

# TURNER AIR CROSSING



📍 4690 LONGLEY LANE, RENO, NEVADA



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# INVESTMENT HIGHLIGHTS



IDEAL PRODUCT TYPE IN  
EXCEPTIONAL LOCATION



EXTREMELY STRONG NORTHERN  
NEVADA MARKET FUNDAMENTALS



CURRENT MARKET-WIDE FLEX  
VACANCY RATE OF 2.6%



SURGING RENTAL RATES



97% LEASED ASSET WITH STRONG  
TENANT MIX, DIVERSE UNIT SIZES  
AND MAKEUP





STAGGERED RENT ROLL



PROFESSIONALLY MANAGED AND METICULOUSLY MAINTAINED



PRICED SIGNIFICANTLY BELOW REPLACEMENT COST



SIGNIFICANT RENT GROWTH AND YIELD UPSIDE



LIMITED AVAILABLE LAND FOR COMPETITIVE DEVELOPMENT

## OFFERING SUMMARY

CBRE, Inc. and SVN | Gold Dust Commercial Associates are pleased to offer an excellent opportunity to acquire the Turner Air Crossing. The 97% leased 107,338 square foot multi-tenant flex industrial property, comprised in three buildings, is centrally located in the highly sought-after Northern Nevada market. This is a terrific opportunity for an investor to take advantage of the in-place income while benefiting from rapidly increasing market rental rates. The lack of availability of infill land makes the location of this asset ideal when combined with a product type that will always be in high demand and irreplaceable from a construction cost standpoint. This asset is set in the heart of the Airport Industrial Market, at the intersection of Longley Lane and Mira Loma. The Northern Nevada market has seen considerable growth and is projected to see the addition of over 60,000 new residents over the next five years.

The properties are located in the highly desirable Reno industrial market, which totals 89.8 million SF. The Reno market recorded 3.5 MSF of net absorption last year, and a market-wide vacancy rate of just 3.9% at the end of 2018.

The buildings contain a variety of unit types including warehouse, office, retail and flex configurations. The tenant mix is comprised of a mixture of local credit and national credit tenants such as Startouch Broadband, Stanley Convergent Security Solutions, Flowing Tide Pub, Community Office Solutions, and 1-800 Water Damage. Current ownership acquired the building in 2012 and immediately began significant renovations to maximize the assets' value in the Reno/Sparks Market.

## INVESTMENT HIGHLIGHTS

<b>SALE PRICE:</b>	\$12,700,000
<b>CAP RATE:</b>	5.5%
<b>NOI:</b>	\$699,195
<b>MARKET NOI RENT:</b>	\$779,843
<b>LOT SIZE:</b>	9.01522 Acres
<b>BUILDING SIZE:</b>	107,338 SF
<b>ZONING:</b>	Industrial Commercial (IC)
<b>MARKET:</b>	Reno/Sparks – Northern Nevada





MCCARRAN BLVD

LONGLEY LANE

TURNER AIR  
CROSSING



## OFFERING SUMMARY

Well-appointed office, warehouse, retail and flex units totaling 107,338 SF

Attractive Cash Flow

Desirable high traffic location

97% leased to quality tenants with staggered rollover

Desirable unit sizes providing future leasing flexibility

Strong market dynamics with low vacancy rate

Below market rents offering robust future upside in NOI

Modified gross (MG) lease structure

Excellent access to major freeways and the Reno-Tahoe International Airport

Priced significantly below replacement cost

Centrally located in the heart of the of the Airport submarket (core market location)

Business-friendly environment with lower operating costs and tax structures

## PROPERTY FEATURES

- Excellent quality, Class A, flex industrial property
- 107,338 SF total comprised of separate buildings on separate parcels
- Combination of office, warehouse, retail and storage space
- High visibility with traffic counts of over 30,000 cars daily
- Flexible zoning that allows for a variety of uses and diverse tenant mix
- Multiple build-out options presently in place
- Ample parking to accommodate highly intensive users
- Desirable unit sizes ranging from 638 to 7,000 SF range, providing maximum leasing flexibility and the ability to attract and maintain tenants with expansion capacity
- 14' clear height
- Separately metered utilities
- 100 – 200 Amps of power per unit; 208/120 Volt; 3 Phase
- Professionally managed by local company; meticulously and responsibly maintained



## PROPERTY OVERVIEW

The Turner Air Crossing is a high-quality flex industrial property demonstrating pride of ownership through meticulous and responsible management. With “position A” location, huge traffic counts, flexible zoning and a wide variety of in-place improvements the property caters to and enjoys consistent demand from tenants with a wide spectrum of uses including office, warehouse, retail and storage applications. The property boasts excellent curb appeal, a freshly paved lot, new exterior paint, interior and exterior upgrades including LED lighting, white boxed warehouses, new flooring, HVAC services, plumbing, cohesive sign packages and make-ready improvements to most units. Due to the property being comprised of multiple parcels, an owners association has been established to oversee all common area maintenance of the asset. Current ownership controls majority ownership of the Association. The owners association is professionally managed. In addition, as a function of the professional management and owners association, a reserve for replacement is in place to accommodate future capital expenditures.



## PROPERTY LOCATION HIGHLIGHTS

**Strategic Central Reno Location** - In the heart of Northern Nevada, minutes from Interstate 80 and US 395/Interstate 580, as well as the McCarran Boulevard ring road.

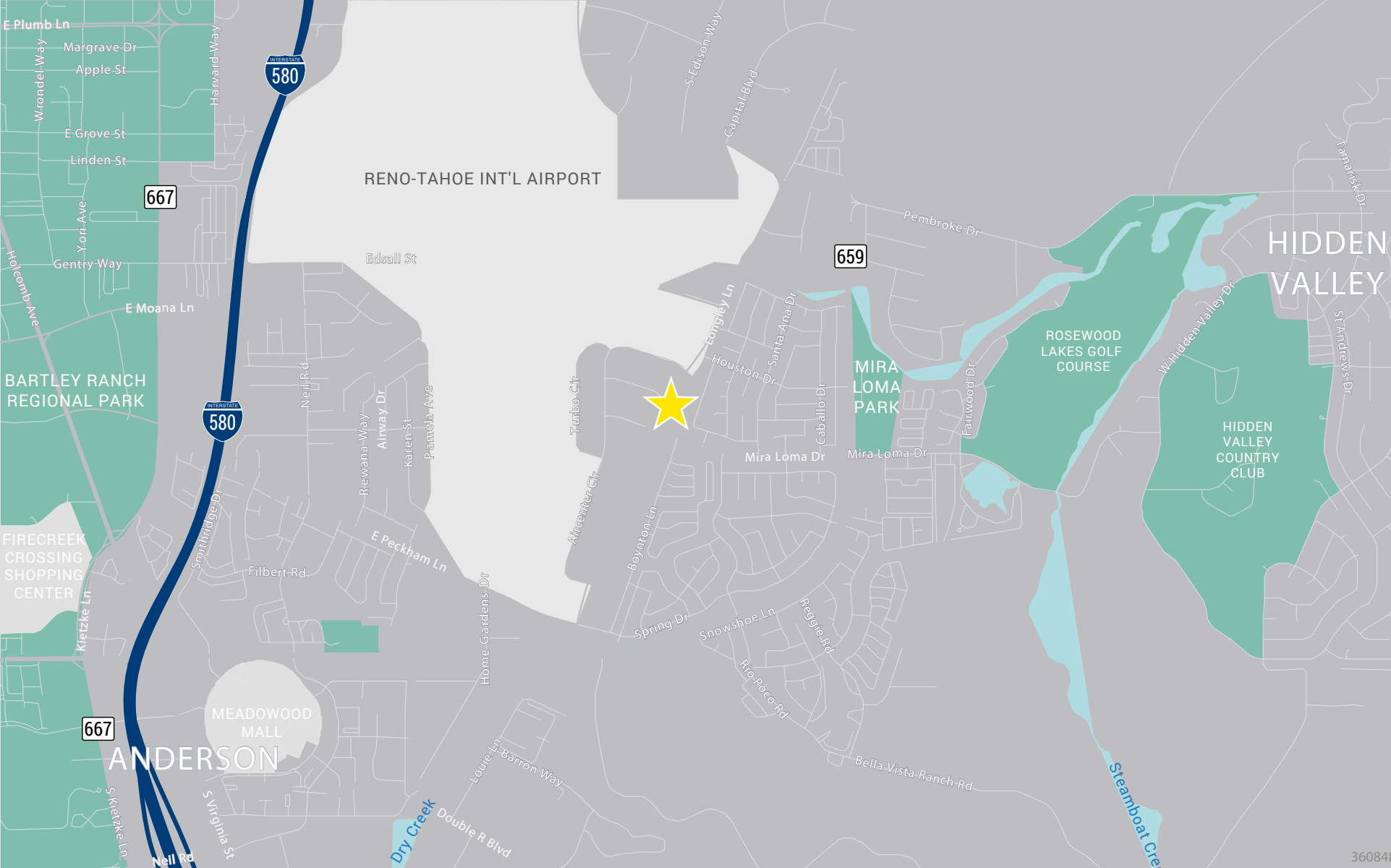
**Traffic Counts, Housing and Amenities** - The property is located on Longley Lane, a major arterial cutting north/south:

- High visibility
- Traffic counts over 30,000 cars daily
- Located in the Airport submarket – over 9.2 MSF of industrial capacity surrounding property with a large number of corresponding employees
- Adjacent residential neighborhoods; important demand driver for building tenants
- Less than 5 minutes from the Reno-Tahoe International Airport
- Proximate to Fed-Ex, UPS, and OnTrac hubs

**Barriers to Entry** – Lack of available land, land values, flood zones and construction costs.

- Flex industrial users typically demand a core market location
- Pricing of available parcels have values highly prohibitive to new industrial development
- Many available industrial parcels are located in flood zones, making construction and development today more challenging than ever. The subject property is located in Flood Zone X (0.2% annual chance of 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)
- Construction costs for multi-tenant properties characterized by multiple storefronts, partitions and improvements are cost prohibitive
- Estimated cost of replacement is equal to \$180/SF; combined with land acquisition cost, a 12.5% increase in market rents would be required to justify new projects

# CLOSE-IN STREET MAP



360848



# REGIONAL LOCATION HIGHLIGHTS

With borders on five states, Nevada provides efficient transportation links to all major western states.

Northern Nevada is a hub of an extensive transportation network on two major highway corridors: Interstate 80 and U.S. Highway 395.

Interstate 80 connects Reno/Sparks to San Francisco to the west and Salt Lake City to the east.

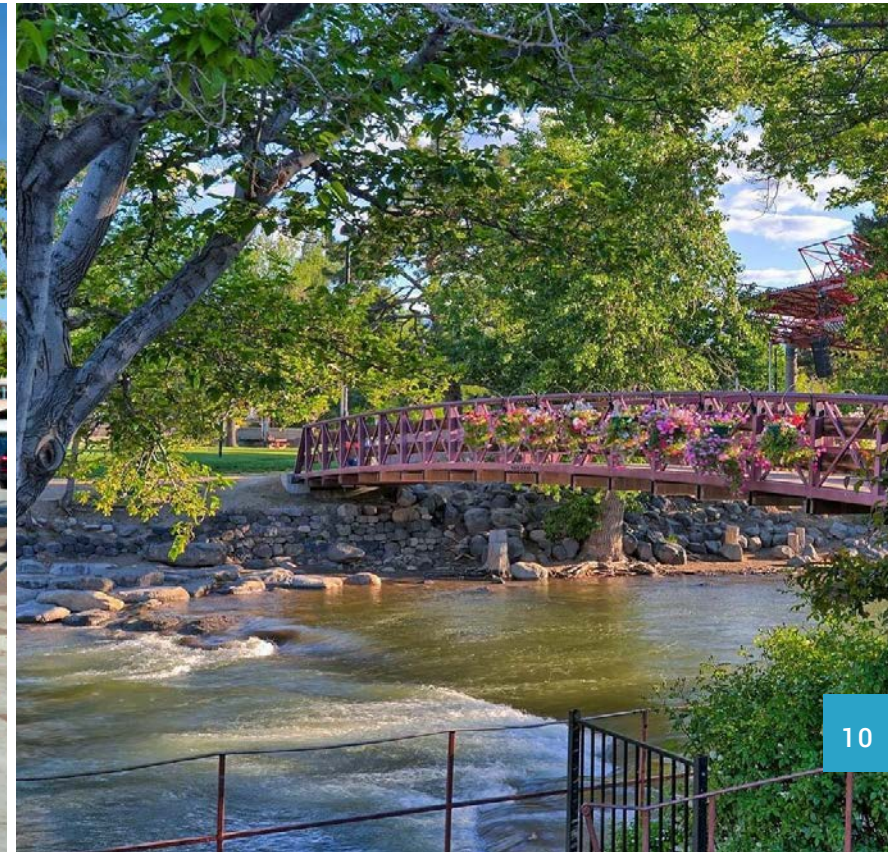
U.S. Highway 395 runs northbound to Oregon, Washington, and Canada and southbound to Los Angeles.

Trucking - Over 65 trucking companies provide overnight delivery to 80% of the 11 contiguous Western States.

State regulation of trucking allows for “Triples” across much of the West, making Reno a convenient location for assembly/disassembly of loads headed both east to west and north to south.

Reno/Tahoe International Airport - Provides air cargo service from Capital Cargo, DHL and daily from FedEx and UPS to their respective hubs.

Business-Friendly Environment – Northern Nevada is a growth market with an excellent local labor pool, affordable housing, low business costs and no personal, corporate or inventory taxes. The market continues to be sought after by an expanding and diverse stream of businesses.



### WHY RENO?

“Reno plays an incredibly important role in the products and services that we provide our customers worldwide. Without the data center here, none of this would be possible. We’ve invested \$1.6 billion in the region today and over the course of the next six years, **we intend to invest an additional \$1 billion.**”

**Tim Cook,**  
Apple CEO

“In February of 2017, the Las Vegas-based Switch has opened the largest data center in the world, next to Tesla Inc.’s battery factory in northern Nevada’s Tahoe Reno Industrial Center. Covering 1.3 million square feet, the facility fulfills the vision of Switch founder and CEO Rob Roy to create the **largest data center ecosystem in the world for our customers’ mission-critical workloads.**”

**Adam Kramer,**  
EVP Of Strategy, SWITCH

“Regarding Tesla’s decision to build a Gigafactory near Reno: “This is not just about incentives. **[Nevada is a] really get things done state.** That was a really important part of the decision.”

**Elon Musk,**  
CEO, Tesla Motors

RENO RANKED #6 CITY OVERALL  
AMONG ‘BEST SMALL CITIES IN  
AMERICA’

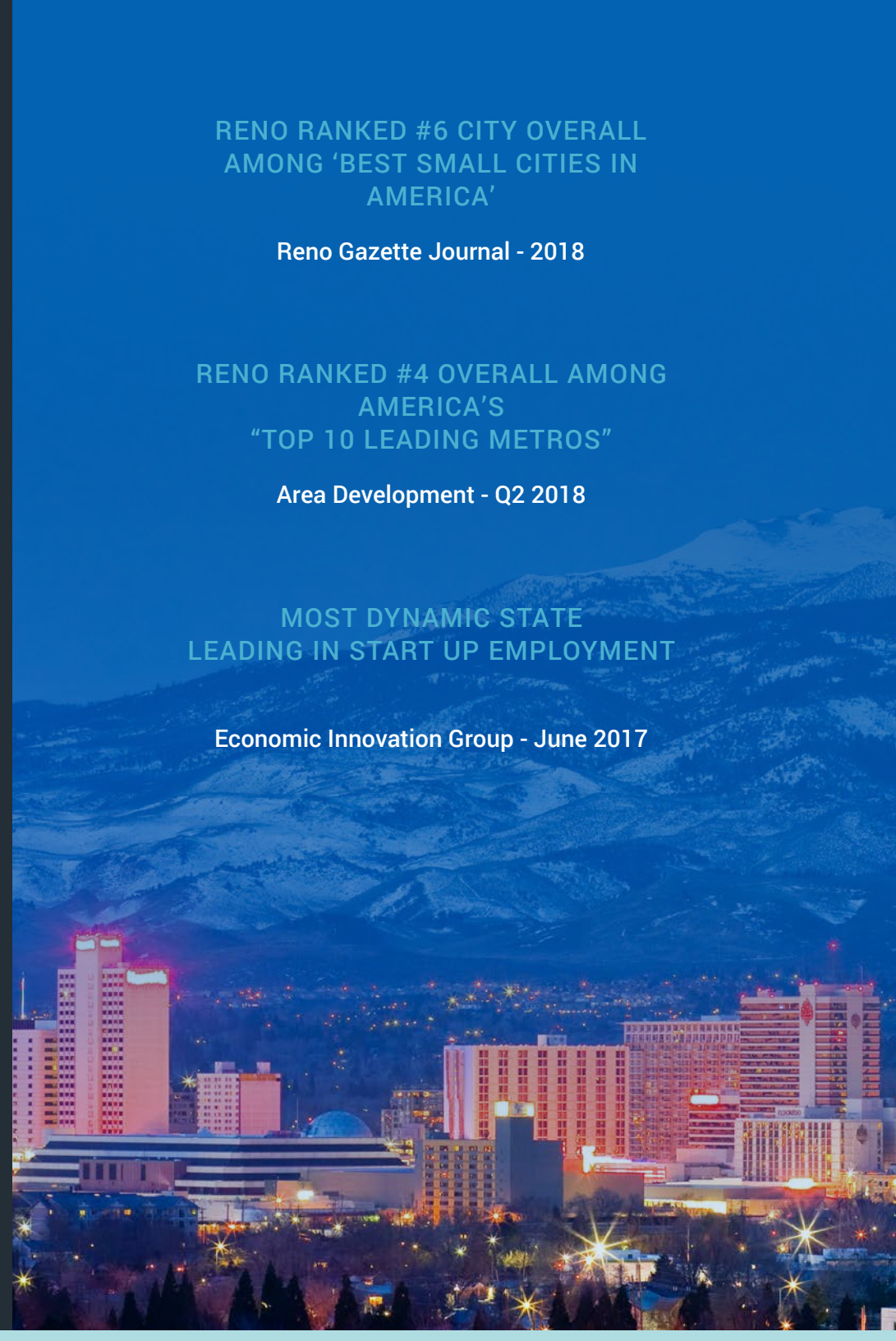
Reno Gazette Journal - 2018

RENO RANKED #4 OVERALL AMONG  
AMERICA’S  
“TOP 10 LEADING METROS”

Area Development - Q2 2018

MOST DYNAMIC STATE  
LEADING IN START UP EMPLOYMENT

Economic Innovation Group - June 2017





NEVADA RANKS #1 IN PRIVATE-  
SECTOR JOB GROWTH

Business Facilities - 2018

NEVADA WAS THE SECOND-FASTEST  
GROWING STATE FROM 2016-2017

U.S. News - 2017

#1 STATE IN FORBES' 2017  
AMERICAN DREAM INDEX

Forbes Magazine - March 2017

**"Our growth in advanced manufacturing and IT is a big driver for development of our solar and clean energy infrastructure.** For example, Apple, Switch, Rackspace and ViaWest are investing billions in data centers here, which are very energy intensive. The companies want the facilities to be powered by clean energy, which in turn has increased investment in that area."

**Brian Sandoval,**

State of Nevada Governor on growth of the recent tech presence in Reno

**"Of the projects we've landed, the 150-160 companies in the last five years, only 20 percent have gone out to TRIC.** The other 80 percent are in the metro area ... the economy now on manufacturing is almost 13 percent, and gaming is less than five percent."

**Mike Kazmierski,**

President/CEO of Economic Development Authority of Western Nevada

**"It's much more affordable to do business in Reno** and obviously, less government regulations has been important," Schieve said. "We've done a phenomenal job reinventing ourselves. We're not just the gaming Mecca anymore, and tech companies are really realizing that."

**Hillary Schieve,**

City of Reno Mayor



**KEY DISTANCES**

1-80	3.5 miles	7 minutes
US 395	2.0 miles	5 minutes
McCarran Boulevard	1.3 miles	3 minutes
Reno-Tahoe Int'l Airport	4.2 miles	12 minutes
UnionPacificIntermodalHub	4.4 miles	9 minutes
Downtown, Reno	6.5 miles	12 minutes
The California Border	19.5 miles	23 minutes
Sacramento, California	138 miles	2 h 21 minutes



DOWNTOWN RENO



RENO TAHOE INTERNATIONAL AIRPORT

TURNER AIR CROSSING

LONGLEY LANE



TURNER AIR  
CROSSING



TURNER AIR  
CROSSING

LONGLEY LANE

MIRA LOMA DR



## WHO HAS MADE THE MOVE

RECENTLY RELOCATED COMPANIES (2015-2018)



### TESLA

Tesla/Panasonic selected Northern Nevada as their location for the world's largest Gigafactory focusing on manufacturing of cutting edge technologically advanced energy storage.



### SWITCH

Switch is the world's largest data center at 1.2 million square feet. Switch has completed their construction for a total of seven buildings and 6.49 million square feet of high tech data campus on 1,000 acres.



### BREADWARE

Hardware development company that designs and builds custom electronics. Breadware will be located in the Innovation Center in Downtown Reno, a tech hub formed in partnership by the University of Nevada.



### BLOCKCHAINS, LLC

In January of 2018, Blockchains, LLC—a company focused on the underlying technology behind cryptocurrencies such as Bitcoin—purchased 67,125 total acres, or all of the remaining developable land at the Tahoe-Reno Industrial Center. Plans for future development are yet to be announced.

# OUR ECONOMY

TOP REASONS  
TO MOVE TO RENO



FAVORABLE  
TAX STRUCTURE



LOW COST OF  
BUSINESS



INFLUX OF  
NEW BUSINESSES:  
TESLA, SWITCH



PROXIMITY TO  
MAJOR MARKETS



IMPRESSIVE JOB &  
POPULATION GROWTH



**#1**  
STARTUP DENSITY  
IN THE U.S.

Source: Edawn



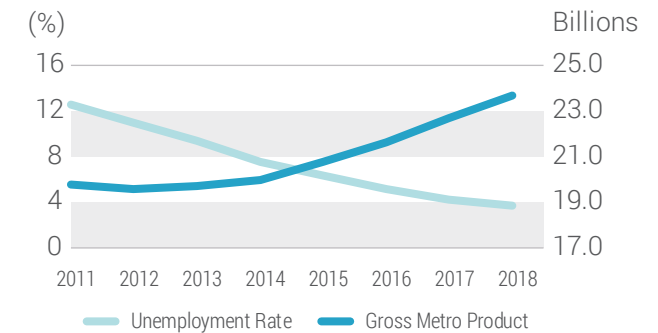
## FUN FACTS:

Reno is the only MSA in the state of Nevada with an unemployment rate less than the U.S. as a whole.

Reno added 600 jobs over the month of December 2018, with a total of 12,300 jobs adding during the year (5.2%), making it the fastest growing MSA in the state.

Source: NV Department of Employment, Training and Rehabilitation

## RENO MSA UNEMPLOYMENT



Source: Economy.com Precis Reports

## ECONOMIC DRIVERS

### LOGISTICS

Regional Distribution Center Point-to-point in city: 20 minutes Increasing 1 Day Delivery Capacity  
Drayage Range \$700-\$900

### ADV. MANUFACTURING

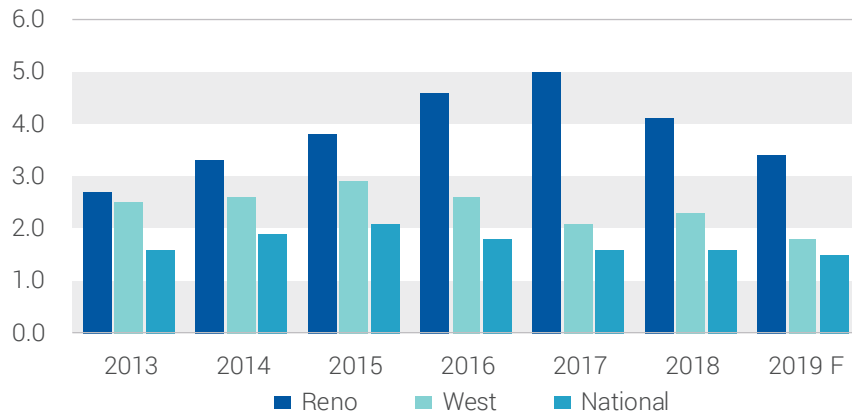
Manufacturing processes infused with innovative, automated or cutting edge technologies: Local facilities include: Tesla, Sierra Nevada Corp., and Ardagh

### TECH/START UPS

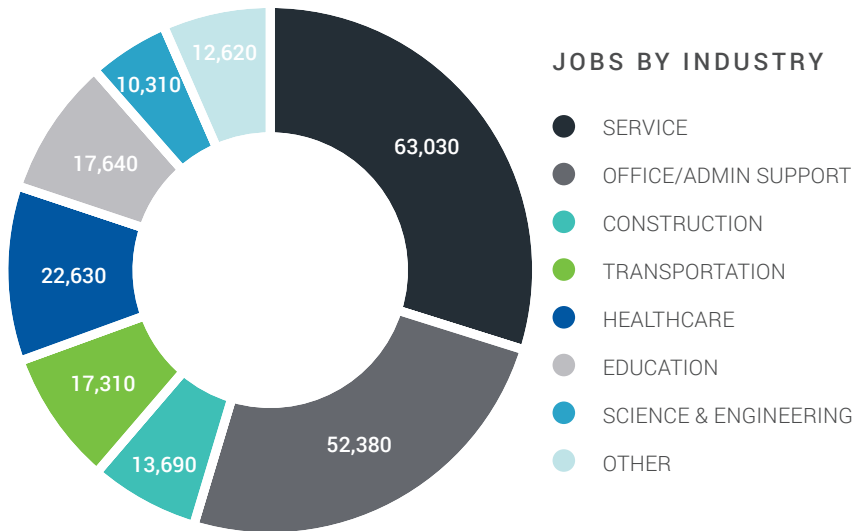
Tax Burden: low-tax paradise. Ranks 50/50 in total tax burden. Access to University of Nevada, Reno [Tier 1 University] for high skilled labor

# OUR EMPLOYMENT

## RENO & NEVADA EMPLOYMENT RATE GROWTH



Source: Economy.com Precis report



Source: Nevada Department of Employment

**6<sup>TH</sup>**   
**IN U.S. FOR JOB  
 GROWTH BETWEEN  
 2017-2019**

Source: Economy.com

## RENO'S MOST PROMINENT EMPLOYERS

- DUPONT
- EL DORADO RESORTS
- EMPLOYERS INSURANCE
- FED EX
- INTERNATIONAL GAME
- TECHNOLOGY (IGT)
- INTUIT
- NV ENERGY
- PANASONIC
- PATAGONIA
- RENOWN HEALTH
- SIERRA NEVADA CORPORATION
- SWITCH
- TESLA
- UNIVERSITY OF NEVADA, RENO
- UPS
- URBAN OUTFITTERS

Source: CBRE Research



# TOP 10 RANKED STATES FOR BUSINESS TOP STATE FOR ECONOMIC GROWTH POTENTIAL

Business Facilities' Magazine – 14th Annual State Rankings Report

## OUR COST OF BUSINESS

### BUSINESS INCENTIVES

#### SALES & TAX ABATEMENT

Eligible machinery and equipment, reduces tax rate to 2%

#### PERSONAL PROPERTY TAX ABATEMENT

Up to 50% for 10 years and 10 years on eligible equipment

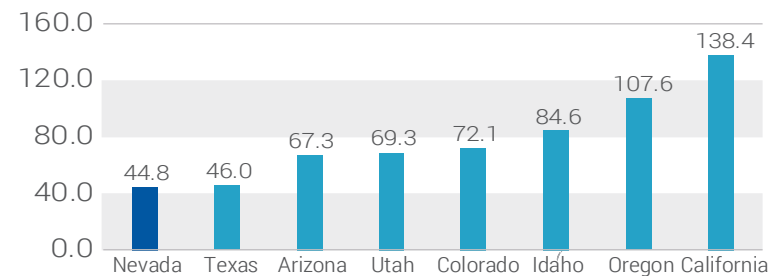
#### MODIFIED BUSINESS TAX (PAYROLL TAX ABATEMENT)

50% for 4 years on any new jobs

#### SALES TAX DEFERMENT

Interest free payment plan in equal monthly payment for 60 months

### SMALL BUSINESS POLICY INDEX 2017 RANKINGS



Source: Small Business Entrepreneurship Council

### TRAINING INCENTIVES

#### TRAIN EMPLOYEES NOW (TEN)

Partnering with Nevada's community college to administer training

#### SILVER STATE WORKS ON THE JOB TRAINING

Administered by Nevada Department of Employment, Training and Rehabilitation (DETR)

#### JOB PLACEMENT

Nevada Job Connect recruitment and employee search/ placement, at no cost to employer


#### EMPLOYER INCENTIVE PROGRAM

50% of participant's wages through training period

#### INCENTIVE BASED EMPLOYMENT

Wage retention up to \$2,000 per employee

Source: Edawn

**11%**   
**BELOW NATIONAL  
AVERAGE**

Source: Edawn

# RENO HOUSING MARKET

## RENO VS OTHER MAJOR CITIES

	RENO	PORTLAND	SAN FRANCISCO	SEATTLE	SACRAMENTO	AUSTIN	NEW ORLEANS	MINNEAPOLIS
MEDIAN HOME PRICE	\$359,000	\$415,000	\$1,350,000	\$685,000	\$388,000	\$305,000	\$210,000	\$265,000
MEDIAN RENT	\$1,170	\$1,350	\$3,325	\$1,764	\$1,406	\$1,248	\$995	\$1,289
SALES TAX	8.265%	0.00%	8.75%	9.60%	8.50%	8.25%	5.00%	6.88%
INCOME TAX	0.00%	9.00%	9.30%	0.00%	9.30%	7.65%	6.00%	7.05%

Source: Axiometrics; Redfin

## Q4 2018/TOP 3 LAND SALES

ADDRESS	ACRES	SALE PRICE	SALE DATE	SELLER	BUYER
Arrowcreek Parkway @ S. Virginia Reno, NV 89511	41.27	\$7,300,100	7/27/2018	Fritz Duda Company	Ryder Homes
Henry Orr Parkway Sparks, NV 89436	7.77	\$8,895,500	8/27/2018	Lewis Management Corp	Lennar Homes
Silver Dollar Ln & Tradin Reno, NV 89506	62.44	\$5,200,000	8/2/2018	Lancing Companies	D. R. Horton, Inc.

Source: Washoe County Website; CBRE Database

## RESIDENTIAL PIPELINE 4Q 2018 - Single Family (Detached and Attached)

UNITS REMAINING ON TENTATIVE MAP		UNITS REMAINING ON FINAL MAP		MULTI-FAMILY DEVELOPMENT	
Active	4,901	Active	3,472	Active	3,953
Approved	12,157	Approved	1,695	Approved	7,418
Pending	32,851	Pending	0	Pending	6,363
<b>TOTAL</b>	<b>49,909</b>	<b>TOTAL</b>	<b>5,167</b>	<b>TOTAL</b>	<b>17,734</b>

Source: Nevada Center for Regional Studies/College of Business/University of Nevada Reno

# OUR QUALITY OF LIFE

<p><b>OUTDOOR</b></p> <p>3,819 Acres of Parks</p> <p>900 Hiking Trails</p> <p>50 Championship Golf Courses</p> <p>Top 50 Bike Friendly City</p>	<p><b>WEATHER</b></p> <p>300 Days of Sunshine</p>	<p><b>URBAN CORE</b></p> <p>150 Bars      5K Hotel Rooms      230K SF of Meeting Space      Emerging Brewery Row</p>	<p><b>CULTURE</b></p> <p>Burning Man</p> <p>Hot August Nights</p> <p>Reno Philharmonic &amp; Pops Orchestra</p> <p>Nevada Museum of Art</p>
	<p><b>COMMUTE</b></p> <p>15 min. Average Commute</p>	<p><b>SPORTS</b></p> <p>Reno Aces: AAA Affiliate of AZ</p> <p>Reno 1868 FC: American professional soccer team founded in 2015; debuted in the U.S. League in March 2017</p>	



**BEST SMALL CITY IN AMERICA**

Source: Reno Gazette Journal - rgj.com

## RENO DRIVE TIMES



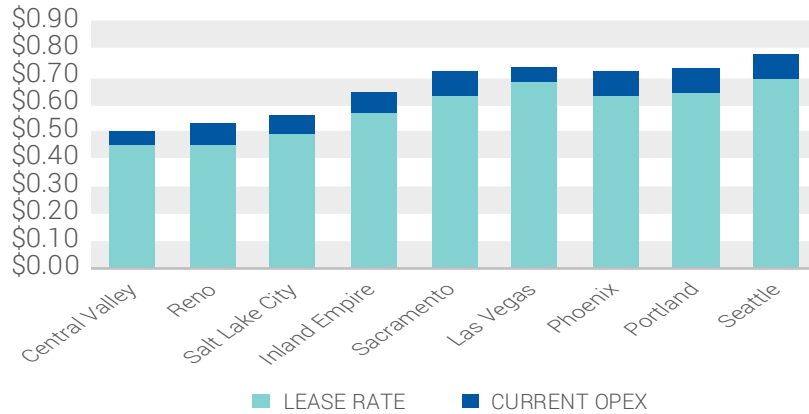
# RENO INDUSTRIAL MARKET

**Q4 2018**

▲ <b>VACANCY</b> 3.9%	▼ <b>NET ABSORPTION</b> (439,964) SF
▶ <b>ASKING LEASE RATE</b> \$0.45 PSF	▲ <b>COMPLETIONS</b> 1,465,567SF

Arrows indicate change quarter-over-quarter

## CURRENT LEASE RATE & EXPENSES

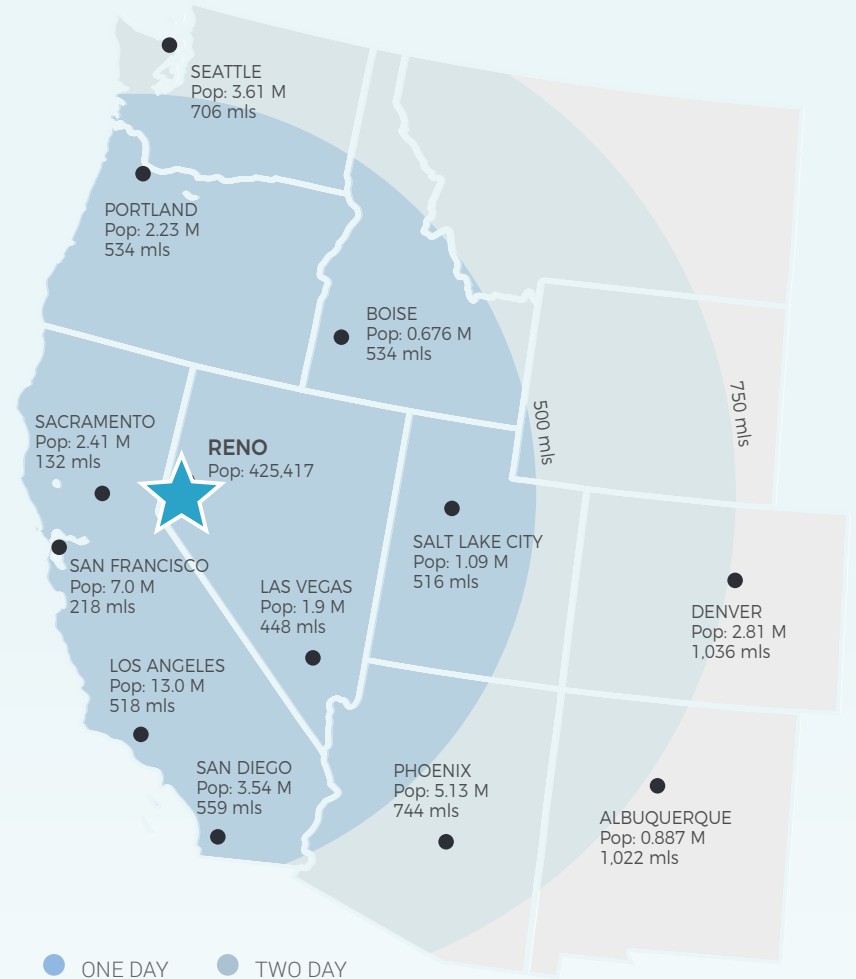


Source: CBRE MarketView Reports

<b>89.8M SF</b> #1 PER CAPITA IN NATION INDUSTRIAL BASE	<b>800K SF</b> UNDER CONSTRUCTION	<b>\$12-14</b> PER HOUR WAREHOUSE LABOR WAGE
<b>\$0.45 NNN</b> BULK ASKING RATE	<b>3.9%</b> VACANCY RATE	<b>70M</b> PEOPLE WITHIN 2 DAYS

Source: Reno MarketView Report

## TRUCK SERVICE



**REGIONAL DISTRIBUTION CENTER  
GREAT FOR SERVICING THE WEST  
COAST RATHER THAN JUST THE SW.**

Source: Edawn



## MARKET DYNAMICS

- The Reno market has an industrial base of 89.8 MSF and continues to demonstrate strong market fundamentals. A more diverse demand stream than ever including distribution, E-commerce, Omni-channel, manufacturing, technology and service related businesses are targeting Northern Nevada
- Industrial leasing demand in Reno surged in 2018 logging over 3.5 MSF of net absorption and 6.7 MSF of gross absorption.
- Given the scarcity of new development, we forecast continued aggressive rent growth and a highly competitive landscape for the foreseeable future.
- The market has seen strong rent growth for 100,000 SF and below range, as evidenced by the 4.3% average yearly increase in rents since 2014.
- The vacancy rate for flex industrial in Q4 2018 was a mere 2.6% with not a single new flex development project forecast to come to market

## ATTRACTIVE CASH FLOW

The Reno market, and this offering in particular, offers the ability to achieve better yields, when compared to surrounding West Coast markets that are pricing in the low or sub 4% cap rate range. Investors can put low cost debt on the property and obtain very attractive leveraged cash-on-cash returns, and leveraged IRR.

## RENO INDUSTRIAL MARKET INFORMATION

The Reno industrial market fundamentals continue to perform well. The region has been experiencing historically high demand levels for the past six years. Consistent demand, disciplined development, and strong fundamentals have all contributed to this strong performance. Illustrating this has been 12 straight quarters of vacancy rates below 6% and positive net absorption totals during 25 of the past 27 quarters.

# ABSORPTION

The market produced 3.6 million SF of positive net absorption in 2018 and 6.7 million SF of gross absorption during that same period, resulting in a 30-basis-point drop in vacancy compared to Q4 2017.

# NEW CONSTRUCTION

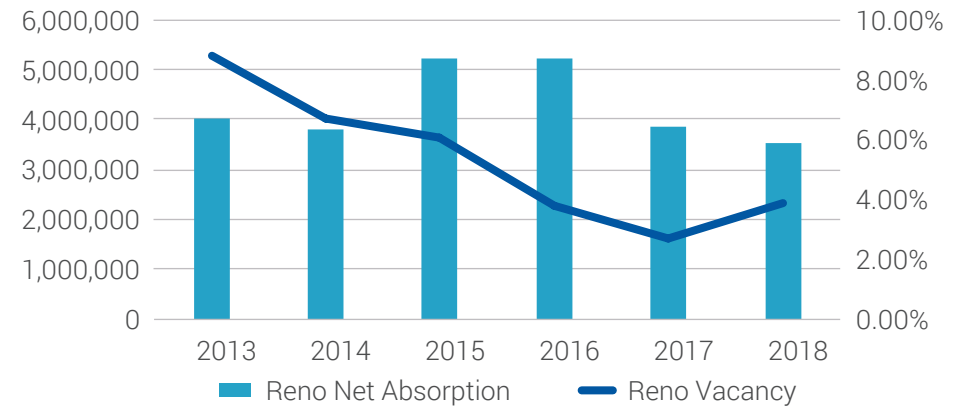
Construction completions during the quarter (1.5 million SF) accounted for more than 60% of the total annual completions (2.4 million SF), adding much needed space to an already tight market. Consistent throughout this expansionary cycle, new supply was almost exclusively catered to high-cube product. Large chunks of product were delivered to the market through four projects of scale totaling 1.5 million SF. This resulted in the market wide vacancy edging up slightly to 3.9% at year-end.

# RENTAL RATES

The average asking lease rate remained steady during Q4 2018, ending the quarter at \$0.46 NNN. Market wide strike prices have increased in recent quarters, so overall asking lease rates are expected to follow suit in 2019.



VACANCY VS NET ABSORPTION



## Q4, 2018 INDUSTRIAL MARKET

**89.8 MSF**  
BASE

**5.7%**  
AVAILABILITY

**3.9%**  
VACANCY

**3.5 MSF**  
2018 NET ABSORPTION

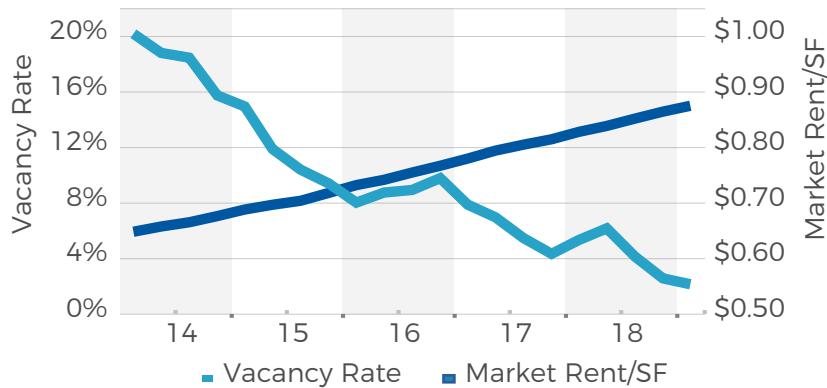
# FLEX INDUSTRIAL MARKET INFORMATION

These statistics are based solely on the following criteria: flex spaces sized under 5,000 square feet in the Reno/Sparks Market. This criterion represents the direct competitive set for Turner Air Crossing.

Many of the same market fundamentals discussed on the previous page apply to this competitive set. Demand is at an all-time high with zero new deliverables coming to the market.



VACANCY & MARKET RENT PER SF



## NEW CONSTRUCTION

The lack of construction in this product type is driven by in-fill land cost, cost of construction, and current lease rates. Rental rates must increase to see new construction, which bodes well for current landlords who are enjoying increasing rents, higher quality tenants, and next to no vacancy.

The current vacancy rate for this competitive set is 2.6%, and the average time on the market is 1.9 months. Much like the rest of the industrial market, the remaining vacancy is driven by functional obsolescence.

## RENTAL RATES

Asking rents have increased 37% over the past 5 years and still have plenty of lift ahead. The Airport Submarket mirrors the rest of the market with 1.6% vacancy and average rents of \$0.80/SF.







## INCOME & EXPENSE BREAKDOWN

INCOME		
Rental Income		1,078,968.00
Other Income		2983.27
<b>Gross Potential Rent</b>		<b>1,081,951.27</b>
Less Vacancy & Credit Loss	4.10%	\$44,336.00
<b>EFFECTIVE GROSS INCOME</b>		<b>\$1,037,615.27</b>

EXPENSES	
Real Estate Taxes	66,264
Insurance	18,543
Association Dues (CAM)	167,488
Miscellaneous	81,303
<b>TOTAL EXPENSES</b>	<b>333,598</b>

**NET OPERATING INCOME \$704,017.27**

EXPENSES ITEMIZED	
Management	51,881
Association Dues (CAM)	167,488
Sewer & Water	24,700
Real Estate Taxes	66,264
Insurance	18,543
Office Expenses	1,008
Labor & Supplies	81
Fire Alarm Service	288
Plumbing	632
Bank Charges	532
Miscellaneous Expenses	2,181
<b>TOTAL</b>	<b>333,598</b>

A stone wall sign for Turner Air Crossing. The sign is a dark grey rectangular panel mounted on a light-colored stone wall. The text "TURNER AIR CROSSING" is written in a gold, serif font. In the background, there is a parking lot with several cars, a building with a sign that says "TURNER AIR CROSSING" and "Manufacturing", and various trees including evergreens and deciduous trees with reddish-brown leaves. The scene is set on a grassy area under a clear blue sky.

TURNER AIR CROSSING

# CASH FLOW

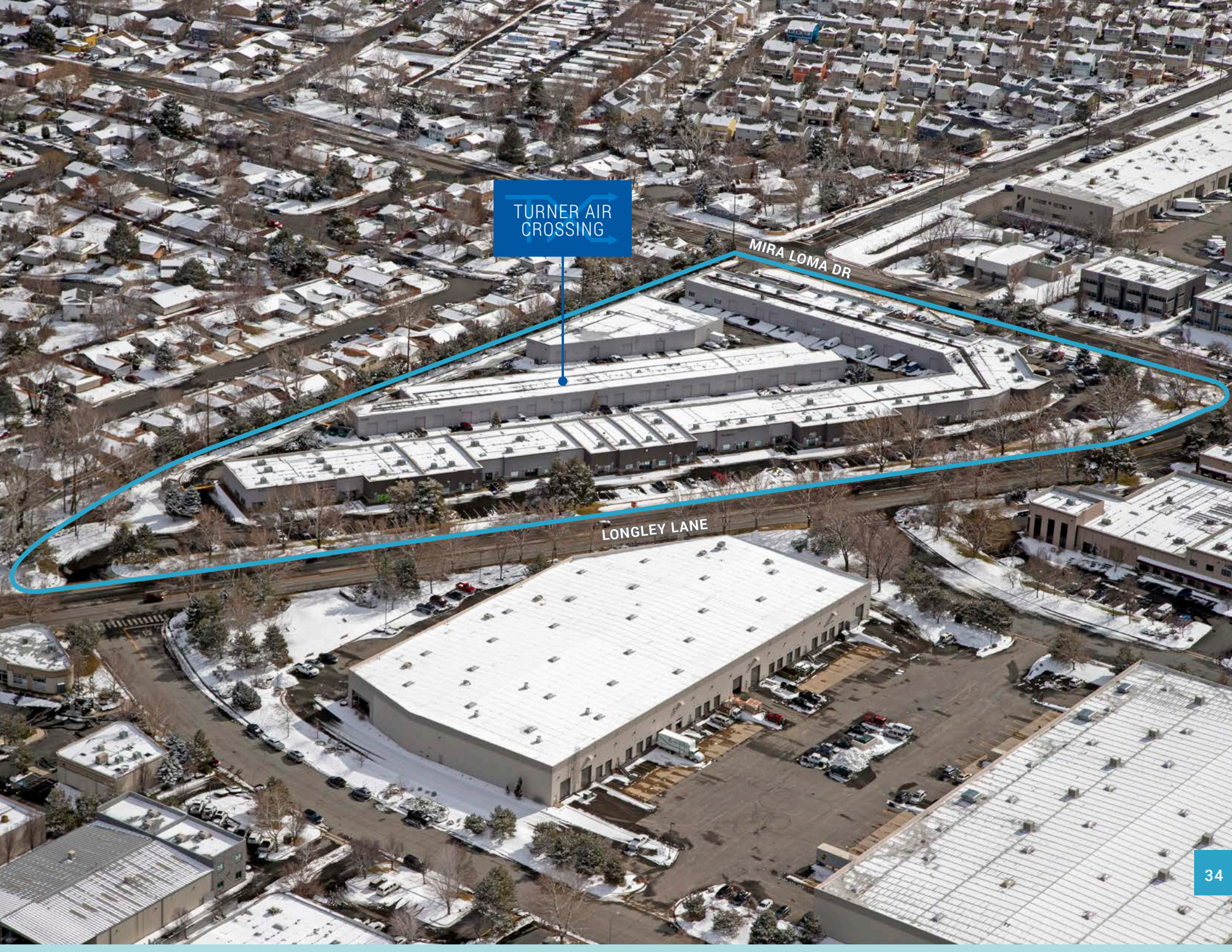
FOR THE YEARS ENDING	YEAR 1 JAN-2020	YEAR 2 JAN-2021	YEAR 3 JAN-2022	YEAR 4 JAN-2023	YEAR 5 JAN-2024	YEAR 6 JAN-2025	YEAR 7 JAN-2026	YEAR 8 JAN-2027	YEAR 9 JAN-2028	YEAR 10 JAN-2029	YEAR 11 JAN-2030	TOTAL
<b>Rental Revenue</b>												
Potential Base Rent	1,078,968	1,104,327	1,156,688	1,233,575	1,276,553	1,348,334	1,401,302	1,469,259	1,525,889	1,570,820	1,616,048	14,781,765
Absorption & Turnover Vacancy	-38,650	-17,637	-42,677	-6,269	-30,579	-51,612	-79,781	-44,039	-28,197	-63,219	-70,196	-472,857
Free Rent	-3,920	-3,483	-7,324	-2,264	-4,931	-11,684	-13,150	-13,411	-5,549	-13,150	-10,752	-89,617
Scheduled Base Rent	1,036,398	1,083,207	1,106,687	1,225,042	1,241,043	1,285,039	1,308,371	1,411,810	1,492,143	1,494,451	1,535,101	14,219,291
<b>Total Rental Revenue</b>	1,036,398	1,083,207	1,106,687	1,225,042	1,241,043	1,285,039	1,308,371	1,411,810	1,492,143	1,494,451	1,535,101	14,219,291
<b>Total Tenant Revenue</b>	1,036,398	1,083,207	1,106,687	1,225,042	1,241,043	1,285,039	1,308,371	1,411,810	1,492,143	1,494,451	1,535,101	14,219,291
<b>Other Revenue</b>												
Other Income	2,983	3,073	3,165	3,260	3,358	3,458	3,562	3,669	3,779	3,892	4,009	38,209
Total Other Revenue	2,983	3,073	3,165	3,260	3,358	3,458	3,562	3,669	3,779	3,892	4,009	38,209
Potential Gross Revenue	1,039,381	1,086,279	1,109,852	1,228,302	1,244,401	1,288,497	1,311,934	1,415,479	1,495,922	1,498,343	1,539,110	14,257,500
<b>Vacancy &amp; Credit Loss</b>												
Vacancy Allowance	-1,766	-23,605	-9,985	-31,444	-21,230	-22,060	-10,321	-22,263	-27,926	-18,138	-15,570	-204,307
Total Vacancy & Credit Loss	-1,766	-23,605	-9,985	-31,444	-21,230	-22,060	-10,321	-22,263	-27,926	-18,138	-15,570	-204,307
Effective Gross Revenue	1,037,615	1,062,675	1,099,867	1,196,858	1,223,171	1,266,437	1,301,613	1,393,216	1,467,996	1,480,205	1,523,540	14,053,193
<b>Operating Expenses</b>												
Management	51,881	53,134	54,993	59,843	61,159	63,322	65,081	69,661	73,400	74,010	76,177	702,660
Association Dues (CAM)	167,488	170,838	174,255	177,740	181,294	184,920	188,619	192,391	196,239	200,164	204,167	2,038,114
Real Estate Taxes	66,264	68,252	70,299	72,408	74,580	76,818	79,122	81,496	83,941	86,459	89,053	848,692
Insurance	18,543	19,099	19,672	20,263	20,870	21,497	22,141	22,806	23,490	24,195	24,920	237,496
Water & Sewer	24,700	25,441	26,204	26,990	27,800	28,634	29,493	30,378	31,289	32,228	33,195	316,353
Bank Charges	532	548	564	581	599	617	635	654	674	694	715	6,814
Office Expenses	1,008	1,038	1,069	1,101	1,134	1,168	1,203	1,239	1,277	1,315	1,354	12,907
Fire Alarm Service Call	288	297	306	315	325	334	344	355	365	376	388	3,694
Labor & Supplies	80	83	85	88	91	93	96	99	102	105	108	1,030
Plumbing	632	651	671	691	712	733	755	778	801	825	850	8,100
Non-Recoverable Expenses	2,181	2,247	2,314	2,384	2,455	2,529	2,605	2,683	2,763	2,846	2,932	27,938
Total Operating Expenses	333,598	341,627	350,434	362,404	371,019	380,665	390,095	402,539	414,341	423,217	433,858	4,203,796
Net Operating Income	704,017	721,047	749,434	834,454	852,152	885,772	911,518	990,677	1,053,655	1,056,988	1,089,682	9,849,396
<b>Leasing Costs</b>												
Tenant Improvements	38,167	54,232	94,102	42,119	36,305	86,752	96,636	93,624	40,862	97,640	76,879	757,320
Leasing Commissions	24,957	42,232	72,399	36,166	31,690	69,317	76,479	77,224	35,668	78,017	59,158	603,306
Total Leasing Costs	63,124	96,465	166,501	78,285	67,996	156,069	173,115	170,847	76,530	175,657	136,037	1,360,626
<b>Capital Expenditures</b>												
Reserves	44,592	45,484	46,393	47,321	48,268	49,233	50,218	51,222	52,247	52,766	0	487,745
Total Capital Expenditures	44,592	45,484	46,393	47,321	48,268	49,233	50,218	51,222	52,247	52,766	0	487,745
Total Leasing & Capital Costs	107,716	141,948	212,894	125,606	116,264	205,303	223,333	222,070	128,777	228,424	136,037	1,848,371
Cash Flow Before Debt Service	596,301	579,099	536,540	708,847	735,888	680,470	688,185	768,607	924,879	828,564	953,645	8,001,025
Cash Flow Available for Distribution	596,301	579,099	536,540	708,847	735,888	680,470	688,185	768,607	924,879	828,564	953,645	8,001,025

# RENT ROLL

TENANT(S) NAME	UNIT NUMBER(S)	UNIT SIZE	MONTHLY RENT	ANNUAL RENT	RENT/SF (MG)	MARKET RENT (MG)	% OF BLDG	LEASE START	LEASE EXPIRATION	TOTAL TERM
7 Degrees, Inc	1,2	3,350	\$3,182.00	\$38,184.00	\$0.95	\$1.00	3.12%	12/1/18	12/31/21	37
NV Transformations	3, 4	3,247	\$2,928.00	\$35,136.00	\$0.90	\$0.95	3.03%	12/1/15	2/28/19	39
Conviction Martial Arts	5, 6, 7	6,200	\$5,146.00	\$61,752.00	\$0.83	\$0.90	5.78%	7/1/13	8/31/21	98
River Rock Christian Fellowship	8, 9, 10, 11	7,000	\$5,740.00	\$68,880.00	\$0.82	\$0.90	6.52%	3/1/13	11/30/21	105
Canamex Resources	12	1,625	\$1,511.25	\$18,135.00	\$0.93	\$1.10	1.51%	2/1/14	2/29/20	73
Startouch Broadband	17	1,608	\$1,527.60	\$18,331.20	\$0.95	\$1.10	1.50%	4/1/18	3/31/21	36
Edward Jones	18	725	\$846.07	\$10,152.84	\$1.17	\$1.25	0.68%	8/1/11	7/31/21	120
Hidelt Mounts, Inc	19, 20	4,350	\$3,697.50	\$44,370.00	\$0.85	\$1.00	4.05%	1/6/16	6/30/21	66
Music Fuze, LLC	21	1,874	\$1,780.30	\$21,363.60	\$0.95	\$1.10	1.75%	7/1/18	6/30/21	36
X-Fusion, Inc.	22	2,061	\$1,813.68	\$21,764.16	\$0.88	\$1.10	1.92%	5/1/17	4/30/20	36
Stanley Convergent	23	2,100	\$2,206.26	\$26,475.12	\$1.05	\$1.10	1.96%	4/1/09	3/31/19	120
Distinct Auto Detailing	23	2,000	\$1,800.00	\$21,600.00	\$0.90	\$1.10	1.86%	2/1/15	1/31/21	72
Center of Hope	24, 25, 25, 27	4,985	\$4,137.55	\$49,650.60	\$0.83	\$0.90	4.64%	4/1/13	3/31/20	84
VACANT	28	2,539		\$0.00	\$0.00	\$0.95	2.37%			0
Innovative Cabinets	29	4,078	\$3,343.96	\$40,127.52	\$0.82	\$1.00	3.80%	4/1/14	3/31/20	72
Flowing Tide Pub	30	4,078	\$6,280.12	\$75,361.44	\$1.54	\$1.75	3.80%	9/1/13	8/31/22	108
Hawthorne Plumbing	31	1,300	\$1,300.00	\$15,600.00	\$1.00	\$1.05	1.21%	8/1/18	7/31/21	36
CHCH, LLC	32	1,300	\$1,170.00	\$14,040.00	\$0.90	\$1.05	1.21%	3/1/18	2/28/19	12
Shemar Corp	33	1,350	\$1,174.50	\$14,094.00	\$0.87	\$1.05	1.26%	3/1/15	2/29/20	60
Its My Community Store	34 & 35	2,977	\$2,679.30	\$32,151.60	\$0.90	\$0.95	2.77%	2/1/19	1/31/22	36
Purely Pilates	36	1,782	\$2,191.86	\$26,302.32	\$1.23	\$1.05	1.66%	1/1/15	3/31/20	63
Majestic Custom Shutters	37	1,888	\$1,718.08	\$20,616.96	\$0.91	\$1.05	1.76%	3/1/15	2/28/21	72
1-800 Water Damage	38	1,788	\$1,609.00	\$19,308.00	\$0.90	\$1.05	1.67%	5/1/17	4/30/19	24
Spectrum Pharmacy	39	1,250	\$1,125.00	\$13,500.00	\$0.90	\$1.05	1.16%	5/1/14	4/30/20	72
Candice Moore	40	1,350	\$1,215.00	\$14,580.00	\$0.90	\$1.05	1.26%	2/15/16	2/28/21	61
Mac O Rama	41, 42	2,623	\$2,229.55	\$26,754.60	\$0.85	\$1.05	2.44%	4/1/17	3/31/22	60
DTR Fitness	85, 86	1,178	\$824.60	\$9,895.20	\$0.70	\$0.75	1.10%	12/1/14	12/31/19	61
Jamie Kingham Photography	88	1,275	\$838.64	\$10,063.68	\$0.66	\$0.75	1.19%	1/1/15	12/31/19	60

# RENT ROLL (CONTINUED)

TENANT(S) NAME	UNIT NUMBER(S)	UNIT SIZE	MONTHLY RENT	ANNUAL RENT	RENT/SF (MG)	MARKET RENT (MG)	% OF BLDG	LEASE START	LEASE EXPIRATION	TOTAL TERM
Newman's Automotive	90	1,276	\$893.20	\$10,718.40	\$0.70	\$0.75	1.19%	11/1/18	10/31/21	36
River Rock Christian Fellowship	91	1,276	\$893.20	\$10,718.40	\$0.70	\$0.75	1.19%	11/1/18	9/30/19	11
Mad Dash	92	1,276	\$829.40	\$9,952.80	\$0.65	\$0.75	1.19%	12/1/17	11/30/20	36
KORE ICDS	93	1,276	\$893.20	\$10,718.40	\$0.70	\$0.75	1.19%	11/1/18	10/31/21	36
Trademark International	94	1,218	\$852.60	\$10,231.20	\$0.70	\$0.75	1.13%	3/1/19	2/28/21	24
RR Installations	95	1,218	\$852.60	\$10,231.20	\$0.70	\$0.75	1.13%	2/8/19	2/28/22	37
Horiba Instruments	96, 97	2,494	\$1,621.00	\$19,452.00	\$0.65	\$0.70	2.32%	1/1/19	12/31/23	60
Carniceria La Chiquita	98	2,552	\$1,658.80	\$19,905.60	\$0.65	\$0.70	2.38%	1/1/14	2/28/20	74
Eugene Rybak	100	638	\$408.32	\$4,899.84	\$0.64	\$0.75	0.59%	4/1/16	3/31/19	36
Michael Noh	101	1,276	\$893.20	\$10,718.40	\$0.70	\$0.75	1.19%	12/10/18	11/30/21	36
Sunnyscene	102	1,276	\$842.16	\$10,105.92	\$0.66	\$0.75	1.19%	8/1/12	7/31/20	96
Todd Gilliam	103	638	\$446.00	\$5,352.00	\$0.70	\$0.75	0.59%	1/1/19	1/31/22	37
Engines by Enget	104 - 109	3,886	\$2,409.00	\$28,908.00	\$0.62	\$0.70	3.62%	1/1/19	12/31/21	36
Moen America	112	638	\$446.60	\$5,359.20	\$0.70	\$0.75	0.59%	12/12/18	11/30/19	12
Digiman	124	1,913	\$1,205.00	\$14,460.00	\$0.63	\$0.70	1.78%	9/1/09	8/31/23	168
The Lab Strength	125	1,788	\$1,108.56	\$13,302.72	\$0.62	\$0.70	1.67%	9/1/16	8/31/19	36
Kona Ice	126	1,853	\$1,297.10	\$15,565.20	\$0.70	\$0.70	1.73%	3/1/19	2/28/21	24
Tanamera Construction	127	1,901	\$1,235.65	\$14,827.80	\$0.65	\$0.70	1.77%	3/1/17	2/28/19	24
Casa Sanchez	128	2,210	\$1,406.75	\$16,881.00	\$0.64	\$0.70	2.06%	10/1/16	10/31/21	61
Tanamera Construction	129	1,918	\$1,185.32	\$14,223.84	\$0.62	\$0.70	1.79%	4/1/14	3/31/23	108
Black Diamond Electric	130	1,643	\$1,185.10	\$14,221.20	\$0.72	\$0.70	1.53%	9/14/18	9/30/21	37
Phipps Power & Fitness	131	1,293	\$840.45	\$10,085.40	\$0.65	\$0.70	1.20%	6/1/16	5/31/19	36
<b>Total</b>		<b>107,338</b>	<b>\$87,419.03</b>	<b>\$1,049,028.36</b>	<b>\$0.81</b>	<b>\$0.90</b>	<b>100.00%</b>			<b>55.6</b>



TURNER AIR  
CROSSING

MIRA LOMA DR

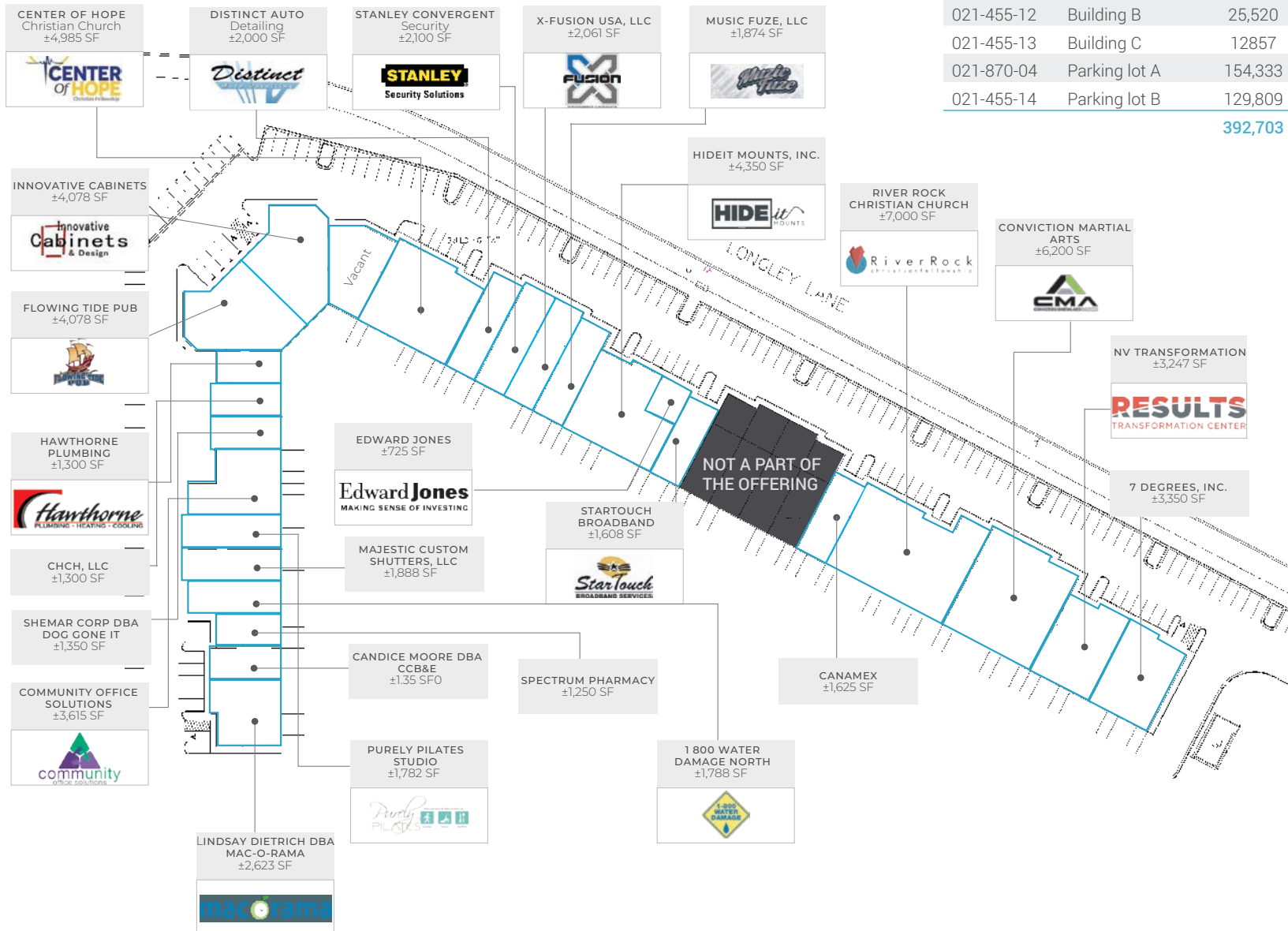
LONGLEY LANE

# SITE PLAN

## BUILDING A

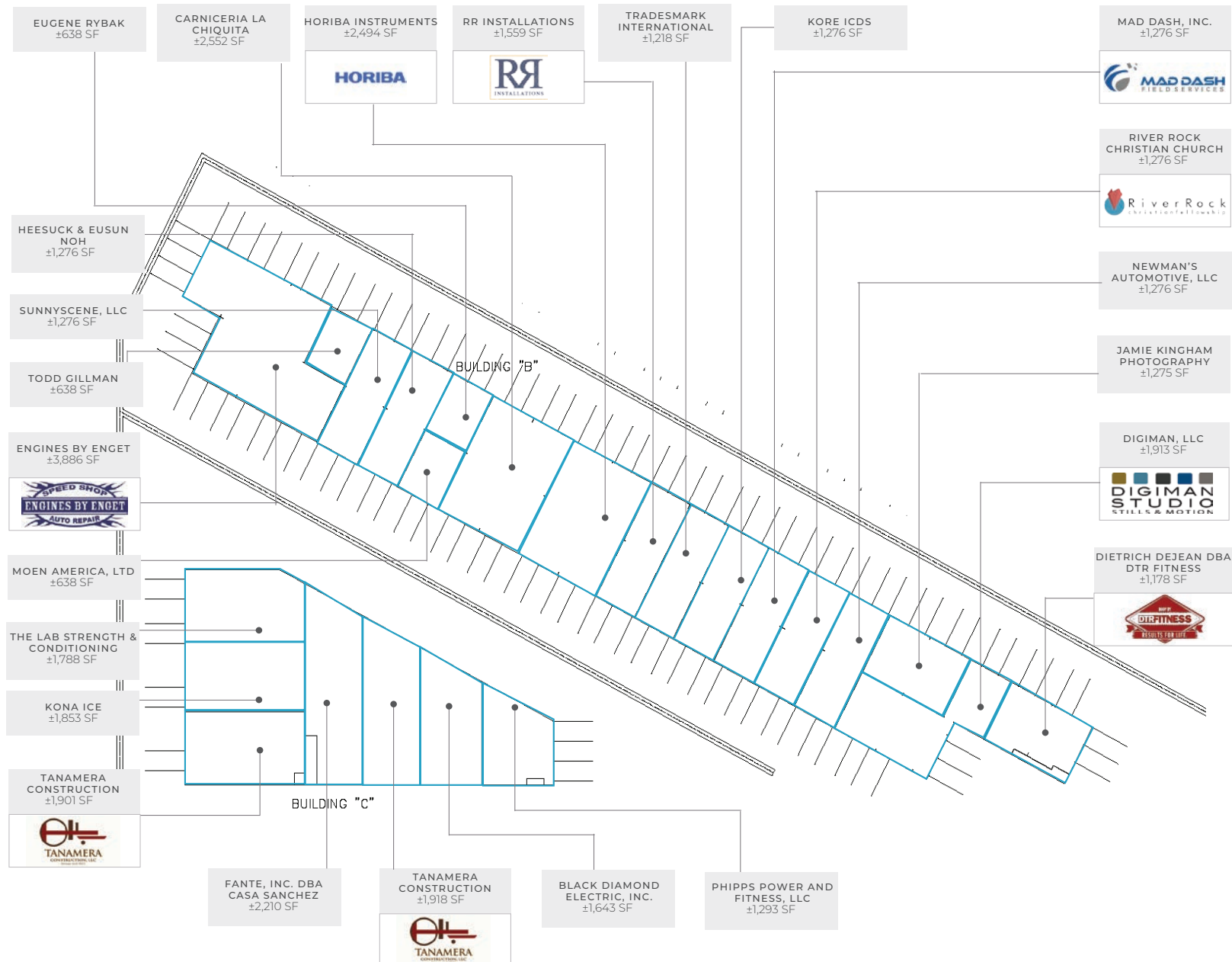
## PARCEL BREAKDOWN

APN	DESCRIPTION	SF	ACRES
021-880-07	Units 1-6	10,880	0.249770432
021-880-03	Units 7-8	4074	0.093526171
021-880-02	Units 9-12	6744	0.154820937
021-870-03	Units 17-42	48486	1.113085399
021-455-12	Building B	25,520	0.585858586
021-455-13	Building C	12857	0.295156107
021-870-04	Parking lot A	154,333	3.542998163
021-455-14	Parking lot B	129,809	2.980004591
		<b>392,703</b>	<b>9.015220386</b>



# SITE PLAN

## BUILDING B/C



RENO TAHOE  
INTERNATIONAL AIRPORT

TURNER AIR  
CROSSING

LONGLEY LANE

MIRA LOMA DR





## CONVICTION MARTIAL ARTS

Conviction Martial Arts (CMA) is an area leading martial arts studio, specializing in Jiu Jitsu and Mixed Martial Arts. The CMA team has over 100 years of combined experience and pride themselves on teaching a curriculum that ensures every black belt is a well-rounded martial artist, not just on the mat, but in life. CMA caters to all age ranges from 4 years old to adulthood. CMA teaches a wide variety of martial arts including Brazilian Jiu Jitsu, Kickboxing, Tae Kwon Do, Muay Thai and American Boxing.



## COMMUNITY OFFICE SOLUTIONS

Community Office Solutions is a business to business office supply company with a unique give back program. A percentage of every order placed is given back to a local charity. Community Office Solutions offers competitive pricing on office supplies as well as next day delivery. The charities are all locally based and rotate monthly to ensure they cover a wide variety of causes. Their product categories include: office supplies, bathroom supplies, janitorial. Breakroom supplies, and office furniture. Community Office Solutions provides an easy way for companies to automatically donate to local charity at no additional cost.



## STARTOUCH BROADBAND SERVICES

StarTouch Inc. is a broadband services company providing high speed data services with fast install times and upgrades, diverse path network redundancy and advanced network technologies on a privately-owned network infrastructure. Startouch Broadband services areas in Oregon, Washington, Idaho and Nevada and prides itself on offering quick solutions to their customer's needs.



## FLOWING TIDE PUB

Flowing Tide Pub is a regional chain of restaurants offering pub style food and gaming in a nautical themed sports bar environment. Flowing Tide has been in business for over 20 years and has grown to 6 locations statewide, including a new location Las Vegas. The Longley Lane location represents store number three and serves as a lunch and happy hour staple for the many neighboring businesses. Flowing Tide Pub offers breakfast, lunch and dinner at all of their locations.



## STANLEY CONVERGENT

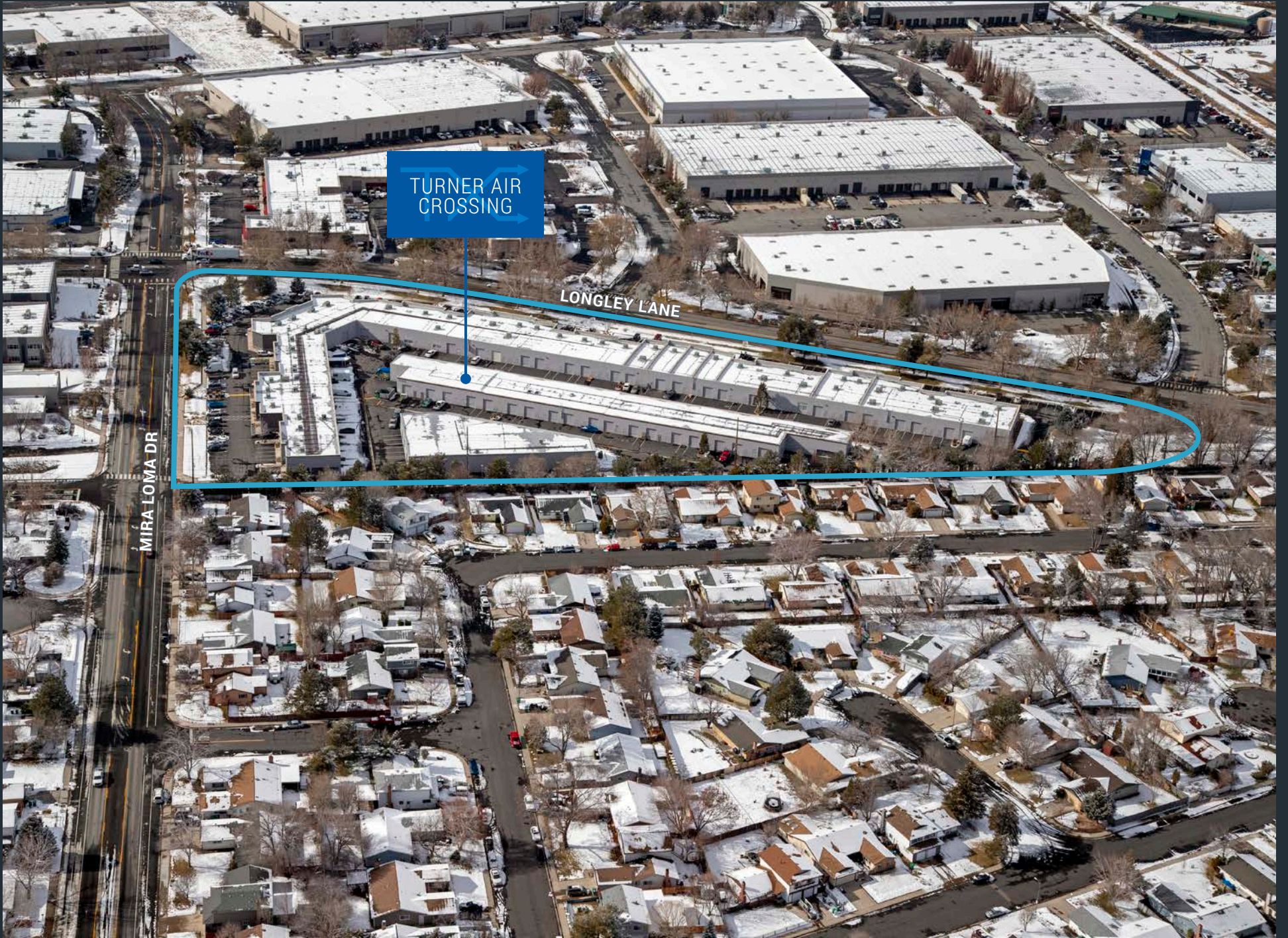
A part of Stanley Black & Decker (NYSE: SWK), STANLEY Convergent Security Solutions, Inc. is the second largest electronic security company based on total revenue and one of the largest system integrators in the United States. STANLEY CSS has over 75 offices serving over 120 of the largest metropolitan markets in North America. STANLEY CSS designs, installs, monitors and services security systems for industrial, government, commercial, residential and national account customers.



## INNOVATIVE CABINETS & DESIGN

Innovative Cabinets & Design is a family owned custom cabinetry company in Reno, NV that specializes in superb craftsmanship, superior customer service and beautiful results for homes and businesses across northern Nevada. Innovative Cabinet & Design has a beautiful 4,000 square foot showroom that showcases their various offerings and abilities. In addition to cabinetry, they also offer various countertop finishes including granite, laminate and tile.





TURNER AIR  
CROSSING

LONGLEY LANE

MIRA LOMA DR



## ENGINES BY ENGET

Engines by Enget specializes in the rebuild and restoration of classic cars. Kelly Enget is renowned for his diagnostic abilities and honest approach to business. Engines by Enget recently expanded their physical shop in order to offer additional services to their clientele while maintaining an immaculate workplace.



## DIGIMAN PHOTOGRAPHY

Digiman Studio is a family run photography and videography business in Reno, NV. Frank Haxton and Becky Murway are a husband and wife team that specialize in business advertising and commercial photography. Both are award-winning advertising photographers with clients across the nation.



## CASA SANCHEZ FOODS

Casa Sanchez is a Mexican-style salsa and tortilla chip company based in San Francisco, California. Beginning in the 1920s as a tortilla manufacturer in the Mission District of San Francisco, then evolving into a salsa company in the 1960s. They currently sell their products in a number of grocers including Safeway, Raley's, and Save Mart.



# TURNER AIR CROSSING

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