at \$1,751 per month with relatively similar rents as of the end of the second quarter 2025 at \$1,753.

The current average rent is greater than one year prior or the 4th quarter 2024, when average rents were at \$1,656 per month. Average rents for the subject's sub-market as of the 4th quarter 2025 were \$1,564 per month, reflecting an increase over the 3rd quarter 2025 rents for this sub-market at \$1,541 per month.

As a result of rent growth and tightened vacancy rates before, during and after COVID-19, the demand for multi-family land and "for sale" complexes had also been strong. Developers moved into the area with a large volume of multi-family complexes under construction in the area in the early 2020's through 2024. With high construction costs, development has tapered off with now 3 projects totaling about 904 units under construction. One of the projects is a 342-unit complex in Lemmon Valley, and on the south side of Highway 395, known as Lemmon Landing on Memorial Drive. There are an additional 7 complexes totaling about 2,139 unit in the planning stages, as of the end of 4th quarter 2025. However, with the increase in interest rates and high construction costs, some of the projects planned may not necessarily be built in the near term. None of the planned developments are in the subject's market area.

With increases in housing prices and rents over the last several years, the number of affordable rentals is diminishing. Given high construction costs, the majority of new complexes have been priced at market rates, being at the upper end of the rental range. Notwithstanding, there have also been land purchases and developments catered to low income households. Assuming capital is available in terms of regional assistance and bond type financing, we should see continued strong demand for parcels and/or projects geared toward developers of low income housing.

Notwithstanding, given the number of market-rate inventory that has and continues to come on line, rental concessions have now come into the market. According to Johnson-Perkins-Griffin, during the 4th quarter 2025, about 38% of apartment complexes in their survey offered concessions. This is an increase over concessions during the 3rd quarter 2025, of about 36.7% of apartment complexes in their survey offering concessions. It is noted that the 4th quarter 2025 is the highest level of concessions offered since since Johnson-Perkins-Griffin began tracking concessions at the beginning of 2019. Concessions offered during the 1st quarter 2025 at 37%, were the second highest level reported. Current concessions are also higher than concessions one year prior or the 4th quarter 2024 at 34.5%.

Concessions typically range from discounted move-in costs to reduced rents on a new lease. The most commonly found concessions are: one-time, up front discounts ranging from \$200 to \$1,500 with a new lease; between 1 and 2 months free with a new lease; and gift cards offered such as \$500 with a new lease. In addition to the market rate apartments surveyed, a number of privately owned student housing developments exist; however, these generally do not compete with the majority of apartment sub-markets.

In summary, over the last few years, there has been a steady upward increase in residential rents, market-wide, with historically low apartment vacancy rates. However, with the number of market rate apartments under construction and planned, at much higher rents, it is judged that the market will see continued fluctuations and potentially flattening or downward pressure on rents and absorption levels. With these high price and rental levels, the market should see continued interest by developers of low income product.

Commercial Real Estate Markets. Other commercial real estate markets are experiencing tightening vacancy rates and increasing rents. With the on-set of COVID-19 in March 2020, the retail and office markets had been impacted early on with improvements since made in the retail market but now some instability in the office and industrial markets. The industrial market had been strengthening prior to COVID-19 and was not negatively impacted by COVID-19 with a very low inventory of industrial product available for sale or lease over the last few years. However, with a great amount of industrial supply having been built and come on line in response to the low former supply during COVID, stabilizing industrial rents and higher industrial vacancy rates are now being evidenced. With inventory and demand for products potentially changing with tariffs placed by this administration, we may see more instability among all real estate markets and the economy.

Retail Market

With the onset of COVID-19, and particularly during the height of the pandemic in 2020, retail businesses and the retail vacancy rate had been negatively impacted with some vacancy rate increases and business closures. However, the Reno/Sparks retail market has made a resurgence and is now relatively stable with improvements in the market evident. Based on data researched by Kidder Matthews Reno, the retail market showed a 4th quarter 2025 direct retail vacancy rate of 4.1%. This is down slightly from their reported 3rd quarter 2025 vacancy rate of 4.2%. The current 4th quarter vacancy rate is the same as the end of 2024, also at 4.1%, indicating a stable and healthy market. Colliers Reno, which also provides data on the retail market indicated a 4th quarter 2025 market vacancy rate of 5.2%. This reflects a decrease over the 3rd quarter 2025 vacancy rate of 5.7%.

Colliers Reno also delineates the retail vacancy rates among the various sub-markets. The retail market having the lowest retail vacancy as of the 4th quarter 2025 was the Northeast sub-market with virtually no vacancies, but with a very small inventory of product. The retail sub-market with the highest vacancy rate was the Central/Airport sub-market with a 4th quarter 2025 vacancy rate of about 8.2%. The subject's North Valley's sub-market had a reported 4th quarter 2025 vacancy rate of about 1%, which reflects a decrease in the 3rd quarter 2025 vacancy rate for this sub-market at 1.6%.

The average asking rental rate for retail space reported by Kidder Matthews as of the 4th quarter 2025 was \$1.51 per sq.ft. per month on a triple net basis. This is the same as the 3rd quarter 2025. However, the rent for one year prior or 4th quarter 2024 at \$1.41 psf/month was less than current asking rents. Average asking rents reported by Colliers Reno as of the 4th quarter 2025 were \$1.75 per sq.ft. Per month on a triple net basis. This compares to the prior quarter (3rd quarter 2025) average rents at \$1.67 per sq.ft./month and an average asking rental as of the 4th quarter 2024 at \$1.62 per sq.ft./month.

Office Market

In spite of changing trends in the office real estate market, especially with more of a hybrid work schedule as a result of COVID-19, the Reno/Sparks office market is faring well. According to Colliers Reno, the Reno/Sparks office market posted a 4th quarter 2025 vacancy rate of 9.0%. This compares to a slightly lower 3rd quarter 2025 vacancy rate of 8.7%. If one includes forecasted vacancies in terms of lease turnovers and sublease space available, the 4th quarter availability rate is slightly higher at 9.5%. This availability rate is higher than the prior quarter's availability rate at about 9.1% (3rd quarter 2025). The current vacancy rate is slightly lower than last year's vacancy rate and availability rate as of the 4th quarter 2024 at 9.1% and 9.7%, respectively.

Colliers Reno, which also delineates the various office sub-markets, indicates the lowest 4th quarter 2025 direct vacancy rate for the Central/Airport sub-market at 5.4%. The sub-market having the highest office vacancy rate as of the end of 2025 was the West Reno sub-market, with a vacancy rate of 18.4%. The sub-market having the next highest vacancy rate as of the end of 2025 was the Downtown Reno sub-market at 13.2%. The North Valley's office sub-market is not tracked by Colliers, since there is little office space other than medical and office uses within shopping centers or in industrial buildings.

According to Colliers, average asking full service rents for all sub-markets as of 4th quarter 2025 were \$1.83 psf/month. This is greater than average asking rents for the subsequent two prior quarters at \$1.79 per sq. ft./month. The Sparks sub-market had the lowest average asking rents for the 4th quarter 2025 at \$1.51 per sq.ft. with the nearby and comparable Airport/Central sub-market having average asking rents at \$1.52 per sq.ft./month. The market having the highest asking rents was the Downtown office sub-market at about \$2.08 per sq.ft/month. Other than small owner-user offices and the Renown Medical Office building in South Reno that was completed towards the end of last year, there has been no speculative new construction for office over the last year, which will continue to create a stable market.

Industrial

Per survey conducted by Colliers, the overall vacancy rate for industrial space in the Reno/Sparks market as of the end of the 4th quarter 2025 was about 12.4%. Factoring sub-lease space, the total

availability rate as of this same time frame was about 14.1%. The 4th quarter 2025 vacancy rate was an increase over that for the 3rd quarter 2025 direct vacancy and availability rate of 12.0% and 13.7%, respectively. The 4th quarter 2025 current industrial vacancy rate for Reno/Sparks is higher than one year prior or 4th quarter 2024 at 9.9% with an availability rate for this same time frame at about 12.4%.

The last several quarters' vacancy rates reflect major increases over that for the 4th quarter 2022, when the vacancy was at 1.4% along with increases over historically low industrial vacancy rates as of the 3rd, 2nd and 1st quarter 2022 vacancy rates in the 1% range.

From a historical perspective, the 3rd quarter 2020 industrial vacancy rate was the first time that the direct vacancy rate had fallen below 5.0%, since early 2019. As vacancy levels continued to decline in 2019 and into 2022, developers brought inventory to the market with about 4.25 million sq.ft. of new construction added in 2022 and over double that or about 8,996,000 sq.ft. of space added in 2023. New construction in 2023 was about 2.5 times greater than the 5 year average of approximately 3.5 million sq.ft. Total new construction for 2024 tapered off at about 2,565,616 sq.ft. with new construction as of the 3rd quarter 2025 at about 334,800 sq.ft., being significantly less than new construction during the prior quarter or 2nd quarter 2025 at about 2.4 million sq.ft. There was no new construction reported for the 4th quarter 2025 with total construction for 2025 at about 6,219,775 sq.ft.

Notwithstanding the decline in new construction, the cumulative new construction levels over the last several years have lead to increased vacancy levels, In general, more of the newly constructed space has been for large, bulk distribution developments as compared to smaller flex industrial properties. Colliers, which also delineates various product type vacancy levels indicated a 4th quarter 2025 direct vacancy and availability rate for manufacturing properties at a 6.2% and 7.6%, respectively. Colliers estimated vacancy rate for the flex product type for the Reno/Sparks market for 4th quarter 2025 was 5.9% and 6.2%, considering the direct vacancy rate and availability rate, respectively. The delineated vacancy rate for the warehouse/distribution market as of the 4th quarter 2025 was about 14.1% and 16.1% for the direct vacancy and availability rate, respectively.

Asking rental rates for industrial spaces had correspondingly experienced significant increases over the last several years with average asking rents and effective rents having increased by approximately 55% from the 4th quarter 2021 at about \$.59 psf/month to about \$.91 psf/month for 4th quarter 2022. However, average asking rents for bulk space in the market as of the end of the 4th quarter 2025 have decreased to \$.79 psf/month, which although are slightly higher than 3rd quarter 2025 average rents of \$.78 psf/month, are less than the average rents reported at the end of the 2nd quarter and 1st quarter 2025 at about \$.82 psf/month and \$.80 psf/month, respectively. According to Colliers, average asking rates as

of 4th quarter 2025 for manufacturing space are approximately \$.89, which is down compared to 3rd quarter rents for this sub-type at \$.93 psf/month, but up slightly from 2nd quarter 2025 average rents for manufacturing space at approximately \$.87 psf/month, triple net. The average asking rent for light industrial/flex space as of 4th quarter 2025 is \$1.20 psf/month, which is down slightly from the 3rd quarter average rents for this sub-type at \$1.21 psf/month. However, 4th quarter 2025 flex/light industrial rents are higher than asking rents as of the 2nd quarter 2025 at \$1.14 psf/month.

It is likely that with this latest increase in new construction, higher vacancy rates and stabilizing rents that industrial development will slow. However, even with still good demand for the small industrial sector (i.e. non-bulk space), the continuing challenge in bringing newer and smaller flex/service industrial inventory to the market is the higher cost of new construction. That is, it becomes very difficult to “pencil” new construction at supporting rental rates. It is judged that the majority of planned construction will continue to be for large bulk distribution properties with more economies of scale achievable. Like other market, one of the other major factors which is also impacting new construction and purchases of industrial properties in the area is the availability of capital and also the level of interest rates.

Furthermore, it is noted by industrial brokers that upon coming off COVID, there was some “right-sizing” among industrial tenants/users with some sub-lease space that has remained on the market. Brokers with whom I spoke have indicated that sub-lease space is typically leased or offered at 50% of the original contract rent. This sub-lease space availability, although diminishing, is also impacting the current industrial market. With inventory and demand for products potentially changing with tariffs, we may see more sub-lease space in the market along with more instability. However, these factors could likely contribute to a diminished industrial construction pipeline, as currently being evidenced, which should stabilize the market. Notwithstanding, continued uncertainties in the economy and tariffs will impact the stability of the industrial market.

Unemployment

According to Nevada State Department of Employment, Training, and Rehabilitation (DETR), the unemployment rate in the Reno/Sparks Metropolitan Statistical Area (MSA) at the end of January 2026 was 4.7%. This is an increase over that for December 2025 at 4.0% and also from November 2025 at 4.1%. However, the January 2026 rate is a slight decrease over that for one year prior or January 2025 at 5.1%.

As of the end of January 2026, DETR reported an unadjusted unemployment rate for the State of Nevada at 5.6%. This is an increase over that for December 2025 at 4.9% and 5.1% in November 2025. The

January 2026 Nevada unemployment rate is slightly higher than that for one year prior or January 2025 at 5.4%. The fluctuating unemployment rate for the State of Nevada, as a whole, over the last few years had been impacted by the casino closures, re-opening and decreased tourist activity in both Las Vegas and Reno early on in the pandemic, but now with tariffs and tourism, especially for travelers from out of the country, also changing the tourism climate and demand. Las Vegas had been harder hit by COVID but is recovering somewhat with the January 2026 unemployment rate of about 5.8%, which is higher than the December 2025 unemployment rate at 5.2%. The January 2026 unemployment rate is slightly less than one year prior or January 2025 of 6.1%.

The unemployment rate, unadjusted, for the United States reported at the end of January 2026 was at 4.7%. This is up from that for December 2025 at 4.1%. The January 2026 unemployment rate for the U.S. is also slightly higher than that for a year prior or January 2025 at 4.4%. With impacts from tariffs, not fully known, we may see further instability in the unemployment rate as companies may need to change workforce needs. As noted, this could be particularly uncertain for the tourism industry, relying on foreign travel.

Area Population Summary

The chart below highlights the historical population growth in Washoe County, Reno, and Sparks for the past 10 years, as reported by the Nevada Department of Taxation.

Area/Date*	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Washoe Co. Change Prev. Yr.	448,316 1.4%	451,923 0.8%	460,237 1.8%	469,801 2.1%	473,606 0.8%	485,113 2.4%	501,635 3.4%	508,759 1.4%	513,854 1.0%	519,471 1.1%
Reno Change Prev. Yr.	242,158 1.5%	244,612 1.0%	248,806 1.7%	255,170 2.6%	258,230 1.2%	264,318 2.4%	274,129 3.7%	277,517 1.2%	281,015 1.3%	283,378 0.8%
Sparks Change Prev. Yr.	95,726 2.3%	96,928 1.3%	100,140 3.3%	102,543 2.4%	103,230 0.7%	107,489 4.1%	111,735 4.0%	113,816 1.9%	115,240 1.3%	117,116 1.6%

*All figures are estimated for July 1 of each year.

From an historical perspective and although not on the chart above, both Reno and Sparks showed positive increases in population from the early 2000's through 2008. This was a result of a variety of factors including: employment opportunities, the attractive climate, and central location of the area. From 2008 to 2009, the population declined for Washoe County and Reno; however, since 2009, the population has generally increased, albeit slowly early on due to the overall weakness in the economy and down turn in the real estate market that had occurred. With the improved economy and market from 2014 and on, the population growth has gradually improved. Particularly higher rates of population

increases have occurred from 2020 through 2022 for all regions with a modest increase over the last year or from 2023 to 2024.

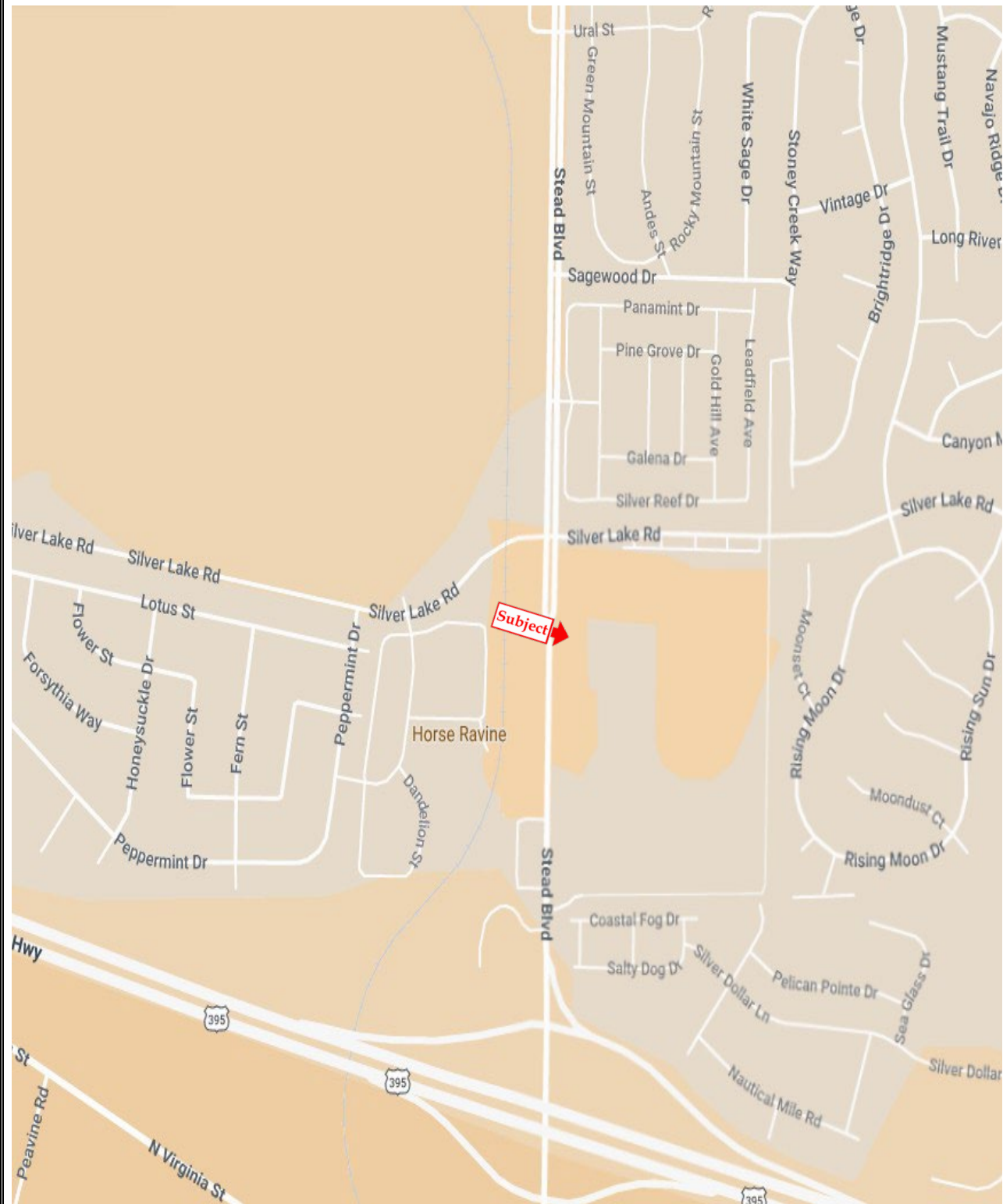
Population figures available (July 2025) show Washoe County's population at 519,471, which is a 1.1% increase from the previous July 2024 figure, with the half million threshold broken for the first time in 2022. The 2025 population allocated to the City of Reno at 283,378, showed a .8% increase over that for 2024 and with the percentage gain slowing down, compared to prior years. The City of Sparks broke the century barrier in 2018 with a population of 100,140. Although a slow down in growth occurred from 2019 to 2020, significant increases during 2021 and 2022 at 4.1% and 4.0%, respectively occurred for Sparks with the current population having increased by 1.6% and estimated at 117,116 for 2025. The recent population growth in Sparks indicates a strong economy and market, with this growth reflecting more new housing developments constructed in the City of Sparks. Overall, given positive economic impacts expected for the area, population is projected to continue to increase at a steady rate.

Summary

The real estate market and economy have historically been cyclical with steady upward growth in new jobs, population and price increases in all real estate market sectors experienced over the last several years. With new construction for primarily the industrial sector, prices have leveled off. Notwithstanding, with continued increases in costs to build coupled with the inability of region-wide wages to keep up with housing prices, we may be approaching somewhat of a leveling off in the market. Further potentially adding to this market instability are interest rate levels and tariff impacts.

However, given the positive attributes of the area, especially related to the area's tax structure and location, the overall market should continue to see improvement over the long term.

Location Map



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LOCATION SUMMARY

The subject is located in the City of Reno boundaries within an area referred to as North Valleys. The North Valley area includes a series of small residential communities (heading from east to west) including the Sun Valley community, Golden Valley, Lemmon Valley, Reno-Stead (the subject area), Silver Knolls, Red Rock Estates (northwest of subject area) and the Cold Springs Valley. Additionally, smaller areas of Panther Valley, Raleigh Heights, Black Springs and Horizon Hills are located along the southern fringe of the area and centered along areas close to Highway 395.

Area boundaries include mountain ranges to the north; foothills and Cold Springs Valley to the west; Spanish Springs Valley and Dandini Boulevard to the east; along with Reno City limits to the southeast. Downtown Reno is located about 11 miles southeast of the subject; downtown Sparks is about 11.5 miles southeast; the Reno Tahoe International Airport is located about 11.7 miles southeast from the subject; North Lake Tahoe is approximately 43 miles south from the subject via the Stead Boulevard Interchange to Highway 395 and the Mt. Rose Highway (Highway 431); the California State line is located about 8 miles northwest of the subject via Highway 395 at Bordertown.

Although several miles northwest from the downtown are of Reno, the Stead area evolved due to the construction of the Reno-Stead Airport in 1942, originally as a Reno Army Base that later became the Stead Air Force Base. In 1966, the base was transferred to the City of Reno, when it became the Reno-Stead Airport. The main offices of the Reno-Stead Airport are situated about 3 miles north from the subject via Stead Boulevard. Additional access points to the airport are provided about 2 miles west from the subject area via Highway 395 and the Red Rock Road interchange to Moya Boulevard with the Airport being another 4.1 miles to the northeast. To the southeast, the Reno-Stead Airport can be accessed from Lemmon Drive via Military Road.

The Reno-Stead Airport, situated in the City of Reno, is on about 5,000 acres and is a reliever airport, which is intended to provide additional capacity or “relief” to the areas primary airport, which is the Reno-Tahoe Airport. Both the Reno-Stead and Reno-Tahoe airports are owned and operated by the Reno-Tahoe Airport Authority. The Reno-Stead airport accommodates general aviation (GA) traffic and is also used by the Bureau of Land Management for its fire operations.

Until 2023, the Stead Airport was host to the Reno National Championship Air Races, bringing in a significant tourist impact to the area; however, the air races have moved to New Mexico, starting in 2025. The Stead Airport has since hosted smaller air shows.

A new airport terminal, having approximately 12,000 sq.ft., was completed at the end of 2013 and is located near the center/ south portion of the Airport grounds. North of this are runways for the Airport. Besides airport uses, which were formerly a portion of the old Stead Air Force Base, surrounding parcels to the south are currently being used for a variety of industrial, educational and residential uses. Several of the parcels and older improvements are owned by the University of Nevada Board of Regents. A Job Core training site along with some Marine Corp facilities are located south of the airport. Located near the west portion of the airport at the terminus of Army Aviation Drive is a large Training Center for the Air National Guard. The facility includes both offices and site improvements. Costs for the facility were reportedly in the \$18 million range with construction having started in late 2023.

The Reno-Stead Airport (RTS) is a non-towered, also known as an un-controlled, reliever airport. Many GA airports in nation are non-towered, meaning that instead of receiving instructions from a tower controller, pilots follow recommended procedures. The airport has two active runways, which can handle a wide variety of general aviation and military aircraft.

The RTAA has in excess of 3,000 acres available for development of aeronautical and non-aeronautical uses. The intention of developing this land is to diversify activities and help to improve the long-term financial stability of the airport and area.

In December 2013, the Federal Aviation Administration (FAA) announced that the State of Nevada was one of the six approved test sites within the United States for Unmanned Autonomous Systems (UAS) also referred to as drones. The Nevada sites include two airport sites in Southern Nevada and two in Northern Nevada including the Fallon Municipal Airport and the Reno-Stead Airport. The test site designation should aid and add to activity in the area.

The southern and southeast portion of Stead have evolved with newer industrial and housing developments. The primary industrial development in the area includes the Silver Lake Business Center, located in the western portion of Stead, a portion of which, was originally held by the Lear Estate. Some of the major users located within the newer industrial areas of Stead include the J.C. Penney catalog distribution center, Urban Outfitters, RR Donnelley, Clorox, Michelin, Jarden, Sally's Beauty, Sherwin Williams, Hidden Valley Ranch, UPS, Arrow Electronics and Petco. In 2015, Amazon relocated from Fernley, Nevada to the North Valley's market and on the south side of Highway 395 in Stead, occupying a 630,000 sq.ft. building. In late 2024, it was announced and in conjunction with Amazon's lease term, that Amazon would be closing this facility in conjunction with the opening of a new "last mile" facility that recently opened in South suburban Reno.

Residential development has grown significantly in the area with most of the new subdivisions closer to and on the north side Highway 395 . There are also a number of apartments in the Stead area.

Limited shopping and services are located in the immediate Stead area, consisting of a few strip shopping centers and fueling stations/ convenience markets on Stead Boulevard. A neighborhood shopping center with several other retail building is located near the Red Rock Road and Highway 395 interchange. Shopping is also limited in the contiguous Cold Springs Valley market area which is over the hill to the west.

Completed about 2.5 miles southeast of the subject on the northwest corner of Lemmon Drive and Sky Vista Boulevard is a super Walmart Store. Just to the southeast from Walmart and at the intersection of Lemmon Drive and Sky Vista Parkway is a Smith's anchored shopping center and across the street is a Grocery Outlet-anchored shopping center with various surrounding line-spaces and free-standing retail buildings.

Uses immediately surrounding the subject's Old Stead Elementary School parcel are noted below:

North: Running along the northwesterly side of the subject parcel is an oblong, .524 acre parcel that is improved with a 5,218 sq.ft. medical building. It is noted that this property, with building (5990 Silver Lake Road) having been completed in 1988 was purchased in October 2025 for \$1,360,000 as an owner/user building; however, the property was involved in a with a double escrow that sold for a significantly higher price that may have involved a corporate lease. The property has "mixed use" (MS) zoning but still has a Public/Quasi-Public master land use designation. Adjacent to this office building and to the northeast of the subject's northerly border is a 30-unit, four building apartment complex, situated on 1.28 +/- acres. This parcel is zoned MS and also has a master land use of Public/Quasi-Public.

Across Silver Lake Road is the Sierra Shadows Mobile Home Park, situated on about 23.9 acres with about 198 spaces, a central clubhouse and swimming pool. The zoning is MF-14, allowing 14 units per acre. Uses further north and on the east side of Stead Boulevard include primarily older single family homes.

At the northwest corner of Silver Lake Road and Stead Boulevard is a strip retail center comprised of a convenience market, restaurants, and local service tenants. Following this center to the north is a Taco Bell, then a vacant parcel, and a Dollar General Store.

From this point, there are a few vacant parcels that back up to the railroad tracks. All of these parcels have mixed use suburban zoning.

Set back by one parcel width of Stead Boulevard to the northwest is the Washoe County-owned Sierra Sage Golf Course, situated on about 263 acres with PGOS (Parks, Greenways, and Open Space) zoning and the same master land use designation. Further north and northwest of the golf course are industrial utilizations.

South:

South of the subject's larger parcel, being south of the O'Brien Middle School playing fields is DR Horton Subdivision, improved with about 68, two-story half plex/townhouse units built in 2019. The subdivision is called Anchor Pointe with a zoning of Mixed Use Suburban and a density of about 10.3 units per acre. The master land use for this subdivision is Suburban Mixed Use (SMU).

To the southwest of this townhouse subdivision is a continuation of this subdivision; however, these homes are on property zoned SF-8, with a density of 8 units per acre and with City maintained streets, but also with a SMU master land use designation.

East:

East of the subject's larger parcel solar field and east of the access road is a subdivision with planned development (PD) zoning and a part of the Sky Vista Planned Unit Development. This development encompasses about 583 acres of land for parcels situated south of Silver Lake Road, east to Sky Vista Parkway and north to Lear Boulevard. The PUD includes the approval of about 2,358 homes, many of which have been built along with other supporting commercial uses.

West:

West of the subject and across Stead Boulevard are various commercial uses, including a strip neighborhood shopping center, situated on 2.64 acres with about 21,000 sq.ft. Tenants include a variety of service businesses, a convenience store and restaurants. To the northwest of the center is a Chevron fueling station and convenience market, followed by a McDonalds restaurant with Drive-through. South of the shopping center is a Dollar Store, followed by Maverik fueling station and convenience store. All of these parcels are zoned Mixed Use Suburban (MS) with a Master Land Use designation of Suburban Mixed Use.

On the west side of these commercial uses is the railroad line followed by a number of apartments and single family homes. The apartments have MF-30 zoning (multi-family,

allowing density of 30 units/acre) and a master land use of Multi-family neighborhood. The single family residential uses following have zoning of SF-11 (single family allowing 11 units per acre) and master land use of Mixed Neighborhood (MX).

Per the Nevada Department of Transportation (NDOT), traffic counts for Stead Boulevard, just south of the southerly road accessing O'Brien Middle School, and just south of the subject school, the 2024 annual average daily traffic (AADT) count for 2024 was 21,500 vehicles per day. This is a slight increase from the AADT for 2023 at 21,100 and also an increase over the count for 2022 at 19,100 per day.

For the Silver Lake Road Station near the subject, and just in front of the apartment complex to the northeast, the AADT for 2024 was 8,750. This is an increase over the traffic count in 2023 at 7,400 and that for 2022 at 7,450. Overall, the subject's elementary school site experiences a great amount of traffic, given industrial employment centers in the area and surrounding residential uses.

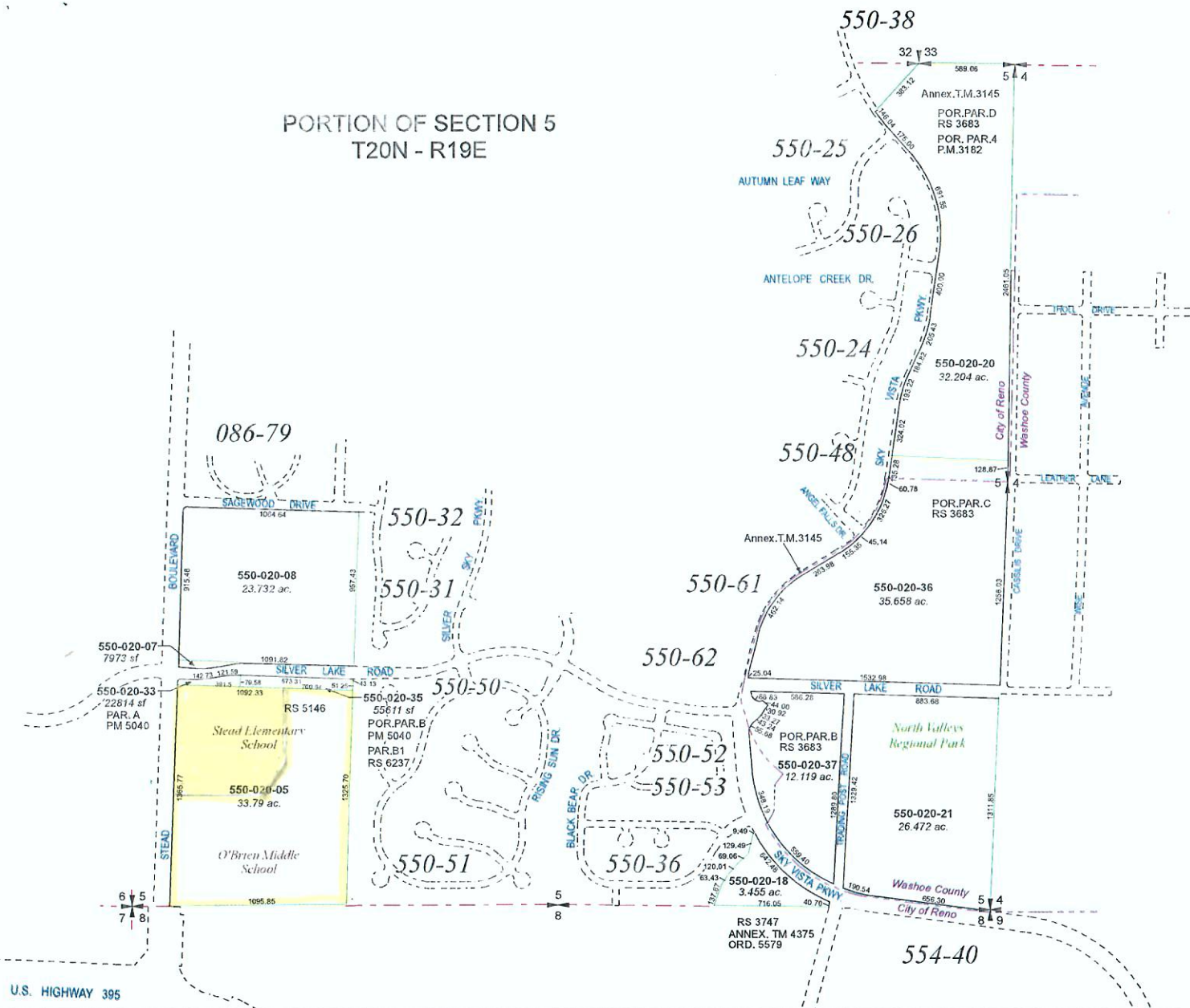
Another significant area of growth in the area is the Community of Cold Springs, located about 7 miles northwest from the subject. On the north side of Whites Lake and Highway 395, there are a significant number of residences (approximately 2,000) that were developed by Lifestyle Homes (Bob Lissner). Now planned for the south side of Highway 395 is the StoneGate Heinz Ranch development. While originally 5,000 housing units were planned, the developers (Heinz Ranch Land Company, LLC) modified their original plan for this 1,767 +/- acres to incorporate more industrial and commercial uses and reduce the number of homes planned to between 1,350 to 1,400 units.

In summary, the subject property has evolved to a growth area for both industrial and residential activity. As other industrial areas of Reno and Sparks have become built out and as the industrial vacancy rate tightened with very few close-in, in-fill sites available, the greater North Valley area saw an abundance of development. With the lack of in-fill land and higher construction costs, the North Valley area is still looked upon as being more affordable.

With the growth in both businesses and residential subdivisions, there has been a strain on the infrastructure with improvements underway and/or in the planning stages for improving traffic and sewer/water infrastructure. Thus, the location characteristics of the subject will contribute to long term success of the area in terms of future business growth and service demand. However, the health of the subject market area and Reno-Stead Airport will be dependent on future population, employment growth, and the ability of existing infrastructure (i.e. utilities and roadways) to service existing and new uses.

Existing Parcel APN 550-020-05
Encompasses Old Stead Elementary School, O'Brien Middle School and Solar Field
Filled In Yellow Area is Approximate Area of 10+/- Acre Subject Parcel

PORTION OF SECTION 5
T20N - R19E



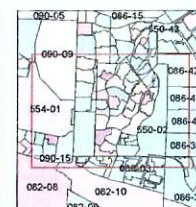
Assessor's Map Number
550-02

STATE OF NEVADA
WASHOE COUNTY
ASSESSOR'S OFFICE
 1001 East Ninth Street, Building D
 Reno, Nevada 89512
 (775) 328-2231



Feet
 0 150 300 450 600

1 inch = 600 feet



created by: KSB 12/10/2010
 updated: CFB 7/12/12 SR 3/17/21
 JRA 2/3/22 JFK 7/21/22

area previously shown on map(s):

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

Not Drawn to Scale; Shown for Informational Purposes Only

SITE DATA

Address/Location: The subject elementary school has an address of 10580 Stead Boulevard, Reno Nevada. However, it is noted that the Washoe County Assessor's has two other addresses indicated for O'Brien Middle School, which are 10500 Stead Boulevard and 5000 Silver Lake Boulevard.

Legal Description: A copy of the legal description is included in the addenda within the title commitment/ preliminary title report (First 9 pages), dated October 24, 2019 and prepared by Ticor Title of Nevada, Inc. This legal description includes the entire 33.79 +/- acres.

A.P.N.: A Portion of Washoe County Assessor's Parcel Number is 550-020-05

Site Area: The subject's larger parcel is rectangular in shape, encompassing about 33.79 acres or 1,471,892 sq.ft. according to Washoe County Assessor's records. It is noted that this is slightly different than the acreage denoted on the APN map of 34.102 acres.

The underlying site area for the Old Stead Elementary School, and which is the basis of this appraisal is approximately 10 acres or 434,600 sq.ft. The site is irregular in shape with square northwest, northeast and southwest corners, but with a dimension that follows the access road to O'Brien Middle school on the southeast corner.

Visibility/Accessibility: The subject has very good visibility and frontage along Stead Boulevard, estimated to be about 750 feet. The dimension along the northerly border is estimated to be about 600 feet.

The site encompassing the subject has three curb-buts providing ingress/ egress. The two southerly curb-cuts appear to allow ingress and egress heading both southerly and northerly, as there is a center turn lane.

The most northerly curb-cut appears to only allow right-in and right-out access, due to a concrete median leading to the Silver Lake Road and Stead Boulevard intersection. However, it is noted that this northerly curb cut accesses the unimproved portion of the parcel, which is gravel and dirt and with no direct access to the school parking lot, due to curbing and barriers.

A pedestrian crosswalk extends from the middle of the subject parcel along Stead Boulevard with a traffic light for crossing Stead Boulevard.

Topography/Drainage

Flood: The topography of the site is generally flat and there appear to be no adverse drainage issues.

The subject parcel has a flood designation of X-unshaded, which is not in a flood zone. The FEMA Flood Map is 32031C-3045 with a revision date of March 16, 2009.

Utilities: The utility providers to the site are as follows:
Electricity and Natural Gas - NV Energy
Water - Truckee Meadows Water Authority
Sewer - City of Reno

Because any water rights are tied to the existing larger parcel, it is unknown whether any water right credits could be allocated to a new parcel. It is recommended that if a sale is made to a third party buyer that any water right credits be researched, which may impact an underlying land value scenario.

For the valuation scenario, and assuming that a new parcel is created, there would be fixture credits associated with existing plumbing that could be utilized for a new development. Based on a discussion with Development Services Engineering Department with the City of Reno, the Reno-Stead Wastewater Reclamation Facility (RSWRF) fee is \$583 per weighted unit (as of April 2026) with multipliers that would apply. This will be discussed further in the valuation section.

Street Access: Stead Boulevard near the subject is a two-way, four lane street, with sidewalk, curbs and gutters and a center turn lane. The intersection of Stead Boulevard and Silver Lake Road is a signalized intersection. An additional left turn lane to Silver Lake Road, heading westerly, and a right-hand turn lane, heading easterly are situated near the subject's northerly boundary. Stead Boulevard fronting O'Brien Middle School and Stead Elementary school are impacted by restricted mile per hour zones during school hours.

Environmental Observations: No evidence of hazardous waste and/or toxic materials were known or visible; and the appraiser has no knowledge of the existence of such.

Easements: The preliminary title/ commitment report included in the addenda outlines the various easements that encumber the subject property. All of the easements are judged to be typical public utility and access easements with minimal impacts on the useable area of the site relative to similar sites in the area. A copy of the Record of Survey map is shown on the following page. Notwithstanding the above, it is noted that there are also various easements for water facilities relative to the O'Brien School site, which should be reviewed if/when the subject school site is re-parceled.

BASIS OF BEARINGS

THE BASIS OF BEARINGS AND COORDINATES FOR THIS SURVEY WAS ESTABLISHED USING THE PUBLISHED COORDINATES (NAD 83/94, NEVADA WEST ZONE) FOR "R429" AND "WH427" AS SHOWN HEREON. A COMBINED SCALE FACTOR OF 1.000197939 WAS USED TO CONVERT SURVEY GRID COORDINATES TO GROUND (N 89°41'58" W. 9208.35'). ALL DISTANCES ON THIS MAP ARE GROUND DISTANCES.

SURVEYOR'S REPORT

[illegible][illegible]

SURVEYOR'S CERTIFICATE

N. RONALD C. MOORE, A PROFESSIONAL LAND SURVEYOR LICENSED IN THE STATE OF NEVADA, CERTIFY THAT:

I HAVE BEEN REQUESTED BY THE RESULT OF A SURVEY CONDUCTED UNDER MY SUPERVISION AT THE INSTANCE OF WASHOE COUNTY SHELTER DISTRICT NO. 10 TO RE-SURVEY AND RE-LOCATE MONUMENTS 823A, 823B, 823C AND 823D. THE LANDS SURVEYED LIE WITHIN THE SW 1/4 OF SECTION 5, T20N, R11E, NAD 83, AS SHOWN ON PLAT MAPS 167 AND 168, BLM AND THE SURVEY WAS COMPLETED ON FEBRUARY 13, 2009.

THE ABOVE PLATS COMPLY WITH APPLICABLE STATUTES OF THIS STATE AND ANY LOCAL ORDINANCES IN EFFECT ON THE DATE THAT THE SURVEY WAS COMPLETED. THERE ARE NO DISCREPANCIES OR CONFLICTS CONCERNING THE MONUMENT LOCATIONS WITH THE RECORDS MAINTAINED BY THE WASHINGTON COUNTY CLERK'S OFFICE AND THE WASHINGTON COUNTY ADMINISTRATIVE CODE.

THE MONUMENTS ARE OF THE CHARACTER SHOWN AND OCCUPY THE POSITIONS INDICATED.

NO NEW PARCELS ARE BEING CREATED.

RONALD C. HOOPS
No. 10839

1/4 CORNER
NOT FOUND

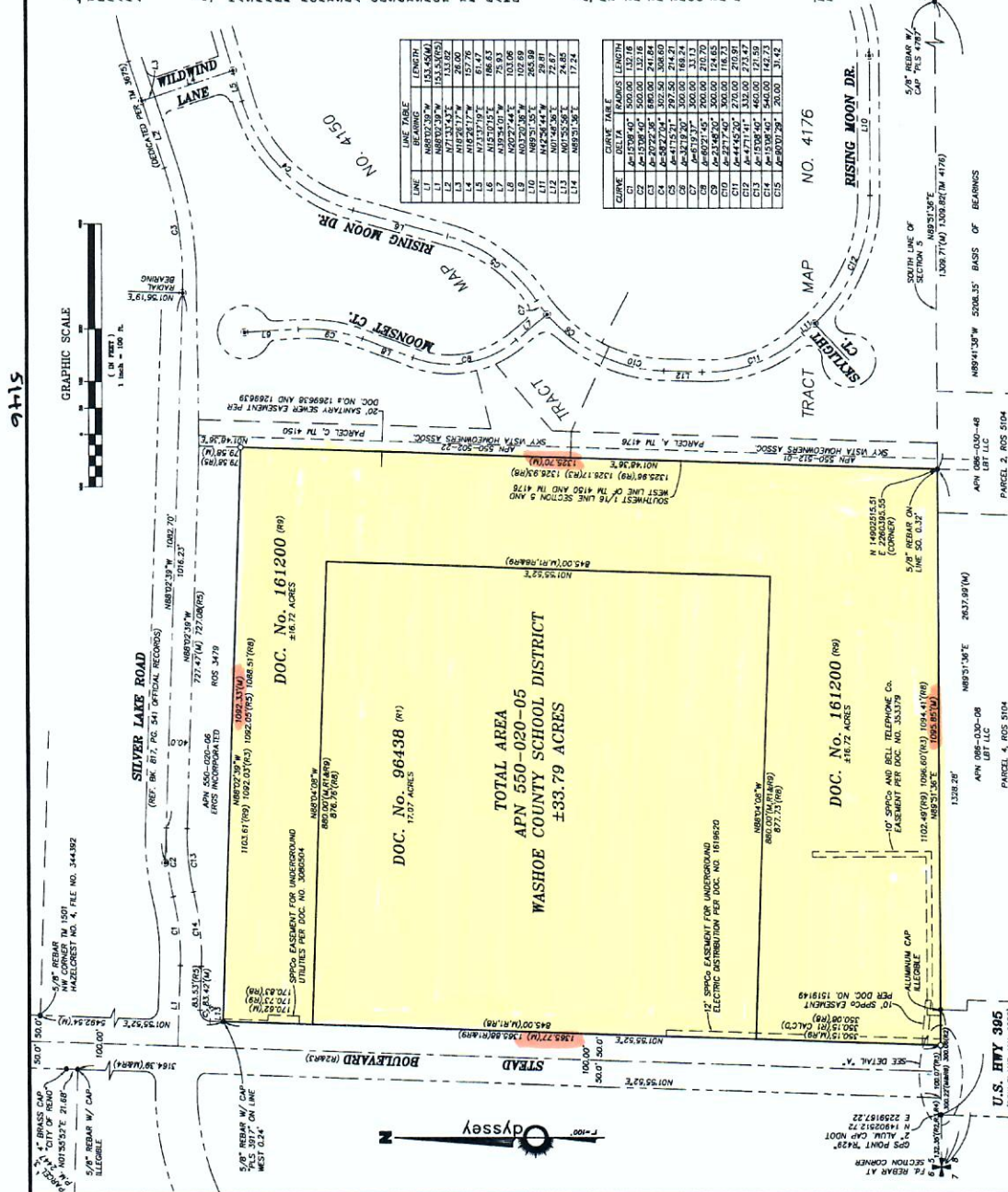
NBRTS "M"
2653.20 (86)

174

GPS POINT "WMA27"
N 14802484.9029
E 2264375.4481
Pd 3.23 U.S.C.L.O.
BRASS CAP
SECTION CORNER

LINE	LINE BEARING	LINE TABLE	LENGTH
L1	N46°02'30" W	153.45(M)	
L2	N71°33'43" E	153.54(MS)	
L3	N18°26'17" W	133.82	
L4	N16°28'17" W	26.00	
L5	N23°37'19" E	157.76	
L6	N15°10'15" E	61.47	
L7	N10°17'01" W	106.63	
L8	N39°54'01" E	75.93	
L9	N20°27'36" W	102.66	
L10	N69°31'35" E	102.69	
L11	N42°36'30" E	20.81	
L12	N40°55'56" E	72.67	
L13	N01°25'36" E	74.85	
L14	N01°25'36" E	17.24	

CURVE	DELTA	RADIUS	LENGTH
C1	$\Delta=1508.40^\circ$	500.00	1.3216
C2	$\Delta=1508.40^\circ$	500.00	1.3216
C3	$\Delta=272.76^\circ$	690.00	241.64
C4	$\Delta=272.76^\circ$	302.50	306.60
C5	$\Delta=471.71^\circ$	297.50	274.21
C6	$\Delta=3179.20^\circ$	500.00	169.94
C7	$\Delta=619.37^\circ$	500.00	333.13
C8	$\Delta=602.97^\circ$	500.00	270.70
C9	$\Delta=2346.20^\circ$	500.00	124.65
C10	$\Delta=271.74^\circ$	500.00	116.73
C11	$\Delta=44.42^\circ$	276.00	270.91
C12	$\Delta=471.71^\circ$	460.00	270.91
C13	$\Delta=1508.40^\circ$	540.00	142.33
C14	$\Delta=1508.40^\circ$	540.00	142.33



REFERENCES

- 1 RECORD OF SURVEY MAP NO. 631 OF STEAD FACILITY, FILE NO. 144115
2 CONTRACT LOTS SOUTHERN P. 184, DATES, OF. 9648
3 RECORD OF SURVEY MAP NO. 638 OF STEAD FACILITY, FILE NO. 144115
4 RECORD OF SURVEY MAP NO. 639 OF STEAD FACILITY, FILE NO. 144115
5 PARCEL MAP NO. 2477 FOR A.C. PAPER PROPERTIES, INC., FILE NO. 140189
6 RECORD OF SURVEY MAP NO. 3479 FOR DUES INCORPORATED, FILE NO. 223428
7 TRACT MAP NO. 415 OF SKY NISTA MALLAGE 1C SUBDIVISION, FILE NO. 2776789
8 TRACT MAP NO. 475 OF SKY NISTA MALLAGE 1C SUBDIVISION, FILE NO. 281768
9 RECORD OF SURVEY MAP NO. 5104 FOR TOWN SHAW, FILE NO. 3683600
10 QUARTZLAND DETED FROM THE UNITED STATES OF AMERICA TO WASHCO COUNTY SCHOOL

LEGEND

- STREET MONUMENT PER DOCUMENT SHOWN
SET 5/8" REBAR W/ CAP "PLS 10819"
FOUND MONUMENT AS NOTED
DIMENSION POINT
MEASURED DISTANCE
RECORD DATA PER REFERENCE NUMBER
RIGHT OF WAY
PARCEL MAP
RECORD OF SURVEY MAP
TRACT MAP

FILE NO 3746394

- FILED 21.00
 FOR RECORD AT THE REQUEST
 OF Deputy Engineer
 ON THIS 6 DAY OF April
 2009, AT 22 MINUTES PAST 10
 O'CLOCK A.M., OFFICIAL RECORDS
 OF WASHOE COUNTY, NEVADA
 KATHARIN L. BURKE, COUNTY RECORDER
 BY C. B. + l. ex

RECORD OF SURVEY

**FOR
SHERMAN COUNTY SCHOOL DISTRICT**
YES BY 1/4 OF SECTION 5, TOWN, RANGE, M.B.M.
WABEBO COUNTY
SHERMAN LANE, SUITE 104, SPARKS, NV 89431
(775) 359-3303
**ENGINEERING
INCORPORATED**

Zoning/Land Use

The subject parcel is zoned Public Facility or PF under the City of Reno's Zoning Code with the last Amendment dated January 14, 2026. Per the table of uses within the code (Section 18.03.206), the following uses are allowed by right: libraries, recording studios, and public transit or school bus shelters. Numerous other uses are allowed, with use-specific standards that must be adhered to and/or conditional use permits required.

These include: manufactured homes; group homes, private dorms, and single room occupancy uses; transitional use facilities; major government facilities; minor government facilities; public parks or recreation areas; religious assembly; adult education; childcare centers; colleges, universities or seminaries; public or private schools; vocational or trade schools; medical day use facilities; urban farms; financial institutions; laboratories; general offices; personal service uses; inside amusement or recreation; event centers; indoor gun range and sport arena/stadiums; major utilities; minor utilities; real estate sales offices; and construction field offices. In addition, there are a number of accessory uses that are allowed in conjunction with improved uses.

Various residential uses are also allowed under PF zoning, which include: duplexes, triplexes, and four-plexes, with a parcel/subdivision plat required for condominium conversions. Attached single family dwellings, with a minor conditional use permit is required if the number of units proposed is more than 20 and less than the conditional user permit threshold. A tentative map is required for new construction or conversion of five or more townhouse or condominium units. A conditional use permit is required if 50 or more units are proposed.

Essentially, no retail or industrial type uses are allowed within the PF zoning, nor are multi-family dwellings allowed. A copy of the zoning map is shown on the following page.

Master Land Use

The subject has a master land use designation of Public/ Quasi Public. This map is shown on the page following the zoning map.

Master Land Use Plan

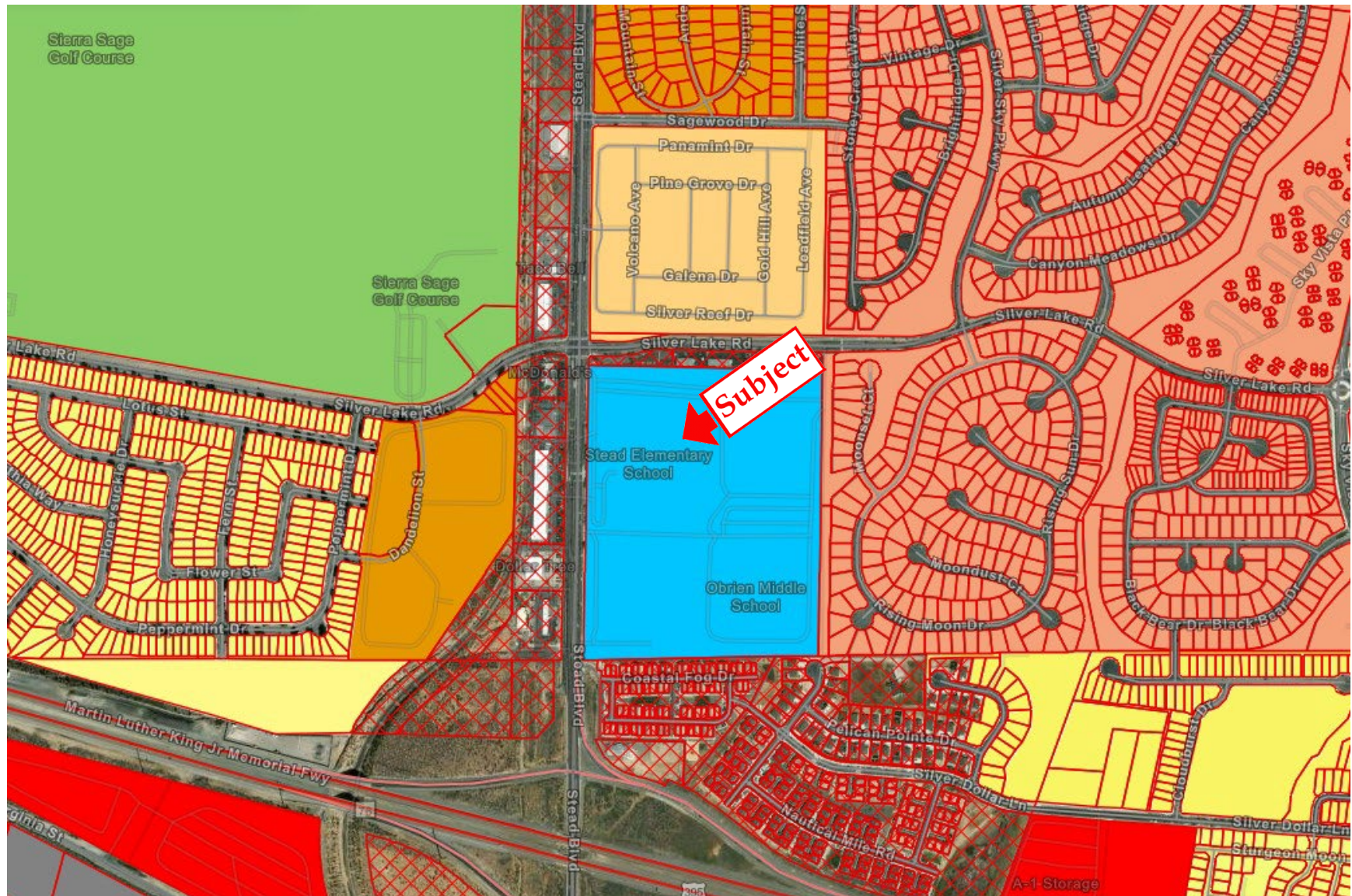
Under the City of Reno's Imagine Master Land Use Plan, the subject is designated as PQP or Public/ Quasi-Public. A copy of the master land use map is shown following the zoning map. This land use encompasses the following uses/characteristics:

Uses:

Public institutions, airports, cultural centers, religious institutions, government centers, libraries, hospitals, schools and utility installations.

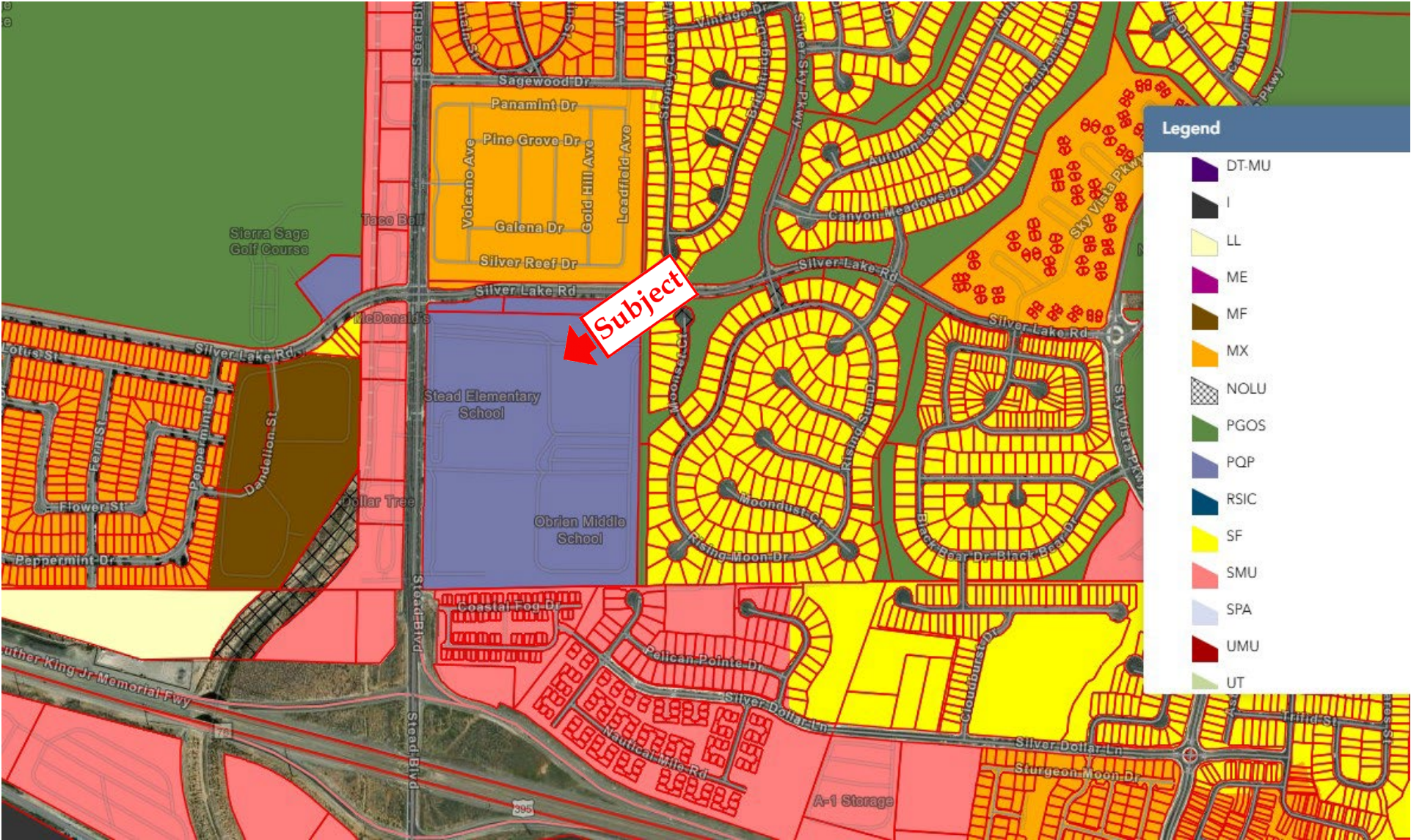
CITY OF RENO – ZONING MAP

KEY – Blue - PF or Public Facility; Crossed Hatched Red – Mixed Use Suburban; Orange – MF14; Peach: PUD; Brown – MF-30; Green – Parks Greenway & Open Space; Yellow – SF8; Bright Red – General Commercial



N↑

CITY OF RENO – MASTER PLAN LAND USE MAP



Characteristics (Associated with Master Land Use)

- *Ownership may be public, quasi-public, or private.*
- *Public facilities may serve a neighborhood or have a larger service area such as a city quadrant or the entire Truckee Meadows region.*
- *Some major facilities may create impacts on adjacent properties that need mitigation, and appropriate zoning districts should be determined based on intensity of use. Intensity of use is determined by vehicular trip generation, size and scale of the facility, and compatibility with residential uses.*

Conforming Base Zoning Districts:

- *MA: Mixed-Use Airport*
- *PF: Public Facilities*
- *PGOS: Parks, Greenways, and Open Space*
- *PUD: Planned Unit Development*
- *SPD: Specific Plan District*

Parking:

Parking is required based on use. For the existing primary school use, parking is required at 1 space per classroom and 1 space per 100 students based on design capacity.

Parking for residential units (duplex, triplexes, four-plexes and multi-family complexes) is typically required at 1 per 1,250 sq.ft. per unit not to exceed 2 per unit for. For single family attached and detached dwellings, required parking is also 1 per 1,250 sq.ft., not to exceed 3 spaces per unit.

For office uses, parking is required at one space per 400 sq.ft. For personal service and retail uses, parking typically is required at 1 per 200 sq.ft. to 1 per 300 spaces per sq.ft. Depending on the intensity and type of use (i.e. restaurants require the lower threshold or more parking).

Given the size of existing improvements and the overall parcel size, parking appears to be very adequate for the use. In addition, if improvements were demolished, the use(s) were to change, the site area would also be sufficiently adequate for parking and site improvements to accommodate a variety of mixed uses.

Assessments and Taxes

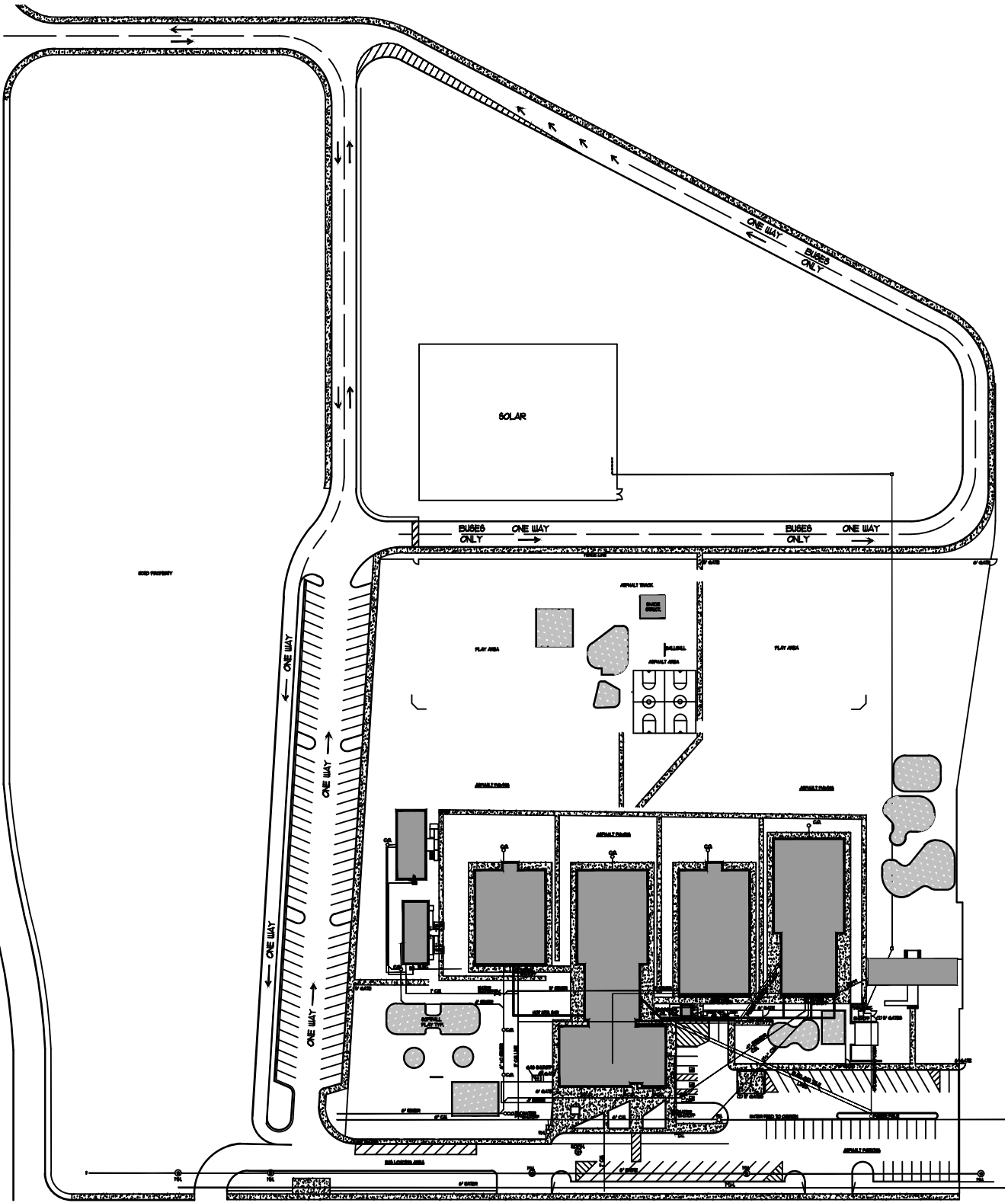
The entire parcel, encompassing the subject, contains 33.79 +/- acres and two schools (subject elementary and new middle school). The land is assigned a very low assessed value, in light of its tax exempt status. Specifically, the land is assigned a nominal assessed value of \$11,826 for a full value of \$33,790 or \$1,000 per acre. The full value for building improvements indicate a 26/27 assessment for building improvements of \$12,994,438 for a full value of all improvements at \$37,126,966 with most being allocated to the new O'Brien School built in 2021.

The only tax currently assessed for the property is a remediation fee of \$60 for the year. With any new private sector development, the property will be re-assessed with the land likely to be estimated at fair market value and improvement value to be based on replacement cost new less 1-1/2% per year for depreciation down to a minimum of 25% of the estimated replacement cost. The 2026/27 tax rate in the area is \$3.66 per \$100 of assessed valuation.

OTHER PRIVATE RESTRICTIONS/ASSESSMENTS

There are no private restrictions nor assessments of which the appraiser is aware.

SILVER LAKE RD.



STEAD BLVD.

STEAD - SITE PLAN

1/10

IMPROVEMENTS SUMMARY

A copy of the floor plan site plan was shown on the prior page. For security purposes and at the request of the WCSD, no other sketches of the classroom nor other room delineations are shown in this report.

The subject parcel is improved with various school buildings that were originally constructed as the Stead Elementary School in 1950. As a new Stead Elementary school is under construction in a new location, the subject property is commonly referred to as the Old Elementary School.

According to the Washoe County School District, the four original buildings were constructed in 1950 and contain a total of approximately 39,603 sq.ft. At a later date, or 1996, an additional, free-standing, modular building, now used for music and computer classes was added to southwest side of the main buildings. This building contains about 2,016 sq.ft. for total permanent school buildings totaling about 41,619 sq.ft.

There are two additional "mobile" buildings with a total of about 2,711 sq.ft. Mobile building #639 (1,206 sq.ft) and #680 (1,505 sq.ft.) are each located on the north side of the subject's school grounds.

As noted in the introduction to the appraisal, the mobile buildings are not considered in the overall value of the property; thus, the building description below is just for the main school buildings constructed on permanent foundations. However, a summary of the mobile buildings will be included at the end of this section, since they are considered in the rental analysis.

The building description is summarized as follows:

Foundation: Concrete for all school building.

Exterior Walls: Concrete block for main buildings and wood siding for modular building. The entrance foyer to the main building, which appears to have been enclosed at a later date has metal or vinyl type of siding with extensive glass windows.

Roofs: The roofs appear to have asphalt covering with a slight slope on each building. Each of the buildings have covered eaves extending from the roof line. It does not appear that the roofs have been replaced within recent years, according to permits filed with the City of Reno.

Interior Walls/

Ceilings: Painted exposed concrete block and painted sheetrock. The public restroom near the entrance has vinyl backed paneled walls. Restrooms in the classrooms within the main building have a painted vinyl application wainscot extending about ½ way

up the wall with both painted sheetrock and block extending up the balance of the walls. Walls within the restrooms that are accessed from the exterior of each building have painted sheetrock and painted concrete block walls.

Ceilings in the restrooms are typically painted sheetrock. Ceilings in the multi-purpose and classrooms typically have dropped acoustical ceiling tiles.

Ceilings in the Modular building (M) are dropped acoustical with recessed florescent lighting. Some of the ceiling tiles in the administrative areas have smaller acoustical ceiling tiles.

Floor Finish:

The entrance and many of the offices have commercial grade carpet; floors in the rest rooms and multi-purpose room are vinyl. Floors in the kitchen area are concrete or vinyl with floors in some of the storage rooms being concrete.

Interior Finishes:

There are a number of built-in cabinets and counters within offices and classrooms, being melamine having either a quartz counter (classrooms) or formica counter. Each of the classroom has a sink with drinking fountain with one restroom. The restrooms in the classrooms have typically one toilet with boys' restrooms having a toilet and urinal.

The kitchen has a walk-in refrigerator, accessed by a sliding door along with a grease interceptor. The kitchen also has extensive stainless steel equipment, considered to be personal property.

Lighting is either mounted florescent, recessed florescent (between ceiling tiles) or hung florescent lighting (mostly in multi-purpose room and classrooms). There is exposed ducting in some of the classrooms.

It is noted that there is an area on the south side of the main building that had formerly been the access to a basement, which was finished on the grade level for counselor offices and a restroom. Thus, the finishes in this area are much nicer with newer commercial grade carpet, painted sheetrock walls, and dropped acoustical ceiling tiles with recessed florescent lighting. Doors are also nice wood. There is a room with a fairly new water heater next to this area.

Heating & Cooling:

The buildings are heated and cooled by roof top units, which provide heating, cooling and ventilation. The roof top units are surrounded by a metal type of wainscot. Per WBSD maintenance, there have been no major repairs nor upgrades in recent years beyond basic requirements to keep the system in good condition and operating. Alerton is the company that the school district uses for controls, temperature and operation of the units.

A photovoltaic solar field was added to the northeast portion of the site, and these solar panels reportedly support electricity generation to the entire property. While the solar would not be available for a new user/ buyer of the 10 acre parcel, if improvements were to be demolished, it is understood that they would continue to be utilized if the buildings were to be rented to third party tenants.

Plumbing:

As noted, the building has various rest room with toilets and some urinals. There are also a few janitorial sinks throughout along with sinks in the break areas, classrooms, and restrooms.

Fire Safety:

The entire building is on a fire monitoring system, but no sprinklers.

Windows/Doors:

There is a security check-in window located in the entrance/ foyer within the main building. The majority of windows throughout the two buildings are dual pane. Interior doors are typically wood with exterior doors being metal.

Landscaping, Yard

Improvements:

The entire property, which accesses classrooms and the playground is surrounded by a chainlink fence.

Concrete walkways surround the school buildings with concrete drainage culverts interspersed, as well. The remaining areas in between the school buildings has asphalt pavement. The large play ground on the east side of the buildings and northwest corner of the buildings has decomposed granite with various areas having wood chips.

The perimeter of the parking area, which fronts Stead Boulevard, is landscaped with rock ground cover, decomposed granite and various trees and pine trees. There are various planter areas with dirt in the asphalt parking area in front (west side) of school buildings. There are also various trees interspersed along the front or west side of the school buildings.

The primary asphalt parking lot for the school is situated on the southwest portion of the site with an asphalt road/ driveway extending northerly and then easterly along the north side of the property. This area provides additional parking and also extends to the easterly boundary of the site and connects to the road/ driveway extending from Silver Lake Road. It is noted that this road way, denoted as Washoe County Assessor's Parcel APN 550-502-26 is owned by the WCSD. The entire northerly section of the parcel along with the northwest corner is not landscaped other than dirt and native sage brush.

The front of the main building has lawn with various trees as does the southeast corner of the property with all being on an automatic sprinkler system. Sidewalks surround the west side (Stead Boulevard portion) of the subject site.

Condition:

At the date of inspection, both the exterior of the building and interior were in average condition, given the age of improvements. As noted, and given the new school being built, there was no evidence that the building roofs have been replaced in recent years. The asphalt is in fair to average condition with various areas of cracking along with areas showing patching, which has been done over the years.

Mobile Buildings

As noted, there are two mobile buildings on the site; while these buildings are not considered to be a part of the real property, they are considered in a rental value; thus, a brief description is included.

The mobile buildings have skirting and wood siding with gabled roofs. Each mobile is accessed by a set of stairwells. These mobile buildings have typically carpet floors with dropped acoustical ceiling tiles and vinyl floors in the restrooms and built-in cabinet/counters with sink along with two restrooms per building. Windows are dual pane with metal grates covering them.

HIGHEST AND BEST USE

Highest and best use is defined as:

the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible and that results in the highest value.

(Source: The Appraisal of Real Estate, Twelfth Edition, Page 305).

The four criteria the highest and best use must meet are physical possibility, legal permissibility, financial feasibility, and maximum productivity.

As If Vacant

Physically Possible

The subject property consists of a 10 acre parcel, situated near the corner of Silver Lake Road and with about 750 feet of frontage along Stead Boulevard. There are three ingress/egress points to the site along Stead Boulevard; the site has all access to utilities and is generally flat. The property is surrounded by commercial uses to the west across Stead Boulevard; commercial and residential uses to the immediate north and across Silver Lake Boulevard; the school property solar field to the east, followed by residential uses; to the southeast is the newly constructed O'Brien Middle School followed by residential uses. The subject property has very good access to Highway 395. Thus, based on the physical characteristics of the site and surrounding uses, a number of uses could be accommodated on the site.

Legally Permissible

The subject property is zoned Public Facility with a Master Plan designation of Public/Quasi-Public. As noted, in the site data section, this zoning provides for a wide variety of uses, including, but not limited to offices, religious facilities, government facilities, personal service uses, and schools all with varying use regulations. The subject's PF zoning also allows some residential including duplexes, tri-plexes four-plexes and single family attached and detached homes; however, no multi-family residential, no retail, nor industrial uses are allowed in this zoning. Thus, based on the existing zoning and master land plan, current legally permissible uses that would be reasonable, considering the site's physical characteristics and zoning, would involve such uses as schools, offices, churches, and rather low density residential uses.

Notwithstanding the above, the subject's zoning is dictated by the historical and current use of the site. However, based on demand and with a phasing out of the subject's existing elementary school, which is being replaced by a new elementary school, located about 1.5 miles to the southeast and which is surrounded by residential uses and not on a major thoroughfare, it is considered very probable that a wider variety of uses could be reasonable for the site. This is based on surrounding uses, densities and a very high traffic volume along Stead Boulevard.

Based on discussions that I have had with the City of Reno Planning Department, private planners and brokers, it would be probable to obtain both a zone change and master land use modification for the 10 acre portion of the subject parcel. This is due to the long-standing use of this portion of the subject parcel, originally as a school, but with the area evolving and with a need to intensify uses. This is especially recognizable due to the high traffic volume along Stead Boulevard, neighboring uses and zoning directly across the street fronting Stead Boulevard, and number of housing units that have been built over the last several years, especially to the east. Furthermore, as the current use as an elementary school will be abandoned with the opening of the new school, and if no strong demand existed for a similar use or one allowed under the current zoning for the 10 acre site and older building improvements, than it would be reasonable to look at alternative uses that are compatible with surroundings.

To allow retail uses or multi-family residential uses, any owner/applicant must obtain approval of both a master plan amendment and a re-zone. Per the City of Reno Planning department, a zone change and master land change would involve the following steps:

- Application submittal and completeness review*
- Staff/Applicant meeting
- Neighborhood meeting (s)
- Planning Commission hearing
- City Council hearing
- Regional Planning Commission review for conformance with the Truckee Meadows Regional Plan

*Applications are available on the planning and zoning website for city of Reno, and they advise pre-application meetings, prior to submittal of applications.

All of these processes, while potentially lengthy and with fees involved, would be considered to be highly probable and reasonable outcomes, especially, in light of the subject's frontage and traffic along Stead Boulevard.

Zoning for parcels surrounding the subject to the west is MS or mixed use suburban, whereby a wide variety of retail, commercial, and also residential uses are allowed. Parcels to the immediate north are improved with offices and multi-family uses, followed by a mobile home park across the street (zoned MF-14 or multi-family with density of 14 units per acre). Parcels on the east side of the WCSD-owned solar farm are primarily single family residential with zoning of planned unit development and a master land use of single family residential.

The cost and timing factors associated with a change to the zoning and to the master land use plan will be considered in the valuation.

Financially Feasible and Maximally Productive

Given surrounding uses and the size and shape of the subject's assumed 10 acre parcel, a Mixed Use Zoning designation, encompassing the entire 10 acres would appear logical.

Per the City of Reno's Annexation and Land Development Code, "the MS district is intended to promote the gradual transition of the City's suburban corridors to a mix of higher-density residential, retail, commercial, and other employment and service-oriented uses. Mixed-Use Suburban is generally appropriate within or adjacent to areas identified as Corridors, Employment Areas, and Mixed- Use within the Master Plan Structure. This assumes that a zone change and master land use change would be made, which is considered feasible relative to the land value and surrounding compatible uses. A land use change from P/Q-P to Suburban Mixed Use (SMU) would be the logical land use structure. Per the City of Reno's Reimagine Reno Master Plan, primary uses include a "diverse mix of commercial and residential uses. The size, density, and mix of uses will vary depending on access, location, and the character of surrounding areas." Secondary uses involve "Medium to high-density residential uses, civic and government uses, as well as public space and other community oriented uses."

It is noted that other than convenience stores, dollar-type stores, small retail shops, fast food restaurants, fast casual restaurants, and personal service type uses, there are no grocery stores that service the immediate area nor areas to the northwest including Red Rock and Cold Springs; thus, it is judged that a grocery store anchored use could be very viable for the subject site. While there is no minimum or maximum residential density required under MS zoning, given the proximity to housing to the east, it may be reasonable to incorporate some type of housing involving densities of 14 to 30 units per acre, which could maximize the efficiency and density of the site. And/or to minimize traffic towards the easterly side of the parcel, a use such as a self-storage facility, also allowed within a Mixed-Use Suburban or MS zoning designation, could be probable. For an expanded buyer/ demand pool for the subject property, and given surrounding uses, which are broad, it is judged that obtaining a zone change and master land plan change would not be out of the realm of possibilities. Therefore, in considering the value of the subject's underlying land in the valuation section to follow, a variety of land sales will be considered. The most probable buyer of the property with consideration to the vacant land only would be some type of retail or mixed-use developer.

Highest and Best Use "As Improved"

As noted, the subject parcel is improved with five permanent school buildings, containing a total of about 41,619 sq.ft., with the main building constructed in 1950 as an elementary school and a modular building with about 2,016 sq.ft. on permanent foundation having been built in 1996. All buildings and the entire property including the Elementary school, playground area, parking, and situated on about 10 acres, continue to be used as such. The parcel is well-located along a major corridor in Stead surrounded by a variety of uses.

Given the date of construction for the main buildings and even condition of the modular buildings, they are nearing their economic lives. This is especially true relative to the site area, upon which the buildings are located, containing about 10 acres. There is judged to be a lesser demand for an existing older elementary school campus, based on the underlying land value and the estimated costs that it would take to renovate the buildings into a higher and better use. Included in the addenda is a sales chart of other school type and office buildings, which have sold over the last several years. Based on the sales of those buildings that are generally the same size as the subject that I have researched, which range in price from \$76 to \$175, the lower to middle range would be indicated for the subject, given the age, size, and condition. Factoring an "as is" value for school buildings, and assuming there were to be demand for similar uses, a value of \$125 per sq.ft. to \$140 per sq.ft. of building area. This recognizes that any potential developer or owner/user of the property would need to spend significant dollars over and above the purchase price to potentially bring the buildings up to current and modern standards, potentially adding new roofs, flooring, etc.,

On the other hand, research of land sales, reflecting a change in the zoning and land use for the subject, (See valuation section to follow) resulted in a value of \$15 per sq.ft. of land area. Upon deducting for demolition costs and entitlement fees from the total, a higher underlying value results compared to that estimated value (above) of the entire property with building improvements. With surrounding residential, industrial and commercial growth, it may not make sense to significantly remodel the existing school improvements that are over 75 years old.

Therefore, considering the very good location along Stead Boulevard, and given stronger demand for a new retail and/or mixed use, incorporating potentially some residential and/or even a self storage use in the back, the highest and best use of the parcel is for the underlying land. That is, the highest and best use considers the demolition of older existing building improvements with a change in the zoning and master land use judged feasible in order to develop the parcel to a use or uses that are compatible with the area.

Furthermore, based on discussion with market participants and research of building and land sales, the highest and highest and best use "as if" improved is for some type of retail or mixed use development incorporating either a multi-family use or personal service/ self storage use, built new.

The most probable buyer would be the owner(s) of contiguous parcels and/or an investor/ developer or specifically a developer, who is willing to take on the development risk of obtaining a zone change and master land use change along with demolishing improvements.

VALUATION

APPRAISAL PROCESS

Normally, an appraiser has three methods of estimating the value of a property, which are known as the cost approach, the sales comparison approach, and the income approach. The three approaches are analyzed as to their credibility for equating this property's value, and the approach that is considered to carry the most weight is the basis of value for this property.

The cost approach considers the value of the vacant land plus cost of site improvements and/or other building improvements less depreciation. The sales comparison approach considers market sales of other properties in the area. The income approach is typically analyzed based on a comparison of market rents and expenses of other similar properties. Given the highest and best use of the property with the underlying land value considered, the sales comparison is the sole approach used in valuing the property or underlying land, in this case.

SALES COMPARISON APPROACH

The sales comparison approach is a technique in which the market value estimate is predicated upon prices paid in actual market transactions or current listings, the former fixing the lower limit of value in a static or advancing market (pricewise) and fixing the higher limit of value in a declining market; and the latter fixing the higher limit of value in any market.

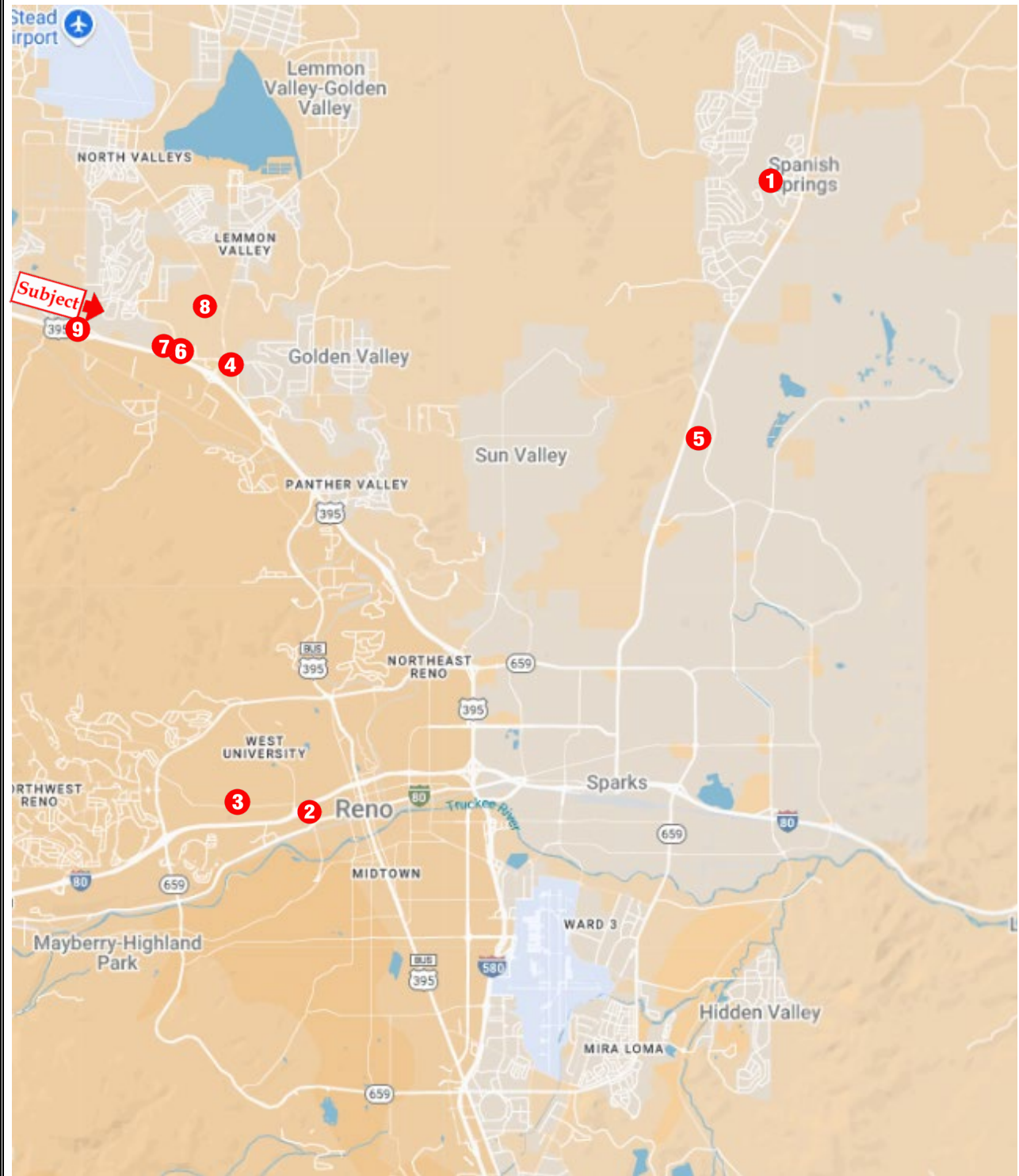
It is a process of correlation and analysis of similar recently sold properties. The reliability of this technique is dependent upon a) the degree of comparability of each property with the property under appraisal, b) the time of the sale, c) the verification of the sale data, and d) the absence of unusual conditions affecting the sale.

Land Sales Valuation - Land sales and listings were researched. However, given the zoning for the subject parcel and lack of land sales market-wide, it was necessary to expand the search to a broader area of Reno/Sparks. A copy of the sales chart, map and adjustment map are shown on the next several pages with a discussion following. Aerial maps and APN maps of the sales and listings are included in the addenda. Sale Nos. 1 through 3 are sales of land which were or will ultimately be developed with multi-family. Sale No. 4 is a piece of land that sold for a new charter school site; and Sale Nos. 5 through Listing No. 9 are sales of commercial land. The sales will be compared to the subject as if the subject had entitlements (zoning and master land use plan change) for higher intensity uses with adjustments made at the end for entitlement related and demolition costs.

**COMMERCIAL/ RESIDENTIAL
LAND SALES/LISTING CHART**

Sale No.	Location APN	Sale Date	Sale Price	Land Area SF Acres	Price per sq.ft.	Zoning	Comments
RESIDENTIAL-ORIENTED							
1	NW Corner of Neighborhood Way and Eagle Canyon Drive aka 200 Gary Hall Way APN 532-031-10 & 15 Now 532-031-17 & 18 Sparks, NV (Washoe Co.)	12/22/2021	\$3,588,255	287,060 sf 6.59 ac. Approx. Useable 277,358 sf 6.37 ac.	\$12.50 \$12.94	NC	Grantor: Spanish Springs Asso. LP Grantee: Vintage Housing Holdings LLC Doc. #: 5261583 Site originally planned for commercial & office use. Useable land is less due to a partial 42' drainage/ pedestrian easement. 257 Senior affordable apartment units since completed on 5.3 +/- acres. Flood Zone X-Unshaded
2	500 Stoker Avenue APN 006-153-06 Reno, NV	7/15/2024	\$5,465,020	395,133 sf 9.07 ac. Indicated Price/Unit -->	\$13.83 \$30,361	MU	Grantor: 500 Stoker LLC Grantee: Sage by Vintage, LP Doc. #: 5469740 Developed with new 180-unit Affordable Apartment Complex - known as Sage at Vintage. Density 19.8 Units/Acre Flood Zone X-Unshaded
3	2400 W. 7th Street APN 005-122-09 Reno, NV	5/2/2025 Demo. Expend. Total w/ Demo.	\$1,850,000 \$65,320 \$1,915,320	162,043 sf 3.72 ac. Adjusted: psf Indicated Price/Unit -->	\$11.42 \$11.82 \$68,404	SF-8	Grantor: Episcopal Diocese of NV Grantee: AMH NV18 Development LLC Doc. #: 5536721 Buyer plan to demolish church on site w/ 8,208 sf, built in 1971 with plans to construct a 28-unit SF detached cluster home develop. Density: 13.3 units/acre Flood Zone X-Unshaded
SCHOOL SITE SALE/ RES. & COMMERCIAL							
4	N. Side North Hills Blvd. APN 088-201-58 Reno, NV	7/21/2024	\$4,250,000	462,607 sf 10.62 ac.	\$9.19	SF3 GC	Grantor: Trivest Trust et.al. Grantee: Lemmon Valley School Development, LLC Doc. #: 5478669 About 4.5 acres on the east side next to school is zoned SF-3 with the balance, fronting North Hills Blvd., zoned GC. Planned for Charter School. Land Use: Suburban Mixed-Use Flood Zone X-Unshaded
COMMERCIAL-ORIENTED							
5	SEC Wingfield Hills Road & Pyramid Highway APN 083-024-22 & 19 Sparks, NV	3/21/2025 3/20/2025	\$25,637,063 \$28,863,357	2,034,383 sf 46.70 ac.	\$12.60 \$14.19	NUD	Grantor: Barclay Holdings CXXXII LLC Grantee: Smiths Food & Drug Centers, Inc. Doc. #: 5527216 Grantor: KM2 Development Inc. Grantee: Barclay Holdings CXXXIII LLC Doc. #: 5527167 Sale involved in a double escrow w/ lower price paid by Smiths due to Seller's option to purchase other pads if/when further subdivided by Smiths. Kiley Ranch North - Comm. Comm'l Flood Zone X-Unshaded
6	7155 Sky Vista Parkway APN 086-380-18 Reno, NV	6/4/2025	\$2,338,681	200,245 sf 4.60 ac.	\$11.68	GC	Grantor: Quick Quack Car Wash Holdings Grantee: CFT NV Developments LLC Doc.: 5544425 Under construction with retail and drive-thrus including Panda Express and 2 others planned. Flood Zone X-Unshaded
7	7495 Sky Vista Parkway APN 086-380-46 Reno, NV	2/9/2026	\$1,137,321	59,859 sf 1.37 ac.	\$19.00	GC	Grantor: Sparks Family Hospital Grantee: 7495 Sky Vista, LLC Doc.: 5599894 Formerly a portion of larger parcel. Under construction with Tire Store/ Smog/Check Facility Flood Zone: X-Unshaded
8	Lemmon Drive & Military Road APN 086-390-30 & 34 Reno, NV	5/2/2025	\$2,000,000	144,826 sf 3.32 ac.	\$13.81	GC	Grantor: Commonwealth Reno-1 LLC Grantee: Ergs Doc. #: 5585524 APN 086-390-30 w/ 3.19 acres sold prior 2/2018 from North Peaks Apts, LLC (entity of Ergs) to Seller; seller since connected to utilities. Planned for mini-storage development. Flood Zone: X-Unshaded
Listing 9	7005-7015 Stead Blvd. APN 090-150-06 & 090-150-16 Sparks, NV	Former Listing	\$3,750,000	201,944 sf 4.64 ac.	\$18.57	MS	Owner: Hoffman Family Trust Just south of Maverik Convenience Mkt. Zoned Mixed Use Suburban Master Land Use: Suburban Mixed Use Flood Zone: X-Unshaded, but drainage on site.
Subject	10580 Stead Boulevard A portion of APN 550-020-05 Reno, NV	n/a	n/a	435,600 sf 10.00 ac.	n/a	PF	Public Facility Zoning and Public/Quasi-Public LU Assumption that change to Mixed Use Suburban and land use change to Suburban Mixed Use would be probable; further costs deducted.

Land Sales/Listing Map



N↑

Land Sales Adjustment Grid

Comparable Land Sale	Subject	Land Sale 1	Land Sale 2	Land Sale 3	Land Sale 4	Land Sale 5	Land Sale 6	Land Sale 7	Land Sale 8	Land Listing
Name	Stead Blvd. Reno	Neigh./Eagle Sparks	500 Stoker Reno	2400 W 7th Reno	N. Hills Blvd. Reno	Wingfield Sparks	7155 Sky Vista Reno	7495 Sky Vista Reno	Military/Lemmon Reno	7005-7015 Stead Reno
Location										
Sales/List Price psf - After Expend.	N/A	\$12.94	\$13.83	\$11.82	\$9.19	\$14.19	\$11.68	\$19.00	\$13.81	\$18.57
Size - Acres	10.00	6.59	9.07	3.72	10.62	46.70	4.60	1.37	3.32	4.64
Market/Transaction Elements										
Property Rights Adjustment	-	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing Terms Adjustment	-	0	0	0	0	0	0	0	0	-0-
Condition of Sale Adjustment (+/-)	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Date of Sale Adjustment	-	0	0	0	0	0	0	0	0	0
	-	Entitlements (+)	Arm's Length =	Arm's Length =	Arm's Length =	Arm's Length =	Arm's Length =	Arm's Length =	Arm's Length =	Assume Arm's =
	-	Dec-21 (+)(+)	Jul-24 (+)	May-25 =	Jul-24 (+)	Mar-25 =	Jun-25 =	Feb-26 =	May-25 =	Current Listing (-)(-)
Geographical/Physical										
Location Adjustment	North Valleys	Similar =	Superior (-)	Superior (-)	Similar =	Superior (-)	Similar =	Similar =	Similar =	Similar =
Access/Visibility/Traffic Adjustment	Very Good	Sl. Inf. (+)	Inferior (+)	Inferior (+)	Inferior (+)	Superior (-)	Inferior (+)	Inferior (+)	Inferior (+)(+)	Inferior (+)
Land Size Adjustment	Large	Sl. Smaller (-)	Similar =	Smaller (-)	Similar =	Larger (+)(+)	Smaller (-)	Smaller (-)(-)	Smaller (-)	Smaller (-)
Topography/Flood Zone/Util./Shape Adjustment	Good	Similar =	Inferior (+)(+)	Inferior (+)	Inferior (+)	Inferior a Sale (-)	Inferior (+)	Net Similar =	Similar =	Inferior (+)
Zoning/Land Use/Other Adjustment	Assume MS	Similar =	Similar =	Sl. Inferior (+)	Sl. Inferior (+)	Sl. Inf. (+)	Similar =	Similar =	Similar =	Similar =
Net Adjustments - All	-	(+)(+)(+)	(+)(+)(+)	(+)	(+)(+)(+)(+)	=	(+)	(-)(-)	(+)	(-)(-)
Net Qualitative - Comparable is:		Inferior	Inferior	Sl. Inferior	Inferior	Net Similar	Sl. Inferior	Superior	Sl. Inferior	Superior
Overall - Underlying Indicator		Low	Low	Low	Low	Reasonable	Slightly Low	High	Low	High

Land Sale No. 1 is located about 14 miles east of the subject and is a parcel situated on the northwest corner of Neighborhood Way and Eagle Canyon Drive in Spanish Springs, being on the northwest corner of the nearby roundabout. The sale consisted of two parcels, including a 5.59 acre parcel on the immediate corner and a contiguous 1 acre parcel near the southwest corner. The parcel is zoned Neighborhood Commercial (NC) and had been site planned for various commercial pads and an office building. The parcel has a 42 foot wide drainage easement along this parcels southerly boundary, but only for the corner parcel, extending about 231 feet along Eagle Canyon Drive, resulting in a smaller estimated useable area. There were no other extenuating circumstances associated with the sale. The buyer was an apartment developer, who re-parceled the property with now an approximate 1.312 acre oblong parcel fronting Eagle Canyon Drive with the rear, 5.28 acre site now completed with a 3-story, 257 unit apartment senior affordable complex, known as Vintage at Spanish Springs. The buyers had to obtain a special use permit for the multi-family use.

Given the date of this sale with still very good demand for vacant land and associated diminishing supply, an upward adjustment is made for time. A slight upward adjustment is also made for the entitlements that were necessary at the time of sale, which were more stringent when the apartments were originally planned. Although this parcel has a great amount of residential surroundings, a slight upward adjustment is made for the lesser traffic volume with the nearby traffic count along Eagle Canyon Drive at about 15,300 vehicles per day (2024). A slight offsetting downward adjustment is made for this parcel due to the smaller size.

Land Sale No. 2, 500 Stoker Avenue, is located about 10.6 miles southeast of the subject. This parcel is irregular in shape and backs up to Interstate 80 in northwest Reno. Access to this site is along Stoker Avenue to the west, which extends underneath the freeway. The parcel is now improved with an 180-unit affordable apartment complex, known as Sage by Vintage. The parcel was zoned Mixed Use, which allowed this density of about 19.8 units per acre.

A slight upward adjustment is recognized for the time of this sale. However, based on the location being close to downtown Reno, the University and northwest Reno, a downward adjustment is made for the general location compared to the subject. However, in spite of the superior visibility, an upward adjustment is made for the much lower traffic volume in the 2,850 vehicles per day range along Stoker Avenue in 2024 and 2023. An upward adjustment is also made for the inferior topography with this parcel having a more challenging slope than a typical flat piece of land. In addition, all utilities had to be brought to the site.

Land Sale No. 3, 2400 W. 7th Street, is located about 114.5 miles south from the subject in Northwest Reno. The 3.72 acre, irregular shaped parcel, slopes gently from the north to the south and had been improved with an 8,200 +/- sq.ft. church, built in 1971. The property had been offered for sale as a “land play” and recently sold to a developer. The developer plans to demolish building improvements and construct 28 detached homes. The demolition permit indicated a cost of \$56,800, equivalent to about \$6.92 per sq.ft. of building improvements with a profit factored, adding to the acquisition costs but with an offset of credits for about 15 to 16 plumbing fixture credits.

Similar to the prior sale, a downward adjustment is made for the location with this parcel being closer to downtown Reno, the university, etc. However, an upward adjustment is made for visibility and traffic volume. While West 7th Street has become a major arterial, the area is more residential oriented area with a 2024 average annual traffic count of 6,700. A downward adjustment is made for the smaller parcel size. As the zoning of SF-8 allows a lower residential density than that assumed for the subject, and given surrounding lower density uses, a slight upward adjustment is recognized for this zoning. An upward adjustment is also made for the slope of this parcel with mass grading and a rock retaining wall required. However, upon considering upward adjustments for time and the slope, this land sale would compare somewhat similarly to the subject’s “as is” zoning, since the subject’s existing PF zoning does allow some residential uses.

Land Sale No. 4 is located about 3.2 miles southeast from the subject. The parcel is situated on the southeast corner of North Hills Boulevard and Beckwourth Drive in Golden Valley. The parcel is situated immediately east of the Alice Smith Elementary School and immediately northwest from a Raley’s anchored shopping center. While there are no traffic counts available for this thoroughfare, based on the amount of vacant land, the traffic count would appear to be much lower than the subject, albeit, the site does have some visibility from Highway 395 to the southwest. The parcel has split zoning with about 4.5 acres on the east side (and next to the school) having SF-3, single family zoning with the balance or about 6.1 acres with frontage along North Hills Boulevard having General Commercial (GC) zoning. The parcel was purchased by an entity of the Mater Academy with this site planned to be developed with one of their academies to encompass kindergarten through twelfth grade. This would be called their Golden Valley Campus. According to a post on their website, “Mater Golden Valley will not open for the 2026-2027 school year due to zoning delays beyond the school’s control. The school is working diligently toward opening as soon as possible.” Prior to the land sale purchase, the buyers (now owner) had to apply for a minor conditional use permit. As of October 2025, they applied for an extension on other entitlement matters.

Given the date of sale, an upward adjustment is made for time, as values have continued to increase. Overall, the general location would be comparable to the subject; however, an upward adjustment is required, especially for the GC-zoned portion of the parcel with a much lesser traffic volume compared to the subject for a retail use. Upward adjustments are also required for the undulating topography and lack of utilities connected to the site. As the sale is compared to the subject assuming the subject had a mixed use zoning, an upward adjustment is also made for the inferior split zoning with SF-3 zoning on the easterly side.

Land Sale No. 5 is located about 11.5 miles east from the subject on the southeast corner of Wingfield Hills Road and the Pyramid Highway. The parcel also has frontage on the east side along David Allen Parkway and has community commercial zoning within the Kiley Ranch North Handbook. This zoning allows no residential.

This property sale involved a double escrow. The first sale that closed on March 20th of last year involved an arm's length transaction between the longer term owner of the parcel, which was KM2 Development, Inc. (formerly Rising Tides, LLC). As it was Barclay Holdings intention to develop out parcels with complementary uses to a Smiths Food & Drug, they concurrently negotiated the sale of the entire parcel to Smith's at a lower price (about 12.6% less). In exchange, Barclay Holdings negotiated a option to purchase other pads/parcels within the Smith's center. The motivation here was to have an anchored center with the ability to develop and/or sell out parcels at higher pricing that would more than offset the discount from the original sale to the sale to Smith's. For purposes of this appraisal, the original arm's length sale at \$14.19 per sq.ft. is being compared to the subject.

In light of the Spanish Springs location, with surrounding newer houses, a downward adjustment is made for location. Similarly, based on the positioning of this parcel with frontage along the Pyramid Highway and frontage along two more streets, a downward adjustment is made for traffic/ visibility with a nearby traffic count at 47,000 vehicles per day in 2024. An offsetting upward adjustment is made for the much larger combined site area with an upward adjustment also made for the lack of residential uses allowed, compared to the Mixed Use, assumed for the subject. Furthermore, this parcel does not have the infrastructure that the subject parcel has.

Land Sale No. 6, 7155 Sky Vista Parkway, is located about 2 miles east of the subject. This parcel is in the vicinity of the new Northern Nevada Urgent Care facility, and was sold to a developer, who is developing various retail spaces and drive-through facilities.

An upward adjustment is made for the inferior traffic volume compared to the subject; downward adjustments are also made for the sloping topography and lack of infrastructure to the site. This is offset somewhat by the smaller parcel size. This parcel's GC (General Commercial) zoning is considered comparable to a mixed use zoning, assumed to be probable for the subject site.

Land Sale No. 7, 7495 Sky Vista Parkway, is located about 1.8 miles east from the subject. It is noted that this parcel was a portion of a once, larger 7.29 acre parcel, that was purchased by the Sparks Family Hospital in November of 2023 for \$8.93 per sq.ft. Sparks Family since divided this larger parcel into three parcels: one encompassing this parcel, one comprising their new urgent care facility with 10,726 sq.ft., situated two parcels west from this sale parcel; and still has a 3.1 acre parcel under their ownership. The 7.29 acre parcel sold as an undeveloped parcel, with sloping topography and with no infrastructure in place. This 1.37 acre parcel is now under construction with a tire store.

Overall, while upward adjustments are required for the inferior traffic count, a more than offsetting downward adjustments is made for the smaller parcel size. In addition, this parcel had more infrastructure in place, compared to the original sale to Sparks Family Hospital.

Land Sale No. 8 is located about 3.2 miles east of the subject. The parcel is situated one parcel to the west from Lemmon Drive and one parcel west from the newly developed North Peak Apartments. It is noted that this parcel was purchased by the same developer of the apartments, which is Ergs, Inc. This same group (Ergs, Inc.) had sold this parcel in 2018 to Commonwealth Ren-1, LLC for \$1 million. It was the buyers intent to develop the site to low income housing; however, they abandoned their plans, since it was not a designated low income housing area that met their financing criteria. As such, the parcel was put back on the market to be sold. Notwithstanding, the former owners brought all utilities to the site. The buyer (current owner) ended up being the same owner/developers of the North Peak Apartments, which surround this site. The new owners plan to develop a self-storage facility on this parcel, which would tie in nicely with their apartments and which will require obtaining a conditional use permit.

While the general location is considered to be similar to the subject and Military Road experiences a great deal of traffic, similar to the subject, this parcel is set back one parcel from Lemmon Drive with no direct frontage along this street and with access via the contiguous parcel to the east. Thus, an upward adjustment is required for traffic viability to compare to the subject. An offsetting but lesser downward adjustments is made for the smaller parcel size.

Land Listing No. 9 is located about .25 mile south from the subject and immediately south of the Maverik fueling station. This property (comprising two parcels) had been listed for sale; however, it was taken off the market within the last two weeks. . The one major obstacle for this property, with one of the parcels backing up to the railroad tracks, is that there is an existing drainage area that runs in a north-south direction through the easterly parcel.

Because this is a listing and although taken off the market, a downward adjustment is made for the listing status, as parcels, especially land, typically sell for less than their asking prices. While visibility and traffic is very similar to the subject, an upward adjustment is made for recognition that there is a right-of-way area on the easterly border with access that must be granted via the Nevada Department of Transportation. A downward adjustment is made for the smaller combined parcel size; however, an upward adjustment is made for the inferior topography with the drainage area that must be addressed.

Sales Summary and Conclusion

The sales ranged from \$8.93 per sq.ft. for Land Sale No. 6 to \$19.00 per sq.ft. for Land Sale No. 7 with one former listing at \$18.57 per sq.ft. of land area. Upon comparing the various characteristics with the subject, and assuming the subject had Mixed Use Suburban zoning with an associated master land use of Suburban Mixed Use, Land Sale Nos. 1, 2, 3, 4, 6 and 8 are rated inferior, requiring upward adjustments primarily due to the time of each sale and the lesser amount of nearby traffic, topography and/or utility infrastructure. Land Sale No. 7, which was a much smaller parcel, and had good access to utilities, was rated superior, while Land Listing No. 9 was also rated superior. Land Sale No.5, although much larger is acreage than the subject was rated net similar.

Based on the analysis of the prior sales and listing, and given the subject's good frontage and visibility along Stead Boulevard with a retail use anticipated for the westerly portion of the parcel, and potentially a mix of uses near the easterly border, the value of the property is estimated at the middle to upper end of the range or \$15 per sq.ft. of land area. As noted, this value assumes that a zone change and master land use change have been obtained.

Deductions for "As Is" Land Value

Cost for Entitlements

As noted, in the zoning discussion in the site data section, there are various residential uses, religious uses, public type uses, offices, and personal services allowed outright in the existing PF zone with various use specific standards that must be met. However, for more intensive retail or a mix of uses, potentially incorporating multi-family residential and/or even self-storage uses, both a zone change and master land use change must be made. Included in the Highest and Best Use section of this report are

the general planning steps that must be taken; and based on discussions with area planners and brokers, and especially, given surrounding uses and the high traffic volume along Stead Boulevard, a change to both the zoning and master land use is deemed to be realistic.

While the initial planning/ entitlement related costs could be in the \$60,000 to \$100,000 range, there may also be additional plans required for this site such as conceptual site plans, traffic studies, etc. that could be in the \$100,000 range for a total of \$200,000. However, with offsets for fixture values (see below), the entitlements to deduct are reduced to \$100,000.

Fixture Value and Water Right Credit Offsets

As noted in the site data section of this report, if the subject's existing use were to be removed with another use constructed on the vacant land, there is value to the existing fixtures. Included in the addenda is a copy of the City of Reno's Weighting Sheet for both non-residential and residential uses. The chart indicates the weighted fixture multiplier for each fixture type. For example, a urinal has a per unit multiplier of "2"; thus, the number of urinals in the buildings would be multiplied by the current fixture fee of \$583 X 2 to obtain the fixture credit. Lavatories, which is considered to be a restroom sink has a multiplier of 1, while a water closet (toilet) is assigned a multiplier of 3. Thus, with the number of restrooms, sinks and other plumbing in the school buildings, and if they were all demolished, a significant credit could be given, which would be an offset for any new development. An added bonus is that the subject has an existing grease interceptor, which could also be a benefit to a new owner. For this analysis, the credit offset is estimated at roughly \$100,000.

Demolition

In estimating demolition costs for the subject building improvements, costs of other building that have been demolished have been researched. Per discussion in the land sales analysis, permit indicators for demolition costs on historical properties were also researched; however, it is noted that since these dated sales have occurred, demolition costs have increased significantly, due to the cost of labor, hauling and now much higher fuel costs. Therefore, I have relied upon cost ranges based on discussions with area contractors.

I spoke with the estimator for Clark Sullivan, the company of which has performed work for the Washoe County School District and other institutional work. The estimator indicated that under prevailing wages, and given the size of the subject improvements, that a reliable estimated demolition cost would be in the \$13 to \$15 per sq.ft. range (applied to building improvements). For non-prevailing wages, the cost would be estimated at 10% less or about \$13.50 per sq.ft. of building area.

I also spoke more recently with the owner/estimator for Quality Demolition Company. It was indicated that \$14 to \$15 per sq.ft. is a reliable baseline estimate for this size of property. This does not reflect prevailing wages. Contrary to the above estimate, it was indicated that a project with prevailing wages could add about 7% more, thus, about \$15 to \$16 per sq.ft.

The estimated per sq.ft. costs above include hauling and scraping the footprint under the buildings. It was noted that due to the increased cost of fuel that demolition costs have been particularly impacted. Furthermore, the handling of any type of hazardous materials (asbestos, lead) would add significantly to these costs and would require specific building studies and likely contracting out to specific companies that deal with these issues. As noted in the limiting condition of this report, it is assumed that the property (buildings) are free of any major environmental hazards.

Thus, based on the above conversations with participants in the market, and given the size of the subject's building improvements, the demolition cost for this analysis is estimated at \$13.50 per sq.ft. of the subject's combined building area.

Estimated Value of Land by Sales Comparison Approach:

Underlying Land at Highest and Best Use: 435,600 sq.ft. X \$15 per sq.ft. =	\$6,534,000
Offsetting Fixture/ Zone Change/ Planning Related:	(\$ 100,000)
Less Estimated Demolition Costs (41,619 X \$13.50 psf)	<u>(\$ 561,856)</u>
Estimated "As Is" Value of Land:	\$5,872,144
Rounded:	\$5,870,000

Upon deducting the estimated costs of demolition, the resulting "as is" value is about \$13.48 per sq.ft. Upon looking at the two sales with more restrictive zoning, #3 and #4, both with a single family and lower density component and at price ranges of \$9.19 to \$11.82, but with inferior topography and access to utilities, and before considering any time adjustments, these sales would support the "as is" value per sq.ft. estimated for the subject.

Rental Analysis

It was also requested by the client to analyze the potential rental amount that could be achieved, if the building improvements were leased to third party tenant(s). This could be an interim scenario while the WCSD decides whether or not they sell the property. Of course, major considerations in deciding to rent the property would relate with the ability that any tenant could obtain insurance and name the school as additionally insured. In addition, as it is understood that the WCSD does not want to be in a position to offer any tenant improvement allowance, any tenant would be responsible for making all necessary and desired improvements; and it would be important that the WCSD approves any said changes to walls, remodeling, etc. The chart on the following page includes a list of other similar properties that have been rented. Given the lack of rentals in the immediate area, it was necessary to research other areas of Reno. Photographs of these rentals are included in the addenda.

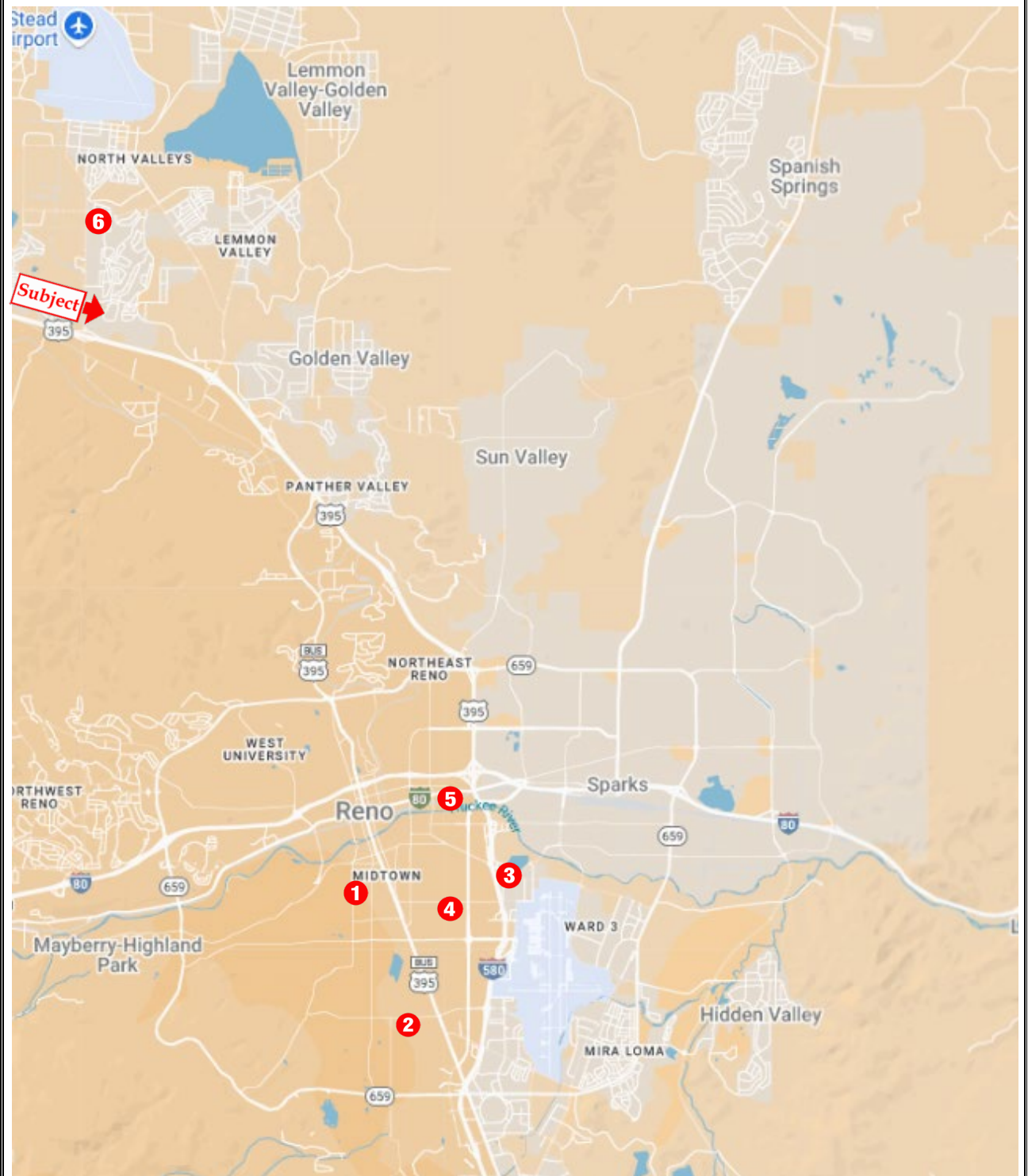
SCHOOL/ OFFICE OR COMPARABLE SPACE RENTAL CHART

2020-2026

Rental No.	Location	Year Built	Total SF Space Rented SF Land Area/Coverage	Rent/Sf Per Mo.	Approx. Lease Date	Comments
1	440 Reno Avenue APN 011-262-02 & 16 Reno, NV	1960 1989	14,514 sf	\$0.50 start 2021: \$.75 2022: \$1.00 NNN	January 2020	Owner at time of rental: Catholic Community Services of Northern Nevada Leased to Boys & Girls Club of Truckee Meadows. Play Area and Only Alley Parking.
2	3700 Grant Drive, Ste A APN 024-03-27 Reno, NV	1979	14,300 sf 3,640 sf 8,977 sf	\$1.40 \$1.45 MG	3rd Qtr. 2023	Owner: Continuum Bldg., LLC Continuum Space, set up as four pods with small center courtyard. Shared access amongst several other buildings. A few years ago, they had offered it for sale as a sale-leaseback at rents of \$1.00 psf/month, NNN. Space also includes additional 2,824 sf basement for storage only.
3	2920 Mill Street APN 013-321-47 Reno, NV	1974	14,300 sf 6,020 sf	\$1.17 MG	1st Qtr. 2024	Owner: Levi Trust Office, leased to former church; new lease to fitness type user Shared access amongst several other tenants. The tenant pays their own interior maintenance/janitorial and also pays utilities. The landlord pays the balance.
4	1301 Cordone Ave. APN 013-391-09 Reno, NV	1973	25,611 sf 7,911 sf	\$1.25 FS	4th Qtr. 2025	Owner: 1301 Cordone LLC 2nd Floor office space leased to Koinonia Family Services Landlord pays all expenses Shared and tight parking.
5	1530 E. 6th APN 008-545-01 Reno, NV	1977	8,467 sf	\$1.00 NNN	Asking	Owner: Song Properties LLC Former medical clinic; one and two-stories available for lease. Good parking w/ some covered in back.
6	13870 Stead Blvd. APN 086-101-39 Reno, NV	1993	8,750 sf 7,550 sf	\$1.40 to \$1.45 NNN	Asking	Owner: Moreno 2001 Trust Former Charter School Spaces now vacant. Additional CAMs at \$.35 psf/month Landlord would contribute TT's

26-004 Stead_RC

Rental Map



N↑

Rental No. 1 was the prior rental rate that was being paid to Catholic Services for the rental of the original Holy Child Day Home in old southwest Reno. In 2016, the CSA-Early Head Start Program, overseen by UNR moved into the space through 2019. When CSA-Early Head Start and CCSN exited the child care/ day care business, the Boys and Girls Club of the Truckee Meadows moved in (October 1, 2019) with the school licensed for about 210 students at that time. Their original lease was for 10 years, ending on December 31, 2029 with three additional ten year options to renew.

The rents beginning January 1, 2020 started at \$.50 per sq.ft. per month (based on 14,514 sq.ft.) or \$70 per child per month, whichever was greater. In addition, provisions existed in the lease for the tenant to contribute to a reserve fund starting at \$10,000 in year one and \$20,000 in year two and three. Rents for 2021 were \$.75 per sq.ft. per month or \$70 per child per month, whichever was greater. Rents for 2022 were \$1.00 per sq.ft. per month or \$70 per child per month, whichever was greater. Designated to begin in 2023 and every three (3) years thereafter, the monthly rent per sq.ft. or per child per month was stated to be adjusted based on a mutual agreement of the Landlord and Tenant. The expense provisions associated were essentially triple net with the tenant paying all day-to-day maintenance and other expenses for the property. The landlord was responsible for roof and flashing repairs, sidewalk repairs, door replacement, and electrical mechanical, or plumbing upgrades/repairs and HVAC repairs.

As there were termination and cancellation provisions within the lease, the Boys & Girls Club vacated this property due to their purchase of the former Head Start property on 6th Street in downtown Reno in early 2023. Notwithstanding, the rents in 2022 were considered to be reflective of the market. While an upward adjustment to the rents are made for time, given the superior location in old southwest Reno and the smaller building size, offsetting downward adjustments are made to the most recent rents.

Rental No. 2, 3700 Grant Drive, is located several miles from the subject in Southwest Reno. Although dated, this is the lease of the former Continuum Building that had been used for child and adult daycare services. As the owners retired, the building was offered for lease and was signed by the University of Nevada, Reno to also offer child and daycare services. Asking rents had been \$1.10 to \$1.15 per sq.ft. on a triple net basis. However, a 3 and 5 year leases were signed for a 3,640 sq.ft. and 8,977 sq.ft. space, respectively. The lease rate for the smaller space was \$1.40 per sq.ft. on a modified gross basis with annual 3% increases. The lease rate for the larger space was \$1.45 per sq.ft. per month on a modified gross based. Not included in the per sq.ft. rent is a basement useable exclusively for storage. The space was taken “as is” with UNR doing their own tenant improvements, involving some new flooring, paint and reconfiguring walls, equivalent to about \$28 per sq.ft. The tenant pays their own interior janitorial, phone and internet with no management charged back with remaining expenses paid by the landlord. Thus, triple net equivalent rents would be in the \$1.00 to \$1.05 per sq.ft. range. The

broker indicated that while dated space, it was in average to good condition. The broker indicated that the property had also been listed for sale over a year ago as a sale-leaseback by the owners, at which time, the operators (also owner of building and business, The Continuum) would have paid \$1 per sq.ft. per month on a triple net basis. Overall, a slight downward adjustment to triple net equivalent rents would be supported for the superior location. However, in spite of having some shared parking, offsetting upward qualitative adjustments are made for the inferior setting amongst other buildings with no playground area.

Rental No. 3, 2920 Mill Street, is the lease of a former church space on the first floor of a two-story building, which is anchored by a dancing school. The building has a very visible location on Mill Street, one parcel west of Terminal Way; however, parking and access are difficult. The lease rate is \$1.17 per sq.ft. plus utilities with the tenant also paying their own unit janitorial and maintenance with the landlord paying the balance. Triple net rents would be equivalent to about \$.92 psf/month. In spite of the good frontage and superior location, closer to downtown Reno, the parking and amenities would be inferior to the subject.

Rental No. 4, 1301 Cordone Avenue, is located several miles southwest from the subject and across the street from Vaughn Middle School. This space is on the second floor of a building that is generally marketed to non-profit users. The full service rent reflects the existing condition of the space, which was average to good. Because the rents include most expenses (paid for by the landlord), a downward adjustment is required, resulting in triple net equivalent rents in the \$.80 to \$.90 per sq.ft. range. Overall, the location would be superior to the subject; however, given very tight parking, an overall upward adjustment to the rental rate would be required.

Rental No. 5, 1530 E. 6th Street is located in east Reno. This is listing for a former one and two-story medical building with 8,467 sq.ft. Asking rents are \$1.00 per sq.ft. per month with the tenant(s) to pay for all of their own utilities and unit maintenance, and with the landlord to bill the tenant an additional \$.30 psf/month for grounds maintenance, real estate taxes, and insurance (CAM fees). A portion of the lot is gated and there are a few covered parking spaces in back. The building is located a few parcels west from the CARES Campus. Because this is an asking rent, it could be possible that rents are negotiated downwards; however, this rental rate would set a reasonable benchmark for the subject.

Rental No. 6, 13870 Stead Boulevard, is the asking rental rate for the former space occupied by the Sierra Nevada Charter School Academy. This property is situated one parcel set back from the northeast corner of Stead Boulevard and Lear Boulevard about 1.3 miles due north from the subject. The property was originally built as a shopping center. However, many years ago, a large portion of the property

(about 16,300 sq.ft.) was leased to the Sierra Nevada Academy Charter School or SNACS with about 5,000 sq.ft. still leased to a bar/restaurant user. The property had been on a long-term lease with the charter school and sold to an investor in April 2022; however, shortly thereafter, the school canceled their lease and moved further north and consolidated with their larger school campus on Fox Boulevard. At the date of sale, rents for the SNACS space were about \$1.07 per sq.ft. per month on a triple net basis with rents for the restaurant space at about \$1.05 psf/month (NNN). Asking rents are now \$1.40 and \$1.45 psf/month, depending on the space size. Expenses are on a triple net basis with CAMs of an additional \$.35 psf per month. Given the asking rents within a shopping center with more allowable and complementary uses possible, a downward adjustment to this rent is made to compare to the subject.

Rental Summary. Prior to adjustments, the rents on the chart show a range of \$1.00 to \$1.45 psf/month with all rents, except Rental No. 2, 3 and 4, paying expenses on a triple net basis. Accounting for expenses not paid for by tenants for Rentals 2, 3 and 4 and adjusting to a triple net basis, the triple net equivalent rents are reduced to a range of \$.80 to \$1.05 per sq.ft. The asking rent associated with Rental No. 5 and Rental 6 would both require downward adjustments for their asking status.

Considering the average condition of the subject's five buildings with the ability to lease to a variety of tenants and potentially in different size configurations, but with a fairly large amount of space to potentially lease, a reasonable rental for the subject buildings would be \$.95 per sq.ft. on a triple net basis. This recognizes that no real estate taxes are currently assessed or expected to be charged. Furthermore, this rental rate also recognizes that any tenant would have the benefit of reduced electricity costs, due to the solar that powers the buildings. As building M, which now houses the music room and computer room has no restrooms, it would be assumed that use of other restrooms in other buildings would be readily accessible.

This rental rate would be considered to be a relatively short term lease; if a longer term lease were signed than it would be expected that annual increases would be factored into the lease rate either on a specified stepped up basis or as a percentage adjustment. Based on the current market and demand for this type of space, annual escalations in the 3% range would be judged reasonable. It is further noted that if the WCSD decided to lease the mobile units on the property that a similar rental rate would be judged reasonable for these two mobiles. Thus, the estimated rent is summarized below:

Estimated Rental Rate for Building Improvements: \$.95 psf/month* applied to building area

*This assumes any tenant would have use of the site area and parking. This also assumes tenant pays for all expenses associated with the property – i.e. triple net expense provisions.

RECONCILIATION AND FINAL VALUE CONCLUSION

Two valuation scenarios were included in this report. Because the highest and best use considers the underlying value of the land “as if” vacant, which exceeds any contributory value of improvements, only land sales were analyzed. This scenario valued the underlying land at its highest and best use with the likelihood that a zone change and master land use change could be made, judged to be very probable. In order to reflect the “as is” value, it was necessary to consider costs of obtaining said entitlements, reflecting a mix of uses. An offset to these entitlement costs is the fixture value credits that could be used by any buyer for a new development. The sales comparison approach was used by analyzing comparable land sales, reflecting a change of zoning, along with a few sales that allowed similar uses as the subject parcel.

Valuation Scenario #2 considered the rental value of the existing buildings and associated site improvements (parking and playground areas). This could provide interim income for the Washoe County School District. As it is understood that the WCSD would not be in a position to contribute to any type of tenant improvement costs, the rental rate is based on the “as is” condition of the property. Any conformance issues for bringing a proposed use to code and/or other said costs would be borne by a tenant. Furthermore, rents are based on a triple net basis with the tenant responsible for paying all of their own expenses and/or reimbursing WCSD for said expenses.

Thus, it is the appraiser’s opinion that as of March 15, 2026, the market value and rental estimation under the valuation scenarios discussed are as follows:

Scenarios:	Estimated Market Value
#1 - Estimated “As Is” Market Value of Underlying Land Only with deductions made for demolition of improvements and consideration for entitlement fees offset somewhat by fixture credits:	\$5,870,000
#2 - Estimated Rental Rate Applied to Permanent Building Square Footage: Rent assumes tenant pays for majority of Operating Expenses	\$.95 psf/month

Reasonable Exposure and Marketing Time

The reasonable exposure time is defined as the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.

The reasonable marketing time is an estimate of the amount of time it might take to sell a property with interest in real estate at the estimated market value level during the period immediately after the effective date of an appraisal. Considering land sales and listing during the effective date of valuation and the subject's infill location, along with a due diligence time period for any potential buyer(s), the reasonable exposure and marketing times for Scenario #1 would be estimated to be within a 9 to 12 month period.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. 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, the approval of a loan or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. My analyses, opinions, and conclusions were developed and this report was prepared in conformity the Uniform Standards of Professional Appraisal Practice.
8. I personally inspected the subject property.
9. No one provided significant professional assistance to the person signing this report.
10. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional ethics and the Standards of Professional Practice of the Appraisal Institute.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. In accordance with the competency provision of the Uniform Standards of Professional Appraisal Practice (USPAP), I have verified that my knowledge and experience is sufficient to allow me to competently complete this appraisal unless stated otherwise in this report.
13. 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.



JULIE C. OTT, MAI
Certified General Appraiser
State of Nevada, A.0000748-CG
Expires 8/31/2026

ADDENDA

Limiting Conditions

Appraisers' Qualifications

Preliminary Title Report

Building Sales Chart

Land Sales/Listings Aerials and APN Maps

City of Reno Weighted Fixture Sheet

Rental Photographs

QUALIFICATIONS OF JULIE C. OTT, MAI
STATE OF NEVADA CERTIFIED GENERAL APPRAISER NO. A.0000748-CG

EDUCATION/BACKGROUND

University of Wisconsin, Madison - 1986-1987.

M.S. - Master of Science in Real Estate Appraisal and Investment Analysis.

Course work in urban economics, real estate market research, development, finance and feasibility.

University of Oregon, Eugene - 1980 -1982

B.A. - Business Administration with Major in Real Estate

University of California at Davis - 1978 through 1980 - Agricultural Economics Major

Reno, Nevada Native. Graduate Wooster High School.

APPRAISAL EDUCATION:

Sponsored by Appraisal Institute

USPAP Update Courses	2003-2026
Northern Nevada Real Estate Overview	2019-2025
Valuation Bias	2024
Arbitration Do's and Don't's	2024
Water Rights, Economic Growth	2022
Inconsistency; It's Hiding in Plain Sight in Your Commercial Appraisal	2021
Fundamentals of Uniform Appraisal Standards for Federal Land Acquisitions	2020
Appraisal of Medical Office Buildings	2020
Subdivision Valuation	2020
USPAP 2020-2021 Update Course	2020
Eminent Domain and Condemnation	2018
Appraising Automobile Dealerships	2018
Role of Appraisal in Lending Process/ Spotlight on USPAP	2017
Small Hotel/Motel Valuation	2016
Data Verification Methods	2016
Forecasting Revenue	2016
Improving Appraisal Reports Used For Financing	2015
Business Practices and Ethics	2007-2022
Appraising the Appraisal - Appraisal Review	2012
Appraisal Curriculum Overview (General)	2011
The Lending World In Crisis - What Clients Need Their Appraisers to Know	2011
Introduction to Valuing Commercial Green Buildings	2010
Valuation of Easements and Other Partial Interests	2009
Analyzing Distressed Real Estate	2009
Construction Defects/Cost Trends & Feasibility Analysis	2008
Uniform Standards for Federal Acquisitions - Yellow Book	2007
Appraising From Blueprints and Specifications (A7448)	2006
Introduction to GIS Applications for Real Estate Appraisal (A7636)	2006
Valuation Modeling	2005
Land Valuation Adjustment Procedures and Assignments	2003
Appraisal Consulting	2002
Mark-to-Market: The Next FIRREA	2002
Water Rights in Nevada	2001
Appraisers as Financial Institutions	2001
State of Valuation Profession	2001
Supporting Sales Comparison Adjustments	2000
Case Studies in Commercial Highest and Best Use	2000
Appraising Local Retail Properties	1999
Litigation Valuation Skills and Effective Court Testimony	1998
Ethics - USPAP Statements and Advisory Opinions	1998
New Industrial Valuation Seminar	1997
Federal and State Law Workshop	1996
Business Valuation Seminar	1996
Demonstration Appraisal Report Writing	1995

QUALIFICATIONS OF JULIE C. OTT - Continued

Appraisal Institute Courses (Continued)

Course 410- 420: Standards & Professional Practice	1995
Course 440: Advanced Applications	1993
Course 2-2:- Report Writing	1985
Course IA-2: Basic Valuation Procedures	1983
Course 1B-A and B: Capitalization Techniques	1983
Elective - Real Estate Investment Analysis	1983
Course 1A-1: Real Estate Appraisal Principles	1982

OTHER RECENT CLASSES:

Tax Implications - Inflation Reduction Act: Sponsored by Eide Bailey/ NAIOP	2023
National Association of Realtors - Code of Ethics Training:	2021
NV Real Estate Water Rights and Due Diligence: No. NV Assoc. of Realtors:	2017
Zoning/ Planning Issues: Sponsored by CCIM/CREW:	2015

STATE LICENSES/CERTIFICATION:

Certified General Appraiser, State of Nevada - No. A.0000748-CG (Expires 8/31/2026)

PROFESSIONAL AFFILIATIONS:

Designated Member- The Appraisal Institute - MAI, #12023

Member - CREW (Commercial Real Estate Women) of Northern Nevada

- Board Member 2013 to 2022
- President - 2021
- President Elect - 2020
- Treasurer - 2019
- Secretary - 2015 to 2018

APPRAISAL CHAPTER OFFICES HELD:

Education Committee Member - Northern Nevada Appraisal Institute- 2019

Government Relations Chair - Reno-Carson-Tahoe Chapter of the Appraisal Institute 2011-2012

Secretary - Reno-Carson-Tahoe Chapter of the Appraisal Institute - 1999 to 2003 and 2006 to 2010

President - Reno-Carson-Tahoe Chapter of the Appraisal Institute - 2005

Vice President - Reno-Carson-Tahoe Chapter of the Appraisal Institute - 2004

WORK EXPERIENCE:

1992 - Present	Carter-Ott Appraisal, Ltd. - Owner/Appraiser. <i>Appraise income producing properties including shopping centers, retail buildings, industrial buildings, office buildings, apartments, mobile home park, vacant land and various special use properties. Conduct market studies on various property types.</i>
1988-1992	Alex. Brown Kleinwort Benson Realty Advisors, Inc. (Sacramento). Assistant Vice President, Investments (1990-1992); Financial Analyst in the Acquisitions Department (1988-1989). Pension fund advisory firm which purchased and managed property through out the U.S. for public pension fund clients. <i>Responsibilities included financial analysis, underwriting, market analysis of properties to be purchased or financed, and presentation to investment committees for approval.</i>
1984-1986	Coldwell Banker Commercial - Staff Appraiser (San Francisco). <i>Conducted appraisals and market studies of income producing property types including industrial buildings, research and development buildings, shopping centers, office buildings and multi-family complexes (primarily 150+ units). Assignments located in northern and southern California area.</i>
1982-1984	Carter and Associates - Appraiser (Reno) <i>Conducted single family residential and multi-family residential appraisals. Assisted Mr. Carter in the research and completion of small income producing property appraisals for offices and industrial buildings.</i>

LIMITING CONDITIONS AND ASSUMPTIONS

1. **LIMIT OF LIABILITY**

If this report is placed in the hands of anyone other than client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The Appraisers are in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property; physically, financially, and/or legally. In the case of limited partnerships or syndication offerings or stock offerings in real estate, client agrees that in case of lawsuit (brought by lender, partner or part owner in any form of ownership, tenant, or any other party), any and all awards, settlements of any type in such suit, regardless of outcome, client will hold Appraisers completely harmless in any such action.

2. **COPIES, PUBLICATION, DISTRIBUTION, 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 other than its intended use.

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

3. **CONFIDENTIALITY:**

This appraisal is to be used only in its entirety and no part is to be used without the whole report. All conclusions and opinions concerning the analysis as set forth in the report were prepared by the Appraiser(s) whose signature(s) appear on the appraisal report, unless indicated as "Review Appraiser". No change of any item in the report shall be made by anyone other than the Appraisers and/or officer of the firm. The Appraisers and firm shall have no responsibility if any such unauthorized change is made.

The Appraisers may not divulge the material (evaluation) contents of the report, analytical findings or conclusions, or give a copy of the report to anyone other than the client or his designee as specified in writing except as may be required by The Appraisal Institute as it may request in confidence for ethics enforcement, or by a court of law or body with the power of subpoena.

4. **TRADE SECRETS:**

This appraisal was obtained from Carter-Ott Appraisal, Inc. or related companies and/or its individuals or related independent contractors and consists of "trade secrets and commercial or financial information" which is privileged and confidential and exempted from disclosure under 5 U.S.C. 552 (b) (4).

5. **INFORMATION SUPPLIED BY OTHERS:**

Information (including projections of income and expenses) provided by informed local sources, such as governmental agencies, financial institutions, realtors, buyers, sellers, property owners, bookkeepers, accountants, attorneys, and others, is assumed to be true, correct, and reliable. No responsibility for the accuracy of such information is assumed by the appraiser. 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 judgement 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 in respect to the subject property.

6. **TESTIMONY, CONSULTATION, COMPLETION OF CONTRACT FOR APPRAISAL SERVICE:**

The contract for appraisal, consultation or analytical service is fulfilled and the total fee is payable upon completion of the report. The Appraiser(s) or those assisting in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post appraisal consultation with client or third parties except under separate and special arrangement and at additional fee. If testimony or deposition is required because of any subpoena relating to this appraisal, the client or issuing party shall be responsible for any additional time, fees, and charges regardless of issuing party.

7. **EXHIBITS:**

The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photos, if any, are included for the same purpose as of the date of the photos. Site plans are not surveys unless shown from separate surveyor.

8. **LEGAL, ENGINEERING, FINANCIAL, STRUCTURAL, OR MECHANICAL NATURE HIDDEN COMPONENTS, SOIL:**

No responsibility is assumed for matters legal in character or nature, nor of any architectural, structural, mechanical, or engineering nature. No opinion is rendered as to the title, which is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in particular parts of the report.

The legal description is assumed to be correct as used in this report as furnished by the client, his designee, or as derived by the Appraisers.

Please note that no advice is given regarding mechanical equipment or structural integrity or adequacy, nor soils and potential for settlement, drainage, and such (seek assistance from qualified architect and/or engineer) nor matters concerning liens, title status, and legal marketability (seek legal assistance), and such. The lender and owner should inspect the property before any disbursement of funds; further it is likely that the lender or owner may wish to require mechanical or structural inspections by qualified and licensed contractor, civil or structural engineer, architect, or other expert.

The Appraisers have inspected as far as possible, by observation, the land and the improvements; however, it was not possible to personally observe conditions beneath the soil or hidden structural, or other components. We have not critically inspected mechanical components within the improvements and no representations are made herein as to these matters unless specifically stated and considered in the report. The value estimate considers there being no such conditions that would cause a loss of value. The land or the soil of the area being appraised appears firm, however, subsidence in the area is unknown. The Appraiser(s) do not warrant against this condition or occurrence of problems arising from soil conditions.

The appraisal is based on there being no hidden, unapparent conditions of the property site, subsoil, or structures or toxic materials which would render it more or less valuable. 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 status standard for properties of the subject type. Conditions of heating, cooling, ventilating, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. No judgment may be made by us as to adequacy of insulation, type of insulation, or energy efficiency of the improvements or equipment which is assumed standard for subject age and type.

If the Appraisers have not been supplied with a termite inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranties are made concerning obtaining the above mentioned items.

The Appraisers assume no responsibility for any costs or consequences arising due to the need, or the 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.

9. **LEGALITY OF USE:**

The appraisal is based on the premise that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.

10. **COMPONENT VALUES:**

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

11. **AUXILIARY AND RELATED STUDIES:**

No environmental or impact studies, special market study or analysis has been required or made unless otherwise specified in an agreement for services or in the report.

12. **DOLLAR VALUES, PURCHASING POWER:**

The market value estimated, and the costs used, are as of the date of the estimate of value. All dollar amounts are based on the purchasing power and price of the dollar as of the date of the value estimate.

13. **INCLUSIONS:**

Furnishing and equipment or personal property or business operations except as specifically indicated and typically considered as a part of real estate, have been disregarded with only the real estate being considered in the value estimate unless otherwise stated. In some property types, business and real estate interests and values are combined.

14. **PROPOSED IMPROVEMENTS, CONDITIONED VALUE:**

Improvements proposed, if any, on or off-site, as well as any repairs required are considered, for purposes of this appraisal to be completed in good and workmanlike manner according to information submitted and/or considered by the appraisers. In cases of proposed construction, the appraisal is subject to change upon inspection of property after construction is completed. This estimate of market value is as of the date shown, as proposed, as if completed and operating at levels shown and projected.

15. **VALUE CHANGE, DYNAMIC MARKET, INFLUENCES, ALTERATION OF ESTIMATE BY APPRAISER:**

The estimated market value, which is defined in the report, is subject to change with market changes over time; value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace.

In cases of appraisals involving the capitalization of income benefits, the estimate of market value or investment value or value in use is a reflection of such benefits and Appraisers' interpretation of income and yields and other factors derived from general and specific client and market information. Such estimates are as of the date of the estimate of value; they are thus subject to change as the market and value is naturally dynamic.

The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color or national origin of the present owners of occupants of the properties in the vicinity of the property appraised.

Appraisal report and value estimate subject to change if physical or legal entity or financing different than that envisioned in this report.

16. **MANAGEMENT OF THE PROPERTY:**

It is assumed that the property which is the subject of this report will be under prudent and competent ownership and management; neither inefficient nor superefficient.

17. **CONTINUING EDUCATION CURRENT:**
The Appraisal Institute conducts a voluntary program of continuing education for its designated members; MAI Designates who meet the minimum standards of this program are awarded periodic educational certification and; MAI(s) signing the report is/are currently under this program. Others signing this report, who are not designated are current with required State education.
18. **FEE:**
The fee for this appraisal or study is for the service rendered and not for the time spent on the physical report or the physical report itself.
19. **AUTHENTIC COPIES:**
The authentic copies of this report are signed in blue ink.
20. **INSULATION AND TOXIC MATERIALS:**
Unless otherwise stated in this report, the Appraiser(s) signing this report have no knowledge concerning the presence or absence of toxic materials and/or urea-formaldehyde foam insulation in existing improvements; if such is present the value of the property may be adversely affected and re-appraisal at additional cost necessary to estimate the effects of such.
21. **REVIEW:**
Unless otherwise noted herein, review Appraisers have reviewed the report only as to general appropriateness of technique and format, and has not necessarily inspected the subject or market comparable properties.
22. **CHANGES, MODIFICATIONS:**
The Appraisers and/or owners of Carter-Ott Appraisal Associates reserve the right to alter statements, analysis, conclusion or any value estimate in the appraisal if there becomes known to us facts pertinent to the appraisal process which were unknown to us when the report was finished.
23. **AFTER TAX ANALYSIS AND/OR VALUATION:**
Any "after" tax income or investment analysis and resultant measures of return on investment are intended to reflect only possible and general market considerations, whether as part of estimating value or estimating possible returns on investment at an assumed value or price paid; note that the Appraiser(s) does not claim expertise in tax matters and advises client and any other using the appraisal to seek competent tax advice as the Appraisers are in no way to be considered tax advisors or investment advisors.
24. **ACCEPTANCE OF, AND/OR USE OF, THIS APPRAISAL REPORT BY CLIENT OR ANY THIRD PARTY CONSTITUTES RECOGNITION OF THE ABOVE CONDITIONS. THE APPRAISERS LIABILITY EXTENDS TO THE STATED CLIENT, OR USERS TO WHICH THE CLIENT HAS PROVIDED AUTHORIZATION.**



PRELIMINARY REPORT

Proposed Buyer:

Proposed Lender

Proposed Loan Amount: \$0.00

Property Address: 10500 Stead Boulevard, Reno, Nevada

Escrow Office:

Ticor Title of Nevada, Inc.

5441 Kietzke Lane, Suite 100

Reno, NV 89511

Phone: (775) 324-7400 Fax: (775) 824-3233

Escrow Officer: Reno Commercial Unit

Customer No.: /

Title Office:

Ticor Title of Nevada, Inc.

5441 Kietzke Lane, Suite 100

Reno, NV 89511

Phone: (775) 324-7400 Fax: (775) 324-7402

Order No.: 01906834-CD

**The information contained in this report is through the date of
October 24, 2019 at 7:30 a.m.**

*In response to the application for a policy of title insurance referenced herein, **Ticor Title of Nevada, Inc.** hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of title insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions of said policy forms.*

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

*The policy(s) of title insurance to be issued hereunder will be policy(s) of **Chicago Title Insurance Company.***

Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects and encumbrances affecting title to the land.

A handwritten signature in cursive script that reads 'Shelly Saltz'.

Shelly Saltz, Title Officer

THE FOLLOWING REQUIREMENTS MUST BE MET PRIOR TO CLOSE OF ESCROW:

1. The requirement that copy of the Staff Report and Motion and approval of same by the Washoe County School District be furnished to this Company authorizing or ratifying the proposed conveyance or encumbrance of herein described land.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

2. The search did not disclose any open mortgages or deeds of trust of record, therefore the Company reserves the right to require further evidence to confirm that the property is unencumbered, and further reserves the right to make additional requirements or add additional items or exceptions upon receipt of the requested evidence.

SCHEDULE A

The estate or interest in the land hereinafter described or referred to covered by this report is:

FEE

Title to said estate or interest at the date hereof is vested in:

Washoe County School District, a political subdivision of the State of Nevada

The land referred to in this Report is situate in the State of Nevada, County of Washoe and described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

SCHEDULE B

At the date hereof Exceptions to coverage in addition to the printed exceptions and exclusions in said policy form would be as follows:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof, (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the Public Records.
6. Any lien or right to lien for services, labor or material not shown in the Public Records.
7. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Nevada Revised Statutes.
8. Any unpaid sewer service charges plus interest and penalties, which would create a lien and attach to said Land, pursuant to Reno Municipal Code. Specific amounts may be obtained by calling (775) 334-2095.
9. Any liens which may be levied by reason of the Land being within the Washoe County Public Works Department, Utility Division. Specific amounts may be obtained from Washoe County Public Works Department, Phone Number (775) 954-4601.
10. Any unpaid charges for Waste Management, plus any interest and/or penalties, which would create a lien and attach to said Land, pursuant to Nevada Revised Statutes.
11. Water rights, claims or title to water, whether or not disclosed by the public records.
12. Rights of way for any existing roads and alleys, trails, canals, ditches, flumes, conduits, pipes, poles or transmission lines on, under, over, through or across the Land.
13. Covenants, conditions and restrictions but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, source of income, gender, gender identity, gender expression, medical condition or genetic information, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth in the document
Recording Date: September 7, 1967
Recording No: Book 275, Page 225, as Document No. 96438, Official Records

14. Covenants, conditions and restrictions but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, source of income, gender, gender identity, gender expression, medical condition or genetic information, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth in the document
Recording Date: December 5, 1969
Recording No: Book 431, Page 298, as Document No. 161200, Official Records
15. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Bell Telephone Company of Nevada
Purpose: to construct, place, inspect, maintain, replace and remove communication facilities consisting of underground conduits, pipes, manholes, service boxes, wires, cables, other electrical conductors, aboveground marker posts, risers and terminals, and other appurtenances
Recording Date: March 30, 1973
Recording No: Book 719, Page 751, as Document No. 208984, Official Records
16. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation and Bell Telephone Company of Nevada, a corporation
Purpose: to construct, operate and maintain electric and communication underground facilities, and the right to install, inspect, repair and replace thereon wires, cables, communication equipment, surface-mounted transformers, surface-mounted switchgear, fixtures and other appurtenances
Recording Date: January 23, 1975
Recording No: Book 870, Page 473, as Document No. 353379, Official Records
Affects: 10 feet in width over the Southwesterly portion of said land
17. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: County of Washoe, a political subdivision
Purpose: sewer facilities, together with the perpetual right to enter upon said land to construct, reconstruct, maintain and repair said sewer facilities and the further right to remove trees, bushes, undergrowth and other obstructions interfering with the location, construction and maintenance of said sewer facilities
Recording Date: August 26, 1988
Recording No: Book 2788, Page 715, as Document No. 1269638, Official Records
Affects: 20 feet in width over the Easterly portion of said land
18. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: County of Washoe, a political subdivision
Purpose: sewer facilities, together with the perpetual right to enter upon said land to construct, reconstruct, maintain and repair said sewer facilities and the further right to remove trees, bushes, undergrowth and other obstructions interfering with the location, construction and maintenance of said sewer facilities
Recording Date: August 26, 1988
Recording No: Book 2788, Page 720, as Document No. 1269639, Official Records
Affects: 20 feet in width over the Easterly portion of said land

19. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation
Purpose: to construct, erect, alter, maintain, inspect, repair, reconstruct and operate one or more overhead electric distribution facilities, together with the appropriate poles, necessary guys and anchors, supporting structures, insulators and cross-arms, wires, fixtures, and other necessary or convenient appurtenances
Recording Date: October 25, 1991
Recording No: Book 3351, Page 731, as Document No. 1519149, Official Records
Affects: 10 feet in width over the Southwesterly portion of said land
20. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation
Purpose: to construct, erect, alter, maintain, inspect, repair, reconstruct and operate one or more underground electric distribution facilities, together with the appropriate underground foundations, markers, conduits, pull boxes, vaults, fixtures, surface-mounted transformers, switchgear and other necessary or convenient appurtenances connected therewith
Recording Date: November 5, 1992
Recording No: Book 3604, Page 429, as Document No. 1619620, Official Records
Affects: 12 feet in width along the Southwesterly portion of said land
21. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation
Purpose: to construct, alter, maintain, inspect, repair, reconstruct, add to and operate one or more underground electric, gas and communication facilities, consisting of one or more circuits, together with wires, cables, fibers, underground foundations, conduits, pull boxes, vaults, surface-mounted transformers, switchgear, pipes, valve boxes, meters, fixtures and appurtenances connected therewith
Recording Date: August 9, 2004
Recording No: 3080504, Official Records
Affects: Westerly portion of said land
22. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Nevada Bell Telephone D/B/A AT&T Nevada
Purpose: a non-exclusive blanket easement for District-wide Wide Area Network (WAN) Services
Recording Date: May 29, 2013
Recording No: 4241946, Official Records
23. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Truckee Meadows Water Authority, a Joint Powers Authority
Purpose: a permanent and non-exclusive easement for water system facilities or appurtenances deemed necessary or convenient
Recording Date: February 8, 2017
Recording No: 4678527, Official Records
24. Rights and claims of parties in possession by reason of unrecorded leases, if any, that would be disclosed by an inquiry of the parties or by an inspection of said Land.

INFORMATIONAL NOTES

1. Note: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.
2. Note: Property taxes for the fiscal year shown below are PAID. For proration purposes the amounts are:
Assessor's Parcel No.: 550-020-05
Fiscal Year: 2019-2020
Total Taxes: \$152.73
3. Note: The charge for a policy of title insurance, when issued through this title order, will be based on the Basic Title Insurance Rate.
4. Note: There are NO conveyances affecting said Land recorded within 24 months of the date of this report.
5. Note: The following information is provided strictly as an accommodation. According to the Assessor, the address of the Land is as follows:
Type of Dwelling: Schools
Address: 10500 Stead Boulevard, Reno, Nevada

Order No.: 01906834-CD

EXHIBIT A

All that certain real property situate in the County of Washoe, State of Nevada, described as follows:

All that certain parcel of land situate in a portion of the Southwest 1/4 of Section 5, Township 20 North, Range 19 East, M.D.B.&M., described as follows:

PARCEL A:

Beginning at a point common to Section 5, 6, 7 and 8, T. 20 N., R. 19 E., M.D.B.&M.,
Thence running North 89°00'00" East, along the South line of Section 5, a distance of 300.06 feet to an iron stake;
Thence running North 09°56'00" West, a distance of 354.22 feet to a point on a pipe cap screwed onto an iron pipe set in concrete, this being the TRUE POINT OF COMMENCEMENT;

The point of beginning also bears South 37°00'15" West, a distance of 427.21 feet from said point of commencement;
Thence starting at the true point of commencement, running North 01°04'30" East, along a line parallel to the Base Entrance Road, a distance of 845.00 feet to a point;
Thence running South 88°55'30" East, a distance of 880.00 feet to a point;
Thence running South 01°04'30" West, a distance of 845.00 feet to a point;
Thence running North 88°55'30" West, a distance of 880.00 feet to the said POINT OF COMMENCEMENT.

Document No. 96438 is provided pursuant to the requirements of Section 6.NRS 111.312.

PARCEL B:

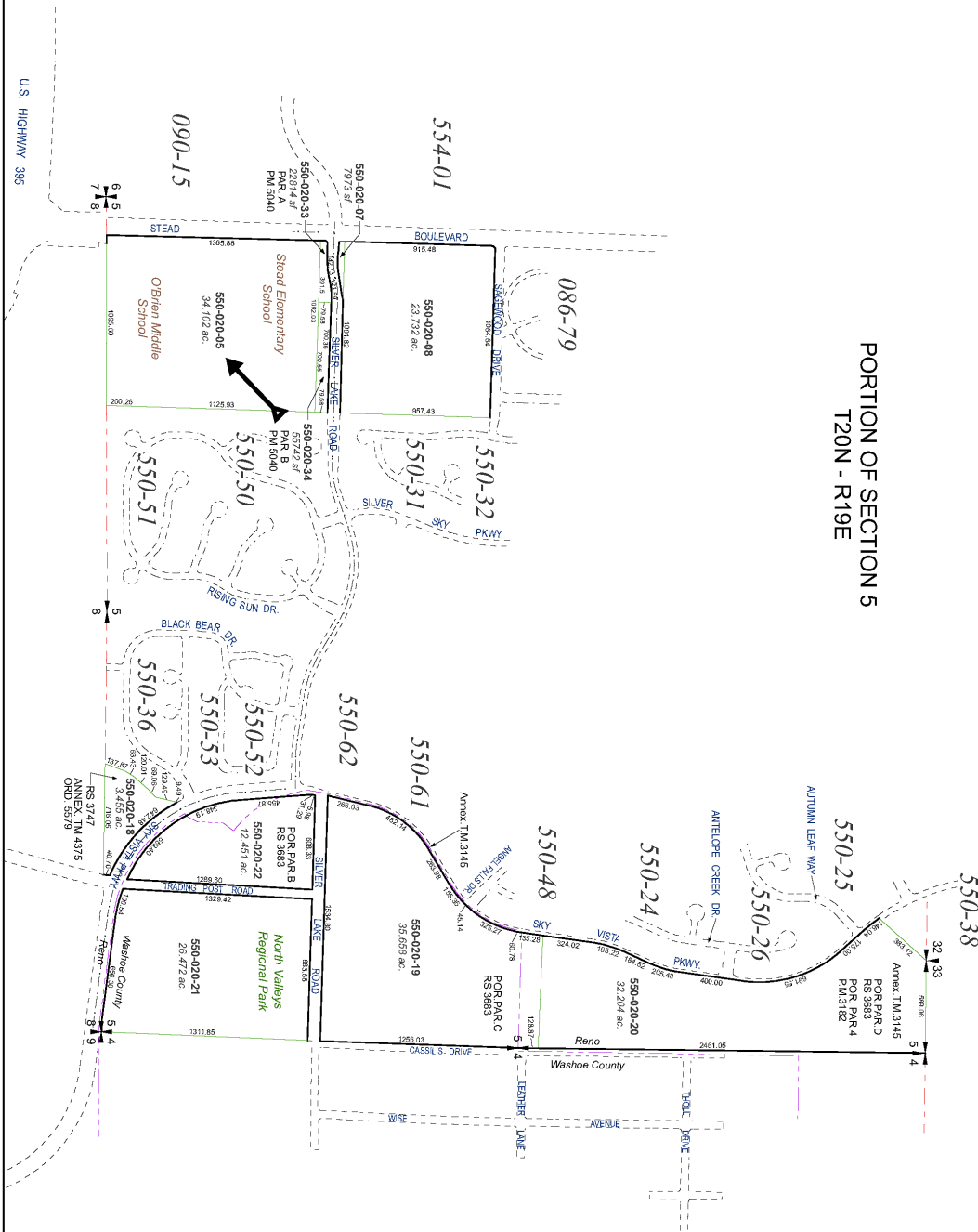
Commence at the Section corner common to Section 5, 6, 7, and 8, Township 20 North, Range 19 East, M.D.B.&M.;
Thence running North 89°00'00" East, along the South line of said Section 5, a distance of 300.06 feet to an iron stake;
Thence running North 09°56'00" West, a distance of 354.22 feet to a point on a pipe cap screwed onto an iron pipe set in concrete, this being the TRUE POINT OF BEGINNING;

Thence South 88°55'30" East, 880.00 feet;
Thence North 01°04'30" East, 845.00 feet;
Thence North 88°55'30" West, 880.00 feet;
Thence North 01°04'30" East, 170.73 feet;
Thence South 88°55'30" East, 1,103.61 feet;
Thence South 01°09'15" West, 1,325.96 feet to a point on the South line of said Section 5;
Thence along said Section line, South 89°00'00" West, 1,102.49 feet;
Thence North 01°04'30" East, 350.15 feet to the TRUE POINT OF BEGINNING.

Document No. 161200 is provided pursuant to the requirements of Section 6.NRS 111.312.

APN: 550-020-05

PORTION OF SECTION 5 T20N - R19E



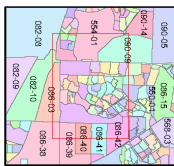
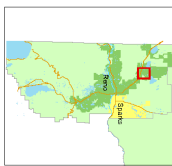
Assessor's Map Number
550-02

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

1001 East Ninth Street
Reno, Nevada 89502
(775) 326-2251



0 100 200 300 400 500
Feet
1 inch = 600 feet



created by: KSB 12/10/10
last updated: CFB 07/12/2012
area previously shown on maps

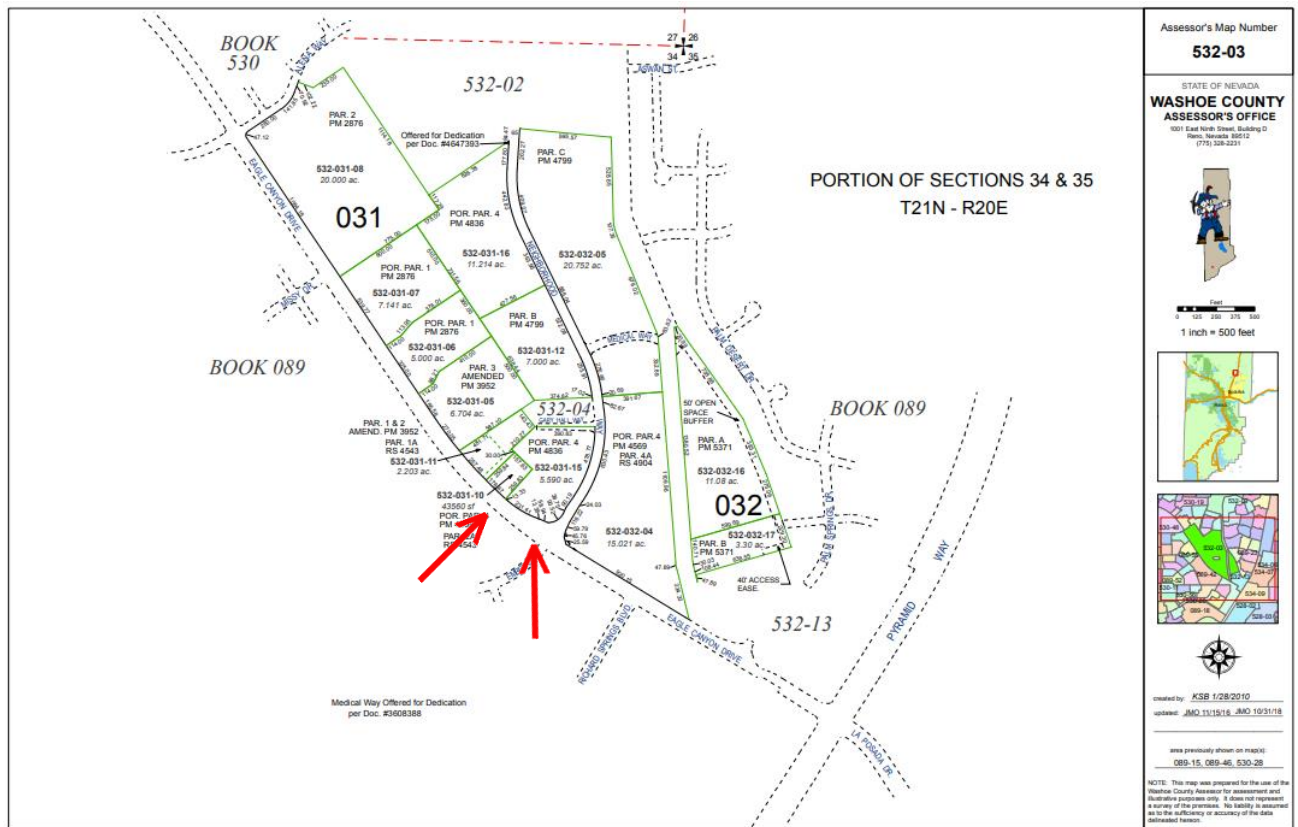
NOTES: This map was prepared for the use of the Washoe County Assessor for assessment and mapping purposes only. It does not represent a survey of the land depicted and is not to be used for the purpose of title insurance or other matters shown thereon.

CHILDCARE/ OFFICE/SPECIALIZED BUILDING SALES CHART

Sale No.	Location APN (Washoe County)	Sale Date	Sale Price Price PSF	Building Area Site Size Bldg./Land %	Year Built	Cap. Rate	Comments
1	2590 Orovada Street APN 026-284-23 Reno, NV	Feb-22 Buyer put in add'l: Total	\$2,700,000 \$152 \$1,300,000 <u>\$73</u> \$4,000,000 \$226	17,736 sf 3.00 ac 14%	1973 Renov. 2010/2011	N/A	Grantor: High Desert Montessori Charter School Grantee: Note-able Music Therapy Services Doc. #: 5274755 Former owner added solar, added fire sprinklers, and converted to school Zoning: PF
2	3680 Grant Drive APN 024-032-24 Reno, NV	Feb-22	\$1,617,000 \$159	10,184 sf 0.64 ac 37%	1980 Renov. 2010/2011	6.8%	Grantor:Eakin Grantee: Hansen Trust Doc. #:5278009 Additional 5,494 of fully finished basement used for offices for total price psf of \$103 psf. Zoned: PO
3	13870 Stead Blvd. APN 086-101-39 Reno, NV	Apr-22	\$3,150,000 \$148	21,300 sf 3.15 ac 16%	1993	7.4%	Grantor: Frederick Enterprises LLC Grantee: Moreno 2001 Trust Doc. #:5298588 Fully Leased at time of sale to Sierra NV Academy Charter School (16,300 sf) and Sneakers Bar & Grill (5,000 sf). Shopping Center Configuration. SNACs has since relocated. Zoned: GC
4	1595 Sky Mountain Dr. APN 499-040-06 Reno, NV	Sep-22 Buyer put in add'l: Total	\$6,260,000 \$175 \$4,745,496 <u>\$132</u> \$11,005,496 \$307	35,838 sf 2.95 ac 28%	2001	N/A	Grantor: Hagers LP Grantee: Coral Academy of Science Reno Doc. #: 5332761 According to Permits filed, spent approx. \$4,726,000 in conversion of former fitness facility to school - this included \$90,000 for add'l fire sprinklers. Zoned: NC
5	1200 El Rancho APN 031-012-18 Sparks, NV	Dec-22 Buyer put in add'l: Total	\$1,500,000 \$235 \$1,100,000 <u>\$172</u> \$2,600,000 \$407	6,396 sf 0.80 ac. 18%	1950	N/A	Grantor: Jacobs Grantee: Boys & Girls Club Truckee Meadows Doc. #: 5354240 Avg. Condition at sale; prior owner installed new roof in 2008. Buyer made extensive renovations & had to dig a gas line. Zoned: MUD
6	1327 Pyramid Way APN 027-450-01 Sparks, NV	May-23	\$900,000 \$76	11,800 sf 0.90 ac. 30%	1957	N/A	Grantor: New Covenant Church Grantee: Filipino Intern'l Christian Fellowship Doc. #: 5379617 Avg. Condition; installed new roof in 2003; small level of asbestos removed in 2021. Zoned: Public Facility - PF
7	830 & 850 Harvard Way APN 031-311-35 & 36 Reno, NV	Sep-24	\$6,000,000 \$119	50,400 sf 4.23 ac. 27%	1996	N/A	Grantor: Renown Health Grantee: JBJM Investments LLC Doc. #: 5483228 Former Renown office/call center; buyer is entity of Champion Chevrolet, which since demolished 43,200 sf building and created parking lot for auto storage; 7,200 sf building left in tact. Zoned: GC
Subject	Old Stead Elementary School - 10580 Stead Blvd. Ptn. of APN 550-020-05 Reno, NV	N/A	N/A	41,619 sf 10.00 ac. 10%	1950 1996	N/A	4 original main school buildings with 39,603 sf built in 1950; Modular on foundation w/ 2,016 sf built in 1996. Add'l mobiles not included. Zoned: PF; Master Land Use: Public/Quasi-Public

Comparable Land Sale #1

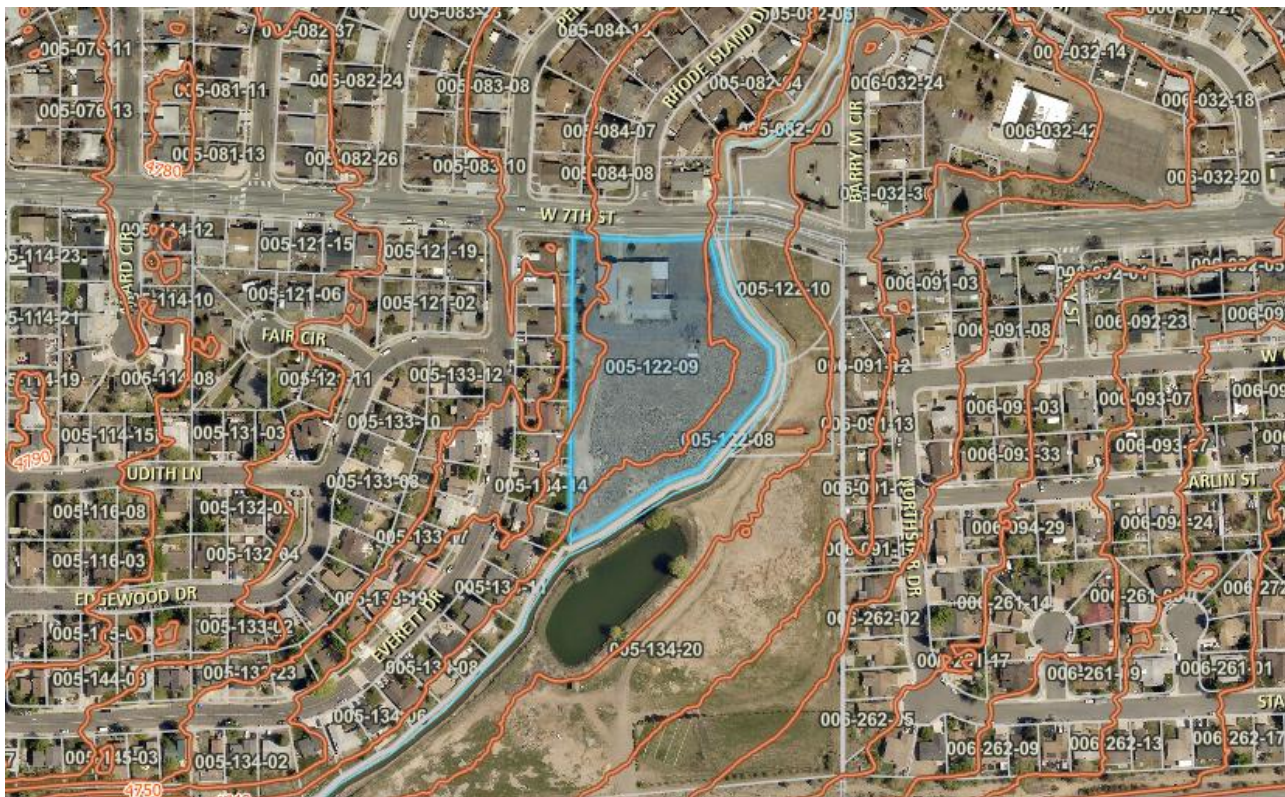
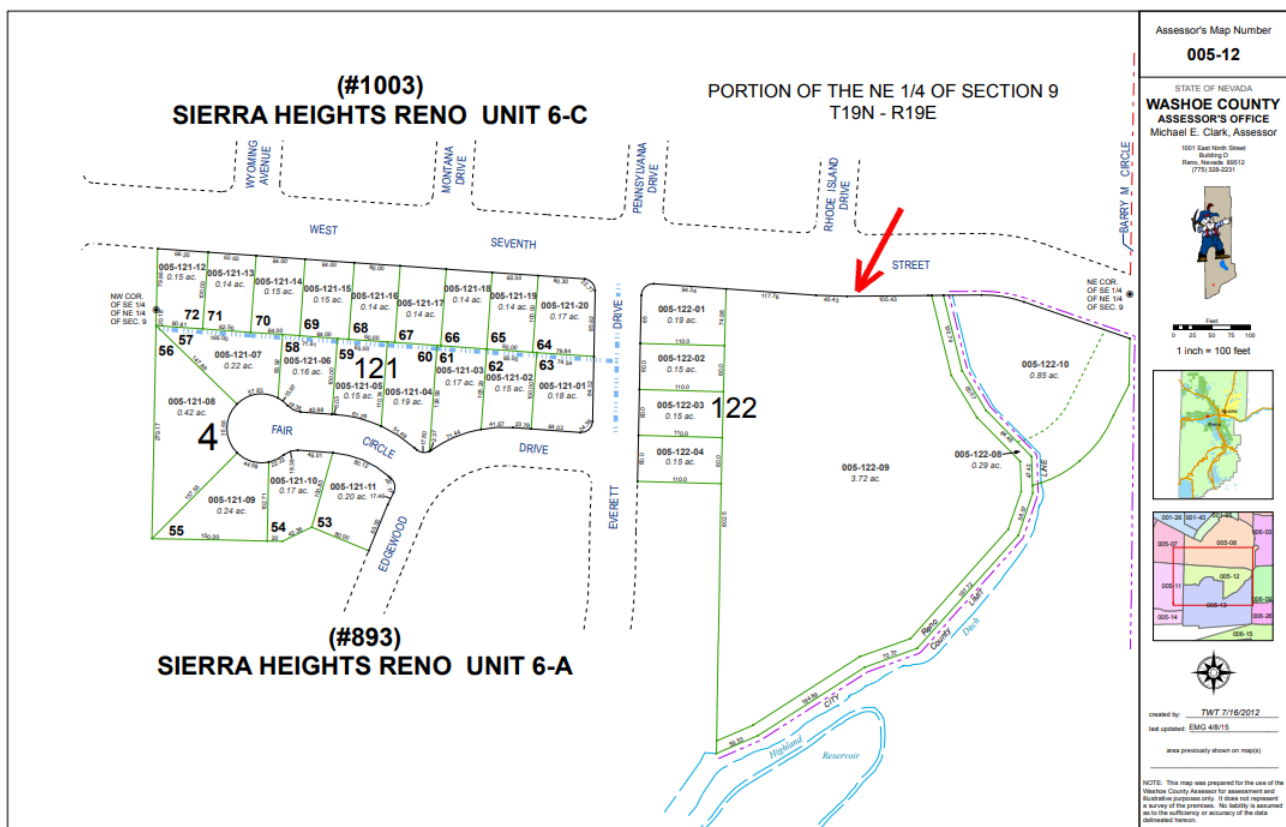
NW Corner of Neighborhood Way & Eagle Canyon Drive
APN 532-031-10 & 15



APN 006-153-06

Comparable Land Sale #3

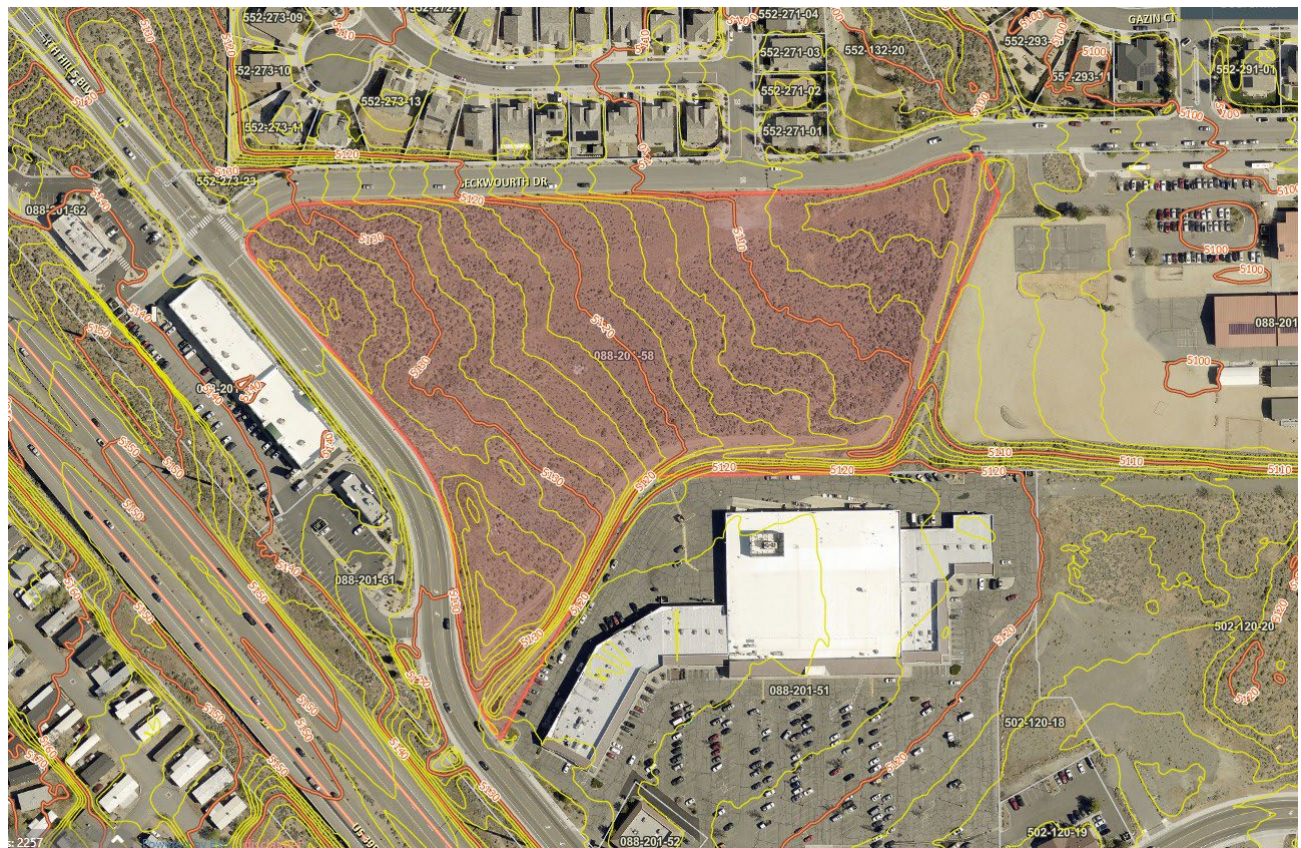
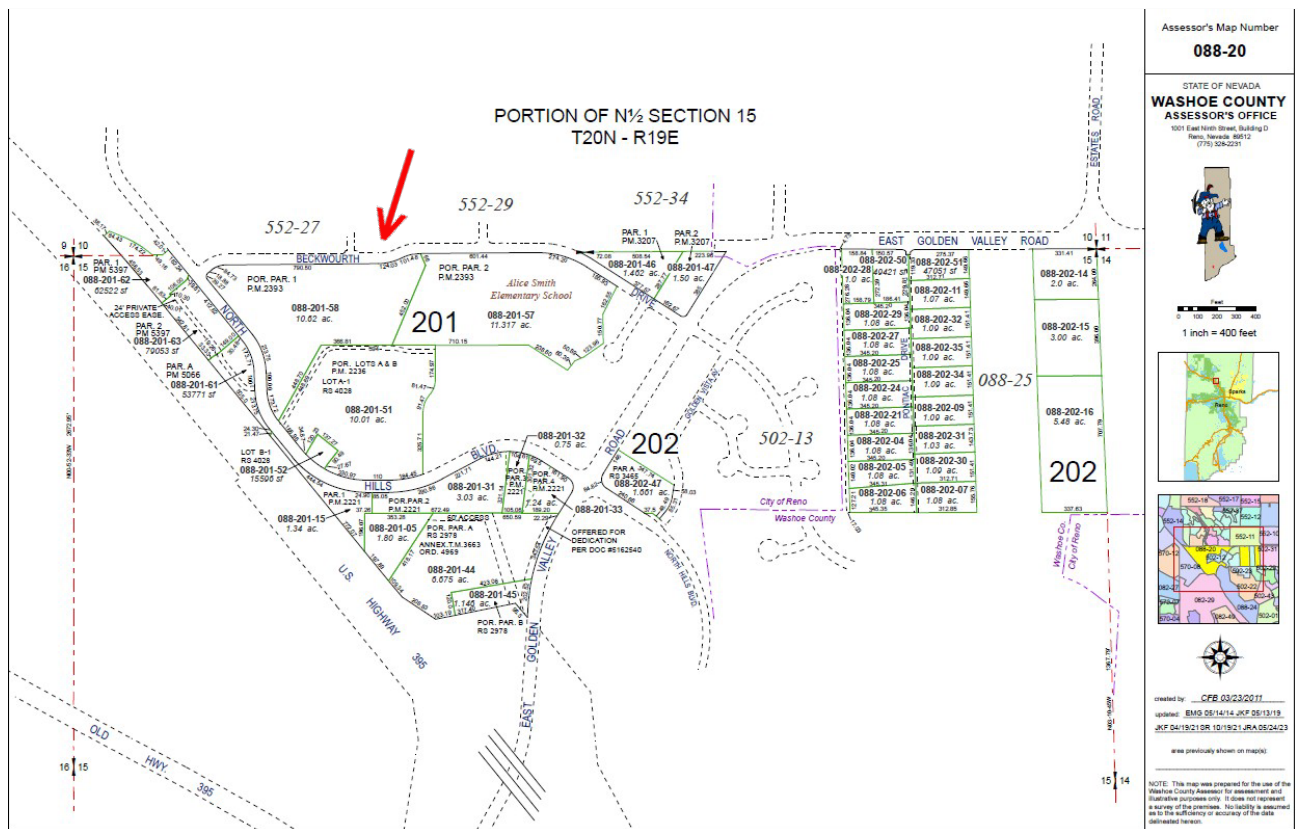
2400 W. 7th
APN 005-122-09



Comparable Land Sale #4

N/Side North Hills Blvd. (Mater Sale)

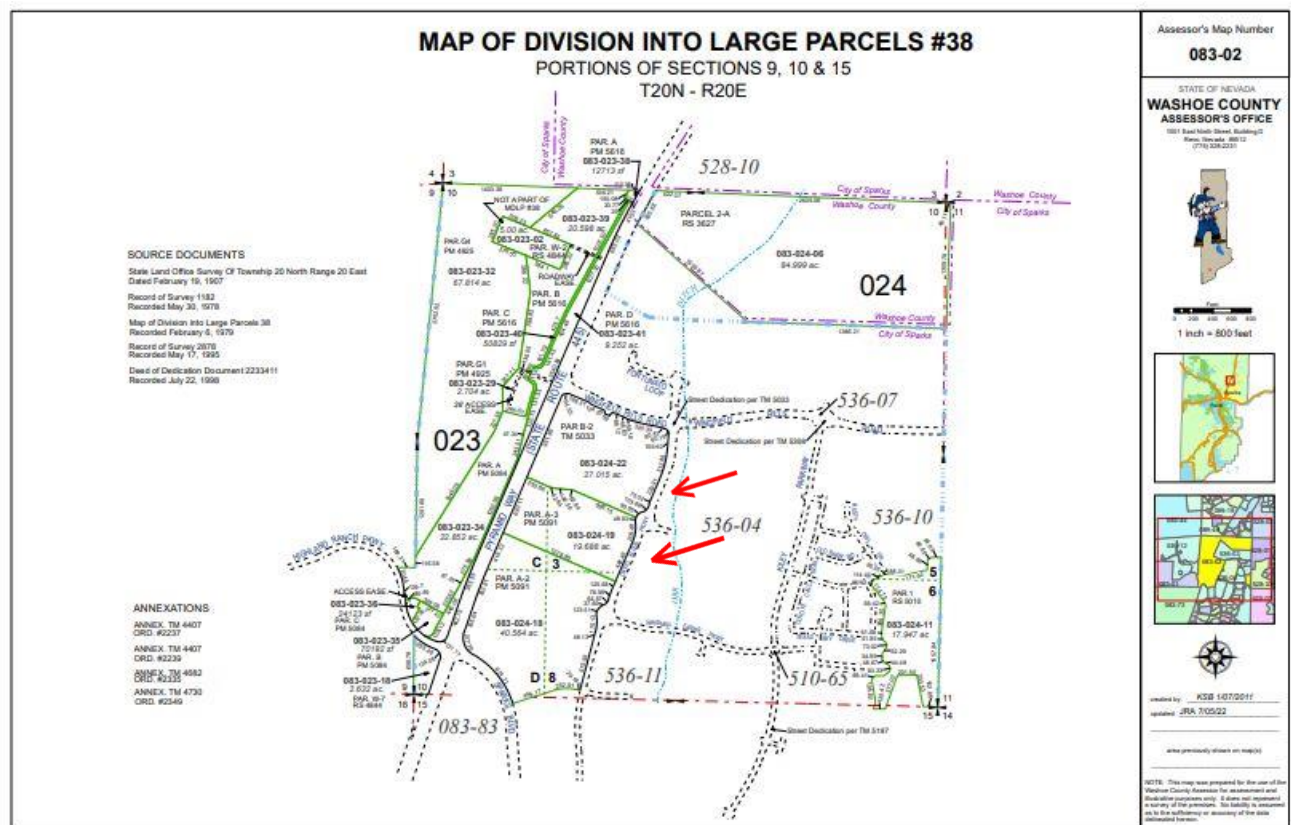
APN 088-201-58



Comparable Land Sale #5

SEC Wingfield Hills Road & Pyramid Highway

APN's 083-024-22 and 083-024-19



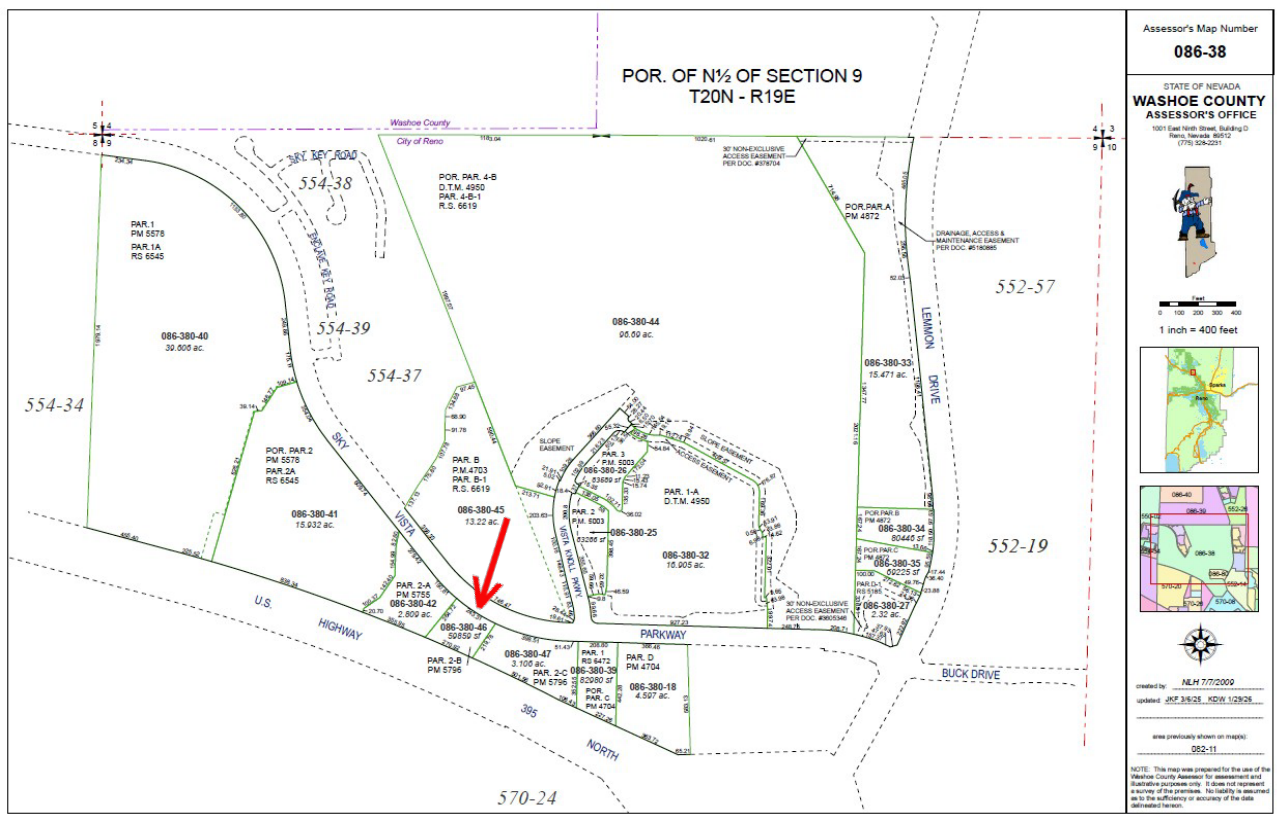
APN 086-380-18



Comparable Land Sale #7

7495 Sky Vista Parkway

APN 086-380-46

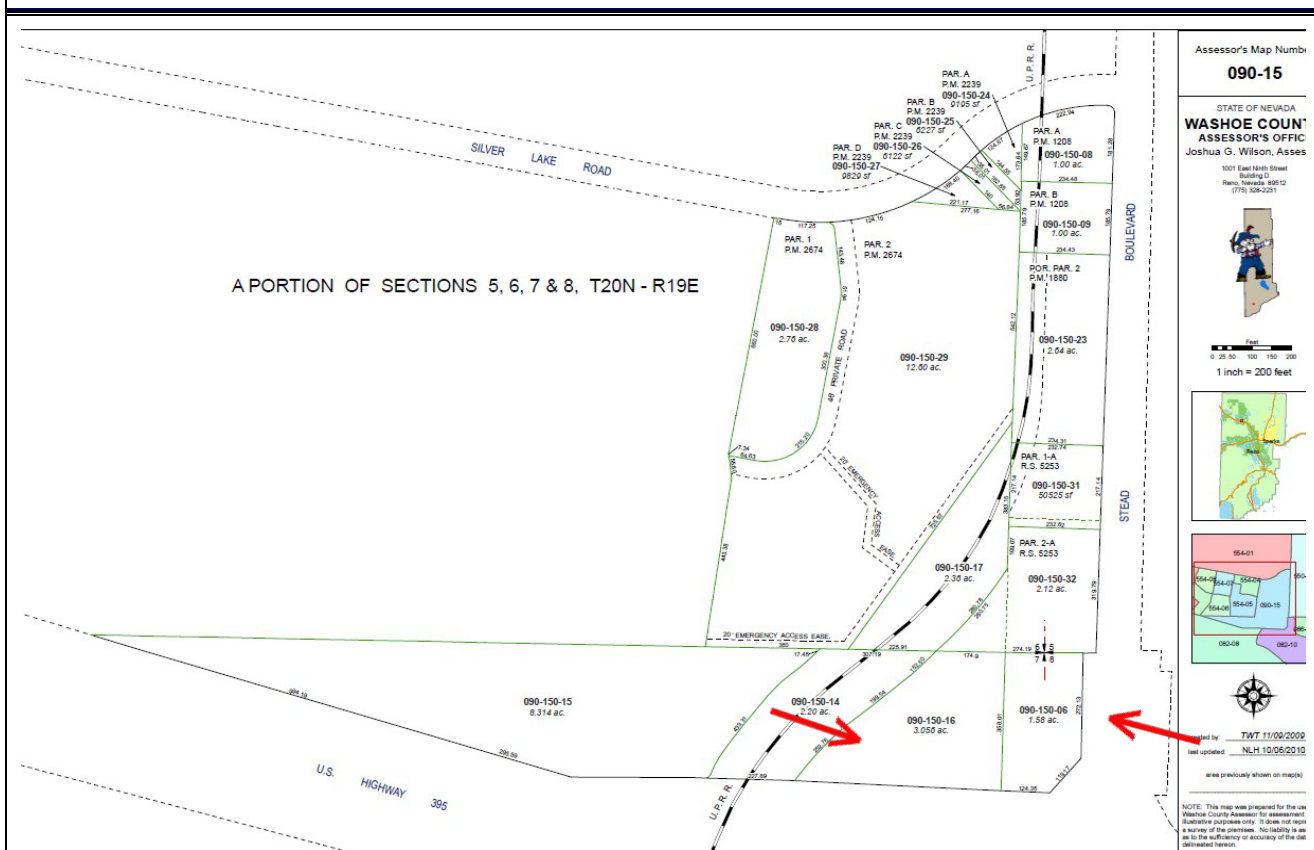


APN 086-390-30 & 34

Comparable Land Listing #9

7005-7015 Stead Boulevard

APN 090-150-06 & 16



Date:			Permit Number:		
Project Address:			Project (Tenant) Name:		
Contact Name:			Email:		Phone:
SEWER SHED AREA (CHECK ONE)	TMWRF	☐	LAWTON-VERDI/TMWRF	☐	RSWRF
FIXTURE	WEIGHT (Per Unit)	QTY New	TOTAL NEW (Quantity x Weight)	QTY Deleted	TOTAL DELETED (Quantity x Weight)
Lavatory	1				
Urinal	2				
Water Closet	3				
Floor Drain or Floor Sink	2				
Trench Drains (Per 30' of Trench Dr) _____ Ft	4				
Bar Sink/Wash Up Sink	2				
Mop Sink or Service Sink	2				
Dipper Well	3				
Clinic Sink	6				
Kitchen Sink-Break Room	2				
Kitchen Sink-Commercial (3 Comp or Similar)	3				
Laundry Sink	2				
Pedicure Chairs	3				
Hair Wash Sink	5				
Bathroom Group (Hotel or Motel Only)	8				
Bathtub or Shower Stall-Per Head	2				
Whirlpool Bath or Combination Bath/Shower	2				
Dishwasher-Commercial	35				
Dishwasher-Conveyor	100				
Disposal-Commercial (With Independent Water Supply)	50				
Dishwasher-Residential Type	2				
Laundry Machine-Self-Serve (8-20 LB Capacity) Residential Type < 4.5 CU FT	3				
Laundry Machine-Commercial (Max 35 LB Capacity)	50				
Laundry Machine-Com-Per LB Cap> 35 LBS ⁰ ____ LBS	1.5 per LB				
Drinking Fountain or Water Cooler	.5				
Wash Fountain-Circular Spray	3				
Car Wash-Self Serve (Per Bay)	28				
Car Wash-Auto Wash	100				
RV Dump Station	25				
RV Park Per Wet Space	7				
Subtotal Weighted Fixtures			(a)		(b)
Total Weighted Fixtures (a – b = c)					(c)
Hours of Operation (check one) (d)					
☐ 1 to 11 HRS; multiply total fix by 1 ☐ 12 to 15 HRS; multiply total fix by 1.5 ☐ 16 to 24 HRS; multiply total fix by 2					
Adj Total Weighted Fixtures (c X d) _____ X Current Fixture Unit Fee \$ _____ * = Total Amount Due: \$					
<i>The connection fee shall not be less than the current residential connection fee for a single-family dwelling per connection.</i>					
Signature:			Print Name:		Date:
By signing this document, you certify that the sewer fixture count you provided for the above named project is accurate.					

* Subject to the current fee schedule

(Page 1)

City of Reno Sewer Connection (Residential)

Date:	Permit Number:	
Project Address:	Project (Tenant) Name:	
Contact Name:	Email:	Phone:

SEWER SHED AREA (CHECK ONE)	TMWRF ☐	LAWTON-VERDI/TMWRF ☐	RSWRF ☐
Type of Residential Unit	Total Net Fixtures Per Unit Value (d) below	Number of Dwelling Units	Total
Single-Family Dwelling up to 31 fixture units (per dwelling) (Complete Single Family Table Below)			
Single-Family Dwelling > 31 fixture units (per dwelling) (Complete Single Family Table Below)			
Multi-Family Residential Dwelling (per dwelling unit)	n/a		
Multi-Family Residential Dwelling (micro-unit) 600 sq. ft. or less up to 15 fixture units	n/a		
Mobile Home Estates or Subdivision (per each mobile unit space)	n/a		
Mobile Home Parks (per space)	n/a		
Residential Dwelling Unit (Shared Kitchen or Rooming House Kitchen)	n/a		
Rooming House (per room rental)*	n/a		

Single Family Residential Table (Includes duplex, triplex and fourplex) FIXTURE TYPES	WEIGHT (Per Unit)	QTY Existing	TOTAL EXISTING (Quantity x Weight)	QTY (New)	Total New (Quantity x Weight)	QTY Deleted	Total Deleted (Quantity x Weight)
Lavatory	1						
Urinal	2						
Water Closet	3						
Kitchen Sink/Bar Sink	2						
Laundry Sink	2						
Dishwasher-Residential Type	2						
Bathtub or Shower Stall-Per Head	2						
Whirlpool Bath or Combination Bath/Shower	2						
Laundry Machine-Residential Type	3						

TOTAL Existing, New and Deleted	(a) _____	(b) _____	(c) _____
	(a) _____ + (b) _____ - (c) _____ = (d) _____		
Signature:	Print Name:	Date:	
By signing this document, you certify that the sewer fixture count you provided for the above named project is accurate.			

*The connection fee for each bedroom unit used in connection with a shared kitchen shall be the fee for a rooming house (per room rental).

See Sewer Connection Fee Schedule at Reno.gov for current fees and definitions

RENTAL PHOTOGRAPHS



Rental No. 1 – 440 Reno Avenue, Reno



Rental No. 2 – 3700 Grant Drive, Ste A - Reno



Rental No. 3 – 2920 Mill Street, Reno



Rental No. 4 – 1301 Cordone, Reno



Rental No. 5 – 1530 E. 6th Street, Reno



Rental No. 6 – 13870 Stead Blvd. Reno