

BOARD OF REGENTS
BRIEFING PAPER

**AGENDA ITEM TITLE: University of Nevada, Reno - Transfer of Ownership/ Relocation of
Homes within the Gateway District**

MEETING DATE: November 30th / December 1st, 2017

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

Background: The University of Nevada Reno has been acquiring property within what is commonly referred to as the Gateway as defined in the current Master Plan approved by the Board of Regents in March of 2015. There are 21 properties total in the Gateway area (Exhibit 1).

The Gateway is a crucial expansion corridor for the University as it grows towards I-80 and Downtown Reno. It is a subarea within the University District currently identified for a mix of University academic uses and will contain upcoming projects such as a new business building and a new life sciences building.

The Gateway was created through a multi-agency master planning effort that engaged UNR, the City of Reno, the Regional Transportation Commission (RTC), the business community, and the community-at-large. The University, the City of Reno, and the RTC contributed funding to this planning, recognizing that a coordinated strategy would leverage the greatest benefits to the University, the City, and the region. Given the University's proximity to Downtown, all of the parties wish to extend the University's presence south to I-80 to help serve as a catalyst to revitalize land south of I-80 to Downtown Reno. The goal of the City of Reno and the University is to create a vital urban district with a mix of academic, retail, commercial, residential, research and innovation, and public uses that will contribute to the rebirth of Downtown Reno.

UNR is ready to begin infrastructure work at the site and is now preparing for the next steps. There are 12 homes in the Gateway that were built in the very late 1800's into the 1900's that will need to be removed. Many community stakeholders, including UNR, would like to pursue a relocation option for these structures to preserve their historical value. As such UNR has identified potential community partners who would be willing to relocate the homes to another location, at little to no cost to UNR, and maintain the structures.

The University of Nevada, Reno is requesting Board of Regents pre-approval to transfer ownership of up to 12 homes within the Campus Gateway (see Exhibit 2), to be relocated to an alternative site or sites. This will allow for the future development of the Campus Gateway of the University of Nevada, Reno, consistent with the 2015 Master Plan.

The University requests the approval to grant relocation and ownership of homes (further defined below) to public or private entities at no cost to University of Nevada, Reno.

Current Location of Homes: The homes are located just south of the University of Nevada, Reno campus in the area commonly referred to as "The Gateway" fronting both sides of N. Center Street, the west side of Lake Street between 8th and 9th Street and just North of the I-80 Freeway

(Exhibit 2).

House Addresses and Description: Homes for relocation consideration are 801, 825, 829, 843 Lake Street, 127 E. 8th Street, 815, 820 821, 829, 839, 847 and 895 N. Center Street all within the City of Reno. See attached Exhibit 3 for additional information on the homes.

Zoning: The Homes are within the City of Reno designated University of Nevada Regional Center (UNRC): The Gateway is primarily Mixed Use (MU) zoning. It should be noted that one house, 847 N. Center Street, is listed on the local and state Historic Registry of Historic Places.

Current Use: Eight homes have residential occupancy (UNR students) and two have office uses (University related), all on short term leases expiring on or before June of 2018. Two homes are currently vacant. All occupants have been notified of the proposed relocation. Relocation of occupied homes will be coordinated to occur in the spring of 2018 and will not impact any existing contracts currently in place.

Monetary Value of Homes to be Relocated: No monetary value is contemplated to be associated with the disposition of the homes. See attached letter from Johnson-Perkins-Griffin, MAI appraisers (Exhibit 4) Reese Perkins MAI, Principle of Johnson-Perkins-Griffin.

“The cost to demolish the existing improvements, or to move them to an alternative location, would involve substantial costs. As a result, it is my opinion that a typical investor acquiring the subject property would deduct from the purchase price, or Market Value of the properties, those costs associated with demolition or moving of the improvements. Therefore, it is my opinion that a typical investor purchasing the subject property would not attribute any value to the existing improvements.” (Reese Perkins MAI)

The granting of the homes (i.e. Improvements) will be transferred without consideration, however, all relocation and other costs will be at the expense of those being granted the relocation rights. This will save the University of Nevada, Reno the future cost of relocating and/or demolition cost while maintaining the opportunity to reutilize these structures elsewhere in the Reno area and preserving their historical significance.

Resolution: The University of Nevada, Reno seeks approval of the Resolution authorizing the Chancellor, or his assignee, to approve and sign the corresponding documentation required to transfer ownership of the homes located within the Campus Gateway, after consultation with the Business, Finance and Facilities Committee Chair and the Vice Chancellor of Legal Affairs, (Exhibit 5).

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

University of Nevada, Reno President Marc Johnson is requesting:

1. Board of Regents Pre-approval to transfer ownership to the Homes/Improvements, at no cost to the University, located at 801, 825, 829, 843 Lake Street, 127 E. 8th Street, 815, 820 821, 829, 839, 847 and 895 N. Center Street in Reno, Nevada.
2. Board of Regents approval of a resolution authorizing the Chancellor or his Designee to approve and execute, after consultation with the Business, Finance and Facilities Chair and the Vice

Chancellor of Legal Affairs, documentation to transfer ownership of the homes, and to sign corresponding customary documentation associated with such transfer of ownership of the homes/improvements.

4. IMPETUS (WHY NOW?):

- University of Nevada, Reno is preparing the Campus Gateway site for the future development as shown in the University Master Plan approved by the Board of Regents.
- There are interested parties ready to explore such relocation, however that is expected to be a long process. Beginning now provides ample time for transfer and relocation.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- Transfer of the structures to another party will save the University of Nevada, Reno the future cost of relocation and/or demolition while preserving the opportunity to reutilize these structures within the Reno/Sparks area.
- The property is located within the Board of Regents approved Campus Master Plan, and City of Reno approved Master Plan
- A majority of the properties with homes attached were purchased with funds gifted to the Foundation specifically restricted by the donor for the acquisition of property within the Gateway for the future development of the Gateway.

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

- Through many meetings with various stakeholders, no better options have been brought forward for clearing the parcels as demolition or University funded relocation would be costly.

7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

Retain the homes in the current locations: If the University were to retain these homes it would require a significant revision to the Master Plan and greatly impede University growth to the south. It should be noted that it is very expensive to maintain those properties as short term rentals, and the growing enrollment of the University requires buildings of a scale similar to other academic buildings on campus. As such, that option is not being recommended.

University relocation: The University does not have a suitable substitute parcel to relocate these homes to, nor does it have an ongoing need for this type of space. As such, that option is not being recommended

8. COMPLIANCE WITH BOARD POLICY:

X Consistent With Current Board Policy: Title # 4 Chapter # 10 Section # 1.9 and 9
☐ Amends Current Board Policy: Title # _____ Chapter # _____ Section # _____
☐ Amends Current Procedures & Guidelines Manual: Chapter # _____ Section # _____
☐
Other: Procedures & Guidelines Manual, Chapter 5, Section 3, Preparation and Approval of

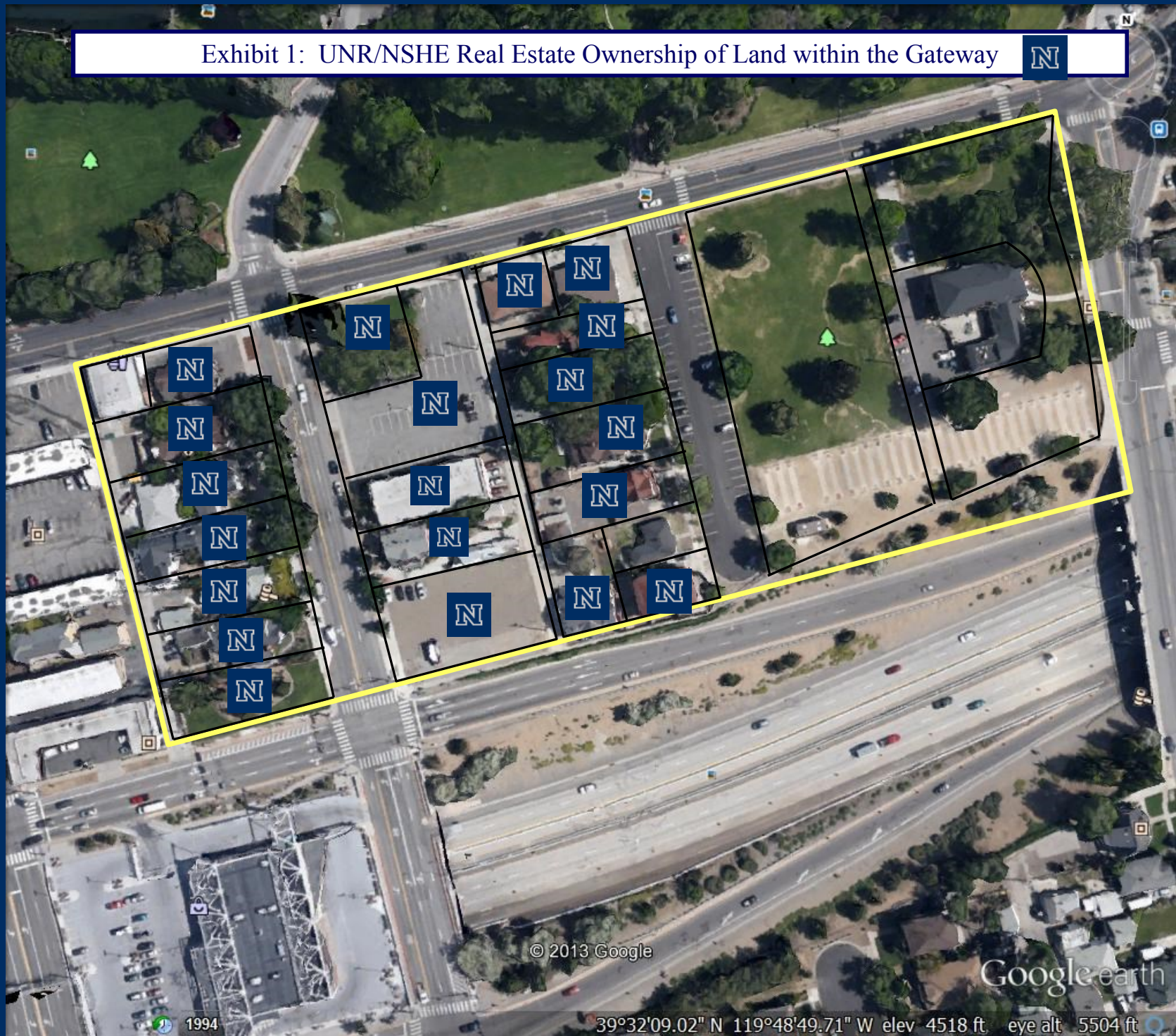
NSHE Contracts

☐ Fiscal Impact: Yes_____ No X

Explain: This transfer of the homes involves no consideration but saves the University future cost of moving/demolition associated with clearing the site for development.

Exhibit 1: UNR/NSHE Real Estate Ownership of Land within the Gateway

N



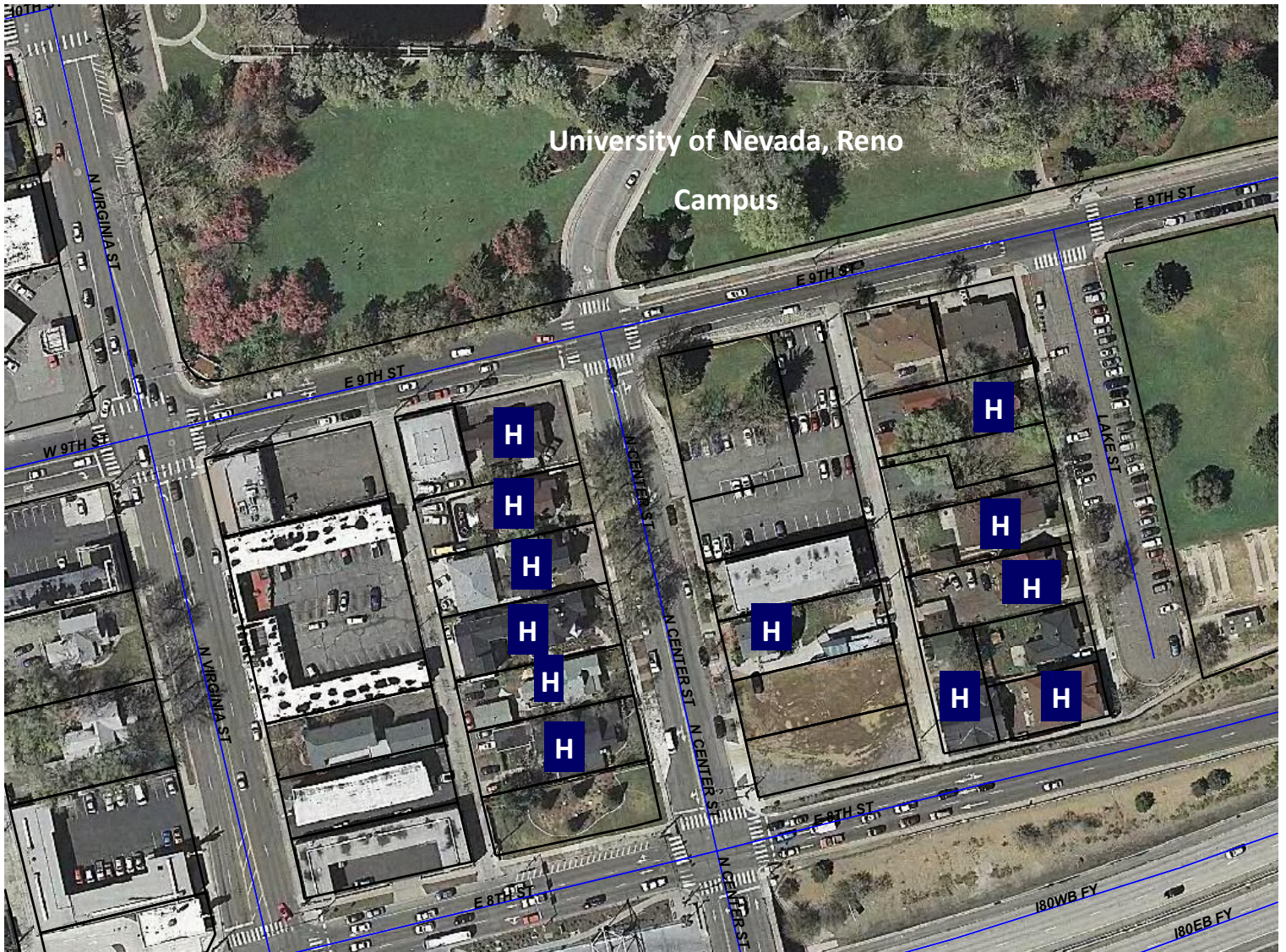
© 2013 Google

Google earth

1994

39°32'09.02" N 119°48'49.71" W elev 4518 ft eye alt 5504 ft

Exhibit 2



Homes Considered for Relocation

Exhibit 3



Address: **815 N Center St**

Square Footage: 2,862

Bedrooms: 7

Bathrooms: 6

Type of Property: Residential



Address: **821 N Center St**

Square Footage: 1,348

Office: 3

Bathrooms: 2

Type of Property: Office



Address: **829 N Center St**

Square Footage: 5,143

Bedrooms: 10

Bathrooms: 6

Type of Property: Residential



Address: **839 N Center St**

Square Footage: 5,143

Bedrooms: 10

Bathrooms: 6

Type of Property: Residential



Address: **847 N Center St**

Square Footage: 2,959

Bedrooms: 6

Bathrooms: 2.5

Type of Property: Residential



Address: **895 N Center St**

Square Footage: 2,358

Offices: 7

Bathrooms: 2

Type of Property: Office



Address: **820 N Center St**

Square Footage: 2,295

Bedrooms: 4

Bathrooms: 4

Type of Property: Residential



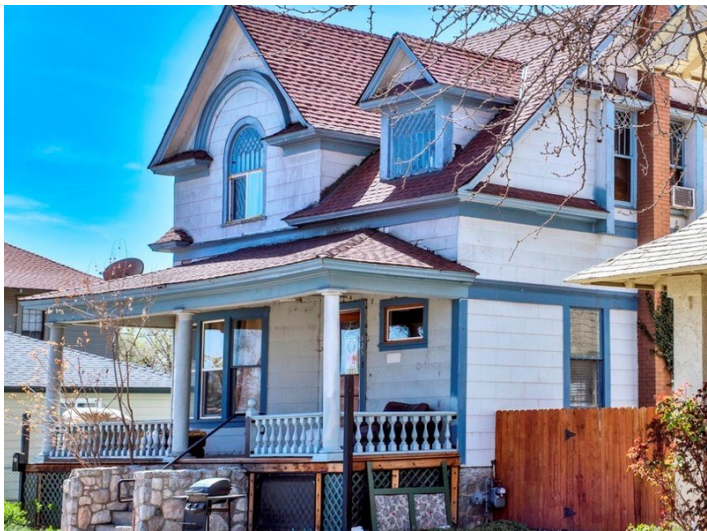
Address: **127 E 8th St**

Square Footage: 1,624

Bedrooms: 4

Bathrooms: 3

Type of Property: Residential



Address: **825 Lake St**

Square Footage: 1,809

Bedrooms: 5

Bathrooms: 2

Type of Property: Residential



Address: **801 Lake St**

Square Footage: 3,478

Bedrooms: 10

Bathrooms: 3

Type of Property: Residential



Address: **829 Lake St**

Square Footage: 3,000

Bedrooms: 7

Bathrooms: 3

Type of Property: Residential



Address: **843 Lake St**

Square Footage: 2,237

Bedrooms: 2

Bathrooms: 1

Type of Property: Residential

Exhibit 4



JOHNSON | PERKINS | GRIFFIN
REAL ESTATE APPRAISERS & CONSULTANTS

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Stephen R. Johnson, MAI, SREA
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October 26, 2017

Via Email: TMiller@unr.edu

Mr. Troy Miller, Director of Real Estate
University of Nevada, Reno/239
895 N. Center Street
Reno, Nevada 89501

Re: University Campus – Gateway Precinct

Dear Mr. Miller:

This letter is in response to your request for a consultation analysis relative to numerous properties owned by The University of Nevada located within the University Campus-Gateway Precinct, and generally extending from the west side of North Center Street, to the west side of Lake Street, and from the north side of East 8th Street to the south side East 9th Street, Reno, Nevada. The subject properties include a variety of single-family residential utilizations, multi-family utilizations and vacant land. Typically, the existing residential improvements range in year built from 1895 to 1971.

For the purpose of identification, the subject properties have been identified as three groups. The Group 1 Properties are located on the west side of N. Center Street, between East 8th Street and East 9th Street. The Group 2 Properties are located on the east side of N. Center Street between East 8th Street and East 9th Street. The Group 3 Properties are located on the west side of Lake Street, between East 8th Street and East 9th Street.

The following charts set forth summaries of the subject properties.



GROUP 1 PROPERTIES
West Side Of North Center Street

Property Number	A.P.N. Address	Land Area	Improvements	Date Acquired	Acquisition Price	Price/Sq.Ft	Year Built (Per Assessor)
WS-1	007-183-04 895 N. Center Street	.145 Ac 6,300 SF	Residential Conversion 2,358 SF	06/10/2004	\$235,000	\$37.30	1926
WS-2	007-183-05 847 N. Center Street	.161 Ac 7,000 SF	Residential Conversion 2,959 SF	12/13/2012	\$425,000	\$60.71	1926
WS-3	004-183-06 839 N. Center Street	.161 Ac 7,000 SF	Residential Conversion 2,274 SF Multi-Residential 1,280 SF	12/28/2015	\$700,000	\$100.00	1902 1950
WS-4	007-183-07 829 N. Center Street	.167 Ac 7,280 SF	Residential Conversion 5,143 SF	01/06/2017	\$728,000	\$100.00	1895
WS-5	007-183-08 821 N. Center Street	.138 Ac 6,020 SF	Residence 504 SF Residential Conversion 1,348 SF	N/A	N/A		1957 1932
WS-6	007-183-09 815 N. Center Street	.177 Ac 7,700 SF	Residence 2,862 SF Residence 256 SF	04/27/2016	\$704,000	\$91.43	1936 1965
	Sub-Total Currently Improved Parcels	.9481 Ac 41,300 SF					
WS-7	007-183-10 NWC N. Center Street and East 8th Street	.161 Ac 7,000 SF					
TOTAL	Total Land Area W/S N. Center Street Between East 8th Street and East 9th Street	1.1088 AC 48,300 SF					



GROUP 2 PROPERTIES
East Side Of North Center Street

Property Number	A.P.N. Address / Location	Land Area	Improvements	Date Acquired	Acquisition Price	Price/Sq.Ft	Year Built (Per Assessor)
ES-1	007-222-10 & 11 Northeast Corner N. Center Street and E. 8th Street	.322 Ac 14,000 SF	Vacant	10/24/2008	\$550,000	\$39.29	N/A
ES-2	007-222-12 820 N. Center Street	.161 Ac 7,000 SF	Residential Conversion 2,295 SF	4/2/2015			1928
ES-3	007-221-13 830 N. Center Street	.161 Ac 7,000 SF	Apartment Building 10,836 SF	12/21/2015	\$1,600,000	\$228.57	1963
ES-4	007-221-15 Southeast Corner of N. Center Street and E. 9th Street	.275 Ac 12,000 SF	Vacant	4/13/1966	N/A	N/A	N/A
ES-5	007-221-19 836 N. Center Street	.271 Ac 11,800 SF	Vacant	6/27/1994	N/A	N/A	N/A
ES-6	Total Land Area East Side N. Center Street Street	1.1892 Ac 51,800 SF					



GROUP 3 PROPERTIES
West Side Of Lake Street

Property Number	A.P.N. Address	Land Area	Improvements	Date Acquired	Acquisition Price	Price/Sq.Ft	Year Built (Per Assessor)
L-1	007-222-01 182 E. 9th Street	.112 Ac 4,900 SF	Multi-Family 1,971± SF	9/17/2013	\$450,000	\$91.84	1971
L-2	007-222-02 & 08 801 and 873 Lake Street	.2637 Ac 11,487 SF	Residential Conversion 2,237± SF Multi-Residential 1,035± SF Duplex 480± SF Residential Conversion 3,487± SF	3/17/2017	\$1,900,000	\$165.40	1932
L-3	007-222-03 & 04 839 Lake Street	6,985 SF	Residence 1,408± SF	8/17/2007	\$380,000	\$54.40	
L-4	007-222-05 829 Lake Street	.161 Ac 7,000 SF	Residential Conversion 3,000± SF	1/13/2005	N/A	N/A	1928
L-5	007-222-06 825 Lake Street	.161 Ac 7,000 SF	Residential Conversion 1,809± SF	3/17/2015	\$300,000	\$42.86	
L-6	007-222-09 127 E. 9th Street	.115 Ac 5,025 SF	Residence 1,624± SF	12/18/2008	N/A	N/A	1939
L-7	007-222-18 160 E. 9th Street	.112 Ac 4,900 SF	Multi-Family 2,100± SF	2/16/2007	\$450,000	\$91.84	1953
	Total Land Area						
	East Side Lake Street	1.0858 AC					
TOTAL	Between E. 8th Street and E. 9th Street	47,297 SF					



As indicated, the six properties within Group 1, located on the west side of N. Center Street, contain 41,300± square feet. The vacant parcel of land located at the northwest corner of North Center Street and East 8th Street contains 7,000± square feet. The Group 1 Properties have a combined land area of 48,300± square feet, situated on the west side of North Center Street between East 8th Street and East 9th Street.

The Group 2 Properties are located on the east side of North Center Street between East 8th Street and East 9th Street. The combined land area of the five properties is indicated to be 51,800± square feet. A majority of the properties located within Group 2 are utilized as parking lots at the present time.

The Group 3 Properties are located on the west side of Lake Street, between East 8th Street and East 9th Street. With the exception of Assessor's Parcel Number 007-222-07, located at 815 Lake Street, the balance of the properties located within this group are owned by the University of Nevada and generally involve older residential and multi-residential properties ranging in year built from 1928 to 1971. A.P.N. 007-222-07 remains in private ownership. The Group 3 Properties contain a combined land area of 47,297± square feet.

NEIGHBORHOOD AND UNIVERSITY MARKET ANALYSIS

The subject neighborhood is encompassed by North McCarran Boulevard to the north, Valley Road to the east, Interstate 80 to the south, and Keystone Boulevard to the west. The major roadways servicing the subject neighborhood include Interstate 80, Virginia Street, Sierra Street, Center Street, Evans Avenue and McCarran Boulevard.

The principal development in the subject neighborhood is the University of Nevada, Reno campus. The campus comprises approximately 200 acres of land and is located between McCarran Boulevard to the north, Ninth Street to the south, Valley Road to the east and Sierra Street to the west. The enrollment on campus is approximately 20,000 students.

In addition to classrooms and research buildings, the university currently includes seven residence halls and various support facilities. Additionally, Great Basin Hall, which will house 400± students, is under construction. The following table summarizes the availability of on-campus student housing for the 2017-2018 school year.



UNIVERSITY OF NEVADA ON-CAMPUS HOUSING SUMMARY					
Hall	Number of Beds	Occupancy	Fall*	Spring*	Year Total*
Argenta	750 Beds	Triple	\$2,950	\$2,410	\$5,360
Peavine	600 Beds	Triple	\$2,835	\$2,315	\$5,150
Juniper	148 Beds	Double	\$2,950	\$2,410	\$5,360
Juniper	---	Single	\$3,780	\$3,090	\$6,870
Nevada Living Learning Community	320 Beds	Double	\$3,780	\$3,090	\$6,870
Nevada Living Learning Community	---	Single	\$4,610	\$3,760	\$8,370
Nye	555 Beds	Double	\$2,950	\$2,410	\$5,360
Canada	223 Beds	Double	\$3,280	\$2,670	\$5,950
Sierra	297 Beds	Double/Triple	\$2,950	\$2,410	\$5,360
Sierra	---	Large Double	\$3,280	\$2,670	\$5,950
Sierra	---	Single	\$3,840	\$3,130	\$6,970
Total	2,893 Beds	Averages	\$3,382	\$2,760	\$6,143
*Amounts shown on Fall, Spring and Annual basis are per student or bed.					

The northern portion of the Nevada campus includes Mackey Stadium, which is utilized for University of Nevada football games and seats approximately 32,000 people. Other major sporting structures on the University of Nevada campus include Lawlor Events Center and the Bill Peccole Baseball Complex.

The Joe Crowley Student Union is a newer building located in the northeast-central portion of the campus. This four-story, 167,000± square foot building is home to a variety of uses, including a large Starbucks Coffee shop. Additional uses in the building include the ASUN Bookstore, Del Lobo, Panda Express, Port of Subs, Keva Juice, U-Swirl, Great Full Gardens, The Blind Onion, Wells Fargo, a Clinique make-up counter, a Convenience Store, a 220 seat surround-sound movie theater, and a sports grill. The building is an environmentally sustainable building with several green aspects.

Adjacent to the student union building, is the newer library facility, known as the Mathewson-IGT Knowledge Center. The library, which is a five-story, 295,000± square foot structure, is one of the most technically advanced libraries in the country. This project houses over a million volumes of books and journals, with 15,000± electronic journals and a growing collection of electronic books. A robotic storage and retrieval system houses older books and journals.

Additionally, the E.L. Wiegand Fitness Center opened in February 2017. The 108,000± square foot facility doubled the fitness space at the university. The center includes a gym with three basketball courts, areas for weightlifting, cardio training and fitness classes. An indoor running track and fitness stairway are also part of the four-story facility.

While the university dominates the central portion of the subject neighborhood, the periphery of the neighborhood is primarily developed with support facilities for the campus including apartments, fraternity houses, sorority houses and older single-family residences which have been converted to rentals and support commercial facilities.

Valley Road, which forms the easterly boundary of the subject neighborhood, extends in a north-south direction from near East Fourth Street to McCarran Boulevard. The northern portion of Valley Road is developed with retail commercial and light industrial uses. Sierra Vista Elementary School is located along Valley Road in the northeastern portion of the subject neighborhood. Development along the southern portion of Valley Road includes several older single-family residences as well as the University of Nevada, Reno Agricultural Experimental Farm and Equestrian Center. Valley Road is a two-lane, two-way, asphalt-paved roadway that is improved with concrete curbs, gutters, sidewalks and light standards.

The easterly portion of the subject neighborhood is developed with older single family and multi-family residential uses. It is estimated that the majority of the residential developments within the subject neighborhood are in excess of 50 years of age. The majority of the residential development in the subject neighborhood provides housing for students, faculty and employees at the University of Nevada, Reno campus. Much of the student housing is older and in fair to average condition at the present time. Many of the older homes include brick construction and are on concrete or stone and mortar foundations having composition shingle gabled roofs. These residences are felt to be typical for older average quality homes in the Reno-Sparks area. The multi-family residential uses involve several newer, privately owned, good quality student housing developments. The following chart summarizes the availability of off-campus student housing within the easterly portion of the subject neighborhood.

OFF-CAMPUS STUDENT HOUSING PROJECTS-EXISTING			
Student Housing Project	Year Built	Number of Units	Number of Beds
Wolf Run Village	1996	37 Units	185 Beds
The Highlands	2004	216 Units	732 Beds
The Republic	2014	190 Units	704 Beds
Sterling Summit	2016	186 Units	709 Beds
Total	---	629 Units	2,330 Beds

In addition to the three off-campus student housing projects, several other projects are currently under construction, including The Identity, The Towers at Pink Hill and Wolf Run East.



OFF-CAMPUS STUDENT HOUSING PROJECTS UNDER CONSTRUCTION			
Student Housing Project	Year Built	Number of Units	Number of Beds
The Identity *	2017	100 Units	325 Beds
The Towers at Pink Hill	Under Construction	23 Units	49 Beds
Wolf Run East	Under Construction	105 Units	210 Beds
Total	---	228 Units	584 Beds

*Recently completed and in initial lease-up

The southern boundary of the subject neighborhood is formed by Interstate 80. Interstate 80 is a limited access all weather freeway connecting the San Francisco and Sacramento area to the west with Salt Lake City to the east. Interstate 80 passes in an east-west direction through the Reno-Sparks area. In the subject neighborhood, North Virginia Street enjoys full access to Interstate 80. Overall, the subject neighborhood is considered to have good access to Interstate 80.

Virginia Street is the major north-south commercial thoroughfare in the city of Reno. This street divides the subject neighborhood and provides access to the downtown Reno casino core area. Within the subject neighborhood, development along North Virginia Street includes a mixture of residential and university utilizations with some retail-commercial uses. South of the subject neighborhood is the downtown Reno area, which has a heavy concentration of hotel-casinos, older hotel-motel buildings, and retail commercial uses. North Virginia Street, in the vicinity of the subject neighborhood, is a four-lane, two-way, asphalt-paved roadway that is improved with a left center turn lane as well as concrete curbs, gutters, and sidewalks.

Additional major north-south streets servicing the subject neighborhood are Sierra Street and Center Street. In the north portion of the subject neighborhood, Sierra Street is a two-lane, two-way, asphalt-paved roadway. In the south portion of the subject neighborhood, Sierra Street turns to a three-lane, one-way, asphalt paved roadway providing access for southbound traffic. Center Street is a three-lane, one-way roadway that provides access for northbound traffic. Center Street terminates at the south end of the University of Nevada, Reno campus. Center Street and Sierra Street parallel North Virginia Street, with Center Street located one block east of Virginia Street and Sierra Street located one block west of Virginia Street.

The subject neighborhood is located within the Reno City limits and has access to all city facilities. Police and fire protection are provided by the City of Reno. Schools and busing are provided by the Washoe County School District. Public transportation in the subject neighborhood is provided by the RTC Ride bus service. The University of Nevada, Reno campus has numerous bus routes, which travel the periphery of the campus. As a result, the subject neighborhood is considered to have excellent access to the public transportation system.



All utilities are immediately available within the subject neighborhood. NV Energy provides electricity and gas service. Water service is provided by the Truckee Meadows Water Authority. The City of Reno provides sewer service and telephone service is provided by various carriers. Waste Management provides solid waste disposal and cable television is provided by Charter Communications.

In summary, the subject neighborhood primarily involves the University of Nevada, Reno campus, as well as the areas surrounding the university. The central portion of the neighborhood is comprised of the campus, while the eastern, southern and western edges of the neighborhood involve support residential and commercial facilities. Although many of the residential and commercial facilities are older and in fair condition at the present time, demand is strong for both utilizations due to the University of Nevada, Reno campus.

ANALYSIS OF SUBJECT PROPERTIES

As indicated, the Group 1 Parcels contain a combined land area of 48,300± square feet. The Group 2 Parcels, located on the east side of North Center Street, contain a combined land area of 51,800± square feet. The Group 3 Parcels, located on the west side of Lake Street, contain a combined land area of 47,297± square feet.

Overall, the size, shape, access and availability of utilities are not considered to be physically limiting to the development potential of the subject properties. Generally, the subject properties are level and at street grade. Overall, the subject properties are considered to have adequate physical characteristics to support a variety of improvements. The subjects' size, access, location and availability of utilities indicate a variety of uses are physically possible.

According to the City of Reno, the subject properties are zoned Mixed-Use, and are located within the University of Nevada Regional Center Overlay District. Within the University of Nevada Regional Center Plan, the subject properties are identified as being within the University Campus-Gateway Precinct. The University Campus District consists of lands predominately owned by The Board of Regents on behalf of The University of Nevada, Reno. The Gateway Precinct bridges the City and University interface with campus facilities, University oriented private development, enhanced physical landscape and prioritized urban infrastructure.

The mixed-use zoning district generally allows very intense development. The subject properties have adequate physical characteristics to meet the zoning requirements necessary for many types of development.



The location of the subject properties lends itself to University related development. Within the past ten years, extensive new development has occurred at the University, including construction of several new housing developments. The subject properties, if vacant, would be very attractive to a private developer or the University of Nevada for more student housing.

Based upon the above analysis, and with consideration given to the subject properties physical characteristics, surrounding uses and current market conditions, a variety of development scenarios are considered to be reasonable, including student housing, mixed-use development and/or retail/commercial development with a residential component.

A number of the student housing developments surrounding the University of Nevada, particularly along North Virginia Street and Evans Avenue, have involved the assemblage of multiple parcels and the demolition of existing improvements. In the case of the subject improved parcels, it is recognized that they are improved with older single-family and multi-family residential structures constructed between 1895 and 1965, a majority of which were constructed in the first half of the twentieth century. Given the age, quality and condition of these improvements, as well as the subject master plan, zoning designation and recent market trends surrounding the University of Nevada, it is my opinion that the existing improvements have reached, or are rapidly approaching, the end of their economic life. Therefore, it would not be unreasonable to anticipate that the existing improvements would be demolished to make way for development of the subject properties to their highest and best use. In the alternative, it may be physically possible to move the buildings to an alternative location and refurbish them.

However, under either scenario, the cost to demolish the existing improvements, or to move them to an alternative location, would involve substantial costs. As a result, it is my opinion that a typical investor acquiring the subject properties would deduct from the purchase price, or Market Value of the properties, those costs associated with demolition or moving of the improvements. Therefore, it is my opinion that a typical investor purchasing the subject properties would not attribute any value to the existing improvements.

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

Respectfully Submitted,

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

EXHIBIT 5

RESOLUTION NO. _____

A RESOLUTION PERTAINING TO THE APPROVAL OF THE TRANSFER OF OWNERSHIP OF HOMES, STRUCTURES, AND/OR IMPROVEMENTS, LOCATED AT: 815, 820, 821, 829, 839, 847, & 895 N CENTER STREET; 801, 825, 829, & 843 LAKE STREET; AND 127 E 8TH STREET, RENO NEVADA, WASHOE COUNTY. AND TO THE AUTHORIZATION OF THE CHANCELLOR, OR DESIGNEE, TO APPROVE AND SIGN THE CORRESPONDING DOCUMENTS ASSOCIATED WITH THE TRANSFER OF OWNERSHIP, AFTER CONSULTATION WITH THE BUSINESS, FINANCE AND FACILITIES COMMITTEE CHAIR AND REVIEW BY THE VICE CHANCELLOR OF LEGAL AFFAIRS.

BE IT RESOLVED that the Board of Regents approves the request to transfer the ownership of the homes, structures, and/or improvements located at: 815, 820, 821, 829, 839, 847, & 895 N Center Street; 801, 825, 829, & 843/845 Lake Street; and 127 E 8th Street.

BE IT FURTHER RESOLVED that the Board of Regents hereby authorizes the Chancellor, or Designee, after consultation with the Business, Finance and Facilities Committee Chair and review by the Vice Chancellor of Legal Affairs', to approve and sign the corresponding escrow and title documents associated with the transfer of real property.

PASSED AND ADOPTED on _____, 2017.

Chairman
Board of Regents of the
Nevada System of Higher Education

(SEAL)
Attest:

Chief of Staff and Special Counsel
to the Board of Regents