

PETITIONER'S EVIDENCE

REAL PROPERTY TAX VALUATION PACKAGE

Large Big Box Retail Stores



Property Name: Home Depot
Address: 5125 Summit Ridge Ct,
City, State: Reno, NV
Jurisdiction: Washoe County
Account Number(s): 21201008

Valuation Date As Of: October 1, 2022

ASSESSOR'S EXHIBIT I
6 PAGES

THREE APPROACHES TO VALUE

There are three traditional methods used in the valuation of real estate, which are the cost approach, sales comparison approach, and income capitalization approach. Each of these different valuation techniques has its strengths and weaknesses and the favorable approach usually depends on the availability of market data as to replacement costs, market sales, market leases, and the type of property being evaluated.

➤ **Cost Approach:**

Assumption that a buyer would pay no more than the cost of constructing an acceptable substitute.

➤ **Income Capitalization Approach: (Not used due to lack of market data)**

Assumption that a buyer would pay no more than the amount required to obtain an equivalent income stream.

➤ **Sales Comparison Approach: (Not used due to lack of comparable sales comps)**

Most probable price one would expect to pay or receive for the subject property based on fee simple sales of similar properties.

PROPERTY DESCRIPTION

PROPERTY INFORMATION	
Property Name	Home Depot
Site Address	5125 Summit Ridge Ct,
City, State	Reno, NV
County	Washoe
Parcel / Account Number(s)	21201008
Land Square Foot Area	583,268
Land Acres	13.39
Property Type	Big Box Retail
Property Design	Warehouse Discount Stores
Year Built	1999
Effective Age	20 Years
Gross Building Area	105,810
Net Leasable Area	105,810
Date of Valuation	October 1, 2022

ASSESSOR'S PROPOSED VALUES	
Land Value	\$5,249,412
Improvement Value	\$6,497,534
Total Market Value	\$11,746,946

APPELLANT'S REQUESTED VALUES	
Land Value	\$5,249,412
Improvement Value	\$3,930,588
Total Market Value	\$9,180,000

Why Are All Large Big-Box Retail Stores Different?

HOME DEPOT



LOWE'S



COSTCO



SAM'S CLUB



TARGET



WALMART



EXTRA FEATURES OF LARGE BIG BOX STORES

	Home Depot	Lowe's	Costco	Sam's Club	Target	Walmart
Vinyl Flooring	X	X	X	X	✓	✓
Drop Down Ceilings	X	X	X	X	✓	✓
Finished Walls	X	X	✓	✓	✓	✓
Restaurants	X	X	✓	✓	✓	✓
Deli	X	X	✓	✓	✓	✓
Meat Department	X	X	✓	✓	✓	✓
Bakery	X	X	✓	✓	✓	✓
Refrigerated Aisles	X	X	✓	✓	✓	✓
Pharmacy	X	X	✓	✓	✓	✓
Eye Center	X	X	✓	✓	✓	✓
Tire Shop	X	X	✓	✓	X	✓
Gas Pumps	X	X	✓	✓	X	✓
Garden Center	✓	✓	X	X	X	✓
Overall Rank:	Low	Low	Average	Average	Good	Good

*This analysis is based on the average store's finish out. Not all stores are built exactly the same.

THE COST APPROACH

MARSHAL & SWIFT - COST DETAILS OF BUILDING			
Property Name:	Home Depot		
Address:	5125 Summit Ridge Ct		
City, State:	Reno, NV		
County:	Washoe		
Year Built:	1999	Effective Age:	20 Years
Land Acres:	13.39 Acres	Land Sq. Ft.:	583,268 SF
Gross Building Area:	105,810 SF	Net Leasable Area:	105,810 SF
Property Type:	Big Box Retail	Cost Updated As Of:	May-22
Occupancy:	Warehouse Discount Stores	Heating & Cooling:	Package A.C.
Occupancy Code:	458	Climate Adj:	Mild
Class:	C	Wall Height:	22 Ft.
Quality:	Low	Bldg. Perimeter:	1,398
Section:	13	Estimated Life:	30 Years
Page:	28	Date Of Valuation:	October 1, 2022

(Cost Evidence Attached To Back Of Report)

THE COST APPROACH

MARSHALL & SWIFT VALUATION SERVICE COST SCHEDULE			
Property Type	Warehouse Discount Stores (458)		
Section / Page	Sect: 13 / Page: 28		
Cost Updated As Of	May, 2022		
Date of Valuation	October 1, 2022		
Construction Quality	Low		
Class	C		
Component Sq. Ft.	105,810		
Base Cost Per Square Foot	\$53.00		
Square Foot Multipliers			
Sprinklers	\$2.64		
Heating/Cooling	\$4.63		
Subtotal	\$60.27		
Construction Multipliers			
Height Multiplier	22 Ft.	1.213	
Area / Perimeter Multiplier	1,398	0.799	
Current Cost Multiplier		1.090	
Local Multiplier		1.080	
Final Base Cost Per Square Foot	\$68.74		
Base Building Cost	\$7,273,045		
Site Improvements	Rate	SF	
Parking Area	\$2.41	317,660	\$764,223
Canopy/Mezzanine Area	\$13.75	12,512	\$172,007
Other Area	\$10.31	4,300	\$44,335
Extra Site Improvements		\$100,000	\$100,000
Total Site Improvements	\$1,080,565		
Total Building & Site Imp. Costs (Rounded)	\$8,354,000		
COST APPROACH CONCLUSION			
Accrued Depreciation			
Physical Depreciation	53%	(\$4,427,620)	
Functional Obsolescence	0%	\$0	
Economic Obsolescence	0%	\$0	
Total Accrued Depreciation	(\$4,427,620)		
Depreciated Replacement Cost		\$37.11/sf	\$3,926,380
Estimated Land Value		\$9.00/sf	\$5,249,412
Indicated As Is Total Value (Rounded)	\$9,180,000		
Value Per SF	\$86.76		

* Cost Approach is using cost data straight out of the Marshall & Swift Cost Valuation book and all data is updated to the current date of valuation