

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

Main Office: 295 Holcomb Avenue, Suite 1 ■ Reno, Nevada 89502 ■ Telephone (775) 322-1155  
Lake Tahoe Office: P.O. Box 11430 ■ Zephyr Cove, Nevada 89448 ■ Telephone (775) 588-4787  
FAX: Main Office (775) 322-1156 ■ Lake Tahoe Office (775) 588-8295  
E-mail: jpareno@johnsonperkins.com ■ jpatahoe@johnsonperkins.com

Stephen R. Johnson, MAI, SREA  
Reese Perkins, MAI, SRA  
Cynthia Johnson, SRA  
Cindy Lund Fogel, MAI  
Scott Q. Griffin, MAI  
Daniel B. Oaks, MAI

Karen K. Sanders  
Denise Jahn  
Benjamin Q. Johnson  
Gregory D. Ruzzine  
Chad Gerken

November 13, 2009

Mr. Troy Miller, Director of Real Estate  
Business Center North  
University of Nevada Real Estate Office  
895 North Center Street  
Reno, Nevada 89557

Re: Fire Science Academy, Carlin, Nevada

Dear Mr. Miller:

On November 6, 2009, I prepared a summary appraisal report of the Fire Science Academy of the University of Nevada, Reno, located at 100 University Avenue, Carlin, Elko County, Nevada. At that time, I estimated the Market Value of the subject's fee simple estate, as of October 7, 2009, to be \$23,500,000.

You have requested that I provide you with an appraised value allocation analysis of the subject property. It is intended that this supplemental analysis be utilized in conjunction with the original appraisal report.

As set forth in the original appraisal report, the total land area considered attributable to the Fire Science Academy Campus, including both the campus and the prop field, was estimated to be 40 acres. The balance of the subject property, containing 368.06± acres, is considered open space. Based upon the site plan contained in the plans and specifications of the subject property, I have estimated the land area attributable to the Fire Science Academy Campus to be 20.64± acres and the land area attributable to the prop field to be 19.36± acres. These estimates are based upon the best information available as of the date of appraisal, and are subject to modification upon preparation of a complete survey of the subject property.

The following sets forth a summary of the land value allocation for the subject property.

Reno ■ Lake Tahoe

**I. LAND VALUE ALLOCATION**

FSA Campus 20.64± Acres @ \$7,500/Acre	\$155,000
Prop Field 19.36± Acres @ \$7,500/Acre	<u>\$145,000</u>
Total 40.00± Acres @ \$7,500/Acre	\$300,000
Open Space 368.06± Acres @ \$750/Acre	<u>\$275,000</u>
Total Land Value	\$575,000

You have also requested that I provide you with an allocation of the subject infrastructure. As set forth in the original historical costs of the subject property, as well as the appraisal report, the cost new of the infrastructure improvements was estimated to be \$10,000,000, including prop construction in the amount of \$500,000. To allocate the infrastructure value, an infrastructure value contribution analysis was conducted based upon the coverage of the major components in the subject property. The gross building area of the seven main buildings in the Fire Science Academy is indicated to be 72,262± square feet. Within the prop field, classroom buildings are estimated to have a gross building area of 8,159± square feet, including the restroom facilities. The prop field pads cover approximately 117,884± square feet indicating a total coverage of 125,043± square feet for the prop field area.

To summarize, the total coverage of the main components of the subject property is 198,305± square feet. The Fire Science Academy Campus buildings represent 36% of the coverage, while the prop field coverage represents 64%.

Within the total cost new of the on-site improvements is included the contributory value of the site improvements associated with the main campus of the Fire Science Academy. The depreciated amount of this will be deducted from the depreciated amount of the total contributory site improvements to arrive at a infrastructure improvement value attributable to the 40 acre campus.

The following chart sets forth a summary of the infrastructure value contribution analysis.

**II. INFRASTRUCTURE VALUE CONTRIBUTION ANALYSIS**

**A. Improvement Coverage Contribution Analysis**

Gross Building Area – FSA Campus		72,262± SF
Gross Coverage Area – Prop Field		
Classroom Buildings	8,159± SF	
Prop Field Pads	<u>117,884± SF</u>	
Total Coverage – Prop Field		125,043± SF

**B. Improvement Coverage Contribution**

FSA Campus	72,262± SF	36%
Prop Field	<u>125,043± SF</u>	<u>64%</u>
Total	198,305± SF	100%

**III. INFRASTRUCTURE ALLOCATION**

Cost New, Site Improvements		\$10,000,000
Less Prop Construction		<u>\$500,000</u>
		\$9,500,000
Estimated Depreciation (40%)		<u>(\$3,800,000)</u>
Contributory Value, Site Improvements		\$5,700,000
Less Landscaping, Etc., FSA Campus		
Parking Area 58,500± SF @ \$3.00/SF	\$175,500	
Landscaping, Flatwork, Etc.		
252,738± SF @ \$5.00/SF	<u>\$1,263,690</u>	
Total Hard Cost	\$1,439,190	
Soft Costs (10%)	<u>\$143,919</u>	
Total Cost New, FSA L.S., Etc.	\$1,583,109	
Less Depreciation (40%)	<u>(\$633,244)</u>	
Total FSA L.S., Etc. Value		<u>(\$949,865)</u>
Site Improvement Value		\$4,750,000
(Attributable to 40 Acre Campus)		

**ALLOCATION OF INFRASTRUCTURE VALUE**

FSA Campus	\$4,750,000 x 36%	\$1,710,000
Prop Field	\$4,750,000 x 64%	\$3,040,000

Similarly, the water treatment facilities can be allocated based upon the same ratios.

**IV. WATER TREATMENT FACILITIES CONTRIBUTION ANALYSIS**

Total Hard Cost New	\$9,108,700
Soft Costs (10%)	<u>\$910,870</u>
Total Cost New, Water Treatment	\$10,019,570
Less Depreciation (15%)	<u>(\$1,502,935)</u>
Water Treatment Facilities Value	\$8,516,635

**ALLOCATION OF WATER TREATMENT FACILITIES VALUE**

FSA Campus	\$8,516,635 x 36%	\$3,065,989
Prop Field	\$8,516,635 x 64%	\$5,450,646

Based upon the analysis set forth above, the following summarizes the appraised value allocation for the entire subject property.

**V. APPRAISAL ALLOCATION SUMMARY**

**A. FSA Campus**

Buildings	\$8,355,356	
Landscaping, Etc.	\$950,000	
Allocated Site Improvements	\$1,750,000	
Allocated Water Treatment	<u>\$3,065,989</u>	
Total Improvement Value, FSA Campus		\$14,121,345
Allocated Land Value		<u>\$155,000</u>
<b>ALLOCATED VALUE, FSA CAMPUS</b>		<b>\$14,276,345</b>

**B. Prop Field**

Allocated Site Improvements	\$3,040,000	
Allocated Water Treatment	\$5,450,646	
Prop Construction	<u>\$300,000</u>	
Total Improvement Value, Prop Field		\$8,790,646
Allocated Land Value		<u>\$145,000</u>
<b>ALLOCATED VALUE, PROP FIELD</b>		<b>\$8,935,646</b>
<b>OPEN SPACE LAND VALUE</b>		<b><u>\$275,000</u></b>
		<b>\$23,486,991</b>
<b>TOTAL APPRAISED VALUE (RD.)</b>		<b>\$23,500,000</b>

In addition, you have requested that I provide you with an allocation of the appraised value attributable to the seven main buildings located on the Fire Science Academy Campus. This allocation is to include the contributory value of the infrastructure, the contributory value of the water treatment facilities, the contributory value of landscaping and a prorata share of the allocated land value to the campus.

To establish the allocation of the various components to each building on the campus, I have calculated the percentage of gross building area of each of the seven buildings relative to the total gross building area of the main campus. These percentages will then be applied to the component values to arrive at an indication of the contributory value to each building. A prorata share of the allocated land value will then be added to the total improvement value to arrive at an indicated value of each building. The following charts set forth a summary of this analysis.

**VI. FSA CAMPUS APPRAISED VALUE ALLOCATION ANALYSIS**

**Building Percentage Calculation Summary**

Building No.	Gross Building Area	% of Total
1	8,448± SF	11.69%
2	8,941± SF	12.37%
3	19,732± SF	27.31%
4	9,759± SF	13.51%
5	11,782± SF	16.30%
6	9,720± SF	13.45%
7	3,880± SF	5.37%
Total	72,262± SF	100.0%

**Contributory Allocation Summary**

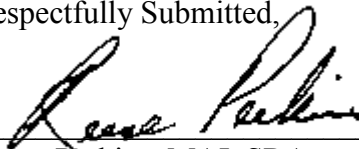
Building No.	1	2	3	4	5	6	7
Description	Admin	Food Service	Classroom	Residence	Turnout	Fire Station	Building and Grounds
Replacement Cost New	\$991,964	\$1,095,183	\$2,462,751	\$1,194,111	\$1,522,706	\$863,233	\$212,401
Estimated Soft Costs (10%)	\$99,196	\$109,518	\$246,275	\$119,411	\$152,271	\$86,323	\$21,240
Total Cost New	\$1,091,160	\$1,204,701	\$2,709,026	\$1,313,522	\$1,674,977	\$949,556	\$233,641
Less Depreciation 15%	\$163,674	\$180,705	\$406,354	\$197,028	\$251,247	\$142,433	\$35,046
Building Cost New							
Less Depreciation	\$927,486	\$1,023,996	\$2,302,672	\$1,116,494	\$1,423,730	\$807,123	\$198,595
Allocated L.S. Value	\$111,055	\$117,515	\$259,445	\$128,345	\$154,850	\$127,775	\$51,015
Allocated Infrastructure Value	\$204,575	\$216,475	\$477,925	\$236,425	\$285,250	\$253,375	\$93,975
Allocated Water Treatment Facilities Value	\$358,414	\$379,263	\$837,322	\$414,215	\$499,756	\$412,375	\$164,644
Total Improvement Value	\$1,601,530	\$1,737,249	\$3,877,364	\$1,895,479	\$2,363,586	\$1,600,648	\$508,229
Allocated Land Value	\$18,000	\$19,000	\$42,000	\$21,000	\$26,000	\$21,000	\$8,000
Indicated Value/Building	\$1,619,530	\$1,756,249	\$3,919,364	\$1,916,479	\$2,389,586	\$1,621,648	\$516,229

The above analysis is based upon a review of the subject plans and specifications, and is subject to modification upon preparation and review of a complete survey of the subject property.

The reader is reminded that the above allocation analyses are based upon the total property appraised value conclusion as set forth in the summary appraisal report of the Fire Science Academy. It is intended that this supplemental analysis be utilized in conjunction with the original appraisal report.

If I can be of further assistance to you in regard to this matter, please contact me.

Respectfully Submitted,



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