

GUIDELINES USED FOR PROPERTY VALUE AS OF 2017

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SEE BELOW FOR DETAILS OF ABOVE ITEMS :

A. HOMES “SOLD” IN RIVER OAK ~ 09/19/16 - 03/01/17

The property “BASE PRICE” of \$ 408,850.00 was determined using the six Homes “Sold” In River Oak from 09/19/16 through 03/01/17. This information can be verified by visiting either Zillow or any other Real Estate site on the Internet. The “square foot” sales prices of these homes were \$ 248.00, \$ 203.00, \$ 218.00, \$ 226.00, \$ 210.00, and \$ 211.00.

Sq. ft. price used to determine “BASE PRICE” of this property = \$ 221.00

\$ 221.00 x 1850 sq. ft. = \$ 408,850.00

**B. UNOBSTRUCTED RIVER VIEWS ~ Add 20% premium
of \$ 81,770.00**

“Unobstructed Water Views can command a 15% to 80% premium”

To verify, search [WHAT IS A GREAT VIEW WORTH?](#) - Dough Roller

What is a Great View Worth?



Depending on what state or country you live in, you might have a different opinion of what a great view is. For some, the ideal living quarters is a house or condo next to the water. For others, it's stepping outside on your patio or porch and overlooking the forestry and world below. But no matter where you live, you can bet that the better the view, the more money you'll have to pay to see it.

How much is a great view worth? The quick answer is that it depends on the location but we just might be able to help you quantify the different types of views and how much additional value they bring to a home. Whether you're looking for a mountain view, ocean view or an unobstructed open view, you first must understand how much the home itself would sell for if there was no view at all.

The best way to evaluate a view would be to find two identical homes, one with a view and one without. See how much one home

sells for vs. the other and contribute the difference to the view and the view alone. Unfortunately, finding homes like this are one-in-a-million, so the only other way would be to come up with qualifiers that add a certain percentage to a home's value, based on the view.

Unobstructed Water View (15% – 80%): The biggest attraction of a view continues to be a large body of water. Whether it's a lake, bay, river or ocean, the value of a property will certainly increase a considerable amount. *This view needs to be unobstructed and the more rooms it can be seen from, the better. Depending on the body of water, the residence can increase in value up to 80%! This would mean that your \$500,000 house has become a \$900,000 house, simply because you see what two-thirds of the Earth is made of.

*** Unobstructed view of Truckee River is from two rooms in home at 190 Stonecrest Drive.**

Scarcity of River Frontage Property

**Article - SF Gate News - Real Estate - homeguides.sfgate.com
According to the U.S. Geological Survey, 70 percent of the Earth's surface is water, most of which is ocean water. Even though water isn't scarce, waterfront land to build upon is. The basic principles of supply and demand dictate that prices go up for a desirable item for which there is a limited supply. The old adage that the three secrets to real estate are "**Location, Location, Location**" holds true here in that being on the water is typically the BEST LOCATION AVAILABLE.**

- C. **PRIVATE ACCESS TO RIVER WITHIN 100 FEET**
- D. **PROPERTY NOT IN 100 YEAR FLOOD PLANE**
- E. **SIERRA MOUNTAIN VIEWS**
- F. **LARGEST LOT IN SUBDIVISION** ~ Add lot premium of \$ 15,000.00

- G. **SOLAR ROOF TOP ENERGY** ~ 3.22 Kw system installed 2010. Add minimum premium value of \$ 20,000.00. See report below.

How Much Does Solar Increase Your Property's Value?

The **National Renewable Energy Lab Report** dated 2014 states each additional \$1 in energy bill savings (from your solar installation) adds \$20 to a home's total value.

This rule of thumb varies depending on a number of factors, including:

- The location of your home and the size of your installation.
- The value of your home. Larger houses usually receive higher nominal boosts in property value. However, this increase often represents a smaller percentage of the total home value.

Recent research shows an average increase in resale value being **\$5,911 for each 1 kilowatt (kW) of solar installed**. In a state like California, a small 3.1 kilowatt (kW) system can add an average of \$18,324 to the value of a medium-sized home. **It's important to note these statistics only apply to today's housing prices and utility rates (2014). As electricity prices go up (as they most certainly will), the advantages of solar energy rise proportionally as well.** In addition, installing solar panels not only helps you fetch a higher asking price, but it can also help your home sell **20% faster** as properties without solar installations. For homeowners who want to reduce exposure, paperwork, and wait times, this can be a huge advantage.

Installing solar panels is one of the safest and wisest investments you can make.

- You enjoy electricity bill savings over the 25 – 30 years of your solar PV system’s lifetime. As utility rates increase, those electricity bill savings grow increasingly large with time. Even if you never sell your home, your installation fully pays for itself many times over.**
- If you do decide to sell, you fetch a higher premium, which again, more than covers the upfront cost of installing solar panels.**

In other words, with the right-sized installation, solar energy is an investment that potentially pays a 200%+ return – far in excess of most any other financial vehicle you can imagine. And unlike most investments on the market, you actually begin enjoying those returns on Day 1.

H. Nevada PUC “Grandfathers” 190 Stonecrest Drive at “Old Lower Solar Rates” for 20 years beginning 01/17

In 2016, the Nevada PUC voted to “Grandfather” 190 Stonecrest Drive, Verdi, Nevada 89439 at the old “lower rates.” beginning January 2017 for 20 years. Normal incremental increases can obviously be expected to occur over time. However, any new owner of the property will now be under the old lower rate structure for this address. As of 01/17, others who installed solar after December 2015 are subject to a higher solar structure unless the Nevada PUC changes their decision in the future...which is unlikely. Those who wish to verify the PUC “Grandfather” issue can contact the Net Metering Dept. at NV Energy - 775-834-4444 or 800-962-0399.

Because of the important PUC decision regarding this property, one can assume additional value could be added to solar.

Add additional "minimum " \$ 5000.00 premium for this valuable factor

TOTAL SOLAR PREMIUM = \$ 25,000.00

3.22 Kw system = \$ 20,000.00

PUC “grandfather” premium = \$ 5000.00

I. IMPROVEMENTS (in addition to solar)

Property acquired in late Fall 2004. Original owners built home in 2001. They made **NO IMPROVEMENTS** to property. Present owners have made over \$ 60,000.00 in improvements to property (not including Solar)

INTERIOR IMPROVEMENTS (“approximate” costs for replacement at today prices including labor and materials)

Solid oak hardwood floors ~ \$ 16,000.00

Construction & install triple pane window living room ~ \$ 3000.00

Preventive sewage “Back Flow” protection device ~ \$ 150.00

New dishwasher ~ \$ 425.00 / New microwave ~ \$ 250.00

Tankless hot water heater ~ \$ 2000.00

Garage custom storage racks ~ \$ 1125.00

Custom water softener & filtration treatment system ~ \$ 2200.00

Custom interior vinyl louvered window shutters ~ \$ 1100.00

Custom "Truckee River Rock" fireplace ~ \$ 1400.00

Custom oak ceiling moulding living room ~ \$ 975.00

Custom moulding ceiling moulding / bedroom No. 1 ~ \$ 250.00

French doors from bedroom No. 2 to outside patio ~ \$ 3000.00

Widen door opening / new door / bedroom No. 1 ~ \$ 1600.00

Tile floor bathroom No. 1 ~ \$ 1125.00

Marble floor bathroom No. 2 ~ \$ 1475.00

Custom window added bedroom No. 2 ~ \$ 850.00

Custom closet / sliding glass doors / bedroom No. 2 ~ \$ 1400.00

Original tuscan mural painting / bedroom No. 1 closet ~ \$ 500.00

Custom sliding doors / storage area laundry room ~ \$ 350.00

Laminated wood flooring kitchen ~ \$ 650.00

Closet shelving upgrades ~ \$ 150.00 / Custom paint ~ \$ 350.00

Built in 80 gallon fish aquarium / living room ~ \$ 1100.00

TOTAL INTERIOR IMPROVEMENTS = \$ 41,425.00

EXTERIOR IMPROVEMENTS (“approximate” costs for replacement at today prices including labor and materials)

Rain gutters ~ \$ 750.00

Custom raised bed redwood patio planters ~ \$ 1180.00

Complete drip watering system / patio & front yard ~ \$ 1350.00

220 Electricity at patio deck for hot tub ~ \$ 350.00

Patio covered gazebo ~ \$ 1100.00

Patio deck ~ \$ 1550.00 / Patio pavers ~ \$ 3200.00

Additional full landscaping including fencing, plants, trees, decorative rock walkways, other rock features ~ \$ 9500.00

Custom wood storage building / small workshop ~ \$ 2200.00

Custom storage shed / landscaping supplies ~ \$ 650.00

New patio fence addition ~ \$ 895.00 / Fixed patio umbrella ~ \$ 325.00

Shortened railing south porch for river view ~ \$ 250.00

TOTAL EXTERIOR IMPROVEMENTS = \$ 23,300.00

**TOTAL INTERIOR & EXTERIOR IMPROVEMENTS
= \$ 64,725.00**

J. LOCATION....LOCATION....LOCATION !

**K. RENO REGION REPORTS AND REAL ESTATE
PROJECTIONS**

RENO GAZETTE ~ Front page 02/21/17 **“Prices To Rise”**

Submitted by the **Reno / Sparks Association of Realtors**

“There was a 14% increase in home values in 2016. Going into Spring 2017, there is a “historic low” in inventory that will result in increased buying activity and upward pressure on prices as the weather warms. The Reno region continues to lead the area in price appreciation. Values continued to increase during January of 2017.....up 2% from December 2016.”

ZILLOW HOME VALUE INDEX ~ Date of report - September 2016

Projects approx. 0.50% per month increase beginning January 2017

Period evaluated ~ September 2015 through September 2016

Reno home values have gone up 13.0% over the past year.

Zillow predicts they will rise 5.4% within the next year.

Reno Market Health Guideline Factor - 8.1/10 - “Very Healthy”

LITTLEBIGHOMES.COM

3 Year Forecast: UP

Forecast Accuracy: 81%

The forecast for the trend in the Reno housing market for the 3 years ending with the 3rd Quarter of 2017 is UP. The Accuracy of the Trend Prediction for Reno is 81%. In other words, when tested against historical data, the forecasting methodology was correct 81% of the time. Accordingly, LittleBigHomes.com estimates that the probability for rising house prices in Reno is 81% during this period. If this Housing Market Forecast is correct, home values will be higher in the 3rd Quarter of 2017 than they were in the 3rd Quarter of 2014. Check this page each quarter for updates to the Reno Real Estate Market Forecast.

Reno Is America's Next Housing Boomtown

- **Farran Powell Follow**
- Nov 3, 2015 5:20 PM EST

- See Full Report Below



Reno, Nev., one of the cities hit hardest from the housing market collapse, is making a strong comeback in real estate with the expansion of incoming technology companies to the area. Big name tech giants Tesla, Apple and data security company Switch all announced plans in the last year to locate to Reno. The area, known for its close proximity to recreational Lake Tahoe, is expecting a flood of tech sector workers over of the next couple of years.

Reno's home prices are already soaring with the prospect of new employers entering the area. The area's median homes sales price rose by 16% since last year, according to the Reno/Sparks Association of Realtors.

A typical Reno home now sales for \$299,250, nearly double the price from the city's recession low in January 2010 when homes fetched a meager \$167,000, according to data from the Northern Nevada Regional multiple listing services. In Fernley, Nev., a city 30 miles from Reno, where online retailer Amazon has relocated its Nevada hub, home prices have risen 23%.

“The overall growth in the lower market is completely on fire with multiple offers say anything under \$500,000 – it's crazy,” said Monica Gore, a Reno real estate agent at Dickson Realty, who has been selling homes in the area for over seven years.

Around 50,000 people are expected to arrive to the area in the next five years, according to the Nevada Association of Realtors.

With the projected population grown, an additional 9,000 homes per year are needed in Reno, according to Economic Development Authority of Western Nevada (EDAWN)) – a local agency that forecasts region's economic outlook.

“We have these executives from the tech sector buying homes [in Reno],” said Gore, who specializes in luxury real estate. “You're really going to see the Tesla effect over the next five years.”

Reno real estate agents say it's not just the entrance of high-paid prospective tech workers who are fueling the local housing market, but many self-employed or entrepreneurial Californians are leaving the Golden State for tax reasons.

“We also have a lot of entrepreneurs, doctors and business owners from California moving to the area who say it's just to hard to do business there.” Gore said. The Silver State has no state income tax, compared to neighboring California that levies a 13% state income tax rate on its residences. The growing tech sector in Reno with its high paid workers is driving home prices upward, said Nela Richardson, an economist at Redfin real estate brokerage.

“[The spike] is across the board in home prices, but particularly in the million dollar plus category,” Richardson said. “Reno is still relatively affordable when compared to other cities for luxury homes.”

Luxury prices in Reno soared 20% year over year, according to special report on luxury sales release by Redfin last month. The Seattle-based brokerage firm says that average luxury home in Reno sales at around \$1.1 million – cheaper than nearby San Francisco, where the average price for a luxury estate is \$5.9 million.

“We’re also seeing an increase in the number of buyers looking for vacation homes here, “ said Reno Redfin agent Jaime Moore. “Many live in the Bay Area, but are buying a second home in Reno.”

Real Estate agents say that the size of the “Biggest Little City” is peaking buyers’ interest with its small size for driving across town and its accessibility to recreation activities in the mountains.

“We’re just an hour from Lake Tahoe and three hours from the Bay Area – this is a hidden gem,” said David Hughes, who has been selling homes in the area for 31 years. “We’re getting some big eyes on Reno including Tesla and other companies as well.”

[DICKSON REALTY, RENO, NEVADA](#) ~ 775-284-4404

Data provided by Altos Research LLC - [November 4, 2016](#)

Average List Price ~ \$ 584,187.00 / Average Price per sq. ft. ~ \$ 183.00

Median Lot Size ~ 9583 / Average No. of baths ~ 2.72

Newly listed ~ 98 / Average age ~ 25

L. 08/04/17 ~ Mayor Hillary Schieve appears on “CBS This Morning TV” program. Provides info on booming Reno

Reno Mayor Hillary Schieve appears on major TV morning news program, “CBS - This Morning.” Invited to share her thoughts and insights regarding “Booming” Reno Real Estate and Business markets. According to Mayor Schieve, many major businesses moving into to region due to tax friendly and business friendly environment. As a result Real Estate has appreciated and **continued below.....**

should continue to appreciate due to many factors....especially the limited residential homes available for amount of people moving into the area. In addition, although Real Estate has appreciated, it is still affordable when compared to significantly higher prices in the San Francisco Bay Area.

M. ASKING PRICE : \$ 589,900.00 (As of 2017)

Base price at \$ 221.00 / sq. ft. ~ 1850 sq. ft x \$ 226.00 = \$ 408,850.00

Unobstructed river view premium from two rooms @ 20% = \$ 81,770.00

Largest lot in subdivision premium = \$ 15,000.00

Solar roof top energy system = \$ 20,000.00

Nevada PUC “grandfather” decision / lower solar rate premium = \$ 5000.00

Improvements ~ \$ 60,000.00 +

$\$ 408,850.00 + \$ 81,770.00 + \$ 15,000.00 + \$ 20,000.00 + \$ 5000.00 + \$ 60,000.00 = \$ 590,620.00$

