



TRUCKEE TAHOE AIRPORT DISTRICT

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June 7, 2022

Mr. Fernando Yanez
Federal Aviation Administration
San Francisco Airports District Office
1000 Marina Blvd, Ste 115
Brisbane, CA 94005-1863

**RE: Supplemental Justification Submission
(Section 163 Determination for Property Exchange at Truckee Tahoe Airport (TRK))**

Dear Fernando:

As you know, on December 17, 2021, the Truckee Tahoe Airport District (TTAD) submitted a request for a Section 163 determination related to a proposed property exchange (the Proposed Property Exchange) at Truckee Tahoe Airport (Airport or TRK). In March 2022, you sent a series of e-mails identifying concerns "related to justification" – specifically related to establishing fair market value and also the equitable value of the relevant parcels. As a result, in your March 15, 2022, e-mail, you stated that "the ADO will hold off on the Section 163 determination, until we review the supplemental justification submission."

The facts surrounding the valuation and role of the respective parcels are complicated and we apparently did not provide sufficient explanation to the FAA in our December 2021 letter. To that end, TTAD hereby submits additional information for FAA's review and hereby requests that the agency issue a determination concluding that Section 163 applies such that FAA retains no regulatory authority over the Proposed Property Exchange.

A. Assessment of fair market value under Section 163

In the December 2021 letter, TTAD provided information to show that the Proposed Property Exchange does not involve any land acquired with federal funding and would not materially impact the safe and efficient operation of aircraft or the safety of people or property on the ground. As a result, TTAD requested that FAA issue a determination concluding that it does not retain ALP approval authority under Section 163(d) or land use approval authority under Section 163(a).

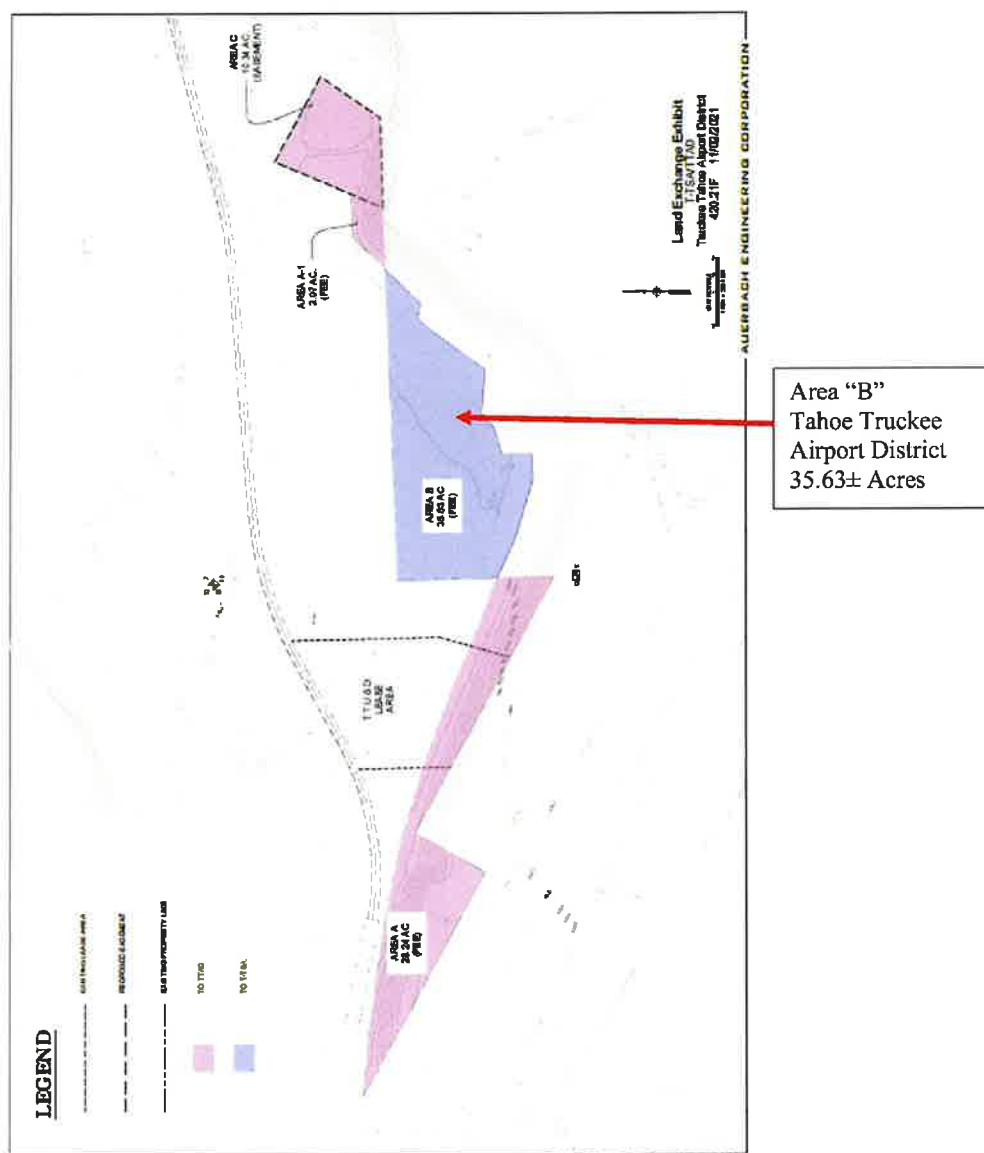
To be clear, however, TTAD recognizes that, whether or not FAA retains regulatory authority, Section 163 preserves FAA's authority to ensure:

B. that an airport owner or operator receives not less than fair market value in the context of a commercial transaction for the use, lease, encumbrance, transfer, or disposal of land, any facilities on such land, or any portion of such land or facilities; or

C. that the airport pays not more than fair market value in the context of a commercial transaction for the acquisition of land or facilities on such land; ...¹

By way of background, TTAD initially commissioned appraisals of the parcels in 2019. In early 2022, TTAD requested updated appraisals. We call your attention to the fact that the appraisals use different nomenclature than we used in the December 2021 letter. In the December 2021 letter, TTAD identified the parcel to be disposed as Parcel A and the parcels to be acquired as Parcels B and B1. By contrast, the 2022 appraisals refer to the property to be disposed as Parcel B and the parcels to be acquired as Parcels A and A1. Because this letter discusses the 2022 appraisals in depth, we use the nomenclature from the 2022 appraisals in this letter in order to avoid confusion.

Figure 1: Proposed Property Exchange



Source: Johnson Perkins Griffin Appraisal (2022)

¹ Pub. L. 115-254 at ¶ 163(b)(1)(B) –(C).

TTAD commissioned two appraisals in 2022: (1) the first appraisal assessed the fair market value of the parcel proposed to be disposed of; and (2) the second appraisal assessed the fair market value of the two parcels to be acquired in fee simple and the easement to be acquired. The appraisals are provided as **Exhibits 1 and 2** to this letter. The results of the appraisals are summarized below.

Table 1: Appraisal Results

Parcel	Role in Transaction	Acreage	Appraised Value
B <i>*identified as Parcel A in TTAD 2021 Letter</i>	Owned by TTAD – proposed for disposal	35.63	\$1,785,000
A <i>*identified as Parcel B in TTAD 2021 Letter</i>	Proposed for acquisition	28.24	\$1,230,000
A1 <i>*identified as Parcel B1 TTAD 2021 Letter</i>	Proposed for acquisition	2.28	\$115,000
C	Proposed for acquisition (easement only)	10.34	\$440,000

It is also important to note that when assessing the value of the easement on Parcel C, the appraisers first assessed the unencumbered fee simple market value and then applied a reduction factor to account for the fact that the property owner will have less than the unencumbered fee simple ownership and that the use of the land will be restricted. See **Exhibit 1** at pp. 31-32.

The appraisals demonstrate that the assessed fair market value of the land proposed to be disposed is equal to the assessed fair market value of the interests to be acquired.

In your March 15, 2022, e-mail, you asked for the “open market sale estimated value” of the airport property to be disposed and also the “cost of alternative for stand-alone purchase of aviation easement.” The 2022 appraisals provide this information.

B. Equitable versus monetary value

In your e-mails, you raise a concern as to whether the parcels and land interests to be acquired in the Proposed Property Exchange would be of the same “equitable value (not monetary)” as compared to the parcel being disposed.

As detailed in FAA’s Compliance Manual, the only instance in which the consideration of equity may come into play is where a sponsor proposes to exchange *grant-acquired real property* for other property not held by the sponsor. In such case, FAA requires that the property to be acquired “serves an airport purpose more effectively than the originally acquired parcel.”² As we documented in the December 2021 letter, however, the parcel that TTAD proposes to dispose was

² FAA Order 5190.6B at ¶ 22.18.

not acquired with grant funds, so the obligation to compare equitable uses does not apply to the Proposed Property Exchange.

Thus, unless the exchange involves ***grant-acquired real property***, the FAA imposes no separate requirement to assess the underlying equitable value.

Since no federal grant encumbrance is involved in the proposed transaction – and as expressly stated in Section 163 – the only applicable obligations on TTAD are: (1) to receive “not less than fair market value in the context of a commercial transaction” for the disposal of Parcel B; and (2) to “pay not more than fair market value in the context of a commercial transaction” for the acquisition of Parcels A and A1 in fee simple and the easement on Parcel C.³

FAA Compliance Guidance Letter 2018-3, *Appraisal Standards for the Sale and Disposal of Federally Obligated Airport Property*, details “the FAA-accepted appraisal process and report documentation standards for establishing Fair Market Value (FMV)”⁴ Moreover, this Guidance Letter specifically clarifies that it is FAA’s policy to use appraisals to “establish FMV for the .. the exchange of airport property for off-airport property.”⁵ In this context, FAA defines FMV as:

“The highest price estimated in terms of money that a property will bring if exposed for sale in the open market allowing a reasonable time to find a purchaser or tenant who buys or rents with knowledge of all the uses to which it is adapted and for which it is capable of being used. It is also frequently referred to as the price at which a willing seller would sell and a willing buyer buy, neither being under abnormal pressure. FMV will fluctuate based on the economic conditions of the area.”⁶

As an aside, even if the property to be disposed of had been acquired with grant funding, the Proposed Property Exchange would meet FAA’s equity test. As described in the December 2021 Letter, the parcel to be disposed is separated from the remainder of the Airport by a 100-foot elevation difference created by a bluff. This parcel is described in the Airport Master Plan as “unsuitable for aviation use.” It is not adjacent to any public road, has no utilities, and has access easement limitations. By contrast, the interests to be acquired in the Proposed Property Exchange include an easement for property lying within the Runway Protection Zone (RPZ) and additional land that not only provides buffer protection to assist the sponsor in preventing incompatible uses but also includes some at-grade land adjacent to Runway 11/19 that is suitable for aeronautical development. ***Indeed, the current, FAA-approved Airport Layout Plan identifies the property to be acquired in the Proposed Property Exchange as planned for future fee simple acquisition.***

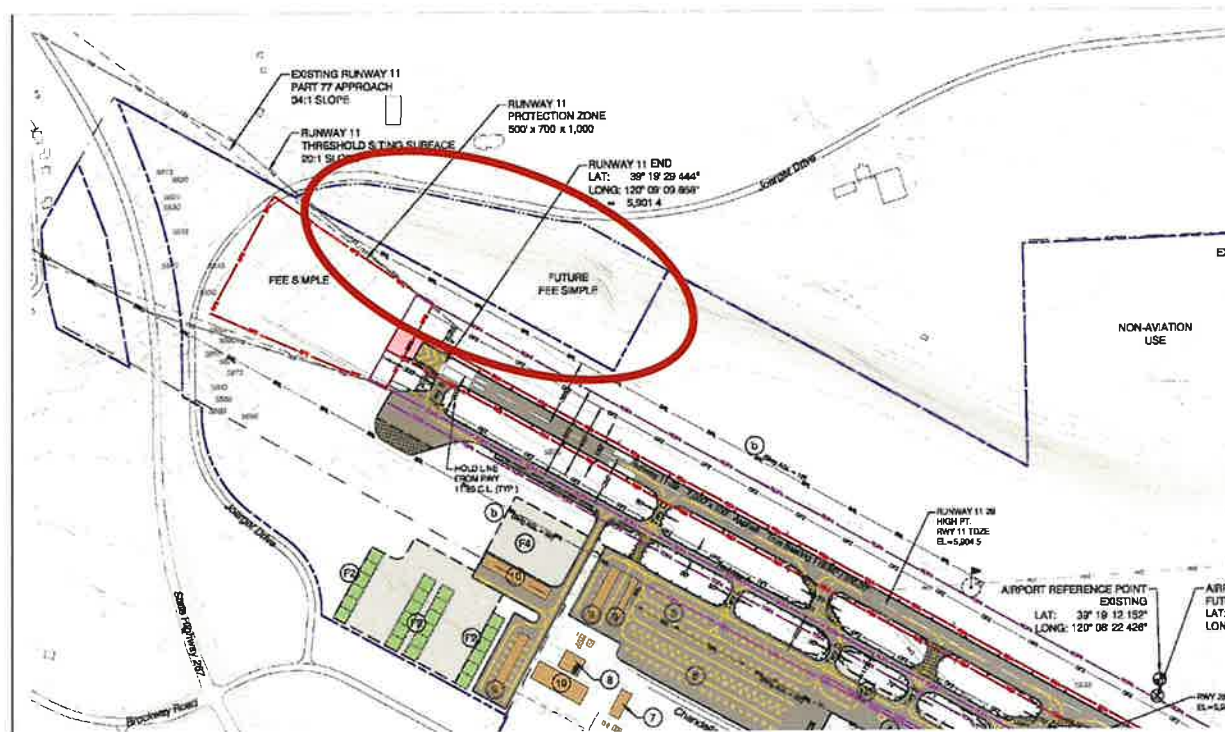
³ Pub. L. 115-254 at ¶ 163(b)(1)(B) –(C)

⁴ FAA Compliance Guidance Letter 2018-3, *Appraisal Standards for the Sale and Disposal of Federally Obligated Airport Property* (Aug. 27, 2018) at p. 1

⁵ *Id.* at p.5.

⁶ *Id.* at 6, citing FAA Order 5190.6B, FAA Airport Compliance Manual, at Appx. Z

Figure 2: TRK Airport Layout Plan Excerpt



Thus, even if the consideration of equitable value were required, the Proposed Property Exchange meets FAA’s defined test since the acquisition of land identified for future acquisition on the ALP and the acquisition of an RPZ easement “serves an airport purpose more effectively than the originally acquired parcel.”⁷

CONCLUSION

As demonstrated in the December 2021 Letter, the Proposed Property Exchange does not involve any land acquired with federal funding and would not materially impact the safe and efficient operation of aircraft or the safety of people or property on the ground. As a result, Section 163 applies such that FAA no longer retains ALP approval authority or land use approval authority.

Nevertheless, Section 163(b) still applies insofar as TTAD must demonstrate that it will neither receive less than fair market value nor pay more than fair market value for the land exchange transaction. Here, TTAD has commissioned formal real estate appraisals that meet FAA’s standard for documenting the fair market value of both the property to be disposed and the property to be acquired. There is no further legal obligation to demonstrate “equitable” value in this instance – although as demonstrated above, the Proposed Property Exchange meet’s FAA’s test because the property interests to be acquired (land depicted on the ALP for future purchase and the acquisition of an RPZ easement) “serves an airport purpose more effectively” than the originally acquired parcel (which is identified in the current Master Plan as “unsuitable for aviation use.”).

⁷ FAA Order 5190.6B at ¶ 22.18.

As supported by the data accompanying the December 2021 Letter and the explanation in this letter, TTAD respectfully requests that FAA issue a determination that: (1) the agency retains no ALP or land use approval authority over the Proposed Property Exchange; and (2) the TTAD has demonstrated that it meets the FMV requirements of Section 163(b).

Should you or your staff need any additional information to assist you in rendering a decision the Proposed Property Exchange, please feel free to contact me at (530) 587-4119 ext. 105 or at robb.etnyre@truckeetahoeairport.com. We appreciate your swift assistance with this matter.

Sincerely,



Robb Etnyre
General Manager

Encl: **Exhibit 1** (Update Valuation Letter-Land Area "B" for a Proposed Land Exchange)
Exhibit 2 (Update Valuation Letter – Land Areas for a Proposed Land Exchange)



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February 3, 2022

Via Email: kevin.smith@truckeeahoeairport.com

Mr. Kevin Smith, A.A.E., General Manager
Truckee Tahoe Airport District
10356 Truckee Tahoe Airport Road
Truckee, California 96161

Re: Update Valuation Letter - Land Area "B" for a Proposed Land Exchange Between the Truckee Tahoe Airport District and the Tahoe Truckee Sanitation Agency Located in Truckee, CA

Dear Mr. Smith:

This is in response to your request for an update valuation to our January 30, 2019 appraisal and our supplemental letter of November 19, 2019 addressing the value of a vacant parcel for a proposed land exchange between the Truckee Tahoe Airport District and the Tahoe Truckee Sanitation Agency. The date of value of our original report and our supplemental letter was January 16, 2019. The subject is located on Truckee Tahoe Airport property in Truckee, Nevada County, California. The subject property is owned by the Truckee Tahoe Airport District.

The subject site is identified as Area "B". The land area for the subject property, as set out in our original report, was prepared by the Truckee Tahoe Airport District. Subsequent to our 2019 appraisal report a formal survey of the subject was conducted by Auerbach Engineering Corporation. The land area as prepared by Auerbach Engineering Corporation was much smaller than the land area originally provided these appraisers. On November 19, 2019 we prepared a supplemental letter to our original report addressing the Market Value of the revised land area of the subject property as of the January 16, 2019 date of value of our original appraisal report.

Subsequent to the November 19, 2019 supplemental letter the subject's land area has been modified. Based upon the current *Land Exchange Exhibit Map* prepared by Auerbach Engineering Corporation dated November 2, 2021, the revised land area for the subject site is indicated to be 35.63± acres.

This is in response to your request for an update valuation letter addressing the fee simple Market Value of the revised land area of the subject property, as of a current date of value. This

supplemental letter is an addendum to our original report and is intended to be used in conjunction with the initial appraisal of January 2019 and our supplemental letter of November 19, 2019. As a result, much of the descriptive information and valuation analyses set forth in the original report will not be repeated in this analysis.

The intended users of this update valuation letter are the Truckee Tahoe Airport District and the Tahoe Truckee Sanitation Agency and their representatives. The intended use of the appraisal analysis is to assist the client in establishing the value of the subject property for a proposed land exchange between the Truckee Tahoe Airport District and the Tahoe Truckee Sanitation Agency. Any other use of this supplemental letter requires the prior written authorization of this appraisal firm.

This appraisal and the value conclusion set forth in this update valuation letter are based upon the Extraordinary Assumption that the proposed fee simple acquisition land area of 35.63± acres, as provided by Auerbach Engineering Corporation, is correct. Any change in the proposed acquisition area could impact the final Market Value conclusion as set forth in this report.

This updated appraisal analysis is based upon the Hypothetical Conditions as set forth in our original report as set forth following:

- It is assumed that the subject property involves a legally existing, independent parcel.
- For the purposes of this analysis, it is assumed that the subject property has adequate access.

This is an updated appraisal analysis that is intended to comply with the Advisory Opinion 3 (AO-3) of the *Uniform Standards of Professional Appraisal Practice*. In an updated appraisal analysis, the appraiser addresses any changes in market conditions and the status of the subject since the effective date of the original appraisal, and analyzes the effect of these changes in arriving at a current value opinion for the subject property.

The subject property is located in Truckee, California. The Town of Truckee is located in the easterly portion of Nevada County, California and includes a portion of Placer County. The greater Truckee area is bounded on the north by the Tahoe-Donner residential subdivision, the Prosser Reservoir and the Boca Reservoir. The area is bounded on the west by Donner Summit and on the east by Juniper Creek. The area is bounded on the south by the Northstar Resort. Truckee is approximately 35 miles west of Reno, 15 miles north of Lake Tahoe and 115 miles east of Sacramento. The Truckee area is situated 20 miles west of the Nevada-California state line along Interstate 80 which accesses California from the east. The current year-round

population is estimated to be in excess of 15,000 people. Prior to the 1970s, the chief industry was logging. The primary industry for the Truckee area is now tourism.

There is currently new development underway east of the Old Town District of Truckee. The Railyard Master Plan Area is located at the eastern end of historic Downtown Truckee. The Railyard Master Plan Area is comprised primarily of an area historically occupied by railyards and lumber mills and includes approximately 75 acres of land. The Railyard Master Plan District has recently been improved with infrastructure including roadways, utility services and parking areas. The Railyard District is planned to include a mixed-use development consisting of a grocery store, retail, office and residential uses. Construction of a residential component of the Railyard project, known as Artist Lofts, which is an affordable housing project, is nearing completion. The Truckee Artist Lofts project consists of 76 apartments to be housed in a four-story structure. This project is planned to also include approximately 3,855 square feet of ground floor commercial and retail space.

The former Tahoe Truckee Lumber Yard, located in the northwesterly portion of the Railyard District, is proposed to be developed with The Crossing. This project is planned to be developed with 21,500± square feet of commercial space suitable for general office, retail and food and beverage uses and will include an outdoor plaza/gathering area.

Triumph Truckee Hotel, LLC has recently developed a 10.37± acre site located at the east terminus of East Jibboom Street, between Donner Pass Road (Highway 267) and Interstate 80, just northeast of historic downtown Truckee. This property has been improved with a new Springhill Suites hotel and an apartment project. The hotel involves a 114 room Marriott-flagged hotel. The multi-family component involves the Coburn Crossing containing 137 apartment units.

The new Soaring Ranch community shopping center is being developed near the Truckee Tahoe Airport within the Joerger Ranch project. Approved by the Town in early 2018, the project broke ground in June 2019. Phase 1 of the project is complete and includes a 37,000 square-foot Raley's grocery store, as the shopping center's anchor, along with an attached 12,000 square-foot commercial building occupied by Mountain Ace Hardware & Sports. There is also a separate multi-tenant commercial building across the parking lot. Phases 2 and 3 will include a 9,000 square-foot commercial building, three additional 8,000 square-foot commercial buildings and up to 150 multi-family apartment units subject to Town of Truckee approval.

The Truckee area includes an incorporated community located within a major outdoor recreational region. The primary industry for the area is tourism. The area enjoys excellent

accessibility from California and western Nevada. Historically, Truckee has experienced a growth trend in the residential and commercial markets, due to its location in a popular recreational destination, as well as its easy access to Reno and Sacramento. This trend is anticipated to continue into the foreseeable future.

The subject property is identified as Area “B”. The subject site is generally situated west of Runway 20 and approximately 1,000± feet south of Joerger Drive. The subject property is owned by the Truckee Tahoe Airport District. The subject property is a portion of Nevada County Assessor's Parcel Number 049-040-011. The subject site is located within the northwest corner of the larger parcel and is unimproved.

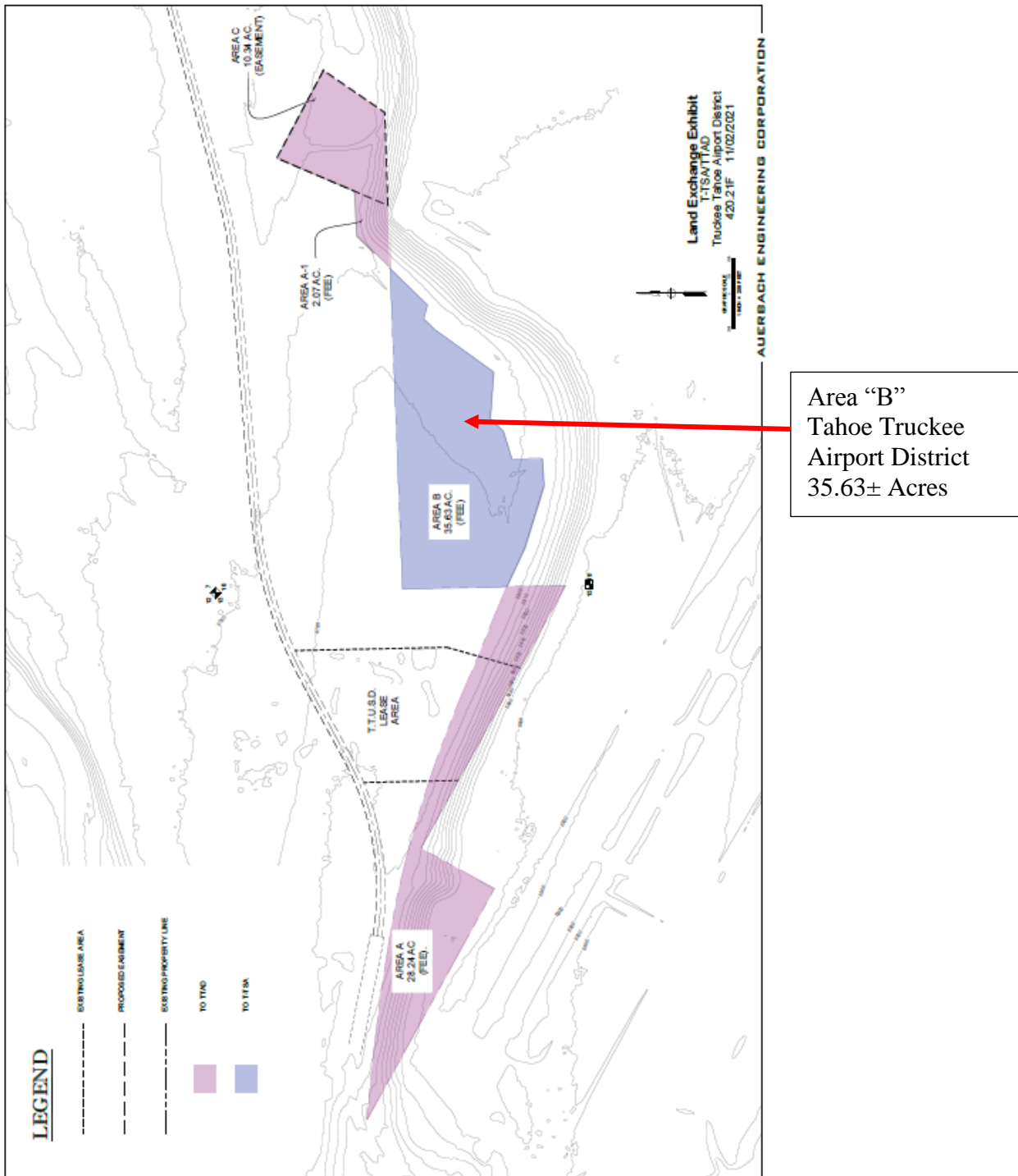
The subject property was inspected on January 25, 2022. Based upon our physical inspection of the subject property, it appears to be physically unchanged from our original date of valuation. However, as previously discussed, the land area for the subject site has been modified. Based upon a review of the *Land Exchange Exhibit Map*, prepared by Auerbach Engineering Corporation, the revised land area for the subject site is indicated to be 35.63± acres. This land area is smaller than the land area originally provided these appraisers at 68± acres. Additionally, the revised land area is exclusive of the moderately upsloping portion of the original 68± acre site and, as a result, involves more level to gentle topography. The revised land area is of irregular shape. A current review of the zoning and flood zone for the subject indicates that the status of the property in regard to these factors is unchanged from our previous date of valuation of January 16, 2019.

The revised land area for the subject property, as set out following, is based upon the *Land Exchange Exhibit Map*, dated November 2, 2021, as prepared by Auerbach Engineering Corporation, and is assumed to be correct.

Owner of Record Tahoe Truckee Airport District				
Property ID	APN Property Location	Proposed Acquisition	Original Land Area	Revised* Land Area
Area “B”	Portion of 049-040-11 West of Runway 20 & 1,000± Feet South of Joerger Drive Truckee, Nevada County, CA	Fee Simple	68± Acres 2,962,080± SF	35.63± Acres 1,552,043± SF
*As Per the Land Exchange Exhibit Map Prepared by Auerbach Engineering, Dated November 2, 2021				

The *Land Exchange Exhibit Map*, prepared by Auerbach Engineering Corporation, is set out following:

LAND EXCHANGE EXHIBIT MAP
(Dated November 2, 2021, Prepared by Auerbach Engineering Corporation)





SUBJECT PHOTOGRAPHS



VIEW LOOKING SOUTHEASTERLY TOWARD THE SUBJECT TAKEN A SHORT DISTANCE SOUTH OF JOERGER DRIVE FROM NEAR THE SCHOOL BUS YARD



VIEW LOOKING SOUTHWESTERLY TOWARD THE SUBJECT SITE FROM BUTTERFIELD DRIVE

**UPDATED VALUATION ANALYSIS
TRUCKEE TAHOE AIRPORT DISTRICT PROPERTY
(AS OF JANUARY 25, 2022)**

Subject Area “B” – 35.63± Acres of Land

The subject site is generally situated between Runway 20 and Joerger Drive. The subject lies approximately 1,000± feet south of Joerger Drive and has no direct street frontage along this roadway. For the purposes of this analysis, it is assumed that the subject property has adequate access. This property is a portion of Nevada County A.P.N. 049-040-011 and contains 35.63± acres.

The property is part of a larger parcel and is unimproved. The subject’s revised land area is of irregular shape and the topography is basically level to gentle. All necessary utilities are reasonably available. The property has a secondary light industrial/commercial location, which is relatively sparsely developed. As discussed in our January 2019 appraisal report, the highest and best use of the subject site was concluded to be for future development with light industrial uses. It was noted that, due to the subject’s lack of direct frontage and access from Joerger Drive, development will require extension of roads and infrastructure to the site.

In order to estimate the fee simple Market Value of the subject’s revised land area, as of the January 25, 2022 date of value, we have reviewed the Sales Comparison Approach to Value analysis as set out in our original report. In addition, the Official Records of Nevada and Placer Counties as well as the local Multiple Listing Service were searched for recent sales of comparable large acreage vacant land. We have also researched current listings of similar properties in the Truckee area.

The sales and listing set forth on the following chart were considered to be indicative of an appropriate land value for the subject’s 35.63± acre property.

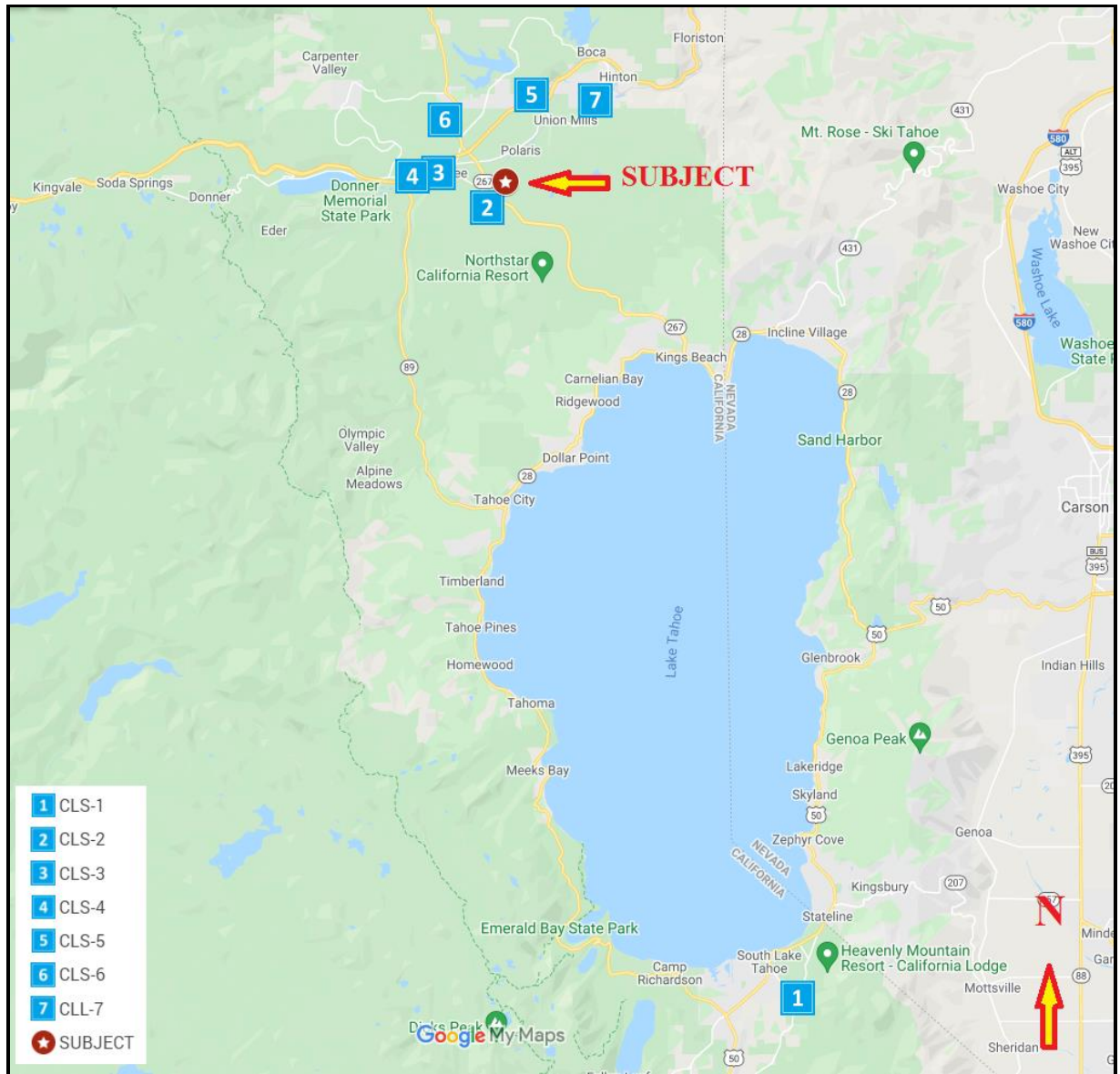


COMPARABLE LAND SALES CHART

Sale Number	APN Project Location	Recording Date Sale Price	Land Area	Zoning Utilities Topography	Price/Acre Price/SF
CLOSED SALES					
CLS-1	025-071-20 1551 Al Tahoe Boulevard, South Lake Tahoe El Dorado County, CA	3/16/2016 \$1,414,276	26.99 Acres 1,175,684 SF	Recreation Reasonably Available Gentle	\$52,400 \$1.20
CLS-2	080-270-065 (Now 075) & 080-061-013 S/E of Schaffer Mill Road at Hopkins Village Drive Martis Valley, Placer County, CA	6/7/2016 \$3,550,000	42.15 Acres 1,836,054 SF	Conservation/Work Force Reasonably Available Gentle	\$84,223 \$1.93
CLS-3	019-420-043 (Now 089 & 090) 10470 Jibboom Street Btw Donner Pass Rd. & U.S. Hwy 80, at the E. Terminus of Jibboom St., Truckee, Nevada County, CA	11/14/2017 \$2,000,000	10.37 Acres 451,717 SF	Downtown Visitors Lodgings Reasonably Available Level to Moderate	\$192,864 \$4.43
CLS-4	018-570-060 & 063 Old Gateway Motel Parcel 11174 Donner Pass Road on the N/S of Donner Pass Rd. & the E/S of Frates Lane, Truckee, Nevada County, CA	11/22/2017 \$940,000	18.97 Acres 826,333 SF	General Commercial/SFR Reasonably Available Level to Upsloping	\$49,552 \$1.14
CLS-5	048-210-012 Former Charter School Site 12640 Union Mills Road N/S Union Mills Rd, 1/4± Mile NE of Caltrans Station Truckee, Nevada County, CA	12/12/2019 \$1,400,000*	40.10 Acres 1,746,756 SF	RR-0.10, 10 Ac Minimum Electric & Telephone Well & Septic on Site Level to Moderate	\$34,913 \$0.80
CLS-6	019-380-046 11743 Lockwood Drive Prosser Lake Heights, Truckee Nevada County, CA	2/13/2020 \$950,000	25.30 Acres 1,102,068 SF	RR-0.1, 10 Ac Minimum (90% Minimum OS Requirement) Electric, Gas & Water Available	\$37,549 \$0.86
CURRENT LISTINGS					
CLL-7	048-080-045 Just South of the SWC of Glenshire Dr. & Martis Peak Road, Glenshire Truckee, Nevada County, CA	Current Listing 1/25/2022 \$1,800,000	61.31 Acres 2,670,664 SF	RR-1.0, 1 Ac Minimum Reasonably Available Level to Gentle	\$29,359 \$0.67
SUBJECT - TRUCKEE TAHOE AIRPORT DISTRICT**					
Subject Property	Portion of 049-040-011 Area "B" Acquisition West of Runway 20 & South of Joerger Drive Truckee, Nevada County, CA	Date of Value 1/25/2022 ---	35.63 Acres 1,552,043 SF	Business Park Reasonably Available Level to Gentle	---
*Estimated Effective Sale Price Land Only					
**Area B Revised Land Area as of November 2, 2021 Land Exchange Exhibit Map					

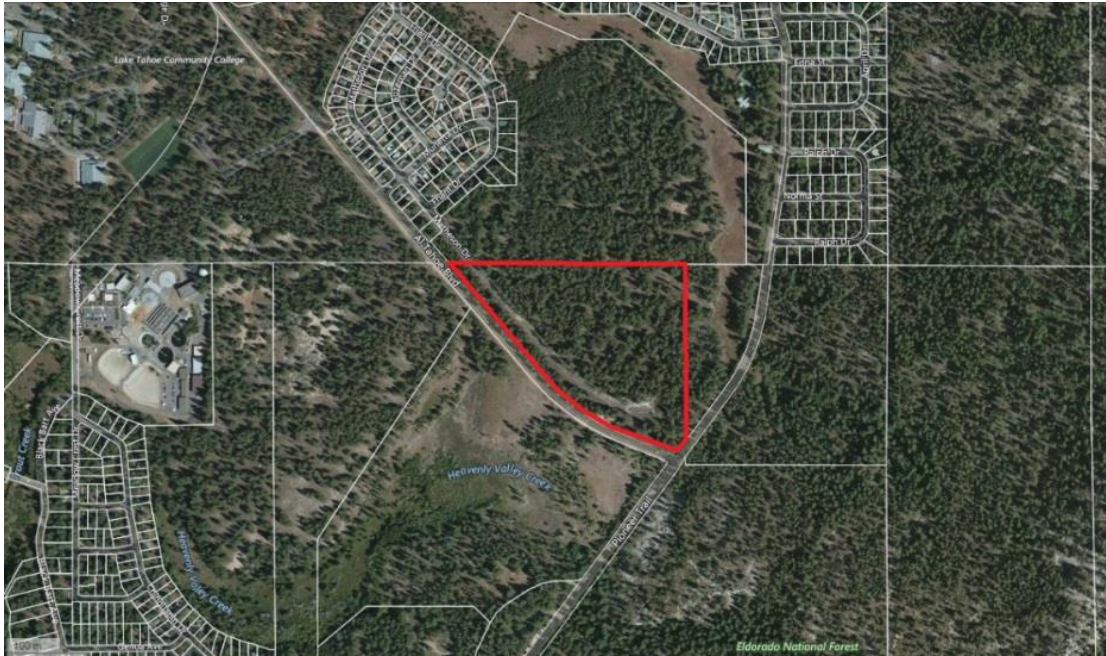


COMPARABLE LAND SALES MAP





COMPARABLE LAND SALE PROFILE SHEET SALE LS-1



Property Location:	Northwest corner Al Tahoe Boulevard and Pioneer Trail	City:	South Lake Tahoe
Address:	1551 Al Tahoe Boulevard	County:	El Dorado
A.P.N.:	025-071-20	State:	California
Topography:	Gentle	Utilities:	Reasonably Available
Total Land Area:	26.99± Acres 1,175,684 Square Feet	Sale Price:	\$1,414,276
Zoning:	Recreation	Sale Price Per Acre:	\$52,400/Acre
Flood Zone:	"X", Minimal Flood Hazard	Sale Price Per SF:	\$1.20/Square Foot
Recording Date:	March 16, 2016	Document Number:	2016.10813
Grantor:	Springmeyer Family Partnership	Terms Of Sale:	Cash
Grantee:	Lake Tahoe Wildlife Care, Inc.	Verification:	Erin Springmeyer, seller by SRJ, May 10, 2016
Days on Market:	N/A		
Comments: This involves a basically level forested parcel with the exception of a portion of the property which is in a stream environment zone. Most of the property involves high capability lands with 20-30% allowable land coverage. The easterly 1/3 rd of the property involves a low soil capability level and is classified stream environment zone. Overall, it is felt that this property has more than adequate land coverage available for development. The property has 1,925 feet of frontage on Al Tahoe Boulevard and 175 feet of frontage on Pioneer Trail. The TRPA Land Use Classification for this property is recreation. The uses are very limited including day use areas, outdoor recreation concessions and various resources management uses. Under the provisions for a special use permit, single-family dwellings, churches, cultural facilities and other public service uses. Additional recreation uses include cross country skiing courses, riding and hiking trails, participant sports and developed campground. At the request of the seller, the property was initially leased in 2014 with an option to purchase. On March 16, 2016 escrowed closed on the property. The buyers subsequently improved with the property with the Lake Tahoe Wildlife Care Facility.			



COMPARABLE LAND SALE PROFILE SHEET SALE CLS-2



Property Location:	Southeast of Schaffer Mill Road at Hopkins Village Drive	Community:	Martis Valley
Address:	9765 Schaffer Mill Road	County:	Placer
A.P.N.:	080-270-065 (Now 075) and 080-061-013	State:	California
Topography:	Gently Sloping	Utilities:	Reasonably Available
Total Land Area:	42.15± Acres (Per Legal Description)	Sale Price:	\$3,550,000
Zoning:	RS-B-X 20 Ac minimum; PD=1.2/Conservation and Workforce Housing	Sale Price Per Acre: Sale Price Per SF:	\$84,223/Acre \$1.93/Square Foot
Recording Date:	June 7, 2016	Document Number:	2016-0044007-00
Grantor:	Hopkins Ranch, LLC	Terms Of Sale:	\$800,000 Seller Financing, Balance Cash to Seller
Grantee:	Martis Valley Education Foundation (Tahoe Expedition Academy)	Verification:	Public Records & Representative of Seller

Comments: The property is situated over 300 feet south and east of Schaffer Mill Road. The property is moderately forested with mature pine trees and areas of open scrub brush and native grass. The property has a good view of Martis Valley and the surrounding mountains including the Northstar Resort. The property does experience some aircraft Overflight due to the proximity of the Truckee Tahoe Airport. Although the county zoning would allow development with up to 1.2 units per acre, a deed restriction substantially limits the development potential of this property. The deed restrictions prohibit the construction of any residential structure other than workforce housing on the property. It prohibits any impairment of the property's conservation values, except as reasonably necessary to carry out any activities that are expressly permitted on the property. The Tahoe Expedition Academy plans to build a 60,000 square foot campus that can accommodate up to 270 students. Ten small modular classrooms have already been installed north of the property. In 2017 a 14,155± square foot school/classroom facility was construction on the site. As part of their consideration, the buyers will be making contributions back to the Martis Fund, which is tasked with providing affordable housing to the area.



**COMPARABLE LAND SALE PROFILE SHEET
SALE CLS-3**



Property Location:	Between Donner Pass Road & Interstate 80, at the East Terminus of E. Jibboom Street	Community:	Northeast of Historic Downtown Truckee
Address:	10470 East Jibboom Street	County:	Nevada
A.P.N.:	019-420-043 (now 089 & 090)	State:	California
Topography:	Level to Gentle	Utilities:	Reasonably Available
Total Land Area:	10.37± Acres (451,717± Square Feet)	Sale Price:	\$2,000,000
Zoning:	DVL (Downtown Visitors Lodgings)	Sale Price Per Acre: Sale Price Per SF:	\$192,864/Acre \$4.43/Square Foot
Recording Date:	November 14, 2017	Document Number:	2017-0025354
Grantor:	Peoria-Sunnyside, LLC	Terms Of Sale:	Cash to Seller
Grantee:	Triumph Truckee Hotel, LLC	Verification:	Public Records & CoStar
Comments: This comparable is the November 2017 sale of 10.37± acres located at the east terminus of East Jibboom Street, between Donner Pass Road (Highway 267) and Interstate 80 just northeast of historic downtown Truckee. This site has extensive frontage along Donner Pass Road, an arterial roadway, as well as visibility from I-80. Additional access is provided by East Jibboom Street. This property was subsequently improved with a new Springhill Suites hotel and apartments. The hotel involves a 114 room Marriott-flagged hotel. The multi-family component involves the Coburn Crossing containing 137 apartment units.			



COMPARABLE LAND SALE PROFILE SHEET
SALE LS-4



Property Location:	Old Gateway Motel Parcel North side of Donner Pass Rd. & the East side of Frates Lane	Community:	Central Truckee
Address:	11174 Donner Pass Road	County:	Nevada
A.P.N.:	018-570-060 & 063	State:	California
Topography:	Level to Upsloping	Utilities:	Reasonably Available
Total Land Area:	18.97± Acres 826,333± Square Feet	Sale Price:	\$940,000
Zoning:	General Commercial/ Single Family Residential 0.5	Sale Price Per Acre:	\$49,552/Acre
Flood Zone:	"X", Minimal Flood Hazard	Sale Price Per SF:	\$1.14/Square Foot
Recording Date:	November 22, 2017	Document Number:	2017.0026176
Grantor:	Joseph Title Holding, LLC	Terms Of Sale:	Cash to Seller
Grantee:	SR & Sons, LLC	Verification:	Public Records & MLS - Dickson Realty
Days on Market:	N/A		
Comments: This sale property is the old Gateway Motel parcel located at 11174 Donner Pass Road in central Truckee. This site is situated a short distance northeast of the Interstate 80/State Highway 89 interchange. This parcel has nominal frontage on Donner Pass Road to the south and nominal frontage on Frates Lane to the west. The property is located just north of the Gateway (Safeway) retail center. According to the listing agent, James Hemig, Jr. of Dickson Realty, approximately 2 acres of the south portion of the site, near Donner Pass Road, is zoned for commercial uses. The remainder of the site is zoned for single family residential uses, at a density of 0.5 dwelling units per acre. There are a number of older wood frame cabins located in the very southeast corner of the property. According to the listing agent, the cabins are 6 rental units with long term tenants which are generating a modest income for the property. The majority of the site is vacant land which is forested. The majority of the site has moderately upsloping topography.			



COMPARABLE LAND SALE PROFILE SHEET SALE LS-5



Property Location:	N/S of Union Mills Rd, 1/4± Mile NE of the Caltrans Vehicle Inspection Station	Community:	Truckee
Address:	12640 Union Mills Road	County:	Nevada
A.P.N.:	048-210-012	State:	California
Topography:	Level to Moderate	Utilities:	All Available
Total Land Area:	40.10± Acres (1,746,756± SF)	Effective Sale Price:	\$1,400,000 (Land Only)
Zoning:	RR-0.1, Rural Residential, 10 Ac Minimum Lots	Sale Price/Acre:	\$34,913/Acre
		Sale Price/SF:	\$0.80/Square Foot
Recording Date:	December 12, 2019	Document Number:	2019.0026593
Grantor:	Wedbush Securities, Inc (Bank Owned)	Terms of Sale:	Cash to Seller
Grantee:	Friends of Cedar Sage Waldorf School	Verification:	CoStar, Public Records & Ron Hemig, Sierra Sotheby's
Days on MLS:	6 Years, 4± Months		
Comments: This comparable is located at 12640 Union Mills Road in the Truckee area. This site is situated on the north side of Union Mills Road, 1/4± mile northeast of the Caltrans Vehicle Inspection Station on Interstate 80. Union Mills Road is a frontage road which runs along the interstate. Union Mills Road is a 60 foot wide access easement which is improved with an asphalt paved access road. It is noted that the very southerly portion of the site is encumbered with a 60 foot wide public utility and access easement for the roadway. The site contains 40.10± acres and includes a 9,000 gallon water tank and septic system. The comparable is the site of a former charter school and is improved with a 4,590 square foot structure that was built in 1995. In our discussion with Mr. Hemig it was indicated that the building was in need of renovation at the time of sale, including interior finishes and roof repairs. Mr. Hemig indicated that the sale price was \$2,000,000, however, \$600,000 has been attributed to the contributory value of the existing structure and on-site improvements, resulting in an estimated \$1,400,000 price for the land only. Reportedly, the buyer plans to use the property as an education center/school.			



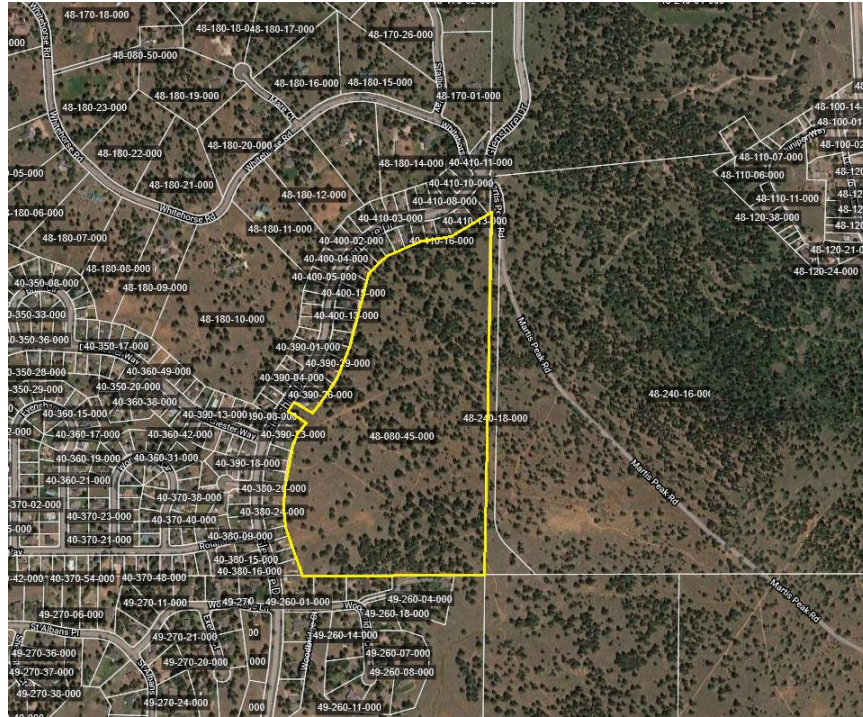
COMPARABLE LAND SALE PROFILE SHEET SALE LS-6



Property Location:	At the West Terminus of Lockwood Drive in the Prosser Lake Heights Neighborhood	City:	Truckee
Address:	11743 Lockwood Drive	County:	Nevada
A.P.N.:	019-380-046	State:	California
Topography:	Level to Upsloping	Utilities:	Electric, Gas & Water to Site, Needs Septic
Total Land Area:	25.30 Acres 1,102,068 Square Feet	Sale Price:	\$950,000
Zoning:	RR-0.1, 10 Ac Minimum	Sale Price Per Acre:	\$37,549/Acre
Flood Zone:	“X”, Minimal Flood Hazard	Sale Price Per SF:	\$0.86/Square Foot
Recording Date:	February 13, 2020	Document Number:	2020.0003574
Grantor:	David Spiegel & Helen Blau Spiegel Trust	Terms Of Sale:	Cash
Grantee:	Stone Family Trust	Verification:	MLS, Public Records & Ron Hemig, Sierra Sotheby’s
Days on Market:	154 Days (5± Months)		
Comments: This comparable is located at 11743 Lockwood Drive. This parcel is situated at the west terminus of Lockwood Drive directly west of the Prosser Lake Heights subdivision. Lockwood Drive is an asphalt paved access easement. It is noted that the central portion of the site is encumbered with a 30-foot-wide public utility and access easement for the roadway. The access and utility easement runs in a generally north-south direction through the central portion of the sale property. This site has level to upsloping topography and is forested. According to the listing broker the site enjoys good mountain, lake and meadow views. The property is zoned RR-0.1 which allows single family residential development with 10-acre minimum lots. It is our understanding that the minimum open space requirement for the site is 90% of the gross site area. Mr. Hemig indicated that electric, water and gas have been extended to the building envelope on the site.			



COMPARABLE LAND LISTING PROFILE SHEET LISTING LL-7



Property Location:	Just Southeast of the Southwest Corner of Glenshire Drive & Martis Peak Road	Community:	Glenshire Area of Truckee
Address:	N/A	County:	Nevada
A.P.N.:	048-080-045	State:	California
Topography:	Level to Gentle	Utilities:	Reasonably Available, Need to be Extended
Total Land Area:	61.31± Acres 2,670,664± SF	Asking Price:	\$1,800,000
Zoning:	RR-1.0, 1 Acre Minimum Lots	Asking Price/Acre:	\$29,359/Acre
Flood Zone:	"X", Minimal Flood Hazard	Asking Price/SF:	\$0.67/Square Foot
Listing Date:	Current Listing January 25, 2022	Owner of Record:	Robinson Family Investments
Days on Market:	Approximately 9 Years	Verification:	MLS, Public Records
Comments: This comparable is located just south of the southwest corner of Glenshire Drive and Martis Peak Road in the Glenshire area of Truckee. The site has two access points from Glenshire Drive via the adjacent Elkhorn Ridge single family residential subdivision. The listing agent has indicated that the site has potential for access from Martis Peak Road. This site has level to gentle topography and is forested. The property is zoned RR-1.0 which allows single family residential development with one-acre minimum lots. According to the listing agent all utility services will need to be extended to the site. The original asking price was \$2,600,000 and was reduced in March of 2018 to \$2,400,000 and was reduced in 2020 to \$1,800,000.			

COMPARABLE LAND SALES ANALYSIS AND DISCUSSION
(Area “B” - Proposed 35.63± Acre Fee Simple Acquisition, As of January 25, 2022)

The comparable sales set out on the preceding chart occurred between March 2016 and February 2020, in comparison to the subject’s January 25, 2022 date of valuation. The listing is current as of the date of valuation. The comparables range in size from 10.37± acres to 61.31± acres in comparison to the subject property which contains 35.63± acres of land area. The comparables indicated prices ranging from \$0.67 per square foot to \$4.43 per square foot.

The comparable properties utilized in this analysis were compared and correlated to the subject property based upon several adjustment criteria. These include market conditions, location, street frontage, physical characteristics, zoning, topography, size, etc.

As previously noted, the subject lies approximately 1,000± feet south of Joerger Drive and has no direct street frontage along this roadway. For the purposes of this appraisal analysis, it has been assumed that the subject property has adequate access.

Property Rights Conveyed

The fee simple Market Value of the subject property is being estimated. As each of the sales utilized in this analysis involve the sale of the fee simple interest of the property, no adjustment for property rights is required.

Financing-Terms of Sale (Cash Equivalency)

All of the sales utilized in this analysis were cash to seller or cash equivalent transactions, therefore, no adjustment for cash equivalency is required to the sales.

Market Conditions (Date of Sale)

The comparable sales range in recording date from March 2016 to February 2020, in comparison to the subject’s date of value of January 25, 2022. Consideration is given to improving market conditions. Consideration is also given to the limited amount of large acreage commercial land in the area. There are few large tracts of commercial land available for sale in the Truckee area. However, it is recognized that there have been even fewer actual sales of such land in the past two years. As a result, upward adjustments for market conditions have been made to those sales which occurred from 2014 to 2019. Sale CLS-6 occurred in February of 2020 and no adjustment for date of sale is considered necessary for this sale. Listing CLL-6 is given a downward adjustment due to its listing status.

Discussion of Adjustments

Sale CLS-1 is a 26.99± acre site located on the northwest corner of Al Tahoe Boulevard and Pioneer Trail in South Lake Tahoe. In comparison to the subject, this comparable requires an upward adjustment as the purchase price was established in 2014. A large upward adjustment is made due to the subject's higher intensity development potential. On the other hand, downward adjustments are required due to this comparable's location in South Lake Tahoe and due to its situs at a major, signaled intersection. A downward adjustment is made due to this comparable's smaller land area. Generally, a relationship exists between the size of the parcel and the per unit price. Larger land areas tend to have a lower price per square foot, while properties with a smaller land area tend to have a higher price per square foot. This comparable is similar to the subject in regards to topography and availability of utilities.

Overall, the \$1.20 per square foot sale price is considered to be a slightly high indication of the appropriate per square foot value applicable to the subject.

Sale CLS-2 is the June 2016 sale of 42.15± acres located in the Martis Valley a short distance off of Schaffer Mill Road. In comparison to the subject, this comparable requires an upward adjustment due to its 2016 date of sale. This sale requires an upward adjustment due to the subject's higher intensity development potential. On the other hand, a large downward adjustment is necessary due to this comparable's location adjacent to the Martis Camp Development. This comparable has limited street frontage, therefore a minor downward adjustment is made due to the subject's lack of direct street frontage. This comparable is similar to the subject in regards to size, topography and availability of utilities.

Overall, the \$1.93 per square foot sale price is considered to be a very high indication of the per square foot value applicable to the subject.

Sale CLS-3 is the November 2017 sale of 10.37± acres located at the east terminus of East Jibboom Street, between Donner Pass Road (Highway 267) and Interstate 80 just northeast of historic downtown Truckee. This site has extensive frontage along Donner Pass Road, an arterial roadway, as well as visibility from I-80. In comparison to the subject, this comparable requires an upward adjustment due to its 2017 date of sale. An upward adjustment is made due to the subject's superior topography. On the other hand, this comparable requires downward adjustments due to its superior location proximate to downtown Truckee, superior street frontage and freeway visibility. A large downward adjustment is required due to this comparable's much smaller size, at 10.37± acres, as compared to the subject, at 35.63± acres. Further downward adjustment is necessary due to this comparable's superior development potential as it is zoned Downtown Visitors Lodgings.

Overall, the \$4.43 per square foot price is considered to be an extremely high indicator of the appropriate per square foot value applicable to the subject.

Sale CLS-4 is the 2017 sale of the old Gateway Motel parcel located at 11174 Donner Pass Road in central Truckee. In comparison to the subject, this comparable requires an upward adjustment due to its 2017 date of sale. This comparable requires an upward adjustment due to the subject's more intensity development potential. A large upward adjustment is made due to the subject's superior topography. On the other hand, downward adjustments are required due to this comparable's superior location in central Truckee and smaller land area. A downward adjustment is made due to this comparable's superior frontage; however, it is recognized that this site's street frontage is fairly nominal. A downward adjustment is made as this comparable included a small number of old cabins which were generating some income for the property.

Overall, the \$1.14 per square foot price is considered to be a reasonable indicator of the appropriate per square foot value applicable to the subject.

Sale CLS-5 is the 2019 sale of a 40.10± acre parcel located at 12640 Union Mills Road in the northeast Truckee area. In comparison to the subject, this comparable requires a large upward adjustment due to the subject's superior closer-in location. Upward adjustments are required due to the subject's superior development potential and superior availability of utilities. An upward adjustment is made due to the subject's superior topography. On the other hand, downward adjustments are required due to the subject's lack of direct street frontage and as the comparable property includes a 4,590 square foot partially completed structure. This comparable is similar to the subject in regards to size.

Overall, the \$0.80 per square foot is considered to be a very low indicator of the appropriate per square foot value applicable to the subject.

Sale CLS-6 is located at 11743 Lockwood Drive. This parcel is situated at the west terminus of Lockwood Drive directly west of the Prosser Lake Heights subdivision. In comparison with the subject, this comparable requires an upward adjustment due to the subject's closer-in location. An upward adjustment is required due to the subject's superior development potential. A large upward adjustment is made due to subject's superior topography. On the other hand, downward adjustments are made due to this comparable's smaller land area and superior shape, as compared to the subject. This comparable has limited street frontage, therefore a minor downward adjustment is made due to the subject's lack of direct street frontage.

Overall, this comparable, at \$0.86 per square foot, is considered to be a very low indication of an appropriate per unit value for the subject.

Listing CLL-7 is a 61.31± acre site located just south of the southwest corner of Glenshire Drive and Martis Peak Road in the Glenshire area of Truckee. The original asking price was \$2,600,000 or \$0.98 per square foot. This asking price was reduced in March of 2018 to \$2,400,000 or \$0.90 per square foot and was reduced in 2020 to \$1,800,000 or \$0.67 per square foot of land area. In comparison to the subject, this comparable requires an upward adjustment due to the subject's superior closer-in location and higher intensity development potential. Upward adjustments are required due to the subject's much smaller land area and superior availability of utilities. On the other hand, a downward adjustment is required as this is an asking price. This comparable is considered similar to the subject in regards to frontage and topography.

Overall, the \$0.67 per square foot asking price is considered to be an extremely low indicator of the appropriate per square foot value applicable to the subject.

Summary

To summarize, the lowest per unit values were illustrated by Sales CLS-5, CLS-6 and Listing CLL-7, at \$0.67 to \$0.86 per square foot. These comparables were considered to be very low to extremely low indicators of a per unit value applicable to the subject property's 35.63± acres, as of a current date of value.

The highest per unit values were illustrated by Sales CLS-2 and CLS-3, at \$1.93 and \$4.43 per square foot, both required downward adjustment to achieve comparability with the subject property. Overall, these comparables are considered to be very high to extremely high indicators of a per unit value applicable to the subject property.

Sale CLS-1, at \$1.20 per square foot, was considered to be a slightly high indicator. Sale CLS-4, at \$1.14 per square foot, was considered to be a reasonable indicator of an appropriate per square foot land value for the subject property's 35.63± acres, as of a current date of value.

In estimating an appropriate per square foot value for the subject property, consideration was given to the subject's location north of the Truckee Tahoe Airport which is felt to be a secondary light industrial location. Consideration is also given to the subject's Business Park zoning, its revised land area at 35.63± square feet, its level to gentle topography and to its reasonable access to utilities. For the purposes of this analysis it has been assumed that the subject property has adequate access.



Based upon a review of the available data, and with consideration given to the analysis as set forth above, it is our opinion that a value of \$1.15 per square foot would be applicable to the subject property, as of a current date of value. Applying the indicated \$1.15 per square foot value to the subject's 1,552,043± square feet of land area, results in an indicated value, as of January 25, 2022, of \$1,784,849, which is rounded to \$1,785,000.

FINAL MARKET VALUE CONCLUSION
TRUCKEE TAHOE AIRPORT DISTRICT PROPERTY
(Area "B" - Proposed 35.63± Acre Fee Simple Acquisition, As of January 25, 2022)

Subject Property Area "B"	Property Rights Appraised	Effective Date Of Value	Value Conclusion
Portion of 049-040-011 West of Runway 20 & South of Joerger Dr., Truckee, Nevada County, CA	Fee Simple	January 25, 2022	\$1,785,000

CERTIFICATION

Each of the undersigned does hereby certify that, unless otherwise noted in this appraisal report, that they do certify to the best of their belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed services, as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification.
- The Appraisal Institute conducts a mandatory program of continuing education for its designated members. As of the date of this report, Cindy Lund Fogel has completed the requirements under the continuing education program of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.



This update valuation letter is an addendum to our prior report and is intended to be used in conjunction with the initial appraisal of January 2019 and our supplemental letter of November 2019. The revised land area for the subject property is based upon the *Land Exchange Exhibit Map*, dated November 2, 2021, as prepared by Auerbach Engineering Corporation, and is assumed to be correct.

The real property, which is the subject of this appraisal, is valued, as of the January 25, 2022 date of value, subject to the special assumptions set forth herein, as set out following:

**FINAL MARKET VALUE CONCLUSION
TRUCKEE TAHOE AIRPORT DISTRICT PROPERTY
(Area "B" - Proposed 35.63± Acre Fee Simple Acquisition, As of January 25, 2022)**

Subject Property Area "B"	Property Rights Appraised	Effective Date Of Value	Value Conclusion
Portion of 049-040-011 West of Runway 20 & South of Joerger Dr., Truckee, Nevada County, CA	Fee Simple	January 25, 2022	\$1,785,000

Respectfully Submitted,

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



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February 3, 2022

Via Email: kevin.smith@truckeeahoeairport.com

Mr. Kevin Smith, A.A.E., General Manager
Truckee Tahoe Airport District
10356 Truckee Tahoe Airport Road
Truckee, California 96161

Re: Update Valuation Letter - Land Areas for a Proposed Land Exchange Between the
Truckee Tahoe Airport District and the Tahoe Truckee Sanitation Agency Located in
Truckee, California

Dear Mr. Smith:

This is in response to your request for an update valuation to our January 30, 2019 appraisal and our supplemental letter of November 19, 2019 addressing the value of various parcels of land for a proposed land exchange between the Truckee Tahoe Airport District and the Tahoe Truckee Sanitation Agency. The date of value of our original report and our supplemental letter was January 16, 2019. The subject properties are located proximate to the Truckee Tahoe Airport in Truckee, Nevada County, California and are owned by the Tahoe Truckee Sanitation Agency.

The land areas for the two subject properties as set out in our original report were prepared by the Truckee Tahoe Airport District. The subject parcels are identified as Area "A" and Area "C". Subsequent to our January 2019 appraisal report a formal survey of the subject properties was conducted by Auerbach Engineering Corporation. The land areas as prepared by Auerbach Engineering Corporation were smaller than those previously provided these appraisers. In addition, the Truckee Tahoe Airport District identified an additional land area to be acquired in fee. This new land area is identified as Area "A-1" and is owned by the Tahoe Truckee Sanitation Agency. On November 19, 2019 we prepared a supplemental letter to our original report addressing the Market Value of the revised land areas of Area "A" and Area "C", and the additional proposed fee acquisition land Area "A-1", as of the original January 16, 2019 date of value.

Subsequent to the November 19, 2019 supplemental letter the subject's land areas have been modified. Based upon the current *Land Exchange Exhibit Map* prepared by Auerbach Engineering Corporation dated November 2, 2021, the revised land areas for the subject



properties are as summarized following:

Owner of Record				
Tahoe Truckee Sanitation Agency				
Property ID	APN Property Location	Proposed Acquisition	Original Land Area	Revised* Land Area
SUBJECT PROPERTY 1 - PORTION OF APN 019-440-081				
Area "A" Acquisition	Portion of 019-440-81 Between Joerger Drive & Runway 11, Truckee, Nevada County, CA	Fee Simple	53± Acres 2,308,680± SF	28.24± Acres 1,230,134± SF
SUBJECT PROPERTY 2 - PORTIONS OF 049-040-024 & 025				
Area "C" Proposed RPZ Easement Acquisition	Portions of 049-040-024 & 025 SWC & SEC of Joerger Drive & Butterfield Drive, Truckee, Nevada County, CA	Easement Acquisition	13.774± Acres 600,000± SF	10.34± Acres 450,410± SF
Area "A-1" Acquisition	Portion of 049-040-024	Fee Simple	2.28± Acres 99,317± SF	2.07± Acres 90,169± SF
*As Per the Land Exchange Exhibit Map Prepared by Auerbach Engineering, Dated November 2, 2021				

This is in response to your request for an update valuation letter addressing the fee simple Market Value of the revised land areas of the subject properties identified as Area "A" and Area "A-1", as of a current date of value. Area "A" and Area "A-1" are proposed to be purchased in fee. It is noted that the *Land Exchange Exhibit* map, denotes a portion of Area "A" as TTUSD (Tahoe Truckee Unified School District) Leased Area. For the purposes of this analysis, we are addressing the unencumbered fee simple value of the subject Area "A" acquisition land area.

It is further the purpose of the appraisal analysis to estimate the Market Value and appropriate compensation for the proposed 10.34± acre Runway Protection Zone easement, which is identified as Area "C".

This supplemental letter is an addendum to our original report and is intended to be used in conjunction with the initial appraisal of January 2019 and the supplemental letter of November 2019. As a result, much of the descriptive information and valuation analyses set forth in the original report and supplemental letter will not be repeated in this analysis.

The intended users of this update valuation letter are the Truckee Tahoe Airport District and the Tahoe Truckee Sanitation Agency and their representatives. The intended use of the appraisal analysis is to assist the client in establishing the value of the subject properties for a proposed land exchange between the Truckee Tahoe Airport District and the Tahoe Truckee Sanitation Agency. Any other use of this supplemental letter requires the prior written authorization of these appraisers.

This appraisal and the value conclusions set forth in this update valuation letter are based upon the Extraordinary Assumption that the proposed fee simple and easement acquisition land areas, as prepared by Auerbach Engineering Corporation are correct. Any change in the proposed acquisition areas could impact the final Market Value and compensation conclusions as set forth in this report.

This updated appraisal analysis is based upon the Hypothetical Conditions as set forth in our original report as set forth following:

- It is assumed that Subject Property 1 (Area “A”) involves a legally existing, independent parcel. For the purposes of this analysis, it is assumed that Subject Property 1 is of adequate shape to allow for normal development of the site.
- It is further assumed that the subject properties lie outside the Truckee Tahoe Airport Land Use Compatibility Plan restrictive areas and involve developable land.

This is an updated appraisal analysis that is intended to comply with the Advisory Opinion 3 (AO-3) of the *Uniform Standards of Professional Appraisal Practice*. In an updated appraisal analysis, the appraiser addresses any changes in market conditions and the status of the subject since the effective date of the original appraisal, and analyzes the effect of these changes in arriving at a current value opinion for the subject property.

The subject property is located in Truckee, California. The Town of Truckee is located in the easterly portion of Nevada County, California and includes a portion of Placer County. The greater Truckee area is bounded on the north by the Tahoe-Donner residential subdivision, the Prosser Reservoir and the Boca Reservoir. The area is bounded on the west by Donner Summit and on the east by Juniper Creek. The area is bounded on the south by the Northstar Resort. Truckee is approximately 35 miles west of Reno, 15 miles north of Lake Tahoe and 115 miles east of Sacramento. The Truckee area is situated 20 miles west of the Nevada-California state line along Interstate 80 which accesses California from the east. The current year-round population is estimated to be in excess of 15,000 people. Prior to the 1970s, the chief industry was logging. The primary industry for the Truckee area is now tourism.

There is currently new development underway east of the Old Town District of Truckee. The Railyard Master Plan Area is located at the eastern end of historic Downtown Truckee. The Railyard Master Plan Area is comprised primarily of an area historically occupied by railyards and lumber mills and includes approximately 75 acres of land. The Railyard Master Plan District has recently been improved with infrastructure including roadways, utility services and parking areas. The Railyard District is planned to include a mixed-use development consisting of a grocery store, retail, office and residential uses. Construction of a residential component of the

Railyard project, known as Artist Lofts, which is an affordable housing project, is nearing completion. The Truckee Artist Lofts project consists of 76 apartments to be housed in a four-story structure. This project is planned to also include approximately 3,855 square feet of ground floor commercial and retail space.

The former Tahoe Truckee Lumber Yard, located in the northwesterly portion of the Railyard District, is proposed to be developed with The Crossing. This project is planned to be developed with 21,500± square feet of commercial space suitable for general office, retail and food and beverage uses and will include an outdoor plaza/gathering area.

Triumph Truckee Hotel, LLC has recently developed a 10.37± acre site located at the east terminus of East Jibboom Street, between Donner Pass Road (Highway 267) and Interstate 80, just northeast of historic downtown Truckee. This property has been improved with a new Springhill Suites hotel and an apartment project. The hotel involves a 114 room Marriott-flagged hotel. The multi-family component involves the Coburn Crossing containing 137 apartment units.

The new Soaring Ranch community shopping center is being developed near the Truckee Tahoe Airport within the Joerger Ranch project. Approved by the Town in early 2018, the project broke ground in June 2019. Phase 1 of the project is complete and includes a 37,000 square-foot Raley's grocery store, as the shopping center's anchor, along with an attached 12,000 square-foot commercial building occupied by Mountain Ace Hardware & Sports. There is also a separate multi-tenant commercial building across the parking lot. Phases 2 and 3 will include a 9,000 square-foot commercial building, three additional 8,000 square-foot commercial buildings and up to 150 multi-family apartment units subject to Town of Truckee approval.

The Truckee area includes an incorporated community located within a major outdoor recreational region. The primary industry for the area is tourism. The area enjoys excellent accessibility from California and western Nevada. Historically, Truckee has experienced a growth trend in the residential and commercial markets, due to its location in a popular recreational destination, as well as its easy access to Reno and Sacramento. This trend is anticipated to continue into the foreseeable future.

Subject Property 1 – Portion of Nevada County APN 019-440-018

The subject property, identified as Area "A", is generally situated between Runway 11 and Joerger Drive. The subject property is owned by the Tahoe Truckee Sanitation Agency. This property is identified as a portion of Nevada County Assessor's Parcel Number 019-440-081. The revised land area for this site is indicated to be 28.24± acres.



Subject Property 2 – Portions of Nevada County APN 049-040-024 and 025

The proposed Runway Protection Zone easement land area (Area “C”) is a portion of a larger property consisting of portions of APN 049-040-024 and 025 (includes portion of Butterfield Drive). The larger property is located on the south side of Joerger Drive at Butterfield Drive, north of the Truckee Tahoe Airport and is owned by the Tahoe Truckee Sanitation Agency. The Truckee Tahoe Airport District is acquiring a proposed Runway Protection Zone easement over this property. The proposed RPZ easement area consists of a trapezoid shaped parcel of land to be located at the north end of Runway 20. The revised land area for the proposed RPZ easement is indicated to be 10.34± acres.

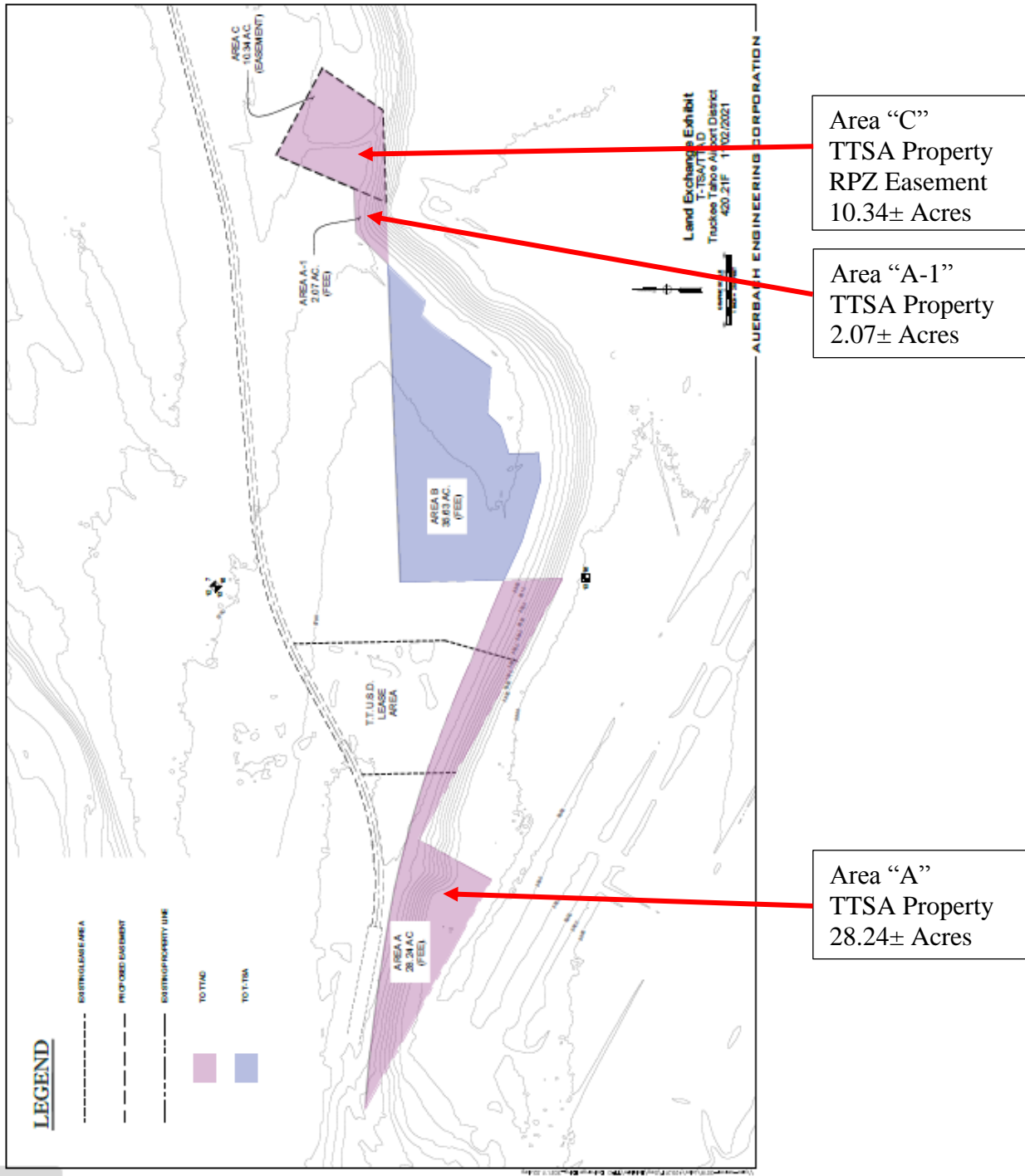
The airport district also wishes to acquire, in fee, an additional land area located directly west of the proposed RPZ land area. This additional land area is located on Subject Property 2 and is identified as Area “A-1”. This land area contains 2.07± acres and is owned by the Tahoe Truckee Sanitation Agency.

The subject properties were inspected on January 25, 2022. Based upon our physical inspection of the subject properties, they appear to be physically unchanged from our original date of valuation. However, as previously discussed, the land areas for each of the subject sites has been modified. A current review of the zoning and flood zone for the subject indicates that the status of the properties in regard to these factors is unchanged from our original report of January 16, 2019.

The *Land Exchange Exhibit Map*, dated November 2, 2021, prepared by Auerbach Engineering Corporation, is set out following:



LAND EXCHANGE EXHIBIT MAP
(Prepared by Auerbach Engineering Corporation, Dated November 2, 2021)





JOHNSON | PERKINS | GRIFFIN
REAL ESTATE APPRAISERS & CONSULTANTS

SUBJECT PROPERTY 1 PHOTOGRAPHS



**VIEW LOOKING SOUTHEASTERLY TOWARD SUBJECT PROPERTY 1
TAKEN FROM JOERGER DRIVE**



**VIEW LOOKING EASTERLY ALONG JOERGER DRIVE WITH
THE SUBJECT SITE ON THE RIGHT**



SUBJECT PROPERTY 1 PHOTOGRAPHS



**VIEW LOOKING SOUTHEASTERLY TOWARD THE CENTRAL PORTION
OF THE SUBJECT PROPERTY FROM JOERGER DRIVE**



**VIEW LOOKING WESTERLY TOWARD THE CENTRAL PORTION OF THE SUBJECT
FROM NEAR THE ACCESS ROAD (ACCESSED FROM JOERGER DRIVE)**



JOHNSON | PERKINS | GRIFFIN
REAL ESTATE APPRAISERS & CONSULTANTS

SUBJECT PROPERTY 1 PHOTOGRAPHS



VIEW LOOKING WESTERLY ALONG THE ACCESS ROAD, SUBJECT TO THE LEFT



**VIEW LOOKING SOUTHWESTERLY TOWARD THE EASTERLY PORTION
OF THE SUBJECT FROM NEAR THE ACCESS ROAD**



SUBJECT PROPERTY 2 PHOTOGRAPHS



**VIEW LOOKING SOUTHERLY TOWARD THE SUBJECT PROPERTY 2 FROM
THE INTERSECTION OF JOERGER DRIVE AND BUTTERFIELD DRIVE**



**VIEW LOOKING WESTERLY ALONG JOERGER DRIVE IN THE VICINITY
OF THE SUBJECT FROM NEAR BUTTERFIELD DRIVE**



SUBJECT PROPERTY 2 PHOTOGRAPHS



**VIEW LOOKING SOUTHERLY TOWARD THE SOUTHERLY PORTION OF
THE SUBJECT PROPERTY FROM BUTTERFIELD DRIVE**



**VIEW LOOKING SOUTHWESTERLY TOWARD THE SOUTHWESTERLY
PORTION OF THE SUBJECT FROM BUTTERFIELD DRIVE**

**UPDATED VALUATION ANALYSIS – SUBJECT PROPERTY 1
TAHOE TRUCKEE SANITATION AGENCY PROPERTY
(AS OF JANUARY 25, 2022)**

Subject Property 1 - Area “A” - 28.24± Acre Fee Simple Acquisition Land

Subject Property 1, which is identified as Area “A”, is generally situated between Runway 11 of the Truckee Tahoe Airport and Joerger Drive. This property is a portion of Nevada County A.P.N. 019-440-081. The revised land area for this site is indicated to be 28.24± acres. This parcel is forested and is unimproved. The subject’s parcel has frontage on Joerger Drive at the southwest corner of the site. It is noted that the subject does lie above grade with its Joerger Drive frontage. Area “A” has primarily moderately upsloping topography with a more level plateau in the southwest corner of the site.

The 28.24± acre proposed acquisition land area is of very irregular shape. As discussed in our original report, it is assumed that subject property Area “A” is of adequate shape to allow for normal development of the site. It is further assumed that the property lies outside the Truckee Tahoe Airport Land Use Compatibility Plan restrictive areas and involves developable land. As discussed in our original report, the highest and best use of the subject site was concluded to be for future development with light industrial uses. Therefore, the subject will be valued as a light industrial land site.

In order to estimate the fee simple Market Value of the subject’s revised land area, as of the January 25, 2022 date of value, we have reviewed the Sales Comparison Approach to Value analysis as set out in our original report. In addition, the Official Records of Nevada and Placer Counties as well as the local Multiple Listing Service were searched for recent sales of comparable large acreage vacant land. We have also researched current listings of similar properties in the Truckee area. The sales and listing set forth on the following chart were considered to be indicative of an appropriate land value for the subject’s 28.24± acre property.



COMPARABLE LAND SALES CHART

Sale Number	APN Project Location	Recording Date Sale Price	Land Area	Zoning Utilities Topography	Price/Acre Price/SF
CLOSED SALES					
CLS-1	025-071-20 1551 Al Tahoe Boulevard, South Lake Tahoe El Dorado County, CA	3/16/2016 \$1,414,276	26.99 Acres 1,175,684 SF	Recreation Reasonably Available Gentle	\$52,400 \$1.20
CLS-2	080-270-065 & 080-061-013 S/E of Schaffer Mill Road at Hopkins Village Drive Martis Valley, Placer County, CA	6/7/2016 \$3,550,000	42.15 Acres 1,836,054 SF	Conservation/Work Force Reasonably Available Gentle	\$84,223 \$1.93
CLS-3	019-420-043 10470 Jibboom Street Btw Donner Pass Rd. & U.S. Hwy 80, at the E. Terminus of Jibboom St., Truckee, Nevada County, CA	11/14/2017 \$2,000,000	10.37 Acres 451,717 SF	Downtown Visitors Lodgings Reasonably Available Level to Moderate	\$192,864 \$4.43
CLS-4	018-570-060 & 063 Old Gateway Motel Parcel 11174 Donner Pass Road on the N/S of Donner Pass Rd. & the E/S of Frates Lane, Truckee, Nevada County, CA	11/22/2017 \$940,000	18.97 Acres 826,333 SF	General Commercial/SFR Reasonably Available Level to Upsloping	\$49,552 \$1.14
CLS-5	048-210-012 Former Charter School Site 12640 Union Mills Road N/S Union Mills Rd, 1/4± Mile NE of Caltrans Station Truckee, Nevada County, CA	12/12/2019 \$1,400,000*	40.10 Acres 1,746,756 SF	RR-0.10, 10 Ac Minimum Electric & Telephone Well & Septic on Site Level to Moderate	\$34,913 \$0.80
CLS-6	019-380-046 11743 Lockwood Drive Prosser Lake Heights, Truckee Nevada County, CA	2/13/2020 \$950,000	25.30 Acres 1,102,068 SF	RR-0.1, 10 Ac Minimum (90% Minimum OS Requirement) Electric, Gas & Water Available Level to Upsloping	\$37,549 \$0.86
CURRENT LISTINGS					
CLL-7	048-080-045 Just South of the SWC of Glenshire Dr. & Martis Peak Road, Glenshire Truckee, Nevada County, CA	Current Listing 1/25/2022 \$1,800,000	61.31 Acres 2,670,664 SF	RR-1.0, 1 Ac Minimum Reasonably Available To be Extended to Site Level to Gentle	\$29,359 \$0.67
SUBJECT - TAHOE TRUCKEE SANITATION AGENCY					
Subject Property 2	Portions of 049-040-024 & 025 RPZ Zone Easement Acquisition SWC & SEC of Joerger Drive & Butterfield Drive at the North End of Runway 20 Truckee, Nevada County, CA	Date of Value 1/25/2022 ---	Estimated Land Area Larger Parcel 40.00 Acres 1,742,400 SF	Public Facility** Reasonably Available Primarily Level to Moderately Upsloping	---
*Estimated Effective Sale Price Land Only					
**Assuming Light Industrial Uses					

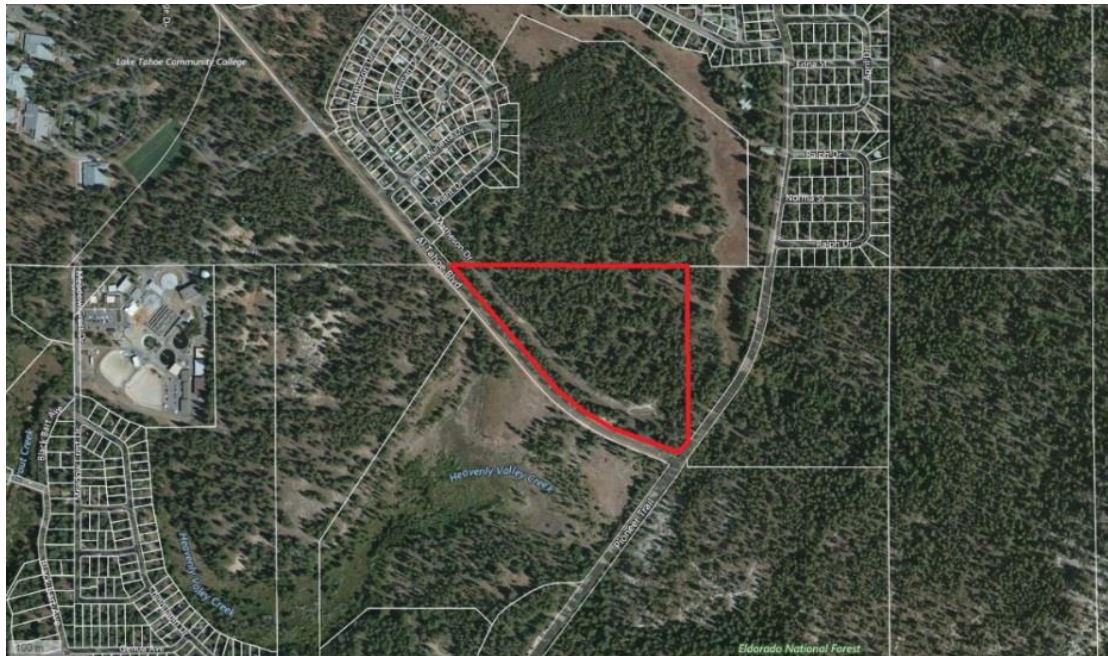


Map of Lake Tahoe area showing numbered locations 1 through 7 and a red star labeled 'SUBJECT' with an arrow pointing to it. The map includes labels for various towns, parks, and landmarks like Mt. Rose and Heavenly Mountain Resort.

- 1 CLS-1
- 2 CLS-2
- 3 CLS-3
- 4 CLS-4
- 5 CLS-5
- 6 CLS-6
- 7 CLL-7
- ★ SUBJECT



COMPARABLE LAND SALE PROFILE SHEET
SALE LS-1



Property Location:	Northwest corner Al Tahoe Boulevard and Pioneer Trail	City:	South Lake Tahoe
Address:	1551 Al Tahoe Boulevard	County:	El Dorado
A.P.N.:	025-071-20	State:	California
Topography:	Gentle	Utilities:	Reasonably Available
Total Land Area:	26.99± Acres 1,175,684 Square Feet	Sale Price:	\$1,414,276
Zoning:	Recreation	Sale Price Per Acre:	\$52,400/Acre
Flood Zone:	"X", Minimal Flood Hazard	Sale Price Per SF:	\$1.20/Square Foot
Recording Date:	March 16, 2016	Document Number:	2016.10813
Grantor:	Springmeyer Family Partnership	Terms Of Sale:	Cash
Grantee:	Lake Tahoe Wildlife Care, Inc.	Verification:	Erin Springmeyer, seller by SRJ, May 10, 2016
Days on Market:	N/A		
Comments: This involves a basically level forested parcel with the exception of a portion of the property which is in a stream environment zone. Most of the property involves high capability lands with 20-30% allowable land coverage. The easterly 1/3 rd of the property involves a low soil capability level and is classified stream environment zone. Overall, it is felt that this property has more than adequate land coverage available for development. The property has 1,925 feet of frontage on Al Tahoe Boulevard and 175 feet of frontage on Pioneer Trail. The TRPA Land Use Classification for this property is recreation. The uses are very limited including day use areas, outdoor recreation concessions and various resources management uses. Under the provisions for a special use permit, single-family dwellings, churches, cultural facilities and other public service uses. Additional recreation uses include cross country skiing courses, riding and hiking trails, participant sports and developed campground. At the request of the seller, the property was initially leased in 2014 with an option to purchase. On March 16, 2016 escrowed closed on the property. The buyers subsequently improved with the property with the Lake Tahoe Wildlife Care Facility.			



COMPARABLE LAND SALE PROFILE SHEET SALE CLS-2



Property Location:	Southeast of Schaffer Mill Road at Hopkins Village Drive	Community:	Martis Valley
Address:	9765 Schaffer Mill Road	County:	Placer
A.P.N.:	080-270-065 (Now 075) and 080-061-013	State:	California
Topography:	Gently Sloping	Utilities:	Reasonably Available
Total Land Area:	42.15± Acres (Per Legal Description)	Sale Price:	\$3,550,000
Zoning:	RS-B-X 20 Ac minimum; PD=1.2/Conservation and Workforce Housing	Sale Price Per Acre: Sale Price Per SF:	\$84,223/Acre \$1.93/Square Foot
Recording Date:	June 7, 2016	Document Number:	2016-0044007-00
Grantor:	Hopkins Ranch, LLC	Terms Of Sale:	\$800,000 Seller Financing, Balance Cash to Seller
Grantee:	Martis Valley Education Foundation (Tahoe Expedition Academy)	Verification:	Public Records & Representative of Seller

Comments: The property is situated over 300 feet south and east of Schaffer Mill Road. The property is moderately forested with mature pine trees and areas of open scrub brush and native grass. The property has a good view of Martis Valley and the surrounding mountains including the Northstar Resort. The property does experience some aircraft Overflight due to the proximity of the Truckee Tahoe Airport. Although the county zoning would allow development with up to 1.2 units per acre, a deed restriction substantially limits the development potential of this property. The deed restrictions prohibit the construction of any residential structure other than workforce housing on the property. It prohibits any impairment of the property's conservation values, except as reasonably necessary to carry out any activities that are expressly permitted on the property. The Tahoe Expedition Academy plans to build a 60,000 square foot campus that can accommodate up to 270 students. Ten small modular classrooms have already been installed north of the property. In 2017 a 14,155± square foot school/classroom facility was construction on the site. As part of their consideration, the buyers will be making contributions back to the Martis Fund, which is tasked with providing affordable housing to the area.



**COMPARABLE LAND SALE PROFILE SHEET
SALE CLS-3**



Property Location:	Between Donner Pass Road & Interstate 80, at the East Terminus of E. Jibboom Street	Community:	Northeast of Historic Downtown Truckee
Address:	10470 East Jibboom Street	County:	Nevada
A.P.N.:	019-420-043 (now 089 & 090)	State:	California
Topography:	Level to Gentle	Utilities:	Reasonably Available
Total Land Area:	10.37± Acres (451,717± Square Feet)	Sale Price:	\$2,000,000
Zoning:	DVL (Downtown Visitors Lodgings)	Sale Price Per Acre: Sale Price Per SF:	\$192,864/Acre \$4.43/Square Foot
Recording Date:	November 14, 2017	Document Number:	2017-0025354
Grantor:	Peoria-Sunnyside, LLC	Terms Of Sale:	Cash to Seller
Grantee:	Triumph Truckee Hotel, LLC	Verification:	Public Records & CoStar
Comments: This comparable is the November 2017 sale of 10.37± acres located at the east terminus of East Jibboom Street, between Donner Pass Road (Highway 267) and Interstate 80 just northeast of historic downtown Truckee. This site has extensive frontage along Donner Pass Road, an arterial roadway, as well as visibility from I-80. Additional access is provided by East Jibboom Street. This property was subsequently improved with a new Springhill Suites hotel and apartments. The hotel involves a 114 room Marriott-flagged hotel. The multi-family component involves the Coburn Crossing containing 137 apartment units.			



COMPARABLE LAND SALE PROFILE SHEET
SALE LS-4



Property Location:	Old Gateway Motel Parcel North side of Donner Pass Rd. & the East side of Frates Lane	Community:	Central Truckee
Address:	11174 Donner Pass Road	County:	Nevada
A.P.N.:	018-570-060 & 063	State:	California
Topography:	Level to Upsloping	Utilities:	Reasonably Available
Total Land Area:	18.97± Acres 826,333± Square Feet	Sale Price:	\$940,000
Zoning:	General Commercial/ Single Family Residential 0.5	Sale Price Per Acre:	\$49,552/Acre
Flood Zone:	"X", Minimal Flood Hazard	Sale Price Per SF:	\$1.14/Square Foot
Recording Date:	November 22, 2017	Document Number:	2017.0026176
Grantor:	Joseph Title Holding, LLC	Terms Of Sale:	Cash to Seller
Grantee:	SR & Sons, LLC	Verification:	Public Records & MLS - Dickson Realty
Days on Market:	N/A		
Comments: This sale property is the old Gateway Motel parcel located at 11174 Donner Pass Road in central Truckee. This site is situated a short distance northeast of the Interstate 80/State Highway 89 interchange. This parcel has nominal frontage on Donner Pass Road to the south and nominal frontage on Frates Lane to the west. The property is located just north of the Gateway (Safeway) retail center. According to the listing agent, James Hemig, Jr. of Dickson Realty, approximately 2 acres of the south portion of the site, near Donner Pass Road, is zoned for commercial uses. The remainder of the site is zoned for single family residential uses, at a density of 0.5 dwelling units per acre. There are a number of older wood frame cabins located in the very southeast corner of the property. According to the listing agent, the cabins are 6 rental units with long term tenants which are generating a modest income for the property. The majority of the site is vacant land which is forested. The majority of the site has moderately upsloping topography.			



COMPARABLE LAND SALE PROFILE SHEET SALE LS-5



Property Location:	N/S of Union Mills Rd, 1/4± Mile NE of the Caltrans Vehicle Inspection Station	Community:	Truckee
Address:	12640 Union Mills Road	County:	Nevada
A.P.N.:	048-210-012	State:	California
Topography:	Level to Moderate	Utilities:	All Available
Total Land Area:	40.10± Acres (1,746,756± SF)	Effective Sale Price:	\$1,400,000 (Land Only)
Zoning:	RR-0.1, Rural Residential, 10 Ac Minimum Lots	Sale Price/Acre:	\$34,913/Acre
		Sale Price/SF:	\$0.80/Square Foot
Recording Date:	December 12, 2019	Document Number:	2019.0026593
Grantor:	Wedbush Securities, Inc (Bank Owned)	Terms of Sale:	Cash to Seller
Grantee:	Friends of Cedar Sage Waldorf School	Verification:	CoStar, Public Records & Ron Hemig, Sierra Sotheby's
Days on MLS:	6 Years, 4± Months		
Comments: This comparable is located at 12640 Union Mills Road in the Truckee area. This site is situated on the north side of Union Mills Road, 1/4± mile northeast of the Caltrans Vehicle Inspection Station on Interstate 80. Union Mills Road is a frontage road which runs along the interstate. Union Mills Road is a 60 foot wide access easement which is improved with an asphalt paved access road. It is noted that the very southerly portion of the site is encumbered with a 60 foot wide public utility and access easement for the roadway. The site contains 40.10± acres and includes a 9,000 gallon water tank and septic system. The comparable is the site of a former charter school and is improved with a 4,590 square foot structure that was built in 1995. In our discussion with Mr. Hemig it was indicated that the building was in need of renovation at the time of sale, including interior finishes and roof repairs. Mr. Hemig indicated that the sale price was \$2,000,000, however, \$600,000 has been attributed to the contributory value of the existing structure and on-site improvements, resulting in an estimated \$1,400,000 price for the land only. Reportedly, the buyer plans to use the property as an education center/school.			



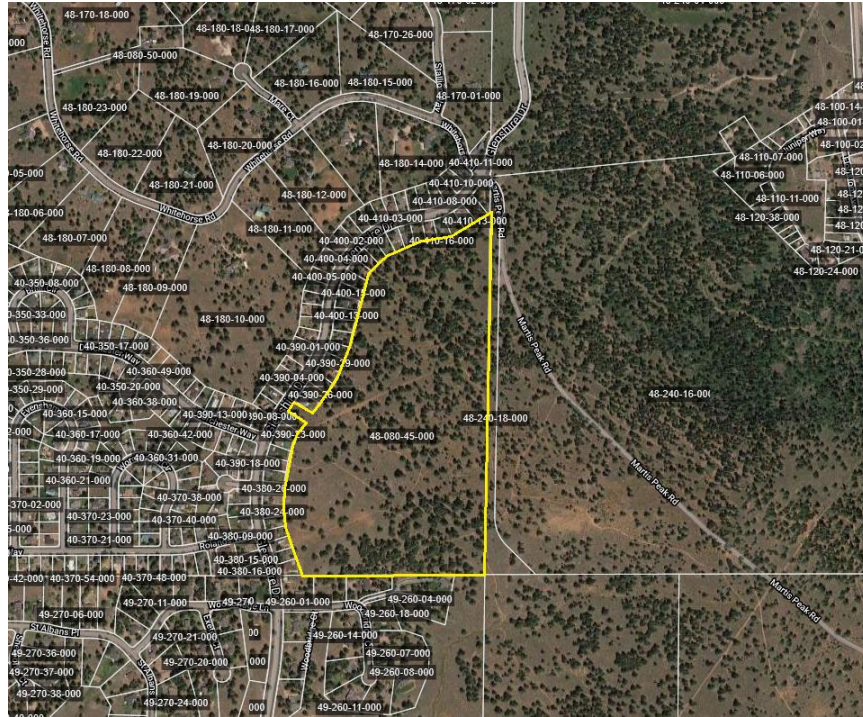
COMPARABLE LAND SALE PROFILE SHEET SALE LS-6



Property Location:	At the West Terminus of Lockwood Drive in the Prosser Lake Heights Neighborhood	City:	Truckee
Address:	11743 Lockwood Drive	County:	Nevada
A.P.N.:	019-380-046	State:	California
Topography:	Level to Upsloping	Utilities:	Electric, Gas & Water to Site, Needs Septic
Total Land Area:	25.30 Acres 1,102,068 Square Feet	Sale Price:	\$950,000
Zoning:	RR-0.1, 10 Ac Minimum	Sale Price Per Acre:	\$37,549/Acre
Flood Zone:	“X”, Minimal Flood Hazard	Sale Price Per SF:	\$0.86/Square Foot
Recording Date:	February 13, 2020	Document Number:	2020.0003574
Grantor:	David Spiegel & Helen Blau Spiegel Trust	Terms Of Sale:	Cash
Grantee:	Stone Family Trust	Verification:	MLS, Public Records & Ron Hemig, Sierra Sotheby’s
Days on Market:	154 Days (5± Months)		
Comments: This comparable is located at 11743 Lockwood Drive. This parcel is situated at the west terminus of Lockwood Drive directly west of the Prosser Lake Heights subdivision. Lockwood Drive is an asphalt paved access easement. It is noted that the central portion of the site is encumbered with a 30-foot-wide public utility and access easement for the roadway. The access and utility easement runs in a generally north-south direction through the central portion of the sale property. This site has level to upsloping topography and is forested. According to the listing broker the site enjoys good mountain, lake and meadow views. The property is zoned RR-0.1 which allows single family residential development with 10-acre minimum lots. It is our understanding that the minimum open space requirement for the site is 90% of the gross site area. Mr. Hemig indicated that electric, water and gas have been extended to the building envelope on the site.			



COMPARABLE LAND LISTING PROFILE SHEET LISTING LL-7



Property Location:	Just Southeast of the Southwest Corner of Glenshire Drive & Martis Peak Road	Community:	Glenshire Area of Truckee
Address:	N/A	County:	Nevada
A.P.N.:	048-080-045	State:	California
Topography:	Level to Gentle	Utilities:	Reasonably Available, Need to be Extended
Total Land Area:	61.31± Acres 2,670,664± SF	Asking Price:	\$1,800,000
Zoning:	RR-1.0, 1 Acre Minimum Lots	Asking Price/Acre:	\$29,359/Acre
Flood Zone:	"X", Minimal Flood Hazard	Asking Price/SF:	\$0.67/Square Foot
Listing Date:	Current Listing January 25, 2022	Owner of Record:	Robinson Family Investments
Days on Market:	Approximately 9 Years	Verification:	MLS, Public Records
Comments: This comparable is located just south of the southwest corner of Glenshire Drive and Martis Peak Road in the Glenshire area of Truckee. The site has two access points from Glenshire Drive via the adjacent Elkhorn Ridge single family residential subdivision. The listing agent has indicated that the site has potential for access from Martis Peak Road. This site has level to gentle topography and is forested. The property is zoned RR-1.0 which allows single family residential development with one-acre minimum lots. According to the listing agent all utility services will need to be extended to the site. The original asking price was \$2,600,000 and was reduced in March of 2018 to \$2,400,000 and was reduced in 2020 to \$1,800,000.			

COMPARABLE LAND SALES ANALYSIS AND DISCUSSION
(Area “A” - Proposed 28.24± Acre Fee Simple Acquisition, As of January 25, 2022)

The comparable sales set out on the preceding chart occurred between March 2016 and February 2020, in comparison to the subject’s January 25, 2022 date of valuation. The listing is current as of the date of valuation. The comparables range in size from 10.37± acres to 61.31± acres in comparison to the subject property which contains 28.24± acres of land area. The comparables indicated prices ranging from \$0.67 per square foot to \$4.43 per square foot.

The comparable properties utilized in this analysis were compared and correlated to the subject property based upon several adjustment criteria. These include market conditions, location, street frontage, physical characteristics, zoning, topography, size, etc.

As previously noted, the subject lies approximately 1,000± feet south of Joerger Drive and has no direct street frontage along this roadway. For the purposes of this appraisal analysis, it has been assumed that the subject property has adequate access.

Property Rights Conveyed

The fee simple Market Value of the subject property is being estimated. As each of the sales utilized in this analysis involve the sale of the fee simple interest of the property, no adjustment for property rights is required.

Financing-Terms of Sale (Cash Equivalency)

All of the sales utilized in this analysis were cash to seller or cash equivalent transactions, therefore, no adjustment for cash equivalency is required to the sales.

Market Conditions (Date of Sale)

The comparable sales range in recording date from March 2016 to February 2020, in comparison to the subject’s date of value of January 25, 2022. Consideration is given to improving market conditions. Consideration is also given to the limited amount of large acreage commercial land in the area. There are few large tracts of commercial land available for sale in the Truckee area. However, it is recognized that there have been even fewer actual sales of such land in the past two years. As a result, upward adjustments for market conditions have been made to those sales which occurred from 2014 to 2019. Sale CLS-6 occurred in February of 2020 and no adjustment for date of sale is considered necessary for this sale. Listing CLL-7 is given a downward adjustment due to its listing status.

Discussion of Adjustments

Sale CLS-1 is a 26.99± acre site located on the northwest corner of Al Tahoe Boulevard and Pioneer Trail in South Lake Tahoe. In comparison to the subject, this comparable requires an upward adjustment as the purchase price was established in 2014. A large upward adjustment is made due to the subject's higher intensity development potential. On the other hand, downward adjustments are required due to this comparable's location in South Lake Tahoe and due to its situs at a major, signaled intersection. A large downward adjustment is made due to this comparable's superior topography. This comparable is similar to the subject in regards to size and availability of utilities.

Overall, the \$1.20 per square foot sale price is considered to be a high indication of the appropriate per square foot value applicable to the subject.

Sale CLS-2 is the June 2016 sale of 42.15± acres located in the Martis Valley a short distance off of Schaffer Mill Road. In comparison to the subject, this comparable requires an upward adjustment due to its 2016 date of sale. This sale requires upward adjustments due to the subject's higher intensity development potential and smaller size. On the other hand, a large downward adjustment is necessary due to this comparable's location adjacent to the Martis Camp Development. A large downward adjustment is made due to this comparable's superior topography. This comparable is similar to the subject in regards to availability of utilities.

Overall, the \$1.93 per square foot sale price is considered to be a very high indication of the per square foot value applicable to the subject.

Sale CLS-3 is the November 2017 sale of 10.37± acres located at the east terminus of East Jibboom Street, between Donner Pass Road (Highway 267) and Interstate 80 just northeast of historic downtown Truckee. This site has extensive frontage along Donner Pass Road, an arterial roadway, as well as visibility from I-80. In comparison to the subject, this comparable requires an upward adjustment due to its 2017 date of sale. On the other hand, this comparable requires downward adjustments due to its superior location proximate to downtown Truckee, superior street frontage and freeway visibility. A large downward adjustment is required due to this comparable's much smaller size, at 10.37± acres, as compared to the subject, at 28.24± acres. Further downward adjustment is necessary due to this comparable's superior development potential as it is zoned Downtown Visitors Lodgings.

Overall, the \$4.43 per square foot price is considered to be an extremely high indicator of the appropriate per square foot value applicable to the subject.

Sale CLS-4 is the 2017 sale of the old Gateway Motel parcel located at 11174 Donner Pass Road in central Truckee. In comparison to the subject, this comparable requires an upward adjustment due to its 2017 date of sale. This comparable requires an upward adjustment due to the subject's more intensity development potential. On the other hand, downward adjustments are required due to this comparable's superior location in central Truckee and smaller land area. Generally, a relationship exists between the size of the parcel and the per unit price. Larger land areas tend to have a lower price per square foot, while properties with a smaller land area tend to have a higher price per square foot. A downward adjustment is made as this comparable included a small number of old cabins which were generating some income for the property. This comparable is similar to the subject in regards to topography and availability of utilities.

Overall, the \$1.14 per square foot price is considered to be a high indicator of the appropriate per square foot value applicable to the subject.

Sale CLS-5 is the 2019 sale of a 40.10± acre parcel located at 12640 Union Mills Road in the northeast Truckee area. In comparison to the subject, this comparable requires a large upward adjustment due to the subject's superior closer-in location. Upward adjustments are required due to the subject's superior development potential and superior availability of utilities. An upward adjustment is required due to this comparable's larger size. On the other hand, a downward adjustment is required as the comparable property includes a 4,590 square foot partially completed structure.

Overall, the \$0.80 per square foot is considered to be a very low indicator of the appropriate per square foot value applicable to the subject.

Sale CLS-6 is located at 11743 Lockwood Drive. This parcel is situated at the west terminus of Lockwood Drive directly west of the Prosser Lake Heights subdivision. Lockwood Drive is an asphalt paved access easement. In comparison with the subject, this comparable requires an upward adjustment due to the subject's closer-in location. Upward adjustments are required due to the subject's superior frontage on Joerger Drive and superior development potential. This comparable is similar to the subject in regards to size, topography and availability of utilities.

Overall, this comparable, at \$0.86 per square foot, is considered to be a very low indication of an appropriate per unit value for the subject.



Listing CLL-7 is a 61.31± acre site located just south of the southwest corner of Glenshire Drive and Martis Peak Road in the Glenshire area of Truckee. The original asking price was \$2,600,000 or \$0.98 per square foot. This asking price was reduced in March of 2018 to \$2,400,000 or \$0.90 per square foot and was reduced in 2020 to \$1,800,000 or \$0.67 per square foot of land area. In comparison to the subject, this comparable requires an upward adjustment due to the subject's superior closer-in location and higher intensity development potential. An upward adjustment is required due to the subject's superior street frontage. Upward adjustments are required due to the subject's much smaller land area and superior availability of utilities. On the other hand, downward adjustments are required due to this comparable's superior topography and as this is an asking price.

Overall, the \$0.67 per square foot asking price is considered to be an extremely low indicator of the appropriate per square foot value applicable to the subject.

Summary

To summarize, the lowest per unit values were illustrated by Sales CLS-5, CLS-6 and Listing CLL-7, at \$0.67 to \$0.86 per square foot. These comparables were considered to be very low to extremely low indicators of a per unit value applicable to the subject property's 28.24± acres, as of a current date of value.

The highest per unit values were illustrated by Sales CLS-2 and CLS-3, at \$1.93 and \$4.43 per square foot, both required downward adjustment to achieve comparability with the subject property. Overall, these comparables are considered to be very high to extremely high indicators of a per unit value applicable to the subject property.

Sale CLS-1, at \$1.20 per square foot, and Sale CLS-4, at \$1.14 per square foot, were considered to be high indicators of an appropriate per square foot land value for the subject property's 28.24± acres, as of a current date of value.

Based upon the analysis set forth above, it is our opinion that an appropriate per square foot value for the subject is in the range of \$0.86 and \$1.14 per square foot.

In estimating an appropriate per square foot value for the subject property, consideration was given to the subject's location north of the Truckee Tahoe Airport which is felt to be a secondary light industrial location. Consideration was also given to the subject's development potential, its revised land area of 28.24± acres, its moderately upsloping topography, street frontage and its reasonable access to utilities. For the purposes of the valuation analysis, it was



assumed that the subject property is of adequate shape for development and lies outside the Airport Compatibility Plan restrictions.

Based upon a review of the available data, and with consideration given to the analysis as set forth above, it is our opinion that a value of \$1.00 per square foot would be applicable to the subject property, as of a current date of value. Applying the indicated \$1.00 per square foot value to the subject's 1,230,134± square feet of land area, results in an indicated value, as of January 25, 2022, of \$1,230,134, which is rounded to \$1,230,000.

**FINAL MARKET VALUE CONCLUSION
TAHOE TRUCKEE SANITATION AGENCY PROPERTY
(Area "A" - Proposed 28.24± Acre Fee Simple Acquisition, As of January 25, 2022)**

Subject Property Area "A"	Property Rights Appraised	Effective Date Of Value	Value Conclusion
Portion of 019-440-081 Between Runway 11 & Joerger Drive, Truckee, Nevada County, CA	Fee Simple	January 25, 2022	\$1,230,000

**UPDATED VALUATION ANALYSIS – SUBJECT PROPERTY 2
TAHOE TRUCKEE SANITATION AGENCY PROPERTY
(AS OF JANUARY 25, 2022)**

The subject's proposed Runway Protection Zone easement (Area "C") and the additional fee acquisition land (Area "A-1") consist of portions of APN 049-040-024 and 025 which is located on the south side of Joerger Drive at Butterfield Drive, at the end of Runway 20. This land area is owned by the Tahoe Truckee Sanitation Agency. The Truckee Tahoe Airport District is acquiring a Runway Protection Zone (RPZ) easement over this property. It is our understanding that the RPZ easement is required to meet FAA regulations. The revised land area for the proposed RPZ easement is indicated to be 10.34± acres.

The airport district also wishes to acquire in fee 2.07± acres located directly west of the proposed RPZ land area. This additional land area is located on Subject Property 2 and is identified as Area "A-1". This land area is owned by the Tahoe Truckee Sanitation Agency.

The proposed acquisition areas are portions of a larger property consisting of Nevada County Assessor's Parcel Numbers 049-040-024 and 025 and Butterfield Drive, which bisects the two parcels, which are all under the ownership of the Tahoe Truckee Sanitation Agency. The whole property, which consists of APN 049-040-024 and 025 and that portion of Butterfield Drive which bisects the two parcels, contains a total land area of 123.78± acres. It is our understanding that the Truckee Tahoe Airport District is acquiring a Runway Protection Zone easement over this property, as well as a fee acquisition. The proposed acquisition land areas are confined to the easterly portion of the larger ownership. Therefore, as discussed in our original report, the subject's larger parcel has been identified as the east portion of the larger ownership and is estimated to contain 40± acres of land. The majority of this site has level to gentle topography and is slightly irregular in shape. The subject's larger parcel has good access due to its location at Joerger Drive and Butterfield Drive.

The following summarizes Subject Property 2's identified larger parcel and proposed acquisition land areas:

SUBJECT LAND AREA SUMMARY

Identified Larger Parcel Land Area	Runway Protection Zone Easement Land Area	Fee Simple Acquisition Land Area
40± Acres (1,742,400± Square Feet)	10.34± Acres (450,410± Square Feet)	2.07± Acres (90,169± Square Feet)



The revised land area for the subject's proposed RPZ easement and the fee acquisition land area, as set out above, are based upon the *Land Exchange Exhibit* map, dated November 2, 2021, as prepared by Auerbach Engineering Corporation, and are assumed to be correct.

As discussed in our original report, it is assumed that the subject's larger parcel lies outside the Truckee Tahoe Airport Land Use Compatibility Plan restrictive areas and involves developable land. The highest and best use of the subject site was concluded to be for future development with light industrial uses. Therefore, the subject was valued as a light industrial land site. It is noted that the land area of the subject's larger parcel, at 40± acres, is unchanged from our January 2019 appraisal.

Updated Valuation Analysis Proposed Runway Protection Zone Easement

The first step in this analysis is to establish the Market Value of the subject's larger parcel, before the easement acquisition. Once the fee simple land value of the subject's larger parcel has been estimated, the value of the RPZ easement acquisition area, as a portion of the larger parcel, will be analyzed.

The following chart summarizes the comparable land sales which are considered to be indicative of the land value of the subject's 40± acre larger parcel.



COMPARABLE LAND SALES CHART

Sale Number	APN Project Location	Recording Date Sale Price	Land Area	Zoning Utilities Topography	Price/Acre Price/SF
CLOSED SALES					
CLS-1	025-071-20 1551 Al Tahoe Boulevard, South Lake Tahoe El Dorado County, CA	3/16/2016 \$1,414,276	26.99 Acres 1,175,684 SF	Recreation Reasonably Available Gentle	\$52,400 \$1.20
CLS-2	080-270-065 & 080-061-013 S/E of Schaffer Mill Road at Hopkins Village Drive Martis Valley, Placer County, CA	6/7/2016 \$3,550,000	42.15 Acres 1,836,054 SF	Conservation/Work Force Reasonably Available Gentle	\$84,223 \$1.93
CLS-3	019-420-043 10470 Jibboom Street Btw Donner Pass Rd. & U.S. Hwy 80, at the E. Terminus of Jibboom St., Truckee, Nevada County, CA	11/14/2017 \$2,000,000	10.37 Acres 451,717 SF	Downtown Visitors Lodgings Reasonably Available Level to Moderate	\$192,864 \$4.43
CLS-4	018-570-060 & 063 Old Gateway Motel Parcel 11174 Donner Pass Road on the N/S of Donner Pass Rd. & the E/S of Frates Lane, Truckee, Nevada County, CA	11/22/2017 \$940,000	18.97 Acres 826,333 SF	General Commercial/SFR Reasonably Available Level to Upsloping	\$49,552 \$1.14
CLS-5	048-210-012 Former Charter School Site 12640 Union Mills Road N/S Union Mills Rd, 1/4± Mile NE of Caltrans Station Truckee, Nevada County, CA	12/12/2019 \$1,400,000*	40.10 Acres 1,746,756 SF	RR-0.10, 10 Ac Minimum Electric & Telephone Well & Septic on Site Level to Moderate	\$34,913 \$0.80
CLS-6	019-380-046 11743 Lockwood Drive Prosser Lake Heights, Truckee Nevada County, CA	2/13/2020 \$950,000	25.30 Acres 1,102,068 SF	RR-0.1, 10 Ac Minimum (90% Minimum OS Requirement) Electric, Gas & Water Available Level to Upsloping	\$37,549 \$0.86
CURRENT LISTINGS					
CLL-7	048-080-045 Just South of the SWC of Glenshire Dr. & Martis Peak Road, Glenshire Truckee, Nevada County, CA	Current Listing 1/25/2022 \$1,800,000	61.31 Acres 2,670,664 SF	RR-1.0, 1 Ac Minimum Reasonably Available To be Extended to Site Level to Gentle	\$29,359 \$0.67
SUBJECT - TAHOE TRUCKEE SANITATION AGENCY					
Subject Property 2	Portions of 049-040-024 & 025 RPZ Zone Easement Acquisition SWC & SEC of Joerger Drive & Butterfield Drive at the North End of Runway 20 Truckee, Nevada County, CA	Date of Value 1/25/2022 ---	Estimated Land Area Larger Parcel 40.00 Acres 1,742,400 SF	Public Facility** Reasonably Available Primarily Level to Moderately Upsloping	---
*Estimated Effective Sale Price Land Only					
**Assuming Light Industrial Uses					

COMPARABLE LAND SALES ANALYSIS AND DISCUSSION
(Subject Property 2 – 40± Acre Larger Parcel, As of January 25, 2022)

The comparable sales set out on the preceding chart occurred between March 2016 and February 2020, in comparison to the subject's January 25, 2022 date of valuation. The listing is current as of the date of valuation. The comparables range in size from 10.37± acres to 61.31± acres in comparison to the subject's larger parcel which contains 40± acres. The comparables indicated prices ranging from \$0.67 per square foot to \$4.43 per square foot.

In order to estimate the unencumbered fee simple Market Value of the subject's larger parcel, as of the January 25, 2022 date of value, we have reviewed the Sales Comparison Approach to Value analysis as set out in our original report. In addition, we have also reviewed the updated comparable land sales and analysis set out in the valuation section for Subject Property 1.

In the previous section, the land value for Subject Property 1 was estimated at \$1.00 per square foot. However, Subject Property 2 has primarily level topography which is superior to Subject Property 1, which has primarily moderately upsloping topography. Additionally Subject Property 2 is situated at the southwest corner and the southeast corner of Joerger Drive and Butterfield Drive, which affords this site superior frontage as compared to Subject Property 1. As a result, a higher per square foot value is indicated for Subject Property 2.

The lowest per unit values are illustrated by Sales CLS-5, CLS-6 and Listing CLL-7, at \$0.67 to \$0.86 per square foot. These comparables are considered to be very low to extremely low indicators of a per unit value applicable to Subject Property 2, primarily due to the subject's superior location, superior frontage and superior development potential.

The highest per unit value is illustrated by Sale CLS-3, at \$4.43 per square foot. This comparable, at \$4.43 per square foot, is considered to be an extremely high indicator of an appropriate per square foot value applicable to Subject Property 2, primarily due to its superior location, superior development potential as it is zoned Downtown Visitors Lodgings, and its much smaller size at 10.37± acres.

Sale CLS-2, at \$1.93 per square foot, is considered to be a high indication of the per square foot value applicable to Subject Property 2, primarily due to its superior location adjacent to the Martis Camp Development.

Based upon a review of the adjustments made to Sale CLS-1 and Sale CLS-4 in our original report and with consideration given to current market conditions; Sale CLS-1, at \$1.20

per square foot, and Sale CLS-4, at \$1.14 per square foot, are considered to be slightly low to low indicators of an appropriate per square foot land value for Subject Property 2.

Based upon the analysis set forth above, it is our opinion that an appropriate per square foot value for the subject falls within a range of \$1.20 and \$1.93 per square foot, as of the current date of value.

Land Value Conclusion As Part Of The Subject's Larger Parcel

In estimating an appropriate per square foot value for the subject property, consideration is given to the subject's location north of the Truckee Tahoe Airport which is felt to be a secondary light industrial location. Consideration is also given to the subject's development potential, its size at 40± acres, its primarily level topography, good street frontage and its reasonable access to utilities.

It is noted that the land area of the subject's larger parcel, at 40± acres, and the property's physical characteristics are unchanged from our January 2019 appraisal. The land value for the subject's larger parcel was concluded at \$1.30 per square foot, as of the January 16, 2019 date of value. In estimating the land value for the subject, as of a current date of value, consideration is also given to the limited amount of large acreage commercial land in the area. There are few large tracts of commercial land available for sale in the Truckee area. It is recognized that there have been even fewer actual sales of such land in the past two years. Overall, based upon a review of the available data and with consideration given to the analysis as set forth above, it is our opinion that the value conclusion, at \$1.30 per square foot, is a reasonable indication of value for the subject, as of the January 25, 2022, date of value.

Once the fee simple unencumbered value of the subject's larger parcel land area is derived, the next step is determining the value of the easement to be acquired. The easement addressed in this appraisal report is a permanent Runway Protection Zone easement. The proposed Runway Protection Zone easement will be centrally situated in the southerly portion of the subject's larger parcel. The proposed RPZ easement area consists of a trapezoid shaped parcel of land to be located at the north end of Runway 20. The revised land area for the RPZ easement area is 10.34± acres (450,410± square feet).

In order to arrive at an estimate of the value of the proposed easement, a factor will be applied to the unencumbered fee simple value in order to account for the fact that the property owner will have less than the unencumbered fee simple ownership and that the use of the land will be restricted.



As concluded in our original appraisal report, as the Runway Protection Zone easement will restrict the surface uses of the site, it is our opinion that a factor of 75% of the subject's unencumbered fee simple interest would be applicable to arrive at an indication of the Market Value of the *Runway Protection Zone Easement*. The unencumbered Market Value of the fee simple interest in the larger parcel was previously estimated to be \$1.30 per square foot.

INDICATED VALUE OF THE PROPOSED EASEMENT ACQUISITION – AREA “C” AT \$1.30 PER SQUARE FOOT					
Easement Description	Land Area SF	Land Value Per SF	Fee Value Indication	Discount Factor	Value Easement
Runway Protection Zone Easement	450,410	\$1.30	\$585,533	75%	\$439,150
Total Value Proposed Easement Acquisition (Rounded)					\$440,000

Given the location of the proposed easement, and as the subject owner will retain ownership of the underlying land, it is our opinion that the subject's larger parcel will not suffer any damages as a result of the proposed easement acquisition.



Area “A-1” - Proposed 2.07± Acre Fee Simple Acquisition

As previously discussed, the airport district also wishes to acquire, in fee, an additional land area located directly west of the proposed RPZ land area. This property is a portion of APN 049-040-024. This proposed land acquisition is identified as Area “A-1” and contains 2.07± acres (90,169± square feet). This land area is located south of Joerger Drive and west of Butterfield Drive and has no direct street frontage. This parcel is situated at the north end of Runway 20 and involves upsloping topography. Given this site’s location, lack of direct street frontage, topography and other physical characteristics, the land value estimate of \$1.30 per square foot for the subject’s larger parcel, is considered to be applicable to this parcel.

Applying the indicated per unit value of \$1.30 per square foot to the subject’s 90,169± square feet of land area, results in an indicated value of \$117,220, as of January 25, 2022, which is rounded to \$115,000.

FINAL MARKET VALUE CONCLUSION (Area “A-1” - Proposed 2.07± Acre Fee Simple Acquisition)

Subject Property Area “A-1”	Property Rights Appraised	Effective Date Of Value	Value Conclusion
Portion of 049-040-024 At the North End of Runway 20, S. of Joerger Dr. & W. of Butterfield Dr., Truckee, Nevada County, CA	Fee Simple Market Value	January 25, 2022	\$115,000



CERTIFICATION

Each of the undersigned does hereby certify that, unless otherwise noted in this appraisal report, that they do certify to the best of their belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed services, as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification.
- The Appraisal Institute conducts a mandatory program of continuing education for its designated members. As of the date of this report, Cindy Lund Fogel has completed the requirements under the continuing education program of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

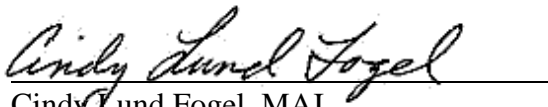
This update valuation letter is an addendum to our prior report and is intended to be used in conjunction with the initial appraisal of January 2019 and our supplemental letter of November 2019. The revised land areas for the subject properties are based upon the *Land Exchange Exhibit Map*, dated November 2, 2021, as prepared by Auerbach Engineering Corporation, and are assumed to be correct.

The real property, which is the subject of this appraisal, is valued, as of the January 25, 2022 date of value, subject to the special assumptions set forth herein, as set out following:

**FINAL MARKET VALUE CONCLUSION
TAHOE TRUCKEE SANITATION AGENCY PROPERTIES
(AS OF JANUARY 25, 2022)**

Owner of Record Tahoe Truckee Sanitation Agency				
SUBJECT PROPERTY 1 - PORTION OF APN 019-440-081				
Property ID	APN Property Location	Land Area*	Property Rights Appraised	Market Value Conclusions
Area "A" Acquisition	Portion of 019-440-081 Between Joerger Drive & Runway 11, Truckee, Nevada County, CA	28.24± Acres	Fee Simple	\$1,230,000
SUBJECT PROPERTY 2 - PORTIONS OF 049-040-024 & 025				
Area "C" Proposed RPZ Easement Acquisition	Portions of 049-040-024 & 025 SWC & SEC of Joerger Drive & Butterfield Drive, Truckee, Nevada County, CA	10.34± Acres	Easement Acquisition	\$440,000
Area "A-1" Acquisition	Portion of 049-040-024	2.07± Acres	Fee Simple	\$115,000
*As Per the Land Exchange Exhibit Map Prepared by Auerbach Engineering, Dated November 2, 2021				

Respectfully Submitted,


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