



AN APPRAISAL
OF

THE AIRPORT OFFICE BUILDING

LOCATED AT

**THE TRUCKEE TAHOE AIRPORT
10266 TRUCKEE AIRPORT ROAD,
TRUCKEE, NEVADA COUNTY, CALIFORNIA**

OWNED BY

THE TRUCKEE TAHOE AIRPORT DISTRICT

PREPARED FOR

THE TRUCKEE TAHOE AIRPORT DISTRICT

FOR THE PURPOSE OF
ESTIMATING THE FOLLOWING VALUE

VALUE SCENARIO	DATE OF VALUE
Market Rent	December 11, 2025



January 15, 2026

Jeff Menasco
 Director of Aviation
 Truckee Tahoe Airport
 10356 Truckee Airport Road
 Truckee, California 96191
 Email: jeff.menasco@truckeeairport.com

Re: Appraisal – Market Rent Analysis Airport Office Building Located at 10266 Truckee Airport Road at the Truckee Tahoe Airport, Truckee, Nevada County, California

Dear Mr. Menasco:

This is in response to your request for an appraisal of an office building (Airport Office Building) located at the Truckee Tahoe Airport, Truckee, Nevada County, California. The subject property is owned by the Truckee Tahoe Airport District. The subject property is summarized below and is more completely described in the following report.

SUBJECT PROPERTY SUMMARY		
Property Location	Zoning Land Area*	Land Use Year Built
Truckee Tahoe Airport 10266 Truckee Airport Road, Truckee, California	C2 (Community Commercial) M1 (Light Industrial) 2.65± Acres	Airport Office Building (Non-Aeronautical Uses) 2017
*The land area of the subject site, as set forth above, is estimated based upon information provided by the Truckee Tahoe Airport District and is assumed to be correct.		

The appraisal report is being prepared for the purpose of estimating the Market Rent of the Airport Office Building, as of the December 11, 2025, date of valuation. The client in this appraisal assignment is the Truckee Tahoe Airport District. The intended users of the appraisal report include the Truckee Tahoe Airport District and their representatives. The appraisal report is for use by the client, the Truckee Tahoe Airport District, in establishing lease rates for the subject's office building as of a current date of value. Any other use of the appraisal report requires the prior written authorization of this appraisal firm.



This is an Appraisal Report and is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the *Uniform Standards of Professional Appraisal Practice* for an Appraisal Report. As such, it presents summary discussions of the data, reasoning and analyses that are used in the appraisal process to develop the appraisers' opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in these appraisers' files. The depth of the discussion contained in the report is specific to the needs of the client and for the intended use as stated herein. This appraisal firm is not responsible for unauthorized use of the report.

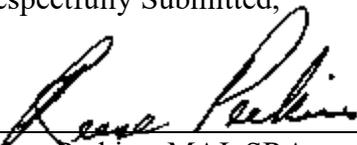
The appraisal has been completed subject to the following Extraordinary Assumptions:

- The subject property is located on Airport property identified as a portion of Nevada County APN 019-440-068. The land area of the subject site of 2.65± acres is estimated based upon information provided by the Truckee Tahoe Airport District and is assumed to be correct.

After careful consideration of all data available, and upon thorough personal investigation of the subject property and the comparable properties analyzed, the Market Rent of the subject property, under the extraordinary assumption set forth herein, as of December 11, 2025, is as follows:

MARKET RENT CONCLUSIONS - AIRPORT OFFICE BUILDING BASED ON NNN LEASE TERMS			
Unit ID	Unit Size (SF)	Market Rent Per SF	Estimated Base Monthly Rent
SUBJECT'S OFFICE SUITE – SUITE C			
Suite C	10,800± SF	\$2.25	\$24,300
SUBJECT'S OFFICE/GARAGE (WAREHOUSE) SUITE – SUITES A & B			
Suite A	1,000± SF	\$2.50	\$2,500
Suite B	1,000± SF	\$2.50	\$2,500
Estimated Common Area Maintenance Fee*		\$0.85 Per Square Foot Per Month	
*It is noted that typically the CAM charges are based on actual costs and then passed on to the tenant as reimbursable expenses.			

Respectfully Submitted,


 Reese Perkins, MAI, SRA
 Nevada Certified General Appraiser
 License Number A.0000120-CG


 Cindy Lund Fogel, MAI
 Nevada & California Certified General Appraiser
 License Numbers A.0002312-CG & 3012713



TABLE OF CONTENTS

SUMMARY OF SALIENT FACTS AND IMPORTANT CONCLUSIONS 1
PURPOSE OF APPRAISAL 2
CLIENT, INTENDED USE AND INTENDED USERS OF APPRAISAL 2
MARKET RENT DEFINED 2
DATES OF APPRAISAL 2
TYPE OF REPORT 3
SCOPE OF APPRAISAL 3
STATEMENTS OF LIMITING CONDITIONS 4
TRUCKEE AREA MAP 5
NEIGHBORHOOD MAP 6
TRUCKEE AREA DESCRIPTION 7
SUBJECT AERIAL MAP 17
SUBJECT PROPERTY PHOTOGRAPHS 18
ASSESSOR’S PLOT MAP 30
SUBJECT PROPERTY ZONING DATA 31
TRUCKEE TAHOE AIRPORT LAND USE COMPATIBILITY PLAN MAP 33
SUBJECT PROPERTY FLOOD ZONE INFORMATION 34
PROPERTY IDENTIFICATION AND SITE DESCRIPTION 35
SUBJECT BUILDING PLANS AND SKETCHES 39
HIGHEST AND BEST USE ANALYSIS 45
INTRODUCTION TO VALUATION 47
MARKET RENT ANALYSIS 47
COMPARABLE OFFICE RENT CHART 48
COMPARABLE OFFICE RENT MAP 48
COMPARABLE OFFICE RENTALS ADJUSTMENT CHART - SUBJECT OFFICE SUITE C 56
COMPARABLE BUILDING RENTAL PHOTO AND DISCUSSION 60
COMPARABLE FLEX UNIT RENTALS ADJUSTMENT CHART - SUBJECT SUITES A AND B ... 66
CERTIFICATION 70
STANDARD ASSUMPTIONS AND LIMITING CONDITIONS 71
QUALIFICATIONS OF APPRAISER REESE PERKINS 76
QUALIFICATIONS OF APPRAISER CINDY LUND FOGEL 81



SUMMARY OF SALIENT FACTS AND IMPORTANT CONCLUSIONS

SUBJECT PROPERTY CHARACTERISTICS			
Property Name	Airport Office Building (AOB)		
Property Type	Office Building		
Property Address	10266 Truckee Airport Road, Truckee, California		
Property Location	Truckee Tahoe Airport Southwest Corner Truckee Airport Road and Chandelle Way		
Assessor's Parcel Number	Nevada County APN 019-440-068 (Portion)		
Legal Description	Portion of Section 13, T17N, R16E, M.D.B. & M.		
Owners of Record	Truckee Tahoe Airport District		
Gross Building Area	12,890± Square Feet (Per Airport Exhibit Map)		
Land Area	2.65± Acres (115,434± Square Feet)		
Topography	Level		
Nevada County Zoning	C2 (Community Commercial), M1 (Light Industrial)		
Flood Zone Designation	Flood Zone "D", Areas of Undetermined Flood Hazard		
Highest & Best Use Conclusion	Continued Use of the Existing Office Improvements		
Subject Improvement Summary			
Building Type	Quality/Condition	Year Built	Leasable Building Area
Office Building	Good	2017	12,800± Square Feet
<p>The subject has a mountain architectural design and has wood, steel and concrete block construction, finished with metal siding and offers good curb appeal. On-site improvements include asphalt paved parking, as well as concrete flatwork, and the site is attractively landscaped. There is a 400± square foot patio on the north side of the building.</p>			

MARKET RENT CONCLUSIONS - AIRPORT OFFICE BUILDING BASED ON NNN LEASE TERMS			
Unit ID	Unit Size (SF)	Market Rent Per SF	Estimated Base Monthly Rent
SUBJECT'S OFFICE SUITE – SUITE C			
Suite C	10,800± SF	\$2.25	\$24,300
SUBJECT'S OFFICE/GARAGE (WAREHOUSE) SUITE – SUITES A & B			
Suite A	1,000± SF	\$2.50	\$2,500
Suite B	1,000± SF	\$2.50	\$2,500
Estimated Common Area Maintenance Fee*		\$0.85 Per Square Foot Per Month	
*It is noted that typically the CAM charges are based on actual costs and then passed on to the tenant as reimbursable expenses.			



PURPOSE OF APPRAISAL

The appraisal report is being prepared for the purpose of estimating the Market Rent of the Airport Office Building as of a current date of value.

CLIENT, INTENDED USE AND INTENDED USERS OF APPRAISAL

The client in this appraisal assignment is the Truckee Tahoe Airport District. The intended users of the appraisal report include the Truckee Tahoe Airport District and their representatives. The appraisal report is for use by the client in establishing lease rates for the subject’s office building as of a current date of value. Any other use of the appraisal report requires the prior written authorization of this appraisal firm.

MARKET RENT DEFINED

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution of a lease as of a specified date under conditions whereby:

- 1) Lessee and Lessor are typically motivated;
- 2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
- 3) Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and
- 4) The rent reflects specific terms and conditions typically found in that market, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, frequency of payments (annually, monthly, etc.), and tenant improvements (TIs).¹

DATES OF APPRAISAL

Date Description	Date
Date of Inspection	December 11, 2025
Effective Date of Value	December 11, 2025
Completion Date of Appraisal	January 15, 2026

¹ Source: The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, 2022, page 116.



TYPE OF REPORT

This is an Appraisal Report and is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the *Uniform Standards of Professional Appraisal Practice* for an Appraisal Report. As such, it presents summary discussions of the data, reasoning and analyses that are used in the appraisal process to develop the appraisers' opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in these appraisers' files. The depth of the discussion contained in the report is specific to the needs of the client and for the intended use as stated herein. This appraisal firm is not responsible for unauthorized use of the report.

SCOPE OF APPRAISAL

The preparation of this appraisal included:

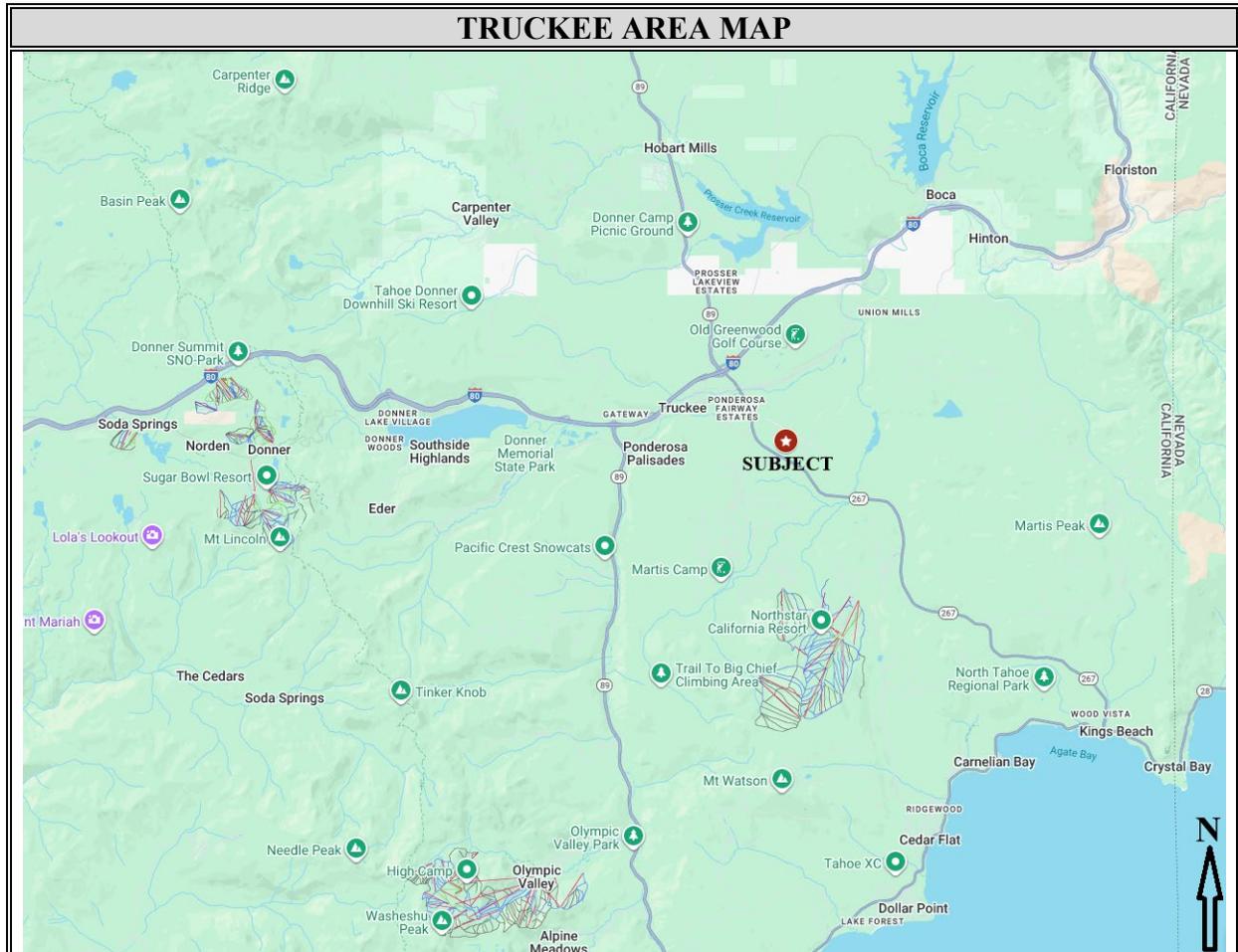
- Identification, inspection and analysis of the subject property;
- Interviews with representatives of the subject ownership;
- Identification and analysis of the subject neighborhood;
- Completion of a Highest and Best Use Analysis;
- Research, verification, inspection and analysis of comparable rental data;
- An analysis and determination of appropriate Market Rental Rates for the subject units;
- An analysis of an appropriate Common Area Maintenance fee applicable for the subject units;
- Preparation of the appraisal report.



STATEMENTS OF LIMITING CONDITIONS
EXTRAORDINARY ASSUMPTIONS
<p>An extraordinary assumption is defined as “An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraisers’ opinions or conclusions.”²</p> <p>The appraisal has been completed subject to the following Extraordinary Assumptions:</p> <ul style="list-style-type: none">• The subject property is located on Airport property identified as a portion of Nevada County APN 019-440-068. The land area of the subject site of 2.65± acres is estimated based upon information provided by the Truckee Tahoe Airport District and is assumed to be correct.
HYPOTHETICAL CONDITIONS
<p>A hypothetical condition is defined as “A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.”³</p> <p>The appraisal has been prepared based upon the following Hypothetical Condition:</p> <ul style="list-style-type: none">• None
<p>The use of extraordinary assumptions and hypothetical conditions might have affected the assignment results. The conclusions, as set forth herein, are subject to modification in the event that the extraordinary assumptions are not true.</p>

² Source: USPAP 2024 Edition, Definitions; The Appraisal Foundation, Page 4.

³ Source: USPAP 2024 Edition, Definitions; The Appraisal Foundation, Page 4.







TRUCKEE AREA DESCRIPTION

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, Prosser Reservoir, and Boca Reservoir, on the west by Donner Summit, on the south by the Northstar Resort, and on the east by Juniper Creek. 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 climate varies with four distinct seasons throughout the year. 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.

The dramatic topographical features of the area are the result of several geological forces. Fundamental to the entire geological structure of the Sierra Nevada Mountains was the uplift of intrusive molten magma which has given the area its underlying granite bedrock. Much of the area was later subject to volcanic activity and to glaciation. Erosion has exposed the underlying bedrock along the crests and ridges and has produced the steep mountain canyons and mountain meadow areas. Erosion is also responsible for the many lakes, rivers and streams incorporated within the area.

Soils in the area typically consist of sands and sandy loam derived from decomposed granite, volcanic rock and decomposed vegetation. Soils in the meadow areas along the valley floors are alluvial and rich in nutrients.

The soils in the area combined with the climate are responsible for the heavy forestation consisting primarily of red and white fir, pine, and lodgepole pine, incense cedar, mountain hemlock and mountain juniper, in addition to a wide variety of riparian vegetation adjacent to lakes and streams and in areas with high water tables. During the late spring and summer, the open meadows and the occasional unforested mountain slopes support the growth of a wide variety of grasses, chaparral and wildflowers.

The area is abundant with numerous species of wildlife including bald and golden eagles, cougars, black bears and many varieties of deer and trout.



The climate of the area is typical for the north central section of the Sierra Nevada. During the summer months, average temperatures range in the 70s and 80s at the lower elevations and in the 60s and 70s at the higher elevations. During the winter months, maximum temperatures range from the 30s to the low 40s at the lower elevations and from the upper 20s to the 30s in the higher regions.

During the winter months, the area is subject to heavy snowfall resulting from the rapid rise of moisture-laden clouds from the Pacific Ocean up the western slopes of the mountain range. The average annual snowfall in portions of the area approaches 400 inches.

Truckee has good accessibility from Sacramento and the San Francisco Bay area to the west, and the Reno/Sparks area to the east, by means of Interstate 80. Interstate 80 is a major transcontinental highway which passes through the Town of Truckee just east of Donner Pass.

Additional access to the area is provided by California State Routes 89 and 267. These roadways are two-lane, two-way asphalt paved highways. State Route 89 runs south from Interstate 80 and Truckee to Tahoe City on the north shore of Lake Tahoe. State Route 89 runs north from Interstate 80 and Truckee, terminating at Interstate 5 in northern California near Mt. Shasta.

State Route 267 originates at Interstate 80 on the east side of Truckee. It runs south through the Martis Valley Recreational Area and the Northstar Resort, terminating in Kings Beach on the north shore of Lake Tahoe, approximately 15 miles south of Truckee.

In addition to vehicular access by these highways, the Truckee area is serviced by Amtrak, the Greyhound Bus Line and the Truckee Tahoe Airport. The Truckee Tahoe Airport is an FAA designated public General Aviation Airport. It is situated in Martis Valley approximately two miles southeast of downtown Truckee and seven miles north of Lake Tahoe. The airport straddles both Nevada County and Placer County lines and is managed by the Truckee Tahoe Airport District. It has two asphalt runways. Both runways are lighted. The Truckee Tahoe Airport has fixed base operators that provide aircraft maintenance, aircraft rental, air charter, flight instruction, aerial photography services, sky diving and a glider port. The airport also offers numerous storage hangers and an administration building. The terminal building was built in 2012 and includes such amenities as a pilot's lounge, a pilot's kitchen, a flight planning room, public meeting rooms, a customer service/UNICOM desk and the Red



Truck Café. Although the Truckee Tahoe Airport is not currently served by scheduled airline service, the existing runway length, instrument approach capability, and local population have the potential to attract air service.

Truckee's history dates back to the 1840s when Pioneers migrating west were attempting to cross the Sierra Nevada mountain range. The area is located at the eastern base of Donner Pass, which served as a primary crossing through the mountains for immigrants to California. The harshness of the immigrant passage through the Sierra Nevada Mountains is largely identified today with the Donner Party story. The Donner Memorial State Park, dedicated to the ill-fated Donner Party, is located at Donner Lake.

The California gold rush of 1849 brought increased traffic through the Truckee area. In 1868, the Central Pacific Railroad established a railway through the Truckee area. This in turn allowed the lumber and ice harvest industries to boom. After 1920, Truckee began a 40-year period of little growth and development, particularly during and after the war years. In 1960, the Winter Olympics were held 10 miles to the south at Palisades Tahoe (formerly Squaw Valley), putting the Truckee area on the Map as part of a major destination for year-round recreation. Tourism has become the area's leading industry.

The Town of Truckee was incorporated in 1993. A Town Council was elected in March of 1993 and the Town boundaries were established. To the west, the new boundaries include all of Donner Lake and the residential development known as Tahoe Donner. The north boundary is approximately 2 1/2 miles north of Interstate 80 and includes portions of the Prosser Reservoir. The east boundary includes portions of the Glenshire Subdivision development and the south boundary includes portions of the Truckee River and Martis Valley.

The Truckee area is a thriving mountain community which includes numerous services and amenities. Schools in Truckee are under the jurisdiction of the Tahoe Truckee Unified School District and include grades kindergarten through 12th. Sierra College, which offers community college level study, provides additional educational opportunities. A general hospital and one convalescent hospital service the area. County services include the Health Department and Mental Health Services to supplement private health care. Police protection is provided by the Town of Truckee Police Department and fire protection is provided by the Truckee Fire Protection District. The fire protection district is staffed with volunteers and paid personnel.



All utilities and public services are available in the Truckee area. Electrical service is provided by the Truckee Donner Public Utility District which purchases power from Liberty Utilities. Telephone service is provided by AT&T. Water service is provided by the Truckee Donner Public Utility District. Sewer service is provided by the Truckee Sanitary District and the Tahoe Truckee Sanitation Agency. Refuse collection is provided by Tahoe Truckee Sierra Disposal.

Several houses of worship of various denominations and numerous service organizations are located within the Truckee community. In addition, Truckee has two museums, art galleries and one County Library.

Recreational amenities in the area are numerous. Lake Tahoe, located approximately 15 miles south of Truckee, offers unlimited year-round recreational opportunities and provides much of the tourist base for the Truckee area. Winter sports enthusiasts can find an abundance of ski resorts within a short driving distance from the area. The more prominent resorts include Palisades Tahoe, Alpine Meadows, Northstar and Sugar Bowl. All of these resorts are located within 10 miles of Truckee. Smaller ski resorts include Boreal Ridge and Donner Ski Ranch. The Truckee area is accessible to numerous other alpine ski areas within the Sierra Nevada Mountains. The Truckee area is also well known for its cross-country skiing. The Royal Gorge at Donner Pass, Northstar and Tahoe Donner provide extensive cross-country ski trails as well as rentals and lessons. Additionally, there are numerous recreational and open areas available for back country skiing as well as snowmobiling.

The area affords many summer outdoor recreational activities. Several lakes within the area provide good boating and fishing opportunities. Boca Reservoir, Prosser Reservoir and Stampede Reservoir are in the northeast portion of the area. Donner Lake, often referred to as the "Gem of the Sierras," is located in the western portion of the area. The Martis Creek Lake Recreation area is located immediately southeast of the Truckee Tahoe Airport and includes Martis Creek Lake. Another major recreational resource is the Truckee River. The Truckee River is a popular rafting and fishing resource.

There are also a number of campgrounds, beaches and marinas which serve the general public. Other outdoor recreational opportunities within the area include hiking and biking. The area also incorporates numerous championship golf courses. Additionally, horse stables and riding trails can be found at Tahoe-Donner and Northstar, as well as at Palisades Tahoe.



The Truckee area offers additional tourist amenities aside from outdoor recreation. There are first class restaurants and good quality lodging establishments throughout the area. First class accommodations can be found at the Northstar Resort and the Village at Palisades Tahoe. In addition, long-term vacation home and condominium rentals can be found at the various resorts in the Truckee area.

According to the US Census Bureau the 2020 population of the Town of Truckee was estimated at 17,131, an increase of 5.88% since the most recent census, which recorded a population of 16,180 in 2010. California Demographics estimates the 2025 population of the Town of Truckee to be 17,380 showing continued modest growth from its 2020 census count.

TRUCKEE POPULATION – UNITED STATES CENSUS BUREAU			
Year	Population	Growth	Annual Growth Rate
2020	17,131	396	2.37%
2019	16,735	174	1.05%
2018	16,561	8	0.05%
2017	16,553	183	1.12%
2016	16,370	99	0.61%
2015	16,271	28	0.17%
2014	16,243	150	0.93%

Residential subdivisions in the area include Tahoe-Donner, Prosser Lake View Estates, Glenshire, Juniper Creek, Ponderosa Palisades, Sierra Meadows, Summit, Donner Lake, Northstar, Lahontan, Martis Camp and Schaffer’s Mill. The largest subdivision is the Tahoe-Donner residential community, located in the northwest portion of the area which involves in excess of 7,300 acres. Tahoe-Donner is primarily a vacation home subdivision. It is oriented toward recreation and includes a golf course, a Nordic skiing complex and a small alpine skiing facility.

The Donner Lake area is another large residential area which includes approximately 1,600 private homes. The majority of these homes are vacation homes.

Another large residential area, known as Glenshire, is located in the southeast portion of the area and includes approximately 1,400 existing housing units on lots typically ranging from one-quarter acre to over one acre in size. These subdivisions cater primarily to year-round residents. This area still has a reasonably large inventory of raw subdivision land to accommodate continued growth. In addition, there is the Cambridge Estates development, with a



total of 196 lots, located directly north of Glenshire. Also, the Tahoe Boca Estates is located to the east of Glenshire. The Prosser Lakeview Estates are located in the northeasterly portion of the area. This subdivision is located in close proximity to the Prosser reservoir. The Juniper Creek area is located to the south of Glenshire. The properties in the Juniper Creek subdivisions range in size from 10 acres to 40 acres. Access is by private paved and dirt roadways.

Additional residential subdivisions can be found a short distance south of Truckee, near the airport. These subdivisions are accessed via State Route 267. The major subdivisions in this area are known as Ponderosa Palisades and Sierra Meadows. These subdivisions are typically developed with smaller, average quality, single family homes on lots containing 7,000 to 10,000 square feet. The Hilltop Master Planned development is located on the south of Brockway Road and north of the Ponderosa Palisades. This 57± acre project is ultimately planned to include 275 residential units, 60 lodging units and 70,000± square feet of commercial space.

Residential communities in the Martis Valley include Lahontan, Martis Camp and Schaffer's Mill. The Lahontan subdivision features a private golf course, a recreation center with a swimming pool, tennis courts, picnic areas etc., and a spa and fitness center. The residences in the Lahontan subdivision are of very good to excellent quality. Martis Camp is a development of DMB Highlands Group, which purchased the 2,177± acres of raw land in Martis Valley approximately ten years ago. Upon build out, there will be 653 homes in this subdivision. Some of these lots have ski-in, ski-out access to the adjacent Northstar ski resort. In addition to a golf course, tennis pavilion, recreation complex, clubhouse with restaurants, spa and fitness center, Martis Camp offers a private express quad lift to Northstar. Schaffer's Mill features 218 single family homesites and 188 townhomes. Existing and planned amenities include an 18-hole championship golf course, clubhouse, fine dining, swimming pool, spa and fitness facilities, meeting rooms, tennis courts, a fly-casting pond and hiking trails. The Northstar development includes the Northstar Ski Resort, two golf courses and equestrian facilities. East-West Partners has developed residential lots in the Northstar Resort.

Gray's Crossing, with 377 planned residential lots, 23 townhomes, 21 loft units, and retail space, is located on the north side of Interstate 80 at its northerly junction with State Highway 89. This project was developed and marketed by East-West Partners.

The demand for homes in the Truckee area was strong through the middle of this past decade. Demand for homes in the Truckee area arose from two distinct sources. The first is

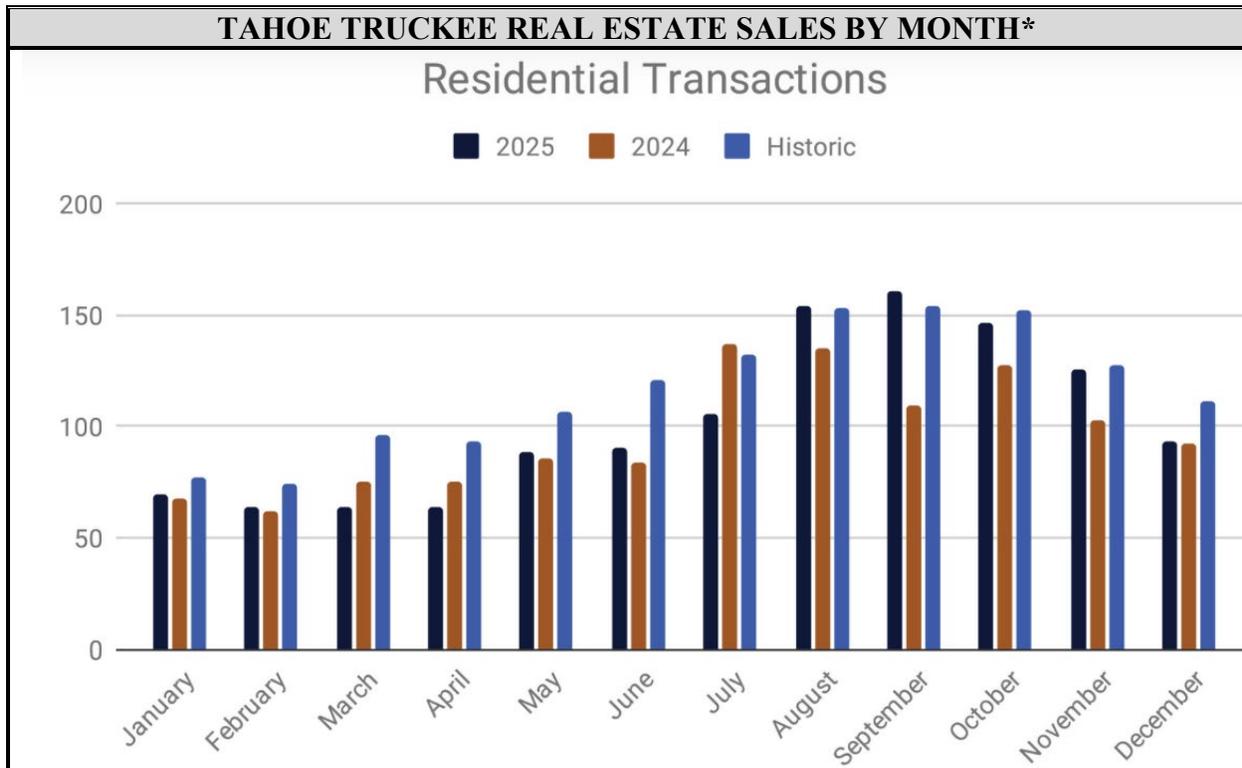


from individuals or families with permanent homes outside the area who seek vacation homes. The second source of demand arose from permanent residents employed in the Tahoe-Truckee-Reno region. The growth of Martis Valley was sparked by the strong success of the Lahontan subdivision, which sold out in the late 1990s.

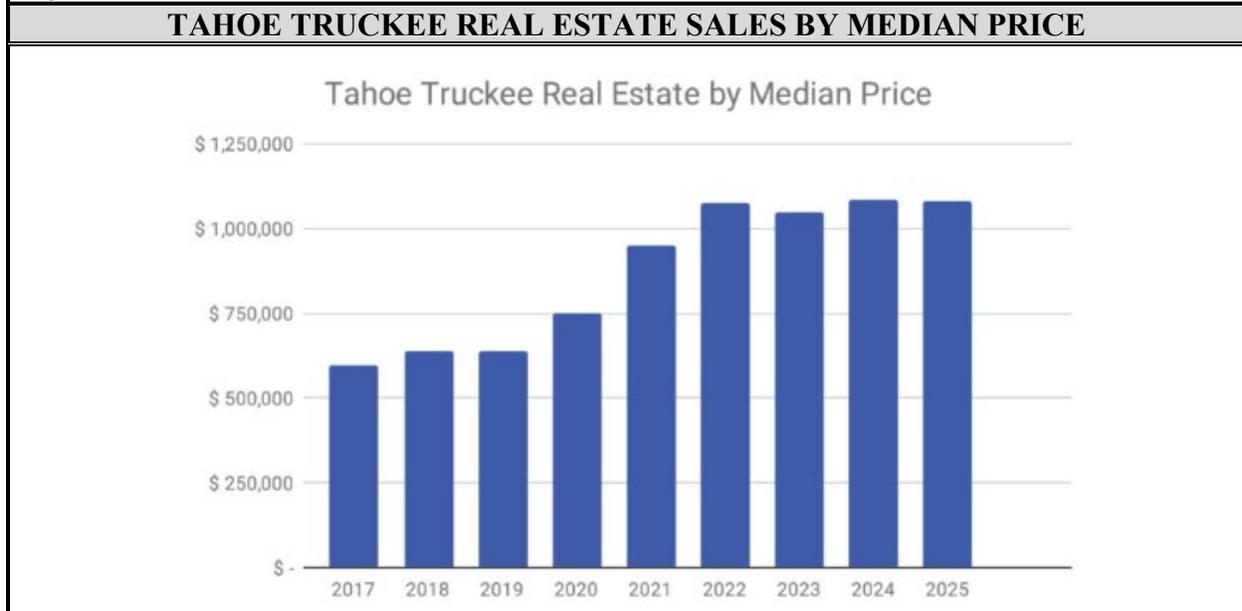
Tahoe Mountain Realty, a luxury real estate brokerage located in Northstar and Tahoe-Truckee, reported in their *Q4 2025 Tahoe-Truckee Real Estate Market Update* that, “2025 was not defined by volatility, but by sorting. As the market recalibrated, buyers and sellers alike adjusted expectations with patience and price sensitivity, allowing the region to reset without distress, forced selling, or meaningful erosion of equity. At first glance, the headline numbers told a mixed story. Average home prices rose 8% year over year, buoyed by extraordinary activity at the very top of the market, while the median price slipped modestly—down just 0.5%. Total transactions increased 8% from the prior year, yet overall deal flow remained 11% below long-term historical averages.”

Tahoe Mountain Realty reported that “By year’s end, the Tahoe Truckee market recorded:

- 1,252 total transactions, nearly 100 more than 2024 and just 50 fewer than the 2022 peak
- \$2.21 billion in total dollar volume, the third-largest year ever and up 17% year over year
- An average sale price of \$1.76 million, driven higher by premium activity
- A median price of \$1.08 million, still the second-highest on record despite a slight annual dip.”



*Q4/2025 Most Recent Available



Commercial development is located in three main areas. The immediate area surrounding Donner Pass Road and Highway 89 is known as the "Gateway" area. The Gateway is anchored by several public service facilities including the Tahoe Forest Hospital and Cancer



Center, the Nevada County Government Center, the California Department of Motor Vehicles, and the Truckee-Donner Public Utility District headquarters. This area has attracted significant retail and office development during the last decade. The Tahoe Forest Cancer, a state-of-the-art cancer center, was completed in 2012. The Gateway Shopping Center was completed in 1992. The center incorporates in excess of 100,000 square feet of gross commercial building area. The anchor tenant is a Safeway Store.

Additional commercial development can be found in historic downtown Truckee. Downtown Truckee is located two miles east of the intersection of State Route 89 and Donner Pass Road, adjacent to the railroad corridor. Through the preservation and rehabilitation of older historic buildings in Downtown Truckee, the historical quaintness which attracts many tourists has been preserved. A block of unique retail shops, restaurants and hotels located in historic restored buildings provides a focal point for visitors to the area. The Truckee River generally skirts the old town district to the south and includes greenbelt and public park improvements.

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 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.

Triumph Truckee Hotel, LLC has 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 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.

There is commercial, professional office and industrial development in the vicinity of the Truckee Tahoe Airport, including the offices of the Town of Truckee. A new commercial/retail district is growing in this area. The primary commercial/retail development in this area is located in the center known as The Rock. In addition to the commercial/retail development in The Rock, which includes restaurants, professional offices and services, there is also located in the vicinity a newer average to good quality motel, a good quality home furnishings store, a wine



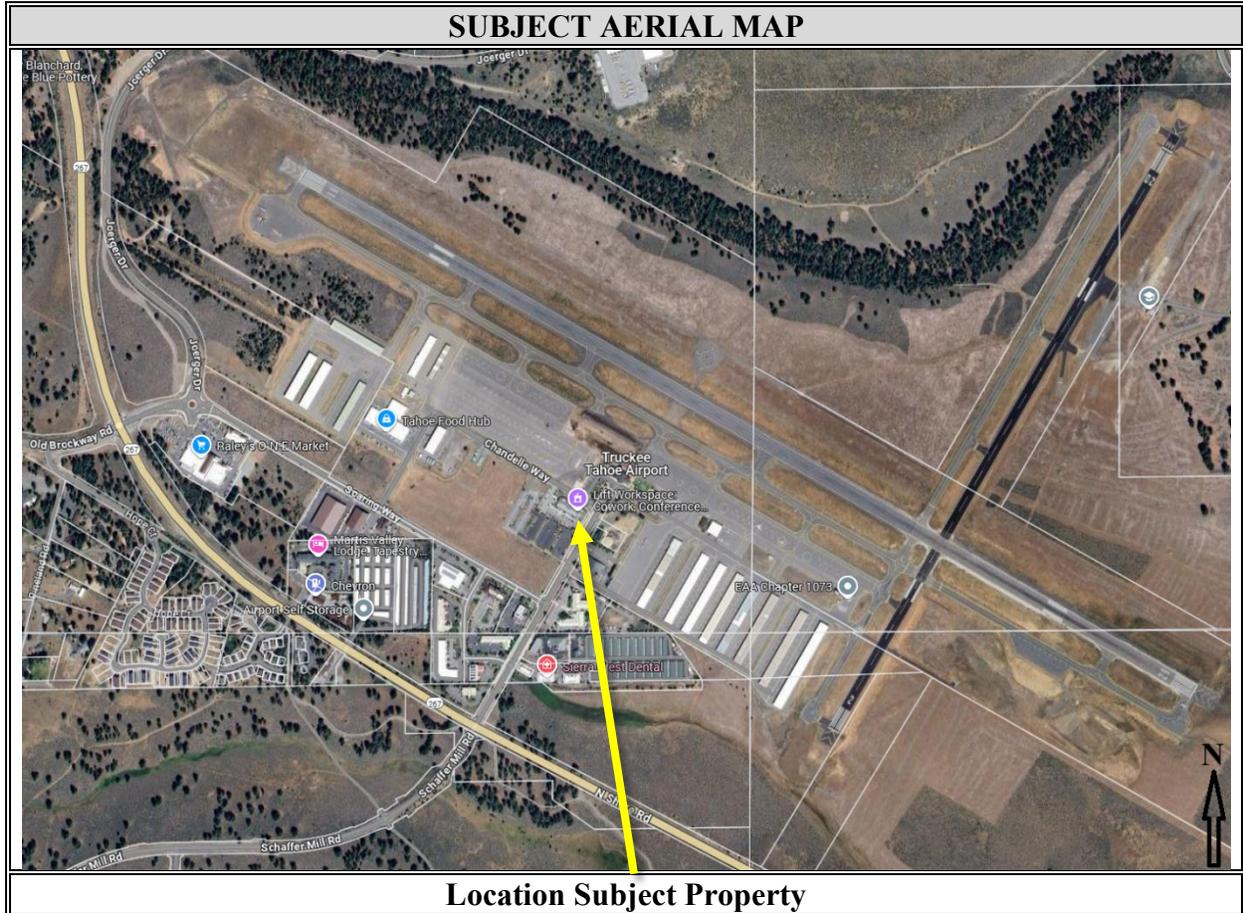
and cheese shop, and a service station and car wash. A small townhouse development has been constructed between the motel and the Ponderosa Golf Course.

The long planned Joerger Ranch project, located near the Truckee Tahoe Airport at the intersection of State Route 267, Old Brockway Road and Soaring Way, was approved in March of 2015. Key concepts covered in the Joerger Ranch Specific Plan include economic diversification, regional business clustering and open space protection. Zoning districts within the plan area include a mix of commercial, business, light industrial and open space. The Truckee General Plan designates the area as Planned Community-3 (PC-3). The future Truckee Community Building site is located in the PC-3 project area near the intersection of Brockway Road and State Route 267. The Joerger family has offered to donate the parcel to C.A.T.T. Community project for the proposed building.

The new Soaring Ranch community shopping center is being developed within the Joerger Ranch project by JMA Ventures. 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.

Industrial development is located primarily in the vicinity of the Truckee Tahoe Airport and in the Pioneer Commerce Center and surrounding area. The Pioneer Commerce Center is located in the area northwest of the intersection of Interstate 80 and State Route 89 North. Both neighborhoods involve relatively new light industrial parks developed within the past twenty or so years. There is also limited older industrial development along West River Street in the downtown area.

In summary, the Truckee area includes an incorporated community located within a major outdoor recreational region. The primary industry for the area is tourism. The area has good accessibility from California and western Nevada. Historically, Truckee has experienced continued growth 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 PHOTOGRAPHS



VIEW LOOKING NORTH TOWARD THE SUBJECT PROPERTY FROM THE INTERSECTION OF TRUCKEE AIRPORT ROAD AND CHANDELLE WAY



VIEW LOOKING NORTHWESTERLY TOWARD THE SUBJECT PROPERTY FROM THE INTERSECTION OF TRUCKEE AIRPORT ROAD AND CHANDELLE WAY



SUBJECT PROPERTY PHOTOGRAPHS



**VIEW LOOKING SOUTHEAST TOWARD THE SUBJECT OFFICE BUILDING
FROM CHANDELLE WAY**



**VIEW LOOKING NORTHEASTERLY TOWARD THE SUBJECT FROM
TRUCKEE AIRPORT ROAD**



SUBJECT PROPERTY PHOTOGRAPHS



**VIEW LOOKING SOUTHWESTERLY TOWARD THE SUBJECT'S PARKING LOT
FROM CHANDELLE WAY**



VIEW LOOKING NORTHEAST TOWARD THE SUBJECT PROPERTY



SUBJECT PROPERTY PHOTOGRAPHS



VIEW LOOKING NORTHEAST TOWARD TRUCKEE AIRPORT ROAD ADJACENT TO THE SUBJECT PROPERTY



LOOKING WEST TOWARD CHANDELLE WAY AT ITS INTERSECTION WITH TRUCKEE AIRPORT ROAD, THE SUBJECT PROPERTY TO THE LEFT



SUBJECT PROPERTY PHOTOGRAPHS



**VIEW OF THE LOBBY AND RECEPTION AREA IN SUITE C (LIFT WORKSPACE)
IN THE SUBJECT BUILDING**



INTERIOR VIEW OF WORKSPACE IN SUITE C



SUBJECT PROPERTY PHOTOGRAPHS



VIEW OF THE SUITE C OFFICE WORKSPACE



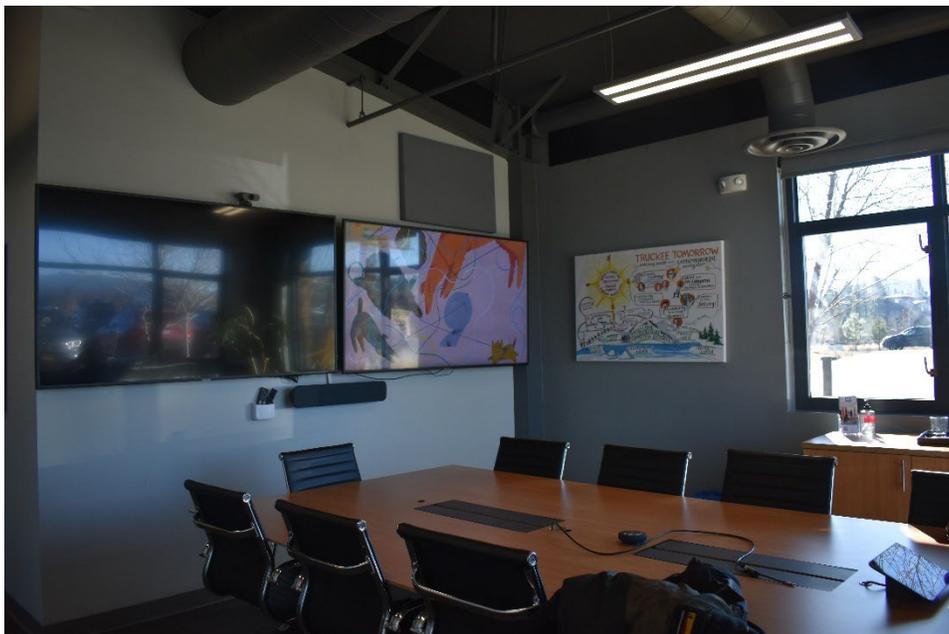
OVERALL INTERIOR VIEW OF SUITE C



SUBJECT PROPERTY PHOTOGRAPHS



VIEW OF AN INDIVIDUAL OFFICE IN SUITE C



VIEW OF A CONFERENCE ROOM IN SUITE C



SUBJECT PROPERTY PHOTOGRAPHS



VIEW OF A CONFERENCE ROOM IN SUITE C



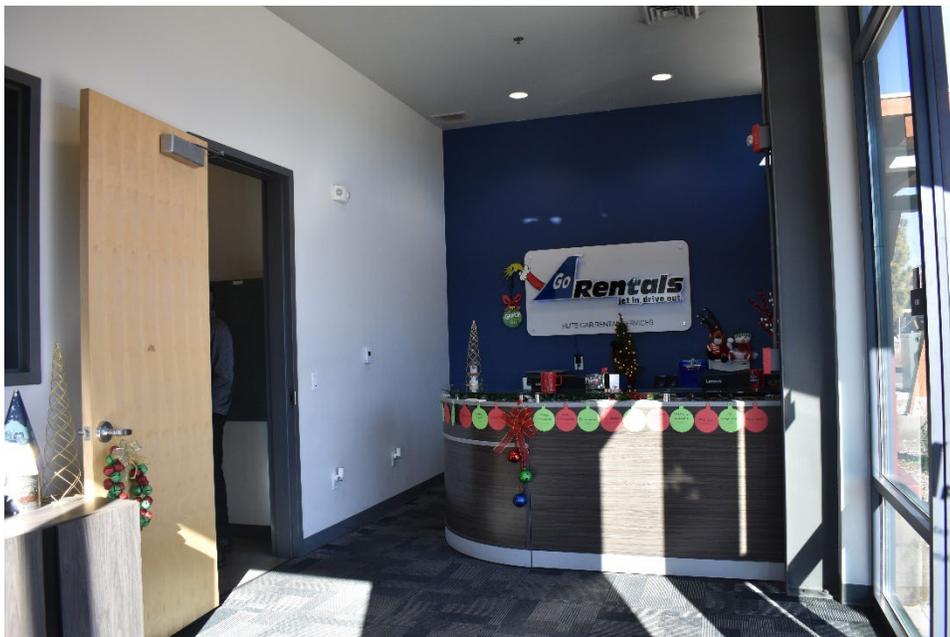
VIEW OF THE BREAKROOM IN SUITE C



SUBJECT PROPERTY PHOTOGRAPHS



EXTERIOR VIEW OF SUITE A (CAR RENTAL UNIT)



INTERIOR VIEW OF SUITE A



SUBJECT PROPERTY PHOTOGRAPHS



VIEW OF THE LOBBY IN SUITE A (GO RENTALS UNIT)



VIEW OF THE INDIVIDUAL OFFICE IN SUITE A



SUBJECT PROPERTY PHOTOGRAPHS



VIEW OF THE LOBBY AREA IN SUITE B (ENTERPRISE/NATIONAL UNIT)



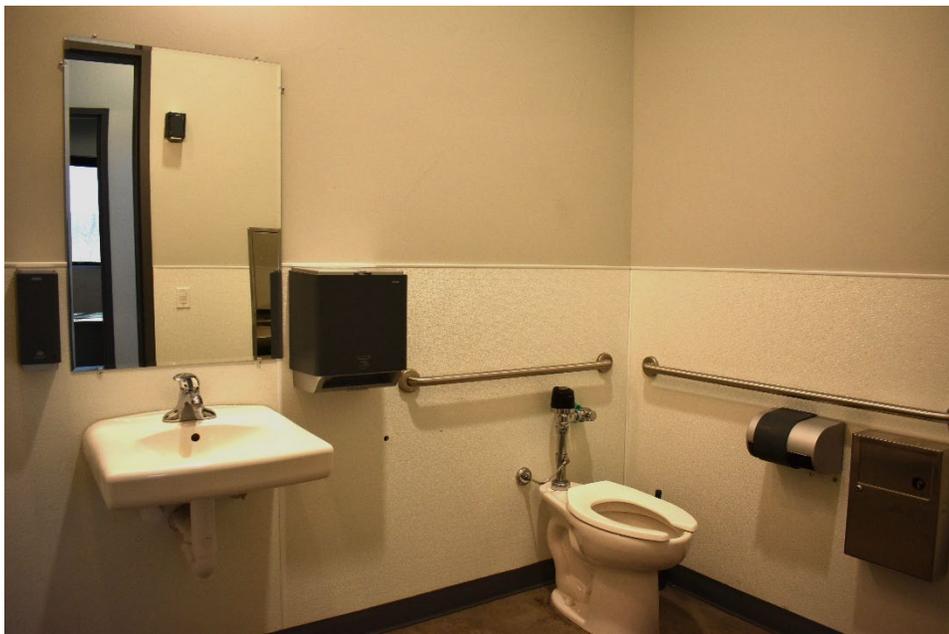
VIEW OF THE INDIVIDUAL OFFICE IN SUITE B



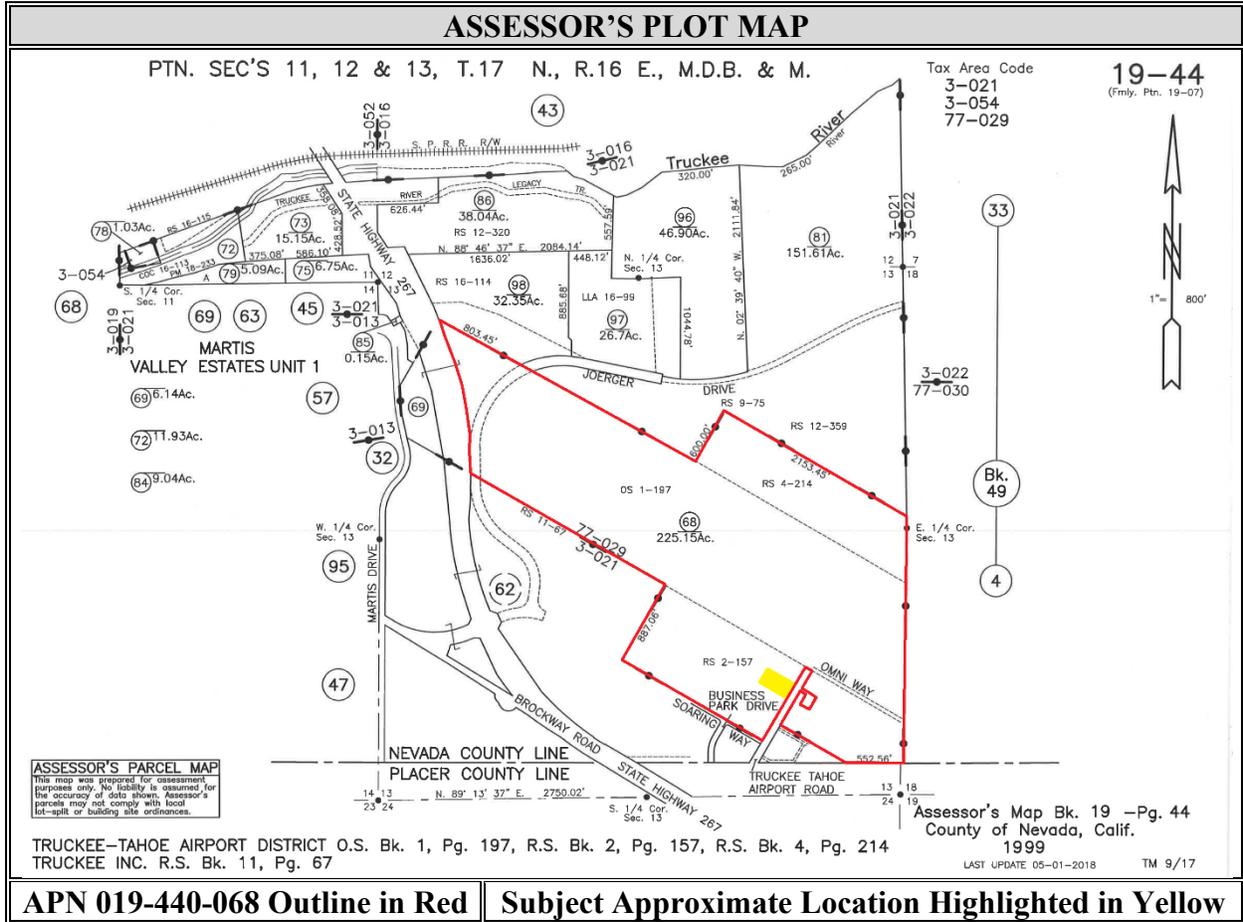
SUBJECT PROPERTY PHOTOGRAPHS



VIEW OF A TYPICAL CAR WASH BAY IN SUITES A AND B



VIEW OF A TYPICAL UNISEX RESTROOM IN SUITES A AND B



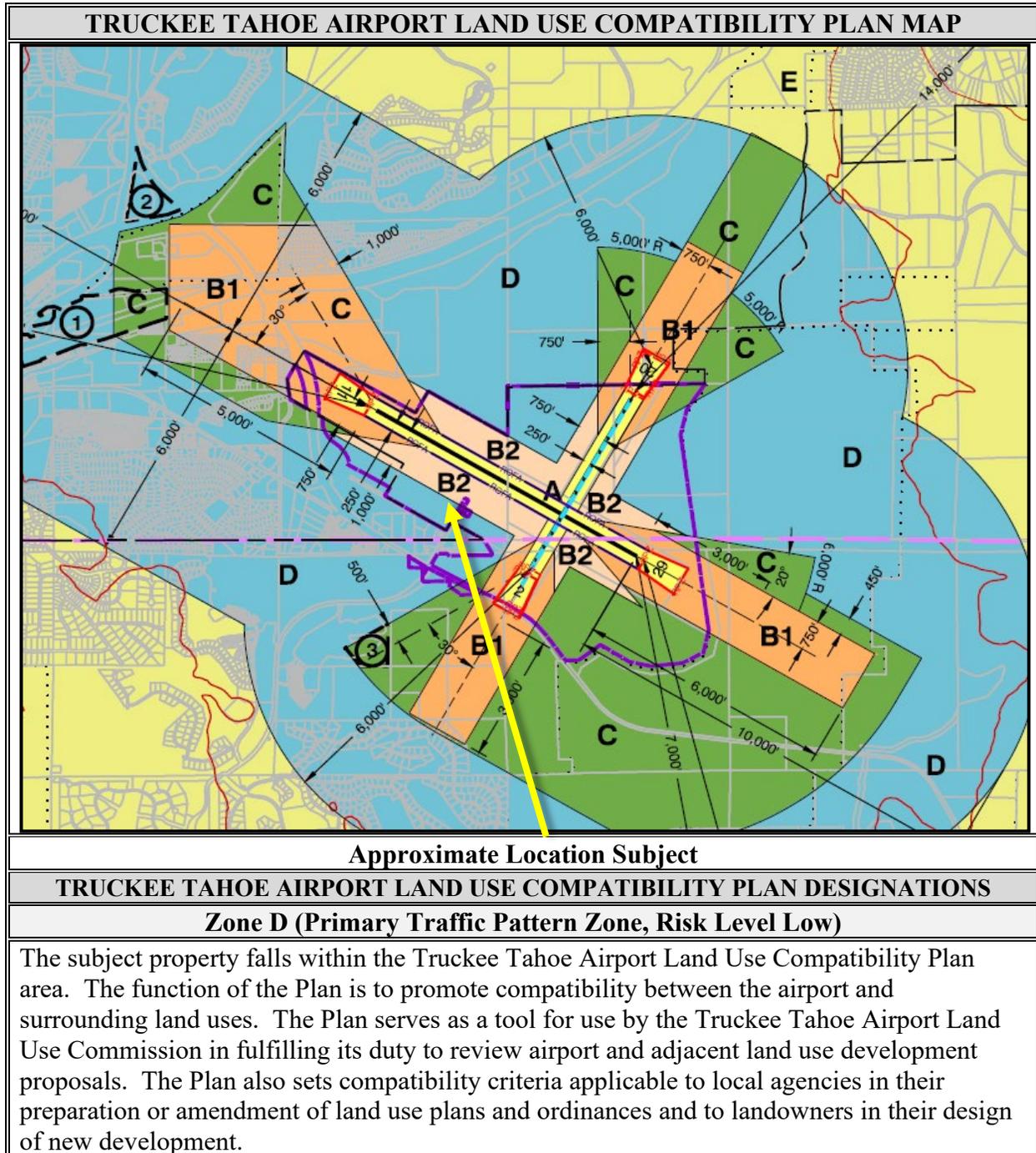


SUBJECT PROPERTY ZONING DATA		
Nevada County A.P.N.	Nevada County Zoning Designation	Current Use
APN 019-440-068 (Portion)	C2 (Community Commercial), M1-SP (Light Industrial-Site Performance)	Office Building Non-Aeronautical, No Direct Ramp Access
SUBJECT ZONING MAP		
ZONING DESCRIPTION		
<p>C2 (Community Commercial). The C2 District is intended to provide a wide range of retail and service uses that serve the varied needs of large geographic areas.</p>		
<p>M1 (Light Industrial). The M1 District provides areas for the production, repairing, distribution, and warehousing of goods and equipment, along with supporting businesses and services. Uses should provide for buffering from adjacent land uses to minimize incompatibility and should have convenient, controlled access to arterial or major collector roads without passing through residential areas.</p>		
<p>Site Performance Combining District (SP). To provide for refinements in the site development standards and/or the permitted uses in the base zone district with which the SP District regulations are combined. Such refinements shall ensure consistency with, and further the intent of, all General Plan Policies.</p>		



C2 DEVELOPMENT STANDARDS	
SITE DEVELOPMENT STANDARDS	C1 C2 C3
Setback Standards ⁽¹⁾⁽³⁾	
Front yard (ROW at least 50' in width) ⁽⁴⁾	10' from ROW (with mean average 20')
Front yard (ROW less than 50' in width) ⁽⁴⁾	35' from ROW C/L (with mean average 45')
Exterior yard (ROW at least 50' in width)	10' from ROW (with mean average 20')
Exterior yard (ROW less than 50' in width)	35' from ROW C/L (with mean average 45')
Interior yard	0'
Rear yard	0' (Through Parcels: Rear = Front setback)
Other Standards (See Sections 12.04.090 Design Standards & 12.04.220 Resource Standards)	
Building Height Limit	C2 & CH Districts = 45'
Building Height Limit	C1, C3, & OP Districts = 45' or 3 stories, whichever is less
Fencing & Hedges	Table 4.2.6.D
Maximum Impervious Surface	85%
On-Site Parking	Table 12.04.180.F.12.b
Signs	Sign Standards see Section 12.04.210.K
Minimum Road Frontage ⁽²⁾	150'
Minimum Parcel Size ⁽²⁾	15,000 s.f.

Required Number of Parking Spaces by Use Based on Gross Floor Area Table 12.04.180.b	
Use	Required Number Of Spaces ⁽¹⁾⁽³⁾
Commercial	
Offices	
General	1 space per 200 sf of gfa





SUBJECT PROPERTY FLOOD ZONE INFORMATION

The entire site is located in a Zone “D” which are areas with possible but undetermined flood hazards. The map below depicts the subject’s flood zone, as provided by FEMA.

SUBJECT FLOOD ZONE MAP

National Flood Hazard Layer FIRMette



Legend



SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS

- Without Base Flood Elevation (BFE) Zone A, V, APF
- With BFE or Depth Zone AE, AO, AH, VE, AR
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD

- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
- Future Conditions 1% Annual Chance Flood Hazard Zone X
- Area with Reduced Flood Risk due to Levee. See Notes. Zone X
- Area with Flood Risk due to Levee. Zone D

OTHER AREAS

- NO SCREEN Area of Minimal Flood Hazard Zone X
- Effective LOMRs
- Area of Undetermined Flood Hazard Zone D

GENERAL STRUCTURES

- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

Cross Sections with 1% Annual Chance

- Water Surface Elevation
- Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

OTHER FEATURES

- Digital Data Available
- No Digital Data Available
- Unmapped

MAP PANELS

- The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 1/5/2026 at 9:18 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

Undetermined Risk Areas

ZONE	DESCRIPTION
D	Areas with possible but undetermined flood hazards. No flood hazard analysis has been conducted. Flood insurance rates are commensurate with the uncertainty of the flood risk.

Flood Zone Designation	FEMA Map #	Effective Date of Flood Zone Designation
“D”	06057C0534E	02/03/2010
SOURCE: FEMA		



PROPERTY IDENTIFICATION AND SITE DESCRIPTION

SUBJECT PROPERTY SUMMARY	
Property Name	Airport Office Building (AOB)
Property Type	Office Building
Property Address	10266 Truckee Airport Road, Truckee, California
Property Location	Truckee Tahoe Airport Southwest Corner Truckee Airport Road and Chandelle Way
Assessor's Parcel Number	Nevada County APN 019-440-068 (Portion)
Owners of Record	Truckee Tahoe Airport District
Nevada County Zoning	C2 (Community Commercial), M1 (Light Industrial)

LEGAL DESCRIPTION	
Nevada County A.P.N.	Section, Township & Range
APN 019-440-068	A Portion of Section 13, T17N, R16E, M.D.B. & M.

SUBJECT LAND AREA ALLOCATED TO AOB	
Land Acreage	Land Square Feet
2.65± Acres	115,434± Square Feet

UTILITIES & PUBLIC SERVICES		
Utility & Public Service	Provider	Availability
Electricity	Liberty Utilities	To the Site
Natural Gas	Southwest Gas	To the Site
Telephone	AT&T	To the Site
Water	Truckee Donner Public Utility District	To the Site
Sewer	Truckee Sanitary District and Tahoe-Truckee Sanitation Agency	To the Site
Waste Disposal	Tahoe-Truckee Sierra Disposal	Service Available
Cable	AT&T	Service Available
Internet	AT&T	Service Available
Fire Protection	Town of Truckee Fire Protection District	Covered
Police Protection	Nevada County Sheriff's Office	Covered

PARCEL SHAPE AND TOPOGRAPHY
The subject site has a slightly irregular shape with level topography being at grade with the surrounding roads. Overall, the subject has adequate shape and topography for development.



STREET IMPROVEMENTS/ACCESS

The subject property is located at the southwest corner of Truckee Airport Road and Chandelle Way. The subject has access from curbs cuts along both Truckee Airport Road and Chandelle Way. Truckee Airport Road, in the vicinity of the subject, is a two-way, two-lane asphalt paved roadway which is improved with concrete curbs, gutters, and sidewalks. Chandelle Way is a private roadway on airport property and is improved with a two-way, two-lane asphalt paved road. The State Highway 267/Soaring Way interchange is located a short distance west of the airport. Overall, the subject is considered to have adequate access and good freeway accessibility.

ACCESS MAP





SOILS DATA

A soils assessment was not provided to us by the client. However, based upon the subject improvements as well as surrounding improvements, it is our expectation that the subject property does have adequate soils to allow for normal development. This appraisal report assumes that the subject soils are sufficient for development on the subject site.

HAZARDOUS SUBSTANCES

Our standard on-site inspection of the subject property did not reveal any readily apparent evidence suggesting the presence of contaminants or hazardous waste on the subject site. As we have not been provided with an Environmental Assessment on the site, this appraisal report assumes that the subject property is free and clear of contamination. For the purposes of this appraisal, it is assumed that the value of the subject property is not negatively impacted by the existence of toxic materials or hazardous waste.

EARTHQUAKE ZONE

According to the *Uniform Building Code*, the subject property is located in a Seismic Risk Zone 3. This zone encompasses areas which have a number of local faults and where there is a relatively strong probability of moderate to strong seismic activity. The *Uniform Building Code* does require special construction techniques as a result of earthquake hazards. For the purposes of this analysis, it is assumed that the subject property is not impacted by earthquake hazards to a greater degree than is typical for the subject neighborhood.

EASEMENTS & ENCUMBRANCES

A preliminary title report was not made available and as such, we are unaware of any easements or other encumbrances affecting the subject's use potential. A physical inspection of the subject property revealed no overt signs of any easements which would impact its development potential. Overall, it is assumed that the subject is not encumbered by easements to a greater degree than is typical for similar properties in the surrounding area.

SURROUNDING DEVELOPMENT

The subject is located at the Truckee Tahoe Airport, a General Aviation Airport. The Truckee Tahoe Airport includes fixed base operators that provide aircraft services as well as storage hangars and an administration building. Self-storage facilities are located southeast and southwest of the airport. The properties to the southeast of the subject include administrative offices for the Town of Truckee and the Truckee Police Department. Professional and medical offices are located a short distance southeast of the subject. Office and light industrial uses are located south of the subject at Truckee Airport Road and Soaring Way.



SUBJECT SALES HISTORY

There have been no arm's length sales with respect to the subject property within the last five years.

TAX DATA

In discussions with a representative of the Tahoe Truckee Airport District, it was indicated that the taxes for the subject property are paid directly by the tenant. It was indicated that the taxes for 2025 were \$18,000±.



SUBJECT BUILDING PLANS AND SKETCHES

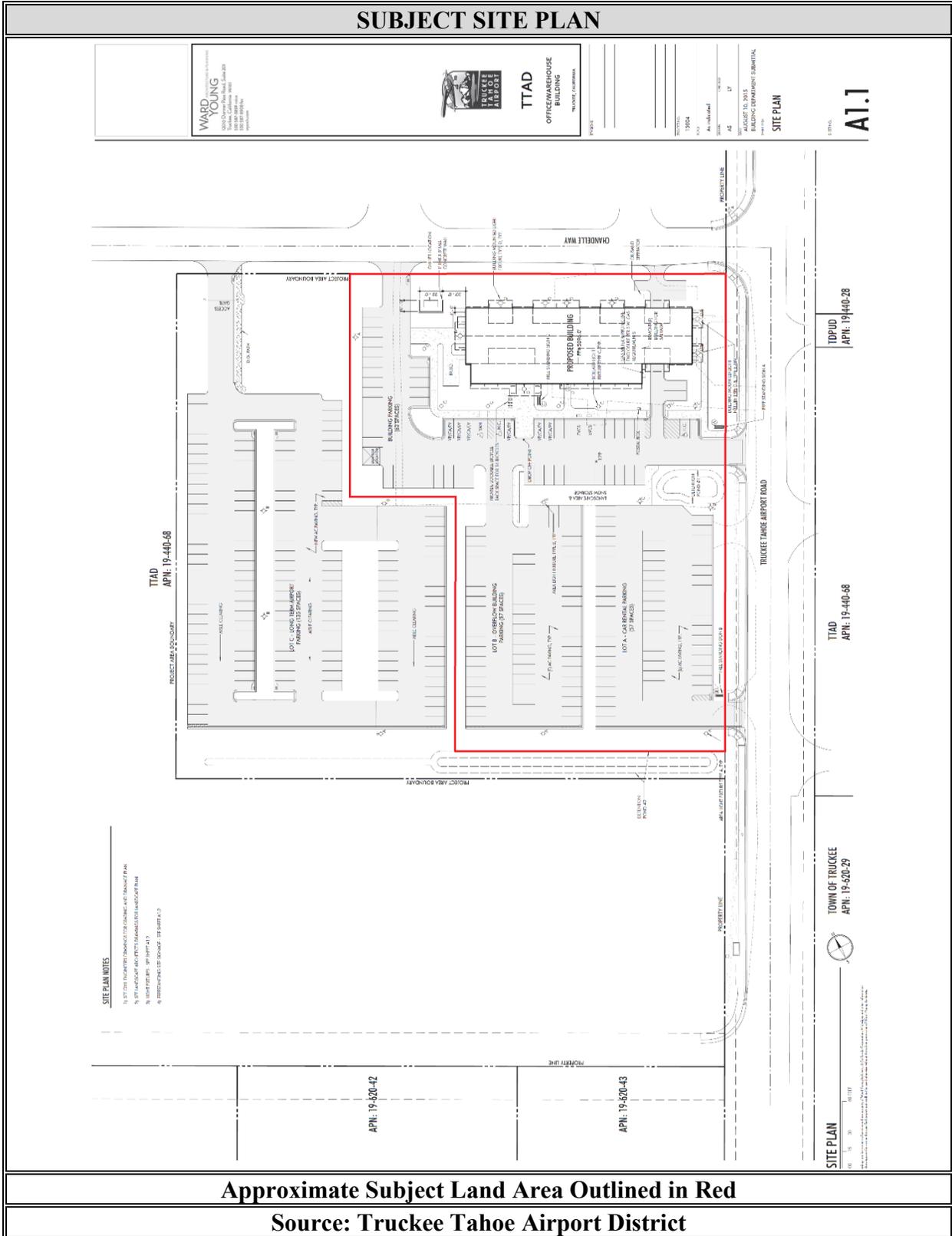
SUBJECT LAND AREA EXHIBIT



Approximate Subject Land Area Outlined in Red

Estimated Land Area 2.65± Acres

Source: Exhibit Map Provided by the Truckee Tahoe Airport District

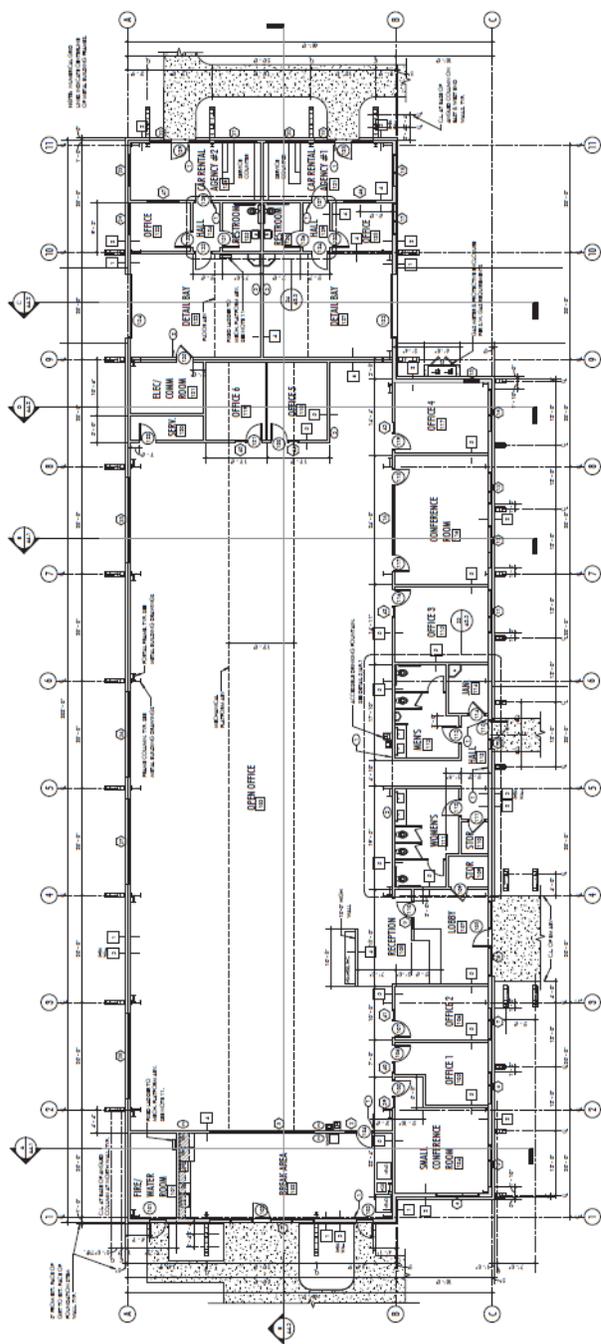




SUBJECT FLOOR PLAN

 WARD YOUNG REAL ESTATE APPRAISERS & CONSULTANTS 10000 W. 10th Avenue, Suite 100 Golden, CO 80401 303.440.8888 www.wardyoung.com	 TTAD OFFICE/WAREHOUSE BUILDING 10000 W. 10th Avenue, Suite 100	PROJECT NO.: DATE:	SHEET NO.: TOTAL SHEETS:
		DRAWN BY:	CHECKED BY:

- ASSUMPTIONS:**
1. THIS FLOOR PLAN IS BASED ON THE ARCHITECT'S RECORD DRAWINGS AND FIELD SURVEY DATA. IT IS NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 2. THE DIMENSIONS SHOWN ON THIS FLOOR PLAN ARE THE CENTER-TO-CENTER DIMENSIONS OF THE WALLS UNLESS OTHERWISE NOTED.
 3. THE FINISHES SHOWN ON THIS FLOOR PLAN ARE THE FINISHES SHOWN ON THE ARCHITECT'S RECORD DRAWINGS.
 4. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 5. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 6. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 7. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 8. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 9. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 10. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 11. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 12. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 13. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 14. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 15. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 16. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 17. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 18. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 19. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.
 20. THE AREA OF THIS FLOOR PLAN IS APPROXIMATE AND SHOULD NOT BE USED FOR ANY PURPOSES WITHOUT THE WRITTEN CONSENT OF WARD YOUNG.

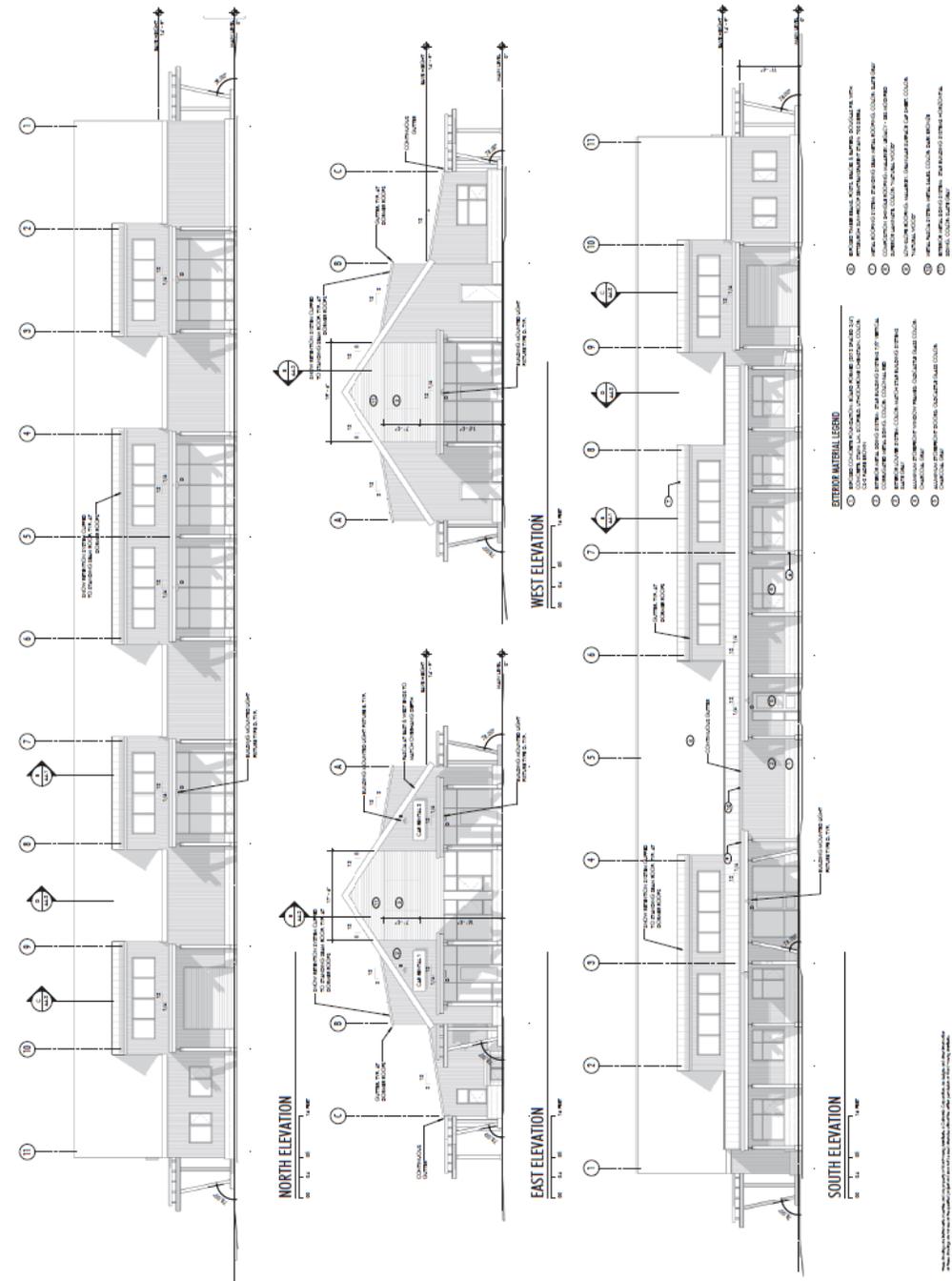


A2.1



SUBJECT BUILDING ELEVATIONS

<p>WARD YOUNG REAL ESTATE APPRAISERS & CONSULTANTS 10000 Wilshire Blvd., Suite 2000 Los Angeles, CA 90024 (310) 270-1000 www.wardyoung.com</p>	 TTAD OFFICE/WAREHOUSE BUILDING INITIALS: JY/PTG	<p>DATE: 10/20/2014 PROJECT: 10000 WILSHIRE BLVD. OFFICE/WAREHOUSE BUILDING DRAWING NO.: 2014-0001 DRAWING TITLE: EXTERIOR ELEVATIONS</p>	<p>EXTERIOR ELEVATIONS</p> <p>A3.1</p>
--	--	--	--





SUBJECT IMPROVEMENT DESCRIPTION	
Property ID	Airport Office Building (AOB)
Building Type	Multi-Tenant Office Building
Year Built	2017
Number of Stories	One Story
Gross Building Area	12,890± Square Feet
Leasable Building Area	Suite A 1,000± Square Feet Suite B 1,000± Square Feet Suite C 10,800± Square Feet Total 12,800± Square Feet
Gross Land Area	2.65± Acres (Estimated)
Parking	177 Space per Airport Exhibit Map
Overall Quality/Condition	Good/Good
Foundation	The foundation is poured in place concrete slab with concrete footings.
Exterior	Mountain architecture with wood frame, steel beams and concrete construction with metal siding. The walls are insulated. There is a wood and metal beam portico at each of the entrances to the building.
Roof	Gable roof with composition shingle roof covering.
Windows	Dual-glazed entry doors. Windows are plate glass dual glazed installed in metal frames.
Interior Finishes	<p>Units A and B each contain 1,000± square feet and are utilized as car rental spaces. The office spaces for Suites A and B include a lobby area and an individual office which are finished with good quality carpet tiles, textured and painted sheetrock walls and ceilings. The hallway has concrete flooring and leads to the manager's office, a unisex restroom and to the car wash bay. Each of the restrooms has concrete flooring, marlite finished sheetrock walls, a standard commercial grade water closet and wall mounted sink and handicap rails. Each unit has a carwash bay finished with a concrete floor, interior sheetrock walls with marlite finish, open ceiling design. Each bay is equipped with a ceiling suspended gas fired space heater and a drain/basin. There is an oil/sand separator which serves the wash bays.</p> <p>Suite C contains 10,800± square feet and is primarily utilized as open office workspace. The entry/lobby in Suite C has concrete flooring, textured and painted sheetrock walls and a high open ceiling. The structure has steel beams and ceiling with steel cross beams, tube lighting and is sprinklered. The administrative office area is finished in a similar fashion, and the central portion is finished with wall-to-wall good quality tile carpeting. The individual offices in Suite C are also finished with good quality tile carpeting, textured and painted sheet rock walls and open ceilings. The breakroom has a combination of sheetrock and paneled walls, good quality cabinetry with marlite type countertops. The breakroom is equipped with a double stainless steel sink, garbage disposal, built-in dishwasher, microwave ovens and refrigerators. There is access from the breakroom to a patio area equipped with benches/tables. The design of the building is such that the administrative office could be demised into smaller spaces and structurally designed so</p>



	that mezzanine areas could be installed to create additional space. There is a set of men's and women's restrooms. The restrooms are finished with concrete flooring, sheetrock walls with plastic wainscotting, wall mounted sinks with good quality fixtures. The restroom water closets have privacy partitions and one water closet in each restroom is handicapped accessible.
Ceiling Height	26± feet at the peak, 14± feet at the eaves.
HVAC	Combination of gas fired heating & air conditioning
Restrooms	Each unit has either a single unisex restroom or a set of men's and women's restrooms. Each restroom is handicap accessible and equipped with standard to good quality fixtures.
Fire Protection	Sprinklered throughout the building.
Lighting	LED light fixtures.
On-Site Improvements	Asphalt paved parking is located to the west and north of the building. There is a concrete walkway, a paved patio and on-site improvements include landscaping.
Source	Physical property inspection, floor plans and other information provided by the property owner's representative.
Comments	The Market Rent estimate, as set forth herein, does not include any personal property or business value.



HIGHEST AND BEST USE ANALYSIS

Highest and best use is defined in the 7th Edition of *The Dictionary of Real Estate Appraisal* (Appraisal Institute, Chicago, 2022) as “The reasonably probable use of a property that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.”

For improved properties, the highest and best use is considered from two standpoints. The first is the highest and best use of the subject site as if vacant and available for development. The second consideration is the highest and best use of the site as improved.

Physically Possible

The first step in the Highest and Best Use Analysis is to consider the physical features of the subject site. In determining the physically possible uses of the subject parcel, its location and physical characteristics must be considered. The subject is located on the Truckee Tahoe Airport at the southwest corner of Truckee Airport Road and Chandelle Way. The subject has adequate access and adequate to good access to State Highway 267. All utilities are installed to the subject property. The subject site contains 2.65± acres, is of slightly irregular shape and has level topography.

Overall, the subject site has adequate physical features to support a wide variety of development.

Legally Permissible

The subject property is zoned Community Commercial and Light Industrial. According to the Truckee Tahoe Airport District the subject is designated for non-aeronautical uses with no ramp access.

Based upon a review of the subject’s zoning designations, legally permissible uses on the subject property include a variety of retail and service-oriented uses as well as offices and light industrial utilizations.

Financially Feasible/Maximally Productive

The highest and best use of the subject site must also be financially feasible and maximally productive. The maximally productive utilization of the subject site would be the most intense utilization of the property which is financially feasible.



Although the subject is located on the Truckee Tahoe Airport it is designated for non-aeronautical uses and does not have access to the airfield. The properties to the southeast of the subject include administrative offices for the Town of Truckee and the Truckee Police Department. Professional and medical offices are located a short distance southeast of the subject. Office and light industrial uses are located south of the subject at Truckee Airport Road and Soaring Way. Overall, the office and light industrial uses in the airport submarket have met with adequate to good market acceptance.

Overall, it is our opinion that the financially feasible and maximally productive utilizations of the subject site would be development with office and/or light industrial uses.

Conclusion “As If” Vacant

Based upon a careful review of the subject’s physically possible, legally permissible, financially feasible and maximally productive uses, it is our opinion that the highest and best use of the subject site, if vacant, is for development with office or light industrial improvements consistent with surrounding utilizations.

Highest and Best Use “As Improved”

The next step in this analysis is to consider the subject property as presently improved. The subject property is improved with a good quality multi-tenant office building. The subject building is in good condition and offers good curb appeal.

Based upon the highest and best use analysis set forth above, and with consideration given to the subject’s location, zoning, access and current improvements, it is our opinion that the highest and best use of the subject property, as improved, is for the continued use of the existing office improvements.



INTRODUCTION TO VALUATION

This appraisal is being prepared for the purpose of estimating the Market Rental Rates for the subject property, as of a current date of valuation.

MARKET RENT ANALYSIS

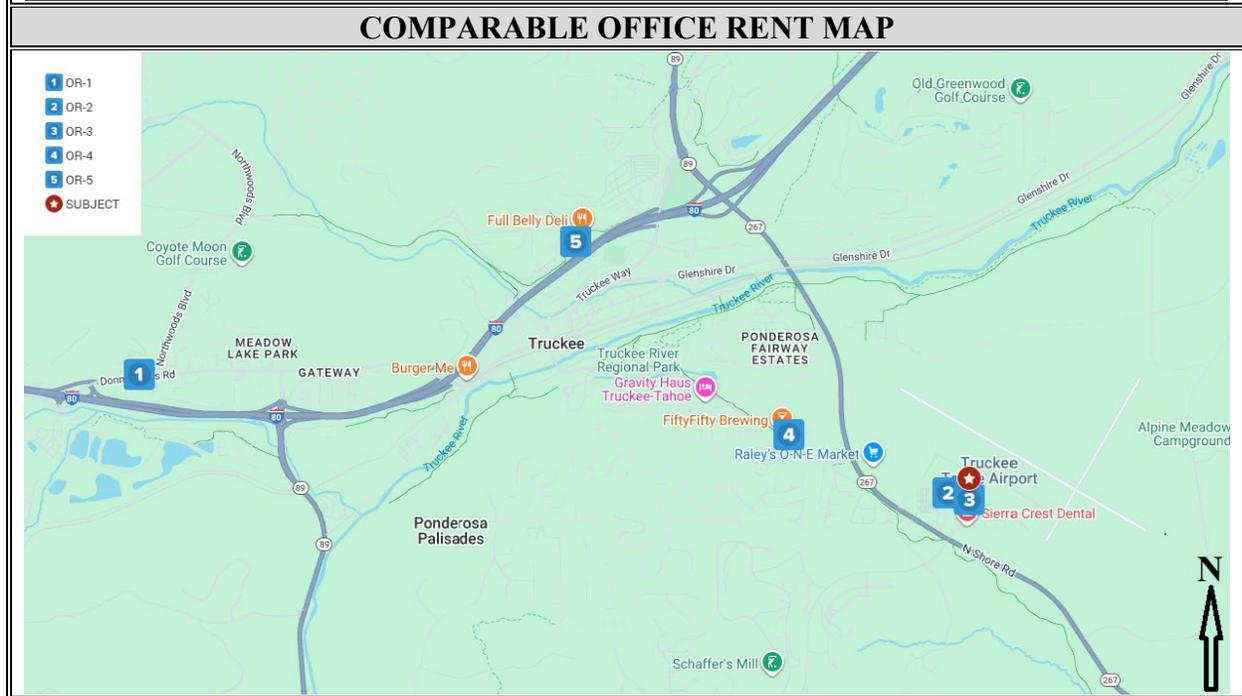
To establish an indication of the market rental rates which the subject should reasonably be expected to generate, we have researched rental rates for similar properties within the regional market area. These rentals were investigated, analyzed and compared to the subject. For the purposes of this analysis the comparables will be compared with the subject units on a rent per square foot basis.

We will first address the market rent of the subject's 10,800± square foot unit which is identified as Suite C. The rentals set out on the following chart were considered to be indicative of the Market Rent for Suite C in the subject office building.



COMPARABLE OFFICE RENT CHART						
Rent Number	Tenant Project Address	Year Built Construction Condition	Building Area Leased Space	Start Date Lease Term Expenses	Comments	Rent SF/Month CAM
OR-1	Donner Trail Professional Building Edward Jones 12010 Donner Pass Road, Suite A-2 Compass Real Estate 12010 Donner Pass Road, Suite A-3	1991 Wood Frame Average	5,660± SF Leased Space 1,790 SF Leased Space 2,940 SF	N/A Long Term Tenants NNN	On-Site Parking Interior Parcel	\$2.25 \$1.20
OR-2	Airport Office Centre Confidential 12242 Business Park Drive Truckee Tahoe Airport Submarket	1979 Wood Frame Average	17,111 SF Leased Space 4,605 SF	N/A Long Term Tenant Annual CPI Adjustment NNN	On-Site Parking Corner Parcel	\$1.85 \$0.70
OR-3	The Phoenix Building Various 12277 Soaring Way Truckee Tahoe Airport Submarket	2009 Wood Frame Good	20,500 SF Leased Space 2,000 SF Leased Space Executive Suites 1,200 SF to 1,400 SF	Martis Camp Expires June 2026 Long Term Tenant Adjusted Per Schedule Executive Suites Typically 3 to 5 Years Annual \$0.05/SF NNN	On-Site Parking Corner Parcel	\$2.10 \$0.98 CAM - \$0.98 <u>Actual</u> \$2.25 to \$2.39 <u>Asking</u> \$2.25 to \$2.30 CAM - \$0.98
OR-4	The Rock - Office/Retail Center Nidecker US - Sports Distributor 11253 Brockway Road, Suite 202 Truckee Tahoe Airport Submarket	2007 Wood Frame Average	12,948 SF Leased Space 4,500 SF Office Space	Q1/2026 3 Year Renewal 3% Annually Modified Gross	On-Site Parking Corner Parcel (Roundabout)	\$2.10 \$1.10
OR-5	Pioneer Commerce Center-Echo Building 10925 Pioneer Trail Northeast Truckee	2005/Renovated 2015 Metal/Wood Siding Average	7,800 SF Leased Space Divisible to 3 Units (Potentially 2,600 SF Suites)	Q1/2026 Minimum 3 Year Lease Annual CPI Adjustment NNN	On-Site Parking Interior Parcel	Asking \$2.00 to \$2.25 \$0.70 to \$0.71
Subject Property	Airport Office Building - Suite C Truckee Tahoe Airport 10266 Truckee Airport Road Truckee	2017 Wood/Steel Frame/Concrete Metal Siding Good	<u>Leasable Area</u> Office Suite C 10,800 SF	August 1, 2016 10 Years NNN*	On-Site Parking Corner Parcel	Suite C \$1.63 \$0.82

*Tenant Pay Taxes and Janitorial Directly Plus CAM Charges





**COMPARABLE BUILDING RENTAL PHOTO AND DISCUSSION
RENTAL OR-1**



12010 DONNER PASS ROAD, SUITE A-2/A-3, TRUCKEE, NEVADA						
Rental ID	Condition	Date Leased	Building Area	Leased Area	Expenses	Monthly Rent/SF
OR-1	Average	N/A	5,660± SF	1,790± SF to 2,940± SF	NNN	\$2.25
This comparable is the Donner Trail Professional Building located at 12010 Donner Pass Road in central Truckee. This comparable includes Edward Jones and Compass Real Estate suites containing 1,790± square feet and 2,940± square feet, respectively. In discussions with the listing broker, Mr. Ron Hemig of Sierra Sotheby's International, it was indicated that both of these suites have been occupied by long term tenants. This property includes onsite parking and is an interior parcel with extensive frontage on Donner Pass Road, an arterial roadway.						



**COMPARABLE BUILDING RENTAL PHOTO AND DISCUSSION
RENTAL OR-2**



12242 BUSINESS PARK DRIVE, TRUCKEE, NEVADA						
Rental ID	Condition	Date Leased	Building Area	Leased Area	Expenses	Monthly Rent/SF
OR-2	Average	N/A	17,111± SF	4,605± SF	NNN	\$1.85
<p>This comparable is located in the Airport Office Center building located at 12242 Business Park Drive. This property is located within close proximity to the Truckee Tahoe airport. According to the property manager Susan Robins of Property Radar, this 4,605± square foot office suite is occupied by a long-term tenant. Ms. Robins indicated that the current rental rate is reported at \$1.85 per square foot per month. The CAM charges are approximately \$0.70 per square foot per month. This building was constructed in 1979. The improvements have wood frame construction and are in average condition. This property is a corner parcel with frontage on Business Park Drive as well as Truckee Airport Road.</p>						



**COMPARABLE BUILDING RENTAL PHOTO AND DISCUSSION
 RENTAL OR-3**



THE PHOENIX BUILDING - 12277 SOARING WAY, TRUCKEE, NEVADA						
Rental ID	Condition	Building Area	Date Leased	Leased Area	Expenses	Monthly Rent/SF
OR-3	Good	20,500± SF	Martis Camp Exp. 6/2026	2,000± SF	NNN	\$2.10
			Executive Suites Various 3 to 5 Years	1,200± SF To 1,400± SF	NNN	Actual \$2.25 to \$2.39 Asking \$2.25 to \$2.30
<p>This comparable is the Pheonix Executive Building located at 12277 Soaring Way. According to Mr. John Jones of North Tahoe Commercial, the property manager, the Martis Camp Suite contains 2,000± square feet and the current rental rate is \$2.10 per square foot. Mr. Jones indicated that actual rental rates for executive suites ranging in size from 1,200± to 1,400± square feet are \$2.25 to \$2.39 per square foot per month. It was indicated that the asking rent is \$2.25 to \$2.30 per square foot per month. The typical lease terms is 3 to 5 years with annual \$0.05 per square foot rental increases. Mr. Jones indicated that the CAM rate is currently \$0.98 per square foot per month, which includes the majority of the operating expenses for the property. He also indicated that the tenants are typically responsible for the cost of janitorial services. The Pheonix Building is a Class A office building which was constructed in 2009. The building is of wood frame construction and is in good condition offering good curb appeal. The suites have shared lobby/waiting rooms and common area restrooms. This property is a corner parcel and provides onsite parking.</p>						



**COMPARABLE BUILDING RENTAL PHOTO AND DISCUSSION
RENTAL OR-4**



11253 BROCKWAY ROAD, SUITE 202, TRUCKEE, NEVADA						
Rental ID	Condition	Date Leased	Building Area	Leased Area	Expenses	Monthly Rent/SF
OR-4	Average	Q1/2026	12,948± SF	4,500± SF	MG	\$2.10
<p>This comparable is the Rock Office-Retail Center located on Brockway Road at the Brockway Road/Martis Valley Road roundabout. This comparable is located at 11253 Brockway Road, Suite 202, which is leased by Nidecker US, a sports manufacturer and distributor. The building was constructed in 2007 and is currently in average condition. The office suite contains 4,500± square feet. The lease was recently renewed for an additional 3 years at a rental rate of \$2.10 per square foot per month with 3% annual rent adjustments. The terms involve modified gross with the tenant responsible for the cost of natural gas service and janitorial. The Common Area Maintenance fee was indicated to be \$1.10 per square foot per month. This comparable was verified with the listing broker, Mr. John Jones of North Tahoe Commercial.</p>						



**COMPARABLE BUILDING RENTAL PHOTO AND DISCUSSION
RENTAL OR-5**



10925 PIONEER TRAIL, TRUCKEE, NEVADA						
Rental ID	Condition	Date Leased	Building Area	Leased Area	Expenses	Monthly Rent/SF
OR-5	Average	Q1/2026	7,800± SF	Potentially 2,600± SF Units	NNN	\$2.00 to \$2.25
<p>This comparable is located in the Pioneer Commerce Center and is identified as the Echo Building. The property is located at 10925 Pioneer Trail Road in northeast Truckee. The Pioneer Commerce Center involves a mixed-use project consisting of office and industrial-commercial uses. This comparable was constructed in 2005 and was reported to have been renovated in 2015. This 7,800± square foot suite includes exposed high ceilings, private office/conference space, a kitchen/break area, multiple restrooms, and open and flexible space which is divisible for three tenants. The space includes large west facing windows for natural light and has sufficient onsite parking. This comparable was verified with the listing broker, Katie Mancuso of Mancuso Properties. The asking rent is \$2.00 to \$2.25 per square foot per month and the CAM is reported at \$0.70 to \$0.71 per square foot per month.</p>						



COMPARABLE BUILDING RENTALS ANALYSIS AND DISCUSSION (Subject Suite C - Office Space)

The comparable office rentals set out on the preceding chart were analyzed and compared to the subject property. The comparable rental rates range from \$1.85 to \$2.39 per square foot, per month.

Lease Terms

In discussions with a representative of the airport district, it was indicated that the tenants are directly responsible for the cost of taxes and janitorial. In addition to the base rent the tenants are responsible for Common Area Maintenance fees. The market rent for the subject is based on NNN lease terms. Comparable Rentals 1, 2, 3 and 5 are leased on triple net lease terms and no adjustment is made for lease terms. Rental 4 is given a downward adjustment for its modified gross lease terms. In a modified gross lease, the owner (lessor) and the tenant (lessee) share operating expenses, as specified in the lease.

General Location

The subject is located in southeast Truckee at the Truckee Tahoe Airport. Rental 1 is located in central Truckee on Donner Pass Road. Rental 5 is located in the Pioneer Commerce Center which has met with good market acceptance. This office and industrial-commercial complex is accessed via Donner Pass Road and is located within close proximity to the Interstate 80/State Route 267 interchange. Overall, Rentals 1 and 5 are considered to have superior locations and are adjusted downward for this factor. Rentals 2 through 4 are considered to have competitive locations as compared to the subject.

Size

Generally, a relationship exists between the size of a unit and the per square foot rental rate. Larger units tend to have a lower per square foot rental rate, while smaller units tend to have a higher per square foot rental rate. An upward adjustment will be made to the rentals with larger suite sizes, while a downward adjustment will be made for rentals with smaller suite sizes.

Age/Condition

The subject was constructed in 2017. The subject has been well maintained and is in good condition. The comparables vary in date of construction from 1979 to 2009. Each of the comparables, with the exception of Rental 5, has an older date of construction as compared to the subject and will be adjusted upward for this factor. Rental 5 was built in 2005 and was reported



to have been renovated in 2015, therefore no adjustment has been made to this comparable for age.

The comparables range in condition from average to good and will be adjusted accordingly as compared to the subject which is in good condition.

Parking

The subject provides on-site parking as do each of the comparables, therefore no adjustment is required for on-site parking.

Street Frontage/Parcel Situs

The subject property is located at the southwest corner of Truckee Airport Road and Chandelle Way. The subject has adequate roadway exposure and access.

Rental 1 is an interior parcel; however, it does have extensive frontage on Donner Pass Road, an arterial roadway, therefore no adjustment is made for parcel situs.

Rentals 2, 3 and 4 are corner parcels with similar roadway frontage as the subject and no adjustment is indicated.

Rental 5 is an interior parcel with frontage on Pioneer Trail and is adjusted upward as compared to the subject's corner situs.

Other Adjustments

The subject's Suite C has an open office floor plan with high exposed ceilings. The subject has a modern mountain architecture design and has good curb appeal. Adjustments will also be made to the comparables, as compared to the subject, in regard to office finish and curb appeal.

The following summarizes adjustments made to the comparable rentals utilized in projecting the subject's market rental rate. A minus sign (-) indicates that in comparison to the subject, the comparable property is superior, and the rental rate per square foot requires downward adjustment to achieve comparability with the subject for a particular criterion. Conversely, a plus sign (+) indicates that in comparison to the subject, the comparable property is inferior, and the rent per square foot requires upward adjustment to achieve comparability with the subject for a particular criterion. An equal (=) sign indicates that the comparable is similar to the subject for a particular adjustment criterion.



COMPARABLE OFFICE RENTALS ADJUSTMENT CHART - SUBJECT OFFICE SUITE C						
Lease ID	Subject	1	2	3	4	5
Rent/SF/Month	---	\$2.25	\$1.85	\$2.10 to \$2.39	\$2.10	\$2.00 to \$2.25
Lease Terms	NNN	NNN =	NNN =	NNN =	Modified Gross -	NNN =
Location	Truckee Tahoe Airport Submarket	Donner Pass Rd/Arterial -	Truckee Tahoe Airport Submarket =	Truckee Tahoe Airport Submarket =	Truckee Tahoe Airport Submarket =	Pioneer Commerce Center -
Size	10,800± SF	1,790 SF to 2,940 SF -	4,605 SF -	1,200 SF to 2,000 SF -	4,500 SF -	7,800 SF (Divisible to 3 Suites) -
Age	2017	1991 +	1979 ++	2009 =	2007 =	2005/Renovated 2015 =
Condition	Good	Average +	Average +	Good =	Average +	Average +
Parking	On-Site	On-Site	On-Site	On-Site	On-Site	On-Site
Frontage	Corner Parcel	Interior Parcel with Extensive Frontage =	Corner Parcel =	Corner Parcel =	Corner Parcel =	Interior Parcel +
Other	Open Office Space High Ceilings Good Curb Appeal	Standard Office Build-Out - Inferior Curb Appeal +	Standard Office Build-Out - Inferior Curb Appeal +	Standard Office Build-Out - Good Curb Appeal = Shared Lobby/Waiting Room, Common Area Restrooms +	Standard Office Build-Out - Inferior Curb Appeal ++	Open Floor Plan, High Ceilings = Inferior Curb Appeal + Asking Rent -
Indicator of Rent-Suite C	---	Reasonable	Low	Reasonable	Low	Reasonable

In addition to the comparable rentals summarized above we have considered the office rental rate reported for the South Lake Tahoe Airport. According to the airport’s master fee schedule the asking rent for office space is currently \$2.30 per square foot per month. Although this rental rate falls within the range as reported for the comparables utilized in this analysis, as detailed information in regard to lease terms, suite sizes, etc. was not available, less weight and reliance has been given to this rent.

We have also considered the subject’s current rent at \$1.63 per square foot per month. With strong consideration given to the comparable data it is our opinion that the subject rent for Suite C is below market levels.

Market Rental Analysis and Conclusion – Subject Suite C

The subject’s Suite C contains 10,800± square feet. Suite C is primarily open office space with high exposed ceilings.



Comparable Rental 1 is located at Donner Pass Road in central Truckee. In comparison to the subject, this comparable was adjusted downward for its superior central Truckee location along Donner Pass Road. This comparable was given further downward adjustments due to its smaller unit sizes and as it includes standard office buildout. On the other hand, this comparable was adjusted upward for its older date of construction and due to the subject's superior condition and curb appeal. Overall, this comparable, at \$2.25 per square foot per month, is considered to be a reasonable indicator of market rent for Subject Suite C.

Comparable Rental 2 is located in the Airport Office Centre in the immediate subject neighborhood. Rental 2 illustrates the lowest rental rate at \$1.85 per square foot per month. In comparison with the subject, this comparable is considered to be a low indicator of market rent, primarily due to its much older date of construction and due to the subject's superior condition and curb appeal.

Rental 3 is the Phoenix Building located in the Truckee Tahoe Airport Submarket. In comparison to the subject, this comparable was adjusted downward for its smaller suite sizes and as it includes standard office buildout. On the other hand, this comparable was adjusted upward as the suites have shared lobby/waiting areas and common area restrooms. This comparable is similar to the subject in regard to location, age and condition as well as its good curb appeal. Overall, this comparable, at \$2.10 to \$2.39 per square foot per month, is considered to bracket an appropriate indicator of the appropriate market rent for Subject Suite C.

Rental 4, at \$2.10 per square foot is considered to be a low indicator of an appropriate market rent for the subject, primarily due to the subject's superior condition and superior curb appeal.

Rental 5, in comparison to the subject, was given downward adjustments for location, suite size and as it is an asking rent. On the other hand, this comparable was adjusted upward due to the subject's corner situs as well as its superior condition and curb appeal. Overall, this comparable, at \$2.00 to \$2.25 per square foot per month, is considered to be a reasonable indicator of an appropriate market rent for Subject Suite C.

In estimating an appropriate Market Rent for the subject's office space consideration is given to the age of the subject improvements, its good condition, corner situs and other physical characteristics.



Consideration is also given to the size of the subject suite at 10,800± square feet. Generally, a relationship exists between the size of a unit and the per square foot rental rate. Consideration is also given to Suite C's open office layout. It is also recognized that the subject is divisible into smaller suite sizes.

Based upon an analysis of the comparable rental data, the subject's location and physical characteristics, the base Market Rent for Suite C is estimated at \$2.25 per square foot per month on NNN lease terms.

MARKET RENT CONCLUSION – SUITE C

\$2.25/SF/MONTH

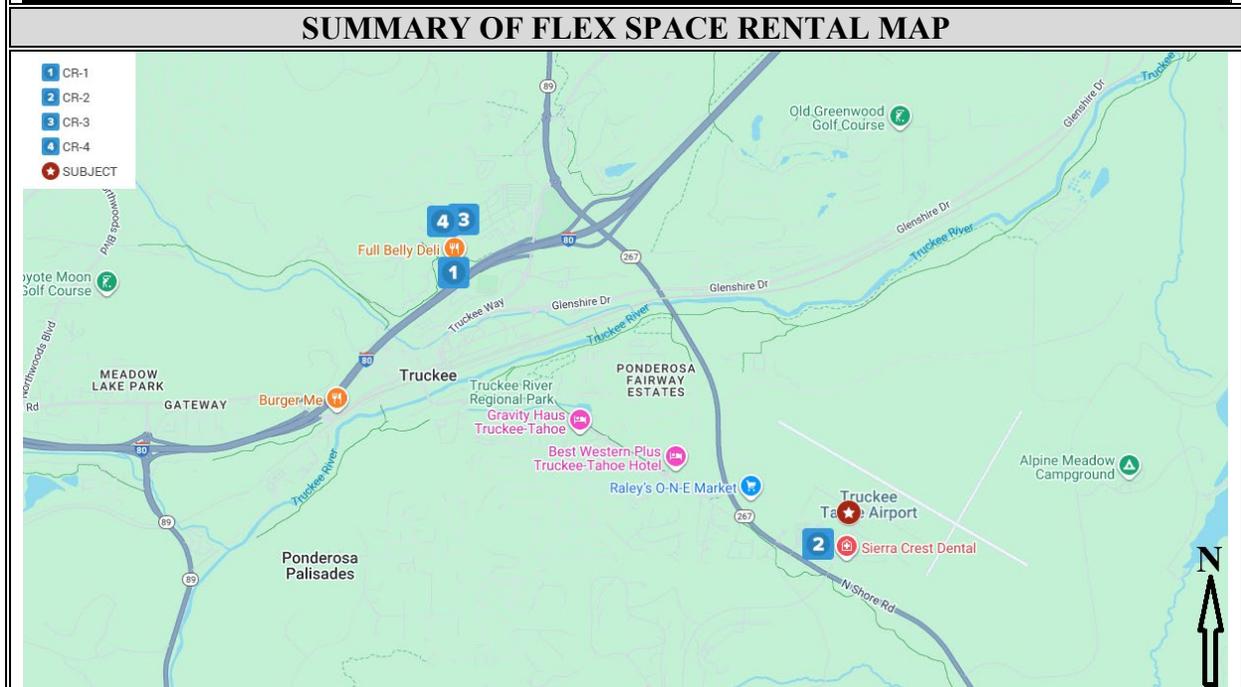


Market Rent Analysis for Suites A and B

The subject also contains two 1,000± square foot units. Suites A and B are currently leased to rent-a-car agencies and involve 50% office space with the remainder space used as car wash/prep garage space. In order to project an appropriate Market Rent for each of the subject’s office/garage units, the following comparable rents were analyzed.

SUMMARY OF FLEX SPACE RENTAL CHART						
Rent Number	Tenant Project Address	Year Built Construction Condition	Building Area Leased Space	Start Date Lease Term Expenses	Comments	Base Rent SF/Month CAM
CR-1	Pioneer Commerce Center-Summit Building Confidential 10775 Pioneer Trail Northeast Truckee	2005 Metal Average	32,575 SF Leased Space 1,700 SF Office Suite	Q1/2024 3 Years 4% Annual Rent Adjustment NNN	On-Site Parking Interior Parcel	\$2.25 \$0.60
CR-2	Airport Business Park 12177 Business Park Drive, Unit 8 Truckee Tahoe Airport Submarket	2003 Concrete Panels Average	13,446 SF Available Space 1,675 SF 54% Office	Q1/2026 N/A Modified Gross	On-Site Parking Interior Parcel	\$1.75 CAM \$0.61
CR-3	Truckee Industrial Park Available 10980 Industrial Way Northeast Truckee	2025 Metal New/Good	8,700 SF Available Space 1,100 SF Basic Interior Finishes Includes Restroom	Available Negotiable NNN	On-Site Parking Interior Parcel at Cul de Sac	Asking \$2.50 CAM \$0.67
CR-4	Industrial/Commercial Project 10981 Industrial Way Northeast Truckee	2024 Metal Good	13,470 SF Available Space 1,347 SF	Available Negotiable Modified Gross	On-Site Parking Interior Parcel	Asking \$2.96 N/A
Subject Property	Airport Office Building Truckee Tahoe Airport 10266 Truckee Airport Road Truckee	2017 Wood/Steel Frame/Concrete Metal Siding Good	Leasable Area Suite A 1,000 SF Suite B 1,000 SF	Various Currently Month-to-Month NNN	On-Site Parking Corner Parcel	Suite A \$2.08 Suite B \$1.99 CAM \$0.80

*Tenants Pay Taxes and Janitorial Directly as well as CAM Charges





**COMPARABLE BUILDING RENTAL PHOTO AND DISCUSSION
RENTAL CR-1**



10775 PIONEER TRAIL, TRUCKEE, NEVADA						
Rental ID	Condition	Date Leased	Building Area	Leased Area	Expenses	Monthly Rent/SF
CR-1	Average	Q1/2024	32,575± SF	1,700± SF	NNN	\$2.25
<p>This comparable is located in the Pioneer Commerce Center in the Summit Building. This comparable is located within northeast Truckee. This comparable involves a 1,700± square foot office suite which was leased in Q1 of 2024. The lease term is for 3 years on an NNN basis. The rents are adjusted 4% annually. The Common Area Maintenance fee was indicated to be \$0.60 per square foot per month. This property is an interior parcel with onsite parking. This comparable was verified with the listing broker, Katie Mancuso of Mancuso Properties.</p>						



**COMPARABLE BUILDING RENTAL PHOTO AND DISCUSSION
RENTAL CR-2**



12177 BUSINESS PARK DRIVE, UNIT 8, TRUCKEE, NEVADA						
Rental ID	Condition	Date Leased	Building Area	Leased Area	Expenses	Monthly Rent/SF
CR-2	Good	Q1/2026	13,446± SF	1,675± SF	MG	\$1.75
<p>This comparable is located at the Airport Business Park at 12177 Business Park Drive. The improvements were constructed in 2003 and have concrete panel construction. The improvements are in average condition. In discussions with the listing broker, Mr. John Jones of North Tahoe Commercial, it was indicated that he recently leased a 1,675± unit at \$1.75 per square foot per month with CAM charges of \$0.61 per square foot per month. The lease involves modified gross terms. The unit includes approximately 54% finished office space with the remainder being storage. This property is located on an interior parcel and includes onsite parking. This comparable has been available for lease for approximately one year.</p>						



**COMPARABLE BUILDING RENTAL PHOTO AND DISCUSSION
RENTAL CR-3**



10980 INDUSTRIAL WAY, TRUCKEE, NEVADA						
Rental ID	Condition	Date Leased	Building Area	Leased Area	Expenses	Monthly Rent/SF
CR-3	New/Good	Available	8,700± SF	1,100± SF	NNN	Asking \$2.50
<p>This comparable is located in the Truckee Industrial Park at 10980 Industrial Way. The improvements were constructed in 2025 and have metal construction. The improvements are in good condition. There is currently 1,100± square feet available for lease at an asking rent of \$2.50 per square foot. The CAM charges within this project are reported at \$0.67 per square foot per month. The listing broker, Katie Mancuso of Mancuso Properties, reported that this suite has basic interior finishes and includes a restroom. This property is an interior parcel with onsite parking.</p>						



**COMPARABLE BUILDING RENTAL PHOTO AND DISCUSSION
RENTAL CR-4**



10981 INDUSTRIAL WAY, TRUCKEE, NEVADA						
Rental ID	Condition	Date Leased	Building Area	Leased Area	Expenses	Monthly Rent/SF
CR-4	Good	Available	13,470± SF	1,347± SF	MG	Asking \$2.96
This comparable is an industrial/commercial project located at 10981 Industrial Way in northeast Truckee. The improvements were constructed in 2024 and have metal construction. The improvements are in above average condition. There is currently a 1,347± square foot unit available for lease at an asking rent of \$2.96. The lease term is based on modified gross, and the length of the lease is negotiable. This comparable has been available for lease for approximately one year.						



The comparable rentals set out on the preceding chart were analyzed and compared to the subject property's Suites A and B. The comparable rental rates range from \$1.75 to \$2.96 per square foot per month.

Lease Terms

The subject suites are leased on NNN terms. In discussions with a representative of the airport district, it was indicated that the tenant directly responsible for the cost of taxes and janitorial. In addition to the base rent the tenants are responsible for Common Area Maintenance fees. Rentals 1 and 3 are leased on triple net lease terms similar to the subject. Rentals 2 and 4 are adjusted downward as they are leased on modified gross terms.

General Location

The subject is located in southeast Truckee at the Truckee Tahoe Airport. Rental 1 is located in the Pioneer Commerce Center and Rentals 3 and 4 are located on Industrial Way in close proximity to the Pioneer Commerce Center. This office/light industrial submarket has met with good market acceptance. This neighborhood is accessed via Donner Pass Road and is located within close proximity to the Interstate 80/State Route 267 interchange. Overall, Rentals 1, 3 and 4 are considered to have superior locations and are adjusted downward for this factor. Rental 2 is considered to have a competitive location as compared to the subject.

Size

Generally, a relationship exists between the size of a unit and the per square foot rental rate. Larger units tend to have a lower per square foot rental rate, while smaller units tend to have a higher per square foot rental rate. An upward adjustment will be made to the rentals with larger suite sizes, while a downward adjustment will be made for rentals with smaller suite sizes.

Age/Condition

The subject was constructed in 2017. The subject has been well maintained and is in good condition. The comparables vary in date of construction from 2003 to 2025. Rentals 1 and 3 have older dates of construction as compared to the subject and are adjusted upward for this factor. Rental 3 was built in 2025 and Rental 4 was built in 2024, these comparables are adjusted downward for date of construction, as compared to the subject.

The comparables range in condition from average to new/good and will be adjusted accordingly as compared to the subject which is in good condition.



Parking

The subject provides on-site parking as do each of the comparables, therefore no adjustment is required for on-site parking.

Street Frontage/Parcel Situs

The subject property is located at the southwest corner of Truckee Airport Road and Chandelle Way. The subject has adequate roadway exposure and access.

Each of the comparable rentals is an interior parcel and are adjusted upward as compared to the subject's corner situs.

Other Adjustments

The subject's Suites A and B have 50% finished office and 50% garage/warehouse space. The subject building has a modern mountain architecture design and has good curb appeal. Adjustments will also be made to the comparables, as compared to the subject, in regard to office finish and curb appeal. Rental 3 is adjusted downward as the rental rates are asking rents. Rental 4, which is an asking rent, is given a larger downward adjustment as it is reported to have been on the market for nearly a year.

The following summarizes adjustments made to the comparable rentals utilized in projecting the subject's market rental rate. A minus sign (-) indicates that in comparison to the subject, the comparable property is superior, and the rental rate per square foot requires downward adjustment to achieve comparability with the subject for a particular criterion. Conversely, a plus sign (+) indicates that in comparison to the subject, the comparable property is inferior, and the rent per square foot requires upward adjustment to achieve comparability with the subject for a particular criterion. An equal (=) sign indicates that the comparable is similar to the subject for a particular adjustment criterion.



COMPARABLE FLEX UNIT RENTALS ADJUSTMENT CHART - SUBJECT SUITES A AND B					
Rental Number	Subject	1	2	3	4
Rent/SF/Month	---	\$2.25	\$1.75	\$2.50	\$2.96
Lease Terms	NNN	NNN =	Modified Gross -	NNN =	Modified Gross -
Location	Truckee Tahoe Airport Submarket	Pioneer Commerce Center -	Truckee Tahoe Airport Submarket =	Truckee Industrial Park -	Industrial Way -
Size	1,000 SF	1,700 SF =	1,675 SF =	1,100 SF =	1,347 SF =
Age	2017	2005 +	2003 +	2025 -	2024 -
Condition	Good	Average +	Average +	New/Good -	Good =
Parking	On-Site	On-Site	On-Site	On-Site	On-Site
Frontage	Corner Parcel	Interior Parcel +	Interior Parcel +	Interior Parcel +	Interior Parcel +
Other	Office/Garage Suites Good Curb Appeal	Office Build-Out - Inferior Curb Appeal +	54% Office = Inferior Curb Appeal +	Warehouse/Restroom + Inferior Curb Appeal + Asking Rent -	Warehouse/Restroom + Inferior Curb Appeal + Asking Rent --
Indicator of Rent-Suites A & B	---	Low	Low	Reasonable	High

Market Rental Analysis and Conclusion – Subject Suites A and B

Suites A and B each contain 1,000± square feet. Each of these suites includes a combination of finished office space and garage/warehouse space.

Comparable Rental 1, at \$2.25 per square foot per month, is considered to be a low indicator of market rent primarily due to its older date of construction and due to the subject’s superior condition and curb appeal.

The lowest rental rate is indicated by Rental 2, at \$1.75 per square foot per month. This comparable is located in the Airport Business Park in the immediate subject neighborhood. In comparison with the subject, this comparable is considered a low indicator of market rent, primarily due to its older date of construction and due to the subject’s superior condition and curb appeal.



Comparable Rental 3, in comparison to the subject, was adjusted upward for lease terms and as it involves warehouse space with no office build-out. This comparable was given upward adjustments for the subject's corner situs and superior curb appeal. On the other hand, this comparable was given downward adjustments for location, age, its new condition and as it is an asking rent. Overall, this comparable, at \$2.50 per square foot per month, is considered to be a reasonable indicator of market rent for the subject's Suites A and B.

Rental 4 illustrates the highest rent at \$2.96 per square foot per month. This comparable is considered to be a high indicator of the appropriate market rent for the subject's Suites A and B, primarily due to its location, newer age and as it is an asking rent.

We have also considered the subject's current rents for Suites A and B at \$2.08 and \$1.99 per square foot per month. With strong consideration given to the comparable data it is our opinion that the subject rents for Suites A and B are below market levels.

In estimating an appropriate Market Rent for Subject Suites A and B consideration is given to the age of the subject improvements, its good condition, corner situs and other physical characteristics.

Consideration is also given to the size of the subject suites at 1,000± square feet. Generally, a relationship exists between the size of a unit and the per square foot rental rate. Larger units tend to have a lower per square foot rental rate, while smaller units tend to have a higher per square foot rental rate. Consideration is also given to Suite A and B's office/garage layout.

Based upon an analysis of the comparable rental data, the subject's location and physical characteristics, the base Market Rent for Suites A and B is estimated at \$2.50 per square foot per month on modified gross lease terms.

The estimated market rents for the subject units are set out following:



ESTIMATED MARKET RENTAL RATES			
Unit ID	Unit Size Square Feet	Market Rent Per SF	Estimated Base Monthly Rent
SUBJECT'S OFFICE SUITE – SUITE C			
Suite C	10,800± SF	\$2.25	\$24,300
SUBJECT'S OFFICE/GARAGE (WAREHOUSE) SUITE – SUITES A & B			
Suite A	1,000± SF	\$2.50	\$2,500
Suite B	1,000± SF	\$2.50	\$2,500

The rent for the subject suites is based upon NNN lease terms with the tenant directly responsible for the cost of taxes and janitorial. In addition to the base rent the tenants are responsible for Common Area Maintenance fees. Common Area Maintenance fees include reimbursable operating expenses associated with the property including the cost of insurance, utilities, maintenance and repairs, snow removal, landscaping and trash removal.

Historic data pertaining to actual Common Area operating expenses for the subject for 2022, 2023 and 2024 were available for review and are summarized below.

Office Suite C	Prorata Share	Suites A & B	Prorata Share
10,800± SF	84%	1,000± SF (Each Suite)	8% (Each Suite)
Year	CAM Charges	Year	CAM Charges
2022	\$0.86	2022	\$0.65
2023	\$0.82	2023	\$0.78
2024	\$0.53	2024	\$0.695
2025*	\$0.82	2025*	\$0.80
*Per Rent Roll			

In order to estimate Common Area Maintenance (CAM) charges for the subject, we have also considered the CAM's reported for the comparable office rentals. The following table summarizes the CAM (Common Area Maintenance/Reimbursable Operating Expenses) for the comparable office rental properties utilized in this report.



COMPARABLE RENTAL CAM CHARGES (REIMBURSABLE OPERATING EXPENSES)				
Rent ID	Property Address	Year Built	Lease Terms	CAM Charges/SF
OR-1	Donner Trail Professional Building	1991	NNN	\$1.20
OR-2	Airport Office Centre	2007	NNN	\$0.70
OR-3	The Phoenix Building	2023	NNN	\$0.98
OR-4	The Phoenix Building	1996	NNN	\$0.98
OR-5	The Rock - Office/Retail Center	2024	MG	\$0.71
OR-6	Pioneer Commerce Center-Echo Building	2008	NNN	\$0.705
			LOW	\$0.70/SF
			HIGH	\$1.20/SF
			AVERAGE	\$0.88/SF
			MEDIAN	\$0.84/SF

With consideration given to the subject’s historical Common Area Maintenance charges as well as the comparable data, Common Area Maintenance charges for the subject have been estimated at \$0.85 per square foot per month. It is noted that typically the CAM charges are based on actual costs and then passed on to the tenant as reimbursable expenses.

Estimated Common Area Maintenance Fee	\$0.85 Per Square Foot Per Month
--	---



CERTIFICATION

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

- I have made a personal inspection of the property that is the subject of this report.
- I have no present or contemplated future interest in the real estate that is the subject of this appraisal report.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- To the best of my knowledge and belief, the statements of fact contained in this appraisal report, upon which the analysis, opinions, and conclusions herein are based, are true and correct.
- This report sets forth all the limiting conditions (imposed by the terms of my assignment or by the undersigned) affecting the analysis, opinions, and conclusions contained in this report.
- My analyses, opinions, and conclusions were developed, and this review report was prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the *Code of Professional Ethics and Standards of Professional Practice* of the Appraisal Institute.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- The appraisal was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
- The appraisers' state registration/certification has not been revoked, suspended, cancelled or restricted.
- The appraiser has not performed services regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- No one other than the undersigned prepared the analyses, conclusions and opinions concerning real estate that are set forth in this appraisal report.
- The Appraisal Institute conducts a mandatory program of continuing education for its designated members. As of the date of this report, Reese Perkins and Cindy Lund Fogel have completed the requirements under the continuing education program of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

Respectfully Submitted,

Reese Perkins, MAI, SRA
Nevada Certified General Appraiser
License Number A.0000120-CG

Cindy Lund Fogel, MAI
Nevada & California Certified General Appraiser
License Numbers A.0002312-CG & 3012713



STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

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

LIMITS OF LIABILITY

This report was prepared by Johnson Perkins Griffin, LLC. All opinions, recommendations, and conclusions expressed during the course of this assignment are rendered by the staff of Johnson Perkins Griffin, LLC, as employees, not as individuals. The liability of Johnson Perkins Griffin, LLC and its employees and associates is limited to the client only and to the fee actually received by the appraisal firm. There is no accountability, obligation, or liability to any third party. If the appraisal report is disseminated to anyone other than the client, the client shall make such party or parties aware of all limiting conditions and assumptions affecting the appraisal assignment. Neither the appraisers nor the appraisal firm is in any way to be responsible for any costs incurred to discover or correct any physical, financial and/or legal deficiencies of any type present in the subject property. In the case of limited partnerships or syndication offerings or stock offerings in real estate, the client agrees that in the event of a lawsuit brought by a lender, a partner or part owner in any form of ownership, a tenant or any other party, the client will hold the appraiser(s) and the appraisal firm completely harmless in such action with respect to any and all awards or settlements of any type in such lawsuits.

COPIES, PUBLICATION, DISTRIBUTION AND USE OF REPORT

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

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

CONFIDENTIALITY

Except as provided for subsequently, neither the appraiser(s) nor the appraisal firm may divulge the analyses, opinions or conclusions developed in the appraisal report, nor may they give a copy of the report to anyone other than the client or his designee as specified in writing. However, this condition does not apply to any requests made by the Appraisal Institute for purposes of confidential ethics enforcement. Also, this condition does not apply to any order or request issued by a court of law or any other body with the power of subpoena.

INFORMATION SUPPLIED BY OTHERS

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



TESTIMONY, CONSULTATION, COMPLETION OF CONTRACT FOR APPRAISAL SERVICE

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

EXHIBITS AND PHYSICAL DESCRIPTIONS

It is assumed that the improvements and the utilization of the land are within the boundaries of the property lines of the property described in the report and that there is no encroachment or trespass unless noted otherwise within the report. No survey of the property has been made by the appraiser(s) and no responsibility is assumed in connection with such matters. Any maps, plats, or drawings reproduced and included in the report are there to assist the reader in visualizing the property and are not necessarily drawn to scale. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced or used apart from the report.

TITLE, LEGAL DESCRIPTIONS, AND OTHER LEGAL MATTERS

No responsibility is assumed by the appraiser(s) or the appraisal firm for matters legal in character or nature. No opinion is rendered as to the status of title to any property. The title is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in the appraisal report. The legal description, as furnished by the client, his designee or as derived by the appraiser(s), is assumed to be correct as reported. The appraisal is not to be construed as giving advice concerning liens, title status, or legal marketability of the subject property.

ENGINEERING, STRUCTURAL, MECHANICAL, ARCHITECTURAL CONDITIONS

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

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

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

Because no detailed inspection was made, and because such knowledge goes beyond the scope of this appraisal, any comments on observed conditions given in this appraisal report should not be taken as a guarantee that a problem does not exist. Specifically, no guarantee is given as to the adequacy or condition of the foundation, roof, exterior walls, interior walls, floors, heating systems, air conditioning systems, plumbing, electrical service, insulation, or any other detailed construction matters. If any interested party is concerned about the existence, condition, or adequacy of any particular item, we would strongly suggest that a mechanical and/or structural inspection be made by a qualified and licensed contractor, a civil or structural engineer, an architect or other experts. This appraisal report is based on the assumption that there are no hidden, unapparent or apparent conditions on the property or improvements which would materially alter the value as reported. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them. All mechanical components are assumed to be in operable condition and standard for the properties of the subject type. Conditions of heating, cooling, ventilating, electrical and plumbing equipment are considered to be commensurate with the condition of the balance of the improvements unless otherwise



stated. No judgment is made in the appraisal as to the adequacy of insulation, the type of insulation, or the energy efficiency of the improvements or equipment which is assumed to be standard for the subject's age, type and condition.

TOXIC MATERIALS AND HAZARDS

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

SOILS, SUB-SOILS, AND POTENTIAL HAZARDS

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

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

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

ARCHEOLOGICAL SIGNIFICANCE

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

LEGALITY OF USE

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

COMPONENT VALUES

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

COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT

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



AUXILIARY AND RELATED STUDIES

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

DOLLAR VALUES AND PURCHASING POWER

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

ROUNDING

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

QUANTITATIVE ANALYSIS

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

VALUE CHANGE, DYNAMIC MARKET, ALTERATION OF ESTIMATE BY APPRAISER

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

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

This appraisal is an estimate of value based on analysis of information known to us at the time the appraisal was made. The appraiser(s) does not assume any responsibility for incorrect analysis because of incorrect or incomplete information. If new information of significance comes to light, the value given in this report is subject to change without notice. The appraisal report itself and the value estimates set forth therein are subject to change if either the physical or legal entity or the terms of financing are different from what is set forth in the report.

ECONOMIC AND SOCIAL TRENDS

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

EXCLUSIONS

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

SUBSURFACE RIGHTS

No opinion is expressed as to the value of subsurface oil, gas or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials, except as is expressly stated.



PROPOSED IMPROVEMENTS, CONDITIONED VALUE

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

MANAGEMENT OF PROPERTY

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

FEE

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

LEGAL EXPENSES

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

CHANGES AND MODIFICATIONS

The appraiser(s) reserves the right, at the cost of the client, to alter statements, analyses, conclusions, or any value estimates in the appraisal if any new facts pertinent to the appraisal process are discovered which were unknown on the date of valuation of this report.

DISSEMINATION OF MATERIAL

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

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



**QUALIFICATIONS OF APPRAISER
 REESE PERKINS**

Professional Designations

MAI - Member of the Appraisal Institute
 SRA - Senior Residential Appraiser

MAI - Member American Institute of Real Estate Appraisers 1983
 SRPA - Senior Real Property Appraiser; Society of Real Estate Appraisers 1982

License

State of Nevada, Certified General Real Estate Appraiser, #A.0000120-CG,
 Expiration date 4/30/27

Membership

Member, Nevada State Board of Equalization 1992 - 1999
 Chairman 1999
 Member, Nevada Commission of Real Estate Appraisers 1995 - 2001
 President 2000
 Appraisal Institute: Life Designated Member 2025

Offices Held

President - Reno/Carson/Tahoe Chapter No. 189,
 Society of Real Estate Appraisers 1983 - 1984
 Admissions Committee - Sierra Nevada Chapter #60, AIREA 1984 - 1988
 Vice-Chairman 1987 - 1988
 Southwest Region Review and Counseling Panel, AIREA
 Admissions Chairman - Sierra Nevada Chapter No. 60,
 American Institute of Real Estate Appraisers 1989 - 1990
 Admissions Chairman - Reno/Carson/Tahoe Chapter of the Appraisal Institute 1991
 Board of Directors - Sacramento-Sierra Chapter of the Appraisal Institute 1991 - 1995
 President – Sacramento – Sierra Chapter of The Appraisal Institute, 1996

Appraisal Experience

Appraiser – Johnson Perkins Griffin, LLC 03/2015 - present
 Principal Appraiser - Johnson-Perkins & Associates 2006 - 02/2015
 Vice President - Johnson-Perkins & Associates 1994 - 2006
 Owner - Real Estate Appraisal and Consulting Firm 1987 - 1994
 President and Chief Operating Officer - Eagle Service Corporation;
 Senior Vice President - First Federal Savings and Loan Association 1985 - 1987
 Vice President-Chief Appraiser - Eagle Service Corporation 1983
 Independent Fee Appraiser 1980 - 1983
 Assistant Vice President - First Western Service Corporation;
 Northern Division Manager, Master Appraisals 1977 - 1980
 Staff Appraiser - Eagle Service Corporation, First Federal Savings and Loan 1975 - 1977
 Associate Appraiser - Washoe County Assessor's Office 1972 - 1975



QUALIFICATIONS OF APPRAISER REESE PERKINS

Appraisal Education

Society of Real Estate Appraisers:

Course 101	
Introduction to Appraising Real Property, Santa Clara, California	1973
Course 201	
Principles of Income Property Appraising, Santa Clara, California	1974

American Institute of Real Estate Appraisers:

Course 2	
Urban Properties, San Francisco, California	1978
Exam 1B	
Capitalization Theory and Techniques	1979
Course 6	
Introduction to Real Estate Investment Analysis, Oakland, California	1982
Course 2-3	
Standards of Professional Practice, Sacramento, California	1985
Course 10	
Market Analysis, Boulder, Colorado	1987

Appraisal Institute:

National USPAP Update Course	2013-Current
Business Practices and Ethics	2017, 2023
Introduction to Green Buildings: Principles & Concepts	2015
Evaluating Commercial Construction	2014
Appraising the Appraisal: Appraisal Review-General	2012
Fundamentals of Separating Real Property, Person Property, and Intangible Business Assets	2012
Diminution of Value and Severance Damages	2011

Appraisal Foundation

1999 USPAP Review	1998
-------------------	------

Appraisal Seminars

Various Appraisal and Continuing Education Seminars	1974 – Current
2024-2025 National USPAP Update	2025

Formal Education

Tonopah High School Graduate	1967
Bachelor of Arts Degree in Political Science - University of Nevada, Reno,	1972



**QUALIFICATIONS OF APPRAISER
REESE PERKINS**

Types of Property Appraised

Single Family Residences
Condominiums
Vacant Residential Lots
Professional Office Buildings
Warehouses and Industrial Buildings
Shopping Centers
Communication Sites
Motels
Residential Subdivisions
Vacant Land
Commercial Buildings
Apartment Complexes
Subdivisions
Hotels
Hotel/Casinos
Aggregate Quarries
Mortuaries and Cemeteries
Water Companies
Open Pit Mines
Fire Science Academies

Admitted as Expert Witness

United States District Court, District of Nevada
United States Bankruptcy Court, District of Nevada
United States Bankruptcy Court, District of Northern California
Washoe County District Court
Washoe County Board of Equalization
Douglas County Board of Equalization
Clark County Board of Equalization
White Pine County Board of Equalization
Nevada State Board of Equalization
Plumas County California Superior Court



**QUALIFICATIONS OF APPRAISER
REESE PERKINS**

Representative Appraisal Clients

AEGON USA Realty Advisors, Inc.
Airport Authority of Washoe County
Alliance Bank of Arizona
AMB Institutional Realty Advisors
American Federal Savings Bank
ARCS Commercial Mortgage Corp.
AT&T Communications
Bank of America
Bank of the West
BHP Copper
California Department of Justice
Carson City
Caughlin Ranch Partnership
Centex Real Estate Corporation
CitiBank
City of Reno
City of Sparks
Coates Field Services, Inc.
Colonial Bank
Department of the Navy
Dermody Properties
Douglas County
Douglas County Assessor's Office
Federal Deposit Insurance Corporation
First Federal Lincoln
First Independent Bank of Nevada
First Merit Bank, N.A.
GMAC Commercial Mortgage Co.
Great Western Bank
Granite Construction Co.
Guardian Life Insurance Co.
Home Federal Savings Bank
Internal Revenue Service
KeyBank
McDonald's
Nevada Department of Transportation
Nevada Mining Association
Nevada State Bank
P.W. Funding
Redevelopment Agency of the
City of Reno
Regional Transportation Commission
Reno Housing Authority
Shelter Properties
Shelter Properties
Sierra Pacific Power Company
St Mary's Regional Medical Center
Summit Engineering Corporation
Texaco, Inc.
The CIT Group
The Howard Hughes Corporation
The Rouse Company
Truckee Meadows Community College
Umpqua Bank
U.S. Bank
U.S. Department of Commerce
U.S. Forest Service
U.S. Postal Service
Union Oil Company
University Of Nevada
Various Private Clients, Law and
Accounting Firms
Washoe County
Washoe County School District
Washoe Medical Center
Wells Fargo Bank
Williams Communications, Inc.



COPY OF APPRAISAL LICENSE

APPRAISER CERTIFICATE

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE

REAL ESTATE DIVISION

NOT TRANSFERABLE

This is to Certify That : JAMES R PERKINS

Certificate Number: A.0000120-CG

Is duly authorized to act as a CERTIFIED GENERAL APPRAISER from the issue date to the expiration date at the business address stated here in, unless the certificate is sooner revoked, cancelled, withdrawn, or invalidated.

Issue Date: April 29, 2025

Expire Date: April 30, 2027

In witness whereof, THE DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION, by virtue of the authority vested in Chapter 645C of the Nevada Revised Statutes, has caused this Certificate to be issued with its Seal printed thereon. This certificate must be conspicuously displayed in place of business.

**FOR: JOHNSON PERKINS GRIFFIN, LLC
 6121 LAKESIDE DRIVE, SUITE 160
 RENO, NV 89511**

REAL ESTATE DIVISION

SHARATH CHANDRA
Administrator





**QUALIFICATIONS OF APPRAISER
CINDY LUND FOGEL**

Professional Designations

MAI – Member of the Appraisal Institute 2000

State Licensing and Certification

Nevada Certified General Appraiser
License #A.0002312-CG (Certified through 5/31/26) 1996
California Certified General Appraiser
License #3012713 (Certified through 6/11/26) 2024

Offices Held

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

Occupational History

Johnson Perkins Griffin, LLC 03/2015 to Present
Real Estate Appraiser
Johnson - Perkins & Associates 1994 – 02/2015
Real Estate Appraiser
Johnson - Wright & Associates 1992 - 1994
Real Estate Appraiser
Stephen R. Johnson & Associates 1990 - 1992
Real Estate Appraiser

Admitted as Expert Witness

Washoe County Board of Equalization
Nevada State Board of Equalization



**QUALIFICATIONS OF APPRAISER
 CINDY LUND FOGEL**

Appraisal Education & Technical Training

American Institute of Real Estate Appraisers 1991
 Course 1A-1 "Real Estate Appraisal Principles"
 Course 1A-2 "Basic Valuation Procedures"
 Course 1BA "Cap Theory & Tech, Part A" 1992
 Course 1BB "Cap Theory & Tech, Part B"
 Nevada Law (NRS 645C) 1993
 Standards of Professional Practice Parts A & B
 1993
 Advanced Applications 1993
 Report Writing and Valuation Analysis 1995
 Case Studies in Law and Ethics 1998
 Standards of Professional Practice, Part C 1998
 Cost Approach to Commercial Appraising 2006
 Uniform Appraisal Standards/Federal Land
 Acquisitions 2007
 Business Practices and Ethics 2008
 Uniform Appraisal Standards for Federal Land
 Acquisitions (Yellow Book) 2009
 Business Practices and Ethics 2010
 Corridor Valuation & Yellow Book Issues and
 Divided Partial Interests 2010
 State of Nevada Economic Overview, Brian

Bonnenfant 2013
 Eminent Domain & Condemnation 2016
 Business Practices & Ethics 2016
 Solving Land Valuation Puzzles 2018
 Northern Nevada Real Estate Overview 2019
 Laws for Nevada Appraisers 2020
 The Basics of Expert Witness for Commercial
 Appraisers 2020
 Appraisal of Land Subject to Ground Leases 2020
 Appraising Small Apartment Properties 2021
 Northern Nevada Real Estate Overview 2022
 Valuation of Partial Acquisition 2023
 Northern Nevada Real Estate Overview 2023
 Appraisal of Industrial and Flex Buildings 2024
 Laws and Regulations for CA Appraisers 2024
 CA Elimination of Bias and Cultural Competency
 Appraisers 2024
 Laws for Nevada Appraisers 2024
 Appraisal of Self Storage Facilities 2024
 7-Hour National USPAP Update Course 2024
 Northern Nevada Real Estate Overview 2024

Appraisal Seminars

Uniform Appraisal Standards for Federal Land
 Acquisitions 2022
 2022-2023 7-Hour National USPAP Update
 Course 2022
 That's a Violation 2022
 Appraising Airports and Airplane Hangars 2014
 Online Data Verification Methods 2014
 Online Advanced Internet Search Strategies 2014
 Effective Rent and Seller Concessions in Market
 Value Appraisals 2013
 Appraisal Curriculum Overview 2011
 Diminution of Value & Severance Damages 2011
 Qualitative Analysis: How and Why it is
 Important 2011
 The Lending World in Crisis-What Clients Need
 2011
 Forecasting Revenue/Appraising Distressed
 Commercial Real Estate 2009
 Valuation of Easements and Other Partial
 Interests 2009
 Construction Defects and Cost Trends &
 Feasibility Analysis 2008
 Valuation of Detrimental Conditions 2008
 Spotlight on Common Errors & Confidentiality
 USPAP Issues 2008
 The Essentials, Current Issues & Misconceptions
 in Appraising 2007
 Attacking & Defending an Appraisal in Litigation

Analyzing Distressed Properties 2007
 Appraisal Valuation Modeling 2005
 Subdivision Valuation 2004



**QUALIFICATIONS OF APPRAISER
CINDY LUND FOGEL**

Formal Education

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

Types of Property Appraised

- Vacant Land
- Warehouses and Industrial Buildings
- Professional Office Buildings
- Commercial Buildings
- Apartment Complexes
- Aircraft Hangars
- Right-of-Way & Public Utility Easements

Representative Client List

- Regional Transportation Commission
- Truckee Meadows Water Authority
- Reno-Tahoe Airport Authority
- Carson City Airport Authority
- Minden-Tahoe Airport Authority
- Truckee Tahoe Airport
- Town of Truckee, California
- University of Nevada, Reno
- Desert Research Institute
- Washoe County School District
- Community Services Agency
- NV Energy
- Carson City
- Churchill County
- State of Nevada Division of State Lands
- V & T Railroad Commission
- Washoe County Community Services
- Thomas Hall, Attorney
- Mark Wray, Attorney
- Robison Sharp Sullivan Brust, Attorneys
- City of Fallon, Nevada
- City of Fernley, Nevada



COPIES OF APPRAISAL LICENSES

APPRAISER CERTIFICATE

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE

REAL ESTATE DIVISION

NOT TRANSFERABLE

This is to Certify That : CINDY LUND FOGEL

Certificate Number: A.0002312-CG

Is duly authorized to act as a CERTIFIED GENERAL APPRAISER from the issue date to the expiration date at the business address stated here in, unless the certificate is sooner revoked, cancelled, withdrawn, or invalidated.

Issue Date: May 16, 2024

Expire Date: May 31, 2026

In witness whereof, THE DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION, by virtue of the authority vested in Chapter 645C of the Nevada Revised Statutes, has caused this Certificate to be issued with its Seal printed thereon. This certificate must be conspicuously displayed in place of business.

**FOR: JOHNSON PERKINS GRIFFIN, LLC
 6121 LAKESIDE DRIVE, SUITE 160
 RENO, NV 89511**

REAL ESTATE DIVISION

SHARATH CHANDRA
Administrator



Business, Consumer Services & Housing Agency
BUREAU OF REAL ESTATE APPRAISERS
REAL ESTATE APPRAISER LICENSE

Cindy L. Fogel

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

“Certified General Real Estate Appraiser”

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: 3012713

Effective Date: June 12, 2024
Date Expires: June 11, 2026

Angela Jemmott
 Angela Jemmott, Bureau Chief, BREA

3076945

THIS DOCUMENT CONTAINS A TRUE WATERMARK. HOLD UP TO LIGHT TO SEE "CHAIN LINK"