

IN THE SUPREME COURT OF THE STATE OF NEVADA

CITY OF LAS VEGAS, A POLITICAL
SUBDIVISION OF THE STATE OF
NEVADA,

Appellant,

vs.

180 LAND CO., LLC, A NEVADA LIMITED-
LIABILITY COMPANY; AND FORE STARS,
LTD., A NEVADA LIMITED-LIABILITY
COMPANY,

Respondents.

180 LAND CO., LLC, A NEVADA LIMITED-
LIABILITY COMPANY; AND FORE STARS,
LTD., A NEVADA LIMITED-LIABILITY
COMPANY,

Appellants/Cross-Respondents,

vs.

CITY OF LAS VEGAS, A POLITICAL
SUBDIVISION OF THE STATE OF
NEVADA,

Respondent/Cross-Appellant.

No. 84345

Electronically Filed
Aug 25 2022 02:55 p.m.
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No. 84640

**JOINT APPENDIX,
VOLUME NO. 87**

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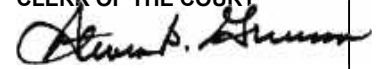
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DISTRICT COURT

CLARK COUNTY, NEVADA

180 LAND CO., LLC, a Nevada limited liability
company, FORE STARS Ltd., DOE
INDIVIDUALS I through X, ROE
CORPORATIONS I through X, and ROE
LIMITED LIABILITY COMPANIES I through
X,

Plaintiffs,

vs.

CITY OF LAS VEGAS, political subdivision of
the State of Nevada, ROE government entities I
through X, ROE CORPORATIONS I through X,
ROE INDIVIDUALS I through X, ROE
LIMITED LIABILITY COMPANIES I through
X, ROE quasi-governmental entities I through X,

Defendant.

Case No.: A-17-758528-J
Dept. No.: XVI

**APPENDIX OF EXHIBITS IN SUPPORT
OF PLAINTIFFS LANDOWNERS'
REPLY IN SUPPORT OF MOTION TO
DETERMINE TAKE AND MOTION FOR
SUMMARY JUDGMENT ON THE FIRST,
THIRD AND FOURTH CLAIMS FOR
RELIEF AND OPPOSITION TO THE
CITY'S COUNTER-MOTION FOR
SUMMARY JUDGMENT**

VOLUME 20

Hearing Date: September 23, 2021

Hearing Time: 1:30 p.m.

The Plaintiffs, 180 Land Co LLC and Fore Stars, Ltd. (hereinafter referred to as
“Landowners”) hereby submit this Appendix of Exhibits in Support of their Reply in Support of
their Motion to Determine Take and Motion for Summary Judgment on the First, Third and Fourth
Claims for Relief which also Opposes the City’s Counter-Motion for Summary Judgment as
follows:

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| Exhibit No. | Description | Vol. No. | Bates No. |
|-------------|--|----------|---------------|
| 1 | Findings of Fact and Conclusions of Law Regarding Plaintiff Landowners' Motion to Determine "Property Interest" | 1 | 000001-000005 |
| 2 | Map 1 of 250 Acre Land | 1 | 000006 |
| 3 | Map 2 of 250 Acre Land | 1 | 000007 |
| 4 | Notice of Related Cases | 1 | 000008-000012 |
| 5 | April 15, 1981 City Commission Minutes | 1 | 000013-000050 |
| 6 | December 20, 1984 City of Las Vegas Planning Commission hearing on General Plan Update | 1 | 000051-000151 |
| 7 | Findings of Fact and Conclusions of Law Regarding Plaintiffs' Motion for New Trial, Motion to Alter or Amend and/or Reconsider the Findings of Fact and Conclusions of Law, Motion to Stay Pending Nevada Supreme Court Directives | 2 | 000152-000164 |
| 8 | ORDER GRANTING the Landowners' Countermotion to Amend/Supplement the Pleadings; DENYING the Landowners' Countermotion for Judicial Determination of Liability on the Landowners' Inverse Condemnation Claims | 2 | 000165-000188 |
| 9 | City's Opposition to Motion to Determine "Property Interest" | 2 | 000189-000216 |
| 10 | City of Las Vegas' Motion for Judgment on the Pleadings on Developer's Inverse Condemnation Claims | 2 | 000217-000230 |
| 11 | Petition for Writ of Mandamus, or in the Alternative, Writ of Prohibition | 2 | 000231-000282 |
| 12 | Supreme Court Order Denying Petition for Writ of Mandamus or Prohibition | 2 | 000283-000284 |
| 13 | Supreme Court Order Denying Rehearing | 2 | 000285-000286 |
| 14 | Supreme Court Order Denying En Banc Reconsideration | 2 | 000287-000288 |

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| 1 | 15 | Motion to Dismiss Complaint for Declaratory and Injunctive Relief and in Inverse Condemnation, <i>Fore Stars, Ltd. Seventy Acres, LLC v. City of Las Vegas, et al.</i> , Case No. A-18-773268-C | 2 | 000289-000308 |
| 2 | 16 | City's Sur Reply Memorandum of Points and Authorities in Support of Motion to Dismiss Complaint for Declaratory and Injunctive Relief and Inverse Condemnation, <i>Fore Stars, Ltd. Seventy Acres, LLC v. City of Las Vegas, et al.</i> , Case No. A-18-773268-C | 2 | 000309-000319 |
| 3 | 17 | City's Proposed Findings of Fact and Conclusion of Law Granting City's Motion to Dismiss Complaint, <i>Fore Stars, Ltd. Seventy Acres, LLC v. City of Las Vegas, et al.</i> , Case No. A-18-773268-C | 2 | 000320-000340 |
| 4 | 18 | Order Denying City of Las Vegas' Motion to Dismiss, <i>Fore Stars, Ltd. Seventy Acres, LLC v. City of Las Vegas, et al.</i> , Case No. A-18-773268-C | 2 | 000341-000350 |
| 5 | 19 | City of Las Vegas' Motion to Dismiss, <i>180 Land Co., LLC v. City of Las Vegas, et al.</i> , Case No. A-18-775804-J | 2 | 000351-000378 |
| 6 | 20 | 2.15.19 Minute Order re City's Motion to Dismiss | 2 | 000379 |
| 7 | 21 | Respondents' Answer Brief, Supreme Court Case No. 75481 | 2 | 000380-000449 |
| 8 | 22 | Order Granting Plaintiffs' Petition for Judicial Review, <i>Jack B. Binion, et al vs. The City of Las Vegas</i> , Case No. A-17-752344-J | 2 | 000450-000463 |
| 9 | 23 | Supreme Court Order of Reversal | 2 | 000464-000470 |
| 10 | 24 | Supreme Court Order Denying Rehearing | 2 | 000471-000472 |
| 11 | 25 | Supreme Court Order Denying En Banc Reconsideration | 2 | 000473-000475 |
| 12 | 26 | Findings of Fact, Conclusions of Law and Judgment Granting Defendants Fore Stars, Ltd., 180 Land Co LLC, Seventy Acres LLC, EHB Companies LLC, Yohan Lowie, Vickie Dehart and Frank Pankratz's NRCP 12(b)(5) Motion to Dismiss Plaintiffs' Amended Complaint | 2 | 000476-000500 |
| 13 | 27 | Notice of Entry of Findings of Fact, Conclusions of Law, Final Order of Judgment, <i>Robert Peccole, et al v. Peccole Nevada Corporation, et al.</i> , Case No. A-16-739654-C | 2 | 000501-000545 |

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| 1 | 28 | Supreme Court Order of Affirmance | 2 | 000546-000550 |
| 2 | 29 | Supreme Court Order Denying Rehearing | 2 | 000551-000553 |
| 3 | 30 | November 1, 2016 Badlands Homeowners Meeting Transcript | 2 | 000554-000562 |
| 4 | 31 | June 13, 2017 Planning Commission Meeting Verbatim Transcript | 2 | 000563-000566 |
| 5 | 32 | Notice of Entry of Findings of Fact and Conclusions of Law Granting City of Las Vegas' Motion for Summary Judgment, <i>180 Land Co. LLC, et al v. City of Las Vegas</i> , Case No. A-18-780184-C | 3 | 000567-000604 |
| 6 | | | | |
| 7 | | | | |
| 8 | 33 | June 21, 2017 City Council Meeting Combined Verbatim Transcript | 3 | 000605-000732 |
| 9 | 34 | Declaration of Yohan Lowie | 3 | 000733-000739 |
| 10 | 35 | Declaration of Yohan Lowie in Support of Plaintiff Landowners' Motion for New Trial and Amend Related to: Judge Herndon's Findings of Fact and Conclusion of Law Granting City of Las Vegas' Motion for Summary Judgment, Entered on December 30, 2020 | 3 | 000740-000741 |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | 36 | Master Declaration of Covenants, Conditions Restrictions and Easements for Queensridge | 3 | 000742-000894 |
| 15 | 37 | Queensridge Master Planned Community Standards - Section C (Custom Lot Design Guidelines) | 3 | 000895-000896 |
| 16 | 38 | Custom Lots at Queensridge Purchase Agreement, Earnest Money Receipt and Escrow Instructions | 3 | 000897-000907 |
| 17 | | | | |
| 18 | 39 | Public Offering Statement for Queensridge North (Custom Lots) | 4 | 000908-000915 |
| 19 | 40 | Deposition of Yohan Lowie, <i>In the Matter of Binion v. Fore Stars</i> | 4 | 000916-000970 |
| 20 | 41 | The City of Las Vegas' Response to Requests for Production of Documents, Set One | 4 | 000971-000987 |
| 21 | | | | |
| 22 | 42 | Respondent City of Las Vegas' Answering Brief, <i>Jack B. Binion, et al v. The City of Las Vegas, et al.</i> , Case No. 17-752344-J | 4 | 000988-001018 |
| 23 | 43 | Ordinance No. 5353 | 4 | 001019-001100 |
| 24 | 44 | Original Grant, Bargain and Sale Deed | 4 | 001101-001105 |

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| 1 | 45 | May 23, 2016 Par 4 Golf Management, Inc.'s letter to Fore Stars, Ltd. re Termination of Lease | 4 | 001106-001107 |
| 2 | 46 | December 1, 2016 Elite Golf Management letter to Mr. Yohan Lowie re: Badlands Golf Club | 4 | 001108 |
| 3 | 47 | October 30, 2018 Deposition of Keith Flatt, <i>Fore Stars, Ltd. v. Allen G. Nel</i> , Case No. A-16-748359-C | 4 | 001109-001159 |
| 4 | 48 | Declaration of Christopher L. Kaempfer | 4 | 001160-001163 |
| 5 | 49 | Clark County Real Property Tax Values | 4 | 001164-001179 |
| 6 | 50 | Clark County Tax Assessor's Property Account Inquiry - Summary Screen | 4 | 001180-001181 |
| 7 | 51 | Assessor's Summary of Taxable Values | 5 | 001182-001183 |
| 8 | 52 | State Board of Equalization Assessor Valuation | 5 | 001184-001189 |
| 9 | 53 | June 21, 2017 City Council Meeting Combined Verbatim Transcript | 5 | 001190-001317 |
| 10 | 54 | August 2, 2017 City Council Meeting Combined Verbatim Transcript | 5 | 001318-001472 |
| 11 | 55 | City Required Concessions signed by Yohan Lowie | 5 | 001473 |
| 12 | 56 | Badlands Development Agreement CLV Comments | 5 | 001474-001521 |
| 13 | 57 | Development Agreement for the Two Fifty, Section Four, Maintenance of the Community | 5 | 001522-001529 |
| 14 | 58 | Development Agreement for the Two Fifty | 5 | 001530-001584 |
| 15 | 59 | The Two Fifty Design Guidelines, Development Standards and Uses | 5 | 001585-001597 |
| 16 | 60 | The Two Fifty Development Agreement's Executive Summary | 5 | 001598 |
| 17 | 61 | Development Agreement for the Forest at Queensridge and Orchestra Village at Queensridge | 5 | 001599-002246 |
| 18 | 62 | Department of Planning Statement of Financial Interest | 6 | 002247-002267 |
| 19 | 63 | December 27, 2016 Justification Letter for General Plan Amendment of Parcel No. 138-31-702-002 from Yohan Lowie to Tom Perrigo | 6 | 002268-002270 |
| 20 | 64 | Department of Planning Statement of Financial Interest | 6 | 002271-002273 |

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| 1 | 65 | January 1, 2017 Revised Justification letter for Waiver on 34.07 Acre Portion of Parcel No. 138-31-702-002 to Tom Perrigo from Yohan Lowie | 6 | 002274-002275 |
| 2 | | | | |
| 3 | 66 | Department of Planning Statement of Financial Interest | 6 | 002276-002279 |
| 4 | 67 | Department of Planning Statement of Financial Interest | 6 | 002280-002290 |
| 5 | | | | |
| 6 | 68 | Site Plan for Site Development Review, Parcel 1 @ the 180, a portion of APN 138-31-702-002 | 6 | 002291-002306 |
| 7 | 69 | December 12, 2016 Revised Justification Letter for Tentative Map and Site Development Plan Review on 61 Lot Subdivision to Tom Perrigo from Yohan Lowie | 6 | 002307-002308 |
| 8 | | | | |
| 9 | 70 | Custom Lots at Queensridge North Purchase Agreement, Earnest Money Receipt and Escrow Instructions | 7 | 002309-002501 |
| 10 | | | | |
| 11 | 71 | Location and Aerial Maps | 7 | 002502-002503 |
| 12 | 72 | City Photos of Southeast Corner of Alta Drive and Hualapai Way | 7 | 002504-002512 |
| 13 | 73 | February 14, 2017 Planning Commission Staff Recommendations | 7 | 002513-002538 |
| 14 | 74 | June 21, 2017 Planning Commission Staff Recommendations | 7 | 002539-002565 |
| 15 | | | | |
| 16 | 75 | February 14, 2017 Planning Commission Meeting Verbatim Transcript | 7 | 002566-002645 |
| 17 | 76 | June 21, 2017 Minute re: City Council Meeting | 7 | 002646-002651 |
| 18 | 77 | June 21, 2017 City Council Staff Recommendations | 7 | 002652-002677 |
| 19 | 78 | August 2, 2017 City Council Agenda Summary Page | 7 | 002678-002680 |
| 20 | | | | |
| 21 | 79 | Department of Planning Statement of Financial Interest | 7 | 002681-002703 |
| 22 | 80 | Bill No. 2017-22 | 7 | 002704-002706 |
| 23 | 81 | Development Agreement for the Two Fifty | 7 | 002707-002755 |
| 24 | 82 | Addendum to the Development Agreement for the Two Fifty | 8 | 002756 |

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| 1 | 83 | The Two Fifty Design Guidelines, Development Standards and Permitted Uses | 8 | 002757-002772 |
| 2 | 84 | May 22, 2017 Justification letter for Development Agreement of The Two Fifty, from Yohan Lowie to Tom Perrigo | 8 | 002773-002774 |
| 3 | 85 | Aerial Map of Subject Property | 8 | 002775-002776 |
| 4 | 86 | June 21, 2017 emails between LuAnn D. Holmes and City Clerk Deputies | 8 | 002777-002782 |
| 5 | 87 | Flood Damage Control | 8 | 002783-002809 |
| 6 | 88 | June 28, 2016 Reasons for Access Points off Hualapai Way and Rampart Blvd. letter from Mark Colloton, Architect, to Victor Balanos | 8 | 002810-002815 |
| 7 | 89 | August 24, 2017 Access Denial letter from City of Las Vegas to Vickie Dehart | 8 | 002816 |
| 8 | 90 | 19.16.100 Site Development Plan Review | 8 | 002817-002821 |
| 9 | 91 | 8.10.17 Application for Walls, Fences, or Retaining Walls | 8 | 002822-002829 |
| 10 | 92 | August 24, 2017 City of Las Vegas Building Permit Fence Denial letter | 8 | 002830 |
| 11 | 93 | June 28, 2017 City of Las Vegas letter to Yohan Lowie Re Abeyance Item - TMP-68482 - Tentative Map - Public Hearing City Council Meeting of June 21, 2017 | 8 | 002831-002834 |
| 12 | 94 | Declaration of Vickie Dehart, <i>Jack B. Binion, et al. v. Fore Stars, Ltd.</i> , Case No. A-15-729053-B | 8 | 002835-002837 |
| 13 | 95 | Supreme Court Order of Affirmance, <i>David Johnson, et al. v. McCarran International Airport, et al.</i> , Case No. 53677 | 8 | 002838-002845 |
| 14 | 96 | De Facto Taking Case Law From State and Federal Jurisdictions | 8 | 002846-002848 |
| 15 | 97 | Department of Planning Application/Petition Form | 8 | 002849-002986 |
| 16 | | | | |
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| 1 | 98 | 11.30.17 letter to City of Las Vegas Re: 180 Land Co LLC ("Applicant"t - Justification Letter for General Plan Amendment [SUBMITTED UNDER PROTEST] to Assessor's Parcel ("APN(st") 138-31-601-008, 138-31- 702-003, 138-31-702-004 (consisting of 132.92 acres collectively "Property"t - from PR-OS (Park, Recreation and Open Space) to ML (Medium Low Density Residential) as part of applications under PRJ-11990, PRJ-11991, and PRJ-71992 | 8 | 002987-002989 |
| 2 | 99 | January 9, 2018 City Council Staff Recommendations | 8 | 002990-003001 |
| 3 | 100 | Item #44 - Staff Report for SDR-72005 [PRJ-71990] - amended condition #6 (renumbered to #7 with added condition) | 8 | 003002 |
| 4 | 101 | January 9, 2018 WVR-72007 Staff Recommendations | 8 | 003003-003027 |
| 5 | 102 | January 9, 2018 WVR-72004, SDR-72005 Staff Recommendations | 8 | 003028-003051 |
| 6 | 103 | January 9, 2018 WVR-72010 Staff Recommendations | 8 | 003052-003074 |
| 7 | 104 | February 21, 2018 City Council Meeting Verbatim Transcript | 8 | 003075-003108 |
| 8 | 105 | May 17, 2018 City of Las Vegas Letter re Abeyance - TMP-72012 [PRJ-71992] - Tentative Map Related to WVR-72010 and SDR-72011 | 9 | 003109-003118 |
| 9 | 106 | May 16, 2018 Council Meeting Verbatim Transcript | 9 | 003119-003192 |
| 10 | 107 | Bill No. 2018-5, Ordinance 6617 | 9 | 003193-003201 |
| 11 | 108 | Bill No. 2018-24, Ordinance 6650 | 9 | 003202-003217 |
| 12 | 109 | November 7, 2018 City Council Meeting Verbatim Transcript | 9 | 003218-003363 |
| 13 | 110 | October 15, 2018 Recommending Committee Meeting Verbatim Transcript | 9 | 003364-003392 |
| 14 | 111 | October 15, 2018 Kaempfer Crowell Letter re: Proposed Bill No. 2018-24 (part 1 of 2) | 10 | 003393-003590 |
| 15 | 112 | October 15, 2018 Kaempfer Crowell Letter re: Proposed Bill No. 2018-24 (part 2 of 2) | 11 | 003591-003843 |

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|----|-----|---|----|---------------|
| 1 | 113 | July 17, 2018 Hutchison & Steffen letter re Agenda Item Number 86 to Las Vegas City Attorney | 11 | 003844-003846 |
| 2 | | | | |
| 3 | 114 | 5.16.18 City Council Meeting Verbatim Transcript | 11 | 003847-003867 |
| 4 | 115 | 5.14.18 Bill No. 2018-5, Councilwoman Fiore Opening Statement | 11 | 003868-003873 |
| 5 | 116 | May 14, 2018 Recommending Committee Meeting Verbatim Transcript | 11 | 003874-003913 |
| 6 | 117 | August 13, 2018 Meeting Minutes | 11 | 003914-003919 |
| 7 | 118 | November 7, 2018 transcript In the Matter of Las Vegas City Council Meeting, Agenda Item 50, Bill No. 2018-24 | 12 | 003920-004153 |
| 8 | | | | |
| 9 | 119 | September 4, 2018 Recommending Committee Meeting Verbatim Transcript | 12 | 004154-004219 |
| 10 | 120 | State of Nevada State Board of Equalization Notice of Decision, <i>In the Matter of Fore Star Ltd., et al.</i> | 12 | 004220-004224 |
| 11 | | | | |
| 12 | 121 | August 29, 2018 Bob Coffin email re Recommend and Vote for Ordinance Bill 2108-24 | 12 | 004225 |
| 13 | 122 | April 6, 2017 Email between Terry Murphy and Bob Coffin | 12 | 004226-004233 |
| 14 | 123 | March 27, 2017 letter from City of Las Vegas to Todd S. Polikoff | 12 | 004234-004235 |
| 15 | | | | |
| 16 | 124 | February 14, 2017 Planning Commission Meeting Verbatim Transcript | 12 | 004236-004237 |
| 17 | 125 | Steve Seroka Campaign letter | 12 | 004238-004243 |
| 18 | 126 | Coffin Facebook Posts | 12 | 004244-004245 |
| 19 | 127 | September 17, 2018 Coffin text messages | 12 | 004246-004257 |
| 20 | 128 | September 26, 2018 email to Steve Seroka re: meeting with Craig Billings | 12 | 004258 |
| 21 | 129 | Letter to Mr. Peter Lowenstein re: City's Justification | 12 | 004259-004261 |
| 22 | 130 | August 30, 2018 email between City Employees | 12 | 004262-004270 |
| 23 | 131 | February 15, 2017 City Council Meeting Verbatim Transcript | 12 | 004271-004398 |
| 24 | 132 | May 14, 2018 Councilman Fiore Opening Statement | 12 | 004399-004404 |

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|----|-----|---|----|---------------|
| 1 | 133 | Map of Peccole Ranch Conceptual Master Plan (PRCMP) | 12 | 004405 |
| 2 | 134 | December 30, 2014 letter to Frank Pankratz re: zoning verification | 12 | 004406 |
| 3 | 135 | May 16, 2018 City Council Meeting Verbatim Transcript | 13 | 004407-004480 |
| 4 | 136 | June 21, 2018 Transcription of Recorded Homeowners Association Meeting | 13 | 004481-004554 |
| 5 | 137 | Pictures of recreational use by the public of the Subject Property | 13 | 004555-004559 |
| 6 | 138 | Appellees' Opposition Brief and Cross-Brief, <i>Del Monte Dunes at Monterey, Ltd., et al. v. City of Monterey</i> | 13 | 004560-004575 |
| 7 | 139 | Respondent City of Las Vegas' Answering Brief, <i>Binion, et al. v. City of Las Vegas, et al.</i> | 13 | 004576-004578 |
| 8 | 140 | Grant, Bargain and Sale Deed | 13 | 004579-004583 |
| 9 | 141 | City's Land Use Hierarchy Chart | 13 | 004584 |
| 10 | 142 | August 3, 2017 deposition of Bob Beers, pgs. 31-36 - <i>The Matter of Binion v. Fore Stars</i> | 13 | 004585-004587 |
| 11 | 143 | November 2, 2016 email between Frank A. Schreck and George West III | 13 | 004588 |
| 12 | 144 | January 9, 2018 email between Steven Seroka and Joseph Volmar re: Opioid suit | 13 | 004589-004592 |
| 13 | 145 | May 2, 2018 email between Forrest Richardson and Steven Seroka re Las Vegas Badlands Consulting/Proposal | 13 | 004593-004594 |
| 14 | 146 | November 16, 2017 email between Steven Seroka and Frank Schreck | 13 | 004595-004597 |
| 15 | 147 | June 20, 2017 representation letter to Councilman Bob Coffin from Jimmerson Law Firm | 13 | 004598-004600 |
| 16 | 148 | September 6, 2017, City Council Verbatim Transcript | 13 | 004601-004663 |
| 17 | 149 | December 17, 2015 LVRJ Article, Group that includes rich and famous files suit over condo plans | 13 | 004664-04668 |

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|----|-----|---|------------|----------------------|
| 1 | 150 | Affidavit of Donald Richards with referenced pictures attached | 14, 15, 16 | 004669-004830 |
| 2 | 151 | 65 Acres Combined Clark County Tax Assessor Summary of Taxable Values | 17 | 004831-004836 |
| 3 | 152 | Clark County Assessor Valuation (includes 65 Acre Parcel) | 17 | 004837-004861 |
| 4 | 153 | Taxes Assessed on 65 Acre Property | 17 | 004862-004864 |
| 5 | 154 | (1990) Zoning Ordinance Z-17-90 including the Peccole Ranch Plan (1990) | 17 | 004865-004921 |
| 6 | 155 | 04.11.84 Attorney General Opinion No. 84-6 | 17 | 004922-004928 |
| 7 | 156 | <u>Moccasin & 95, LLC v. City of Las Vegas</u>, Eighth Judicial Dist. Crt. Case no. A-10-627506, 12.13.11 City of Las Vegas' Opposition to Plaintiff Landowner's Motion for Partial Summary Judgment on Liability for a Taking (partial) | 17 | 004929-004933 |
| 8 | 157 | Affidavit of Bryan K. Scott | 17 | 004934-004935 |
| 9 | 158 | Affidavit of James B. Lewis | 17 | 004936-004937 |
| 10 | 159 | 12.05.16 Deposition Transcript of Tom Perrigo in case <u>Binion v. Fore Stars</u> | 18 | 004938-004946 |
| 11 | 160 | December 2016 Deposition Transcript of Peter Lowenstein in case Binion v. Fore Stars | 18 | 004947-005008 |
| 12 | 161 | 2050 City of Las Vegas Master Plan (Excerpts) | 19 | 005009-005011 |
| 13 | 162 | City of Las Vegas Ordinance No. 3636 | 19 | 005012-005020 |
| 14 | 163 | 10.18.16 Special Planning Commission Meeting Transcript (partial) | 19 | 005021-005026 |
| 15 | 164 | 05.16.18 City Council Meeting Partial Transcript | 19 | 005027 |
| 16 | 165 | 04.15.81 City of Las Vegas Commission Minutes re Zone Change Z-34-81 | 19 | 005028-005065 |
| 17 | 166 | Fore Stars Membership Interest Purchase and Sale Agreement, dated Dec. 1, 2014 | 19 | 005066-005082 |
| 18 | 167 | LVMC 19.16.090 | 19 | 005083-005088 |
| 19 | 168 | LVMC 19.10.050 R-PD Residential Planned Development District | 19 | 005089 |

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|----|-----|---|----|-----------------|
| 1 | 169 | LVMC 19.18.020 | 19 | 005090 |
| 2 | 170 | LVMC 19.12010 CLV Land Use Tables | 19 | 005091-005092 |
| 3 | 171 | LVMC 19.06.100 R-2 Medium-Low Density Residential District Designation | 19 | 005093-005097 |
| 4 | 172 | 11.30.16 Findings of Fact, Conclusions of Law, and Judgment Granting Defendants' NRC | 19 | 005098-005122 |
| 5 | | 12(b)(5) Motion to Dismiss Plaintiffs' Amended Complaint, <u>Robert N. Peccole v. Peccole Nevada Corp. et al.</u> , Case No. A-16-739654-C | | |
| 6 | | | | |
| 7 | 173 | 01.31.17 Notice of Entry of Findings of Fact, Conclusions of Law, Final Order, and Judgment, <u>Robert N. Peccole v. Peccole Nevada Corp. et al.</u> , Case No. A-16-739654-C | 19 | 005123-005167 |
| 8 | | | | |
| 9 | | | | |
| 10 | 174 | 11.27.18 NV Supreme Court Order Denying Rehearing, <u>Robert N. Peccole v. Fore Stars, Ltd. et al.</u> , Case No. 72410 | 19 | 005168-005170 |
| 11 | | | | |
| 12 | 175 | 10.17.18 NV Supreme Court Order of Affirmance, <u>Robert N. Peccole v. Fore Stars, Ltd. et al.</u> , Case No. 72455 | 19 | 005171-005175 |
| 13 | | | | |
| 14 | 176 | 09.21.17 Clark County Assessor Appraisal Division Stipulation for the State Board of Equalization | 19 | 005176-005178 |
| 15 | | | | |
| 16 | 177 | Chapter 278 applicable as of 1992 | 20 | 005179 – 005190 |
| 17 | | | | |
| 18 | 178 | 10.16.030 General Plan Amendment | 20 | 005191-005195 |
| 19 | | | | |
| 20 | 179 | City Master Plan Land Use Designations, showing the C-V zoning and PR-OS as consistent uses | 20 | 005196-005198 |
| 21 | | | | |
| 22 | 180 | Letter from Landowners' attorney James Jimmerson to City Attorney Brad Jerbic dated December 7, 2016. | 20 | 005199-005207 |
| 23 | | | | |
| 24 | 181 | Email from Peter Lowenstein to Landowners re submission of General Plan Amendment application filed under protest, dated November 13, 2017 | 20 | 005208 |
| | | | | |
| | 182 | Letter from Landowners to Peter Lowenstein re GPA Justification dated November 30, 2017 | 20 | 005209-005211 |
| | | | | |
| | 183 | The DiFederico Group Expert Report | 20 | 005212-005347 |

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| 184 | Appraisal Report by Lubawy & Associates | 20 | 005348-005350 |
| 185 | Declaration of Tio DiFederico | 20 | 005351-005352 |
| 186 | November 1, 2016 Transcript of Badlands Homeowners Meeting | 20 | 00535- 005361 |
| 187 | August 16, 2019 Deposition Transcript of Clyde O. Spitze (In the matter of 180 Land Co. LLC vs City of Las Vegas, et al., A-17-758528-J) | 20 | 005362-005376 |
| 188 | Clark County Ordinance 728 | 20 | 005377-005390 |
| 189 | January 7, 2019 Email from Robert Summerfield to Frank Pankratz | 20 | 005391 |
| 190 | Clark County Ordinance 1221 | 20 | 005392-005408 |
| 191 | Certified Videotaped Deposition Transcript of Peter Lowenstein- Volumes 1 & 2 | 21 | 005409- 006061 |
| 192 | Declaration of Elizabeth Ghanem Ham in Support of Plaintiffs' (1) Evidentiary Hearing Brief #1: Memorandum of Points and Authorities Regarding the Landowners' Property Interest; and (2) Evidentiary Hearing Brief #2: Memorandum of Points and Authorities Regarding the City's Actions Which Have Resulted in a Taking of the Landowners' Property | 21 | 006062-006070 |
| 193 | Declaration of Frank Pankratz Support of Plaintiff Landowners' Reply in Support of: Plaintiff Landowners' Evidentiary Hearing Brief #1: Memorandum of Points and Authorities Regarding the Landowners' Property Interest; and (2) Evidentiary Hearing Brief #2: Memorandum of Points and Authorities Regarding the City's Actions Which Have Resulted in a Taking of the Landowners' Property | 21 | 006071-006075 |

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|-----|--|----|---------------|
| 194 | Declaration of Yohan Lowie in Support of Plaintiff Landowners' Reply in Support of: Plaintiff Landowners' Evidentiary Hearing Brief #1: Memorandum of Points and Authorities Regarding the Landowners' Property Interest; and (2) Evidentiary Hearing Brief #2: Memorandum of Points and Authorities Regarding the City's Actions Which Have Resulted in a Taking of the Landowners' Property | 21 | 006076-006083 |
| 195 | Declaration of Stephanie Allen, Esq., which Supports Plaintiff Landowners' Reply in Support of: Plaintiff Landowners' Evidentiary Hearing Brief #1: Memorandum of Points and Authorities Regarding the Landowners' Property Interest; and (2) Evidentiary Hearing Brief #2: Memorandum of Points and Authorities Regarding the City's Actions Which Have Resulted in a Taking of the Landowners' Property | 21 | 006084-006089 |
| 196 | January 3, 2018 CLV Agenda Memo-Planning-Staff Recommendation of Denial | 21 | 006090-006098 |
| 197 | City Council Meeting of January 17, 2018 Transcript re Agenda Items 74-75 | 21 | 006099-006117 |
| 198 | May 13, 2021 Transcript of Hearing re City's Motion for Reconsideration of Order Granting in Part and Denying in Part the Landowners' Motion to Compel the City to Answer Interrogatories | 21 | 006118-006213 |

DATED this 15th day of September, 2021.

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Exhibit 177

(REPRINTED WITH ADOPTED AMENDMENTS)

SECOND REPRINT

A.B. 182

ASSEMBLY BILL NO. 182—COMMITTEE ON GOVERNMENT AFFAIRS

FEBRUARY 19, 2001

Referred to Committee on Government Affairs

SUMMARY --Makes various changes to process of land use planning in certain counties and revises provisions regarding members of town advisory boards in certain counties. (BDR 22-57)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

EXPLANATION -- Matter in *bolded italics* is new; matter between brackets ~~(omitted material)~~ is material to be omitted.

AN ACT relating to land use planning; expanding the subjects that must be addressed in a master plan in certain counties; limiting the number of annual amendments to the land use plan of the master plan or portions thereof in certain circumstances; revising provisions governing applications for changes in the boundaries of zoning districts and special use permits with regard to property located within certain unincorporated towns; requiring members of a town advisory board to receive certain training; authorizing the election of and providing limitations on the terms of members of town advisory boards in certain counties; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** NRS 278.150 is hereby amended to read as follows:
2 278.150 1. The planning commission shall prepare and adopt a
3 comprehensive, long-term general plan for the physical development of the
4 city, county or region which in the commission's judgment bears relation
5 to the planning thereof.
6 2. The plan must be known as the master plan, and must be so
7 prepared that all or portions thereof, except as *otherwise* provided in
8 ~~(subsection 3,)~~ *subsections 3 and 4*, may be adopted by the governing
9 body, as provided in NRS 278.010 to 278.630, inclusive, as a basis for the
10 development of the city, county or region for such reasonable period of
11 time next ensuing after the adoption thereof as may practically be covered
12 thereby.
13 3. In counties whose population is 100,000 or more ~~(,)~~ *but less than*
14 *400,000*, if the governing body of the city or county adopts only a portion
15 of the master plan, it shall include in that portion a conservation plan, a
16 housing plan and a population plan as provided in NRS 278.160.



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1 4. In counties whose population is 400,000 or more, the governing
2 body of the city or county shall adopt a master plan for all of the city or
3 county that must address each of the subjects set forth in subsection 1 of
4 NRS 278.160.

5 Sec. 2. NRS 278.160 is hereby amended to read as follows:

6 278.160 1. ~~The~~ Except as otherwise provided in subsection 4 of
7 NRS 278.150 and subsection 3 of NRS 278.170, the master plan, with the
8 accompanying charts, drawings, diagrams, schedules and reports, may
9 include such of the following subject matter or portions thereof as are
10 appropriate to the city, county or region, and as may be made the basis for
11 the physical development thereof:

12 (a) Community design. Standards and principles governing the
13 subdivision of land and suggestive patterns for community design and
14 development.

15 (b) Conservation plan. For the conservation, development and
16 utilization of natural resources, including, without limitation, water and its
17 hydraulic force, underground water, water supply, forests, soils, rivers and
18 other waters, harbors, fisheries, wildlife, minerals and other natural
19 resources. The plan must also cover the reclamation of land and waters,
20 flood control, prevention and control of the pollution of streams and other
21 waters, regulation of the use of land in stream channels and other areas
22 required for the accomplishment of the conservation plan, prevention,
23 control and correction of the erosion of soils through proper clearing,
24 grading and landscaping, beaches and shores, and protection of watersheds.
25 The plan must also indicate the maximum tolerable level of air pollution.

26 (c) Economic plan. Showing recommended schedules for the allocation
27 and expenditure of public money in order to provide for the economical
28 and timely execution of the various components of the plan.

29 (d) Historical properties preservation plan. An inventory of significant
30 historical, archaeological and architectural properties as defined by a city,
31 county or region, and a statement of methods to encourage the preservation
32 of those properties.

33 (e) Housing plan. The housing plan must include, without limitation:

34 (1) An inventory of housing conditions, needs and plans and
35 procedures for improving housing standards and for providing adequate
36 housing.

37 (2) An inventory of affordable housing in the community.

38 (3) An analysis of the demographic characteristics of the community.

39 (4) A determination of the present and prospective need for
40 affordable housing in the community.

41 (5) An analysis of any impediments to the development of affordable
42 housing and the development of policies to mitigate those impediments.

43 (6) An analysis of the characteristics of the land that is the most
44 appropriate for the construction of affordable housing.

45 (7) An analysis of the needs and appropriate methods for the
46 construction of affordable housing or the conversion or rehabilitation of
47 existing housing to affordable housing.

48 (8) A plan for maintaining and developing affordable housing to meet
49 the housing needs of the community.



1 (f) Land use plan. An inventory and classification of types of natural
2 land and of existing land cover and uses, and comprehensive plans for the
3 most desirable utilization of land. The land use plan may include a
4 provision concerning the acquisition and use of land that is under federal
5 management within the city, county or region, including, without
6 limitation, a plan or statement of policy prepared pursuant to NRS
7 321.7355.

8 (g) Population plan. An estimate of the total population which the
9 natural resources of the city, county or region will support on a continuing
10 basis without unreasonable impairment.

11 (h) Public buildings. Showing locations and arrangement of civic
12 centers and all other public buildings, including the architecture thereof
13 and the landscape treatment of the grounds thereof.

14 (i) Public services and facilities. Showing general plans for sewage,
15 drainage and utilities, and rights of way, easements and facilities therefor,
16 including, without limitation, any utility projects required to be reported
17 pursuant to NRS 278.145.

18 (j) Recreation plan. Showing a comprehensive system of recreation
19 areas, including, without limitation, natural reservations, parks, parkways,
20 trails, reserved riverbank strips, beaches, playgrounds and other recreation
21 areas, including, when practicable, the locations and proposed development
22 thereof.

23 (k) Rural neighborhoods preservation plan. In any county whose
24 population is 400,000 or more, showing general plans to preserve the
25 character and density of rural neighborhoods.

26 (l) Safety plan. In any county whose population is 400,000 or more,
27 identifying potential types of natural and man-made hazards, including,
28 without limitation, hazards from floods, landslides or fires, or resulting
29 from the manufacture, storage, transfer or use of bulk quantities of
30 hazardous materials. The plan may set forth policies for avoiding or
31 minimizing the risks from those hazards.

32 (m) School facilities plan. Showing the general locations of current and
33 future school facilities based upon information furnished by the appropriate
34 local school district.

35 (n) Seismic safety plan. Consisting of an identification and appraisal of
36 seismic hazards such as susceptibility to surface ruptures from faulting, to
37 ground shaking or to ground failures.

38 (o) Solid waste disposal plan. Showing general plans for the disposal of
39 solid waste.

40 (p) Streets and highways plan. Showing the general locations and
41 widths of a comprehensive system of major traffic thoroughfares and other
42 traffic ways and of streets and the recommended treatment thereof,
43 building line setbacks, and a system of naming or numbering streets and
44 numbering houses, with recommendations concerning proposed changes.

45 (q) Transit plan. Showing a proposed *multimodal* system of transit
46 lines, including ~~rapid~~ mass transit, streetcar, motorcoach and trolley
47 coach lines, *paths for bicycles and pedestrians*, and related facilities.

48 (r) Transportation plan. Showing a comprehensive transportation
49 system, including, without limitation, locations of rights of way, terminals,



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1 viaducts and grade separations. The plan may also include port, harbor,
2 aviation and related facilities.

3 2. The commission may prepare and adopt, as part of the master plan,
4 other and additional plans and reports dealing with such other subjects as
5 may in its judgment relate to the physical development of the city, county
6 or region, and nothing contained in NRS 278.010 to 278.630, inclusive,
7 prohibits the preparation and adoption of any such subject as a part of the
8 master plan.

9 Sec. 3. NRS 278.170 is hereby amended to read as follows:

10 278.170 1. ~~{The}~~ *Except as otherwise provided in subsections 2 and*
11 *3, the* commission may prepare and adopt all or any part of the master plan
12 or any subject thereof ~~{, except as provided in subsection 2,}~~ for all or any
13 part of the city, county or region. Master regional plans must be
14 coordinated with similar plans of adjoining regions, and master county and
15 city plans within each region must be coordinated so as to fit properly into
16 the master plan for the region.

17 2. In counties whose population is 100,000 or more ~~{,}~~ *but less than*
18 *400,000*, if the commission prepares and adopts less than all subjects of the
19 master plan, as outlined in NRS 278.160, it shall include, in its preparation
20 and adoption, the conservation, housing and population plans described in
21 that section.

22 3. *In counties whose population is 400,000 or more, the commission*
23 *shall prepare and adopt a master plan for all of the city or county that*
24 *must address each of the subjects set forth in subsection 1 of NRS*
25 *278.160.*

26 Sec. 4. NRS 278.210 is hereby amended to read as follows:

27 278.210 1. Before adopting the master plan or any part of it ~~{,}~~ *in*
28 *accordance with NRS 278.170*, or any substantial amendment thereof, the
29 commission shall hold at least one public hearing thereon, notice of the
30 time and place of which ~~{shall}~~ *must* be given at least by one publication in
31 a newspaper of general circulation in the city or county, or in the case of a
32 regional planning commission, by one publication in a newspaper in each
33 county within the regional district, at least 10 days before the day of the
34 hearing.

35 2. The adoption of the master plan, or of any amendment, extension or
36 addition thereof, ~~{shall}~~ *must* be by resolution of the commission carried by
37 the affirmative votes of not less than two-thirds of the total membership of
38 the commission. The resolution ~~{shall}~~ *must* refer expressly to the maps,
39 descriptive matter and other matter intended by the commission to
40 constitute the plan or any amendment, addition or extension thereof, and
41 the action taken ~~{shall}~~ *must* be recorded on the map and plan and
42 descriptive matter by the identifying signatures of the secretary and
43 chairman of the commission.

44 3. No plan or map, hereafter, ~~{shall}~~ *may* have indicated thereon that it
45 is a part of the master plan until it ~~{shall have}~~ *has* been adopted as part of
46 the master plan by the commission as herein provided for the adoption
47 thereof, whenever changed conditions or further studies by the commission
48 require such amendments, extension, or addition.



1 4. *Except as otherwise provided in this subsection, the commission*
2 *shall not amend the land use plan of the master plan set forth in*
3 *paragraph (f) of subsection 1 of NRS 278.160, or any portion of such a*
4 *land use plan, more than four times in a calendar year. The provisions of*
5 *this subsection do not apply to a change in the land use designated for a*
6 *particular area if the change does not affect more than 25 percent of the*
7 *area.*

8 5. An attested copy of any part, amendment, extension of or addition
9 to the master plan adopted by the planning commission of any city, county
10 or region ~~shall~~ *in accordance with NRS 278.170 must* be certified to the
11 governing body of ~~such~~ *the* city, county or region.

12 ~~5.~~ 6. An attested copy of any part, amendment, extension of or
13 addition to the master plan adopted by any regional planning commission
14 ~~shall~~ *must* be certified to the county planning commission and to the
15 board of county commissioners of each county within the regional district.

16 Sec. 5. NRS 278.220 is hereby amended to read as follows:

17 278.220 *Except as otherwise provided in subsection 4 of NRS*
18 *278.150:*

19 1. Upon receipt of a certified copy of the master plan, or of any part
20 thereof, as adopted by the planning commission, the governing body may
21 adopt such parts thereof as may practicably be applied to the development
22 of the city, county or region for a reasonable period of time next ensuing.

23 2. The parts ~~shall~~ *must* thereupon be endorsed and certified as master
24 plans thus adopted for the territory covered, and are hereby declared to be
25 established to conserve and promote the public health, safety and general
26 welfare.

27 3. Before adopting any plan or part thereof, the governing body shall
28 hold at least one public hearing thereon, notice of the time and place of
29 which ~~shall~~ *must* be published at least once in a newspaper of general
30 circulation in the city or counties at least 10 days before the day of hearing.

31 4. No change in or addition to the master plan or any part thereof, as
32 adopted by the planning commission, ~~shall~~ *may* be made by the
33 governing body in adopting the same until the proposed change or addition
34 ~~shall have~~ *has* been referred to the planning commission for a report
35 thereon and an attested copy of the report ~~shall have~~ *has* been filed with
36 the governing body. Failure of the planning commission so to report within
37 40 days, or such longer period as may be designated by the governing
38 body, after such reference shall be deemed to be approval of the proposed
39 change or addition.

40 Sec. 6. NRS 278.230 is hereby amended to read as follows:

41 278.230 1. ~~Whenever~~ *Except as otherwise provided in subsection*
42 *4 of NRS 278.150, whenever* the governing body of any city or county has
43 adopted a master plan or part thereof for the city or county, or for any
44 major section or district thereof, the governing body shall, upon
45 recommendation of the planning commission, determine upon reasonable
46 and practical means for putting into effect the master plan or part thereof,
47 in order that the same will serve as:

48 (a) A pattern and guide for that kind of orderly physical growth and
49 development of the city or county which will cause the least amount of



1 natural resource impairment and will conform to the adopted population
2 plan, where required, and ensure an adequate supply of housing, including
3 affordable housing; and

4 (b) A basis for the efficient expenditure of funds thereof relating to the
5 subjects of the master plan.

6 2. The governing body may adopt and use such procedure as may be
7 necessary for this purpose.

8 Sec. 7. NRS 278.260 is hereby amended to read as follows:

9 278.260 1. The governing body shall provide for the manner in
10 which zoning regulations and restrictions and the boundaries of zoning
11 districts are determined, established, enforced and amended.

12 2. A zoning regulation, restriction or boundary *or an amendment*
13 *thereto* must not become effective until after *transmittal of a copy of the*
14 *relevant application to the town board, citizens' advisory council or town*
15 *advisory board pursuant to subsection 5, if applicable, and after a public*
16 *hearing at which parties in interest and other persons have an opportunity*
17 *to be heard. The governing body shall cause notice of the time and place of*
18 *the hearing to be:*

19 (a) Published in an official newspaper, or a newspaper of general
20 circulation, in the city, county or region; and

21 (b) Mailed to each tenant of a mobile home park if that park is located
22 within 300 feet of the property in question,
23 at least 10 days before the hearing.

24 3. If ~~the~~ a proposed amendment involves a change in the boundary of
25 a zoning district in a county whose population is less than 400,000, the
26 governing body shall, to the extent this notice does not duplicate the notice
27 required by subsection 2, cause a notice to be sent at least 10 days before
28 the hearing to:

29 (a) The applicant;

30 (b) Each owner, as listed on the county assessor's records, of real
31 property located within 300 feet of the portion of the boundary being
32 changed;

33 (c) Each ~~owner,~~ *of the owners*, as listed on the county assessor's
34 records, of at least *the* 30 parcels nearest to the portion of the boundary
35 being changed, to the extent this notice does not duplicate the notice given
36 pursuant to paragraph (b); and

37 (d) Any advisory board which has been established for the affected area
38 by the governing body.

39 The notice must be sent by mail or, if requested by a party to whom notice
40 must be provided pursuant to paragraphs (a) to (d), inclusive, by electronic
41 means if receipt of such an electronic notice can be verified, and be written
42 in language which is easy to understand. The notice must set forth the time,
43 place and purpose of the hearing and a physical description of, or a map
44 detailing, the proposed change, must indicate the existing zoning
45 designation, and the proposed zoning designation, of the property in
46 question, and must contain a brief summary of the intent of the proposed
47 change. If the proposed amendment involves a change in the boundary of
48 the zoning district that would reduce the density or intensity with which a
49 parcel of land may be used, the notice must include a section that an owner



1 of property may complete and return to the governing body to indicate his
2 approval of or opposition to the proposed amendment.

3 4. If ~~the~~ a proposed amendment involves a change in the boundary of
4 a zoning district in a county whose population is 400,000 or more, the
5 governing body shall, to the extent this notice does not duplicate the notice
6 required by subsection 2, cause a notice to be sent at least 10 days before
7 the hearing to:

8 (a) The applicant;

9 (b) Each owner, as listed on the county assessor's records, of real
10 property located within 500 feet ~~from~~ of the portion of the boundary
11 being changed;

12 (c) Each ~~owner~~ of the owners, as listed on the county assessor's
13 records, of at least the 30 parcels nearest to the portion of the boundary
14 being changed, to the extent this notice does not duplicate the notice given
15 pursuant to paragraph (b); and

16 (d) Any advisory board which has been established for the affected area
17 by the governing body.

18 The notice must be sent by mail or, if requested by a party to whom notice
19 must be provided pursuant to paragraphs (a) to (d), inclusive, by electronic
20 means if receipt of such an electronic notice can be verified, and be written
21 in language which is easy to understand. The notice must set forth the time,
22 place and purpose of the hearing and a physical description of, or a map
23 detailing, the proposed change, must indicate the existing zoning
24 designation, and the proposed zoning designation, of the property in
25 question, and must contain a brief summary of the intent of the proposed
26 change. If the proposed amendment involves a change in the boundary of
27 the zoning district that would reduce the density or intensity with which a
28 parcel of land may be used, the notice must include a section that an owner
29 of property may complete and return to the governing body to indicate his
30 approval of or opposition to the proposed amendment.

31 5. *If an application is filed with the governing body and the*
32 *application involves a change in the boundary of a zoning district within*
33 *an unincorporated town that is located more than 10 miles from an*
34 *incorporated city, the governing body shall, at least 10 days before the*
35 *hearing on the application is held pursuant to subsection 2, transmit a*
36 *copy of any information pertinent to the application to the town board,*
37 *citizens advisory council or town advisory board, whichever is applicable,*
38 *of the unincorporated town. The town board, citizens' advisory council*
39 *or town advisory board may make recommendations regarding the*
40 *application and submit its recommendations before the hearing on the*
41 *application is held pursuant to subsection 2. The governing body or other*
42 *authorized person or entity conducting the hearing shall consider any*
43 *recommendations submitted by the town board, citizens' advisory council*
44 *or town advisory board regarding the application and, within 10 days*
45 *after making its decision on the application, transmit a copy of its*
46 *decision to the town board, citizens' advisory council or town advisory*
47 *board.*

48 6. If a notice is required to be sent pursuant to subsection 4:

49 (a) The exterior of a notice sent by mail; or



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(b) The cover sheet, heading or subject line of a notice sent by electronic means, must bear a statement in at least 10-point bold type or font in substantially the following form:

OFFICIAL NOTICE OF PUBLIC HEARING

~~{6.}~~ 7. In addition to sending the notice required pursuant to subsection 4, in a county whose population is 400,000 or more, the governing body shall, not later than 10 days before the hearing, erect or cause to be erected on the property, at least one sign not less than 2 feet high and 2 feet wide. The sign must be made of material reasonably calculated to withstand the elements for 40 days. The governing body must be consistent in its use of colors for the background and lettering of the sign. The sign must include the following information:

- (a) The existing zoning designation of the property in question;
- (b) The proposed zoning designation of the property in question;
- (c) The date, time and place of the public hearing;
- (d) A telephone number which may be used by interested persons to obtain additional information; and
- (e) A statement which indicates whether the proposed zoning designation of the property in question complies with the requirements of the master plan of the city or county in which the property is located.

~~{7.}~~ 8. A sign required pursuant to subsection ~~{6.}~~ 7 is for informational purposes only, and must be erected regardless of any local ordinance regarding the size, placement or composition of signs to the contrary.

~~{8.}~~ 9. A governing body may charge an additional fee for each application to amend an existing zoning regulation, restriction or boundary to cover the actual costs resulting from the mailed notice required by this section and the erection of not more than one of the signs required by subsection ~~{6.}~~ 7, if any. The additional fee is not subject to the limitation imposed by NRS 354.5989.

~~{9.}~~ 10. The governing body shall remove or cause to be removed any sign required by subsection ~~{6.}~~ 7 within 5 days after the final hearing for the application for which the sign was erected. There must be no additional charge to the applicant for such removal.

~~{10.}~~ 11. If a proposed amendment involves a change in the boundary of a zoning district in a county whose population is 400,000 or more that would reduce the density or intensity with which a parcel of land may be used and at least 20 percent of the property owners to whom notices were sent pursuant to ~~{subsections 3 and}~~ subsection 4 indicate in their responses opposition to the proposed amendment, the governing body shall not approve the proposed amendment unless the governing body:

- (a) Considers separately the merits of each aspect of the proposed amendment to which the owners expressed opposition; and
- (b) Makes a written finding that the public interest and necessity will be promoted by approval of the proposed amendment.



1 ~~11.1~~ 12. The governing body of a county whose population is
2 400,000 or more shall not approve a zoning regulation, restriction or
3 boundary, or ~~the~~ an amendment thereof, that affects any unincorporated
4 area of the county that is surrounded completely by the territory of an
5 incorporated city without sending a notice to the governing body of the
6 city. The governing body of the city, or its designee, must submit any
7 recommendations to the governing body of the county within 15 days after
8 receiving the notice. The governing body of the county shall consider any
9 such recommendations. If the governing body of the county does not
10 accept a recommendation, the governing body of the county, or its
11 authorized agent, shall specify for the record the reasons for its action.

12 Sec. 8. NRS 278.315 is hereby amended to read as follows:

13 278.315 1. The governing body may provide by ordinance for the
14 granting of variances, special use permits, conditional use permits or other
15 special exceptions by the board of adjustment, the planning commission or
16 a hearing examiner appointed pursuant to NRS 278.262. The governing
17 body may impose this duty entirely on the board, commission or examiner,
18 respectively, or provide for the granting of enumerated categories of
19 variances, special use permits, conditional use permits or special
20 exceptions by the board, commission or examiner.

21 2. A hearing to consider an application for the granting of a variance,
22 special use permit, conditional use permit or special exception must be held
23 before the board of adjustment, planning commission or hearing examiner
24 within 65 days after the filing of the application, unless a longer time or a
25 different process of review is provided in an agreement entered into
26 pursuant to NRS 278.0201. A notice setting forth the time, place and
27 purpose of the hearing must be sent by mail at least 10 days before the
28 hearing to:

29 (a) The applicant;

30 (b) Each owner of real property located within 300 feet of the property
31 in question;

32 (c) If a mobile home park is located within 300 feet of the property in
33 question, each tenant of that mobile home park; and

34 (d) Any advisory board which has been established for the affected area
35 by the governing body.

36 The notice must be sent by mail or, if requested by a party to whom notice
37 must be provided pursuant to paragraphs (a) to (d), inclusive, by electronic
38 means if receipt of such an electronic notice can be verified, and be written
39 in language which is easy to understand. The notice must set forth the time,
40 place and purpose of the hearing and a physical description or map of the
41 property in question.

42 3. If the application is for the issuance of a special use permit in a
43 county whose population is 100,000 or more, the governing body shall, to
44 the extent this notice does not duplicate the notice required by subsection
45 2, cause a notice to be sent at least 10 days before the hearing to each
46 ~~owner,~~ of the owners, as listed on the county assessor's records, of at
47 least the 30 parcels nearest to the property in question. The notice must be
48 sent by mail or, if requested by an owner to whom notice must be provided,
49 by electronic means if receipt of such an electronic notice can be verified,



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1 and be written in language which is easy to understand. The notice must set
2 forth the time, place and purpose of the hearing and a physical description
3 or map of the property in question.

4 4. *If an application is filed with the governing body for the issuance*
5 *of a special use permit with regard to property situated within an*
6 *unincorporated town that is located more than 10 miles from an*
7 *incorporated city, the governing body shall, at least 10 days before the*
8 *hearing on the application is held pursuant to subsection 2, transmit a*
9 *copy of any information pertinent to the application to the town board,*
10 *citizens' advisory council or town advisory board, whichever is*
11 *applicable, of the unincorporated town. The town board, citizens'*
12 *advisory council or town advisory board may make recommendations*
13 *regarding the application and submit its recommendations before the*
14 *hearing on the application is held pursuant to subsection 2. The*
15 *governing body or other authorized person or entity conducting the*
16 *hearing shall consider any recommendations submitted by the town*
17 *board, citizens' advisory council or town advisory board regarding the*
18 *application and, within 10 days after making its decision on the*
19 *application, transmit a copy of its decision to the town board, citizens'*
20 *advisory council or town advisory board.*

21 5. An ordinance adopted pursuant to this section must provide an
22 opportunity for the applicant or a protestant to appeal from a decision of
23 the board of adjustment, planning commission or hearing examiner to the
24 governing body.

25 ~~5.5~~ 6. In a county whose population is 400,000 or more, if the
26 application is for the issuance of a special use permit for an establishment
27 which serves alcoholic beverages for consumption on or off of the
28 premises as its primary business in a district which is not a gaming
29 enterprise district as defined in NRS 463.0158, the governing body shall, in
30 addition to sending the notice required pursuant to subsection 3, not later
31 than 10 days before the hearing, erect or cause to be erected on the
32 property, at least one sign not less than 2 feet high and 2 feet wide. The
33 sign must be made of material reasonably calculated to withstand the
34 elements for 40 days. The governing body must be consistent in its use of
35 colors for the background and lettering of the sign. The sign must include
36 the following information:

37 (a) The existing permitted use and zoning designation of the property in
38 question;

39 (b) The proposed permitted use of the property in question;

40 (c) The date, time and place of the public hearing; and

41 (d) A telephone number which may be used by interested persons to
42 obtain additional information.

43 ~~6.1~~ 7. A sign required pursuant to subsection ~~5.5~~ 6 is for
44 informational purposes only, and must be erected regardless of any local
45 ordinance regarding the size, placement or composition of signs to the
46 contrary.

47 ~~7.1~~ 8. A governing body may charge an additional fee for each
48 application for a special use permit to cover the actual costs resulting from
49 the erection of not more than one sign required by subsection ~~5.5~~ 6, if any.



1 The additional fee is not subject to the limitation imposed by NRS
2 354.5989.

3 ~~{8-}~~ 9. The governing body shall remove or cause to be removed any
4 sign required by subsection ~~{5}~~ 6 within 5 days after the final hearing for
5 the application for which the sign was erected. There must be no additional
6 charge to the applicant for such removal.

7 ~~{9-}~~ 10. The provisions of this section do not apply to an application
8 for a conditional use permit filed pursuant to NRS 278.147.

9 Sec. 9. Chapter 269 of NRS is hereby amended by adding thereto a
10 new section to read as follows:

11 *Each member of a town advisory board shall, at least once during the*
12 *first year of his initial term of office and at least once during every*
13 *subsequent year that he serves in office, attend training relating to:*

14 1. *State statutes and regulations and local ordinances, resolutions*
15 *and regulations concerning land use planning, development and any*
16 *other subject matter that the board of county commissioners deems*
17 *necessary; and*

18 2. *The provisions of chapter 241 of NRS.*

19 Sec. 10. NRS 269.500 is hereby amended to read as follows:

20 269.500 NRS 269.500 to 269.625, inclusive, and section 9 of this act
21 may be cited as the Unincorporated Town Government Law.

22 Sec. 11. NRS 269.576 is hereby amended to read as follows:

23 269.576 1. Except as appointment may be deferred pursuant to NRS
24 269.563, the board of county commissioners of any county whose
25 population is 400,000 or more shall, in each ordinance which establishes an
26 unincorporated town pursuant to NRS 269.500 to 269.625, inclusive,
27 provide for:

28 (a) Appointment by the board of county commissioners *or the election*
29 *by the registered voters of the unincorporated town* of three or five
30 qualified electors who are residents of the unincorporated town to serve as
31 the town advisory board. *If the ordinance provides for appointment by the*
32 *board of county commissioners, in making such appointments, the board*
33 *of county commissioners shall consider:*

34 (1) *The results of any poll conducted by the town advisory board;*
35 *and*

36 (2) *Any application submitted to the board of county commissioners*
37 *by persons who desire to be appointed to the town advisory board in*
38 *response to an announcement made by the town advisory board.*

39 (b) ~~{Terms}~~ *A term of 4 years* for members of the town advisory board,
40 which must *be staggered and must* expire on the first Monday in January
41 of ~~{each}~~ *an odd-numbered year. No person who has served for a term as*
42 *a member of a town advisory board is eligible for reappointment until 2*
43 *years after the expiration of his term.*

44 (c) Removal of a member of the town advisory board if the board of
45 county commissioners finds that his removal is in the best interest of the
46 residents of the unincorporated town, and for appointment of a member to
47 serve the unexpired term of the member so removed.

48 2. *The board of county commissioners shall provide notice of any*
49 *vacancy on a town advisory board to the residents of the unincorporated*



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- 1 *town by mail, newsletter or newspaper at least 90 days before filling the*
2 *vacancy.*
3 3. The duties of the town advisory board are to:
4 (a) Assist the board of county commissioners in governing the
5 unincorporated town by acting as liaison between the residents of the town
6 and the board of county commissioners; and
7 (b) Advise the board of county commissioners on matters of importance
8 to the unincorporated town and its residents.
9 ~~3.~~ 4. The board of county commissioners may provide by ordinance
10 for compensation for the members of the town advisory board.
11 Sec. 12. 1. This section and sections 1, 2, 3, 5 to 8, inclusive, 10 and
12 11 of this act become effective on October 1, 2001.
13 2. Sections 4 and 9 of this act become effective on January 1, 2002.

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Exhibit 178

19.16.030 General Plan Amendment

A. Purpose

The purpose of this Section is to set forth the procedures by which the Planning Commission and City Council will periodically review and evaluate the General Plan to ensure that it remains an accurate statement of the City's land-use goals and policies based on current data.

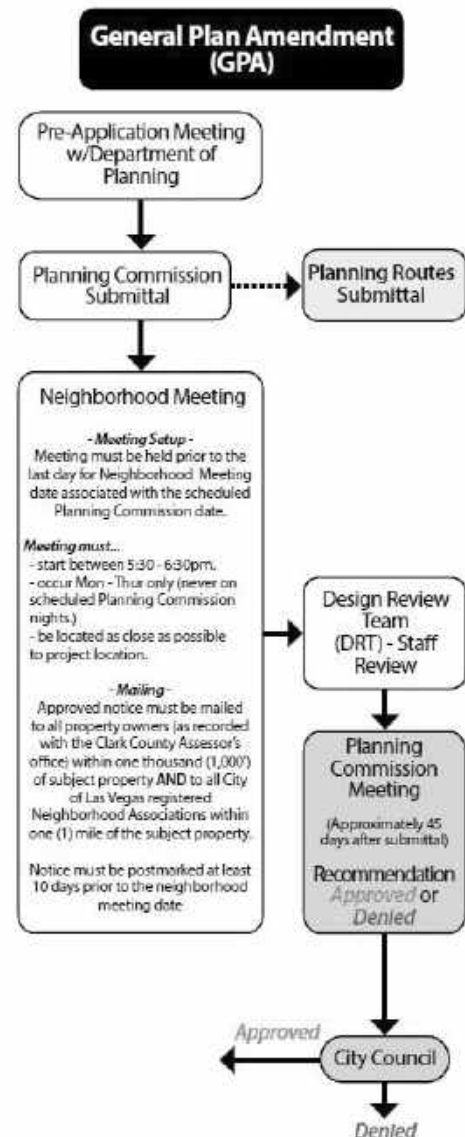
B. Authority

Whenever the public health, safety and general welfare requires, the City Council may, upon a resolution of the Planning Commission carried by the affirmative votes of not less than five members, or upon review of a requested General Plan Amendment which has not been approved by resolution of the Planning Commission, change the General Plan land use designation for any parcel or area of land to allow different zoning classifications. Subsequent growth and development factors in the community may be considered, among other factors, when determining whether such amendment to the General Plan promotes the public health, safety and general welfare. For purposes of this Subsection (B), the Planning Commission's resolution may be in the form of a vote reflected in the minutes of the Planning Commission meeting.

C. Application

1. **Initiation of Application.** A General Plan Amendment may be initiated by the Planning Commission or the City Council, or by means of an application filed by the owner(s) of record of each parcel of property proposed for a General Plan Amendment.
2. **Pre-Application Conference.** Before submitting an application for a General Plan Amendment, the owner or authorized representative shall engage in a pre-application conference with the staff of the Department to discuss preliminary land planning, including land use relationships, density, transportation systems, infrastructure facilities and landscaping and open space provisions.
3. **Form and Filing.**
 - a. An application for a General Plan Amendment shall be made to the Planning Commission on a separate application form to be provided by the Department. The application shall be signed, notarized and acknowledged by the owner of record of each parcel of property. This application shall be filed with the Secretary of the Planning Commission at the office of the Department.
 - b. In addition, any application for a General Plan Amendment shall specifically list reasons for the request and state why the proposed amendment works to promote the public health, safety and general welfare of the community. The application shall contain a list of factors requiring comment by the applicant, including:

General Plan Amendment 19.16.030 Typical Review Process



- i. Whether there has been unanticipated growth and development of the community in the area surrounding the application site or growth and development not specifically considered when the General Plan was adopted;
 - ii. Whether the proposed amendment to the General Plan will allow a zoning classification which imposes burdens similar to the burdens imposed by the classification currently provided for under the General Plan;
 - iii. Whether the amendment to the General Plan continues to promote the objectives of the General Plan as designated in NRS 278.
4. **Other Governmental Ownership.** With respect to property which is owned by the State of Nevada or the United States of America, a General Plan Amendment application is sufficient if it is signed and acknowledged by a prospective purchaser of that property who has entered into a contract with the governmental entity to obtain ownership of the property.
5. **Non-Property Owner.** A General Plan Amendment application is sufficient if it is signed and acknowledged by a lessee, a contract purchaser or an optionee of the property for which the General Plan Amendment is sought. However, interest in that property must exist in a written agreement with the owner of record, attached to which is a copy of the General Plan Amendment application and in which the owner of record has authorized the lessee, contract purchaser or optionee to sign the application. The agreement must further stipulate that the owner of record consents to the filing and processing of the application.
6. **Multiple Ownership.** In the case of multiple ownership of a parcel, only one of the owners of record shall be required to sign the application. A list of all other owners shall be provided with the application.
7. **Quarterly Consideration.** In the interest of economy and efficiency in the processing of applications, and in the interest of providing for amendments to the General Plan that are orderly and well-considered in relation to each other and to the public interest, the Director is authorized to process applications to amend the General Plan so that such applications are presented to the Planning Commission and City Council on a quarterly basis. Such applications may be filed at any time, but the Director may withhold the processing of such applications in order to accomplish the purposes of this Paragraph. After its initial presentation to the Planning Commission or City Council, any such application may be held in abeyance to and considered at any subsequent meeting. The Director may withhold the scheduling of related zoning applications until a meeting subsequent to the one at which proposed Plan Amendments are heard.

D. Successive Applications

1. **Previously Denied Application.** An application for a General Plan Amendment for a parcel in which all or any part was the subject of a previous General Plan Amendment application for the same land use category, a similar category or a less restrictive land use category has been denied, or which has been withdrawn subsequent to the noticing of a public hearing, shall not be accepted until the following periods have elapsed between the date of the denial or withdrawal and the date of the meeting for which the proposed application would be scheduled in the normal course:
 - a. After the first denial or any withdrawal after public notice has been given – one year.
 - b. After the second or subsequent denial or withdrawal after public notice has been given - two years.
2. **Previously Withdrawn Application.** The time periods that are described in Paragraph (1) of this Subsection and that otherwise would become effective because of the withdrawal of an application shall not become effective if, after consideration of the timing and circumstances of the withdrawal, the Planning Commission or the City Council specifically approves the withdrawal without prejudice.

E. Request for Abeyance

Any applicant who wishes to have an application held in abeyance following the notice and posting of the agenda of the Planning Commission or the City Council shall state good cause for the request. Good cause shall be more than mere inconvenience to the applicant or lack of preparation.

F. Planning Commission Public Hearing and Action

1. **Hearing.** Subject to the provisions of LVMC 19.16.030(C)(7), upon receipt of a complete General Plan Amendment application or an Amendment proposed by the Planning Commission or City Council, the Planning Commission shall hold a public hearing.
2. **Notice**

- a. **Notice Provided.** Notice of the time, place and purpose of the hearing must be given at least 10 days before the hearing by:
- i. Publishing the notice in a newspaper of general circulation within the City;
 - ii. In the case of a parcel-specific General Plan Amendment, mailing a copy of the notice to:
 - A)The applicant;
 - B)Each owner of real property located within a minimum of one thousand feet of the property described in the application;
 - C)Each tenant of any mobile home park that is located within one thousand feet of the property described in the application;
 - D)The owner of each of the thirty separately-owned parcels nearest to the property described in the application to the extent this notice does not duplicate the notice otherwise required by this Paragraph (2);
 - E)Any advisory board which has been established for the affected area by the City Council; and
 - F)The president or head of any registered local neighborhood organization whose organization boundaries are located within a minimum of one mile of the property described in the application.
- b. **Names Provided.** The Department shall provide, at the request of the applicant, the name, address and phone number of any person notified pursuant to Subparagraph (a)(ii)(F) above.
- c. **Additional Notice.** The Department may give additional notice of the hearing by expanding the area of notification or using other means of notification or both. The Department shall endeavor to provide any additional notice at least 10 days before the date of the hearing.
- d. **Signs.** In the case of a parcel-specific General Plan Amendment, notification signs shall be posted in conformance with LVMC 19.16.010(D).
- e. **Parcel-Specific Amendment Defined.** For purposes of this Paragraph (2), "parcel-specific General Plan Amendment" means an amendment to the land use designation assigned to one or more specific parcels, as that designation is found in the Land Use element of the General Plan, where the amendment is sought by or on behalf of one or more property owners in order to develop those parcels in a particular way.

3. Planning Commission Decision

- a. A decision to recommend approval of a General Plan Amendment shall be by resolution of the Planning Commission with the affirmative votes of not less than two-thirds of the total membership of the Commission. For purposes of this Subparagraph (a), the Planning Commission's resolution may be in the form of a vote reflected in the minutes of the Planning Commission meeting. The Planning Commission may approve or deny an application for a General Plan Amendment.
 - b. In making a decision to approve the proposed General Plan Amendment, the Planning Commission shall consider the facts presented at the public hearing and shall make the determinations contained in Subsection (I) of this Section. The Planning Commission may consider recommending:
 - i. The approval of a more restrictive land use category than that set forth in the application; or
 - ii. The amendment of fewer than all parcels described in the application to either the land use category requested in the application or a more restrictive land use category, but only if such parcels are distinct legal parcels.
 - c. Following the hearing, the Planning Commission shall make its decision to either recommend approval or denial of the application.
4. **Notice of Planning Commission Decision.** Following the date of its decision, the Planning Commission shall transmit a report of its recommendation to the City Council. The report shall recite, among other things, the facts and reasons which, in the opinion of the Commission, make the approval or denial of the Amendment necessary to carry out the provisions and general purposes of this Title. A copy of the report shall be mailed to the applicant, agent, or both, at the address(es) shown on the application filed with the Secretary of the Planning Commission. A copy of the report shall also be filed with the City Clerk, acting as agent for the City Council.

(Ord. 6254 §2, 05/15/13)

G. Burden of Proof

The applicant bears the burden of proof to establish that the approval of a General Plan Amendment is warranted.

H. City Council Public Hearing and Action

1. **Notice and Hearing.** Subject to the provisions of LVMC 19.16.030(C)(7), the City Council shall consider a proposed General Plan Amendment and the recommendation of the Planning Commission thereon at the next available meeting following the receipt of the recommendation. For applications regarding which notice of the public hearing by the Planning Commission was required by statute or by ordinance to be mailed to property owners, the City Clerk shall mail written notice of the Council hearing, at least ten days before the hearing, to the property owners who were notified by mail of the Planning Commission hearing, or to the current owners of record in the case of properties whose ownership has changed in the interim.
2. **City Council Action**
 - a. **Decision.** The City Council may approve or deny a proposed General Plan Amendment. In making a decision to approve the proposed General Plan Amendment, the City Council shall consider the recommendation of the Planning Commission and the facts presented at the public hearing. The City Council may consider:
 - i. The approval of a more restrictive land use category than that set forth in the application; or
 - ii. The amendment of fewer than all parcels described in the application to either the land use category requested in the application or a more restrictive land use category, but only if such parcels are distinct legal parcels.
 - b. **Change to More Restrictive Category.** If at the Council hearing, the applicant proposes amending the application to a more restrictive land use category, the City Council has the option to refer the application back to the Planning Commission for consideration.
 - c. **Significant Changes.** If the applicant proposes significant changes to the application during the hearing or if new information is presented that significantly changes the nature and scope of the application, the request should be referred back to the Planning Commission for consideration.
3. **Notice of City Council Decision.** Following the hearing on a proposed General Plan Amendment, the City Council shall reach a decision concerning the proposal. The decision shall include reasons for the decision. Written notice of the decision shall be provided to the applicant, agent or both. A copy of the notice shall also be filed with the City Clerk, and the date of the notice shall be deemed to be the date that notice of the decision is filed with the City Clerk.

(Ord. 6254 §3, 05/15/13)

I. General Plan Amendment - Determinations

In order to approve a proposed General Plan Amendment, the Planning Commission and City Council must determine that:

1. The density and intensity of the proposed General Plan Amendment is compatible with the existing adjacent land use designations;
2. The zoning designations allowed by the proposed amendment will be compatible with the existing adjacent land uses or zoning districts;
3. There are adequate transportation, recreation, utility, and other facilities to accommodate the uses and densities permitted by the proposed General Plan designation; and
4. The proposed amendment conforms to other applicable adopted plans and policies.

J. Certain Minor Amendments

Notwithstanding any other provision of this Section, the City Council, upon appropriate noticing and public hearing, may amend the General Plan, or any part thereof, without action by the Planning Commission and without limitation as to frequency, in order to:

1. Change a boundary that is based on a geographical feature, including , without limitation, topography, slope, hydrographic features, wetland delineation and floodplains, when evidence is produced that the mapped location of the geographical feature is in error;
2. Reflect the alteration of the name of a jurisdiction, agency, department or district by the governing body, governing board or other governing authority of the jurisdiction, agency, department or district, as applicable, or by another entity authorized by law to make such alteration; or
3. Update statistical information that is based on a new or revised study.



Exhibit 179

Table 5: Master Plan Land Use Designations

| Master Plan Land Use Designations | RESIDENTIAL | | | | | | | | | | COMMERCIAL/ INDUSTRIAL | | | | OTHER | | | |
|--|-------------|-------------|--------------------------|-------------------------------|-------------------------------------|-----------------|----------------|---------------------|------|--------|------------------------|------------------|--------------------------|-----------------------|-------|-----|--------------------------------------|--------------------------------------|
| | RNP | DR | R | L | ML | MLA | M | H | PCD | O | SC | GC | LIR | TC | PR-OS | PF | TND | LVMD |
| Master Plan Designation | | | | | | | | | | | | | | | | | | See Las Vegas Medical District Chart |
| Maximum Allowable Density (Units Per Acre) | 2.00 | 2.49 | 3.59 | 5.49 | 8.49 | 12.49 | 25.49 | ≥25.5 | 8.00 | N/A | N/A | N/A | N/A | See Town Center Chart | N/A | N/A | Variable | |
| Allowable Zoning Categories | U* R-E | U, R-E, R-D | U, R-E, R-D, R-SL, R-MH, | U, R-1, R-E, R-D, R-SL, R-MH, | U, R-E, R-1, R-2, R-SL, R-CL, R-MH, | R-2, R-TH, R-MH | R-3, R-2, R-TH | R-4, R-3, R-2, R-TH | PD | O, P-O | C-1, O, P-O | C-2, C-1, O, P-O | M, C-M, C-2, C-1, O, P-O | See Town Center Chart | C-V | C-V | R-4, R-3, R-2, R-1, R-E, C-2, C-1, O | See Las Vegas Medical District Chart |

* Per LYMC Title 19.38.020, an undeveloped property may be zoned U (RNP) until it is rezoned or until such time as a proper classification is determined.

† The density of a development within the TND category is limited by the approved Zoning Districts or the Development Standards and Design Guidelines document in the case of an approved master planned development.

‡ The PD Zoning District shall require a minimum acreage of 40 acres.

Table 6: Town Center Special Land Use Designations

| Centennial Hills Town Center | RESIDENTIAL | | | | COMMERCIAL | | | | | | OTHER |
|---|-------------|---------|----------|-----------|------------|-------|-------|-------|-------|-------|--------|
| | L-TC | ML-TC | MLA-TC | M-TC | EC-TC | MS-TC | SX-TC | UC-TC | SC-TC | GC-TC | |
| Special Land Use Designation | | | | | | | | | | | P-F-TC |
| Allowable Gross Density (Units Per Acre)* | Up to 5.5 | 5.6 - 8 | 8.1 - 12 | 12.1 - 25 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Allowable Zoning Categories | T-C | T-C | T-C | T-C | T-C | T-C | T-C | T-C | T-C | T-C | T-C |

Per Town Center Development Standards Manual (Revised April 15, 2009), pp. 6 and 9.

¹⁰Per Town Center Development Standards Manual (Revised April 15, 2009), pp. 6 and 9, Centennial Hills Sector Plan last amended March 1, 2006 (GPA-10835).



Table 7: Cliff's Edge Special Land Use Designations

| Cliff's Edge Master Plan Area | RESIDENTIAL | | | | COMMERCIAL | OTHER |
|---|-------------|---------|----------|----------|------------|-------|
| | L | ML | RSL | M | | |
| Special Land Use Designation | | | | | VC | PF |
| Allowable Gross Density (Units Per Acre)* | Up to 5.5 | Up to 8 | Up to 15 | Up to 25 | N/A | N/A |
| Allowable Zoning Categories | PD | PD | PD | PD | PD | PD |

*Per Cliff's Edge Master Development Plan and Design Guidelines (Revised September 19, 2007), pp. 12-13.

Note: For Maximum allowable number of units, refer to the Cliff's Edge Master Development Plan.

Plan last amended September 19, 2007 (MOD-22968).

Table 8: Grand Canyon Village Special Land Use Designations

| Grand Canyon Village Master Plan Area | RESIDENTIAL | | | COMMERCIAL |
|---|-------------|--|----------|------------|
| | ML | | MFM | |
| Special Land Use Designation | | | | CC |
| Allowable Gross Density (Units Per Acre)* | Up to 12 | | Up to 25 | N/A |
| Allowable Zoning Categories | PD | | PD | PD |

*Per Grand Canyon Village Master Development Plan and Design Standards, p. 11.

Note: For maximum allowable number of units, refer to the Grand Canyon Village Master Development Plan.

Plan last amended April 2, 2003 (MOD-1696).

an Industrial Office Park setting; and mixed-use developments. The C-PB District is consistent with the Light Industry/Research category of the General Plan.

2. **C-M Commercial/Industrial District.** The C-M District is a general commercial and restricted industrial district designed to provide for a variety of compatible business, warehouse, wholesale, office and limited industrial uses. This district is intended to be located away from areas of low and medium density residential development. The C-M District is consistent with the Light Industry/Research category of the General Plan.
3. **M Industrial District.** The M District is intended to provide for heavy manufacturing industries in locations where they will be compatible with and not adversely impact adjacent land uses. This district is intended to be located away from all residential development. The M District is consistent with the Light Industry/Research category of the General Plan.

D. Special Purpose Districts

1. **C-V Civic District.** The C-V District is intended to provide for existing public and quasi-public uses and for the development of new schools, libraries, public parks, public flood control facilities, police, fire, electrical transmission facilities, Water District, Nevada Power and other public utility facilities. In addition, the C-V District may provide for any public or quasi-public use operated or controlled by any recognized religious, fraternal, veteran, civic or service organization. The C-V District is consistent with the Public Facilities category of the General Plan.
(Ord 5811 - 01/18/06)
2. **P-C Planned Community District.** The purpose of the P-C District is to permit and encourage the development of comprehensively planned communities, with a minimum of 3,000 contiguous acres of land under one-ownership or control, which can flourish as unique communities as a result of the comprehensive planning required for this large scale development.
3. **R-PD Residential Planned Development.** The purpose of the R-PD District is to allow maximum flexibility to permit imaginative and innovative residential design and to utilize land for the development of residential communities which are planned and developed with appropriate amenities to establish a clear sense of community. It is intended to promote the enhancement of residential amenities by means of an efficient consolidation and utilization of open space, separation of pedestrian and vehicular traffic and a homogeneity of use patterns. Portions of an R-PD development may have a higher or lower density than permitted by the General Plan if the overall density for the entire development is in compliance with the General Plan. The maximum density permitted in an R-PD will be a function of the location and land use designation of a particular R-PD District and a determination of compatibility with surrounding development.
4. **T-D Traditional Development District.** The purpose of the T-D District is to provide for the development of comprehensively-planned mixed-use communities, with a minimum of forty contiguous acres of land under one ownership or control, which can provide a balanced mix of residential, commercial and civic uses. For purposes of the preceding sentence, acreage is "contiguous" if it shares a common boundary with other commonly-owned property, or is acreage that is separated from other commonly-owned property only by a public right-of-way whose dedication or acquisition caused the separation. Developments planned under the T-D zoning regulations will feature pedestrian-oriented neighborhoods, an

Exhibit 180



THE JIMMERSON LAW FIRM
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW

James J. Jimmerson
Michael C. Flaxman
Kristine Brewer

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**FELLOW, AMERICAN ACADEMY
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**DIPLOMAT, AMERICAN COLLEGE
OF FAMILY TRIAL LAWYERS
**FAMILY LAW SPECIALIST, NEVADA STATE BAR

December 7, 2016

By Email and U.S. Mail

Brad Jerbic, Esq.
Las Vegas City Attorney
Las Vegas City Hall
495 S. Main Street
Las Vegas, NV 89101

Dear Mr. Jerbic:

This letter is communicated to you and to your City Manager and the Honorable City Councilpersons to address a serious issue that threatens to deprive our clients' land use and property rights that we would ask you to address and correct immediately.

Our firm has the privilege and pleasure of representing land owners Fore Stars, Ltd., 180 Land Co., LLC and Seventy Acres, LLC, and those companies' manager, EHB Companies, LLC. Our clients have had the privilege of appearing before the City Planning Commission on October 18, 2016, and before the City Council on November 16, 2016.

Following the City Council's meeting, our clients decided that they desire to develop a portion of the land owned by 180 Land Co., LLC, to develop 61 homes on approximately 35 acres of land which is presently zoned R-PD7, and in a manner that is compatible with existing housing, compatible with existing density, lot sizes, and landscape requirements, and otherwise meets the requirements of the City relative to the development of single family residence homes.

In Pre-Application prior meeting(s) with the City of Las Vegas Department of Planning, and others, our clients have been advised that a General Plan Amendment to the General Plan, which is also known as the City Master Plan, was not needed in conjunction with our clients proposed development of 61 houses on approximately 35 acres. It was not needed because at the time of the Property being zoned in 1990, as detailed by Mr. Jerbic in communications at the City Planning Commission and the City Council, as well as in private communications with our clients and others, that hard zoning at R-PD7 had been placed upon this property in 1990 without any type of a conflicting Master Plan. The hard zoning was confirmed by City Ordinance in 2001.

However, our clients have been advised earlier today, Wednesday, December 7, 2016, a day that will forever live in infamy, that a General Plan Amendment is required to be filed

Tom Perrigo
Brad Jerbic, Esq.
Fore Stars, Ltd., et al
December 7, 2016
Page 2

contemporaneously with the site plan development for 61 lots on the 35 acres, without which, according to Mr. Swanton, the application for approval of the 61 lots on the 35 acres "would not be accepted."

Our clients have been advised exactly the opposite on multiple occasions prior to today, specifically, that a General Plan Amendment was not required, and if it were to be required, it could be done later on in the project and did not have to be filed concurrently with the submission of the tentative map, and certainly was not something that would be required as a condition to the City Planning Department considering the tentative map for 61 homes on the 35 acres. The basis for this, it now appears, comes from a new position of the City of Las Vegas that there exists a General Plan designation of PR-OS upon the land owned by our clients, for which the tentative map applies and that somehow the General Plan or PR-OS must be amended to Medium Residential Development as part of the application as a condition to develop these homes.

Reference is made to the letter of Frank Pankratz to Tom Perrigo of today's date, which is quoted herein verbatim, as follows:

"Tom,

We wanted to follow-up to the telephone conversation of today with Peter, Chris Kaempfer and I concerning the apparent PROS general plan designation on the property on which The Badlands golf course was operated ("Property"). We have researched extensively the issue of when, or if, the general plan designation of PROS was placed on the Property.

First, we can find absolutely no evidence that the PROS designation was in place on the Property prior to 1997; which means it clearly could not have been in place prior to the time the RPD-7 designation was established for the Property. The 27-golf course was not completed until 1997 to 1999, and as such, the PROS designation could not have been added before that time period. Further your office has advised us that the designation, if it exists occurred much later perhaps 2015, although you told us that you "could not find" any record of the designation. The attached two letters would further confirm that.

Secondly, and more important fundamentally, we can find absolutely no evidence that the PROS general plan designation was placed on the Property through a formal, publicly noticed hearing process. Unless The City can direct us to the date and time that this formal, public hearing process took place, we must assume that the general plan designation of PROS, if designated at all, was placed on the Property through an administrative process or action of some kind. It is our understanding that a general plan designation on property cannot be added or changed except through a formal, public hearing process with all affected property

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Tom Perrigo
Brad Jerbic, Esq.
Fore Stars, Ltd., et al
December 7, 2016
Page 3

owners having reasonable notice and an opportunity to be heard. So if, in fact, no such public hearing process took place, the general plan designation of PROS, if it exists, was placed on the Property inappropriately and improperly and is not valid. We must therefore insist that any such PROS designation be removed from the Property forthwith.

In reading NRS 278.349 (3) (e), the PROS designation, even if such a designation exists, does not affect the existing R-PD7 zoning on the Property or the development rights we have under that existing zoning designation. The PROS general plan designation, if it exists at all, is clearly improperly on the Property and must be removed. If The City is taking the position that the PROS General Plan designation does in fact exist on the Property, than The City has severely damaged the Property for which The City, at the least, would be responsible. Thank you for your immediate attention to this matter.

180 Land Co LLC, Seventy Acres LLC and Fore Stars Ltd.
Nevada limited liability companies

By: EHB Companies LLC
a Nevada limited liability company
Its: Manager

By: _____
Name: Frank Pankratz
Its: Manager
Date: _____

(A copy of this letter and its two attachments are enclosed herewith).

The City's position, quite candidly, constitutes improper conduct by the City of Las Vegas. Please see Section 3 on Page 2 of the attached Ordinance #3636, which adopted the City of Las Vegas' "General Plan". This is the General Plan that was adopted prior to the 2020 Master Plan in September of 2000. It states, "The adoption of the General Plan referred to in this Ordinance shall not be deemed to modify or invalidate any proceeding, zoning designation, or development approval that occurred before the adoption of the Plan nor shall it be deemed to affect the Zoning Map adopted by and referred to in LVMC 19.02.040."

005201

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Tom Perrigo
Brad Jerbic, Esq.
Fore Stars, Ltd., et al
December 7, 2016
Page 4

In this regard, we would like to have the following questions answered by the City of Las Vegas in the next 10 days:

1. If the City's position is that there exists a PROS Master Plan designation on the Property owned by our clients, on what date and by what action was this Master Plan designation imposed upon that Property?

Please provide copies of all such actions by the City Planning Commission and City Council, as provided by NRS 278.240.

2. What written notice was given to the landowners of the Property with regard to a PROS Master Plan land use designation? And when? In this regard, who was given written notice in conformance with the Nevada Revised Statutes?

Please provide copies of any and all written document(s) or notice(s) you may claim was given to the landowners, the landowners within 750 feet of the property, and the thirty (30) closest landowners as specified in NRS 278.260.

3. If the City of Las Vegas has placed without notice to the Property Owners a PR-OS land designation upon earlier-zoned R-PD7 Property, what remedies does the Property Owner possess?

This new position by the City of Las Vegas, in our view, appears to be fabricated, and/or fraudulent, a breach of our clients' rights, and completely at odds with all prior representations in writing or otherwise that have been made by the City and its representatives to our clients. Any type of maintenance of such an improper position constitutes an intentional action on the part of the City of Las Vegas which places itself on a collision course with our clients' dedicated rights to development on their Property.

If we are misunderstanding the City's new position, we ask you for an immediate clarification.

We look forward to your response to these questions, and to your explanation as to why the City is now taking this position of requiring a GPA as a condition to submit our clients' tentative map request by our clients to build its property.

005202

15277

Tom Perrigo
Brad Jerbic, Esq.
Fore Stars, Ltd., et al
December 7, 2016
Page 5

If, in fact, the City of Las Vegas is attempting to improperly add conditions and/or restrictions to the use of our clients' Property, such actions clearly expose the City of Las Vegas to liability and substantial money damages together with our clients' rights to receive equitable and injunctive relief. The same could constitute a taking. Regardless, any attempts to impose a PR-OS land designation upon our clients' property is illegal, invalid and unenforceable, and the same should be struck down. Such actions by the City constitute irreparable injury to our clients, harm the enjoyment and use of their Property, and about which our clients can establish a likelihood of success on the merits.

Our clients simply wish to develop their Property based on existing zoning and land use rights and wish to work with the City of Las Vegas in a proper manner. The City's action to attempt to impose a Master Plan (General Plan) Amendment of PR-OS land designation upon our clients' property is improper and should not stand.

Thank you in advance for your anticipated consideration, cooperation, and comprehensive response.

Sincerely,

THE JIMMERSON LAW FIRM, P.C.


James J. Jimmerson, Esq.
JJJ/sp/ks

cc: Carolyn Goodman, Mayor
Steven D. Ross
Lois Tarkanian
Ricki Y. Barlow
Stavros S. Anthony
Bob Coffin
Bob Beers
Betsy Fretwell, City Manager
Tom Perrigo
Yohan Lowie
Vickie DeHart
Frank Pankratz
Todd Davis, Esq.
Chris Kaempfer, Esq.

005203

15278

Tom,

We wanted to follow-up to the telephone conversation of today with Peter, Chris Kaempfer and I concerning the apparent PROS general plan designation on the property on which The Badlands golf course was operated ("Property"). We have researched extensively the issue of when, or if, the general plan designation of PROS was placed on the Property.

First, we can find absolutely no evidence that the PROS designation was in place on the Property prior to 1997; which means it clearly could not have been in place prior to the time the RPD-7 designation was established for the Property. The 27-golf course was not completed until 1997 to 1999, and as such, the PROS designation could not have been added before that time period. Further your office has advised us that the designation, if it exists occurred much later perhaps 2015, although you told us that you "could not find" any record of the designation. The attached two letters would further confirm that.

Secondly, and more important fundamentally, we can find absolutely no evidence that the PROS general plan designation was placed on the Property through a formal, publicly noticed hearing process. Unless The City can direct us to the date and time that this formal, public hearing process took place, we must assume that the general plan designation of PROS, if designated at all, was placed on the Property through an administrative process or action of some kind. It is our understanding that a general plan designation on property cannot be added or changed except through a formal, public hearing process with all affected property owners having reasonable notice and an opportunity to be heard. So if, in fact, no such public hearing process took place, the general plan designation of PROS, if it exists, was placed on the Property **inappropriately and** improperly and is not valid. We must therefore insist that any such PROS designation be removed from the Property forthwith.

In reading NRS 278.349 (3) (e), the PROS designation, even if such a designation exists, does not affect the existing R-PD7 zoning on the Property or the development rights we have under that existing zoning designation. The PROS general plan designation, if it exists at all, is clearly improperly on the Property and must be removed. If The City is taking the position that the PROS General Plan designation does in fact exist on the Property, then The City has severely damaged the Property for which The City, at the least, would be responsible. Thank you for your immediate attention to this matter.

180 Land Co LLC, Seventy Acres LLC and Fore Stars Ltd.
Nevada limited liability companies

005204

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By: EHB Companies LLC
a Nevada limited liability company
Its: Manager

By: _____
Name: Frank Pankratz
Its: Manager
Date: _____

cc Peter Lowenstein
Attachments-2

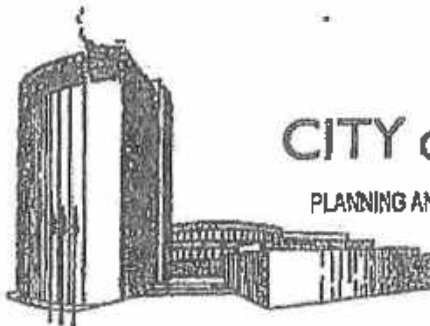
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MAYOR
JAN LAVERTY JONES
COUNCILMAN
ARNE ADAMSEN
MATTHEW Q. CALLISTER
MICHAEL J. McDONALD
GARY REESE

CITY MANAGER
LARRY K. BARTON

October 8, 1996



CITY of LAS VEGAS

PLANNING AND DEVELOPMENT DEPARTMENT

Mr. Clyde O. Spitze, Vice President
Pentacore
6763 West Charleston Boulevard
Las Vegas, Nevada 89102

Re: BADLANDS GOLF COURSE, PHASE 2

Dear Mr. Spitze:

City records indicate that an 18 hole golf course with associated facilities was approved as part of the Peccola Ranch Master Plan in 1990. The property was subsequently zoned R-PD7 (Residential Planned Development - 7 Units Per Acre). Any expansion of the golf course within the R-PD7 area would be allowed subject to the approval of a plot plan by the Planning Commission.

If any additional information is needed regarding this property please do not hesitate to contact me.

Very truly yours,

Robert S. Genzer, Planning Supervisor
Current Planning Division

RSG:em



400 E STEWART AVENUE • LAS VEGAS, NEVADA 89101-2985
(702) 229-6011 (VOICE) • (702) 386-9188 (TDD)

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PENTACORE

Civil Engineering
Construction Management
Land Surveying
Planning
ADA Consulting

0171 0030

September 4, 1996

Mr. Robert Genzer
City of Las Vegas
Planning Division
400 E. Stewart Avenue
Las Vegas, NV 89101

RE: Hadlands Golf Course, Phase 2

Dear Bob

As you know the Hadlands Golf Course in Peccole Ranch is proposing to develop an additional 9 hole course between the existing golf course and Alta Drive. The existing Master Plan zoning of this area is RPD-7, and the golf course would be developed within this zoned parcel. I would like a letter from the City stating that a golf course would be compatible within this zoning. I need the letter for the bank.

Thank you for your consideration in this matter.

Sincerely,

Clyde G. Spitzer
Vice President

PLANNING AND
DEVELOPMENT

SEP 4 4 58 PM '96

RECEIVED

3-146-94
2-17-90

6785 West Charleston Boulevard • Las Vegas, Nevada 89102 • (702) 253-0116 • Fax (702) 253-4858

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Exhibit 181

Jennifer Knighton (EHB Companies)

From: Peter Lowenstein <plowenstein@LasVegasNevada.GOV>
Sent: Monday, November 13, 2017 5:42 PM
To: Frank Pankratz (EHB Companies) (frank@ehbcompanies.com); Yohan Lowie (EHB Companies) (yohan@ehbcompanies.com)
Cc: Brad Jerbic
Subject: General Plan Request

Gentlemen,

As discussed on the phone this morning and then again this evening City staff is requesting that a General Plan Amendment be submitted in conjuncture with the already submitted Waivers, Site Development Plan Review and Tentative Map applications. You had voiced concerns over the submittal of the application and so I proposed the following options:

1. File the General Plan Amendment with a cover letter stating that you are filing the application in protest as you believe...(state your arguments to preserve rights) and the items be heard at the January 9, 2018 Planning Commission meeting.
2. Move forward with your current applications with the staff report indicating staff's request for the General Plan Amendment and your position to the request.

Please let me know your thoughts and decision. Thank you.

Peter Lowenstein

Acting Planning Director
Department of Planning
702-229-4693 Office | 702-474-7463 Fax
333 N. Rancho Drive, 3rd Floor, NV 89106



lasvegasnevada.gov



Exhibit 182



Mr. Peter Lowenstein
City of Las Vegas Department of Planning
333 North Rancho Dr.
Las Vegas, NV 89106

Re: 180 Land Co LLC ("Applicant") - Justification Letter for General Plan Amendment [SUBMITTED UNDER PROTEST] to Assessor's Parcel ("APN(s)") 138-31-601-008, 138-31-702-003, 138-31-702-004 (consisting of 132.92 acres collectively "Property") – from PR-OS (Park, Recreation and Open Space) to ML (Medium Low Density Residential) as part of applications under PRJ-71990, PRJ-71991, and PRJ-71992.

Dear Mr. Lowenstein,

We have been advised by Stephanie Allen, Esq. of Kaempfer Crowell, following a conversation she had with City Attorney Brad Jerbic, that the City of Las Vegas will not consider the above referenced applications at the Planning Commission meeting on December 12, 2017 unless a General Plan Amendment is filed. It was explained to Ms. Allen, that the basis for the City requiring the submission of a GPA application is an appeal filed by Frank Schreck on November 22, 2017. [Note – We have reviewed the "appeal". Notwithstanding that Mr. Schreck does not qualify as an "aggrieved" party, it is procedurally barred.]

This position now mandated by the City is blatantly contradictory to the positions previously taken by the City.

The City's imposition of a requirement to file a concurrent GPA application with pending applications is a violation of NRS 278.349(3)(e) which specifically contemplates inconsistent classifications between an existing zoning ordinance and the master plan at the time a governing body is considering final action on a tentative map and provides that in such an event, the zoning ordinance takes precedence. Further, there is no such requirement in Title 19 of the CLV Unified Development Code.

On June 21, 2017, the City's Staff Report for DIR-70539 [PRJ-70542] stated:

- *"Nevada Revised Statutes (NRS) Chapter 278.0349 states that where the zoning ordinance is inconsistent with the master plan, the zoning ordinance takes precedence. The parties to this agreement acknowledge that the extant approved zoning and land use designations for this site do not match. The City may request a General Plan Amendment at a future date to make the land use and zoning designations consistent."*

On November 13, 2017, Peter Lowenstein, Acting Planning Director stated in an email:

"As discussed on the phone this morning and then again this evening City staff is requesting that a General Plan Amendment be submitted in conjuncture with the already submitted Waivers, Site Development Plan Review and Tentative Map applications. You had voiced concerns over the submittal of the application and so I proposed the following options:

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1. *File the General Plan Amendment with a cover letter stating that you are filing the application in protest as you believe...(state your arguments to preserve rights) and the items be heard at the January 9, 2018 Planning Commission meeting.*
2. *Move forward with your current applications with the staff report indicating staff's request for the General Plan Amendment and your position to the request.*

Please let me know your thoughts and decision. Thank you.

*Peter Lowenstein
Acting Planning Director"*

On November 14, 2017, Todd D. Davis, Esq., sent an email to City Attorney Brad Jerbic (in response to the November 13, 2017 email from Peter Lowenstein requesting our election on how to proceed), asking:

"In order for us to make an election as requested by Peter's email below, can you please provide a specific statutory or ordinance citation that requires the submission of a GPA by a tentative map applicant under the subject land's existing zoning (either concurrently or subsequently)?"

[No response to this email was received from City Attorney Brad Jerbic.]

On November 21, 2017, Peter Lowenstein, Acting Planning Director, stated in an email to George Garcia:

"Thank you for your inquiries into the Projects PRJ-71990, PRJ-71991 & PRJ-71992. The Department of Planning has requested (not required) a General Plan Amendment to accompany the proposed projects. Pursuant to the Las Vegas Municipal Code the submitted application types should be consistent with the General Plan, however are not required through specific code language."

In response to Peter Lowenstein's request for an election to proceed under his Option #1 or #2, as outlined in his email, the applications were filed under Option #2. Subsequently, and in direct response to the invalid appeal filed by Frank Schreck, the City, after accepting the applications, has rescinded Option #2. As such, a GPA application is hereby being submitted, under protest, as being legally unnecessary for the reasons outlined within this letter.

This newly imposed requirement makes it clear that the intention of the City is improperly delay the applications.

Additionally, as a result of the City's inability to establish that it was properly established in the CLV 2020 Master Plan, on January 26, 2016, James J. Jimmerson, Esq. sent a letter to City Attorney Brad Jerbic objecting to the PR-OS land use designation on the property, and formally requesting that the City correct its records. As such, there is no basis for the City to request that the Applicant submit a GPA as the designation is illegal and inapplicable to the property.

This GPA, submitted under protest, is a request to bring the Land Use designation in conformance with the Property's zoning. For the reasons stated herein, as well as all other applicable protections afforded under Nevada law, the Applicant reserves all rights and remedies with respect to Applicant's objections to the City's mandate that the GPA be filed, and the applicability of the PR-OS designation with respect to the property.

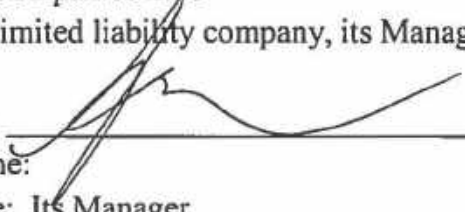
//

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180 Land Co LLC,
a Nevada limited liability company

By: EHB Companies LLC
a Nevada limited liability company, its Manager

By:  _____

Name: _____

Title: Its Manager

Date: 11/30/17 _____

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Exhibit 183

APPRAISAL OF REAL PROPERTY

A 34.07 Acre Vacant Site

Located at the southeast corner (SEC) of
Alta Drive & Hualapai Way
Las Vegas, Clark County, Nevada 89102

PREPARED FOR:

180 Land Co., LLC
c/o Mr. James J. Leavitt, Esq.
Ms. Autumn Waters, Esq.
The Law Offices of Kermit Waters
704 South 9th Street,
Las Vegas, Nevada 89101

EFFECTIVE DATE OF THE APPRAISAL:

Retrospective - September 14, 2017

REPORT FORMAT:

Appraisal Report

PREPARED BY:

Tio S. DiFederico, MAI
The DiFederico Group
7641 W. Post Road
Las Vegas, NV 89113

THE DiFEDERICO GROUP

File Number: 19-035

THE DiFEDERICO GROUP · INTERNATIONAL APPRAISAL & CONSULTING
7641 W. POST ROAD, LAS VEGAS, NV 89113 · (702) 734-3030 · FAX (702) 240-4674

TDG Rpt 000001

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THE DiFEDERICO GROUP

INTERNATIONAL APPRAISAL & CONSULTING

April 23, 2021

180 Land Co., LLC
c/o Mr. James J. Leavitt, Esq.
Ms. Autumn L. Waters, Esq.
The Law Offices of Kermit Waters
704 South 9th Street
Las Vegas, NV 89101

SUBJECT: The subject of the attached analysis involves a vacant 34.07-acre site located at the southeast corner (SEC) of Alta Drive and Hualapai Way, Las Vegas, Clark County, NV 89145. Assessor Parcel Number 138-31-201-005.

Dear Mr. Leavitt and Ms. Waters:

The DiFederico Group is pleased to submit the attached appraisal report of the above referenced property. The purpose of the appraisal was to develop an opinion of the just compensation due to the landowner for the City of Las Vegas' taking of the subject property. The effective date of value is September 14, 2017. The client and intended user of the report is the 180 Land Co., LLC, c/o James J. Leavitt, Esq., and Autumn L. Waters, Esq., of the Law Offices of Kermit Waters. The intended use of this appraisal report is for litigation purposes.

The appraisal report is intended to conform to the Uniform Standards of Professional Appraisal Practice (USPAP), and the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. To report the assignment results, I used the appraisal report option of Standards Rule 2-2(a) of USPAP. The attached appraisal report contains discussions of the data, reasoning, and analyses used in the appraisal process. The depth of discussion contained in the report is specific to the needs of the client and the intended use of the appraisal.

The attached analysis involves a 34.07-acre parcel of land located at the southeast corner (SEC) of Alta Drive and Hualapai Way, in Las Vegas, Clark County, Nevada. As of the effective date of value, the site's Alta and Hualapai frontages were improved with concrete curbs, gutters, sidewalks, and landscaping. The site was reported to have had general access to public roadways along Hualapai Way to the west and Alta Drive to the north. Public sewer easements had been provided to connect the subject property to the City of Las Vegas sanitary sewer system and the drainage study and soils reports indicated that the property was suitable for development.

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The subject property's zoning was recently addressed in a hearing before District Court Judge Timothy C. Williams. In the Findings of Fact and Conclusions of Law Regarding Plaintiff Landowners Motion to Determine "Property Interest," Judge Williams stated, "the Court bases its property interest decision on eminent domain law. Nevada eminent domain law provides that zoning must be relied upon to determine a landowners' property interest in an eminent domain case. The Court concludes that the 35 Acre Property has been hard zoned R-PD7 since at least 1990. The Court further concludes that the Las Vegas Municipal Code Section LVMC 19.10.050 lists single family and multi-family residential as the legally permissible uses on R-PD7 zoned properties. Therefore, the Landowners' Motion to Determine Property Interest is Granted in its entirety and it is hereby Ordered that:

- 1) the 35 Acre Property is hard zoned R-PD7 at all relevant times herein; and
- 2) the permitted uses by right of the 35 Acre Property are single-family and multi-family residential."

Although the site had been zoned R-PD7 since the early 1990's, the property had historically been used as a portion of the Badlands Golf Course. The landowner had leased the property to Elite Golf, a local operator managing the Badlands and five (5) other local golf courses.

According to that operator, revenue in 2015 was down 11% from 2014. The 2016 revenue was down another 25% from 2015, and the 2016 net operating income (NOI) was down over 85% from that reported in 2015. The landowner tried to re-lease the property to that operator at a lower rate. The operator refused saying they would still lose money. The landowner then offered it to the operator for a year for free. The operator said that they would still lose money and passed. It is my understanding that two (2) other golf course operators were approached to take over, but both refused. The landowner then offered the golf course operations to the Queensridge Homeowner's Association (HOA) for one (1) year for \$1.00. The HOA did not respond. At that point, December 1, 2016, the golf course was closed.

According to a 2017 National Golf Foundation (NGF) report, from 1986 to 2005, golf course supply increased by 44%, which far outpaced growth in golf participation. The trend being experienced in 2016 was referred to as "correction." This was because at that time golf course closures occurring throughout the U.S. indicated there was an oversupply that required market correction. And local market data showed that the Badlands wasn't an outlier struggling in a thriving golf course market. Based on what was happening in the national and local golf course markets, Las Vegas was also experiencing this market "correction" and the Badlands golf course was part of that "correction."

After looking at the historical operations of the golf course, which were trending downward rapidly, I concluded that operating the golf course was not a financially feasible use of this property as of September 14, 2017. Based on my research, I concluded that the highest and best use of this property was a residential development. This use would be similar to the surrounding uses in the Queensridge and Summerlin communities.

On September 21, 2017, the Clark County Assessor sent the landowner a letter that stated since the subject property had ceased being used as a golf course on December 1, 2016, the land no longer met the definition of open space and was “disqualified for open-space assessment.” The Assessor converted the property to a residential designation for tax purposes and then the deferred taxes were owed as provided in NRS 361A.280. The following explains how they apply deferred taxes.

NRS 361A.280 Payment of deferred tax when property converted to higher use. If the county assessor is notified or otherwise becomes aware that a parcel or any portion of a parcel of real property which has received agricultural or open-space use assessment has been converted to a higher use, the county assessor shall add to the tax extended against that portion of the property on the next property tax statement the deferred tax, which is the difference between the taxes that would have been paid or payable on the basis of the agricultural or open-space use valuation and the taxes which would have been paid or payable on the basis of the taxable value calculated pursuant to NRS 361A.277 for each year in which agricultural or open-space use assessment was in effect for the property during the fiscal year in which the property ceased to be used exclusively for agricultural use or approved open-space use and the preceding 6 fiscal years. The county assessor shall assess the property pursuant to NRS 361.227 for the next fiscal year following the date of conversion to a higher use.

While the taxes were being increased, the owner was attempting to develop the property with a residential use. The site was zoned and taxed by the government as residential land, but the City of Las Vegas prevented the legal use of the property as it would not allow the landowner to develop the property with a residential use. Instead, the City of Las Vegas has required that the property remain vacant.

With the City preventing the legally permitted use of property, and requiring the property to remain vacant, I concluded that the property had no value in the “after condition.” That is because there is no market that I can find interested in purchasing property taxed as if it can be used for residential development but restricted to remain vacant.

In this case, the landowner purchased this residentially zoned site and submitted an application to the City of Las Vegas for approval to develop the property with a residential development. The City of Las Vegas denied the landowner’s application.

NRS 37.112 provides that any decrease or increase in the fair market value of a property before the date of valuation which is caused by the public work or public improvement for which the property is acquired; or the likelihood that the property would be acquired for such a purpose, has to be disregarded when estimating the value of the property. Therefore, when valuing this property in the before condition, I must value the property as of September 14, 2017, the effective date of value, disregarding the City’s actions to prevent the legal use of the property. This will be referred to as the “before condition” throughout the attached report. I will then value the property as of September 14, 2017, considering the City’s actions to prevent the legal use of the property. This will be referred to as the “after condition” throughout the report.

For this assignment I first analyzed the property as if it were available to be developed with a residential use in compliance with its R-PD7 zoning on September 14, 2017. After concluding the “before value”, I analyzed the remainder. Due to the effect of the government’s actions, I concluded there was no market to sell this property with the substantial tax burden but no potential use or income to offset the tax expense. Based on the government’s actions, I concluded that the “after value” would be zero.

Based on the analyses and conclusions in the accompanying report and subject to the definitions, assumptions, and limiting conditions expressed in this report, it is my opinion that the retrospective just compensation due to the landowner for the government’s actions, as of September 14, 2017, was as follows:

| Estimated Just Compensation Due to Landowner | |
|--|-----------------|
| 1. Value before taking | \$ 34,135,000 |
| 2. Less value after the taking | - \$ - |
| 3. Damages to the remainder | = \$ 34,135,000 |
| 4. Less special benefits to remainder | - \$ - |
| 5. Just compensation due to property owner | = \$ 34,135,000 |

The previous values are based on the following extraordinary assumption and its use might have affected the assignment results:

1. The value estimated in this appraisal is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 property inspection was similar to its condition on September 14, 2017, the effective date of value for this assignment.

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

THE DiFEDERICO GROUP



Tio S. DiFederico, MAI
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SUMMARY OF SALIENT FACTS AND CONCLUSIONS

| | |
|--|---|
| Property Type: | Vacant Land |
| Location: | SEC Alta Drive & Hualapai Way, Las Vegas, Clark County, NV 89145 |
| Assessor Parcel Numbers (APN): | 138-31-201-005 |
| Owner of Record: | 180 Land Co, LLC |
| Date of value opinion - Retrospective: | September 14, 2017 |
| Date of inspection: | August 12, 2020 |
| Date of report: | April 23, 2021 |
| Property rights appraised: | Fee Simple estate |
| Land Area: | 34.07 acres / 1,484,089 square feet |
| Zoning Designation | Residential Planned Development District (R-PD7), under the jurisdiction of the City of Las Vegas. |
| Flood Panel / Designation / Date | Panel 2145 and 2150 of 4090 / Zone X / 11/16/11 and 09/27/02, respectively. |
| Client/Intended user/Intended use: | The client and intended user is the 180 Land Co., LLC, c/o Mr. James J. Leavitt, Esq., and Autumn Waters, Esq., of the Law Offices of Kermit Waters. The intended use is for litigation purposes. |
| Highest and Best use in the Before Situation: | Residential Development. |

Based on the analyses and conclusions in this report and subject to the definitions, assumptions, and limiting conditions expressed herein, it is my opinion that the just compensation due the property owner due to the government actions, as of September 14, 2017, was:

| Estimated Just Compensation Due to Landowner | |
|--|----------------|
| 1. Value before taking | \$34,135,000 |
| 2. Less value after the taking | - \$ - |
| 3. Damages to the remainder | = \$34,135,000 |
| 4. Less special benefits to remainder | - \$ - |
| 5. Just compensation | = \$34,135,000 |

The above value is based on the following extraordinary assumption and its use might have affected the assignment results:

1. The value estimated in this appraisal is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 property inspection was similar to its condition on September 14, 2017, the effective date of value for this assignment.

GENERAL INFORMATION

IDENTIFICATION OF SUBJECT

The subject of this report is a 34.07-acre site located at the southeast corner of Alta Drive and Hualapai Way, Las Vegas, Nevada. The property can also be identified as Clark County Assessor Parcel Number (APN) 138-31-201-005. A brief legal description of the property is as follows:

A PORTION OF THE SOUTH HALF (S ½) OF THE NORTHWEST
QUARTER (NW ¼) AND THE NORTH HALF (N ½) OF THE SOUTHWEST
QUARTER (SW ¼) OF SECTION 31, TOWNSHIP 20 SOUTH, RANGE 60
EAST, M.D.M., CLARK COUNTY, NEVADA

CURRENT OWNERSHIP AND SALES HISTORY

A guideline of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice (USPAP) is that any pending or prior sales of the subject property over the last three years must be analyzed.

The subject property was transferred with another 216.85 acres from Fore Stars, LTD., to 180 Land Co. LLC, an affiliated entity, on November 16, 2015. The subject property had been held by Fore Stars, LTD., since April 14, 2005 when it was transferred from the Peccole 1982 Trust (45%) and William Peter and Wanda Ruth Peccole Family L.P. (55%), a business entity of which grantor is the 100% owner. The property had been transferred to the Peccole 1982 Trust and William Peter and Wanda Ruth Peccole Family L.P.; three (3) days prior from the Larry Miller Trust.

In researching the sales history, I interviewed Yohan Lowie, CEO & Founder of EHB Companies. Mr. Lowie's relationship with the Peccole family began in 1996 when he and his partners purchased their first custom home lot in the Queensridge community. They traded that lot but ended up building the new owner's home on that lot. They purchased three (3) additional lots, built homes on them, and sold them. This was followed by the purchase of two additional lots. After these developments, Mr. Lowie's company entered into partnerships with the Peccole family on properties outside of Queensridge, including the office building that EHB Companies currently occupies, land, Tivoli Village and a site at Sahara Avenue and Hualapai Way. By early 2000, Mr. Lowie and his partners had entered into a 25 custom home lot purchase that they would take down in five (5) lot increments every three (3) to five (5) months. Mr. Lowie stated that they ended up purchasing and developing 40 of the 106 custom home lots in the Queensridge community.

It was in early 2001, while Mr. Lowie's company was building a home that he noted dirt being moved behind it on what was known as the Badlands golf course. He stated that was when he learned that the Peccole family was looking to develop homes on what had been the Badlands golf course. Mr. Lowie stated that the Peccole family halted this development due to a waterline easement that ran under that portion of the site.

By 2004 Mr. Lowie had negotiated with the Peccole family to buy the +/- 14.5 acre site to construct four (4) towers at Queensridge, two (2) of which have been built. The Peccole family retained a 30% interest in the Queensridge Towers development. However, to build these Towers, two (2) holes on the Badlands golf course had to be rearranged. This included converting a Par 5 hole that abutted the Tower site to a Par 4 and converting a Par 4 close to the Queensridge Charleston Boulevard entrance to a Par 5. The following aerials from

Google Earth reflect the before and after situation of the land and golf course where the two (2) towers were constructed.



Photo taken March 30, 2004.



Photo taken February 28, 2008.

In 2005, the golf course was being leased by American Golf. Mr. Lowie stated that after the above hole conversion was completed, at a cost of approximately \$800,000 to Mr. Lowie's company, American Golf informed the Peccole family that they had broken their lease by changing the course and using a portion of it for development. American Golf demanded the Peccole family buy out the lease for \$30 million. At the same time there was a cash call for the partners in the Queensridge Towers, of which the Peccole family had a 30% interest.

To resolve the issues, Mr. Lowie worked a deal with his then partners to borrow money to cover the Peccole family obligation to American Golf and buy them out of their joint ventures. Mr. Lowie agreed to pay the Peccole family a total of \$90 million for the interests in these ventures, plus give them four (4) units in the Queensridge Towers that he valued at \$10 million. This included the \$30 million for them to buy out the golf course lease. Therefore, the total price agreed upon in 2006 was \$100MM.

It was during this period of 2006, that Troon Golf, LLC., approached the Peccole family about leasing and operating the Badlands golf course. The Peccole family approached Mr. Lowie with the suggestion that he let them lease the golf course to Troon Golf since he was busy with the Towers and Tivoli Village at that time. Mr. Lowie agreed. The Troon Golf lease was approximately three (3) years. Par 4 leased and operated the course thereafter. In March of 2015, Mr. Lowie and his partners, through their entities, purchased Fore Stars, the entity that owned the 250 acres of land that the Badlands Gold Course was operated on. Elite Golf then took over operations until it closed in December of 2016.

According to Mr. Lowie, the property had never been listed for sale and the 2015 transfer of the golf course for \$15 million was just the final payment of the \$100MM buyout and had nothing to do with the property's value. In addition, this was agreed to over ten (10) years prior to the effective date of value in this analysis.

After considering all of the previous information about the subject property's transfer, the fact that market conditions had seen dramatic changes during the ten (10) years prior to the effective date of value, and the values I estimated in this report, it is my opinion that the final payment of \$15 million had no relationship to the subject site's September 14, 2017 market value.

To the best of my knowledge, while the property transferred in November 2015 to a related entity, there had been no market based sale of the subject property within the three (3) years prior to the effective date of value, September 14, 2017, and as of the effective date of this appraisal assignment, the property was not in escrow, subject to an option to buy, nor was it listed for sale.

PURPOSE, PROPERTY RIGHTS AND EFFECTIVE DATE

The purpose of this appraisal is to develop an opinion of the just compensation due to the property owner due to the government actions that resulted in taking of the landowner's property rights. The effective date of value is September 14, 2017.

CLIENT, INTENDED USER AND INTENDED USE

The client and intended user of the report is 180 Land Co., LLC, c/o Mr. James J. Leavitt, Esq., and Autumn Waters, Esq., of the Law Offices of Kermit Waters. The intended use of this appraisal report is for litigation purposes.

APPLICABLE REQUIREMENTS

This appraisal is intended to conform to the requirements of the following:

- Uniform Standards of Professional Appraisal Practice (USPAP)
- Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute

DEFINITION OF CONDEMNATION

The act or process of enforcing the right of eminent domain. Source: Appraisal Institute, *(The Dictionary of Real Estate Appraisal, 6th Edition, 2015)*.

DEFINITION OF EMINENT DOMAIN

The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the *takings clause*, guarantees payment of just compensation upon appropriation of private property. Source: Appraisal Institute, (*The Dictionary of Real Estate Appraisal, 6th Edition, 2015*).

DEFINITION OF EXTRAORDINARY ASSUMPTION

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Source: USPAP, (*2016-2017 ed*).

DEFINITION OF HYPOTHETICAL CONDITION

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Source: USPAP, (*2020-2021 ed*).

DEFINITION OF INVERSE CONDEMNATION

An action brought by a property owner for compensation from a governmental entity that has taken the owner's property without bringing formal condemnation proceedings; also termed *constructive condemnation, reverse condemnation*. (*Black's Law Dictionary, tenth edition*).

DEFINITION OF JUST COMPENSATION

In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position pecuniarily as he or she would have been if the property had not been taken. Source: Appraisal Institute, (*The Dictionary of Real Estate Appraisal, 6th Edition, 2015*).

The Nevada Constitution has a similar definition:

In all eminent domain actions, just compensation shall be defined as that sum of money, necessary to place the property owner back in the same position, monetarily, without any governmental offsets, as if the property had never been taken. Just compensation shall include, but is not limited to, compounded interest and all reasonable costs and expenses actually incurred.

DEFINITION OF MARKET VALUE

Market value is defined as:

The highest price, on the date of valuation, that would be agreed to by a seller, who is willing to sell on the open market and has reasonable time to find a purchaser, and a buyer, who is ready, willing and able to buy, if both the seller and the buyer had full knowledge of all the uses and purposes for which the property is reasonably adaptable and available. In determining value, except as otherwise provided in this subsection, the property sought to be condemned must be valued at its highest and best use without considering any future dedication requirements imposed by the entity that is taking the property. If the property is condemned primarily for a profit-making purpose, the property sought to be condemned must be valued at the use to which the entity that is condemning the property intends to put the property, if such use results in a higher value for the property. (Added to NRS by 1959, 596; A 1989, 548; 1993, 525; 1995, 501; 2007, 331)

The Nevada Constitution has a similar definition:

In all eminent domain actions where fair market value is applied, it shall be defined as the highest price the property would bring on the open market.

DEFINITION OF PROPERTY RIGHTS APPRAISED

Fee simple estate is defined as an: “Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.” Source: Appraisal Institute, (*The Dictionary of Real Estate Appraisal*, 6th Edition, 2015).

DEFINITION OF RETROSPECTIVE VALUE OPINION

Retrospective value opinion is defined as an: “A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date.” Source: Appraisal Institute, (*The Dictionary of Real Estate Appraisal*, 6th Edition, 2015).

SCOPE OF WORK

This analysis involves a 34.07-acre parcel of land located at the southeast corner (SEC) of Alta Drive and Hualapai Way, in Las Vegas, Clark County, Nevada. As of the effective date of value, the site’s Alta and Hualapai frontages were improved with concrete curbs, gutters, sidewalks, and landscaping.

According to the City of Las Vegas’ Planning Department, the site has been zoned Residential Planned Development District (R-PD7) since at least 1990. This was recently confirmed after a hearing on September 17, 2020. After that hearing, District Court Judge Timothy C. Williams ordered that:

- 3) the 35 Acre Property is hard zoned R-PD7 at all relevant times herein; and
- 4) the permitted uses by right of the 35 Acre Property are single-family and multi-family residential.

The single-family residential dwelling density that is allowed in the R-PD District is reflected by the numerical designation for that district. According to Title 19, R-PD7 allows up to 7.49 dwelling units per gross acre. The development standards for a R-PD project, including minimum front, side and rear yard setbacks, grade changes, maximum building heights, and other design and development criteria, are to be as established by the approved Site Development Plan Review (SDR) for the development.

This appraisal assignment involves estimating the just compensation due to the property owner for the government actions requiring the property to remain in a vacant state and not allow the landowner to develop a residentially zoned property with a residential development. To perform this assignment, I took the following steps to gather, confirm, and analyze relevant data.

- I inspected the subject property and surrounding area on August 12, 2020. The photographs included in this report were taken by Tio S. DiFederico, MAI, during that inspection.
- I collected factual information about the property and the surrounding market and confirmed that information with various sources as of the effective date of value. This included numerous articles in the local newspapers regarding the Las Vegas golf

courses, correspondence between the landowner, Par 4 and then Elite Golf, The National Golf Foundation's "Golf Facilities in the U.S., 2017 Edition," a report on the Badlands Golf Course prepared by Global Golf Advisors (GGA), site development costs (included in my workfile), the City of Las Vegas Unified Development Code, Title 19, and numerous other publications identified within this report.

- I then performed a highest and best use analysis of the subject site as of September 14, 2017, the effective date of value. Based on the highest and best conclusion, I estimated the market value of the fee simple estate in the subject site as if the permitted right to develop the property with single-family residences would have been allowed. (i.e., I excluded the project).
- Appraisers usually consider the use of three approaches to value when developing a market value opinion for real property. These are the cost approach, sales comparison approach and income capitalization approach. For this assignment, I used the Sales Comparison Approach and the Discounted Cash Flow Analysis in Subdivision Development Analysis in the Income Capitalization Approach. These methodologies are considered to offer the best indications of the property's market value.
- Since the Cost Approach is not considered applicable when appraising vacant land, this approach was not used in this analysis.
- The next part of the report involves analyzing and estimating the value of the property in the before and after condition. In this case, the landowner had a residentially zoned site and the legal right to develop it with a residential use. However, when the landowner attempted to get government approval for a residential development, the City of Las Vegas denied the landowner any economic use of the property and instead required the property stay in a vacant state. Therefore, I first analyzed the value of this property as if it were available to be developed with a residential use in compliance with its R-PD7 zoning on September 14, 2017. After concluding that value (the "before value"), I analyzed the value of the property in the after condition, subject to the government actions (the "after value"). I then considered what, if any, damages accrue to the remainder due to the effect of these government actions as of September 14, 2017, the effective date of value for this assignment.

REPORT FORMAT

The report has been prepared under the Appraisal Report option of Standards Rule 2-2(a) of USPAP. As such, it contains discussions of the data, reasoning, and analyses that are used in the appraisal process. Supporting documentation is retained in my file. The depth of discussion contained in this report is specific to the needs of the client and the intended use of the appraisal.

MARKET AREA ANALYSIS

Nevada Labor Force Summary

| (Estimates in Thousands) | | | | | |
|--|--------|--------|--------|----------|--------|
| LABOR FORCE SUMMARY | Sep-17 | Sep-16 | CHANGE | % CHANGE | Aug-17 |
| NEVADA STATEWIDE Seasonally Adjusted | | | | | |
| LABOR FORCE | 1451.4 | 1430.8 | 20.6 | 1.4% | 1445.6 |
| EMPLOYMENT | 1379.7 | 1353.6 | 26.1 | 1.9% | 1375.0 |
| UNEMPLOYMENT | 71.7 | 77.2 | -5.5 | -7.1% | 70.6 |
| UNEMPLOYMENT RATE | 4.9% | 5.4% | ----- | ----- | 4.9% |
| NEVADA STATEWIDE Non Seasonally Adjusted | | | | | |
| LABOR FORCE | 1457.8 | 1432.3 | 25.4 | 1.8% | 1449.8 |
| EMPLOYMENT | 1385.5 | 1355.1 | 30.4 | 2.2% | 1377.6 |
| UNEMPLOYMENT | 72.3 | 77.3 | -5.0 | -6.5% | 72.3 |
| UNEMPLOYMENT RATE | 5.0% | 5.4% | ----- | ----- | 5.0% |
| Las Vegas-Paradise MSA Includes Clark County | | | | | |
| LABOR FORCE | 1073.6 | 1050.8 | 22.8 | 2.2% | 1068.7 |
| EMPLOYMENT | 1017.6 | 992.1 | 25.5 | 2.6% | 1012.8 |
| UNEMPLOYMENT | 56.0 | 58.7 | -2.7 | -4.6% | 55.9 |
| UNEMPLOYMENT RATE | 5.2% | 5.6% | ----- | ----- | 5.2% |
| Reno-Sparks MSA Includes Washoe and Storey Counties | | | | | |
| LABOR FORCE | 237.9 | 234.5 | 3.4 | 1.4% | 234.8 |
| EMPLOYMENT | 228.4 | 223.8 | 4.6 | 2.0% | 225.3 |
| UNEMPLOYMENT | 9.5 | 10.7 | -1.2 | -11.4% | 9.5 |
| UNEMPLOYMENT RATE | 4.0% | 4.6% | ----- | ----- | 4.1% |
| Carson City MSA | | | | | |
| LABOR FORCE | 24.8 | 24.7 | 0.1 | 0.3% | 24.8 |
| EMPLOYMENT | 23.6 | 23.3 | 0.3 | 1.2% | 23.6 |
| UNEMPLOYMENT | 1.2 | 1.4 | -0.2 | -14.2% | 1.2 |
| UNEMPLOYMENT RATE | 4.8% | 5.6% | ----- | ----- | 4.7% |

UNEMPLOYMENT RATES BASED ON UNROUNDED DATA

Employment adjusted by census relationships to reflect number of persons by place of residence.

Information compiled by DETR's Research & Analysis Bureau

Source: Nevada Department of Employment, Training and Rehabilitation.

ECONOMIC BASE

While overall the number of new jobs increased in September 2017, Nevada's largest population centers saw mixed job growth. The Las Vegas Metropolitan Statistical Area (MSA) lost 500 jobs after only adding 3,900 jobs when 4,400 were expected to be gained, due to seasonal movement. Reno saw a seasonally adjusted increase of 2,000 jobs, the result of a jump of 3,000 jobs when only 1,000 were expected. In the state capital, Carson City, jobs held steady years over year with the seasonal expectations.

The economic base of the Las Vegas area consists of the tourist industry, service industry, military-base, the Nevada Test Site, governmental and municipal agencies, and mining and manufacturing. Nevada Development Authority is one of the area's premier economic development agencies. According to the Nevada Department of Employment, Training & Rehabilitation (DETR), as of September 2017, the statewide unemployment rate was 4.9%, down 0.5% from the same month of 2016. "The metro area economic indicators continue to follow statewide positive trends," Bill Anderson, chief economist for Nevada's Department of Employment, Training and Rehabilitation, said. "As reported last week, the statewide unemployment rate stands at 4.9%. Employers continue to add jobs. Despite a slight uptick in new jobs statewide, Nevada's largest population centers saw mixed job growth in September."

Non-Seasonally Adjusted Establishment Based Industrial Employment Las Vegas-Paradise MSA

Includes Clark County
(Estimates in Thousands)

| | Sep-17 | Sep-16 | CHANGE | % CHANGE | Aug-17 |
|--|--------------|--------------|-------------|--------------|--------------|
| Total All Industries | 983.5 | 960.1 | 23.4 | 2.4% | 979.6 |
| Goods Producing | 89.6 | 78.8 | 10.8 | 13.7% | 89.7 |
| Natural Resources & Mining | 0.4 | 0.3 | 0.1 | 33.3% | 0.4 |
| Construction | 66.3 | 56.2 | 10.1 | 18.0% | 66.4 |
| Construction of Buildings | 9.6 | 8.5 | 1.1 | 12.9% | 9.4 |
| Specialty Trade Contractors | 51.0 | 42.0 | 9.0 | 21.4% | 51.4 |
| Building Foundation & Exterior Contractors | 13.1 | 10.7 | 2.4 | 22.4% | 13.7 |
| Building Finishing Contractors | 13.9 | 11.5 | 2.4 | 20.9% | 13.7 |
| Manufacturing | 22.9 | 22.3 | 0.6 | 2.7% | 22.9 |
| Durable Goods | 13.0 | 12.7 | 0.3 | 2.4% | 13.0 |
| Other Miscellaneous Manufacturing | 4.1 | 4.1 | 0.0 | 0.0% | 4.1 |
| Non-durable Goods | 9.9 | 9.6 | 0.3 | 3.1% | 9.9 |
| Service Providing | 893.9 | 881.3 | 12.6 | 1.4% | 889.9 |
| Private Service Providing | 790.2 | 780.2 | 10.0 | 1.3% | 791.9 |
| Trade, Transportation & Utilities | 167.1 | 170.7 | -3.6 | -2.1% | 168.2 |
| Wholesale | 21.2 | 21.8 | -0.6 | -2.8% | 21.1 |
| Retail | 106.6 | 106.9 | -0.3 | -0.3% | 107.3 |
| Food & Beverage Stores | 17.9 | 17.4 | 0.5 | 2.9% | 17.8 |
| Health and Personal Care Stores | 7.8 | 7.7 | 0.1 | 1.3% | 7.9 |
| Trans, Warehousing & Utilities | 39.3 | 42.0 | -2.7 | -6.4% | 39.8 |
| Utilities | 2.6 | 2.6 | 0.0 | 0.0% | 2.6 |
| Transportation & Warehousing | 36.7 | 39.4 | -2.7 | -6.9% | 37.2 |
| Air | 6.5 | 6.4 | 0.1 | 1.6% | 6.5 |
| Transit and Ground Passenger | 12.8 | 13.4 | -0.6 | -4.5% | 13.0 |
| Taxi and Limousine Service | 9.7 | 9.8 | -0.1 | -1.0% | 9.7 |
| Information | 10.7 | 10.8 | -0.1 | -0.9% | 10.8 |
| Telecommunications | 2.8 | 2.9 | -0.1 | -3.4% | 2.8 |
| Financial Activities | 49.9 | 48.4 | 1.5 | 3.1% | 50.5 |
| Finance and Insurance | 27.2 | 26.8 | 0.4 | 1.5% | 27.8 |
| Credit Intermediation & Related | 15.8 | 14.9 | 0.9 | 6.0% | 15.7 |
| Real Estate and Rental and Leasing | 22.7 | 21.6 | 1.1 | 5.1% | 22.7 |
| Professional & Business Services | 141.5 | 136.4 | 5.1 | 3.7% | 141.7 |
| Professional, Scientific and Technical | 39.5 | 39.4 | 0.1 | 0.3% | 40.2 |
| Management of Companies | 20.5 | 19.8 | 0.7 | 3.5% | 20.5 |
| Administrative & Support and Waste Mgt. | 81.5 | 77.2 | 4.3 | 5.6% | 81.0 |
| Administrative and Support Services | 79.4 | 74.6 | 4.8 | 6.4% | 79.0 |
| Employment Services | 15.3 | 14.2 | 1.1 | 7.7% | 15.3 |
| Other Support Services | 12.1 | 11.8 | 0.3 | 2.5% | 11.1 |
| Education and Health Services | 96.7 | 92.8 | 3.9 | 4.2% | 96.4 |
| Health Care and Social Assistance | 86.0 | 82.9 | 3.1 | 3.7% | 86.7 |
| Ambulatory Health Care Services | 39.9 | 37.6 | 2.3 | 6.1% | 40.1 |
| Hospitals | 20.9 | 20.4 | 0.5 | 2.5% | 20.9 |
| Leisure and Hospitality | 291.6 | 289.3 | 2.3 | 0.8% | 291.4 |
| Arts, Entertainment and Recreation | 21.6 | 21.0 | 0.6 | 2.9% | 21.8 |
| Accommodation and Food Service | 270.0 | 268.3 | 1.7 | 0.6% | 269.6 |
| Accommodation | 168.7 | 167.0 | 1.7 | 1.0% | 168.5 |
| Casino Hotels and Gaming | 159.9 | 158.4 | 1.5 | 0.9% | 159.5 |
| Casino Hotels | 154.8 | 153.5 | 1.3 | 0.8% | 154.4 |
| Gaming Industries | 5.1 | 4.9 | 0.2 | 4.1% | 5.1 |
| Food Services and Drinking Places | 101.3 | 101.3 | 0.0 | 0.0% | 101.1 |
| Full-Service Restaurants | 49.9 | 50.3 | -0.4 | -0.8% | 49.7 |
| Limited-Service Restaurants | 36.6 | 37.7 | -1.1 | -2.9% | 36.6 |
| Other Services | 32.7 | 31.8 | 0.9 | 2.8% | 32.9 |
| Government | 103.7 | 101.1 | 2.6 | 2.6% | 98.0 |
| Federal | 13.0 | 12.9 | 0.1 | 0.8% | 13.0 |
| State | 18.3 | 19.1 | -0.8 | -4.2% | 16.8 |
| Local | 72.4 | 69.1 | 3.3 | 4.8% | 68.2 |

Non-Seasonally Adjusted Data.

Data may not add due to rounding. Employment by place of work. Does not coincide with labor force concept. Includes multiple job holders.

Source: Nevada Department of Employment, Training and Rehabilitation.

Key Points:

- In Las Vegas, the unemployment rate stayed the same from August, at 5.2%. But it is down 40 basis points from the same time last year.
- Reno's unemployment rate is at 4.0%, down 10 basis points from August and down 60 basis points from last year.
- The unemployment rate in Carson City is up 10 basis points over the month, to 4.8%, but is down 80 basis points from September 2016.

Job Growth since September 2016

- Statewide: 32,300 jobs were added over the year (2.5% growth rate)
- Reno: added 5,500 jobs (2.5% growth rate)
- Las Vegas: added 21,600 jobs over the year (2.3% growth rate)
- Carson City: unemployment unchanged year-over-year

Over the year, job growth increased in the State as a whole and in all major population centers this month. Statewide, 32,300 more jobs have been added since September of 2016, a growth rate of 2.5%. Reno had the highest year-over-year growth rate at 2.5%. The Reno area saw payrolls gain 5,500 jobs, with 2,000 goods-producing and 2,300 service-providing jobs. Las Vegas realized the largest nominal growth of 21,600 jobs, an increase of 2.3%. Of the Las Vegas area's total nominal gain, service providing industries saw the addition of 12,600 jobs and goods-producing industries increased by 10,800 jobs. Carson City was flat year-over-year, with both service-providers and goods-producers adding 100 jobs in the area before adjustments were made for seasonality.

The latest information from Current Employment Statistics (CES) monthly estimates show as the recession unfolded, Statewide employment fell 14.3%, from a pre-recession peak of 1,297,200 to a low of 1,111,500 jobs in September 2010. Seven years later, the Silver State has surpassed the pre-recession peak by 3.9%, or 50,800 more jobs. Las Vegas lost 134,400 jobs during the recession, a decline of 14.4%. Since bottoming out, the region has added 183,900 jobs, an increase of 23.1%. Employment currently stands 49,500 higher than the previous peak.

Tourism has historically been one of Nevada's major economic drivers, and continues to account for a larger share of employment than any other sector in the State. Monthly visitor volumes for the State's two largest metro areas are important indicators for the health of the many industries supported by tourism.

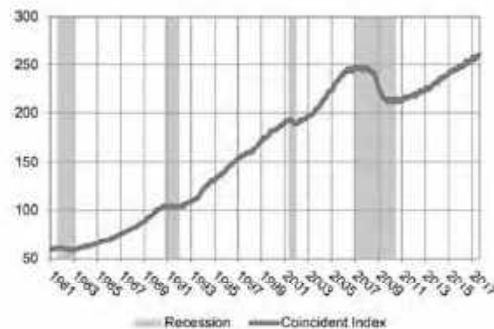
Another indicator of the area's economic health is provided by UNLV's Center for Business & Economic Research (CBER) Southern Nevada Coincident and Leading Indexes. This is put out by the Nevada Department of Employment, Training & Rehabilitation Research and Analysis Bureau and UNLV's Center for Business and Economic Research.

The CBER Nevada coincident and leading indexes use the Department of Commerce index construction method. The CBER Nevada coincident index measures the ups and downs of the Nevada economy, while the CBER Nevada leading index provides an indication for the future direction of the coincident index.

The coincident index provides the benchmark series that defines the business cycle or reference cycle in Nevada. The leading index then tracks the economy relative to that reference cycle. The coincident index peaked in February 2007 and then fell dramatically

through June 2010. Prior to the Great Recession, identified by the benchmark Nevada coincident index, the Nevada leading index peaked in November 2005, 14 months before the Nevada coincident index peaked. Then the Nevada leading index bottomed out in May 2009, 13 months before the Nevada coincident index troughed. All series are seasonally adjusted (SA).

- CBER's Southern Nevada Coincident Index increased 0.4% in August 2017 relative to the prior month and a significant 3.7% increase year-over-year.
- CBER's Southern Nevada Leading Index decreased 1.3% in August 2017 relative to the prior month and was up 1.0% compared to last year.
- CBER's Clark County Construction Index increased 0.1% in August 2017 relative to the prior month; and is up a healthy 4.3% over last year.
- CBER's Southern Nevada Tourism Index dropped 0.1% in August 2017 relative to the prior month; but is up 1.5% over last year.



| Series | Date | Latest Period | Month-Over-Month | Year-Over-Year |
|-----------------------------|---------------|---------------|------------------|----------------|
| Taxable Sales (SA) | Aug-17 | 3,484,358,509 | 0.7% | 3.6% |
| Gaming Revenue (SA) | Aug-17 | 855,812,041 | 2.4% | 16.4% |
| Nonfarm Employment (SA) | Aug-17 | 983,439 | 0.1% | 3.2% |
| Overall Index Change | Aug-17 | 259.8 | 0.4% | 3.7% |

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Source: The Center for Business and Economic Research – UNLV

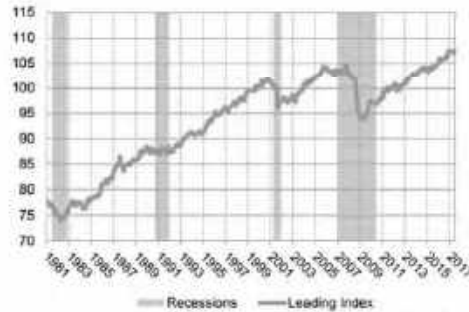
The CBER Southern Nevada coincident index rose 0.4% in August 2017 from the previous month. Gaming revenue (2.4%), taxable sales (0.7%) and nonfarm employment (0.1%) all rose compared to July 2017. On a yearly basis, all three components also rose this month. Year-over-year, Clark County taxable sales were up by 3.6% and gaming revenue, strongly supported by higher gaming activity due to the Mayweather-McGregor boxing match, was up 16.4%. Nonfarm employment was up 3.2% since last year. Overall, the index was up 3.7% year-over-year.



Southern Nevada Leading Index

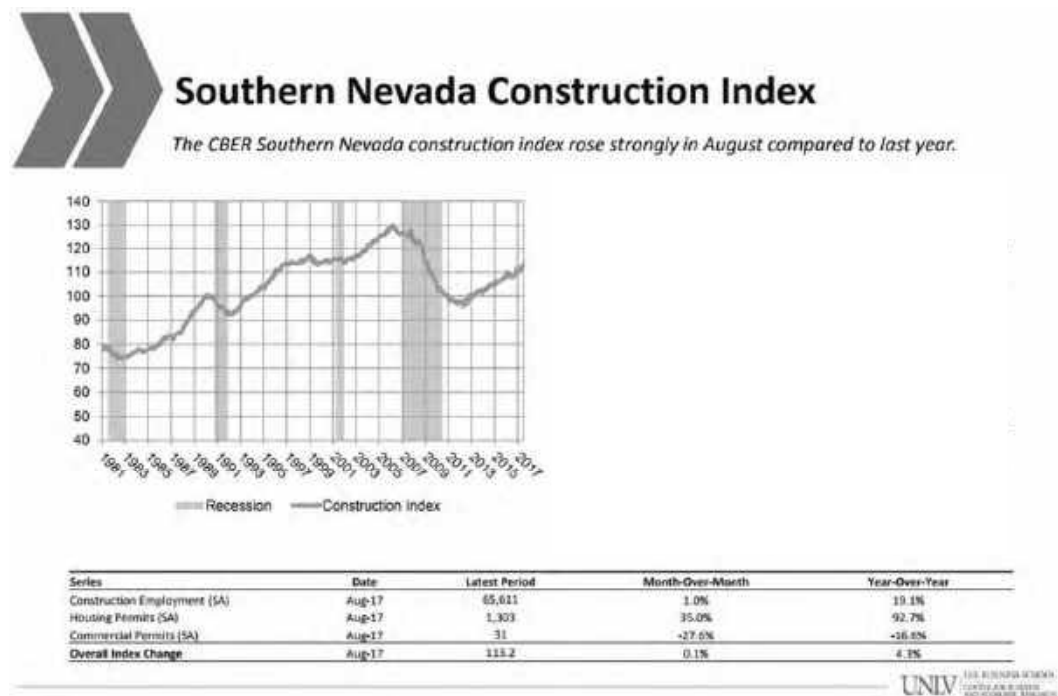
The CBER Southern Nevada leading index continued its yearly upward trend.

| Date | Index | Month-Over-Month | Year-Over-Year |
|--------|-------|------------------|----------------|
| Aug-16 | 103.9 | 1.3% | 6.8% |
| Sep-16 | 101.7 | -2.1% | 3.3% |
| Oct-16 | 102.3 | 0.6% | 2.7% |
| Nov-16 | 105.3 | 2.9% | 7.1% |
| Dec-16 | 105.5 | 0.1% | 5.0% |
| Jan-17 | 103.3 | -2.0% | 4.6% |
| Feb-17 | 102.4 | -0.9% | -0.2% |
| Mar-17 | 104.5 | 2.1% | 2.5% |
| Apr-17 | 103.6 | -0.9% | 2.5% |
| May-17 | 105.0 | 1.3% | 2.0% |
| Jun-17 | 104.7 | -0.3% | 2.3% |
| Jul-17 | 106.2 | 1.5% | 3.5% |
| Aug-17 | 104.9 | -1.3% | 2.0% |



Source: The Center for Business and Economic Research – UNLV

The CBER Southern Nevada leading index posted a slight monthly increase in August of 0.2%, mainly due to mixed results. On the positive side, there was a 35.0% increase in housing permits in Clark County. In addition, the S&P 500 index was up 2.1% and the 10-year Treasury bond yield (inverted) inched up 0.2%. In contrast, initial claims for unemployment insurance (inverted) and passenger volume at McCarran International Airport declined 0.8% and 0.1%, respectively. Also, construction permits for commercial building posted the largest monthly decline, down 27.6%. The overall index, however, posted a 1.7% increase compared to August of last year. This gain resulted from a robust annual increase of 92.7% in housing permits, which was partially offset by a 16.6% fall in commercial construction permits. On the national level, the S&P 500 index advanced 15.5% in August compared to August 2016, which highlighted favorable growth of the U.S. economy.



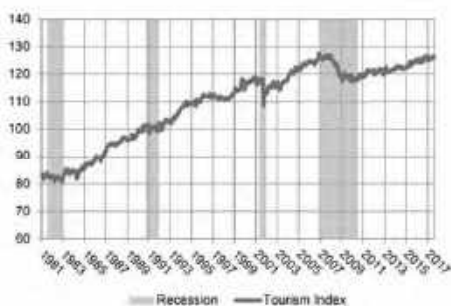
Source: The Center for Business and Economic Research – UNLV

The CBER Southern Nevada construction index peaked in August at its highest value since the end of the housing crisis. The index increased by 0.1% and 4.3% in August compared to the previous month and year, respectively. On a monthly basis, the index was supported by higher housing permits and construction employment, up by 35.0% and 1.0%, respectively. Construction permits for commercial buildings, however, dropped 27.6% in August compared to July. Although commercial building permits fell significantly on a monthly basis, the overall index registered a monthly gain. Housing permits and construction employment fueled a push upwards year-over-year in August. Residential permits were up 92.7% and close to 10,500 new workers in the construction industry were added (seasonally adjusted data). As a result, the overall index was up strongly by 4.3% from a year ago.



Southern Nevada Tourism Index

The CBER Southern Nevada tourism index increased in August due to higher gaming activity.



| Series | Date | Latest Period | Month-Over-Month | Year-Over-Year |
|------------------------------------|--------|---------------|------------------|----------------|
| McCarran Passengers (SA) | Aug-17 | 6,071,634 | -0.1% | 3.6% |
| Gaming Revenue (SA) | Aug-17 | \$55,412,043 | 2.4% | 16.4% |
| LV Hotel/Motel Occupancy Rate (SA) | Aug-17 | 0.890 | +1.5% | -0.7% |
| Overall Index Change | Aug-17 | 126.1 | -0.1% | 1.5% |

UNLV CENTER FOR BUSINESS AND ECONOMIC RESEARCH

Source: The Center for Business and Economic Research – UNLV

The CBER Southern Nevada tourism index fell slightly by 0.1% in August compared to the previous month. This loss was mainly due to a decrease of 1.5% in the Las Vegas hotel/motel occupancy rate. Passenger volume at McCarran fell by 0.1%, relative to the a month ago. Although gaming revenue increased by 2.4%, it did not completely offset losses in the other two components. On a yearly basis, however, the index grew 1.5% in August. Two of the three components (McCarran passengers and gaming revenue) increased 3.6% and 16.4%, respectively, compared to August 2016. The increase in gaming revenue was the direct result of the Mayweather-McGregor fight in Las Vegas. Hotel/motel occupancy rate declined 0.7% year-over-year.

HOUSING

Through the first ten (10) months of 2017, statistics from GLVAR and its Multiple Listing Service showed that homes sold so far in 2017 continue to run about 10% ahead of the pace from 2016, when 41,720 total properties were sold in Southern Nevada. At the current sales pace, 2017 sales would surpass the total number of properties sold in 2013, 2014 and 2015 and might approach the total from 2012 — when GLVAR tracked 45,698 sales.

The GLVAR reported a total of 3,633 sales in October 2017, which is up from 3,225 total sales in October of 2016. Compared to the previous year, October sales were up 13.3% for homes and up 16.1% for condos and townhomes. Strong demand and a very tight housing supply are driving this surge. Over the past few months, the inventory of local homes available for sale has dropped to less than a two-month supply when a six-month supply is ideal.

At the same time, homes and condos continue to sell faster each month. In October, GLVAR reported that 81.9% of existing local homes and 89.0% of existing local condos and townhomes sold within 60 days. That was faster than a year ago when 75.2% of

existing local homes and 76.2% of existing local condos and townhomes sold within 60 days. GLVAR reported that the median price of existing single-family homes sold during October was up 13.4% from a year ago.

THE STRIP MARKET AREA

The Strip is a major tourist attraction, and houses some of the most famous hotel casinos in the world. There has been continuous building and renovation along the Strip. For years, Nevada was the only state in which casino gambling was legally allowed. Then, in 1976, New Jersey approved legislation to allow gaming in Atlantic City. From 1989 to 1998, nine additional states authorized casino gambling. And, by the beginning of 2004 various levels of gambling was legal in 48 of our states, with Hawaii and Utah being the exceptions.

While it is recognized that a recession began in the US around March 2001, the Las Vegas market was mostly unaffected until September 11, 2001. However, the impact of closing McCarran International Airport in September was a blow since over 45% of tourists arrived by air. The highest recorded gaming revenue through the first three quarters of any given year up to then was in 2001 at \$5.838 billion, when the US was in a recession. The 4th quarter 2001 gaming revenue dropped by over 7.3% from that reported in 2000. Even with that drop, Nevada casinos won 2.2% more from gamblers in fiscal year 2001 than 2000.

Las Vegas' gaming revenue recovered and reached another all-time high for the 2003 calendar year, which it then surpassed in 2004, 2005, 2006 and 2007. The 2004 win marked the first time the total cracked the \$10 billion barrier. Nevada casinos closed fiscal 2007 with a record \$12.74 billion win. However, expenses were also up, which resulted in a decline in the reported EBITDA (Earnings Before Interest Taxes Depreciation & Amortization). The result was a net decline of 4.0% when comparing 2007 to 2006.

This indicated that the Las Vegas Gaming market was not immune to the national problems that the economy was experiencing. The plan to combat this was to build more resorts. And history had shown that the Las Vegas economy rebounded from economic slumps when the Strip went through a building boom. But there were major concerns in 2008. This included problems at resorts under construction as well those that were still planned.

GAMING & TOURISM

Nevada's gaming revenues for non-restricted licensees peaked in 2007 but dropped in 2008 and then hit bottom in 2009. Revenues then increased each year through 2013. In 2014, seven months reported a decline in revenues and five an increase, with the year-end revenue down 1.13%. In 2015, gaming revenues were up six of the 12 months, with the year-over-year revenues being up 0.57% for the State of Nevada. Gaming revenue in 2016 reflected an increase of 3.49% increase over 2015.

For January 2017, statistics released by the state Gaming Control Board reflected a statewide gaming win of \$1.04 billion, up 12% over January 2016, a Clark County win total up 14.3% to \$926.2 million, and downtown up 32.1% to \$55.5 million. It was the 35th time the state has recorded more than \$1 billion in win, a level first achieved in March 2005. The highest win ever came in October 2007 when the state recorded \$1.165 billion.

Analysts cautioned that the January percentage increases were high because of the timing of reporting, but the three-month running average shows significant growth in casino win. For November, December and January, state and Clark County win was up 2.5% from the comparable period in 2015-16, the Strip climbed 2.9% and downtown Las Vegas was up

7%. “This was obviously a strong month for Clark County but not any kind of record,” Michael Lawton, senior research analyst for the Gaming Control Board’s Tax and License Division, said of January’s numbers. Lawton indicated January’s county win total was just outside of the top 10 highest recorded for the county.

The February 2017 gaming win for the State, \$945,597,573, was down 4.48% compared to February 2016. Clark County reported \$825,864,681, a 4.35% decrease compared to last year and the Strip reported \$541,900,719, which was down 4.98% from last year. Based on February’s gambling win, the state collected \$51,986,240 in percentage fees during March 2017. This represented a 2.87% increase compared to the prior year’s February, when percentage fee collections were \$50,536,977.

In March 2017, the State gaming win was \$991,023,123, which was up 7.45% compared to March 2016. Clark County reported \$857,351,888, a 7.60% increase compared to last year and the Strip reported \$526,092,942, which is up 8.07% from last year. For the fiscal year-to-date, July 1, 2016 through March 31, 2017, the State is up 3.23%, Clark County is up 3.34%, and the Strip is up 3.68%. The state’s March statistics show more increases than decreases, with only three (3) of the sixteen (16) areas reporting throughout the state reporting decreases.

In the most recent report, June 2017, the win was up just 0.3% in Clark County. Statewide, the win was up 0.9% to \$895.4 million for the month over last year while the Las Vegas Strip’s win increased over June 2016 by 1.6% to \$497 million. The heated-up downtown Las Vegas market that had been reporting double-digit percentage increases in win over the past year increased 8.7% to \$46 million. The three-month win average, which is considered a more reliable gauge of performance, showed the state win up 1.9% for April, May and June. The three-month averages also showed Clark County up 1.8%, the Strip up 0.5% and downtown up 13.2%.

The Control Board also announced 12-month totals showing the state’s casino win was up 2.9% to \$11.4 billion. Clark County win was up 3% to \$9.9 billion for the year, the Strip went up 2.9% to \$6.5 billion and downtown Las Vegas ended 10.7% higher than the previous year with \$608.7 million in winnings.

Of the state’s 15 studied markets, only two had win declines for the fiscal year compared with the previous year. North Shore Lake Tahoe was off 2.5% to \$25.3 million while the Boulder Strip declined 0.5% to \$793.9 million. The Boulder Strip downturn was attributed to an 8.4% decline in table-game win that was somewhat offset by a 0.7% increase in slot-machine win. Table win was off in nine of the 15 markets statewide during the 2016-17 fiscal year, but slot win was up in every market except North Shore Lake Tahoe. The following data was compiled by the DiFederico Group from the Nevada Gaming Control Board’s monthly releases through July of 2017.

NEVADA, CLARK COUNTY & LAS VEGAS STRIP GAMING REVENUES 2011 THROUGH JUNE 2017 (RELEASED JULY 27, 2017)

| Nevada Gaming Revenue | | | | | | | | | |
|-----------------------|------------------|----------|-------------------|----------|-------------------|----------|-------------------|----------|-------------------|
| Month | 2017 | % Change | 2016 | % Change | 2015 | % Change | 2014 | % Change | 2013 |
| January | \$ 1,036,263,398 | 12.02% | \$ 925,066,268 | -2.90% | \$ 952,665,050 | 7.94% | \$ 884,191,833 | -2.76% | \$ 909,267,893 |
| February | \$ 945,597,573 | -4.48% | \$ 989,909,889 | 8.00% | \$ 916,087,062 | -1.08% | \$ 926,088,897 | -13.71% | \$ 1,077,261,160 |
| March | \$ 991,033,123 | 7.48% | \$ 922,329,184 | -3.03% | \$ 951,187,038 | -3.49% | \$ 982,175,517 | 7.60% | \$ 912,944,688 |
| April | \$ 886,528,810 | 1.19% | \$ 876,135,199 | -2.43% | \$ 897,974,105 | -0.27% | \$ 854,287,264 | -0.16% | \$ 855,674,603 |
| May | \$ 991,604,782 | 3.51% | \$ 957,997,998 | -4.54% | \$ 1,003,479,007 | 3.32% | \$ 971,220,551 | 8.22% | \$ 897,438,790 |
| June | \$ 895,427,384 | 0.90% | \$ 897,464,756 | 6.81% | \$ 830,908,905 | -8.37% | \$ 906,851,820 | 14.35% | \$ 793,038,748 |
| July | | | | | \$ 823,035,888 | -0.99% | \$ 931,875,046 | -0.66% | \$ 925,633,611 |
| August | | | | | \$ 860,696,184 | -5.23% | \$ 908,240,162 | -1.39% | \$ 952,231,126 |
| September | | | | | \$ 948,961,678 | 3.55% | \$ 916,466,663 | 1.54% | \$ 958,884,854 |
| October | | | | | \$ 986,203,125 | 11.12% | \$ 887,510,784 | -2.86% | \$ 913,642,221 |
| November | | | | | \$ 930,424,600 | -1.47% | \$ 942,346,453 | 7.77% | \$ 876,244,082 |
| December | | | | | \$ 956,095,364 | -2.73% | \$ 988,971,649 | 3.41% | \$ 950,594,086 |
| Year to Date | \$ 5,746,447,070 | 3.37% | \$ 11,246,238,621 | 3.37% | \$ 11,114,872,766 | 3.37% | \$ 11,018,483,012 | -1.13% | \$ 11,144,266,458 |

Source: Nevada Gaming Control Board, compiled by The DIFederico Group.

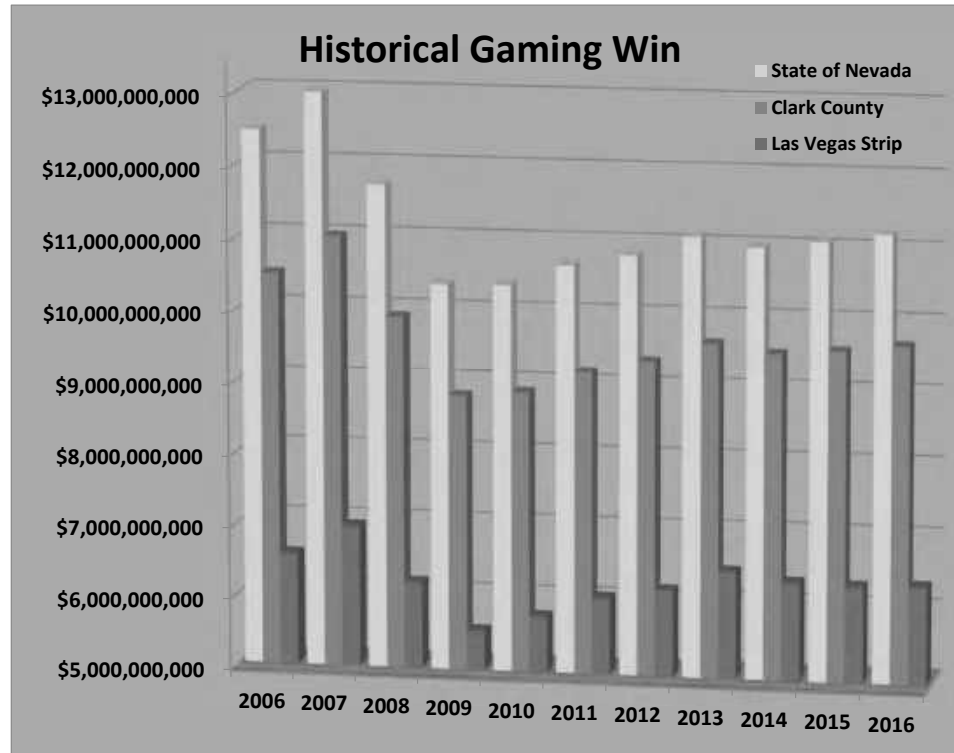
| Clark County Gaming Revenue | | | | | | | | | |
|-----------------------------|------------------|----------|------------------|----------|------------------|----------|------------------|----------|------------------|
| Month | 2016 | % Change | 2016 | % Change | 2015 | % Change | 2014 | % Change | 2013 |
| January | \$ 926,169,328 | 14.30% | \$ 810,285,924 | -3.33% | \$ 838,161,351 | 7.84% | \$ 771,986,392 | -3.15% | \$ 802,503,904 |
| February | \$ 825,864,681 | -4.35% | \$ 863,403,371 | 8.33% | \$ 796,882,585 | -1.71% | \$ 810,733,520 | -15.24% | \$ 958,464,461 |
| March | \$ 857,251,888 | 7.60% | \$ 796,765,997 | -3.58% | \$ 826,353,937 | -3.46% | \$ 860,454,693 | 9.49% | \$ 785,912,248 |
| April | \$ 763,200,286 | 1.37% | \$ 752,884,541 | -4.25% | \$ 786,282,727 | 5.87% | \$ 742,701,785 | 0.87% | \$ 736,312,721 |
| May | \$ 860,706,072 | 3.48% | \$ 831,721,218 | -4.40% | \$ 804,044,892 | 3.38% | \$ 841,600,419 | 8.93% | \$ 772,619,685 |
| June | \$ 764,317,815 | 0.35% | \$ 761,673,534 | 7.33% | \$ 709,629,802 | -10.21% | \$ 790,355,849 | 17.33% | \$ 773,640,327 |
| July | | | | | \$ 786,792,140 | -1.70% | \$ 800,383,799 | 2.20% | \$ 783,179,933 |
| August | | | | | \$ 724,286,387 | -6.70% | \$ 774,708,317 | -5.15% | \$ 816,753,285 |
| September | | | | | \$ 808,829,309 | 3.63% | \$ 780,486,667 | 1.30% | \$ 770,437,448 |
| October | | | | | \$ 856,941,011 | 13.37% | \$ 755,886,405 | -4.01% | \$ 787,457,297 |
| November | | | | | \$ 811,401,859 | -2.05% | \$ 828,092,842 | 8.39% | \$ 763,976,569 |
| December | | | | | \$ 827,707,084 | -4.34% | \$ 863,854,494 | -9.69% | \$ 923,295,569 |
| Year to Date | \$ 4,997,610,070 | 3.76% | \$ 9,712,843,303 | 3.76% | \$ 9,620,670,557 | 3.76% | \$ 9,553,864,782 | -1.25% | \$ 9,674,405,002 |

Source: Nevada Gaming Control Board, compiled by The DIFederico Group.

| Las Vegas Strip Gaming Revenue | | | | | | | | | |
|--------------------------------|------------------|----------|------------------|----------|------------------|----------|------------------|----------|------------------|
| Month | 2016 | % Change | 2016 | % Change | 2015 | % Change | 2014 | % Change | 2013 |
| January | \$ 608,927,565 | 14.40% | \$ 532,275,993 | -7.72% | \$ 576,811,306 | 15.40% | \$ 499,833,194 | -1.41% | \$ 507,001,515 |
| February | \$ 541,900,719 | -4.98% | \$ 570,303,264 | 7.32% | \$ 531,381,708 | -4.37% | \$ 555,674,971 | -20.17% | \$ 696,102,184 |
| March | \$ 526,092,942 | 8.07% | \$ 486,819,711 | -3.96% | \$ 506,867,800 | -9.61% | \$ 560,770,697 | 10.91% | \$ 505,601,948 |
| April | \$ 475,752,512 | -3.25% | \$ 491,369,187 | -1.59% | \$ 498,866,485 | 7.77% | \$ 462,916,539 | 3.19% | \$ 448,589,857 |
| May | \$ 546,791,525 | 2.97% | \$ 531,003,569 | -11.68% | \$ 601,198,083 | 1.39% | \$ 592,963,057 | 17.32% | \$ 505,444,951 |
| June | \$ 496,989,362 | 1.65% | \$ 488,928,905 | 9.75% | \$ 445,510,980 | -16.31% | \$ 532,362,928 | 22.45% | \$ 434,747,965 |
| July | | | | | \$ 613,018,688 | 16.77% | \$ 536,158,717 | 4.83% | \$ 511,448,358 |
| August | | | | | \$ 449,540,957 | -14.76% | \$ 553,185,699 | -6.08% | \$ 589,021,971 |
| September | | | | | \$ 542,540,638 | 7.46% | \$ 494,850,592 | 2.02% | \$ 563,134,277 |
| October | | | | | \$ 562,747,074 | 14.00% | \$ 530,287,756 | -5.63% | \$ 551,321,768 |
| November | | | | | \$ 516,992,327 | -3.48% | \$ 516,615,075 | 5.38% | \$ 508,256,276 |
| December | | | | | \$ 590,707,123 | -1.67% | \$ 600,780,793 | 8.20% | \$ 555,236,453 |
| Year to Date | \$ 3,196,077,325 | 3.08% | \$ 6,376,267,436 | 3.08% | \$ 6,347,845,448 | 3.08% | \$ 6,372,496,879 | -2.05% | \$ 6,506,058,199 |

Source: Nevada Gaming Control Board, compiled by The DIFederico Group.

GAMING REVENUES 2006 THROUGH 2016



Source: Nevada Gaming Control Board, compiled by The DiFederico Group


The Las Vegas Convention and Visitors Authority (LVCVA) has been reporting increases in other tourism related categories. In 2013, visitation down slightly by 0.1% to 39.7 million people. Room inventory was less in 2013 than it was the previous year in 10 out of 12 months. So, even though Las Vegas maintained an 84.3% occupancy rate for the year, the fewer available room nights led to a visitation decline. Even so, 2013 was the second best year for visitor volume in the city's history. One of the reasons it fell behind 2012 was because that leap year had an additional day. Had the 2013 calendar had the extra day, Las Vegas would have set a record for the year based on average daily visitation. This trend carried over to 2014 as Las Vegas set a record with more than 41.1 million tourists, surpassing 40 million for the first time in the city's history; the previous record was 2012's 39.7 million.

And 2015 broke records in terms of visitor volume, surpassing 42.3 million visitors. The LVCVA predicted that 2016 would surpass the 2015 record with 42.5 million visitors. And they were right, as there were 42.9 million visitors, which was up 1.5% over 2015.

As of September 2017, citywide occupancy was 90.2% for the year, which is up 0.1% from that of 2016. Hotel occupancy was slightly higher at 91.9%, up 0.2% from a year ago. The Strip's Average Daily Room Rate (ADR) in September was up 1.4% to \$150.41, and \$140.90 for the year, up 4.0%. Of the 25 statistical categories in the authority's report, 19 showed an upswing for the nine months of 2017. The following data was compiled by the DiFederico Group from the LVCVA's releases for visitor statistics for year-end 2011 through 2016.

| Visitor Statistics | | | | | | | | | | | | |
|-------------------------|------------|-------|------------|------|------------|-------|------------|------|------------|-------|------------|-------|
| Year | 2011 | Δ% | 2012 | Δ% | 2013 | Δ% | 2014 | Δ% | 2015 | Δ% | 2016 | Δ% |
| Visitor Volume | 38,928,708 | 4.3% | 39,727,022 | 2.1% | 39,668,221 | -0.1% | 41,126,512 | 3.5% | 42,312,216 | 6.7% | 42,936,109 | 4.4% |
| Room Inventory | 150,161 | 0.8% | 150,481 | 0.2% | 150,593 | 0.1% | 150,544 | 0.0% | 149,213 | -0.9% | 149,339 | -0.8% |
| Citywide Occupancy | 83.8% | 4.2% | 84.4% | 0.7% | 84.3% | -0.1% | 86.8% | 2.8% | 87.7% | 4.0% | 89.1% | 2.6% |
| Average Daily Room Rate | \$ 105.11 | 10.7% | \$ 108.08 | 2.8% | \$ 110.72 | 2.4% | \$ 116.73 | 8.0% | \$ 119.94 | 8.3% | \$ 125.96 | 7.9% |
| Convention Attendance | 4,865,272 | 8.8% | 4,944,014 | 1.6% | 5,107,416 | 3.3% | 5,169,054 | 4.6% | 5,891,151 | 15.3% | 6,310,616 | 22.1% |
| Total Air Passengers | 41,479,814 | 4.3% | 41,667,596 | 0.5% | 41,857,059 | 0.5% | 42,869,517 | 2.9% | 45,389,074 | 8.4% | 47,435,640 | 10.7% |
| Avg. Daily Auto Traffic | 99,844 | 15.1% | 100,774 | 0.9% | 102,244 | 1.5% | 102,823 | 2.0% | 109,204 | 6.8% | 115,229 | 12.1% |

Source: Las Vegas Convention and Visitors Authority, compiled by The DiFederico Group.

|  | | LVCVA EXECUTIVE SUMMARY | | | | | |
|---|--|-------------------------|---------------|--------|-------------------|-----------------|--------|
| | | September | | | September YTD | | |
| | | 2016 | 2017 | Change | 2016 | 2017 | Change |
| Visitor Volume | | 3,657,797 | 3,566,685 | -2.5% | 32,459,130 | 32,108,552 | -1.1% |
| Room Inventory (as of Sep 30) | | 149,273 | 148,532 | -0.5% | 149,273 | 148,532 | -0.5% |
| Citywide Occupancy | | 92.9% | 91.1% | -1.8 | 90.1% | 90.2% | 0.1 |
| Hotel Occupancy | | 94.2% | 92.7% | -1.4 | 91.7% | 91.9% | 0.2 |
| Hotel Occupancy | | 80.1% | 75.2% | -4.9 | 74.2% | 73.6% | -0.4 |
| Weekend Occupancy | | 96.5% | 96.0% | -0.5 | 95.4% | 95.5% | 0.2 |
| Midweek Occupancy | | 91.1% | 88.3% | -2.8 | 87.8% | 87.8% | 0.1 |
| Strip Occupancy | | 93.9% | 92.3% | -1.4 | 91.5% | 91.6% | 0.1 |
| Downtown Occupancy | | 86.1% | 85.2% | -0.9 | 83.2% | 83.9% | 0.4 |
| Average Daily Room Rate (ADR) | | \$137.11 | \$139.57 | 1.8% | \$125.69 | \$130.56 | 3.9% |
| Strip ADR | | \$148.29 | \$150.41 | 1.4% | \$135.53 | \$140.90 | 4.0% |
| Downtown ADR | | \$72.58 | \$80.58 | 11.0% | \$65.38 | \$69.69 | 6.6% |
| Revenue Per Available Room (RevPAR) | | \$127.38 | \$127.15 | -0.2% | \$113.25 | \$117.61 | 3.9% |
| Strip RevPAR | | \$139.34 | \$138.83 | -0.3% | \$124.04 | \$128.94 | 3.9% |
| Downtown RevPAR | | \$62.49 | \$68.65 | 9.9% | \$54.40 | \$58.36 | 7.3% |
| Total Room Nights Occupied | | 4,137,860 | 4,013,338 | -3.0% | 36,699,459 | 36,331,468 | -1.0% |
| Convention Attendance | | 614,924 | 463,565 | -24.6% | 5,035,625 | 5,139,247 | 2.1% |
| Conventions & Meetings Held | | 1,866 | 1,938 | 3.9% | 15,975 | 15,166 | -5.1% |
| Total En/Deplaned Air Passengers | | 4,053,362 | 4,071,126 | 0.4% | 35,585,107 | 36,418,754 | 2.3% |
| Avg. Daily Auto Traffic: All Major Highways | | 114,244 | 114,687 e | 0.4% | 115,928 | 117,582 e | 1.4% |
| Avg. Daily Auto Traffic: I-15 at NV/CA Border | | 43,788 | 43,774 | 0.0% | 45,681 | 45,272 | -0.9% |
| Gaming Revenue: Clark County | | \$808,861,000 f | \$831,713,000 | 2.8% | \$7,218,091,000 f | \$7,519,482,000 | 4.2% |
| Gaming Revenue: Las Vegas Strip | | \$542,541,000 | \$567,890,000 | 4.7% | \$4,705,817,000 f | \$4,875,112,000 | 3.6% |
| Gaming Revenue: Downtown | | \$49,247,000 | \$49,255,000 | 0.0% | \$413,519,000 f | \$466,638,000 | 12.8% |
| Gaming Revenue: Boulder Strip | | \$56,477,000 | \$32,993,000 | -4.2% | \$600,538,000 f | \$614,383,000 | 2.3% |

Source: Las Vegas Convention and Visitors Authority

McCARRAN INTERNATIONAL AIRPORT

McCarran International Airport is one of the most modern airports in the country. According to the Federal Aviation Administration, it is also one of the fastest growing facilities in the United States. McCarran had been ranked the nation's fifth-busiest passenger airport on the Airports Council International-North America's annual traffic ranking of 2006. And it held the 7th position in their 2007 and 2008 reports.

Passenger activity at McCarran increased 76% during the 1990s. Based on a projected growth rate, McCarran was forecast to reach capacity by 2012. However, passenger activity decreased three straight years after peaking in 2007. This was a drop of 16.7% and the lowest figure reported since 2003. Since 2010, the trend has been up. McCarran welcomed 42.8 million arriving and departing passengers in 2014, making that year McCarran's busiest since 2008 when the airport served slightly more than 44 million passengers. The 2014 total marked a 2.4% increase from 2013. McCarran reported 45.4 million arriving and departing passengers in 2015. Passenger traffic was up 5.8%, extending the recent trend of year-over-year increases for the fifth consecutive year. It was also the busiest year at the airport since the economic downturn. In 2016, the number of passengers served was 47.4 million, the second busiest year in the airport's 68-year history and the sixth consecutive year of the upward trend.

McCarran International Airport saw another busy month in September 2017. In its most recent report, the number of passengers was up from September 2016 by 0.4%. September also marked the seventh consecutive month that the nation's eighth-busiest airport logged more than four million passengers. And the year-to-date total was up, with 2017 seeing 2.3% more passengers than the same time period of 2016. County aviation director Rosemary Vassiliadis said that year that she believed McCarran was on track to break its annual record of 47.8 million passengers, set in 2007. The following reflects the most current data of arriving and departing passengers.

ARRIVING & DEPARTING PASSENGERS MONTHLY TOTAL

| SEPTEMBER 2017 | SEPTEMBER 2016 | PERCENT CHANGE |
|----------------|----------------|----------------|
| 4,071,128 | 4,053,362 | 0.4% |

ARRIVING & DEPARTING PASSENGERS YEAR-TO-DATE (YTD) TOTAL

| 2017 YTD | 2016 YTD | PERCENT CHANGE |
|------------|------------|----------------|
| 36,418,754 | 35,585,107 | 2.3% |

Source: McCarran International Airport Web site (<http://www.mccarran.com/>)

Looking forward, McCarran officials continue to evaluate the airport's infrastructure and operations for ways to improve efficiencies and increase capacity in anticipation of the air traffic growth expected as new hotel rooms come online over the next several years. Additionally, airport leadership has been working with partner agencies such as U.S. Customs and Border Protection and the Transportation Security Administration to improve the customer experience by reducing wait times at the port of entry and security checkpoints.

The County Aviation Department was developing a plan for a second international airport on 6,500 acres of land owned by the Bureau of Land Management in the Ivanpah Valley, south of Las Vegas. They were anticipating a 2019 opening. However, due to the Great Recession, this has been pushed back until the demand returns.

In addition to McCarran, there are the Boulder City, Henderson, and North Las Vegas Airports. The North Las Vegas Airport, which is the general aviation reliever airport for McCarran, recently extended and resurfaced the runways.

SUMMARY AND CONCLUSIONS

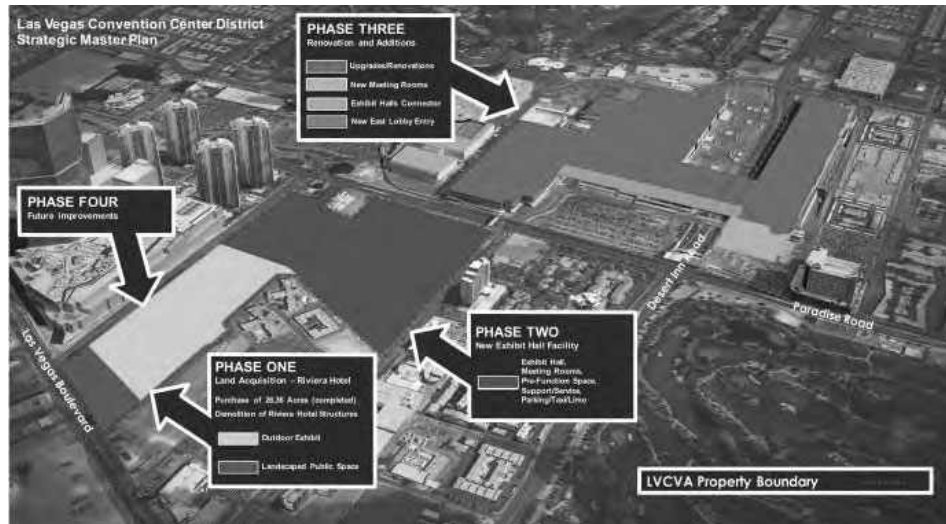
The four forces (social, economic, political, and environmental) that influence market values have been discussed. The various governing bodies have sponsored growth with their pro-development attitudes. The administrations also promote funding and infrastructure necessary for growth.

The area is also benefiting from strong national growth. U.S. gross domestic product expanded and increased economic diversification helped the comeback. However, the Southern Nevada economic recovery is still strongly tied to the tourism sector and since the national economy is doing well, Las Vegas' core sector also benefits. Leisure and hospitality will stay the city's most important jobs sector for the foreseeable future, but Brookings' best are now education, health care and business services. Contrary to Las Vegas' history, population growth is likely to be moderate

and not the driver of economic growth in the coming years. But tourism and gaming will remain the driving force behind the region's economic growth.

There have been several announcements involving major projects planned or under construction. These include:

- The Fontainebleau, Las Vegas' towering monument to the recession, was sold on August 29, 2017 for \$600 million. Billionaire Carl Icahn, who purchased the property on February 18, 2010 for \$150 million, announced that he sold the partially built, mothballed hotel tower on the north Strip to real estate investment firms Witkoff and New Valley. In a news release, New York-based Witkoff, led by founder Steven Witkoff, called the never-finished project "significantly undervalued" and said the new ownership paid a "substantial discount" to the cost of building it from scratch. The release said that they had "identified numerous ways to unlock the significant underlying value of the property," only referring to the property by its address and calling it "formerly known as the Fontainebleau." Miami-based New Valley is a subsidiary of the Vector Group. John Knott, global head of gaming for brokerage CBRE Group, and a former listing broker for the Fontainebleau, said it would cost \$900 million to \$1.6 billion to complete, depending on the vision for the property. The hotel had been slated to open in 2009. But the project went bankrupt in 2009, and Icahn acquired it in 2010.
- MGM Resorts International and AEG's 20,000-seat arena on the Las Vegas Strip between New York-New York and Monte Carlo resorts opened April 2016. The \$375 million, privately financed arena is poised to host Las Vegas' first major league franchise. On June 22, 2016, Gary Bettman, commissioner of the NHL, announced that Las Vegas would be home to the NHL's 31st team. The NHL's executive committee recommended expanding the league to Las Vegas, with all owners approving the move. The Golden Knights begin playing in the 2017-2018 season. Following this announcement, Bill Foley, the owner of the Las Vegas expansion team, broke ground on a \$24 million, 120,000 square foot practice facility in Downtown Summerlin. This facility, which was recently named the City National Arena, was completed in August of 2017, with the team's inaugural training camp starting in September of 2017.
- The Las Vegas Convention and Visitors Authority plans for the Las Vegas Global Business District, an overarching vision for the Las Vegas Convention Center and the surrounding area. The preliminary cost for the project is \$2.5 billion and will be completed in phases. This will be the first major expansion of the 54-year-old Las Vegas Convention Center in more than a decade. As part of that development, they acquired the 60-year-old Riviera for \$182.5 million on May 4, 2015. This is to be a phased development to accommodate current customer needs and capture future tradeshow opportunities. Phase One consists of the acquisition of the 26-acre Riviera Hotel property, demolition of the existing Riviera structures and construction of outdoor exhibit space. The acquisition and demolition are complete. Phase Two will include the development of a new exhibit hall and its ancillary spaces on the existing LVCC Gold Lot and the Riviera Hotel property. Phase Three will be the renovation and alteration of the existing Convention Center.



- The Malaysia-based Genting Group announced a multi-billion dollar Asian-themed resort complex, Resorts World Las Vegas. Resorts World Las Vegas will include 3,500 rooms, luxury dining and shopping and a half million square feet of convention space on the 87-acre site. A replica of the Great Wall of China and more than 300,000 feet of pool and water features are also planned. The company held a groundbreaking ceremony on May 5, 2015 with an anticipated 2019 opening. On October 23, 2017, Genting announced its appointment of W.A. Richardson Builders as the construction manager. The estimated completion time on the project is late 2020. In a press release, Edward Farrell, president of Resorts World Las Vegas, said that more than \$400 million in contracts had been awarded to vendors.
- The University of Nevada, Las Vegas has completed overhauling the Thomas & Mack Center, the on-campus facility that hosts events from the UNLV Rebels basketball to the National Finals Rodeo. The university spent \$72.5 million on mechanical upgrades, a new electrical system, 8,000 new seats and major upgrades to the concourse with rebranded signs and new equipment for concession stands. This included a 36,000 square foot addition with an observation deck overlooking the Strip.
- Another project that's been in the works for several years is ex-NBA player Jackie Robinson's arena on the site of the former Wet 'n Wild water park, just south of the SLS Las Vegas. Excavation began around March of 2017, but nothing vertical has been built on the 27-acre site. The development is to include a 22,000-seat arena with a retractable roof, a hotel, a conference center and other offerings. The arena project, which was being called the All Net Arena and Resort, was announced at the end of 2013. Its estimated cost was \$1.3 billion. On Oct. 18, 2017, Mr. Robinson gained approval from the Clark County Commission on expanded plans for the site that equate to \$2.7 billion, more than double the original. Some of the expanded plans include a 63-story, 2,000-room hotel, a 240,000-square-foot conference center and other amenities. On the day of the county meeting, Oct. 18, 2017, the Las Vegas Review-Journal quoted Mr. Robinson as saying that the financing is "signed, done, sealed, delivered." He also stated that he expects the project to be completed by spring 2020.

- On October 24, 2017, Caesars Entertainment announced plans to build a new convention center behind the Flamingo and Harrah's. "The convention center is going to be 300,000 square feet," said Caesars Entertainment President and Chief Executive Officer Mark Frissora. They stated that the center would cost \$300 million-\$350 million and should be built in two years, depending on permitting and coordination with Caesars' new board of directors.
- The Strip property that had previously been known as the Frontier Hotel Casino, which was demolished to make room for a new development to be called Alon, was listed for sale in 2017 at \$400 million. In August 2014, Australian casino mogul James Packer acquired the Frontier site. Packer teamed with former Wynn Resorts Ltd. executive Andrew Pascal and investment giant Oaktree Capital Management to acquire 18.39 acres in fee of the 34.6-acre vacant property, just north of Fashion Show mall. The remaining 16.17 acres of this site is owned by the Elardi family and leased to the Packer group. This is a long-term ground lease that expires on July 31, 2097. Plans filed with the county showed a two-tower, 1,100-room project that was expected to employ 4,500 workers. However, in late 2016 Packer pulled out and put the site up for sale in 2017 at \$400 million. It has been reported that Steve Wynn is buying the site for \$336 million.
- The MGM company is in the middle of a \$450 million make-over of the 3,000-room Monte Carlo. It will create a new luxury brand for MGM Resorts International and bring the NoMad Hotel concept to the Strip. The property will be transformed into two resorts within one property: the NoMad and Park MGM. The Park MGM will be 2,700 of those rooms and part of MGM's holdings while the NoMad will be an independently operated hotel, with a dedicated drop-off lobby and swimming pools, gaming, drinking and dining.
- Other gaming companies are also upgrading facilities. The two-tower, high-rise casino and hotel, The Cosmopolitan of Las Vegas is undergoing \$100 million in renovations. That translates into more than \$34,500 per room. The Cosmopolitan launched the upgrade of the Boulevard Tower in June 2017 and aims to complete it before the year end. It will start on the Chelsey Tower next year and finish by December 2018. In addition to new furniture and fixtures, the hotel will add 64-inch TVs as well as iPads to every room.
- And local's gaming giant Station Casinos plans a \$337 million investment in the Palace Station and Palms. The Palace Station investment totals \$76 million, and includes restaurants, casino bar, race and sports book and poker room. The new investment is in addition to a completed \$115 million renovation and expansion that includes a new low-rise exterior façade, two restaurants, porte-cochere, casino valet, bingo room and parking. In the Palms, Stations is investing \$146 million into two restaurants, movie theaters, meeting and convention space, rooftop ultra-lounge, high-limit area, hotel registration and VIP check-in.
- In March 2016, Caesars Entertainment announced they would upgrade more than 4,800 hotel rooms. That came after the November 2015 announcement that they would renovate rooms at five of their properties. Last year, Planet Hollywood started transforming 150 rooms, followed by 1,294 rooms and suites this year. After renovating the suites at Paris Las Vegas, they plan on renovating 1,320 rooms. All of the rooms in the 948-room Augustus Tower at Caesars Palace will be renovated and 672 rooms at Harrah's will also be refurbished. Caesars Entertainment announced in August 2017 a \$90 million upgrade to its Flamingo Hotel Casino; Caesars also plans to upgrade Bally's. These upgrades include modern room designs,

enhanced in-room electronics, new furnishings and bedding. Upon completion, Caesars will have renovated more than 10,000 hotel rooms in the last three years.

- In May 2016, Madison Square Garden executives announced a partnership with the Las Vegas Sands Corp. to build a music venue, taking aim at competitors including MGM Resorts. The companies said the venue will be a 17,500-seat arena just east of the Las Vegas Strip, behind the Sands-owned Venetian and Palazzo hotel casinos. The facility, as yet unnamed, will compete with the 20,000-capacity T-Mobile Arena and the 16,800-seat MGM Grand Garden Arena. The new venue is a partnership among Madison Square Garden Co., Sands Corp., Azoff MSG Entertainment, concert promoter Live Nation and Oak View Group, an entertainment advisory firm. The room will be designed for music, rather than the multipurpose model used in most sports arenas. Pre-application project documents were submitted to Clark County on October 20, 2017, showing a 585,000 square foot music venue. The next step is for the developers to submit a formal application, which may occur in December, thus beginning the entitlement process.
- Nearly two decades in the making, Project Neon is the largest public works project in Nevada history. Project Neon will widen 3.7 miles of Interstate 15 between Sahara Avenue and the “Spaghetti Bowl” interchange in downtown Las Vegas. It is currently the busiest stretch of highway in Nevada with 300,000 vehicles daily, or one-tenth of the state population, seeing 25,000 lane changes an hour. Traffic through this corridor is expected to double by 2035. The \$1 billion project is nearly 40% complete and divided into three phases. An HOV flyover bridge is being added and will create 22 consecutive miles of carpool lanes from I-15 to US 95. The project is in the middle of the second phase, with the third phase beginning in spring 2018. Completion is scheduled for 2019.
- During an October 26, 2017 conference call to investors, Steve Wynn announced that construction on Paradise Park, the lagoon development with a new hotel planned for behind the Wynn and Encore, will begin January 3, 2018. The Wynn Golf Club will close December 22, 2017 to make way for the project. “We’re in the very final stages of getting building permits, and hard construction should start by March and April,” he said. The carnival-themed new development will have a 103-foot diameter carousel rotating over the man-made lagoon, electric bumper cars that light up when bumped and a nighttime parade with 10-12 floats that guests can pay to join. The development will also have a new 47-story, 1,500-room hotel with its own convention space, casino and restaurants. It will sit roughly between the Encore and the Wynn Las Vegas. In addition, he said, there will be regular fireworks, zip lines and other attractions on the boardwalk that surrounds the lagoon.
- The biggest announcement involves the Oakland Raiders move to Las Vegas. On October 17, 2016 Nevada Governor Brian Sandoval signed a bill into law that cleared the way for a Las Vegas stadium that will be home to both UNLV and the NFL’s Oakland Raiders. The signed bill provides \$750 million in tax money towards a 65,000-seat domed stadium, with an estimated total cost of \$1.7 to \$1.9 billion. The last two obstacles for the Raider’s owner was to get 24 of the NFL’s 31 other owners to agree to the move and then approve their stadium lease. The first vote was held in Phoenix, Arizona on March 27, 2017 with 30 of the 31 owners approving the move. The second, for the lease, was approved at the owner’s May of 2017 meeting. A 62-acre site on Russell, west of the I-15 basically behind the Mandalay Bay Hotel Casino was purchased in May 2017 for this stadium. Groundbreaking for the new stadium was held November 13, 2017, with Nevada Governor Brian Sandoval, Oakland Raiders owner

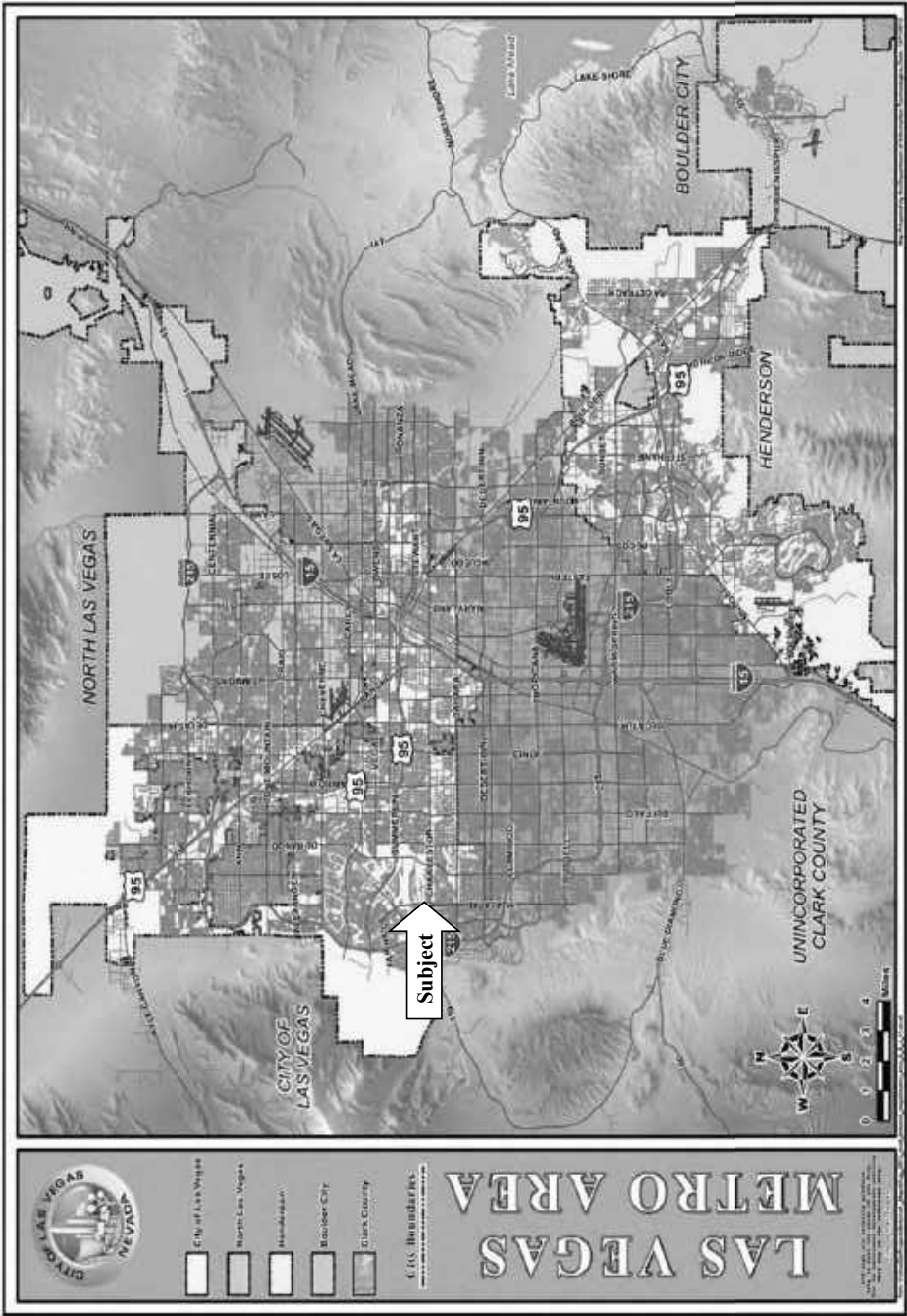
Mark Davis and NFL Commissioner Roger Goodell turning the first earth at the ceremony. The stadium is expected to be ready for the 2020 NFL season. This project is expected to generate approximately 19,000 construction jobs for the next three years.



In summary, the Las Vegas MSA economy has been showing steady signs of recovery. The state is seeing increased population growth, increased tourism spending and increased jobs in growing industries. And, Southern Nevada is on the cusp of reaching peak employment levels with 50,000 fewer construction jobs. The population of Las Vegas grew by 2.21% in 2015, leading the U.S. Census Bureau to rank Las Vegas as the fifth-fastest growing of 382 metropolitan areas in the country. Population growth creates new demand and signals a healthy economy. Forecasters were projecting 1.5% to 2.0% population growth in 2016, which it exceeded. Average household income is also up.

A record number of tourists visited Southern Nevada in 2016, and at the current pace, 2017 will break that record. Some 42.9 million people visited Southern Nevada in 2016, spending \$35.5 billion, 16.3% more than in 2015. Per person, Las Vegas visitors spent an average of \$827, up from \$721 in 2015. And convention attendees made up 14.7% of all visitors to Southern Nevada last year, up 7.1% from 2015. Based on the past and current indicators, we anticipated continued improvement in Southern Nevada's economy through 2017, which was still one of the premier tourist destinations in the world that had added the NHL and NFL.

AREA MAP



LEGEND OF PHOTOGRAPHS – (PHOTOS TAKEN DURING AUGUST 12, 2020 SITE INSPECTION)



SUBJECT PHOTOGRAPHS



View 1
(Photo taken on August 12, 2020)



View 2
(Photo taken on August 12, 2020)

SUBJECT PHOTOGRAPHS, CONTINUED



View 3
(Photo taken on August 12, 2020)



View 4
(Photo taken on August 12, 2020)

SUBJECT PHOTOGRAPHS, CONTINUED



View 5
(Photo taken on August 12, 2020)



View 6
(Photo taken on August 12, 2020)

SUBJECT PHOTOGRAPHS, CONTINUED



View 7
(Photo taken on August 12, 2020)



View 8
(Photo taken on August 12, 2020)

SUBJECT PHOTOGRAPHS, CONTINUED



View 9
(Photo taken on August 12, 2020)



View 10
(Photo taken on August 12, 2020)

SUBJECT PHOTOGRAPHS, CONTINUED



View 11
(Photo taken on August 12, 2020)

PROPERTY ANALYSIS – IN THE BEFORE CONDITION**PHYSICAL DESCRIPTION AND ANALYSIS OF THE SITE****LOCATION**

The subject of this analysis is located at the southeast corner of Alta Drive and Hualapai Way, Las Vegas, Clark County, Nevada. The site also has frontage along Verlaine Court, Regents Park Road, and Orient Express Court.

SIZE

The subject site consists of one (1) assessor parcel number (APN), 138-31-201-005. The following is a summary of that parcel's size.

| Land Area | | |
|------------------|--------------|------------------|
| APN | Acres | Sq. Ft. |
| 138-31-201-005 | 34.07 | 1,484,089 |
| Total | 34.07 | 1,484,089 |

CONFIGURATION

The subject site was irregular. The reader is referred to the following Parcel Map and aerial photograph for a visual illustration of the subject site's shape.

TOPOGRAPHY

The subject site's topography is undulating and slopes from its high point at its western boundary, to the east as it follows the natural terrain in the area. The property was historically part of a golf course with home sites bordering the course. My inspection indicated that the subject property was left in its original ungraded state for use as a portion of the golf course.

GROUND STABILITY

The subject site has single family residences to its north and south, with a row of houses and a road running down the middle of its eastern section. I was also provided a soils report prepared by Construction Testing Services, LLC (CTS). CTS concluded that the subject site was suited for development provided they follow the recommendations in their soils report. Gia D. Nguyen, P. E., Senior VP for GCW Engineers/Surveyors, reviewed the CTS report and also concluded that the subject site was suitable for development. Based on the CTS report and GCW review, and considering the surrounding development, I used the general assumption that the subject's soil bearing capacity was sufficient to support development of this site to its highest and best use.

DRAINAGE/FLOOD PLAIN

No drainage problems were apparent during the property inspection. I reviewed Flood Insurance Rate Map. According to Community Panels #2145 and #2150 of 4090, this site is located within an area designated as a Zone X. Flood insurance is not typically required within Zone X. I have included a copy of flood insurance maps #2145 and #2150 in the Addendum.

I was also provided information about drainage prepared by GCW. Their report stated that due to the existing FEMA designated Special Flood Hazard Area present downstream, the subject must match existing drainage patterns or provide mitigation. The report states that they assume the downstream impacts are insignificant; however, a technical drainage study will be required to demonstrate the insignificance with downstream analysis.

HAZARDOUS CONDITIONS

An environmental assessment report was not provided for review and environmental issues are beyond my scope of expertise. The inspection of the subject did not reveal any obvious signs that there are contaminants on or near the property. Therefore, I used the general assumption that the site is not adversely affected by environmental hazards.

UTILITIES

Utilities in this portion of the metropolitan area are provided by the following agencies.

| Utility | Provider |
|--------------|--------------------------------------|
| Sewer: | City of Las Vegas |
| Water: | Las Vegas Valley Water District |
| Solid Waste: | Republic Services of Southern Nevada |
| Electricity: | NV Energy |
| Telephone: | Century Link |
| Gas: | Southwest Gas Corporation |

STREET FRONTAGE & ACCESS,

The site has frontage along the south side of Alta Drive and Verlaine Court, the eastern side of Hualapai Way, the western side of Regents Park Road, and the northern side of Orient Express Court. According to the City of Las Vegas Interrogatory Response No. 8 the Subject Property has general legal access to public roadway along Hualapai Way and Alta Drive. More specific data regarding the subject's street frontage and access is in the following table.

| Street | Alta Drive | Hualapai Way |
|---|--|--|
| Frontage Feet | +/- 250 Linear Feet | +/- 995 Linear Feet |
| Surface | Asphalt paving | Asphalt paving |
| On-Site Improvements | Concrete curb, gutter, sidewalk & Landscape buffer | Concrete curb, gutter, sidewalk & Landscape buffer |
| Direction of Traffic | East / West | North / South |
| Ingress/Egress | Yes | Yes |
| Visibility | Good | Good |
| Street | Verlaine Court | Regents Park Road |
| Frontage Feet | +/- 1,150 Linear Feet | +/- 825 Linear Feet* |
| Surface | Asphalt paving | Asphalt paving |
| On-Site Improvements | Concrete curb, gutter & Landscape Buffer | Concrete curb, gutter, sidewalk & Landscape buffer |
| Direction of Traffic | East / West | North / South |
| Ingress/Egress | No Access | No Access |
| Visibility | Good | Good |
| *Interrupted mid-way by Verlaine Court and a residence. | | |
| Street | Orient Express Court | |
| Frontage Feet | +/- 1,600 Linear Feet | |
| Surface | Asphalt paving | |
| On-Site Improvements | Concrete curb, gutter & Landscape Buffer | |
| Direction of Traffic | East / West | |
| Ingress/Egress | No Access | |
| Visibility | Good | |

LEGAL INFORMATION (ZONING)

The subject property's zoning was recently addressed in a hearing before District Court Judge Timothy C. Williams. In the Findings of Fact and Conclusions of Law Regarding Plaintiff Landowners Motion to Determine "Property Interest," Judge Williams stated;

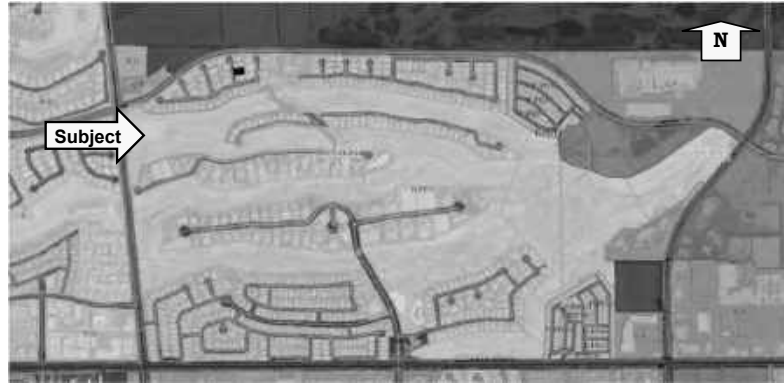
"the Court bases its property interest decision on eminent domain law. Nevada eminent domain law provides that zoning must be relied upon to determine a landowners' property interest in an eminent domain case. The Court concludes that the 35 Acre Property has been hard zoned R-PD7 since at least 1990. The Court further concludes that the Las Vegas Municipal Code Section LVMC 19.10.050 lists single family and multi-family residential as the legally permissible uses on R-PD7 zoned properties. Therefore, the Landowners' Motion to Determine Property Interest is Granted in its entirety and it is hereby Ordered that:

- 1) the 35 Acre Property is hard zoned R-PD7 at all relevant times herein; and
- 2) the permitted uses by right of the 35 Acre Property are single-family and multi-family residential."

The purpose and development standards for the City's Residential Planned Development District are summarized below.

| | |
|------------------------------|---|
| Designation: | Residential Planned Development District (R-PD7) |
| Purpose: | The R-PD District has been to provide for flexibility and innovation in residential development, with emphasis on enhanced residential amenities, efficient utilization of open space, the separation of pedestrian and vehicular traffic, and homogeneity of land use patterns. Historically, the R-PD District has represented an exercise of the City Council's general zoning power as set forth in NRS Chapter 278. The density allowed in the R-PD District has been reflected by a numerical designation for that district. (Example: R-PD4 allows up to four units per gross acre.) However, the types of development permitted within the R-PD District can be more consistently achieved using the standard residential districts, which provide a more predictable form of development while remaining sufficiently flexible to accommodate innovative residential development. Therefore, new development under the R-PD District is not favored and will not be available under this Code. |
| Development Standards | The development standards for a project, including minimum yard setbacks, grade changes, building and fence heights and fence design, parking standards, standards for any guest houses/casitas and other design and development criteria, shall be as established by the approved Site Development Plan Review for the development. With regard to any issue of development standards that may arise in connection with a Residential Planned Development District and that is not addressed or provided for specifically in Section 19.10.050 or in the approved Site Development Plan Review for that District, the Director may apply by analogy the general definitions, principles, standards and procedures set forth in Title 19, taking into consideration the intent of the approved Site Development Plan Review. |
| Zoning Jurisdiction: | City of Las Vegas |

The following aerial reflects the zoning in the immediate area of the subject property.



SURROUNDING USES

The subject site is largely bordered by custom and semi-custom homes within the guard gated Queensridge development. Queensridge is bound by Alta Drive to the north, Charleston Boulevard to the south, Rampart Boulevard to the east and Hualapai Way to the west. Custom homes in the Summerlin master planned community are located at the northwest and southwest corners of Alta and Hualapai, while the northeast corner is developed with an office building, Merryhill Preschool and the Mountain Course of Angel Park Golf Course. It is my understanding that the site immediately east of the Merryhill Preschool is being rezoned from Civic District (C-V) to Limited Commercial (C-1), and is proposed to be developed with a 70,000 square foot medial facility.

The intersection of Alta Drive and Rampart Boulevard includes the Suncoast Hotel Casino at the northwest corner, Tivoli Village at the northeast corner and Boca Park's Fashion Village just south of the southeast corner. The 7.66-acre vacant site at the southeast corner of Alta Drive and Rampart was sold in 2019 to a medical user for \$18,980,000 or \$56.88 per square foot (\$2,477,693/Acre). Summerlin Parkway is located just north of this intersection. The reader is referred to the following aerial photograph for a visual of the surrounding uses.

OTHER LEGAL AND REGULATORY CONSTRAINTS

Easements, Encumbrances, and Restrictions

Based on my review of the title report and public records, I am not aware of any easements, encumbrances, or restrictions that would have adversely affect the highest and best use of the subject site. Therefore, this valuation is based on the general assumption that there were no adverse easements, encumbrances or restrictions and that the subject site had a clear and marketable title.

Encroachments

My inspection of the site revealed no apparent encroachments. It is assumed that the site was free and clear of encroachments.

Other Land Use Regulations; Development Moratoriums

I am not aware of any land use regulations other than zoning that would affect this property, nor am I aware of any moratoriums on development in this area in the before condition.

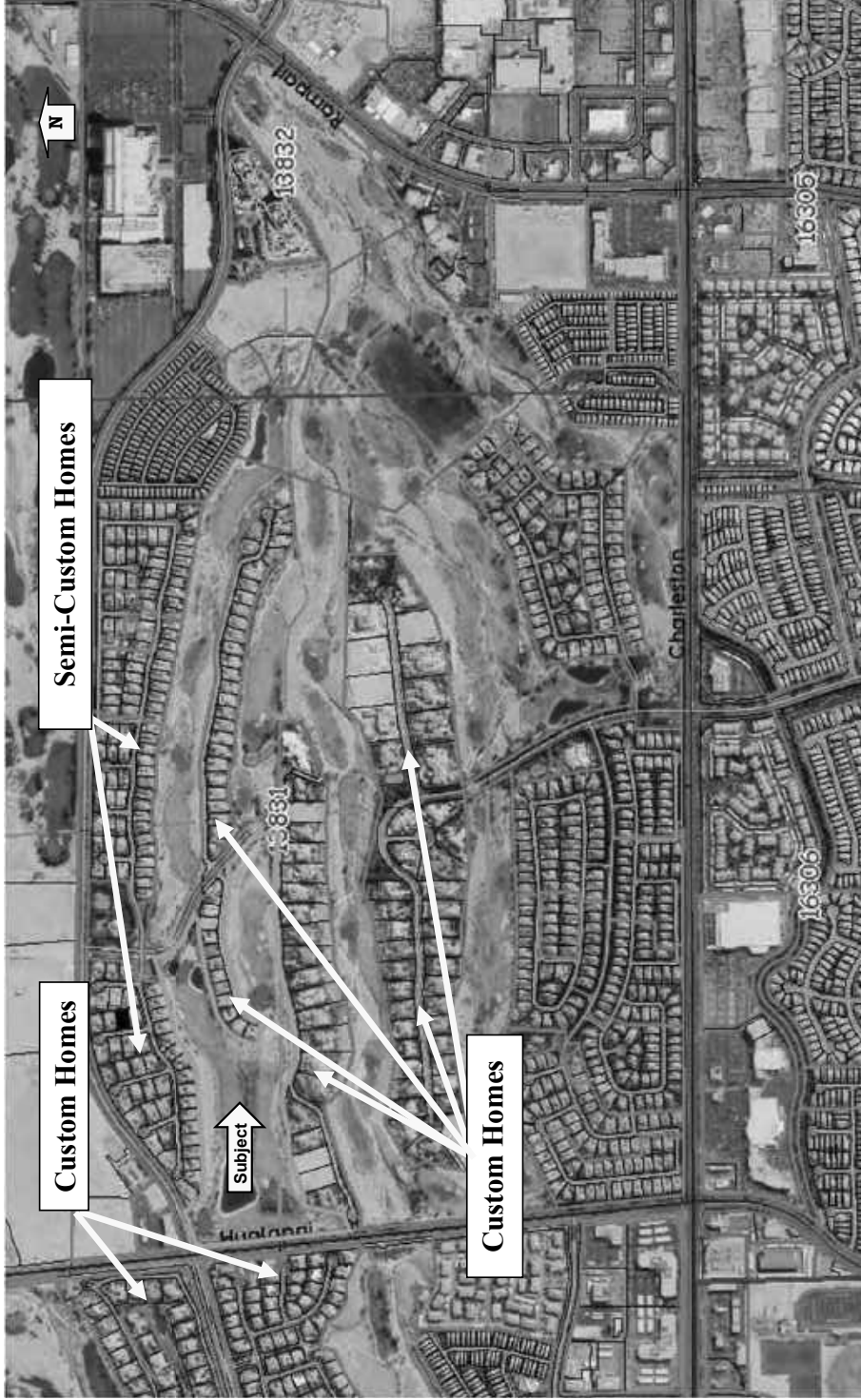
CONCLUSION OF LAND ANALYSIS IN THE BEFORE CONDITION

The subject of this analysis is a vacant parcel of land located at the southeast corner of Alta Drive and Hualapai Way. This site is bordered by custom homes in the guard gated Queensridge development.

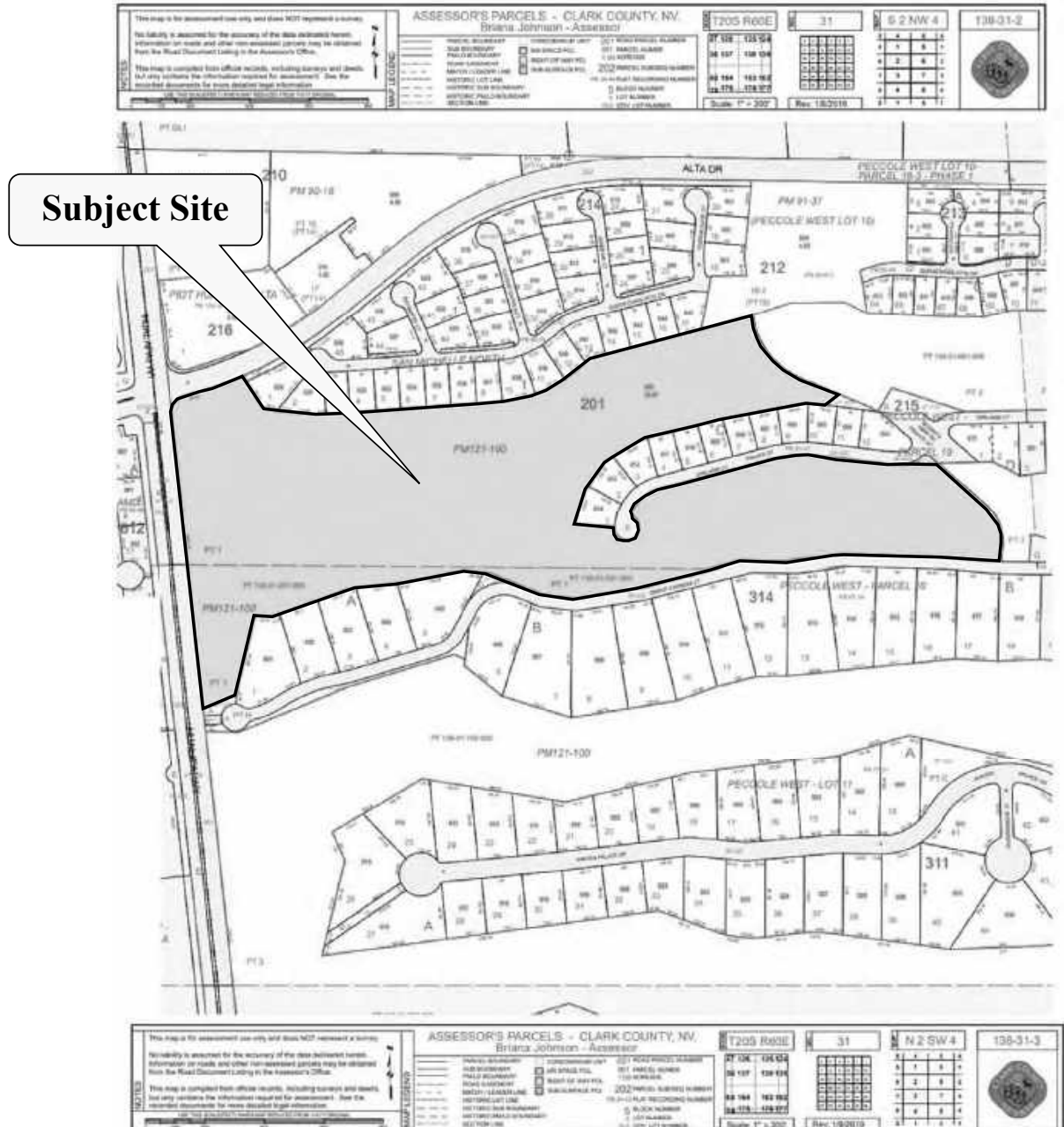
In the before situation, this site was zoned for residential development with a maximum of 7.49 dwelling units per gross acre. In the before condition, the site had access to Hualapai Way and Alta Drive, and public utilities were located in Hualapai and Alta. And while the topography was undulating, it would be a positive attribute for large custom home sites, as it would provide the future residences additional privacy from abutting properties.

Overall, the site's R-PD7 zoning and physical characteristics were suitable for residential development that was prevalent in this area and bordered the subject site. On the following pages, I have included copies of an aerial photograph of the site, the Assessor's Parcel Maps and copies of site plans under three (3) scenarios; 61-lots, 16-lots, and 7 lots.

CLARK COUNTY ASSESSOR'S AERIAL PHOTOGRAPH (PHOTO REPORTED TO HAVE BEEN TAKEN SPRING OF 2017)



ASSESSOR'S PARCEL MAPS 138-31-2 & 138-31-3



[illegible]

ASSESSOR'S PARCEL MAP 138-31-3

This map is for assessment use only and does NOT represent a survey. No liability is assumed for the accuracy of the data delineated herein. Information on roads and other non-assessed parcels may be obtained from the Road Document Listing in the Assessor's Office.

This map is compiled from official records, including surveys and deeds, and only contains the information required for assessment. See the recorded documents for more detailed legal information. See the Assessor's Office for more information.

ASSESSOR'S PARCELS - CLARK COUNTY, NV.
Bridith Johnson - AS95509

138-31-3

N 2 SW 4

31

T20S R80E

PT 125 125 04
26 137 139 08
68 154 163 02
12 515 125 07

Scale 1" = 200'

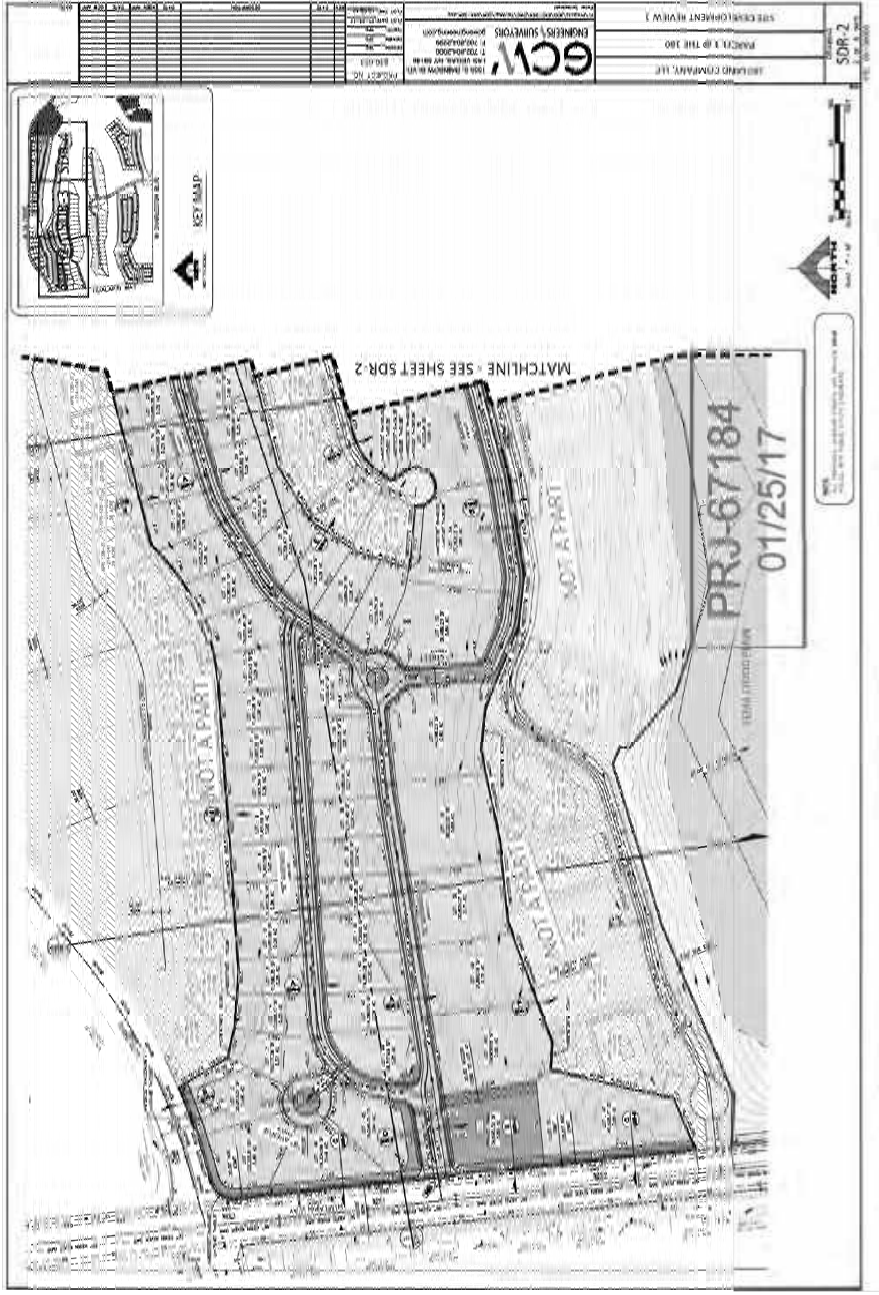
Rev. 10/2019

MAP LEGEND

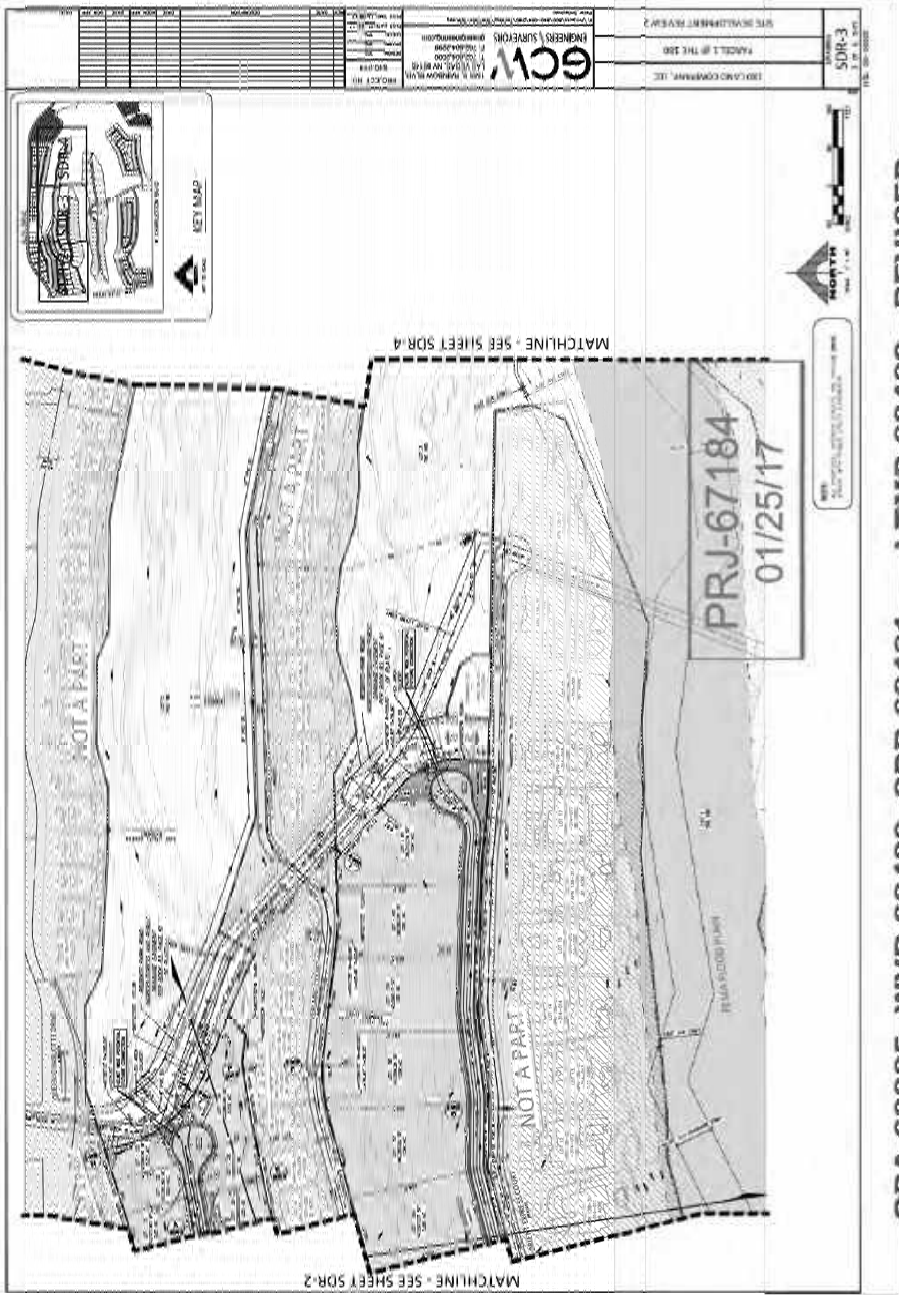
Parcel Boundary
Road Boundary
Road Right of Way
Road Easement
Match Line
Historic Subdivision
Section Line

CONCOMITANT UNIT
AS SHOWN PCL
RIGHT OF WAY PCL
SUBSURFACE PCL
2022 PARCEL SUBSID NUMBER
1/2 SECTION
1/4 SECTION
1/8 SECTION
1/16 SECTION
1/32 SECTION
1/64 SECTION
1/128 SECTION
1/256 SECTION
1/512 SECTION
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SITE PLAN FOR 61 CUSTOM HOME LOTS (PREPARED BY GCW 10/24/2017)

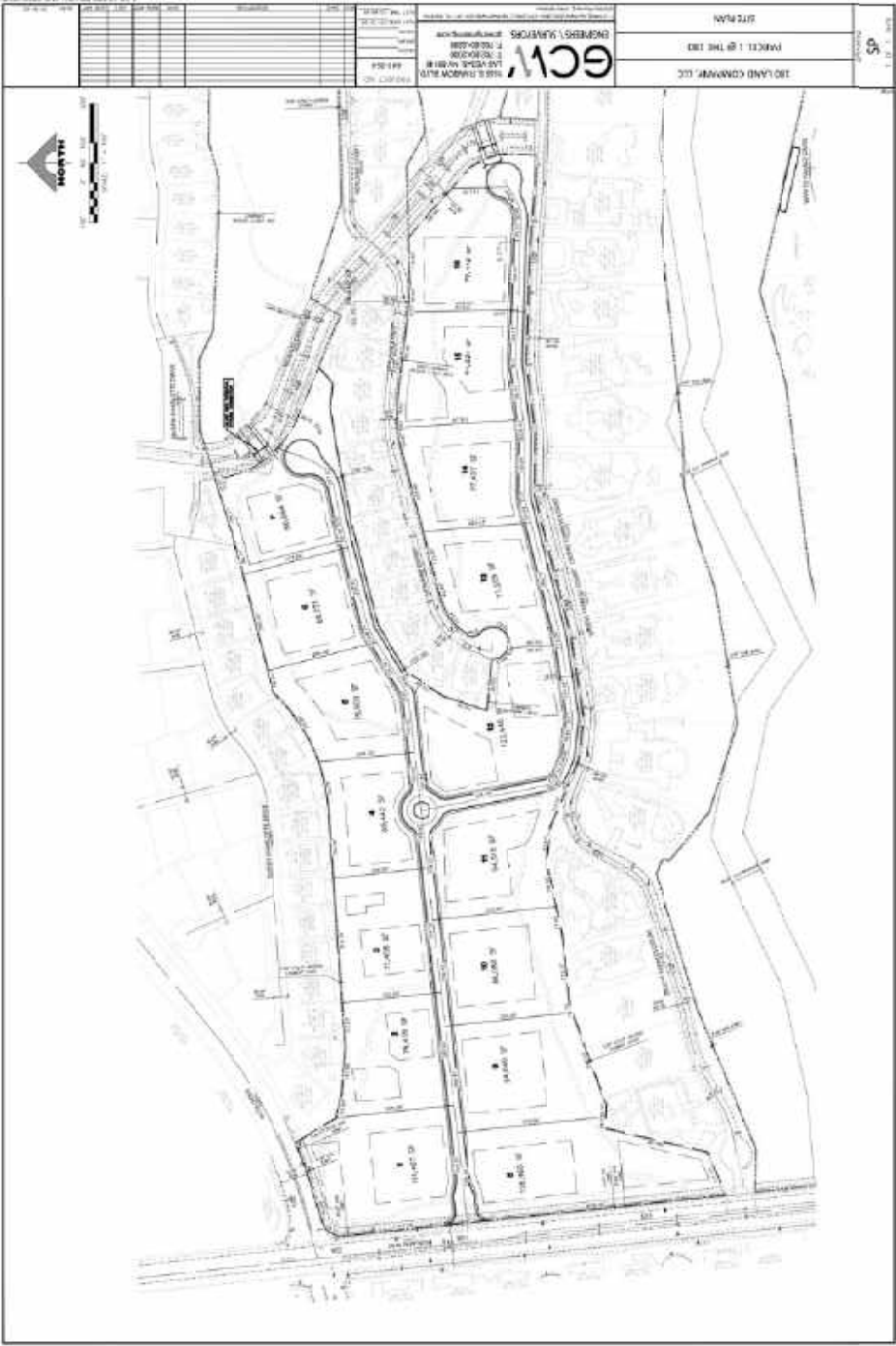


SITE PLAN FOR 61 CUSTOM HOME LOTS CONTINUED (PREPARED BY GCW 10/24/2017)

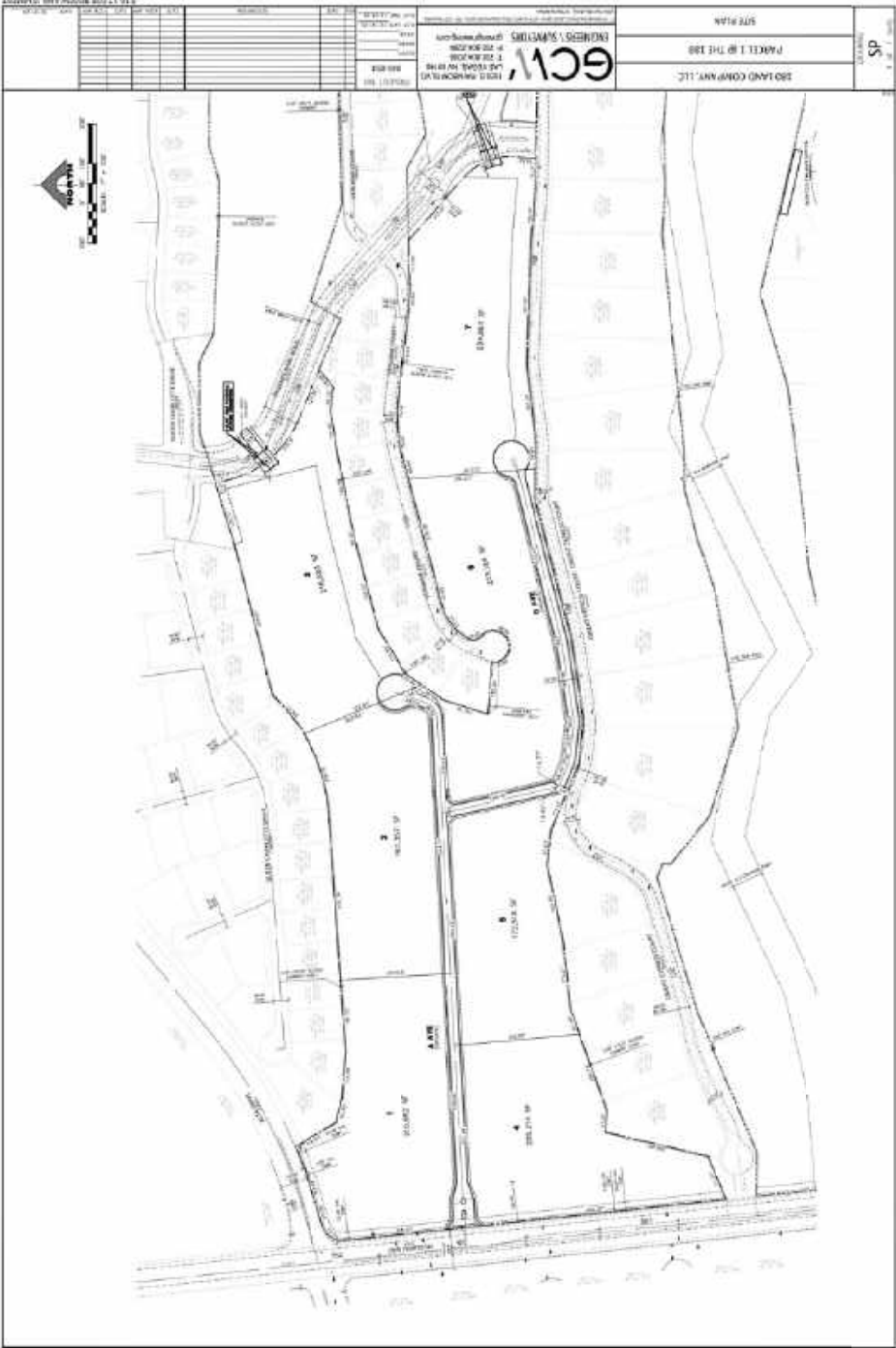


GPA-68385, WVR-68480, SDR-68481 and TMP-68482 - REVISED

SITE PLAN FOR 16 CUSTOM HOME LOTS (PREPARED BY GCW 10/13/2020)



SITE PLAN FOR 7 CUSTOM HOME LOTS (PREPARED BY GCW 10/12/2020)



REAL ESTATE TAX ANALYSIS

Real estate tax assessments are administered by Clark County and are estimated by jurisdiction on a county basis for the subject. In Nevada, the appropriate method under current law is that of using the replacement cost. Using this method, the Assessor must calculate the amount and cost of materials and labor it would take to replace the subject improvements. A depreciation factor of 1½% per year is applied to the effective age of the property, up to a maximum of 50 years. Land values are derived from market sales and are added to improvement values. The Assessor updates the property value each year.

Real estate taxes in this state and this jurisdiction represent ad valorem taxes, meaning a tax applied in proportion to value. The real estate taxes for an individual property may be determined by dividing the assessed value for a property by 100, then multiplying the estimate by the composite rate. The composite rate is based on a consistent state tax rate throughout this state, in addition to one or more local taxing district rates. The assessed values are based upon the current conversion assessment rate of 35.00% of Assessor's market value.

The subject property was previously operated as a portion of a 27-hole golf course known as the Badlands. The course stopped operating on December 1, 2016. On September 21, 2017, the Clark County Assessor sent the landowner a letter that stated the since the property ceased being used as a golf course on December 1, 2016, the land no longer met the definition of open space and was "disqualified for open-space assessment." The Assessor recognized the property as a higher use and the deferred taxes were owed as provided in NRS 361A.280.

I contacted the Clark County Treasurer's Office regarding the property's tax liability as of September 14, 2017. The following reflects the subject's real estate taxes for the 2018 fiscal year, which runs July 1, 2017 through June 30, 2018.

| AD VALOREM TAX INFORMATION | | | | |
|---|-------------------|---------------------|---------------|--|
| Assessor's 2018 Fiscal Year Assessed Property Values | | | | |
| APN | Land Value | Improvements | Total | |
| 138-31-201-005 | \$ 17,886,751 | \$ - | \$ 17,886,751 | |
| Subtotal | | | \$ 17,886,751 | |
| Assessed Value @ | | | 35% | |
| Taxable Value | | | \$ 6,260,363 | |
| Tax Rate/\$100 AV | | | 3.2782 | |
| Taxes as Assessed | | | \$ 205,227 | |
| Less Cap Reduction | | | \$ - | |
| 2018 Fiscal Year Taxes | | | \$ 205,227 | |
| <i>Source: Clark County Treasurer's Office</i> | | | | |

The assessed value was based on the Assessor's estimated market value of \$17,886,751, which is equal to a value of \$525,000 per acre or \$12.05 per square foot for the subject property. Based on the concluded market value of the subject, the assessed value is low. However, this is typical as the assessor's office has historically been on the conservative side of value. Therefore, in the before condition the subject's assessed value and real estate taxes should not have negatively affected its value.

HIGHEST AND BEST USE ANALYSIS – IN THE BEFORE CONDITION

The purpose of the highest and best use analysis is to determine the optimal use of the subject property. The purpose of the "as vacant" analysis is to determine if the property should be developed, and if so, what use the property should be developed with.

Highest and best use is often looked upon as a sifting out process. Many uses can be eliminated from reasonably probable consideration by investigating legal permissibility, physical possibility, financial feasibility, and maximum profitability of a site. Typically one is left with one or several reasonably probable uses for a site before determination of which use may be maximally productive.

PROCESS

Before a property can be valued, an opinion of highest and best use must be developed for the subject site, both as if vacant, and as improved or proposed. By definition, the highest and best use must be:

- Legally permissible under the zoning regulations and other restrictions that apply to the site.
- Physically possible.
- Financially feasible.
- Maximally productive, i.e., capable of producing the highest value from among the permissible, possible, and financially feasible uses.

HIGHEST AND BEST USE AS IF VACANT IN THE BEFORE CONDITION

The following analysis presents my analysis of the legally permissible, physically possible, financially feasible, and maximally productive use of the subject property as if vacant.

LEGALLY PERMISSIBLE

In the before condition, the subject site consisted of an irregular-shaped 34.07-acre site located at the southeast corner of Hualapai Way and Alta Drive. The site is bordered by custom and semi-custom homes which are in the guard gated Queensridge development. The northwest and southwest corners of Alta and Hualapai are improved with similar custom homes in the Summerlin master planned community.

The property's zoning was addressed in a hearing before District Court Judge Timothy C. Williams. The Court concluded that the subject property had been hard zoned R-PD7 since at least 1990 and the Las Vegas Municipal Code Section LVMC 19.10.050 lists single family and multi-family residential as the legally permissible uses on R-PD7 zoned properties. The Court Ordered that:

- 1) the 35 Acre Property is hard zoned R-PD7 at all relevant times herein; and
- 2) the permitted uses by right of the 35 Acre Property are single-family and multi-family residential."

This is consistent with my investigation as well.

The density allowed in the R-PD District is reflected by a numerical designation for that district. (Example: R-PD7 allows up to 7.49 dwelling units per gross acre.) However, the types of development permitted within the R-PD District can be more consistently achieved using the standard residential districts, which provide a more predictable form of development while remaining sufficiently flexible to accommodate innovative residential development. New development under the R-PD District is not favored and will not be available under this Code. The R-PD7 zoning standards would be analogous to the LVMC 19.06.100 for the R-2 District, which allows 6-to-12 dwelling units per gross.

Given that the subject was zoned residential and bordered by custom homes within the Queensridge community, and that the northwest and southwest corners of Hualapai and Alta were improved with custom homes, both industrial and commercial uses have been ruled out from further consideration. I am also aware that the subject property was historically used as part of a golf course. However, a golf course is not a permitted use in the R-2 zoning district.

After considering the site's R-PD7 zoning designation, the allowable uses, and recognizing the principle of conformity, only public park or playground use, and residential use should be given further consideration in determining this site's highest and best use in the before condition. However, since the site was historically used as part of a golf course, I will also analyze a golf course use of the subject property.

Physically Possible

What uses were physically possible in the site's before condition? In the previous section of this report, I discussed the physical characteristics of the subject site. Physically, the site consisted of a 34.07 acre or 1,484,089 square foot irregularly-shaped site that enjoyed approximately 995-feet of frontage along Hualapai Way, the site's western boundary, and 248 feet of frontage along Alta Drive, the site's northern boundary.

The property's Hualapai and Alta frontages were fully improved with concrete curbs, gutters, and sidewalks, as well as landscape buffers. The site's topography is undulating and slopes from its high point at its western boundary, Hualapai Way, to the east as it follows the natural terrain in the area. My inspection indicated that the property had been left in its original ungraded state for use as a portion of the golf course. As for ground stability, the subject site has single family residences to its north and south, with a row of homes and a road running down the middle of its eastern section. I was also provided a soils report prepared by Construction Testing Services, LLC (CTS). CTS concluded that the subject site was suited for development provided they follow the recommendations in their soils report. Gia D. Nguyen, P. E., Senior VP for GCW Engineers\Surveyors, reviewed the CTS report and also concluded that the subject site was suitable for development.

As for drainage, no problems were apparent during the property inspection. According to the Flood Insurance Rate Map, Community Panels #2145 and #2150 of 4090, this site is located within an area designated as a Zone X. Flood insurance is not typically required within Zone X. Copies of flood insurance maps #2145 and #2150 are located within the Addendum. I was also provided information about drainage prepared by GCW. Their report stated that due to the existing FEMA designated Special Flood Hazard Area present downstream, the subject must match existing drainage patterns or

provide mitigation. The report states that they assume the downstream impacts are insignificant; however, a technical drainage study will be required to demonstrate the insignificance with downstream analysis. There were no environmental hazards known on the site that I am aware of and all necessary utilities were available.

The location of the property, which is bordered by multi-million dollar homes, provides support for a residential development. However, community recreational uses and public parks were also legally permissible and physically possible uses of this site in September 2017. Therefore, while the legally permissible and physically possible attributes of the site suggest the most likely use of the property would be a residential development, community recreational uses or public park use, and golf course uses will still be considered.

Financially Feasible

As for feasible uses, I looked at the residential market, and community recreational or public park uses that have emerged as legally permissible and physically possible uses of this site. I also considered the financial feasibility of a golf course use as the property had historically been used as a portion of a golf course.

I first looked at the residential market. In reviewing historical data, I found that the high-end or luxury housing market in Las Vegas 2017 reported its strongest year since the Great Recession approximately ten (10) years prior and was showing no signs of slowing down. Whether it was the new-home market or the resale market, sales were strong for homes priced at \$1 million and above. Home Builders Research reported that even homes priced around \$750,000 were having strong sales.

Applied Analysis reported 376 home sales priced at \$1 million and above in the existing single-family home market in 2017. That was 39% higher than the 270 home sales in 2016. Sales had been as low as 152 in 2012. Applied Analysis reported that in the new single-family home market, there were 129 closings in 2017, which was a 34% increase over the 96 sales in 2016. That market appeared to have recovered from the three (3) closings of \$1 million and above in 2013. Home Builders Research, in tracking closings of luxury condos and homes, reported 470 existing home sales in 2017 of \$1 million and above, a gain of 44% from 326 in 2016. There were such 875 closings of \$750,000 and above, a gain of 55% from 566 in 2016. In the new-home market, Home Builders Research reported 141 sales of \$1 million or more, a gain of 45% from 97 in 2016. There were 374 sales of \$750,000 and above, a gain of 37% from 274 in 2016.

In the custom home market, there were 198 custom home permits issued in Clark County in 2017, that was an increase of over 21% percent over the 163 issued in 2016.

These sentiments were stated in the following article in the Las Vegas Business Press, August 21, 2017.

LAS VEGAS LUXURY MARKET ON THE RISE

By Buck Wargo Real Estate Millions
August 21, 2017



The luxury home market in Las Vegas is on track to have its best year since the onset of the Great Recession.

Whether it's new home sales or sales of existing homes, there's a market for properties of \$1 million and above as well for those priced between \$750,000 and \$1 million.

During the first six months of 2017, there was a total of 184 existing homes that sold for more than \$1 million, according to SalesTraq, the residential research firm of Applied Analysis. During the same six-month period in 2016, there was a total of 139 homes sold, meaning an increase of 45 units or a 32.4 percent increase in the number of high-end home sales. Assuming the current pace holds, the market could have more than 360 high-end home sales for the year — by far the highest since the economic downturn, according to SalesTraq.

Luxury home resales have fallen between a range of 243 and 281 since a post-recession low of 152 in 2011 and 2012. There were 270 such sales in 2016, SalesTraq reported.

When factoring in existing home sales of \$750,000 and above, Home Builders Research said the 363 sales between January and June are 82 percent higher than the 199 closings through the same period in 2016.

The luxury new-home market has seen its share of increased sales as well. Home Builders Research reported 130 sales of \$750,000 and above through the first six months of 2017, 33 percent higher than the 98 sales through the same period in 2016. For homes priced \$1 million and above, the firm said there were 51 sales during the first six months of this year, a gain of 46 percent over the 35 sales through June 2016, the firm's president, Dennis Smith.

None of those figures include custom-built luxury homes, which can't be readily tracked, according to Smith. There were 113 custom-home permits issued through June, up from 105 for the first six months of 2016, he said.

SalesTraq figures show the 51 new-home closings of \$1 million or more during the first six months of 2017 are the most since the housing downturn.

There were 10 such luxury homes built in 2010, and that number fell to three in 2013. It grew to 33 in 2014, 50 in 2015 and 96 in 2016, according to SalesTraq. The totals, however, are still below the 141 sales of new homes of \$1 million for all of 2007.

The increased activity at the high-end of the market is a function of an improving economy as well as broader increases in overall home values, said Applied Analysis Principal Brian Gordon. In addition, for existing homes, the appreciating home market has resulted in more homes reaching the \$1 million threshold, he said.

“We have more residents than ever, job counts at an all-time high and incomes continuing to rise,” Gordon said. “The overall fundamentals of the economy are in a better position than they were previously. All of that has resulted in continued demand in the housing market, including the higher-end spectrum.”

Southern Nevadans are selling their existing homes and moving up and the influx of Californians to the state looking for second homes is creating opportunities for builders as well, according to Realtors and analysts. Some out-of-staters are moving to start a business or relocate their business here.

Smith added that the gains in the stock market have boosted confidence and sales are up because baby boomers are retiring and moving to Las Vegas.

“I think we’re seeing a good cross-section of buyers in the higher-end of the market,” Gordon said. “We have some folks who are moving up and at the same time, people migrating in from other parts of the country, including California. On a relative basis, Southern Nevada remains affordable for many of those transplants acquiring homes.”

Smith said the demand for the higher-priced homes is a boon for builders who can make more money for them rather than lower-priced ones. They’re also located on higher-priced lots with better views on hillsides or abutting Red Rock.

“You have the move-up buyer who already owns a house here and is looking to buy something new because technology has increased in recent years,” Smith said. “You might see people downsize and still buy a more expensive house.”

Most of the luxury home construction is taking place in Summerlin, Southern Highlands and Henderson gated communities such as MacDonald Highlands, Smith said. William Lyon Homes has been one of the builders benefiting from that demand in its Sterling Ridge and Silver Ridge subdivisions in The Ridges in Summerlin. Sterling Ridge sells homes for just under \$1 million and Silver Ridge homes sell for between \$1.3 and 1.5 million. More than one-third of the 82-lot Silver Ridge has been sold out and about 30 of 199 lots remain at Sterling Ridge.

“There has been an uptick in the luxury market with a lot of local move-up buyers and people coming from (out of state),” said William Lyon Homes sales agent Julia Giordani. “They are moving from other luxury communities in Las Vegas to get a modern contemporary style (as opposed to Mediterranean and Tuscan).”

The next big development in Las Vegas will be at The Summit Club in Summerlin where the majority of 146 lots have been sold with an average price exceeding \$3 million. When custom homes are built on the new exclusive golf course development for the uber-wealthy, some homes will cost more than \$10 million to build.

The project is a joint-venture between the Howard Hughes Corp. and Discovery Land Co. Membership in the club costs \$150,000 and its dues are \$27,000 a year.

Damien Bauman, area residential mortgage production manager with Nevada State Bank, said he’s “seeing a lot more activity in the luxury housing market as a testament to how healthy it is.” The “sweet spot” for new home construction is projects between \$2.5 million to \$3 million and borrowers can qualify for a little as 10 percent down for interest rates of 3.5 to 4 percent.

Many of those are business owners and executives who have a favorable outlook on the economy. Their businesses are improving, and they have more liquidity to upgrade their homes, Bauman said.

“It seems like a lot of people were sitting on the sidelines because the time wasn’t right to build, but they’re changing their mind and jumping in the market,” Bauman said. “There’s a buzz in new construction. They see the possibility with labor shortages and commodity prices going up. They want to jump in to build now and beat the prices increase coming down in the future.”

Forrest Barbee, a corporate broker with Berkshire Hathaway HomeServices Nevada Properties, said he was worried about the luxury market in early 2017 but it has taken off since then. He said the resale market is benefiting from problems with construction that doubled the time to build a home in some cases.

“Construction workers are in short supply and the length of time to buy land and build a new home may be pushing some people back into the resale market a little bit,” Barbee said.

Barbee credits the Golden Knights NHL franchise starting play this fall and planned relocation of the Oakland Raiders in 2020 as contributing to the luxury housing market gains.

“It gives us diversification from the other industries, but sports reinforces the existing industries,” Barbee said. “It reinforces gaming. It reinforces conventions. It reinforces hotel rooms. I think the luxury housing market may have benefited more than anybody from the sports side with people moving here.”

Kenneth Lowman, broker and owner of Luxury Homes of Las Vegas, said he’s seeing “some of the sales numbers they haven’t seen since the glory days of 2007.” He said he counted 39 closed sales of \$1 million or more on the Multiple Listing Service in July after there were 48 sales in May and 38 in June. Buyers are even gravitating to newer homes built in the last two to three years and willing to pay a premium for a more modern-style home that’s more energy-efficient.

“Those are months we have not seen for 10 years, and they are almost double what we used to four to five years ago,” Lowman said of recent sales. “Vegas is back in so far as gaming is doing well, visitor volume is back, people are retiring here, and we have these two professional sports teams coming here. The stock market has done well, and we have a lot of wealthy people here that if the stock market does well the more likely they are to put some of their money in real estate. I think it’s going to continue for another one to three years. The economy is healthy. Interest rates are down, and these houses are very affordable to people moving here.”

The Summit Club in Summerlin entered the market 2016. This is one of the more recent developments to enter the market selling finished custom home sites. Of the 130 custom home lots in this development, 60 sold between its opening in May of 2016 and the effective date of value in this analysis. The unit prices ranged from a low of \$31.82 per square foot (psf) for a 4.689 acre lot (\$6,500,000 total or \$1,386,223 per acre) in August of 2016, to a high of \$158.32 psf for a 0.580 acre lot (\$4,000,000 total or \$6,896,552 per acre) in June of 2016. The average price paid for these custom home lots was \$67.10 psf.

In the Ridges during the same period (May 2016 through September 2017), there were 16 custom home lot sales. The unit prices ranged from a low of \$29.63 psf for a 0.756 acre lot (\$975,000 total or \$1,290,536 per acre) in October of 2016, to a high of \$85.49 psf for a 0.290 acre lot (\$1,080,000 total or \$3,724,138 per acre) in January of 2017. The average price paid for these 16 custom home lots was \$52.72 psf.

The owner of the subject property has three (3) configurations for the subject property; 1) Sixty-one (61) home lots ranging from 0.22 acres to 1.08 acres; 2) Sixteen (16) home lots ranging from 1.58 acres to 2.90 acres, and; 3) Seven (7) home lots ranging from 3.96 acres to 5.39 acres. In a following section of this report, I used the Sales Comparison

Approach to estimate the value of the subject property. Based on my analysis, I concluded a unit value of \$23.00 psf or a total value of \$34,135,000.

As a check to the reasonableness of the value concluded by the Sales Comparison Approach, I completed the Subdivision Development Method, which is an application of the Income Capitalization Approach. The reason that it is categorized as an income approach to value is that it is based on converting the projected cash flow from lot sales, less expenses and profit into an indication of value. The subdivision method is used by developers to determine the price they can afford to pay for a property assuming certain costs, gross sales, and return considerations.

In a following section of this report, I completed a DCF for each of the three (3) lot mix configurations. Based on that analysis, I concluded that the “retrospective” market value of the Fee Simple Estate in the subject property in the before condition, for each lot configuration, as follows:

| Subdivision Approach | | | |
|----------------------|----|-------------|---------|
| | | Total Value | Per SF |
| 61-Lots | \$ | 32,820,000 | \$22.11 |
| 16-Lots | \$ | 35,700,000 | \$24.06 |
| 7-Lots | \$ | 34,400,000 | \$23.18 |

My analysis indicates that a residential development was feasible on the effective date of value.

Next, I considered the property’s potential as part of a golf course. For this, I first looked at the overall health of the golf course industry on a national and local basis. I then considered the subject’s historical operations and what would be necessary to start back up the Badlands Golf Course. First, I looked at The National Golf Foundation’s “Golf Facilities in the U.S., 2017 Edition.” The NGF was founded in 1936 to provide golf-business research and consulting services.

According to the National Golf Foundation (NGF) report, from 1986 to 2005, golf course supply increased by 44%, which far outpaced growth in golf participation. The trend being experienced throughout 2016 was referred to as “correction.” This was because at that time golf course closures occurring throughout the U.S. indicated we had an oversupply that required market correction.

The NGF 2017 Facilities Study reported, “The golf course industry continues to go through a period of natural correction, as expected, following a 20-year period of the most dramatic growth in the game’s history. By the end of 2016, there were 15,014 golf courses in the United States. This included a net reduction of 171 courses that year. The NGF reported that from 2006 to 2017, the golf course industry experienced a cumulative decline of 1,045 golf courses, with an average net loss of 87 per year ($1,045 \div 12 = 87.08$). As of March 2017, which is when the report was released, the NGF report stated that the golf course market was still oversupplied, and more course closings were expected. Closings were “projected to fall in the 150 to 175 range as the natural contraction continues gradually, extending incrementally into its second decade following a two-decade run of golf course growth.”

I found this to be a common theme when researching the health of the golf course market in 2017. It was addressed in a Bloomberg Magazine article titled “Dead Golf Courses Are the New NIMBY Battlefield” and again in their March 24, 2021 article titled “Old Golf Courses are being Turned into E-Commerce Warehouses.” The first article began with “Golf is dying, many experts say. According to one study by the golf industry group Pellucid Corp., the number of regular golfers fell from 30 to 20.9 million between 2002 and 2016. Ratings are down, equipment sales are lagging, and the number of rounds played annually has fallen.”

Their March 2021 article begins with “The surge in online shopping has developers looking for acreage, and the links-to-logistics conversion is proving to be a winning move.” The March 2021 article included aerials showing these conversions occurring.

I also found this discussed in National Recreation and Park Association (NRPA) monthly magazine. Under the heading “Why Has Golf Declined?” they discussed the decline in play being experienced throughout the U.S. This article referenced a 1987 report by McKinsey & Company consulting firm that had projected substantial increases in the number of golfers and called for “A Course a Day” to be built to accommodate it. This plan was embraced by many in the development community and reinforced the momentum to build new courses. This article stated that McKinsey & Company was still optimistic in their 1999 update to that 1987 report, but their forecast was wrong.

The NRPA report stated that since 2003, there has been a consistent decline in the number of golf players each year. They reported there were 6.8 million fewer golfers in 2018 compared to 2003, which is a loss of over 20%. This led to “a net reduction of 1,243 18-Hole courses between 2005 and 2018.” The NRPA stated that this decline was “a function of the high cost of playing, difficulty of courses, and the game’s incompatibility with contemporary lifestyles.”

I also looked at a report on the Badlands Golf Course that was prepared by Global Golf Advisors (GGA). GGA stated that they reviewed 2017 annual financial reports for the municipalities of Las Vegas, North Las Vegas and Henderson for the profitability reported by their public golf courses.

GGA stated; “While municipal courses often do not serve as an ‘apples-to-apples’ comparison due to the potential for labor unions, it is worth noting that none of the municipal courses observed were profitable during the year of reference.”

These municipalities reported the net operating income for the Durango Hills (City of Las Vegas), Wildhorse (City of Henderson), and Aliante (City of North Las Vegas) public golf courses. Therefore, I looked at their 2017 Financial Reports:

1. The City of Las Vegas 2017 Financial Report –
(<https://files.lasvegasnevada.gov/finance/CLV-CAFR-FY2017.pdf>);
2. The City of Henderson 2017 Financial Report -
(<https://www.cityofhenderson.com/home/showpublisheddocument?id=1650>); and
3. The City of North Las Vegas Financial Report -
(http://www.cityofnorthlasvegas.com/docs/Finance/CAFR/CAFR_FY2017.pdf)

According to these 2017 Financial Reports, Durango Hills, Wildhorse and Aliante were losing money. The GGA report also stated that Spanish Trail Country Club, a private club, was losing money.

In addition to looking at the historical operations at the Badlands Golf Course, I looked at the reported operations at other courses in the Las Vegas area that would compete with the subject. Between 2016 and 2017, there were numerous articles about golf courses having problems and potential conversions. It was reported that Dragon Ridge, Black Mountain, Siena, Silverstone, Rhodes Ranch and South Shore were all losing money.

The data shows the Badlands wasn't an outlier that was struggling in a thriving golf course market. Based on what was happening in the local golf course market, Las Vegas was also experiencing this market "correction" and the Badlands golf course was part of that "correction."

Next, I analyzed what if any effect the national and local "correction" was having on the subject property. For that, I looked at the historical operations of the Badlands. According to the supplied information, the Badlands had nearly 35,000 rounds played in 2016. The NGF estimated Course Rounds (in-market supply) in 2016 at 35,300 per facility for the 30-minute drive radius from the Badlands. This suggests that the course generated comparable demand.

In looking at the number of visitors to Las Vegas, I found that visitation numbers hit an all-time high in 2016. However, the Badlands Golf Course experienced its lowest level of financial performance in 2016, which indicates that an increase in visitors did not benefit the Badlands Golf Course and growth in tourism would not lead to sustainable financial performance for this course.

Elite Golf Management was operating the course. The use of a management company was discussed in the NGF 2017 Facilities Study. The report stated: *"Driven in part by escalating competition and rising costs, independently-owned courses are increasingly hiring professional management companies to run operations. This trend is part of an ongoing effort to improve customer service levels, enhance course conditions, and add technology and amenities while implementing best practice initiatives."*

This option was also being used in the Las Vegas golf market. The GGA report identified a number of management companies operating in the Las Vegas market in 2017. These were as follows:

- Pacific Links was managing TPC Summerlin, Painted Desert Golf Club, Desert Pines Golf Club, Dragon Ridge Country Club;
- ClubCorp is managing Bear's Best Las Vegas, Canyon Gate Country Club;
- OB Sports is managing Angel Park Golf Club, The Legacy Golf Club (prior to Elite Management taking over), Durango Hills Golf Club; and
- Troon is managing Aliante Golf Club.

The operators leading up to the time of closing the Badlands Golf Course, Elite Golf Management, were also experienced operators in the local market. Elite was managing the following golf courses:

- Primm Valley Golf Course (Two (2) 18-hole golf courses)
- Spanish Trail Country Club (27 holes)

- Legacy Golf Club, Henderson (18 holes)
- Wildhorse Golf Club, Henderson (18 holes)
- Mountain Falls Golf Club, Pahrump (18 holes)

Prior to Elite Golf Management, the Badlands Golf Course was managed by Par 4 Golf Management. Par 4 Golf Management was founded in 2008. Par 4 Golf Management was a partnership between Paul Jaramillo and Keith Flatt. Mr. Jaramillo was the President & Co-founder of Par 3 Landscape & Maintenance. Par 3 Landscape & Maintenance was successful landscape company in the Las Vegas market. Mr. Flatt's experience covered most aspects of the golf industry, including being a professional player, caddy, credentialed instructor, head golf professional and course owner.

Par 4 managed five (5) local courses including the Badlands Golf Course prior to their transition to Elite Golf Management. Prior to Par 4 Golf Management, Badlands was managed by Troon, which was considered to be one of the largest golf management companies in the U.S. and an industry leader.

To analyze the facilities historic operations, I was provided the income and expenses for 2014, 2015 and 2016 up to the facilities December 1, 2016 closing. The supplied historical income and expense statements reflected that revenue declined 11% in 2015. In comparing the 2015 revenues to 2016, an adjustment is required for the eleven (11) months used in 2016 statement versus twelve (12) months used in 2015. Therefore, I annualized the property's 2016 revenues to reflect a similar twelve (12) month period. While the actual 2016 revenues through November reflected a decrease of 31.2% from 2015, annualizing 2016 revenues indicates that the decline in revenues would be 24.9%.

During this period (2014 to 2016), cost of sales percentage was slowly increasing. This expense was 14.1% of revenues in 2014, increased 80 basis points to 14.9% in 2015 and then increased another 100 basis points to 15.9% in 2016. This resulted in the effective gross income (EGI) being \$3,038,330 in 2014, \$2,679,318 in 2015 (down 11.8%), and \$1,819,789 through the first eleven months of 2016 (down another 32.1%). Annualized, the 2016 EGI would be \$1,985,224, which was still down 25.9% from 2015.

Next, I looked at the property's expenses. According to the supplied information, expenses went from 82.7% of EGI in 2014 to 75.4% of EGI in 2015. However, the expenses then increased to 95.0% of the EGI in 2016. And 2016 reflects the expenses without the annual cost of overseeding the facility. The operator estimated that this saved \$60k in hard costs plus the course gained additional revenue from not being closed for overseeding in 2016. It is my understanding that these decisions were made out of necessity to save cash but are not good for the long-term sustainability of the course.

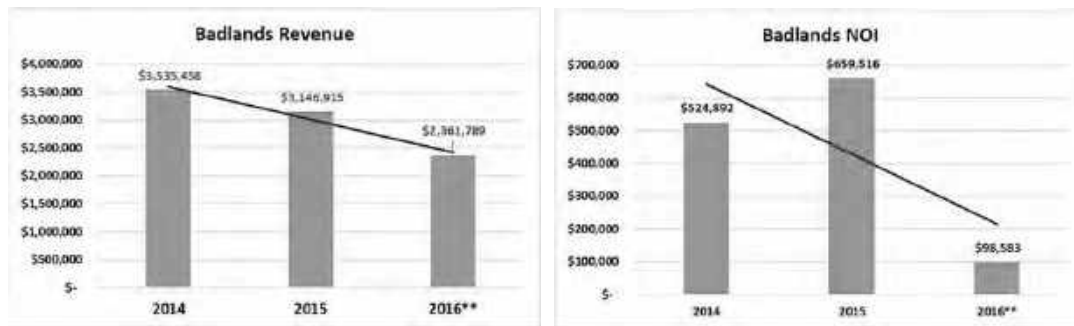
The historical net operating income (NOI) for the subject property is calculated by deducting the operating expenses from the EGI. The reported NOI was \$524,892 in 2014, \$659,516 in 2015 and \$90,368 for the first eleven months of 2016. Annualized, the 2016 NOI is \$98,583. Therefore, the NOI increased 25.6% in 2015 and decreased 86.3% for the first eleven (11) months of 2016. Annualized, the 2016 NOI was down 85.1% from 2015. The following is a summary of the previous data.

| RECONSTRUCTED INCOME & EXPENSE STATEMENTS | | | | | | | |
|---|----------------|----------------|--------|----------------|--------|----------------|--------|
| YEAR | 2014 | 2015 | % Chg. | 2016* | % Chg. | 2016** | % Chg. |
| Revenue | \$ 3,535,458 | \$ 3,146,915 | -11.0% | \$ 2,164,973 | -31.2% | \$ 2,361,789 | -24.9% |
| Less Cost of Sales | \$ (497,128) | \$ (467,597) | -5.9% | \$ (345,184) | -26.2% | \$ (376,564) | -19.5% |
| Gross Profit | \$ 3,038,330 | \$ 2,679,318 | -11.8% | \$ 1,819,789 | -32.1% | \$ 1,985,224 | -25.9% |
| Less Operating Expenses | \$ (2,513,438) | \$ (2,019,802) | -19.6% | \$ (1,729,421) | -14.4% | \$ (1,886,641) | -6.6% |
| Net Operating Income (NOI) | \$ 524,892 | \$ 659,516 | 25.6% | \$ 90,368 | -86.3% | \$ 98,583 | -85.1% |

*Based on the Eleven (11) Months the property was operating.

**Annualized 2016 Data Assuming the average over the Eleven Month Period is Maintained in December of 2016.

For the reader's perspective, I broke out the trends in revenues and NOI in the following charts.



While there was an 81.2% decline in NOI over the prior three (3) years it was operating, the true picture of this property's viability is incomplete without including the deferred maintenance that had been ignored. It is not like the owner could have just decided on September 14, 2017, "let's open the course for play today." For the reader's perspective of the course's overall condition in the later part of 2017, I included the following photograph of the course. This photo was reportedly taken in November of 2017 (Source: Google Earth).



It is obvious that the property was not ready for play in the later part of 2017 as the turf was dead and the ponds were empty and exposed. Therefore, I looked at the cost to cure the property's deferred maintenance to see if it was economically feasible to return to operations on the effective date of value.

According to GGA's report, estimates to cure the deferred maintenance provided by Elite Management, were as follows:

- Clubhouse Renovation/Update - \$1M (to update) to \$8M (full renovation to stay competitive)
- Cart Path Replacement - \$1.7M
- Irrigation System Replacement - \$800k
- Maintenance Equipment - \$800k
- Golf Carts - \$600k
- Pond Liner Replacement - \$350k
- Sod, Seed and Bring Back Turf - \$1.5M

The previous items are a summary of the major capital expenditures required but does not include any unforeseen issues such as problems with the pumps, wells or any other existing infrastructure. For example, if the irrigation system needs to be replaced, the cost adds another \$2+M to the cost to reopen. The previous costs, without the irrigation system, total a minimum of \$6.75M with a refresh for the club house, and a maximum of \$13.75M if the club house is to be completed redone.

The GGA report also referenced additional estimates that indicated the restoration costs for the golf course could be between \$3.65M and \$4.7M as of the effective date of value. In the following table I applied the cost to cure the deferred maintenance to the previous three years of income and expenses to ascertain how the balance sheet would look if the property had been maintained at a minimum level.

| Year | NOI |
|---|------------------------|
| 2014 | \$ 524,892 |
| 2015 | \$ 659,516 |
| 2016** | \$ 98,583 |
| Total Three (3) Years NOI | \$ 1,282,991 |
| Deferred Maintenance - Minimum | \$ (3,650,000) |
| Net Income/Loss Over Three (3) Years | \$ (2,367,009) |
| Net Income/Loss per Year | \$ (789,003) |
| | |
| Total Three (3) Years NOI | \$ 1,282,991 |
| Deferred Maintenance - Maximum | \$ (13,750,000) |
| Net Income/Loss Over Three (3) Years | \$ (12,467,009) |
| Net Income/Loss per Year | \$ (4,155,670) |

The above figures are based on the following extraordinary assumption and its use might have affected the assignment results:

1. The above calculations are based on the extraordinary assumption that the provided costs to cure the deferred maintenance were accurate as of September 14, 2017, the effective date of value for this assignment.

While the previous Reconstructed Income & Expenses Statement reflected a positive NOI for 2014, 2015 and 2016, the NOI did not reflect the true cost of operations as the operator had not addressed the deferred maintenance. The NOI would have been significantly less (and actually reflects a substantial net loss) if the deferred maintenance costs at the time of operation had been addressed.

The GGA report stated that their Director, Tommy Sasser, validated the previous cost estimates provided by Elite Management. They stated that Mr. Sasser has expertise in golf course renovation and construction management with over three decades of experience directing land development activities and has been involved in the design

and/or construction of over 75 golf courses around the globe. The GGA report states that Mr. Sasser solicited a second expert opinion on the restoration costs from Heritage Links (a division of Lexicon Inc.), a Houston based restoration company with knowledge of the golf course. The total estimate provided by Heritage Links projects a cost of more than \$3.74M as of September 2017, not including contingencies.

Even in years prior, operators of the facility expressed the opinion that the operation was no longer profitable. On September 18, 2015, Paul Jaramillo (CEO of Par 4 Golf Management, Inc.) expressed the following sentiment in a ‘Notice of Cancellation’ memo to the owners: *“We have operated the course for a number of years with little or no profit in hopes that the golf industry would recover, and we would be able to recapture our investment. Given the ever increasing water costs, operating costs and a golf market that cannot support increased green fees, we have determined that we are no longer willing [to] assume the risk.”*

On December 1st, 2016, Keith Flatt (CEO of Elite Golf Management), expressed the following opinion in another memo to ownership: *“Unfortunately, it no longer makes sense for Elite Golf to remain at the facility under our lease agreement. The golf world continues to struggle, and Badlands revenues have continued to decrease over the years. This year we will finish 40% less in revenue than 2015 and 2015 was already 20% down from 2014. At that rate, we cannot continue to sustain the property where it makes financial sense for us to stay. Even with your generosity of the possibility of staying with no rent, we do not see how we can continue forward without losing a substantial sum of money over the next year. The possibility of staying rent free was enticing and we apologize if our email to customers about staying may have caused any issues for you, but after full consideration of our current financial status at Badlands, we came to the conclusion that we just could not afford to stay any longer.”*

In addition to the previously discussed data, the fact that the two prior golf course management companies could not operate the Badlands at a profit sufficient to justify remaining on the Subject Property in the preceding years, even with free rent while ignoring the deferred maintenance, demonstrates operating the Badlands was not financially feasible as of December 2016 when it was closed or September 2017, the effective date of value. Therefore, golf course use is ruled out from further consideration as to being the highest and best use of the subject property.

I also researched the market for sales of public parks. For a public park use, the value of the subject would need to exceed \$23.00 per square foot or \$1,000,000 per acre. I used CoStar to search but did not find any park sales I could compare to the subject. And when considering this park would be subject to annual property taxes of over \$200,000, the possibility of this type of use being more productive than a residential use is not a reasonably probable conclusion. Therefore, golf course and public park uses have been eliminated from consideration as being the highest and best use of this site.

Given the previous information, it is my opinion that the legally permissible, physically possible, and financially feasible use of this site, as of the effective date of value, was a residential use. This type of development would be similar to the surrounding uses in the Queensridge and Summerlin communities and would confirm to the site’s R-PD7 zoning designation.

Maximally Productive

Based on the reasonably probable development scenarios and the potential values that could be created, I have concluded that a developing the site with a residential use that conformed with the surrounding residential developments was the maximally productive use of the subject property, as of September 14, 2017.

CONCLUSION

Based on my research, I concluded that a residential use best met the four tests of highest and best use of the effective date of value, September 14, 2017.

MOST PROBABLE BUYER

Based on the characteristics of the property, the likely buyer is a local or regional developer.

VALUATION ANALYSIS

VALUATION METHODOLOGY

Appraisers usually consider three approaches to estimating the market value of real property. These are the cost approach, sales comparison approach and the income capitalization approach.

The **cost approach** assumes that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility. This approach is particularly applicable when the improvements being appraised are relatively new and represent the highest and best use of the land, or when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

The **sales comparison approach** assumes that an informed purchaser would pay no more for a property than the cost of acquiring another existing property with the same utility. This approach is especially appropriate when an active market provides sufficient reliable data. The sales comparison approach is less reliable in an inactive market, or when estimating the value of properties for which no directly comparable sales data is available. The sales comparison approach is often relied upon for owner-user properties.

The **income capitalization approach** reflects the market's perception of a relationship between a property's potential income and its market value. This approach converts the anticipated net income from ownership of a property into a value indication through capitalization. The primary methods are direct capitalization and discounted cash flow analysis, with one or both methods applied, as appropriate. This approach is widely used in appraising income-producing properties.

The Cost Approach is not considered applicable when appraising land like the subject of this analysis. In this area the Sales Comparison Approach is typically used to estimate the value of vacant land. Therefore, I will first research recent sales of superpads. After applying market supported adjustments, I will conclude a supportable before condition value indication for the property as of the effective date of value.

As a check for reasonableness, I will use what is referred to in the Income Approach as the Discounted Cash Flow Analysis in Subdivision Development Analysis. This involves a discounted cash flow analysis with the value being estimated by researching the market for what the property could sell for on a per custom home lot basis, the indicated absorption rate, the costs related to finishing the custom home lots and the cost of sales (marketing) and entrepreneurial profit. The indicated income from selling the lots, less expenses, will then be discounted to its present value for an indication of value to one buyer as of the effective date of value.

The reconciliation that follows the "before condition" value discusses the relative strengths and weaknesses of each approach and concludes the property's before condition value as of the September 14, 2017 the effective date of value. This will be followed by my analysis of the value of the remainder in the "after condition." I will then conclude the just compensation due to the property owners as of September 14, 2017.

SALES COMPARISON APPROACH – BEFORE CONDITION

The Sales Comparison Approach is based upon the principle that the value of a property tends to be set by the price at which comparable properties had been sold or the price for which comparable properties could have been acquired. This approach requires analysis of vacant land sales comparable to the subject property. I acquired accurate information regarding price, terms, property description, and use for the comparable sales. This was part of my primary research in the preparation of this report.

For this analysis, I included five (5) vacant land sales that closed escrow between February 2015 and September 2017. The first four (4) are considered to be “superpads” that were sold to home developers for detached single-family residential developments. The Dictionary of Real Estate defines a superpad as “a parcel of land, usually in a planned development, that is undeveloped and planned for subdivision into smaller lots. All off-site infrastructure is in place and connected to the boundary of the parcel. A superpad is typically purchased by a home builder that will install the streets and necessary utility infrastructure to make the lots suitable for home development and sale to individual buyers.” The fifth sale was the sale of 63 finished home lots to a home builder that has since completed the vertical construction and sold those homes.

In analyzing these sales, I selected the price per square foot of land as the operative unit of comparison as of the effective date of value. This is the unit of comparison most commonly quoted by brokers, sellers, and purchasers when discussing these sales transactions and is considered the most relevant for the subject. In the following section of this report, I will compare the attributes of these sales to the subject site in the before condition.

The following Comparable Land Sales table displays the data pertinent to this analysis. A map identifying the location of each sale in respect to the location of the subject property is on the following page. Abstracts with additional information and aerial photographs of each sale taken near its date of sale follow the map.

| COMPARABLE LAND SALES | | | | | | |
|--|----------------------|-----------------------|-----------------------|----------------------|---------------|--|
| LOCATION/ # APN | SALE DATE | SALE PRICE | LAND SF/AC | PRICE/ SF | ZONING | |
| 1 Sky Vista Drive & Desert Moon Road 137-33-810-001 (Portion of) | 09/15/17 | \$ 17,745,080 | 1,426,154 32.74 | \$ 12.44 | P-C | |
| 2 Russell Road & Bonitsa Vista Street Five (5) Contiguous Parcels | 08/07/17 | \$ 12,794,150 | 938,282 21.54 | \$ 13.64 | R-2 | |
| 3 Sky Vista Drive & Charleston Boulevard 164-03-111-006 (Portion of) | 03/14/17 | \$ 24,084,350 | 1,623,046 37.26 | \$ 14.84 | P-C | |
| 4 Olympia Ridge Drive & Oakland Hills Drive 191-07-501-011 | 07/07/16 | \$ 17,000,000 | 1,263,240 29.00 | \$ 13.46 | R-2 | |
| 5 Granite Ridge Drive & Grey Feather Drive 63 Separate APN's | 02/26/15 | \$ 13,650,000 | 653,400 15.00 | \$ 20.89 | R-2 | |
| Subject Property 138-31-201-005 | N/A | N/A | 1,484,089 34.07 | N/A | R-PD7 | |

COMPARABLE LAND SALES MAP



COMPARABLE LAND SALE 1

| | | | |
|------------------|------------------------------------|-----------------------|---------------|
| Location | Sky Vista Drive & Desert Moon Road | Close Date | 9/15/2017 |
| APN(s) | 137-33-810-001 (Portion of) | Sale Price | \$ 17,745,080 |
| Grantor | Howard Hughes Properties, Inc. | Cash Equqlancy | \$ 17,745,080 |
| Grantee | Lennar Homes | Acres | 32.74 |
| Confirmed | Broker/Co-Star/County Records/Deed | Price/AC | \$ 542,000 |
| Zoning | P-C, City of Las Vegas | Square Feet | 1,426,154 |
| Doc. No. | 20170915:00793 | Price/SF | \$ 12.44 |



Photo date: 11/2017

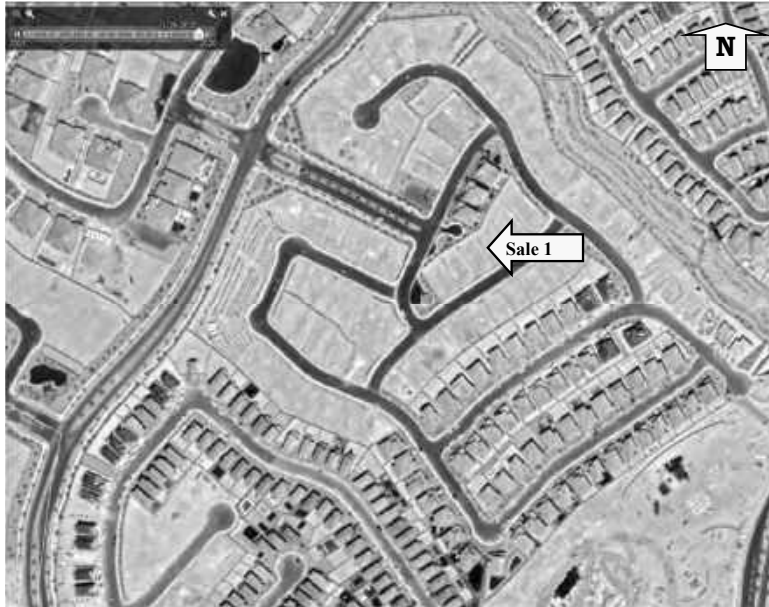


Photo date: 05/2020

COMPARABLE LAND SALE 2

| | | | |
|------------------|-------------------------------------|-----------------------|---------------|
| Location | Russell Road & Bonitsa Vista Street | Close Date | 8/7/2017 |
| APN(s) | Five (5) Contiguous Parcels | Sale Price | \$ 12,794,150 |
| Grantor | Clark County | Cash Equqlancy | \$ 12,794,150 |
| Grantee | KB Home LV Amizade, LLC | Acres | 21.54 |
| Confirmed | Seller/Co-Star/County Records/Deed | Price/AC | \$ 593,972 |
| Zoning | R-2, Clark County | Square Feet | 938,282 |
| Doc. No. | 20170807:02243 | Price/SF | \$ 13.64 |

Assessor Parcel Numbers: 163-32-501-010, 163-32-501-011, 163-32-501-017, 163-32-501-018, 163-32-501-020



Photo date: 11/2017



Photo date: 5/2020

COMPARABLE LAND SALE 3

| | | | |
|------------------|--|-----------------------|---------------|
| Location | Sky Vista Drive & Charleston Boulevard | Close Date | 3/14/2017 |
| APN(s) | 164-03-111-006 (Portion of) | Sale Price | \$ 24,084,350 |
| Grantor | Howard Hughes Properties, Inc. | Cash Equqlancy | \$ 24,084,350 |
| Grantee | KB Home LV Caledonia, LLC | Acres | 37.26 |
| Confirmed | Buyer/Co-Star/County Records/Deed | Price/AC | \$ 646,386 |
| Zoning | P-C, City of Las Vegas | Square Feet | 1,623,046 |
| Doc. No. | 20170314:00291 | Price/SF | \$ 14.84 |

*Photo date: 11/2016**Photo date: 5/2020*

COMPARABLE LAND SALE 4

| | | | |
|------------------|---|-----------------------|---------------|
| Location | Olympia Ridge Drive & Oakland Hills Drive | Close Date | 7/7/2016 |
| APN(s) | 191-07-501-011 | Sale Price | \$ 17,000,000 |
| Grantor | Southern Highlands Investment Partners, LLC | Cash Equqlancy | \$ 17,000,000 |
| Grantee | Greystone Nevada, LLC | Acres | 29.00 |
| Confirmed | Broker/Co-Star/County Records/Deed | Price/AC | \$ 586,207 |
| Zoning | R-2, Clark County | Square Feet | 1,263,240 |
| Doc. No. | 20160707:01060 | Price/SF | \$ 13.46 |



Photo date: 3/2016



Photo date: 5/2020

COMPARABLE LAND SALE 5

| | | | |
|------------------|--|-----------------------|---------------|
| Location | Granite Ridge Drive & Grey Feather Drive | Close Date | 2/26/2015 |
| APN(s) | 63 Separate APN's | Sale Price | \$ 13,650,000 |
| Grantor | Howard Hughes Properties, Inc. | Cash Equqlancy | \$ 13,650,000 |
| Grantee | William Lyon Homes | Acres | 15.00 |
| Confirmed | Broker/Co-Star/County Records/Deed | Price/AC | \$ 910,000 |
| Zoning | R-2, Clark County | Square Feet | 653,400 |
| Doc. No. | 20150226:03174 | Price/SF | \$ 20.89 |

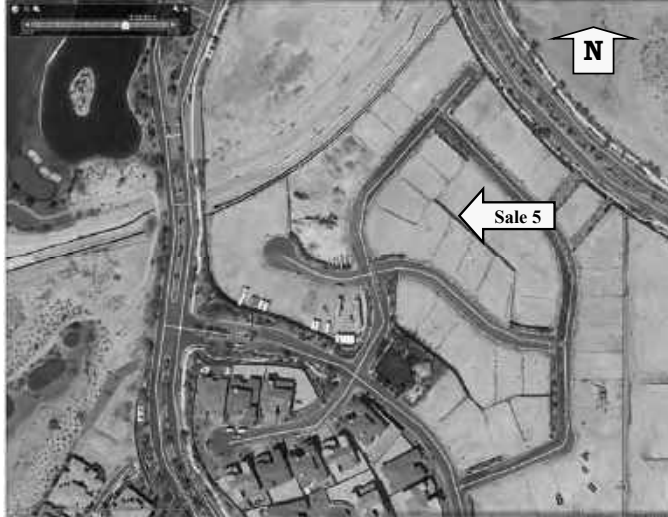


Photo date: 3/2015

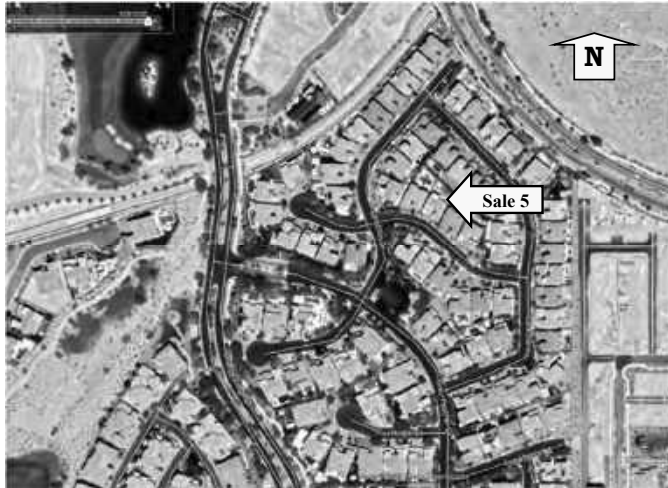


Photo date: 5/2020

ANALYSIS AND ADJUSTMENT OF SALES

The adjustment process is typically applied through either quantitative or qualitative analysis. Quantitative adjustments are often developed as dollar or percentage amounts, while qualitative adjustments are simply expressed through relative comparison (i.e. significantly inferior).

Quantitative adjustments are most applicable when the quality and quantity of data allows paired sales or statistical analysis. Oftentimes, the paired-sale information is widely divergent. Due to the difficulty involved in adequately supporting adjustments for differences, I will use qualitative adjustments for those attributes clearly inferior or superior to the subject. Based on my experience and investigations of the marketplace, this approach reflects local market reality. Market participants can often identify superior or inferior characteristics when comparing properties. However, few buyers or sellers apply specific percentage or dollar-amount adjustments for particular differences. In contrast, they view a property overall and form an opinion as to whether one is worth more or less than another. A similar method of practical adjustment was discussed in an article in The Appraisal Journal, published by the Appraisal Institute.

Adjustments will be based on my rating of each comparable sale in relation to the subject. If the comparable is rated superior to the subject, the unit price of that sale is adjusted downward to reflect the subject's relative inferiority; if the comparable is rated inferior, its unit price is adjusted upward.

ADJUSTMENTS

Potential adjustments include the following categories, which typically affect sale prices. If a comparable sale significantly differs from the subject, an adjustment compensates for that difference.

REAL PROPERTY RIGHTS CONVEYED

This adjustment is generally applied to reflect the transfer of property rights different from those being appraised. A ground lease is an example of a restriction affecting vacant land. However, since all of the comparable sales analyzed in this report were conveyed in fee simple, no adjustment will be necessary for property rights conveyed in these sales.

FINANCING TERMS

This adjustment is generally applied to a property that transfers with atypical financing, such as having assumed an existing mortgage at a favorable interest rate. Conversely, a property may be encumbered with an above-market mortgage, which has no prepayment clause or a very costly prepayment clause. All of the comparable sales were stated to be cash equivalent transactions.

CONDITIONS OF SALE

This category reflects extraordinary motivations of the buyer or the seller to complete the sale. Examples can include a purchase for assemblage involving anticipated incremental value, or a quick sale for cash. Sale 2 in this analysis involved a County auction. Therefore, I compared the unit price paid for this site as compared to that commanded by similar sites during this period. My research suggests that there was no discount or premium paid. None of the other sales in this analysis were indicated to be affected by conditions of sale either. Therefore, no adjustments are required for conditions of sale.

TIME - MARKET CONDITIONS

Real estate values normally change over time. The rate of this change fluctuates due to investors' perceptions of prevailing market conditions. This adjustment category reflects market differences occurring between the effective date of the appraisal and the sales date of a comparable when values have appreciated or declined. To analyze the market conditions, I looked at a number of sales in the market area over the last several years and the prices per square foot that were being commanded. For this analysis, I researched residential land sales between the first quarter of 2015 and the third quarter of 2017.

I learned that the average price per square foot was \$9.00 in the first quarter of 2015. This increased to \$11.00 per square foot by the first quarter of 2016, \$12.00 by the first quarter of 2017 and \$13.00 by the third quarter of 2017. This reflects that market conditions steadily increased during the 2015-to-2017 time period. The effective date of value for this analysis is September 14, 2017. Sale 1 closed within one (1) day of that date and Sale 2 about one (1) month prior. Therefore, I have not applied a market conditions adjustment to those two (2) sales. As for Sales 3, 4 and 5, these sales closed between February of 2015 and March of 2017. Based on the increased market conditions between then and September 14, 2017, upward adjustments are warranted for Sales 3, 4 and 5.

LOCATION

Location has a great impact on property values. In researching these sales, I noted that Sales 1 and 3 are located very near each other within the larger Summerlin master planned community, which abuts the subject property. In analyzing these sales, I noted that they both were purchased for mid-range residential subdivisions with small lot sizes and prices ranging from around \$400,000 to over \$675,000. This is inferior to the larger custom homes on large lots surrounding the subject site.

Sale 2 is not located in a master planned community. This site abuts a concrete flood channel, which forms its western boundary and lower-priced homes and apartments. This site has small lots in the 3,500 to 4,500 square foot range and homes sell for around \$350,000. This location is substantially inferior to that of the subject property.

Sale 4 is located in the Southern Highlands master planned community, approximately ten (10) miles south of Tropicana Avenue. This community offers track home subdivisions, and larger lots with custom homes in the \$1 million to \$10 million range. However, Southern Highlands does not offer the services and amenities similar to Tivoli Village and Downtown Summerlin near the subject site. Therefore, an upward adjustment for this site's inferior location is warranted.

Sale 5 is located in Summerlin adjacent to the Ridges and Summit communities. This area also offers large lots and sell homes in the \$1 million to \$10 million range. This site also enjoys the same access to services and amenities that the subject enjoys. This site is considered to have a similar location to that of the subject with no location adjustment required.

PHYSICAL CHARACTERISTICS

This adjustment category generally reflects differences between a comparable and the subject in such areas as size, topography and level of off-site improvements installed at the time of sale.

As for size, the subject contains 34.07 acres, and is bracketed by the sizes of the comparable sales. In analyzing these sales, which range from 15.00 acres to 37.26 acres, I did not find that a size adjustment would be warranted. Sales 1 through 4 range from 22.53 acres to 37.74 acres commanded unit prices ranging from \$12.44 to \$14.84 per square foot, with the high end of the range being commanded by the largest site. Therefore, I have not applied any adjustments for size differences.

Topography differences deal with differences in the surface of the site. Based on the supplied information, the cost to level and grade the subject site, including demolishing the cart paths and ponds, is \$1,167,715. This reflects a cost of \$0.79 per square foot ($\$1,167,715 \div 34.07 \div 43,560 = \0.79). In this analysis, Sales 3 and 4 were graded prior to the sale and Sale 5 was the sale of 63 finished lots with streets installed and utilities stubbed to each lot. The remaining sales with were basically raw land like the subject with offsite improvements completed. Therefore, Sales 3 and 4 each require a downward adjustment for being graded and Sale 5 requires a more substantial downward adjustment for being finished lots.

The subject and all but Sale 2 had a similar level of off-site improvements along their respective perimeters. Therefore, no adjustments for off-sites are warranted for those sales. Sale 2 lacked any offsite improvements along Russell Road at the time of sale. Therefore, I applied an upward adjustment to Sale 2 for lack this attribute at the time of sale.

In researching these sales, I also found that the buyers of Sales 1, 3 and 5 had to pay Special Improvements District (SID) costs while the homes on these respective sites were constructed. The SID for Sales 1 and 5 were then passed onto the eventual home buyers on a prorated basis. The buyer of sale 3 paid the entire SID when they closed on the land and did not pass that onto the homeowners. This was an additional cost to the buyer of these sites. Therefore, I applied an upward adjustment for this additional cost to the land buyer for Sales 1, 3 and 5.

I also considered that home developers buying residential land in Summerlin are required to pay the seller an additional fee after selling the completed homes. This is a percentage that is separately negotiated by each home builder before they purchase the land from Howard Hughes Properties, Inc. This is an additional expense for home builders in Summerlin that would not be a cost for a developer of the subject property. Therefore, I applied an upward adjustment for this additional cost to Sales 1, 3 and 5.

ZONING / POTENTIAL USE

This adjustment category generally reflects differences between a comparable and the subject's zoning designation and potential use. The subject has R-PD7 zoning, which is most similar to the R-2 zoning designations reflected by Sales 2, 4 and 5.

As for Sales 1 and 3, they had the P-C zoning, which is the predominate zoning in Summerlin. Sale 1 was developed at a density of 4.3 dwelling units per acre and Sale 3 is being developed at a density of 6.4 dwelling units per acre. I was unable to find any support for an adjustment between the R-PD7, R-2 and P-C zonings. Therefore, no adjustments for zoning have been applied.

COMPARABLE SALES DISCUSSION

The following is a discussion of each sale and its comparison to the subject property as of September 14, 2017.



Photo date: 11/2017

Sale 1 consisted of a portion of one (1) parcel (APN 137-33-810-001) located west of the intersection of Sky Vista Drive and Desert Moon Drive in Summerlin. This site, which contained 32.74 acres or 1,426,154 square feet, sold on September 15, 2017 for \$17,745,080 or \$12.44 per square foot. This property, which was later subdivided into 141 detached single-family home lots, included offsites along its boundaries. The zoning was P-C (Planned Community) at the time of sale and the build-out density was 4.3 dwellings per acre.

In comparing Sale 1 to the subject, I first considered that it closed within one (1) day of the effective date of value in this analysis. Therefore, no adjustment for any change in market conditions is warranted. Next, I considered the location differences. Sale 1 was purchased for a mid-range residential subdivision with typical lots being 6,000 square feet and home prices ranging from the low \$500,000's to almost \$700,000. This is inferior to subject's location, which is surrounded by much larger custom homes that have commanded up to \$10,000,000. Therefore, I applied an upward adjustment for the location difference. As for size and topography, these attributes were similar to those of the subject. However, I also learned that the buyer had to pay for the SID expenses during construction of the homes on this site. While this cost was eventually passed on to the home buyers when the homes are sold, this additional cost to the land buyer requires another upward adjustment. The last adjustment was also upward for the additional cost that developers pay Howard Hughes Properties, Inc., for sales in the Summerlin community. In this comparison, the only adjustments are upward for the location difference, SID carry cost and additional price paid to the seller after the homes are sold. This indicates that the unit price of \$12.44 per square foot commanded by this site in September of 2017 would have been substantially below what the subject could have commanded on the effective date of value.



Photo date: 11/2017

Sale 2 consisted of five (5) contiguous parcels (APN's 163-32-501-010, 011, 017, 018 and 020) located on the south side of Russell Road, between Durango Drive and I-215. This site, which contained 21.54 acres or 938,282 square feet, sold on August 7, 2017 for \$12,794,150 or \$13.64 per square foot. This property, which was later subdivided into 72 detached single-family home lots, did not include offsites along its Russell Road boundary. The zoning was R-2 (Medium Density Residential [8 Units per Acre]) sale and the build-out density was 7.6 dwellings per acre.

In comparing Sale 2 to the subject, I first considered that it closed within about a month of the effective date of value in this analysis. Therefore, no adjustment for any change in market conditions is warranted. Next, I considered the location differences. Sale 2 was purchased for a lower-end residential subdivision with typical lots being 3,500 square feet and home prices around \$350,000. Its location, between I-215 Beltway, Russell Road and a flood wash is substantially inferior to the subject's location. Therefore, I applied a substantial upward adjustment for the location difference. The topography was raw land, which was similar to that of the subject and no adjustment is required. However, another upward adjustment is required for this site's lack of offsites along Russell Road at the time of sale. Again, all of the adjustments are upward. This indicates that the unit price of \$13.64 per square foot commanded by this site in August of 2017 would be substantially below what the subject could have commanded on the effective date of value.



Photo date: 11/2016

Sale 3 consisted of a parcel located at the northwest corner of Charleston Boulevard and Sky Vista Drive in Summerlin. This site, which contained 37.26 acres or 1,623,046 square feet, sold on March 14, 2017 for \$24,084,350 or \$14.84 per square foot. This property, which was later subdivided into 237 detached single-family home lots, included offsites along its boundaries. The zoning was P-C (Planned Community) at the time of sale and the build-out density was 6.4 dwellings per acre.

In comparing Sale 3 to the subject, I first considered that it closed about six (6) months prior to the effective date of value in this analysis. Therefore, a slight upward adjustment for increased market conditions is warranted. Next, I considered the location differences. Sale 3 was purchased for a mid-range residential subdivision with typical lots being 5,000 square feet and home prices ranging from the upper \$300,000's to \$500,000. This is inferior to subject's location. Therefore, I applied an upward adjustment for the location difference. And while the size is similar, this site had been graded, which requires a downward adjustment when compared to the subject's raw state. The last two (2) adjustment were also upward for the SID cost and the additional cost that developers paid the seller, Howard Hughes Properties, Inc., after the homes were sold. In this comparison, the predominance of the adjustments is upward. This indicates that the unit price of \$14.84 per square foot commanded by this site in March of 2017 would be below what the subject could have commanded on the effective date of value.



Photo date: 3/2016

Sale 4 consisted of a parcel located at the intersection of Olympia Ridge Drive and Oakland Hills Drive in Southern Highlands. This site, which contained 29.00 acres or 1,263,240 square feet, sold on July 7, 2016 for \$17,000,000 or \$13.46 per square foot. This property, which was later subdivided into 41 detached single-family home lots, included offsites along its boundaries. The zoning was R-2 at the time of sale and the build-out density was 1.4 dwellings per acre. According to the broker, there was no LID or SID.

In comparing Sale 4 to the subject, I first considered that it closed over a year prior to the effective date of value in this analysis. Therefore, an upward adjustment for increased market conditions since this site sold is warranted. Next, I considered the location differences. Sale 4 was purchased for a high-end residential subdivision with typical lots being at least one-half acre and home prices ranging from about \$1,900,000 to over \$2,200,000. However, the outlying Southern Highlands community does not offer the services and amenities available to the subject site. Therefore, an upward adjustment for this site's inferior location is also warranted. And while the size is similar, this site had been graded, which requires a downward adjustment when compared to the subject's raw state. Again, the predominance of the adjustments is upward, which indicates that the unit price of \$13.46 per square foot commanded by this site in July of 2016 would also be below what the subject could have commanded on the effective date of value.

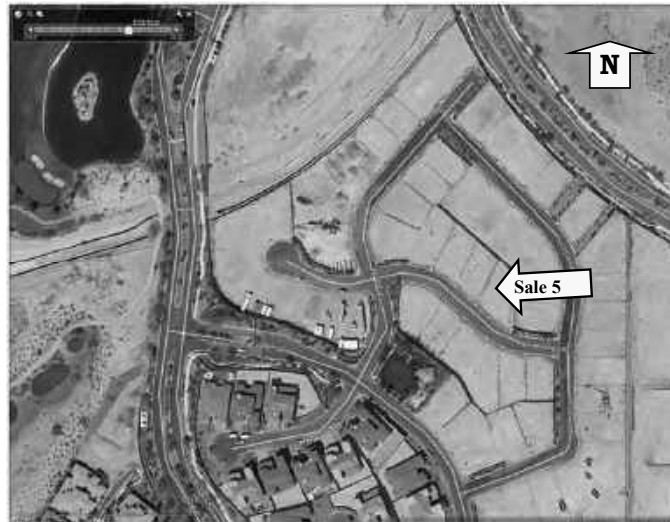


Photo date: 3/2015

Sale 5 consisted of 63 finished home lots at the intersection of Granite Ridge Drive and Grey Feather Drive in Summerlin. This site, which contained 15.00 acres or 653,400 square feet, sold on February 26, 2015 for \$13,650,000 or \$20.89 per square foot. This property, which abuts the Ridges and is just northwest of the developing Summit community in Summerlin, included offsites along its boundaries and full streets installed. The property's zoning was R-2 at the time of sale and the build-out density was 4.2 dwellings per acre.

In comparing Sale 5 to the subject, I first considered that it closed in early 2015, over two (2) years prior to the effective date of value in this analysis. Therefore, an upward adjustment for increased market conditions is warranted. Next, I considered the location differences. Sale 5 was purchased for a high-end residential subdivision with typical lots being at least 7,500 square feet and home prices ranging from about \$1,000,000 to over \$1,500,000. This location abuts larger lots with higher priced homes, which is similar overall to that of the subject. Therefore, no adjustment for location is warranted. I then considered that these lots were finished with streets installed and utilities stubbed to each lot. This warrants a substantial downward adjustment as compared to the subject. I also learned that the buyer had to pay for the SID expenses during construction of the homes on this site, which requires another upward adjustment. The last adjustment was also upward for the additional cost that developers have to pay Howard Hughes Properties, Inc., for sales in the Summerlin community after the homes are sold. In this comparison, the predominance of the adjustments are slightly upward. This indicates that the unit price of \$20.89 per square foot commanded by this site in February of 2015 would have been slightly below what the subject could have commanded on the effective date of value.

LAND VALUE CONCLUSION

I analyzed five (5) land sales that closed escrow between February 2015 and September of 2017. The first four (4) are considered to be superpads that were sold to home developers for detached single-family residential developments. The fifth sale involved a site that had been subdivided into 63 parcels. These finished home lots were then sold to a home builder that has since completed the vertical construction and sold the homes.

The four (4) superpad sales commanded unit prices ranging from \$12.15 to \$14.84 per square foot (psf). After comparing each of these sales to the subject, I have concluded that the subject's unit value, as of September 14, 2017, would have been above that commanded by these four (4) superpad sales. I then compared Sale 5 to the subject. This site also required predominately upward adjustments.

In this analysis, the estimated market value is to be based on the highest price that the property could have commanded on September 14, 2017. After considering all of the previous information, I have estimated the unit value of the subject at \$23.00 per square foot by the Sales Comparison Approach. This value is 10% above the unit price for Sale 5, which was an early 2015 sale with a similar location, finished lots, and had the additional requirement that the buyer carry the SID during construction and pay the required premium to Howard Hughes Properties, Inc., after selling the completed homes. Based on my research and the previous comparison analysis, I have estimated the market value of the subject property in the before condition by the Sales Comparison Approach, as of September 14, 2017, as follows:

| Sales Comparison Approach | |
|---------------------------------------|---------------|
| Estimated Value per SF | \$ 23.00 |
| Subject's Square Feet Before the Take | 1,484,089 |
| Indicated Value | \$ 34,134,052 |
| Rounded to | \$ 34,135,000 |

The above value is based on the following extraordinary assumption and its use might have affected the assignment results:

1. The value estimated in this appraisal is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 property inspection was similar to its condition on September 14, 2017, the effective date of value for this assignment.

INCOME APPROACH – SUBDIVISION METHOD

As a check to the reasonableness of the value concluded by the Sales Comparison Approach, I completed a discounted cash flow analysis. I completed this analysis for the subject property based on three (3) scenarios; 1) Sixty-one (61) home lots ranging from 0.22 acres to 1.08 acres; 2) Sixteen (16) home lots ranging from 1.58 acres to 2.90 acres, and; 3) Seven (7) home lots ranging from 3.96 acres to 5.39 acres.

The sixty-one (61) lot scenario, which had already been approved by City Staff, was heard by the Planning Commission at their February 14, 2017 Planning Commission Meeting. The following summarizes the results of that meeting where the Planning Commission discussed a Waiver (WVR-68480) to allow 32-foot streets with a sidewalk on one side where 47-foot private streets with sidewalks on both sides are required within a gated residential development, the Site Development Plan Review (SDR-68481) for a proposed 61-lot single family residential development subject to conditions, and the Tentative Map (TMP-68482) for a proposed 61-lot single family residential subdivision. Peter Lowenstein, Planning Section Manager, presented the Staff report at that meeting. Mr. Lowenstein stated:

“Mr. Chairman, the proposed 61-lot residential development would have a net density of 1.79 dwelling units per acre. The proposed Lo general plan designation, which allows up to 5.40 units per acre, allows for less intense development than the surrounding established residential areas, which allow up to 8.49 units per acre. The densities and average lot size of the proposed development are compatible to the adjacent residential lots. Staff therefore recommends approval of the General Plan Amendment to low density residential.

The Applicant is requesting interior streets that do not meet Title 19 standards. However, the proposed private interior streets will provide roadways, sidewalks, and landscaping in a configuration similar and compatible with that of the surrounding development. The 30-foot wide streets will allow for emergency access and limited on street parking, while the adjacent sidewalk and landscaping will provide safe pedestrian movement and enhance aesthetics within the subdivision. Staff therefore recommends approval of the requested waiver. The development standards proposed by the Applicant fall into two categories, those containing 20,000 square feet or less, and those containing greater than 20,000 square feet. Standards for a lot 20,000 square feet or less are generally consistent with the RD zoning properties, and lots greater than 20,000 square feet are generally consistent with RE zoned properties.

If applied, these standards would allow for development that is compatible with that of the surrounding gated neighborhoods. In addition, the proposed plan includes usable open space areas that exceed the requirements of Title 19. Staff therefore recommends approval of the Site Development Plan Review and Tentative Map.”

Motions were then made by Glenn Trowbridge to approve a WVR-68480, SDR-68481, and TMP-68482. All three (3) of those motions passed.

For the purpose of the following discounted cash flow analysis under Scenario 2 and Scenario 3, I used the following hypothetical condition, and its use might have affected the assignment results:

1. The estimated values indicated by the Income Approach for the sixteen (16) lot and seven (7) lot scenarios are based on the hypothetical condition that similar Waiver, SDR and TMP approvals were given to these development plans.

The discussion that follows presents an analysis of the As Is, Bulk Discounted Value of the subject. It is based on the Subdivision Development Method, which is an application of the Income Capitalization Approach. The reason that it is categorized as an income approach to value is that it is based on converting a projected cash flow into an indication of value.

The subdivision method is used by developers to determine the price they can afford to pay for a property assuming certain costs, gross sales, and return considerations. The steps required to complete this analysis are as follows:

- Estimate the retail values (probable selling prices) for the lots to be sold within the project – finished lots;
- Apply appropriate growth rates, if applicable, to concluded values, construction costs and operating expenses;
- Project a reasonable rate of absorption for unit sales, typically based upon an analysis of similar projects or overall market supply and demand;
- Estimate the direct and indirect construction costs for the lots;
- Estimate the appropriate holding and selling costs for the project (site development costs, marketing/commissions, closing costs, real estate taxes on unsold lots during the holding period, and miscellaneous expenses on sold and unsold lots);
- Estimate the appropriate profit rate and discount rate for the type of project under consideration;
- Discount the net cash flows to arrive at a value indication.

The DCF model allows for an analysis of the subject's financial performance throughout the projection period, modeling the anticipated revenues and expenses for the project based on assumptions derived from the market. The first step in the process is to estimate the aggregate retail lot values.

RETAIL CUSTOM HOME LOT VALUE ANALYSIS

I researched the market for recent bulk custom home lot sales; however, no comparable bulk custom home lot sales were found. This is not unusual as custom home lots are typically not sold in bulk. Therefore, I researched the market for individual custom home lot sales that could provide an indication of the retail lot value of the subject lots "as if finished."

The subject site is located in an area predominately improved with high-end custom homes. Homes in the developments at the northwest and southwest corners of Hualapai and Alta have sold for more than \$4 million. Within the Queensridge development, there are 106 custom home lots. Of those 106, all were sold and all but nine (9) have since been improved with multi-million dollar homes. Since 2000, I found that 72 of these homes have sold for an average price of \$3.5 million. Over the last five (5) years, the average price paid increased to \$4.0 million. It is my understanding that the owner of the subject property built 40 of those 106 custom homes, along with both of the Queensridge Towers.

To estimate the subject's average "finished" lot value, I researched custom home lot sales in Queensridge, the Ridges, and the Summit. Queensridge began development in 1997 and is almost built-out. I found two lot sales between 2013 and the effective date of value. One (1) sale in 2013 and one (1) sale 2016. The 2013 sale was for \$25.91 per square foot and the 2016 sale was at \$30.02 per square foot. This reflects an increase of 15.9% over 31 months or just over 6.15% per year. I also noted a lot sale in 2018 that resold just over a year later. The resale reflected annualized increase of about 8.4% per year.

In the Ridges, I noted fourteen (14) lot sales in 2016. The unit prices ranged from a low of \$29.63 per square foot, to a high of \$81.62 per square foot. In 2017, there were another fourteen (14) lot sales. The unit prices for these lot sales ranged from a low of \$30.63 per

square foot (+ 3.4%), to a high of \$85.49 per square foot (+ 4.7%). The average unit price in 2016 was \$43.43 per square foot, which increased to \$49.28 per square foot in 2017 (+ 13.5%). One (1) of the 2016 lot sales was resold in 2017. The unit price in November of 2016 was \$29.97 per square foot. This lot resold in October of 2017 for \$35.07 per square foot. This reflects an annualized increase of 17.7%.

I also researched lot sales in the Summit. The Summit closed on 50 sales lot sales in the eight months it operated in 2016. The unit prices ranged from a low of \$31.82 per square foot, to a high of \$158.32 per square foot. In 2017, there were fifteen (15) lot sales. The unit prices for these lot sales ranged from a low of \$40.17 per square foot (+ 26.2%), to a high of \$161.27 per square foot (+ 1.9%). The average unit price in 2016 was \$66.59 per square foot, which increased to \$71.84 per square foot in 2017 (+ 7.9%). One (1) of the 2016 lot sales was resold in 2017. The unit price in September of 2016 was \$53.61 per square foot. This lot resold in June of 2019 for \$90.16 per square foot. This reflects an annualized increase of about 24.8%. The seller stated that he just received an offer one day; the lot had not been listed for sale.

The highest per square foot lot sale in 2017 in the Summit, which was the sale of a 1.21 acre lot for \$8,500,000 or \$161.27 per square foot, was resold in 2020 for \$10,500,000 or \$199.21 per square foot. This reflected an annualized increase of about 9.2%.

To summarize, the most recent custom lot sale in Queensridge, which was about a year and a half before the effective date of value in this analysis commanded over \$30 per square foot, while sales in the Ridges and Summit were averaging \$49.28 per square foot and \$71.84 per square foot, respectively, in 2017.

After considering this information, I have estimated the average lot value of the 61 proposed subject lots at \$40.00 per square foot. Similar to the comparable developments, I am estimating a slightly lower unit value for the larger sixteen (16) and seven (7) lot configurations. Based on the sales occurring during 2017, I am estimating the average lot value at \$35.00 per square foot for the 16 lot configuration, and \$32.00 per square foot for the larger lots in the seven (7) lot configuration.

As for market conditions, or price increases, I found that between 2016 and 2017 unit prices for custom home lots were increasing. The highest increases were being experienced in the Summit development. I noted four sale resales in the Summit that reflected annualized increases ranging from 5.4% to 24.9%. There were also six (6) lots that the developer bought back for what they were sold for and then resold those lots for higher prices.

I also reviewed Sales Traq's historic percent change in home values. Sales Traq has been doing residential real estate research for more than two decades in this area. They research home pricing, sales, appreciation rates and development data. Sales Traq breaks down home price appreciation rates based on zip code.

The subject is located in zip code 89145. Beginning in 2012, which was following the Great Recession, the appreciation rates in this zip code increased each year. These increases ranged from 6.2% in 2015, to 45.9% in 2013. They reported the 2016, 2017, 2018 increases at 11.8%, 10.5% and 21.2%, respectively. From 2012 to 2018, the average increase was 16.9%. Removing the high (+45.9%) and low (6.2%), reflects an average of 13.4%, and looking only at the last three (3) years reflects an average of 14.5%. This area reflects that it experienced a strong and steady recovery following the Great Recession.

Based on the market conditions in the third quarter of 2017, and after considering the increases being experienced in the 2016, 2017 time period, I will apply annual increases of 8% to the estimated retail lot values.

ABSORPTION

For absorption rates I looked at historical sales from Queensridge, the Ridges and the Summit. Unfortunately, the developer of the custom homes lots within Queensridge sold-out many years ago. In researching lot sales at the Ridges, I found that there were 14 lot sales in 2016 and 14 lot sales in 2017. This reflects an average absorption rate of 3.5 lots per quarter. These lots ranged in size from 0.27 acres (11,761 SF) to 0.90 acres (49,204 SF). Of those 28 sales, 18 were less than 18,000 SF.

As for the Summit, there were 50 lot sales in 2016 and 15 lot sales in 2017. This development began selling lots in May of 2016. The sale of 50 lots represented 34% the total lots available. Over 20 months, this reflected an average absorption rate of 9.75 lots per quarter ($65 \text{ lots} \div 20 \text{ Months} = 3.25/\text{Month} \times 3 \text{ Months} = 9.75/\text{Quarter}$). These lots ranged in size from 0.57 acres (24,768 SF) to 4.69 acres (204,253 SF).

Absorption rates for the competitive set reflected lot sales between 3.5 per month for a development that has been selling lots since the early 2000's, to almost 10 sales per month for at the Summit, that opened in 2016. Based on size and value differences of the subject lots under the different scenarios, I estimated different absorption rates for the subject's 61 lots versus the 16 lot scenario versus the 7 lot scenario.

I also must consider that the subject lots need to be graded, and streets and utilities need to be installed. I spoke to Jerry Englehart, Estimating Manager for Aggregate Industries SWR, Inc. Mr. Englehart provided the estimate for grading, demolition of cart paths and ponds. Mr. Englehart told me that he did this type of work for Howard Hughes Properties Summerlin Development, most recently in Summerlin's Village 30, which is near the far western Red Rock area. Mr. Englehart estimated that getting these lots to a finished state would take approximately 13-to-15 months, with the 13-month period related to the seven (7) lot scenario and the 15-month timeline related to the 61 lot scenario.

After considering the market activity for custom home lots in the 2016 and 2017 time frame, and the fact that the developer would have over a year to presell lots, for the 61-lot scenario I estimated 30 presales and then three (3) sales per quarter through the holding period. For Scenario 2 (16 lots), I estimated eight (8) presales and then two (2) sales per quarter through the holding period. As for Scenario 3 (7 lots), which would offer the largest lots, I estimated five (5) presales and then one (1) sale per quarter through the holding period.

EXPENSES

DEVELOPMENT COSTS

Development costs are the costs the landowner would have had to pay to bring the subject lots to a finished state. This would include all of the grading and site work, installing interior streets, stubbing utilities to each lot, installing landscaping and an entrance off Hualapai, and all other expenses that would have been incurred by the developer to bring these lots to a finished state.

To estimate these costs, the landowner contracted with GCW, previously known as GC Wallace, to prepare the grading plans and quantity take-offs, which were then provided to Aggregate Industries for a cost estimate for the development of the site based on the

previously discussed scenarios; 1) Sixty-one (61) home lots; 2) Sixteen (16) home lots, and; 3) Seven (7) homes lots. This cost breakdown includes the demolition, grading and interior streets. It also includes cost estimates for utilities, landscaping the entryway, bonds, and other fees that would be incurred.

This cost breakdown was prepared in 2020 but adjusted by Aggregate to reflect what the costs would have been in September of 2017. Aggregate did not include contingencies in the estimates. They stated that the contingencies were built into the cost estimates since there were no negotiations to reduce these bids. Typically, they would negotiate on a project such as this and stated that they could have gotten a reduction of around 10% on the bids, which would offset the typical contingencies. The following is the cost estimates provided by Aggregate.

COST COMPARISON - 61, 16, 7 LOTS
180 LAND COMPANY LLC

| DESCRIPTION OF SCOPE | 61 | Per Lot | 16 | Per Lot | 7 | Per Lot |
|---|--------------|------------|--------------|------------|--------------|------------|
| DEMOLITION, GRADING, CONCRETE & ROADWAY, WET UTILITIES & FEES | \$ 5,016,573 | \$ 82,239 | \$ 4,057,660 | \$ 253,604 | \$ 3,984,732 | \$ 569,247 |
| TELEPHONE/CABLE, NVE CONDUIT & RELATED FACILITIES | \$ 364,505 | \$ 5,975 | \$ 248,575 | \$ 15,536 | \$ 175,348 | \$ 25,050 |
| NATURAL GAS | \$ 142,588 | \$ 2,338 | \$ 142,588 | \$ 8,912 | \$ 142,588 | \$ 20,370 |
| NVE ELECTRICAL | \$ 134,394 | \$ 2,203 | \$ 134,394 | \$ 8,400 | \$ 134,394 | \$ 19,199 |
| LANDSCAPING & ENTRYWAY | \$ 846,738 | \$ 13,881 | \$ 751,509 | \$ 46,969 | \$ 675,786 | \$ 96,541 |
| IMPROVEMENT PLANS (ENGINEERING/MAPPING | \$ 132,700 | \$ 2,175 | \$ 145,925 | \$ 9,120 | \$ 143,260 | \$ 20,466 |
| BOND ESTIMATE: PLAN CHECK & INSPECTION FEE | \$ 85,825 | \$ 1,407 | \$ 63,251 | \$ 3,953 | \$ 54,326 | \$ 7,761 |
| BOND FEE | \$ 25,528 | \$ 418 | \$ 18,570 | \$ 1,161 | \$ 15,785 | \$ 2,255 |
| FEES | \$ 1,155,578 | \$ 18,944 | \$ 455,148 | \$ 28,447 | \$ 260,314 | \$ 37,188 |
| TOTAL COST | \$ 7,904,429 | \$ 129,581 | \$ 6,017,620 | \$ 376,101 | \$ 5,586,533 | \$ 798,076 |
| TOTAL COST PER SQUARE FOOT | \$ 5.33 | | \$ 4.05 | | \$ 3.76 | |

* Contingency: No separate contingency amount was added to the cost estimates as it is believed that it is built into the cost estimate amounts, which were not negotiated nor derived from a bidding process, which negotiation and bidding would have resulted in an approximate 10% reduction of the above provided cost estimates.

OTHER EXPENSES

I estimated sales commission and marketing at 4% of the gross sales. I have found these expenses have historically ranged from 3% to 5%. With all that is involved in the process, it is common for the builder to pay the buyer's agent a percentage of the sales price. Therefore, I applied a 4% figure to the gross sales. Closing costs (per lot) were then included at \$2,500. This expense takes into account any normal escrow fees to be incurred at the time of closing. Real estate taxes for the lots are estimated by dividing the annual tax expense by the number of lots in each scenario. For example, with the real estate tax expense at \$205,227, the expenses for the 61 lot scenario would be \$841.09 per quarter ($\$205,227 \div 61 \div 4 = \841.09). This expense is based on the real estate taxes provided by the Clark County Treasurer for the 2018 fiscal year. I also included a miscellaneous expense line item that would include all other additional costs that might be incurred during this period. A figure of \$2,500 per lot per has been used.

PROFIT & DISCOUNT RATE

For information on expected profit and discount rates, I looked to the National Development Land Market section of the PwC Real Estate Investor Survey. The land analysis was not included in their third quarter 2017 report; however, it was included in their fourth quarter 2017 report. They reported that "discount rates (including developer's profit) for the national development land market range from 10.0% to 20.00% and average 15.40% this quarter – 60 basis points below the average six months ago. Thus, the average rate in second quarter of 2017 was 16.0% ($15.40\% + 0.60\% = 16.00\%$).

In the PwC selected survey responses, there are two (2) residential developer responses. The first, which was stated to be currently active in the Nevada market, stated that the combination of profit and discount rate was in the 18.00% to 20.00% range. The second respondent stated that the combined profit and discount rate were in the 16.00% to 18.00% range. I estimated the profit at 10.00% and the discount rate at 10.00%, for a total of 20.00%, which is at the upper-end of the indicated range for the 16-lot and 7-lot scenarios. These scenarios have sell-out periods of 2.25 years and 1.50 years. For the 61-lot scenario, I added 100 basis points to the discount rate for the increased risk of a development with a longer sell-out period of four (4) years from the effective date of value to the final lot sale.

Using the previous data, I have prepared cash flows for each scenario. The tables on the following pages summarize the present value of the cash flows under each of the three (3) scenarios.

SCENARIO 1 – 61 CUSTOM HOME LOTS

| | |
|-----------------------------|-------------|
| Total Number of Units | 61 |
| # of Presales | 30 |
| # Units Sold per Quarter | 3 |
| Average Unit Size (SF) | 19,773 |
| Initial Selling Price (\$F) | \$ 40.00 |
| Price Increases per Quarter | 2.00% |
| Development Costs per Unit | \$ 122,480 |
| Sales & Marketing (%) | 4.00% |
| Closing Costs/Unit Sold | \$ 2,500 |
| Taxes per Quarter (\$/Unit) | \$ 841.09 |
| Misc. Exp. (\$/Unit) | \$ 2,500.00 |
| Misc. Exp. Unsold (\$/Unit) | \$ 2,500.00 |
| Discount Rate (%) | 11.00% |
| Profit Based on Retail (%) | 10.00% |

| DISCOUNTED CASH FLOW MODEL | | | | | | | | | | |
|-----------------------------|---------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|
| Month | 09/14/17 | 12/14/17 | 03/14/18 | 06/14/18 | 09/14/18 | 12/14/18 | 03/14/19 | 06/14/19 | 09/14/19 | 12/14/19 |
| Total Units Sold | 0 | 0 | 0 | 0 | 0 | 30 | 33 | 36 | 39 | 42 |
| Units Sold/Quarter | 0 | 0 | 0 | 0 | 0 | 30 | 3 | 3 | 3 | 3 |
| Total Units Remaining | 61 | 61 | 61 | 61 | 61 | 31 | 28 | 25 | 22 | 19 |
| Price Per Unit | \$ 790,934 | \$ 806,753 | \$ 822,888 | \$ 839,346 | \$ 856,132 | \$ 873,255 | \$ 890,720 | \$ 908,535 | \$ 926,705 | \$ 945,239 |
| Total Sales | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 26,197,654 | \$ 2,672,161 | \$ 2,725,604 | \$ 2,780,116 | \$ 2,835,718 |
| Expenses: | | | | | | | | | | |
| Development Costs | \$ - | \$ 612,398 | \$ 612,398 | \$ 612,398 | \$ 612,398 | \$ 367,439 | \$ 367,439 | \$ 367,439 | \$ 367,439 | \$ 367,439 |
| Sales & Marketing | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,047,906 | \$ 106,886 | \$ 109,024 | \$ 111,205 | \$ 113,429 |
| Closing Costs | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 75,000 | \$ 7,500 | \$ 7,500 | \$ 7,500 | \$ 7,500 |
| Real Estate Taxes | \$ 51,307 | \$ 51,307 | \$ 51,307 | \$ 51,307 | \$ 51,307 | \$ 26,074 | \$ 23,551 | \$ 21,027 | \$ 18,504 | \$ 15,981 |
| Misc. Expenses Sold Units | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 75,000 | \$ 7,500 | \$ 7,500 | \$ 7,500 | \$ 7,500 |
| Misc. Expenses Unsold Units | \$ 152,500 | \$ 152,500 | \$ 152,500 | \$ 152,500 | \$ 152,500 | \$ 77,500 | \$ 70,000 | \$ 62,500 | \$ 55,000 | \$ 47,500 |
| Total Expenses | \$ 203,807 | \$ 816,204 | \$ 816,204 | \$ 816,204 | \$ 816,204 | \$ 1,668,919 | \$ 582,876 | \$ 574,990 | \$ 567,147 | \$ 559,348 |
| Net Income Before Profit | \$ (203,807) | \$ (816,204) | \$ (816,204) | \$ (816,204) | \$ (816,204) | \$ 24,528,736 | \$ 2,089,285 | \$ 2,150,614 | \$ 2,212,969 | \$ 2,276,370 |
| Less Profit @ 10% | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,452,874 | \$ 208,929 | \$ 215,061 | \$ 221,297 | \$ 227,637 |
| Net Income After Profit | \$ (203,807) | \$ (816,204) | \$ (816,204) | \$ (816,204) | \$ (816,204) | \$ 22,075,862 | \$ 1,880,357 | \$ 1,935,552 | \$ 1,991,672 | \$ 2,048,733 |
| Present Value Factor @ 11% | 1.0000 | 0.9732 | 0.9472 | 0.9218 | 0.8972 | 0.8732 | 0.8498 | 0.8270 | 0.8049 | 0.7834 |
| Total Present Value | \$ (203,807) | \$ (794,359) | \$ (773,099) | \$ (752,408) | \$ (732,271) | \$ 19,275,627 | \$ 1,597,899 | \$ 1,600,782 | \$ 1,603,109 | \$ 1,604,904 |
| Month | 03/14/20 | 06/14/20 | 09/14/20 | 12/14/20 | 03/14/21 | 06/14/21 | 09/14/21 | | | |
| Total Units Sold | 45 | 48 | 51 | 54 | 57 | 60 | 61 | | | |
| Units Sold/Quarter | 3 | 3 | 3 | 3 | 3 | 3 | 1 | | | |
| Total Units Remaining | 16 | 13 | 10 | 7 | 4 | 1 | 0 | | | |
| Price Per Unit | \$ 964,144 | \$ 983,427 | \$ 1,003,096 | \$ 1,023,158 | \$ 1,043,621 | \$ 1,064,493 | \$ 1,085,783 | | | |
| Total Sales | \$ 2,892,433 | \$ 2,950,281 | \$ 3,009,287 | \$ 3,069,473 | \$ 3,130,862 | \$ 3,193,479 | \$ 1,085,783 | | | |
| Expenses: | | | | | | | | | | |
| Development Costs | \$ 367,439 | \$ 367,439 | \$ 367,439 | \$ 367,439 | \$ 367,439 | \$ 122,480 | \$ - | | | |
| Sales & Marketing | \$ 115,697 | \$ 118,011 | \$ 120,371 | \$ 122,779 | \$ 125,234 | \$ 127,739 | \$ 43,431 | | | |
| Closing Costs | \$ 7,500 | \$ 7,500 | \$ 7,500 | \$ 7,500 | \$ 7,500 | \$ 7,500 | \$ 2,500 | | | |
| Real Estate Taxes | \$ 13,458 | \$ 10,934 | \$ 8,411 | \$ 5,888 | \$ 3,364 | \$ 841 | \$ - | | | |
| Misc. Expenses Sold Units | \$ 7,500 | \$ 7,500 | \$ 7,500 | \$ 7,500 | \$ 7,500 | \$ 7,500 | \$ 2,500 | | | |
| Misc. Expenses Unsold Units | \$ 40,000 | \$ 32,500 | \$ 25,000 | \$ 17,500 | \$ 10,000 | \$ 2,500 | \$ - | | | |
| Total Expenses | \$ 551,593 | \$ 543,884 | \$ 536,221 | \$ 528,605 | \$ 521,037 | \$ 268,560 | \$ 48,431 | | | |
| Net Income Before Profit | \$ 2,340,839 | \$ 2,406,397 | \$ 2,473,066 | \$ 2,540,868 | \$ 2,609,825 | \$ 2,924,920 | \$ 1,037,352 | | | |
| Less Profit @ 10% | \$ 234,084 | \$ 240,640 | \$ 247,307 | \$ 254,087 | \$ 260,982 | \$ 292,492 | \$ 103,735 | | | |
| Net Income After Profit | \$ 2,106,755 | \$ 2,165,758 | \$ 2,225,759 | \$ 2,286,781 | \$ 2,348,842 | \$ 2,632,428 | \$ 933,617 | | | |
| Present Value Factor @ 11% | 0.7624 | 0.7420 | 0.7221 | 0.7028 | 0.6840 | 0.6657 | 0.6479 | | | |
| Total Present Value | \$ 1,606,186 | \$ 1,606,977 | \$ 1,607,297 | \$ 1,607,166 | \$ 1,606,602 | \$ 1,752,383 | \$ 604,866 | | | |
| Total Present Value | \$ 32,817,854 | | | | | | | | | |
| Rounded to: | \$ 32,820,000 | | | | | | | | | |

SCENARIO 2 – 16 CUSTOM HOME LOTS

| | |
|-----------------------------|-------------|
| Total Number of Units | 16 |
| # of Presales | 8 |
| # Units Sold per Quarter | 2 |
| Average Unit Size (SF) | 87,736 |
| Initial Selling Price (\$F) | \$ 35.00 |
| Price Increases per Quarter | 2.00% |
| Development Costs per Unit | \$ 357,727 |
| Sales & Marketing (%) | 4.00% |
| Closing Costs/Unit Sold | \$ 2,500 |
| Taxes per Quarter (\$/Unit) | \$ 3,206.67 |
| Misc. Exp. (\$/Unit) | \$ 2,500.00 |
| Misc. Exp. Unsold (\$/Unit) | \$ 2,500.00 |
| Discount Rate (%) | 10.00% |
| Profit Based on Retail (%) | 10.00% |

| DISCOUNTED CASH FLOW MODEL | | | | | | | | | | | |
|-----------------------------|---------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--|
| Month | 09/14/17 | 12/14/17 | 03/14/18 | 06/14/18 | 09/14/18 | 12/14/18 | 03/14/19 | 06/14/19 | 09/14/19 | 12/14/19 | |
| Total Units Sold | 0 | 0 | 0 | 0 | 0 | 8 | 10 | 12 | 14 | 16 | |
| Units Sold/Quarter | 0 | 0 | 0 | 0 | 0 | 8 | 2 | 2 | 2 | 2 | |
| Total Units Remaining | 16 | 16 | 16 | 16 | 16 | 8 | 6 | 4 | 2 | 0 | |
| Price Per Unit | \$ 3,070,743 | \$ 3,132,157 | \$ 3,194,800 | \$ 3,258,697 | \$ 3,323,870 | \$ 3,390,348 | \$ 3,458,155 | \$ 3,527,318 | \$ 3,597,864 | \$ 3,669,822 | |
| Total Sales | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 27,122,783 | \$ 6,916,310 | \$ 7,054,636 | \$ 7,195,729 | \$ 7,339,643 | |
| Expenses: | | | | | | | | | | | |
| Development Costs | \$ - | \$ 715,453 | \$ 715,453 | \$ 715,453 | \$ 715,453 | \$ 715,453 | \$ 715,453 | \$ 715,453 | \$ 715,453 | \$ - | |
| Sales & Marketing | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,084,911 | \$ 276,652 | \$ 282,185 | \$ 287,829 | \$ 293,586 | |
| Closing Costs | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 20,000 | \$ 5,000 | \$ 5,000 | \$ 5,000 | \$ 5,000 | |
| Real Estate Taxes | \$ 51,307 | \$ 51,307 | \$ 51,307 | \$ 51,307 | \$ 51,307 | \$ 25,653 | \$ 19,240 | \$ 12,827 | \$ 6,413 | \$ - | |
| Misc. Expenses Sold Units | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 20,000 | \$ 5,000 | \$ 5,000 | \$ 5,000 | \$ 5,000 | |
| Misc. Expenses Unsold Units | \$ 40,000 | \$ 40,000 | \$ 40,000 | \$ 40,000 | \$ 40,000 | \$ 20,000 | \$ 15,000 | \$ 10,000 | \$ 5,000 | \$ - | |
| Total Expenses | \$ 91,307 | \$ 806,760 | \$ 806,760 | \$ 806,760 | \$ 806,760 | \$ 1,886,018 | \$ 1,036,346 | \$ 1,030,465 | \$ 1,024,696 | \$ 303,586 | |
| Net Income Before Profit | \$ (91,307) | \$ (806,760) | \$ (806,760) | \$ (806,760) | \$ (806,760) | \$ 25,236,765 | \$ 5,879,964 | \$ 6,024,170 | \$ 6,171,033 | \$ 7,036,057 | |
| Less Profit @ 10% | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,523,676 | \$ 587,996 | \$ 602,417 | \$ 617,103 | \$ 703,606 | |
| Net Income After Profit | \$ (91,307) | \$ (806,760) | \$ (806,760) | \$ (806,760) | \$ (806,760) | \$ 22,713,088 | \$ 5,291,968 | \$ 5,421,753 | \$ 5,553,930 | \$ 6,332,452 | |
| Present Value Factor @ 10% | 1.0000 | 0.9756 | 0.9518 | 0.9286 | 0.9060 | 0.8839 | 0.8623 | 0.8413 | 0.8207 | 0.8007 | |
| Total Present Value | \$ (91,307) | \$ (787,083) | \$ (767,886) | \$ (749,157) | \$ (730,885) | \$ 20,075,061 | \$ 4,563,247 | \$ 4,561,133 | \$ 4,558,369 | \$ 5,070,574 | |
| Total Present Value | \$ 35,702,065 | | | | | | | | | | |
| Rounded to: | \$ 35,700,000 | | | | | | | | | | |

For the purpose of the above analysis, I used the following hypothetical condition, and its use might have affected the assignment results:

1. The above value for the 16-lot scenario is based on the hypothetical condition that a Waiver, SDR and TMP approvals, similar to those approved for the 61-lot scenario, was given to this development plan of sixteen (16) lots.

SCENARIO 3 – 7 CUSTOM HOME LOTS

| | |
|---------------------------------|------------|
| Total Number of Units | 7 |
| # of Presales | 5 |
| # Units Sold per Quarter | 1 |
| Average Unit Size (SF) | 208,982 |
| Initial Selling Price (\$/Unit) | \$ 32.00 |
| Price Increases per Quarter | 2.00% |
| Development Costs per Unit | \$ 763,752 |
| Sales & Marketing (%) | 4.00% |
| Closing Costs/Unit Sold | \$ 2,500 |
| Taxes per Quarter (\$/Unit) | \$ 7,330 |
| Misc. Exp. (\$/Unit) | \$ 2,500 |
| Misc. Exp. Unsold (\$/Unit) | \$ 2,500 |
| Discount Rate (%) | 10.00% |
| Profit Based on Retail (%) | 10.00% |

| DISCOUNTED CASH FLOW MODEL | | | | | | | | |
|---------------------------------|---------------|----------------|----------------|----------------|---------------|--------------|--------------|--|
| Month | 09/14/17 | 12/14/17 | 03/14/18 | 06/14/18 | 09/14/18 | 12/14/18 | 03/14/19 | |
| Total Units Sold | 0 | 0 | 0 | 0 | 5 | 6 | 7 | |
| Units Sold/Quarter | 0 | 0 | 0 | 0 | 5 | 1 | 1 | |
| Total Units Remaining | 7 | 7 | 7 | 7 | 2 | 1 | 0 | |
| Price Per Unit | \$ 6,687,415 | \$ 6,821,163 | \$ 6,957,586 | \$ 7,096,738 | \$ 7,238,673 | \$ 7,383,446 | \$ 7,531,115 | |
| Total Sales | \$ - | \$ - | \$ - | \$ - | \$ 36,193,365 | \$ 7,383,446 | \$ 7,531,115 | |
| Expenses: | | | | | | | | |
| Development Costs | \$ - | \$ 1,272,920 | \$ 1,272,920 | \$ 1,272,920 | \$ 763,752 | \$ 763,752 | \$ - | |
| Sales & Marketing | \$ - | \$ - | \$ - | \$ - | \$ 1,447,735 | \$ 295,338 | \$ 301,245 | |
| Closing Costs | \$ - | \$ - | \$ - | \$ - | \$ 12,500 | \$ 2,500 | \$ 2,500 | |
| Real Estate Taxes | \$ 51,307 | \$ 51,307 | \$ 51,307 | \$ 51,307 | \$ 14,659 | \$ 7,330 | \$ - | |
| Misc. Expenses Sold Units | \$ - | \$ - | \$ - | \$ - | \$ 12,500 | \$ 2,500 | \$ 2,500 | |
| Misc. Expenses Unsold Units | \$ 17,500 | \$ 17,500 | \$ 17,500 | \$ 17,500 | \$ 5,000 | \$ 2,500 | \$ - | |
| Total Expenses | \$ 68,807 | \$ 1,341,727 | \$ 1,341,727 | \$ 1,341,727 | \$ 2,256,145 | \$ 1,073,919 | \$ 306,245 | |
| Net Income Before Profit | \$ (68,807) | \$ (1,341,727) | \$ (1,341,727) | \$ (1,341,727) | \$ 33,937,219 | \$ 6,309,527 | \$ 7,224,871 | |
| Less Profit @ 10% | \$ - | \$ - | \$ - | \$ - | \$ 3,393,722 | \$ 630,953 | \$ 722,487 | |
| Net Income After Profit | \$ (68,807) | \$ (1,341,727) | \$ (1,341,727) | \$ (1,341,727) | \$ 30,543,497 | \$ 5,678,574 | \$ 6,502,384 | |
| Present Value Factor @ 10% | 1.0000 | 0.9756 | 0.9518 | 0.9286 | 0.9060 | 0.8839 | 0.8623 | |
| Total Present Value | \$ (68,807) | \$ (1,309,002) | \$ (1,277,075) | \$ (1,245,927) | \$ 27,670,901 | \$ 5,019,032 | \$ 5,606,985 | |
| Total Present Value | \$ 34,396,108 | | | | | | | |
| Rounded to: | \$ 34,400,000 | | | | | | | |

For the purpose of the above analysis, I used the following hypothetical condition, and its use might have affected the assignment results:

1. The above value for the 7-lot scenario is based on the hypothetical condition that a Waiver, SDR and TMP approvals, similar to those approved for the 61-lot scenario, was given to this development plan of seven (7) lots.

CONCLUSION OF THE INCOME APPROACH – BEFORE CONDITION

As a check to the reasonableness to the value concluded by the Sales Comparison Approach, I completed a discounted cash flow analysis for the subject property based on three (3) scenarios; 1) Sixty-one (61) homes lots ranging from 0.22 acres to 1.08 acres; 2) Sixteen (16) home lots ranging from 1.58 acres to 2.90 acres, and; 3) Seven (7) homes lots ranging from 3.96 acres to 5.39 acres. The following is a summary of the values indicated for each scenario.

| Subdivision Approach | | | |
|-----------------------------|--------------------|---------------|--|
| | Total Value | Per SF | |
| 61-Lots | \$ 32,820,000 | \$ 22.11 | |
| 16-Lots | \$ 35,700,000 | \$ 24.06 | |
| 7-Lots | \$ 34,400,000 | \$ 23.18 | |

In this section of the analysis, the values for the three (3) scenarios indicate that a residential development that conforms to the surrounding uses is the highest and best use of the site. Therefore, based on the preceding analysis and subject to the definitions, assumptions, and limiting conditions expressed herein, it is my opinion that the “retrospective” market value of the Fee Simple Estate in the subject property in the before condition by the Income Approach, as of the effective date of value, September 14, 2017, was:

**THIRTY-FIVE MILLION SEVEN HUNDRED THOUSAND DOLLARS
(\$35,700,000)**

The above values are based on the following extraordinary assumption and hypothetical conditions, and their use might have affected the assignment results:

1. The value estimated in this appraisal is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 property inspection was similar to its condition on September 14, 2017, the effective date of value for this assignment.
2. The values for the sixteen (16) lot and seven (7) lot scenarios are based on the hypothetical condition that a Waiver, SDR and TMP approval, similar to those approved for the sixty-one (61) lot scenario, were given to the development plans of sixteen (16) lots and seven (7) lots.

VALUE CONCLUSION – BEFORE CONDITION

The values indicated by my analyses are as follows:

| Reconciliation | | Total Value | Per SF |
|-------------------------------------|-----------------|----------------------|-----------------|
| Sales Comparison Approach to Value | | \$ 34,135,000 | \$ 23.00 |
| Subdivision Approach (DCF) to Value | 61-Lot Scenario | \$ 32,820,000 | \$ 22.11 |
| | 16-Lot Scenario | \$ 35,700,000 | \$ 24.06 |
| | 7-Lot Scenario | \$ 34,400,000 | \$ 23.18 |
| Concluded Value | | \$ 34,135,000 | \$ 23.00 |

The subject of this report consists of one (1) parcel of land containing 34.07 acres or 1,484,089 square feet. The property is bordered by custom home lots and multi-million dollar homes in the master planned community of Queensridge. The site also abuts custom home lots and multi-million dollar homes in the masterplan community of Summerlin to the west and northwest. The property is and has been zoned for residential use for over 20 years.

In this analysis, I used the Sales Comparison Approach to estimate the value of this 34.07 acre site. The Sales Comparison Approach concluded a value of \$34,135,000, which is equal to \$23.00 square foot. As a check to reasonableness, I used the Income Approach and concluded that the highest and best use was to develop the site with residential home lots.

Therefore, based on the analyses and conclusions indicated by the Sales Comparison Approach in this report, and subject to the definitions, assumptions, and limiting conditions expressed herein, it is my opinion that the market value of the fee simple estate in this property in the before condition, as of September 14, 2017, was:

**THIRTY-FOUR MILLION ONE HUNDRED THIRTY-FIVE THOUSAND DOLLARS
(\$34,135,000)**

The above value is based on the following extraordinary assumption and its use might have affected the assignment results:

1. The value estimated in this appraisal is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 property inspection was similar to its condition on September 14, 2017, the effective date of value for this assignment.

In addition, the values for the 16-lot and 7-lot scenarios at the top of this page are based on the following hypothetical condition and its use might have affected the assignment results:

1. The values for the sixteen (16) lot and seven (7) lot scenarios stated at the top of the page are based on the hypothetical condition that a Waiver, SDR and TMP approval, similar to those approved for the 61-lot scenario, were given to the development plans of sixteen (16) lots and seven (7) lots.

DESCRIPTION OF THE GOVERNMENT ACTIONS

I have been provided with the Landowners' Motion to Determine Take and for Summary Judgment on the First, Third and Fourth Claims for Relief and have reviewed the relevant facts section of that motion and have also reviewed the supporting documents. Based on that motion and other information I have been provided, the City's actions toward the property are set forth in summary format as follows:

The landowner applied to the City of Las Vegas to develop the subject property with a residential use. The landowner looked at developing the property with 61-custom home lots, which would reflect a density of 1.79 dwelling units per acre. This would have been over 75% below the permitted density of 7.49 dwelling units per acre permitted under the R-PD7 zoning. The City Planning Staff reviewed the applications and recommended approval. The City Planning Director, Tom Perrigo, stated at the hearing on the landowner's applications that the proposed development met all City requirements and should be approved. The City Council denied the 35 Acre Property applications, stating as the basis for denial was their desire to see the entire 250 acre residential zoned land developed under one Master Development Agreement (MDA).

Following that denial, the landowner worked with the City on development of the 35 acre subject property along with all other parcels that made up the entire 250 acre residentially zoned land. The landowners complied with the City's demands and made numerous concessions. A partial list of the landowners' concessions, as part of this MDA, included:

- 1) donation of approximately 100 acres as landscape, park equestrian facility, and recreation areas;
- 2) building brand new driveways and security gates and gate houses for the existing security entry ways for the Queensridge development;
- 3) building two new parks, one with a vineyard; and,
- 4) reducing the number of units, increasing the minimum lot size, and reducing the number and height of the towers.

In total, the City required at least 16 new and revised versions of the MDA. When completed, the City's Planning Staff, who participated at in preparing the MDA, recommended approval. In fact, they stated the MDA "is in conformance with the requirements of the Nevada Revised Statutes 278" and "the goals, objectives, and policies of the Las Vegas 2020 Master Plan." The following occurred in June through August period of 2017.

On June 27, 2017, Lauren Storia, a Senior Permit Technician in Building and Safety for the City of Las Vegas sent what appears to be an internal email with the subject – Badlands. The email stated: "If anyone sees a permit for grading or clear and grub at the **Badlands** Golf Course, please see Kevin, Rod, or me. Do Not Permit without approval from one of these three."

In August 2017, the Landowners filed with the City a request for three access points to streets the entire 250 acre residential zoned land abuts – one (1) on Rampart Boulevard and two (2) on Hualapai Way. This was a routine request. It is my understanding that the Nevada Supreme Court has held that a landowner cannot be denied access to abutting roadways and that this is a recognized property right in Nevada. The City denied this access application citing as the basis for the denial, “any development on this site has the potential to have significant impact on the surrounding properties....”

Also, in August 2017, the Landowners filed with the City a request to install chain link fencing to enclose two water features/ponds that are located on the 250 acre residential zoned land. City Code states that this application is similar to a building permit review that is granted over the counter and not subject to City Council review. The City denied the application, citing as the basis for denial, “any development on this site has the potential to have significant impact on the surrounding properties....”

The City then required that these matters be presented to the City Council through a “Major Review” pursuant to LVMC 19.16.100(G)(1)(b). The Major Review Process contained in LVMC 19.16.100 is substantial. It requires a pre-application conference, plans submittal, circulation to interested City departments for comments/recommendation/ requirements, and publicly noticed Planning Commission and City Council hearings. The City required all of that to install a chain link fence to enclose and protect two water features/ponds on the landowners property.

On August 2, 2017, the MDA was presented to the City Council. The City denied the entire MDA. The City did not ask the landowner to make more concessions, like increasing the setbacks or reducing the units per acre, it just denied the MDA altogether.

The City then adopted two Bills that appeared to target the entire 250 acre residential zoned land to create additional barriers to this site’s development. The first was Bill No. 2018-5, which Councilwomen Fiore acknowledged “[t]his bill is for one development and one development only. The bill is only about Badlands Golf Course . . . I call it the Yohan Lowie Bill.”

The second Bill was Bill No. 2018-24. Bill 2018-24 defines the “requirements pertaining to the Development Review and Approval Process, Development Standards, and the Closure Maintenance Plan” for Repurposing Certain Golf Courses and Open Spaces.

This Bill required approval of master drainage, traffic, and sewer studies before any applications are submitted; ecological studies; 3D topographic development models; providing ongoing public access to the private land; and requiring the Landowner to hire security and monitoring details. Additionally, Bill 2018-24 included;

G. Closure Maintenance Plan, 2. Maintenance Plan Requirements . . . the maintenance plan must, at a minimum and with respect to the property; (d) Provide documentation regarding ongoing public access, access to utility easements, and plans to ensure that such access is maintained.

“5. Failure to comply with the provisions of this Subsection (G) or with the terms of an approved maintenance plan: a) Shall be grounds for denial of any development application under this Title that would be required for a repurposing project subject to this Section; b) Is unlawful and may be enforced by means of a misdemeanor prosecution; and c) In addition to and independent of any enforcement authority or remedy described in this Title, may be enforced as in the case of a violation of Title 6 by means of a civil proceeding pursuant to LVMC 6.02.400 and 6.02.460.”

This Bill would make it a misdemeanor subject to a \$1,000 a day fine or “imprisonment for a term of not more than six months” or any combination of the two for an owner of a discontinued golf course who fails to allow ongoing public access to their property.

When asked if this Bill would be retroactive at the September 4, 2018 Recommending Committee Meeting, Planning Director Robert Summerfield stated; “Now, I do want to be clear that there are provisions under the – closure the area that would allow for the City to require some level of maintenance on a closed facility, because the language does say something along the lines of once we've been made aware that – a location has closed or – may close.”

At the October 15, 2018 Recommending Committee Meeting, Stephanie Allen, an attorney representing the landowner stated that at the last meeting that it was asked how many properties would fall under this ordinance. Staff stated there 292 properties that would be subject to this ordinance. Ms. Allen informed the Committee that of those 292 properties, only two (2) properties out of the 292 parcels that the city provided would actually be subject to this Bill and one of those was in the process of trying to get it converted to the HOA's ownership. If that were converted to the HOA, it too, would be exempt under this ordinance. This left only one (1) property that this ordinance would actually apply to with all the exemptions that the City put into the ordinance. She told the Committee that this was a significant concern because “it's unconstitutional to pass laws that are targeted at one particular property owner, and there are serious ramifications for the City if it were to impose such a law.”

The landowner submitted an application for a Technical Drainage Study, which should have been routine, because the City and the Landowners already executed an On-Site Drainage Improvements Maintenance Agreement allowing the Landowners to remove and replace the flood control facilities on the property. In addition, the City's Bill 2018-5, referenced previously, requires a technical drainage study in order to grant entitlements. The City, however, was mandating an impossible scenario - that there can be no drainage study without entitlements while requiring a drainage study to get entitlements. How could that have been accomplished?

As part of the numerous development applications filed by the Landowners over the prior three (3) years to develop all or portions of the 250 acre residential zoned land, in October and November 2017, the necessary applications were filed to develop residential units on the 133 Acre Property consistent with the R-PD7 hard zoning. The City Planning Staff reviewed the applications and determined that the proposed residential development was consistent with the R-PD7 hard zoning, that it met requirements in the Nevada Revised Statutes, the City Planning Department, and the Unified Development Code (Title 19), and recommended approval.

City Council set the hearing for May 16, 2018 – the same day it was to consider Bill 2018-5. Bill 2018-5 was on the morning agenda and the 133 Acre Property applications were on the afternoon agenda. The City approved Bill 2018-5 in the morning session. In the afternoon session, Councilman Seroka stated that Bill 2018 - 5 applied to deny development on the 133 Acre Property and moved to strike all of the applications for the 133 acre property filed by the landowner. This apparently surprised the City Manager and other Council members as the following statements were made after Councilman Seroka's announcement.

Scott Adams (City Manager): "I would say we are not aware of the action. ... So we're not really in a position to respond technically on the merits of the motion, cause it, it's something that I was not aware of."

Councilwoman Fiore: "none of us had any briefing on what just occurred."

Councilman Anthony: 95 percent of what Councilman Seroka said was, I heard it for the first time. So I – don't know what it means. I don't understand it."

The City then voted to strike the applications.

According to documents obtained from the City pursuant to a Nevada Public Records Request, it was discovered that the City had allocated \$15 million to acquire the Landowners' property - "\$15 Million Purchase Badlands and operate." It is also of note that Councilman Seroka issued a statement during his campaign entitled "The Seroka Badlands Solution" which provides the intent to convert the landowners' private property into a "fitness park." In an interview with KNPR Seroka stated that he would "turn (the landowners' private property) over to the City." Councilman Coffin apparently agreed, his intent in an email as follows: "I think your third way is the only quick solution...Sell off the balance to be a golf course with water rights (key). Keep the bulk of Queensridge green." Councilmen Coffin and Seroka also exchanged emails wherein they stated they would not compromise one inch and that they "need an approach to accomplish the desired outcome."

Councilman Seroka testified at the Planning Commission (during his campaign) that it would be "over his dead body" before the Landowners could use their private property for which they have a right to develop. In reference to development on the landowners' property, Councilman Coffin stated, "I am voting against the whole thing," and called the landowners' representative a vulgar name, and expressed that he will continue voting against any development.

Councilman Seroka, at a public meeting on June 21, 2018, told all of the Landowners' neighbors that the Landowners' Property belonged to the neighbors and the neighbors had the right to use the Landowners' Property as recreation and open space.

"So when they built over there off of Hualapai and Sierra –Sahara –this land [250 Acres] is the open space. Every time that was built along Hualapai and Sahara, this [250 Acres] is the open space. Every community that was built around here, that [250 Acres] is the open space. The development across the street, across Rampart, that [250 Acres] is the open space....it is also documented as part recreation, open space...That is part recreation and open space..." *LO Appx., Ex. 136, 17:23-18:15, HOA meeting page*

“Now that we have the documentation clear, that is open space for this part of our community. It is the recreation space for this part of it. It is not me, it is what the law says. It is what the contracts say between the city and the community, and that is what you all are living on right now.” LO Appx., Ex. 136, 20:23-21:3, HOA meeting.

Donald Richards the Superintendent of the 250 Acre Residentially zoned land has stated that the neighbors are using the Landowners’ Property and that they have told him “it is our open space.”

It is important to again note: 1) the landowners’ own private property; 2) the 35 Acre Property was hard zoned R-PD7 and the permitted uses by right of the 35 Acre Property are single-family and multi-family residential; 3) the landowners’ property was not for sale; and 4) the Clark County Assessor had placed a residential value of almost \$89 million on the property. Based on my 20 + years as a member of the Clark County Board of Equalization, the assessed value is typically well below a property’s market value in this area. Which based on my analysis in this report, is true for the subject property.

Based on these facts, it appears that the City is treating this landowner differently than it has treated all other units in the area and all other landowners in the area for the purpose of denying the landowner’s property rights so the subject property will remain in a vacant condition to be used by the surrounding neighbors as recreation, open space and viewshed.

EFFECT OF THE GOVERNMENT ACTIONS ON THE VALUE OF THE SITE – AFTER CONDITION

In the before condition, I analyzed the property as if it were available to be developed with a residential use in compliance with its R-PD7 zoning as of September 14, 2017. In the before condition, the legally permissible, physically possible, financially feasible and maximally productive use, (the highest and best use in the before condition) was a residential development.

In the after condition, the City’s actions have taken the landowners property. The City’s actions removed the possibility of residential development; however, the landowner is still required to pay property taxes as if the property could be developed with a residential use. This immediately added an annual expense that was over \$205,000 and that amount would be expected to increase over time.

Due to the effect of the government’s actions, I concluded there is no market to sell this property with these development restrictions along with extraordinarily high annual expenses. You would be paying for a property with no economic benefit that has annual expenses in excess of \$205,000.

VALUE OF THE REMAINDER - AFTER CONDITION

In the previous section of this report, I researched comparable superpad and custom lot sales to arrive at a supportable opinion of the subject’s value in the before condition. Based on my research, I concluded that the value of the property in the after condition would be nominal at best and possibly negative. In researching “nominal” value, I found no definition that provided an actual dollar amount. Therefore, I researched what is the “nominal” value figure used by the Clark County Assessor as well as nominal values that are used by my peers.

The Assessor's office informed me that Nevada State Law used to have a minimal figure that the Assessor could put on properties with what was concluded to be a nominal value. The Assessor had been subject to a State law that set the minimum or nominal value at \$1.25 per acre. In this case, that would reflect the nominal value at \$42.59 (34.07 Acres x \$1.25/Acre = \$42.59). That law is no longer in effect and the Assessor can now put \$0.00 on a nominal use parcel.

I also learned from the Assessor's office that the Nevada State Board of Equalization had used \$100 for parcels with nominal value. As for my peers, I have seen appraisers use \$100 and \$100 per acre as a nominal value when looking at patent easements. However, even an "after value" of \$100 lacks any market support.

Based on my research, an informed buyer would not be interested in a property under these conditions; no economic benefits but annual an annual expense of over \$200,000 that would be expected to increase. Due to the government actions, it is my opinion that there would have been no interest for the subject property in the after condition.

CONCLUSION

I previously estimated the value of the subject property in the before condition at \$34,135,000. Based on my analysis of the property in the after condition, the City's actions result in catastrophic damages to this property. This is based on the value of the property in the after condition being zero. The following is a summary of the calculation and the resulting damages due to the City's actions.

SUMMARY OF JUST COMPENSATION DUE TO THE CITY' ACTIONS

| Just Compensation Due to Property Owner Due to City's Actions | |
|--|---------------|
| Indicated Value in the Before Condition | \$ 34,135,000 |
| Less: Indicated Value in the After Condition | \$ - |
| Damages Due to the Government Actions | \$ 34,135,000 |
| Rounded to: | \$ 34,135,000 |

SPECIAL BENEFITS

When part of a landowner's property is condemned, the landowner is entitled to compensation for the part taken, in addition to any damage caused to the remaining property as a result of the taking. These damages are called severance damages. However, the appraiser must also analyze what benefits, if any, are due to the project.

It is my understanding that the government wants the subject property to remain vacant and possibly what they have referred to as a "fitness park." I searched the Unified Development Code Title 19 for a description of what a fitness park would include but I did not find that fitness park was a term used in that document.

In this situation, the government actions do not appear to have had a beneficial effect on the surrounding area, nor can I identify any Special Benefit specifically for the subject property. Therefore, I have concluded that there would be no Special Benefits accruing directly and solely to the advantage of this property in the after condition.

CONCLUSION TO JUST COMPENSATION

Based on the analyses and conclusions in this report and subject to the definitions, assumptions, and limiting conditions expressed herein, it is my opinion that the retrospective just compensation due to the landowner for the government's actions, as of September 14, 2017, was:

| Estimated Just Compensation Due to Landowner | |
|---|-----------------|
| 1. Value before taking | \$ 34,135,000 |
| 2. Less value after the taking | - \$ - |
| 3. Damages to the remainder | = \$ 34,135,000 |
| 4. Less special benefits to remainder | - \$ - |
| 5. Just compensation due to property owner | = \$ 34,135,000 |

The value is based on the following extraordinary assumption and its use might have affected the assignment results:

1. The value estimated in this appraisal is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 property inspection was similar to its condition on September 14, 2017, the effective date of value for this assignment.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- I have performed no services, as an appraiser or any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- Tio S. DiFederico, MAI, made an inspection of the property that is the subject of this report on August 12, 2020. The photographs in the body of this report were taken during that inspection.
- No one provided significant real property appraisal assistance to the person signing this certification.

- As of the date of this report, Tio S. DiFederico, MAI, has completed the continuing education program of the Appraisal Institute.



Tio S. DiFederico, MAI
Certified General Real Estate Appraiser
Nevada Certificate # A.0000150-CG

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is based on the following assumptions, except as otherwise noted in the report.

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land that would render the property more or less valuable.
4. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal is subject to the following limiting conditions, except as otherwise noted in the report.

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
7. We accept no responsibility for considerations requiring expertise in other fields; including, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters.
8. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any

- other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the person signing the report.
9. Information, estimates and opinions contained in the report, obtained from third-party sources are assumed to be reliable and have not been independently verified.
 10. The current purchasing power of the dollar is the basis for the value stated in our appraisal; we assumed that no extreme fluctuations in economic cycles will occur.
 11. The value found herein is subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
 12. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.
 13. The *Americans with Disabilities Act (ADA)* became effective January 26, 1992. We have not made a specific survey or analysis of any property to determine whether the physical aspects of the improvements meet the *ADA* accessibility guidelines. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible non-compliance. A specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
 14. The appraisal report is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
 15. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards. No representations or warranties are made regarding the environmental condition of the subject property and the person signing the report shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
 16. The person signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.

17. It is expressly acknowledged that in any action which may be brought against The DiFederico Group, The DiFederico Group, Inc. or their respective officers, owners, managers, directors, agents, subcontractors or employees, arising out of, relating to, or in any way pertaining to this engagement, the appraisal reports, or any estimates or information contained therein, the DiFederico Group Parties shall not be responsible or liable for an incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with gross negligence. It is further acknowledged that the collective liability of the DiFederico Group Parties in any such action shall not exceed the fees paid for the preparation of the appraisal report unless the appraisal was fraudulent or prepared with gross negligence. Finally, it is acknowledged that the fees charged herein are in reliance upon the foregoing limitations of liability.
18. The DiFederico Group, an independently owned and operated company, has prepared the appraisal for the specific purpose stated elsewhere in the report. The intended use of the appraisal is stated in the General Information section of the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
19. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The DiFederico Group, Inc. and the undersigned are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective marketing for the duration of the projected holding period of this property.

The value is based on the following extraordinary assumption and its use might have affected the assignment results:

1. The value estimated in this appraisal is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 property inspection was similar to its condition on September 14, 2017, the effective date of value for this assignment.

The values of the 16-lot and 7-lot scenarios in this report are based on the following hypothetical condition, and its use might have affected the assignment results:

2. The values for the 16-lot and 7-lot scenarios are based on the hypothetical condition that a Waiver, SDR and TMP approval, similar to those approved for the 61-lot scenario, were given to the development plans of 16-lots and 7-lots.

JURISDICTIONAL EXCEPTION

This appraisal report has been made with the following jurisdictional exception:

The Uniform Standards of Professional Practice (USPAP) Standards Rule 1-2(c) Comment states:

When reasonable exposure time is a component of the definition for the value opinion being developed, the appraiser must also develop an opinion of reasonable exposure time linked to that value opinion.

The Uniform Standards of Professional Practice (USPAP) Standards Rule 2-2(b)(v) Comment states:

When an opinion of reasonable exposure time has been developed in compliance with Standards Rule 1-2(c), the opinion must be stated in the report.

It is imperative that the appraiser utilize the correct definition of market value. For appraisals prepared for eminent domain proceedings in Nevada, appraisers shall use the following definition of market value:

The highest price, on the date of valuation, that would be agreed to by a seller, who is willing to sell on the open market and has reasonable time to find a purchaser, and a buyer, who is ready, willing and able to buy, if both the seller and the buyer had full knowledge of all the uses and purposes for which the property is reasonably adaptable and available. In determining value, except as otherwise provided in this subsection, the property sought to be condemned must be valued at its highest and best use without considering any future dedication requirements imposed by the entity that is taking the property. If the property is condemned primarily for a profit-making purpose, the property sought to be condemned must be valued at the use to which the entity that is condemning the property intends to put the property, if such use results in a higher value for the property. (Added to NRS by 1959, 596; A 1989, 548; 1993, 525; 1995, 501; 2007, 331)

The Nevada Constitution has a similar definition:

In all eminent domain actions where fair market value is applied, it shall be defined as the highest price the property would bring on the open market.

Contrary to USPAP Standards Rule 1-2(c), this definition of market value does not call for the estimate of value to be *linked* to a specific *exposure time* estimate, but merely that the property be exposed on the open market for a *reasonable* length of time, given the character of the property and its market. Therefore, the appraiser's estimate of market value shall not be *linked* to a specific exposure time when conducting appraisals for eminent domain acquisition purposes in Nevada under these Standards.

In this report I have not linked the value estimate to a specific exposure time estimate. This is a jurisdictional exception requiring non-compliance of Standards Rule 1-2(c) and 2-2(b)(v).

ADDENDUM A

APPRAISER QUALIFICATIONS

PROFESSIONAL QUALIFICATIONS OF TIO S. DIFEDERICO, MAI

EXPERIENCE:

I am a life-long resident of Las Vegas. I graduated from the University of Nevada, Las Vegas (UNLV) with a Bachelor of Science in Business Administration as a Finance Major. I obtained a real estate license in the 1984 and began appraising real estate in 1986 with Shelli L. Lowe & Associates. In 1999 Shelli L. Lowe & Associates joined several other premier appraisal firms across the country to form a network of appraisal expertise to serve national and international clients; Integra Realty Resources (IRR). This national exposure provided me an opportunity to appraise a full range of properties and to interact with leaders in the appraisal and business community. I was typically entrusted with the most complex assignments and became qualified by the courts to testify in litigation as an expert in the appraisal of vacant land, residential, apartment, office, retail, industrial and hotel casino properties. In 2009 I formed The DiFederico Group.

I am a Certified General Appraiser in the State of Nevada (Certificate Number A.0000150-CG) and earned the MAI designation from the Appraisal Institute (MAI No. 12567). I am an appointed member of the Clark County Board of Equalization (BOE) and have served as the President and Vice President for the Las Vegas Chapter of the Appraisal Institute. In 2017 I was selected by the State of Nevada's Real Estate Division to be a member of their Appraisal Advisory Review Committee. My function on this committee is to review appraisal reports that are being considered by the State for disciplinary actions.

I have extensive litigation experience involving fee and partial takings, as well as permanent and temporary construction easements. I have also completed numerous assignments involving air rights takings and ground leases. I completed these assignments for both property-owners and government agencies. In addition, I have completed assignments involving partnership disputes, bankruptcies, estate valuations and partial interests.

I have appraised office buildings, business parks, apartment complexes, shopping malls, taverns, restaurants, night clubs, cell sites, billboard sites, water rights and special use properties. These include the +/- 400 Acre Groom Mine overlooking Area 51, the Las Vegas Motor Speedway, and the Henderson Executive Airport. I have appraised the Summerlin, Kyle Canyon and Tuscan Master-Planned Communities and the site of the proposed Ivanpah Airport.

I have also been hired by both Clark County and lenders to analyze leasehold and sandwich leasehold positions involving Clark County's ground leases in the area referred to as the Co-operative Management Area (CMA). I was also selected by Clark County to analyze the value of modifying the CMA restrictions.

My appraisal experience also includes appraisals of hotel casinos. These include: The Riviera Hotel Casino, The LVH – Las Vegas Hotel & Casino, Horseshoe, Lady Luck, Dukes, Golden Phoenix and Lucky Dragon in Nevada. I have also been hired to analyze the ground leases for the Texas Hotel Casino, Eastside Cannery, Buffalo Bills, Primm Valley and Whiskey Pete's in Nevada. Outside of Nevada, I have appraised the Isle of Capri in Louisiana, the Aztar Casino in Missouri, and the Twin River in Rhode Island, as well as proposed hotel casinos in Macau and Puerto Rico. And, while serving on the BOE, I have analyzed and valued well over a hundred hotel casinos in Clark County.

In October of 2002, I was a guest speaker at the Southern California Chapter of the Appraisal Institute's "Appraising Special Purpose Properties Seminar." My portion of the program addressed "Appraising Casino's." I was also a guest speaker at the December 2017 National Eminent Domain Conference in Las Vegas that was sponsored by CLE International. I was asked to discuss how to appraise casino's in the "Business Valuations: When and How" portion of the conference.

PROFESSIONAL/COMMUNITY AFFILIATIONS:

Professional Designation: MAI- Member of the Appraisal Institute (MAI No. 12567)
 Licensed Appraiser: A.0000150-CG (Certificate Number in Nevada)
 Member: Clark County Board of Equalization (BOE) (Since 1998)
 Elected Member: President - Las Vegas Chapter - Appraisal Institute – 2012
 Elected Member: Vice President - Las Vegas Chapter - Appraisal Institute – 2011
 Elected Member: 2nd Vice President – Las Vegas Chapter – Appraisal Institute - 2010
 Member: Appraisal Institute - Region VII Nominating Committee – 2013
 Chair: LV Chapter of the Appraisal Institute Nominating Committee – 2013
 Member: LV Chapter of the Appraisal Institute Nominating Committee - 1999
 Member: Appraisal Institute Education Committee - 1991
 Member: Bishop Gorman High School - Alumni Representative (1977)
 Elected Member: Summerlin's Willow Creek HOA 2004-2006
 Elected Member: Summerlin's Willow Creek Design & Review Committee – 2004
 Board Member (Past Chair): Lance Burton Foundation for Crippled and Burned Children

EDUCATION:

Tio S. DiFederico received a Bachelor of Science in Business Administration from the University of Nevada, Las Vegas. The following is a partial list of the appraisal courses sponsored by the Appraisal Institute that he has completed:

| | |
|--|------------------------------------|
| 550 Advanced Applications | General Comprehensive Exam |
| 540 Report Writing and Valuation Analysis | Forecasting Revenue |
| 530 Advanced Sales Comparison and Cost Approaches | Analyzing Operating Expenses |
| 520 Highest & Best Use and Market Analysis | Nevada Law |
| 510 Advanced Income Capitalization | Nevada Statutes |
| 420 Business Practices and Ethics | Appraising Apartments |
| 310 Basic Income Capitalization | Market Analysis |
| Standard of Professional Practice, Part A | Accrued Depreciation |
| Standard of Professional Practice, Part B | Residential Valuation |
| Standard of Professional Practice, Part C | Supervising Appraisal Trainees |
| Condemnation Appraising: Principles & Applications | Ethics - USPAP Statements |
| Litigation Appraisal & Expert Testimony | 1A-2 Basic Valuation Procedures |
| Eminent Domain and Condemnation | 1A-1 Basic Appraisal Principles |
| Litigation Appraising: Specialized Topics and Applications | The Appraiser as an Expert Witness |
| Appraising the Appraisal: Appraisal Review - General | |

In addition to the above, I have successfully completed numerous other real estate related Clinics, Conferences, Courses, and Seminars sponsored by the Appraisal Institute over the last 34 years.

QUALIFIED BEFORE COURTS AND ADMINISTRATIVE BODIES:

United States Federal Court
United States Bankruptcy Court – District of Nevada
Clark County District Court
Clark County Board of Equalization
Various Arbitration Courts

PROFESSIONAL DEVELOPMENT PROGRAMS:

Tio S. DiFederico, MAI, has completed the Appraisal Institute's Litigation Professional Development Program curriculum; passed the exams and is listed on the Appraisal Institute's Litigation Professional Registry.

PUBLICATIONS:

Tio S. DiFederico, MAI, co-authored the Gaming Overview articles in the IRR-Viewpoint, published by Integra Realty Resources (IRR), from 2003 through 2009.

APPRAISER CERTIFICATE

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE REAL ESTATE DIVISION NOT TRANSFERABLE

This is to Certify That : TIO S DIFEDERICO Certificate Number: A.0000150-CG

Is duly authorized to act as a CERTIFIED GENERAL APPRAISER from the issue date to the expiration date at the business address stated here in, unless the certificate is sooner revoked, cancelled, withdrawn, or invalidated.


Issue Date: May 23, 2019 Expire Date: May 31, 2021

In witness whereof, THE DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION, by virtue of the authority vested in Chapter 645C of the Nevada Revised Statutes, has caused this Certificate to be issued with its Seal printed thereon. This certificate must be conspicuously displayed in place of business.

FOR: TIO S DIFEDERICO REAL ESTATE
APPRAISAL INC
3030 S DURANGO DR
LAS VEGAS, NV 89117

REAL ESTATE DIVISION

SHARATH CHANDRA
Administrator



File#19-035

TDG Rpt 000114**005325****15403**

TESTIMONY AND DEPOSITIONS

TIO S. DIFEDERICO, MAI

2020:

September City of Las Vegas vs. Charleston Land, LLC, – District Court Case – A-19-801822-C – Deposition – September 29, 2020 – (Condemnation)

September Peter Eliades vs. Sterling Entertainment – United States District Court – District of Nevada- Case No, A-17-752951 – Trial – September 16, 2020 (Deficiency Judgment)

February United States of America v. 400 Acres of Land, More or Less Situate in Lincoln County, State of Nevada; and Jessie J. Cox, et al., – United States District Court – District of Nevada- Case No, 215-CV-01743-MMD-NJK – Trial – February 11 & 12, 2020 (Condemnation)

2019:

November First Presbyterian Church of Las Vegas Nevada d/b/a Grace Presbyterian v. The State of Nevada – United States District Court – District of Nevada- Case No, A-18-777836-C – Deposition – November 4, 2019 (Inverse Condemnation)

March United States of America v. County of Clark and Nevada Links, Inc., – United States District Court – District of Nevada- Case No, 217-cv-02303-MMD-PAL – Deposition – March 14, 2019 (Breach of Contract)

2018:

September United States of America v. 400 Acres of Land, More or Less Situate in Lincoln County, State of Nevada; and Jessie J. Cox, et al., – United States District Court – District of Nevada- Case No, 215-CV-01743-MMD-NJK – Deposition – September 12, 2018 (Condemnation)

May Lucky Dragon Hotel & Casino (Debtor), Lucky Dragon, L.P. (Debtor) – United States Bankruptcy Court - District of Nevada – Lead Case No. 18-10792-leb – May 30, 2018 – Trial (Deficiency Judgment)

May Lucky Dragon Hotel & Casino (Debtor), Lucky Dragon, L.P. (Debtor) – United States Bankruptcy Court - District of Nevada – Lead Case No. 18-10792-leb – May 25, 2018 – Deposition (Deficiency Judgment)

April FP Holdings et. al. v. Nevada Department of Transportation (NDOT) – District Court Case – A-12-666482-C – Deposition - April 26, 2018 – (Condemnation)

March Bishop Gorman Development Corporation vs. J.A. Tiberti Construction, Inc. – United States Bankruptcy Court – District of Nevada- Case No, BK-S-17-11942-abl – Trial – March 20, 2018 (Deficiency Judgment)

March United States of America v. 400 Acres of Land, More or Less Situate in Lincoln County, State of Nevada; and Jessie J. Cox, et al., – United States District Court – District of Nevada- Case No, 215-CV-01743-MMD-NJK – Deposition – March 9, 2018 (Condemnation)

2017:

September Bishop Gorman Development Corporation vs. J.A. Tiberti Construction, Inc. – United States Bankruptcy Court – District of Nevada- Case No, BK-S-17-11942-abl – Deposition – September 27, 2017 (Deficiency Judgment)

April State of Nevada vs. Darrell E. Jackson, Thomas M. Strawn, Jr., and Andrew S. Levy, et Al - District Court Case – A-14-707519-C – Deposition - April 11, 2017 – (Condemnation)

2016:

April State of Nevada vs. MLK Spur, LLC, et. Al - District Court Case – A-14-707519-C – Deposition - April 18, 2016 – (Condemnation)

April State of Nevada vs. John Sharples, et. Al - District Court Case – A-14-710382-C – Deposition - April 11, 2016 – (Condemnation)

April State of Nevada vs. MLK Spur, LLC, et. Al - District Court Case – A-14-707519-C – Deposition - April 1, 2016 – (Condemnation)

February Village Pub Maule, Inc. vs. LSPG Holdings, LLC, and BB&T - District Court Case – A-14-700706-C – Deposition - February 25, 2016 – (Civil Matter)

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PUBLICATIONS

I co-authored the Gaming Overview articles in the 2003 through 2009 editions of IRR - Viewpoint, published by Integra Realty Resources (IRR). Provided in this publication are the analyses and opinions derived from the available data of the members of IRR and other reputable services. As of the beginning of 2009, there were 58 Integra Offices located within the United States.

HOURLY RATE

Review, trial preparation and conferences (if applicable), are billed at \$500 per hour. Deposition and/or trial testimony (if applicable), is billed at \$750 per hour. Videotaped depositions are billed at \$1,000 per hour.

ADDENDUM B

DEFINITIONS

ADDITIONAL DEFINITIONS

Unless otherwise noted, the source of the following definitions is as follows: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015).

Appraisal

(noun) the act or process of developing an opinion of value; an opinion of value. adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services. Comment: An appraisal must be numerically expressed a specific amount, as a range of numbers, or as a relationship (e.g., not more than, not less than) to a previous value opinion or numerical benchmark (e.g., assessed value, collateral value). (USPAP, 2020-2021 ed.)

Client

The party or parties (i.e., individual, group, or entity) who engage an appraiser by employment or contract in a specific assignment, whether directly or through an agent. (USPAP, 2020-2021 ed.)

Comparable

A shortened term for similar property sales, rentals, or operating expenses used for comparison in the valuation process. In best usage, the thing being compared should be specified, e.g., comparable sales, comparable properties, comparable rents.

Effective Date

In a lease document, the date upon which the lease goes into effect.

Exposure Time

An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at the market value on the effective date of value of the appraisal. (USPAP, 2020-2021 ed.)

Highest and Best Use

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)

Intended Use

The manner in which the intended users expect to employ the information contained in a report.

Intended User

The client and any other party as identified, by name or type, as users of the appraisal or appraisal review report by the appraiser on the basis of communication with the client at the time of the assignment. (USPAP, 2020-2021 ed.)

Land-to-Building Ratio.

The proportion of land area to gross building area; one of the factors determining comparability of properties.

Legal Description

A description of land that identifies the real estate according to a system established or approved by law; an exact description that enables the real estate to be located and identified.

Legally Nonconforming Use

A use that was lawfully established and maintained, but no longer conforms to the use regulations of its current zoning; also known as a *grandfathered use*.

Management Fee

The amount charged by a management firm to manage property for an owner. In income and expense analysis, a management fee is typically treated as a variable operating expense, usually expressed as a percentage of effective gross income.

Market Participants

Individuals actively engaged in transactions. In real property markets, *primary market participants* are those who invest equity in real property or use real estate, e.g., buyers, sellers, owners, lenders, tenants. *Secondary market participants* include those who advise primary market participants, e.g., advisors, counselors, underwriters, appraisers.

Net Net Net Lease (Triple Net Lease)

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called *NNN lease*, *triple net lease*, or *fully net lease*.

Net Operating Income (NOI or Io)

The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income but before mortgage debt service and book depreciation are deducted. Note: This definition mirrors the convention used in corporate finance and business valuation for EBITDA (earnings before interest, taxes, depreciation, and amortization).

Off-Site Improvements

Improvements located off the property itself but necessary to facilitate its development, e.g., streets, sidewalks, curbing, traffic signals, water and sewer mains, parking and water retention ponds.

On-Premise Sign

A sign that advertises products or services that are sold, produced, manufactured, or furnished on the property where the sign is located. (Outdoor Advertising Association of America)

On-Site Improvements

Improvements on a site exclusive of buildings. Examples of on-site improvements include grading, landscaping, fences, gutters, paving, drainage and irrigation systems, walkways, and other physical enhancements to the land.

Parking Ratio

A ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios for parkway various land uses are often stated in zoning ordinances.

Present Value (PV)

The value of a future payment or series of future payments discounted to the current date or to time period zero.

Qualitative Adjustment

An indication that one property is superior, inferior, or the same as another property. Note that the common usage of the term is a misnomer in that an adjustment to the sale price of a comparable property is not made. Rather, the indication of a property's superiority or inferiority to another is used in relative comparison analysis, bracketing, and other forms of qualitative analysis.

Qualitative Analysis

The process of accounting for differences (such as between comparable properties and the subject property) that are not quantified; may be combined with quantitative techniques.

Quantitative Adjustment

A numerical (dollar or percentage) adjustment to the indicated value of a comparable property to account for the effect of a difference between two properties on value.

Quantitative Techniques.

Techniques used to derive quantitative adjustments to comparable sale prices in the sales comparison approach; also used in the development of adjustments in other valuation approaches and techniques. Quantitative techniques include data analysis techniques (paired data analysis, grouped data analysis, and secondary data analysis), statistical analysis, graphic analysis, trend analysis, cost analysis (cost-to-cure, depreciated cost), and capitalization of rent differences.

Real Estate Owned (REO)

In common usage, real property that has been acquired by a lending institution through foreclosure or deed in lieu of mortgage loans, i.e., what is more correctly called *other real estate owned (OREO)*. In best usage, the terms *owned real estate (ORE)* and *real estate owned (REO)* describe bank premises used for banking operations, and the term *other real estate owned (OREO)* describes foreclosed real property held for liquidation.

Reimbursable Expenses.

Real estate operating expenses that are subject to recovery from tenants; may include common area maintenance (CAM) charges, real property taxes, and property and casualty insurance.

Rentable Area

For office or retail buildings, the tenant's pro rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring to the inside finished surface of the dominant portion of the permanent building walls, excluding any major vertical penetrations of the floor. Alternatively, the amount of space on which the rent is based; calculated according to local practice.

Rent-Up Period

A period of time during which a rental property is in the process of initial leasing; may begin before or after construction and lasts until stabilized occupancy is achieved.

Scope of Work

The type and extent of research and analyses in an appraisal or appraisal review assignment. (USPAP, 2020- 2021 ed.)

Setback

Zoning regulations that designate the distance that improvements must be set back from the front, rear, and sides of the property lines.

Subject Property

The property that is appraised in an assignment.

ADDENDUM C

PROPERTY INFORMATION

File#19-035

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The MAPS and DATA are provided without warranty of any kind, expressed or implied.
Date Created: 06/04/2020

Property Information

Parcel: 13831201005
Owner Name(s): 180 LAND CO LLC
Site Address:
Jurisdiction: Las Vegas - null
Zoning Classification: Residential Planned Deveopment District (R-PD7)

Planned Landuse:

Misc Information

Subdivision Name: PARCEL MAP FILE 121 PAGE 100
Lot Block: Lot 1 Block:
Sale Date: Not Available
Sale Price: Not Available

Recorded Doc Number: 20151116 00000238

Flight Date: Mar.16.2019

Elected Officials

Commission: C - Larry Brown (D)
US Senate: Dean Heller, Catherine Cortez-Masto
State Senate: 8 - Marilyn Dondero Loop (D)
School District: E - Lola Brooks
Board of Education: 3 - Felicia Ortiz

Construction Year:

T-R-S: 20-60-31
Census tract: 3226
Estimated Lot Size: 34.07

City Ward: 2 - Victoria Seaman(3 Year Unexpired)
US Congress: 3 - Susie Lee (D)
State Assembly: 2 - John Hambrick (R)
University Regent: 7 - Mark Doubrava
Minor Civil Division: Las Vegas

File#19-035

TDG Rpt 000123
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| GENERAL INFORMATION | |
|--|---|
| PARCEL NO. | 138-31-201-005 |
| OWNER AND MAILING ADDRESS | 180 LAND CO L L C C/O V DEHART 1215 S FORT APACHE RD # 120 LAS VEGAS NV 89117 |
| LOCATION ADDRESS CITY/UNINCORPORATED TOWN | LAS VEGAS |
| ASSESSOR DESCRIPTION | PARCEL MAP FILE 121 PAGE 100 LOT 1 |
| RECORDED DOCUMENT NO. | * 20151116:00238 |
| RECORDED DATE | Nov 16 2015 |
| VESTING | NS |

*Note: Only documents from September 15, 1999 through present are available for viewing.

| ASSESSMENT INFORMATION AND VALUE EXCLUDED FROM PARTIAL ABATEMENT | |
|--|---------|
| TAX DISTRICT | 200 |
| APPRAISAL YEAR | 2019 |
| FISCAL YEAR | 2020-21 |
| SUPPLEMENTAL IMPROVEMENT VALUE | 0 |
| INCREMENTAL LAND | 0 |
| INCREMENTAL IMPROVEMENTS | 0 |

| REAL PROPERTY ASSESSED VALUE | | |
|--------------------------------|----------|----------|
| FISCAL YEAR | 2019-20 | 2020-21 |
| LAND | 6260363 | 6260363 |
| IMPROVEMENTS | 0 | 0 |
| PERSONAL PROPERTY | 0 | 0 |
| EXEMPT | 0 | 0 |
| GROSS ASSESSED (SUBTOTAL) | 6260363 | 6260363 |
| TAXABLE LAND+IMP (SUBTOTAL) | 17886751 | 17886751 |
| COMMON ELEMENT ALLOCATION ASSO | 0 | 0 |
| TOTAL ASSESSED VALUE | 6260363 | 6260363 |
| TOTAL TAXABLE VALUE | 17886751 | 17886751 |

| ESTIMATED LOT SIZE AND APPRAISAL INFORMATION | |
|--|---|
| ESTIMATED SIZE | 34.07 Acres |
| ORIGINAL CONST. YEAR | 0 |
| LAST SALE PRICE MONTH/YEAR SALE TYPE | 0 |
| LAND USE | 12.000 - Vacant - Single Family Residential |
| DWELLING UNITS | 0 |

File#19-035

TDG Rpt 000124
005335

15413

Briana Johnson, Assessor**PARCEL OWNERSHIP HISTORY**[Assessor Map](#)[Aerial View](#)[Comment Codes](#)[Current Ownership](#)[New Search](#)**ASSESSOR DESCRIPTION**

PARCEL MAP FILE 121 PAGE 100 LOT 1

| CURRENT PARCEL NO. | CURRENT OWNER | % | RECORDED DOCUMENT NO. | RECORDED DATE | VESTING | TAX DIST | EST SIZE | COMMENTS |
|-----------------------|-------------------|---|--------------------------|------------------|---------|-------------|-------------|----------|
| 138-21-201-000 | 180 LAND CO L L C | | 20123116102438 | 11/16/2010 | NS | 200 | 34.07 AC | |

| PARCEL NO. | PRIOR OWNER(S) | % | RECORDED DOCUMENT NO. | RECORDED DATE | VESTING | TAX DIST | EST SIZE | COMMENTS |
|------------|----------------|---|--------------------------|------------------|---------|-------------|-------------|----------|
|------------|----------------|---|--------------------------|------------------|---------|-------------|-------------|----------|

Click the following link to view the parcel genealogy

[Parcel Tree](#)

Note: Only documents from September 15, 1999 through present are available for viewing.

**NOTE: THIS RECORD IS FOR ASSESSMENT USE ONLY. NO LIABILITY IS ASSUMED
AS TO THE ACCURACY OF THE DATA DELINEATED HEREON.**

File#19-035

TDG Rpt 000125**005336****15414**

| Property Account Inquiry - Summary Screen | | | | | | | | | |
|---|--|---|--|----------------------------------|---------|------------------------|----------------------------|-------------------|---------|
| New Search | | Recorder | | Treasurer | | Assessor | | Clark County Home | |
| Parcel ID | 138-31-201-005 | | | Tax Year | 2021 | | District | 200 | |
| Rate | 3.2782 | | | | | | | | |
| Situs Address: | UNASSIGNED SITUS LAS VEGAS | | | | | | | | |
| Legal Description: | ASSESSOR DESCRIPTION: PARCEL MAP FILE 121 PAGE 100 LOT 1 | | | | | | | | |
| Status: | Property Characteristics | | | Property Values | | | Property Documents | | |
| Active | Tax Cap Increase Pct. | 6.7 | | Land | 6260363 | | 2015111600238 11/16/2015 | | |
| Taxable | Tax Cap Limit Amount | 218977.44 | | Total Assessed Value | 6260363 | | | | |
| | Tax Cap Reduction | 0.00 | | Net Assessed Value | 6260363 | | | | |
| | Land Use | 0-00 Vacant - Single Family Re | | Exemption Value New Construction | 0 | | | | |
| | Cap Type | OTHER | | New Construction - Supp Value | 0 | | | | |
| | Acreage | 34.0700 | | | | | | | |
| | Exemption Amount | 0.00 | | | | | | | |
| Role | Name | Address | | | | | | Since | To |
| Owner | 180 LAND CO L C | C/O V DEHART 1215 S FORT APACHE RD #120 , LAS VEGAS, NV 89117 UNITED STATES | | | | | | 6/14/2019 | Current |
| Summary | | | | | | | | | |
| Item | | | | Amount | | | | | |
| Taxes as Assessed | | | | \$205,227.22 | | | | | |
| Less Cap Reduction | | | | \$0.00 | | | | | |
| Net Taxes | | | | \$205,227.22 | | | | | |
| PAST AND CURRENT CHARGES DUE TODAY | | | | | | | | | |
| Tax Year | Charge Category | | | | | Amount Due Today | | | |
| THERE IS NO PAST OR CURRENT AMOUNT DUE as of 8/4/2020 | | | | | | \$0.00 | | | |
| NEXT INSTALLMENT AMOUNTS | | | | | | | | | |
| Tax Year | Charge Category | | | | | Installment Amount Due | | | |
| 2021 | Property Tax Principal | | | | | \$51,306.79 | | | |
| 2021 | Las Vegas Artesian Basin | | | | | \$2.42 | | | |
| NEXT INSTALLMENT DUE AMOUNT due on 8/17/2020 | | | | | | \$51,309.21 | | | |
| TOTAL AMOUNTS DUE FOR ENTIRE TAX YEAR | | | | | | | | | |
| Tax Year | Charge Category | | | | | Remaining Balance Due | | | |
| 2021 | Property Tax Principal | | | | | \$205,227.22 | | | |
| 2021 | Las Vegas Artesian Basin | | | | | \$2.42 | | | |
| TAX YEAR TOTAL AMOUNTS DUE as of 8/4/2020 | | | | | | \$205,229.64 | | | |
| PAYMENT HISTORY | | | | | | | | | |
| Last Payment Amount | | | | \$51,306.81 | | | | | |
| Last Payment Date | | | | 3/16/2020 | | | | | |
| Fiscal Tax Year Payments | | | | \$0.00 | | | | | |
| Prior Calendar Year Payments | | | | \$205,228.96 | | | | | |
| Current Calendar Year Payments | | | | \$102,613.62 | | | | | |

File#19-035

TDG Rpt 000126
005337

15415



The District makes no warranties concerning the accuracy of this data.

This parcel IS NOT in a 100-year flood zone.

Parcel 13831201005

Owner 180 LAND CO L L C

Address

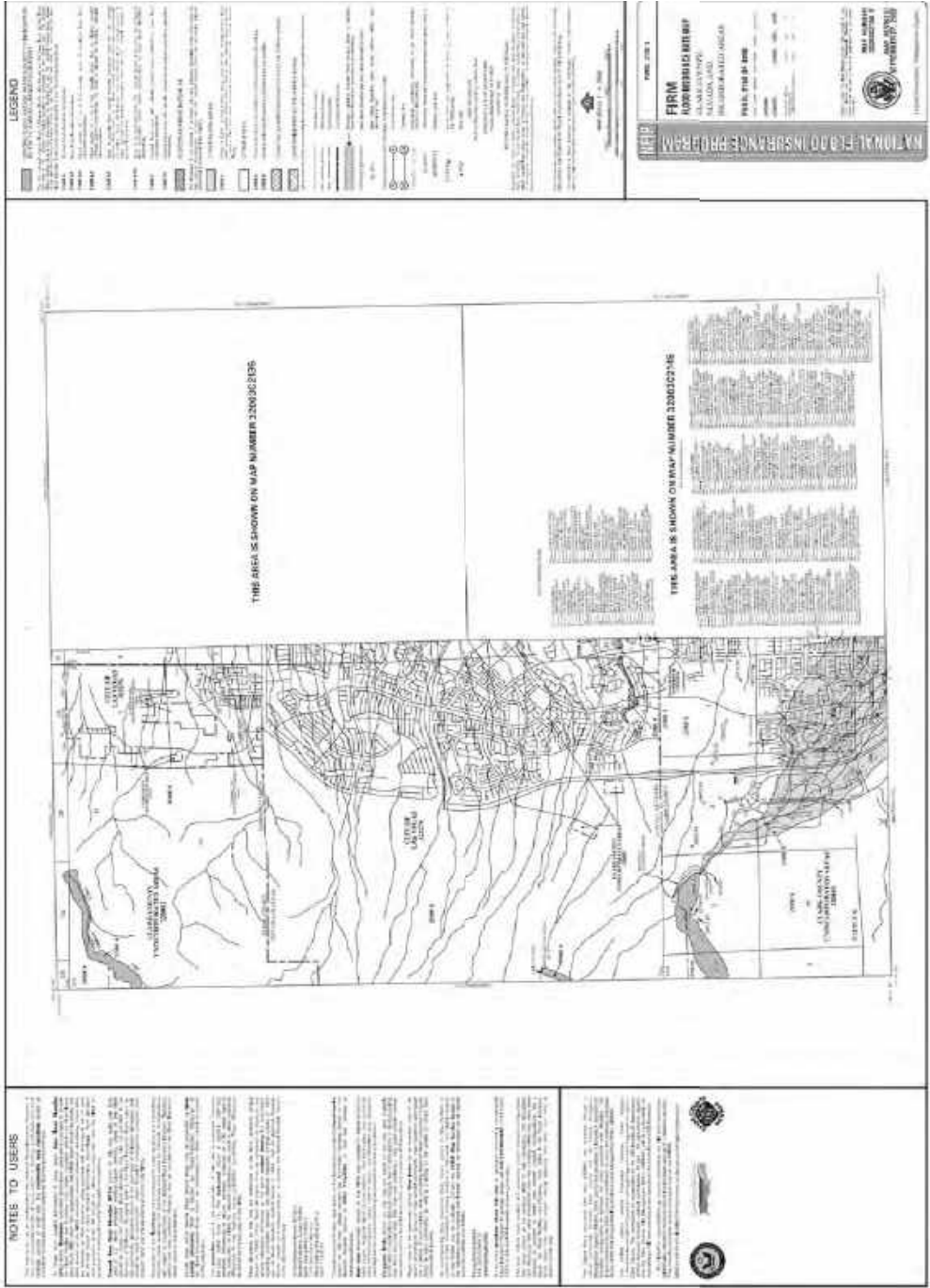
Entity Las Vegas

Contact 702-229-6541

Flood Zone This parcel IS NOT in a 100-year flood zone.



File# 19-035



ADDENDUM D

GOLF COURSE LEASE CANCELLATION LETTERS



Your Partner in Golf

TERMINATION OF LEASE

May 23, 2016

Fore Stars, Ltd
c/o Todd Davis
1215 South Fort Apache Road, Suite 120
Las Vegas, Nevada 89117

Dear Todd,

We received your letter dated May 16, 2016 in which you referenced and attached the Second Amendment to the Golf Course Ground Lease ("Lease") dated April 28, 2015. Based on the language in the Lease, Fore Stars, Ltd. indicated the final date of the lease should be July 31, 2016 rather than closing date of May 31, 2016 that we previously indicated our Notice of Dissolution dated April 26, 2016.

The discrepancy in the final date of the lease is based on the Notice of Cancellation we provided in September 2015 (attached), in which we indicated we wanted to terminate the lease on December 21, 2015. After we sent the cancellation, we met with representatives from EHB and agreed that we would continue operating the course until May 31, 2016. We recognize that we did not formalize that agreement with a subsequent writing and that the written Notice of Dissolution we provided on April 26 was technically not within the 90 day cancellation period required by the contract for a May 31 closing.

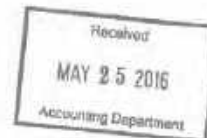
As you aware, by not closing on May 31 we will incur a significant financial loss due to the high cost of operation and low revenue during the summer months. However, based on the facts outlined above, we will agree to operate the course until July 31 as you have requested. In exchange, we request that Fore Stars, Ltd reduce the rent by half for the months of June and July.

Thank you in advance for your consideration. Please don't hesitate to contact me directly if you'd like to discuss this matter further.

Sincerely,

A handwritten signature in black ink, appearing to read "Kam Brian".

Kam Brian, Esq.
General Counsel
Par 4 Golf Management, Inc.





NOTICE OF CANCELLATION

September 18, 2015

Fore Stars, Ltd
c/o Mr. Yohan Lowie
9755 W. Charleston Blvd.
Las Vegas, NV 89117

Dear Mr. Lowie,

As you are aware, our lease with Fore Stars, Ltd. to operate the Badlands Golf Club allows us to provide 90 days written notice of termination. We have operated the course for a number of years with little or no profit in hopes that the golf industry would recover and we would be able to recapture our investment. Given the ever increasing water costs, operating costs and a golf market that cannot support increased green fees, we have determined that we are no longer willing assume the risk.

We hereby provide our 90 day notice of cancellation effective December 21, 2015. It has been a pleasure working for you. Please contact me should you wish to discuss any details with respect to the end of our lease.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Jaramillo", is written over a horizontal line.

Paul Jaramillo
CEO
Par 4 Golf Management, Inc.

cc: Peccole Nevada Corporation, 851 S. Rampart, Las Vegas, NV 89145



ADDENDUM E

CITY LETTERS

To: alejandro.garcia@lasvegasnevada.gov; Crystal H. Makridis@lasvegasnevada.gov; Nashira Ling@lasvegasnevada.gov; rafiq.ali@lasvegasnevada.gov; Sandy Gravseth@lasvegasnevada.gov;
From: Lauren E. Storla
Sent: Tue 6/27/2017 8:47:09 PM
Subject: Badiands

If anyone sees a permit for grading or clear and grub at the **Badlands** Golf Course, please see Kevin, Rod, or me. Do Not Permit without approval from one of these three.



Lauren Storla | Senior Permit Technician
Building & Safety
333 N. Rancho Drive, Las Vegas, NV 89106
702-229-5460

lasvegasnevada.gov



[City of Las Vegas Building & Safety](#)

Your opinion is important! [Click here to take a short survey.](#)

This e-mail transmission, and any documents, files, or previous e-mail messages attached to it may contain confidential information that is legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that any disclosure, copying, distribution or use of any of the information contained in or attached to this transmission is prohibited. If you have received this transmission in error, please immediately notify us by reply e-mail, by forwarding this to sender and destroy the original transmission and its attachments without reading or saving them in any manner. Thank you.

CLV006185

File#19-035

TDG Rpt 000134
005345

15423



City Manager
Carolyn G. Goodman
Mayor Pro Tem

Lois Tarkanian
Mayor Pro Tem
Rick Y. Barlow
Stavros S. Anthony
Bob Colfin
Steven G. Seroka
Michele Fiore

City Manager
Scott D. Adams
City Manager

VIA CERTIFIED MAIL

August 24, 2017

Seventy Acres, LLC
Attn: Ms. Vickie Dehart
120 S. Fort Apache Rd., Suite 120
Las Vegas, NV 89117

Re: L17-00198

Dear Ms. Dehart:

Through the various public hearings and subsequent debates concerning development on the subject site I have determined, pursuant to Las Vegas Municipal Code (LVMC) 19.16.100(C)(1)(b), that any development on this site has the potential to have significant impact on the surrounding properties and as such may require a Major Review.

After reviewing the permit submitted (L17-00198) for perimeter wall modifications and controlled access gates on the subject site, I have determined that the proximity to adjacent properties has the potential to have significant impact on the surrounding properties. As such, the Minor Development Review (Building Permit Level Review) is denied and an application for a Major Review will be required pursuant to LVMC 19.16.100(G)(1)(b).

Please coordinate with the Department of Planning for the submittal of a Major Site Review.

Thank you.

Robert Summerfield, AICP
Acting Director
Department of Planning

RS:me

COPY

DEPARTMENT OF PLANNING

333 N. Rancho Drive | 3rd Floor | Las Vegas, NV 89106 | 702.729.6301 | FAX: 702.474.0352 | TTY: 7.1.1

LO 00002365



City of Las Vegas
Mayor
Carolyn G. Goodman
Mayor Pro Tem
Lois Tarkenton
Mayor Pro Tem
Ricki Y. Barlow
Stavros S. Anthony
Bob Colfin
Steven G. Seroka
Michèle Fiore

City of Las Vegas
City Manager
Scott D. Adams

VIA CERTIFIED MAIL

August 24, 2017

American Fence Company, Inc.
Attn: Ms. Laurie Peters
4230 Losee Rd.
North Las Vegas, NV 89030

Re: C17-01047

Dear Ms. Peters:

Through the various public hearings and subsequent debates concerning development on the subject site, I have determined, pursuant to Las Vegas Municipal Code (LVMC) 19.16.100(C)(1)(b), that any development on this site has the potential to have significant impact on the surrounding properties and as such may require a Major Review.

After reviewing the permit submitted (C17-01047) for chain link fencing to enclose two water features/ponds on the subject site, I have determined that the proximity to adjacent properties has the potential to have significant impact on the surrounding properties. As such, the Minor Development Review (Building Permit Level Review) is denied and an application for a Major Review will be required pursuant to LVMC 19.16.100(G)(1)(b).

Please coordinate with the Department of Planning for the submittal of a Major Site Review.

Thank you.

Robert Summerfield, AICP
Acting Director
Department of Planning

RS:ma

cc: 180 Land Co., LLC
Attn: Vickie Dehart
1215 S. Fort Apache Rd, Suite 120
Las Vegas, NV 89117

DEPARTMENT OF PLANNING

1333 N. Rancho Drive | 3rd Floor | Las Vegas, NV 89104 | 702.229.6301 | FAX 702.474.0352 | TTY 711

LO 00002353

Exhibit 184



3034 S. Durango Drive
Suite 100
Las Vegas, NV 89117
702-242-9369 phone
702-242-8391 fax
valbridge.com

August 26, 2015

Ms. Cheryl Moss
Bank of Nevada
2700 W. Sahara Avenue, 4th Floor
Las Vegas, NV 89102

RE: Appraisal Report Of
NWC of Rampart & Charleston
Portion of Badlands Golf Course
Las Vegas, Clark County, Nevada 89145

Dear Ms. Moss:

In accordance with your request, we have performed an appraisal of the above referenced property. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to our value opinions. This letter of transmittal is not valid if separated from the appraisal report.

The subject property, as referenced above, is located near the northwest corner of Rampart Boulevard and Alta Drive and is further identified as Assessor's Parcel Number (APN) 138-32-301-004. The site measures approximately 70.52 acres or 3,071,851 square feet. The subject is currently a portion of the Badlands Golf Course with residential zoning of R-PD7 (Residential Planned Development) allowing for development of 7 units to the acre. The subject is currently encumbered by lease between Fore Stars Ltd. and Par 4 Golf Management which began June 2010. However, the lease includes a clause stating that after May 31, 2016, the landlord shall have the right to reduce the number of holes in service on the course. According to the owner, the lease would be terminated at this time for the subject site in order to begin development of the site. We have appraised the subject under the extraordinary assumption that the lease will be terminated at this time. Since the time frame between effective date of value and the termination date is less than one year (10 months), and rent of \$22,510 per month will be collected, the lease is not expected to affect the market value of site, making it commensurate to the fee simple market value.

We developed our analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA); and the requirements of our client as we understand them.

Bank of Nevada is the client in this assignment. The intended user(s) of this report are Bank of Nevada and-or affiliates. The intended use is for loan underwriting and-or credit decisions by Bank and or participants. The value opinions reported herein are subject to the definitions, assumptions and limiting conditions, and certification contained in this report.

The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are contingent on the following extraordinary assumptions and/or hypothetical conditions which may have impacted the assignment results:

Extraordinary Assumptions:

- We have been provided a cost estimate for drainage and grading on the site, provided by the borrower. A formal bid was requested but was not provided. We assume these costs are accurate. If not, this could impact the appraiser's opinions and conclusions included herein.
- According to the borrower and owner Yohan Lowie, the Badlands Golf Course was purchased in 2007 and his company possesses the declarant rights and development rights associated with the property. We have requested and have not been provided with a purchase agreement or written documentation confirming this. We have appraised the subject under the extraordinary assumption that the verbal information provided by the owner that they have the declarant rights and development rights is correct and accurate, if not; this could impact the appraiser's opinions and conclusions herein.
- The subject is currently encumbered by a lease between Fore Stars Ltd. and Par 4 Golf Management. However, the lease includes a clause stating that after May 31, 2016, the landlord shall have the right to reduce the number of holes in service on the course. According to the owner, the lease would be terminated at this time for the subject site in order to begin development of the site. We have appraised the subject under the extraordinary assumption that the lease will be terminated at this time, otherwise the lease payments could have an adverse effect on the market value of the property and the appraiser's opinions and conclusions included herein.

Hypothetical Conditions:

- There are no hypothetical conditions for this appraisal assignment.

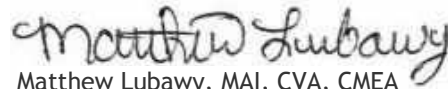
Based on the analysis contained in the following report, our value conclusions are summarized as follows:

| Value Conclusions | |
|---------------------------|---------------------------|
| | As Is |
| Value Type | Market Value |
| Property Rights Appraised | Leased Fee |
| Effective Date of Value | July 23, 2015 |
| Value Conclusion | \$49,400,000 |
| | \$700,510 per acre |

Respectfully submitted,
Valbridge Property Advisors | Lubawy & Associates, Inc.



Brenda Cazares
Appraiser
Nevada License #A.0206506-CG
License Expires 02-28-2016



Matthew Lubawy, MAI, CVA, CMEA
Senior Managing Director
Nevada License #A.0000044-CG
License Expires 04-30-2017

Exhibit 185

DECLARATION OF TIO DIFEDERICO

I, Tio DiFederico, declare under penalty of perjury that the foregoing is true and correct:

1. I am a real estate appraiser that is certified and licensed to appraise property in the State of Nevada. I have obtained the MAI designation, which is the highest achievable appraisal designation. I have appraised property in the State of Nevada and, specifically, Las Vegas, for over 35 Years.
2. I have been asked to provide a general opinion in the case of 180 Land Company, et al. v. City of Las Vegas, Case No. A-18-780184-C, which involves what is commonly referred to as the 65 Acre Property. I am generally familiar with the facts of the case.
3. I understand that the 65 Acre Property is zoned for a residential use. In the field of property appraisal, assuming a property has a residential zoning designation and the highest and best use of that property is a residential use, it is my opinion that the property would have a market value that would be based on what comparable residential land sales commanded as of the relevant date upon which that property would be valued after applying market supported adjustments.
4. I am familiar with the facts regarding the City's actions toward the 65 Acre Property, some of which include the following: 1) the City identified the only application it will allow to develop the 65 Acre Property, required the Landowners to work on that application for over two years, imposed numerous requirements on the Landowners all of which the Landowners agreed to, with the City almost entirely drafting the application, the City Planning Staff stated the application met all City requirements and recommended approval, but the City Council denied that same application altogether; 2) the City denied fencing and access permits; 3) the City adopted a Bill requiring the Landowners to allow ongoing public access and imposed onerous development

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standards, which includes a requirement to file the only application the City already denied; and
4) imposed a residential tax burden on the property, in excess of \$100,000 per year based on a residential use. This shows me that the City would not allow an economic use of the 65 Acre Property, even though the City was taxing the Landowners based on a residential use.

5. Although I cannot provide a specific value for the 65 Acre Property, without completing a full appraisal analysis, it is my general opinion that the City actions set forth above would leave only a nominal value of the 65 Acre Property.

DATED this 27th day of January, 2021.

/s/ Tio DiFederico

Tio S. DiFederico, MAI
(702)335-2020

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Exhibit 186

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**CERTIFIED
TRANSCRIPT**

BADLANDS HOMEOWNERS MEETING

NOVEMBER 1, 2016

6 p.m.

One Queensridge Place

Retreat Room

Page 1

Veritext Legal Solutions
877-955-3855

Submitted at City Council

Date 11-16-16 Item 105-107

By: David Mason

CLV092182

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1 planning commission; what's scheduled for
2 consideration at the council meeting on
3 November 16th; and then we'll take any
4 questions from you.

5 And if you have any questions as I'm
6 speaking, feel free to interrupt me
7 because sometimes people forget to ask
8 them at the end. So I don't mind it when
9 somebody puts their hand up and says I
10 got a question right now.

11 A couple of years ago, we were
12 approached the EHB Development which is
13 owned by Yohan Lowie who purchased the
14 golf course known as Badlands Country
15 Club with the question of what is the
16 zoning for that property.

17 Almost all the property in the City
18 of Las Vegas has got some sort of zoning
19 or open space zoning, and so that lent --
20 that request went to the planning
21 department.

22 The planning department delivered a
23 letter which is a standard letter, I
24 think, of any developer who asks what's
25 the zoning of this property we're about

Page 4

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877-955-3855

CLV092185

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1 to buy. And in researching this
2 property, the first thing that we found
3 was that it's zoned P -- R-PD7.

4 R-PD7 is a type of zoning that
5 doesn't exist anymore. It used to exist,
6 because it stands for residential plan
7 development, and what residential plan
8 development does is it gives you the
9 right to ask for -- to ask for, not to
10 get, to ask for up to 7.49 units per
11 acre. So about seven-and-a-half homes
12 per acre. That's when you have the right
13 to ask for it.

14 Does that mean you get it? No. And
15 even EHB knows that; Mr. Lowie knows that
16 as well. What it gives you the right to
17 do -- assuming there aren't other
18 obstacles that would stop you from
19 developing, it gives you the right to
20 come in and say I would like to do
21 something with this land other than a
22 golf course, assuming there aren't other
23 obstacles, and those other things you do
24 have to be harmonious and compatible with
25 surrounding land uses.

Page 5

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CLV092186

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1 : advice on this and what Mr. Yohan -- what
2 Mr. Lowie is entitled to ask for.

3 The second thing to look at, even if
4 the golf course had zoning, is there
5 something else that prevents it from
6 being converted from a golf course to
7 something else? That would CC&Rs. That
8 would be other deed restrictions. Those
9 would be things that would over
10 (indiscernible).

11 We have looked for a very long time,
12 and we can find no restrictions that
13 require that this stay a golf course.
14 Having said that, I have seen some
15 brochures and people who bought custom
16 lots who are (indiscernible) forgiven who
17 bought a block of lots and it talks about
18 this great golf course community.

19 I have talked to people who have
20 paid a premium for a golf course view.
21 All of those things I recognize are very,
22 very compelling arguments for why this is
23 a golf course, but they're not legal
24 arguments, and they're not binding on the
25 order (indiscernible). So that is, quite

Page 7

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CLV092188

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1 harmonious and compatible.

2 Could he come in, though, and say I
3 want to do seven-and-a-half units next to
4 this, we don't (indiscernible) that is
5 the case and we won't (indiscernible).

6 There's also been some argument that
7 if he doesn't get all of this, there's an
8 inverse condemnation case involved. I do
9 not believe that is legally true. I
10 believe that the fact is if he were to
11 come in and ask for what he's asked for
12 right now and (indiscernible) tonight,
13 it's perfectly permissible to deny this
14 project.

15 However, if he came in with another
16 project that were just what I said
17 before, harmonious and compatible in
18 surrounding land uses and have all the
19 impact studies that would be a different
20 story. And to tell him that he couldn't
21 develop anything out there would be to
22 deprive him of his right to develop his
23 property, which he owns, and that could
24 well result in an inverse condemnation
25 case. So I wanted to break that down so

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CLV092192

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1 MR. FERRIGO: Correct. Right.
2 Okay. So to separate the two, right, the
3 Peccole Ranch plan is not being modified
4 for this project.

5 MALE SPEAKER: In six times the
6 seven units (indiscernible), so by just
7 getting zoning for twenty-four units an
8 acre --

9 MR. FERRIGO: Um-hum.

10 MALE SPEAKER: -- it's just a zone
11 change. So that in itself allows that
12 (indiscernible)?

13 MR. JERBIC: Maybe I need to get a
14 (indiscernible) a little bit, because
15 this isn't by accident.

16 The Peccole Ranch Phase II plan was
17 a very, very, very general plan. I have
18 read every bit of it.

19 If you look at that original plan
20 and look what's out here today, it's
21 different. It's different because it
22 said in very general terms here's what
23 your density will be for your high
24 density, and here's what your total unit
25 count will be, and here's what your

Page 60

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CLV092241

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1 density will be maximum for your -- or
2 your single family, and here's what your
3 total unit cap will be, and it said golf
4 course (indiscernible) golf course
5 (indiscernible) was in the original plan.
6 So they did not look at this plan back
7 then as a development agreement would be
8 looked at today under (indiscernible)
9 statutes.

10 We looked at it under our local
11 zoning law -- this preceded me, whoever
12 made those decisions this is the way they
13 did master planning back then.

14 They did a very general plan, and
15 then they came up with zoning and
16 somebody say you know something, Tudor
17 Park; we're going to put that over here
18 because we think that that fits well over
19 here; and over here, we're going to put
20 some low-density because we think custom
21 estates look pretty good over there; and
22 down here, we're going to hire -- we're
23 going to do a deal with a developer and
24 have him do those homes. That's all --
25 they did it piecemeal. They came in

Page 61

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1 B and adopted in 1973, the City of Las
2 Vegas started doing our own plan
3 development. And we did it with our
4 zoning code. That's where we came up
5 with these zoning categories that
6 resulted in R-PD7 and R-PD this or R-PD
7 that. So we were doing plan development
8 a year before the State of Nevada even
9 thought of plan development.

10 And they said in their law that you
11 could do it if you follow the law, the
12 state law, you have these requirements.
13 But we never followed the state
14 requirements. We always believed the
15 state did not usurp our local authority,
16 and so we do not believe we were
17 preempted, and continued to do it our
18 way. And we have from the beginning of
19 time.

20 So the plan -- the master plan that
21 we talk about, the Peccole phase 2 master
22 plan is not a 278A agreement, it never
23 was, never has been, not a word of that
24 language was in it. We never followed
25 it. And so the argument today that's

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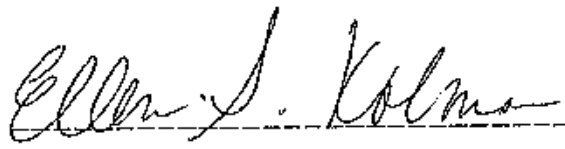
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C E R T I F I C A T I O N

I, Ellen S. Kolman, hereby certify that
the foregoing is a true and correct
transcription, to the best of my ability, of
the sound recorded proceedings submitted for
transcription.

I further certify that I am not employed
by nor related to any party to this action.

In witness whereof, I hereby sign this
date:
November 9, 2016.



Ellen S. Kolman
AAERT Certified Electronic Transcriber
(CET**D-568)

Exhibit 187

CLARK COUNTY
CIVIL DIVISION, CLARK COUNTY, NEVADA

180 LIND CO., LLC, et al. Case No. A-17-MC-0141

Plaintiffs. DEPT. NO. 1 JVE

vs.

CITY OF LAS VEGAS, et al., et al. et al.
Defendants.

DEPOSITION OF CLYDE W. SPITZ

Exhibit 1

Taken at:

OFFICE OF
145 HENTLEY BLVD.
SUITE 100, LAS VEGAS, NV 89101

On Friday, August 16, 2019
At 10:00 a.m.

Reported by: Russell D. Morgan, CDP

APPEARANCES

For the Plaintiff:

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James J. Morgan, Esq. (145 Hentley Blvd.)
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Las Vegas, NV 89101
702.733.8877

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1 Q All right. We'll talk about that in a minute. I
2 just want to make sure that it wasn't privileged or
3 confidential.

4 A I mean, anything that -- anything that you are
5 going to say or ask is what came off the files or something.

6 Q Okay. Sorry. Go ahead.

7 A I mean, these are runarounds of my project. I mean,
8 it's a pretty long lifetime to start working for something
9 from 1972 up to, and it hasn't really stopped. I still get
10 calls and questions from Peccole Nevada Corporation. I am
11 sort of a family friend. Anyway.

12 Q Understood. Where did you go to pull out your
13 documents? Do you have like just ten banker boxes or five
14 banker boxes of documents?

15 A Let me -- yeah. I started working for,
16 particularly a little bit with VTH where I was the total
17 guy. But as I got into the last several years, particularly
18 with Pentacore and Asack, I walked into the door of
19 Pentacore. And I know, I know the owner of that from the
20 time I came into town. He was in the planning department of
21 Western Engineers. And I had the next chair to him. He and
22 I worked in the same department in 1963.

23 Q Okay.

24 A When that office closed or went to close, I went
25 into business with Engineering Service Corporation. He

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1 stayed in that company for a short period of time. He
2 knocked on my door. He said, Clyde, you got any work for
3 me? I said, yeah. So he worked for me for a short period
4 of time. Then he went off to work for GC Wallace. And I
5 went on my merry way. And he stayed with GC Wallace until
6 he opened up Pentacore Engineering when he quit. He opened
7 up the Pentacore Engineering with a couple other friends of
8 his from GC Wallace. And I worked in his office. And I
9 said, hey, Mike, I got about \$3 million worth of work I need
10 a little help on. And he said you are a member of the crew.
11 Come on aboard. And I became part owner of Pentacore
12 Engineering.

13 Q Great. All right. And the document --

14 A So these documents, everywhere I moved, and when I
15 retired in 2003, on June the 2nd, I cleaned out all my
16 files. I brought them home, put them in my garage. As far
17 as I know, they are still there except for what I have dug
18 up here for some research.

19 Q Okay. Understood. And so, I'm assuming it's a
20 pretty extensive file?

21 A At the time, it was just all the paperwork that I
22 had in my own little personal files.

23 Q So, but I am talking about now, is it an extensive
24 file now? How many banker boxes, I guess, is my question?

25 A I have no idea. It's in the garage in Las Vegas.

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1 Q I totally understand. All right. And I want to
2 make sure that I understand these phases of Peccole. You
3 lived this, and I am just learning it now from you. So the
4 Peccole phase one, generally, was the property south of
5 Charleston? And I understand that there's some properties
6 out of Charleston which is also included as Peccole phase
7 two, correct?

8 A Ask me that question again, because I don't think
9 you said it right.

10 Q So the Peccole phase one plan consisted of
11 property generally south of Charleston, correct?

12 A Yes. And I was not a part and parcel of that
13 except doing the original boundary and topo and all of that.

14 Q Okay. And then there was a Peccole phase two plan
15 for the property generally north of Charleston. But I
16 understand it included some of the property south of
17 Charleston?

18 A Well, the overall parcel that he did included
19 everything that Peccole owned except what had already been
20 sold off.

21 Q I got it. Okay. But he broke it down into phase
22 one and phase two, correct?

23 A My phase one and phase two, yes.

24 Q And on phase two, there were two different plans.
25 There was the Peccole and Triple Five plan?

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1 A Yes.

2 Q Back in 1990, correct?

3 A Yes.

4 Q And then, after Mr. Peccole got in the litigation
5 with Triple Five and broke with Triple Five, then a new plan
6 came in, correct?

7 A Yes.

8 Q Okay. That's your plan that you worked on, right?

9 A Yes.

10 Q And that would, maybe that would be better to
11 refer to that second plan as phase two as the Queensridge
12 plan, correct?

13 A That's true.

14 Q All right. And we are going to talk a little bit
15 more about that. I just want to make sure that I understood
16 that. Okay. Now, you talked just a little bit about the
17 major problem that Mr. Peccole had with Triple Five. And
18 you said that there was a phone call that he received from
19 his attorney while he was at your office. Do you remember
20 testifying to that?

21 A Oh, yeah.

22 Q Do you remember who his attorney was that called
23 him on the phone?

24 A I have no idea who was on the other line.

25 Q And then you said you remember it pretty vividly

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1 A Yeah, absolutely.

2 Q Explain this to me. How did they not take that

3 into consideration?

4 A Well, if you get a channel going down this way,

5 and you are basically going to have to change it to go over

6 here, you've got to cut it off. You have to re-ditch

7 something that is not just a little minor ditch. These

8 ditches are 3, 10 feet deep, 20, 40, 50 feet wide. It's a

9 lot of dirt. The other thing is, when you start building in

10 an area that water has consistently gone, you have to make

11 some effort to deviate to change that location. It's, in my

12 mind, it's a cost effective thing. And I mean, this isn't

13 the first project I worked on, and damn sure not the last

14 one.

15 And I always looked to my client and said I am

16 going to do the best for you for the amount of money that

17 you are going to spend. And if I can make a difference in

18 that, then I am making my wages. I mean, I don't know.

19 That's my mental process when I sit down and work for a

20 client.

21 Q And you don't think, and you don't believe that

22 Triple Five took those things into consideration?

23 A Personally, I don't. I don't know. I mean, I

24 know Smith from years of seeing him around. He's an old

25 time planner in this area. He's done a lot of work in this

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1 same.

2 Q And when you say Smith, Smith is the planner for

3 Triple Five, correct?

4 A Yes. But the company that we hired, I don't know,

5 was a little more modern. I liked the way that, and they

6 weren't the first time that we worked, the company has

7 worked with them.

8 Q And the company that you hired for your plan for

9 phase two was E207, correct?

10 A Correct. And I did talk to the guy maybe ten

11 years ago. He, it's been longer than that, probably 15

12 years ago. And I did catch him. He's retired many years

13 before that. And he's probably not alive anymore.

14 Q All right. And, in your plan for phase two, which

15 was different than the Triple Five plan, did you also make a

16 modification of where certain homes would be located?

17 A Well, when you say that certain homes, what are

18 you talking about?

19 Q Well, I am just trying to find out every way that

20 your plan is different than the Triple Five plan for phase

21 two.

22 A We segregated it into five or six parcels that

23 could be sold as parcels to a developer. We weren't going

24 to develop it nor did we want a developer to develop

25 everything. We wanted to be able to have something that

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1 could make it's conclusion in a shorter period of time.

2 Q And was that segregation of five or six parcels

3 different than what Triple Five had put on its plan?

4 A I have no idea. All they had was single-family

5 residences or whatever. I really don't, I didn't study

6 their plan enough to know what they were developing versus

7 what we wanted to develop.

8 Q So would it be fair to say that you just started

9 over and created your own plan totally different from Triple

10 Five?

11 A Mr. Pecole was not happy with what he had. I

12 don't want that. I want you to do something that is better

13 for me than I've got available there. Can you do that? Can

14 you study that? Can you tell me what is better than what

15 I've got? In my opinion -- in my opinion, and my staff's

16 opinion, we developed something that worked with what he had

17 in mind to do. And that's part of doing something for

18 anybody. If you've got an idea of something, I don't want

19 to do his idea for you.

20 Q I get it. And so, you did not use Triple Five's

21 plan as a starting point, you started over?

22 A Basically, we started over.

23 Q And just to be sure I understand this, Triple

24 Five's plan was the plan which is identified in Exhibit

25 actually you can pull it out, Exhibit No. 3?

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1 A Yeah.

2 Q Okay. So, my question is, let me make sure we got

3 it right, because there was a little pause there, in the

4 plan that Triple Five had presented to Mr. Pecole what is

5 shown in Exhibit No. 3, correct?

6 A That's it. But it doesn't tell me anything of

7 what it's consisting of. There's no street layouts. There

8 is nothing except a pad that's supposed to be single-family

9 residence, multi-family, whatever.

10 MR. O'NEILL: Pardon me, Jim.

11 What page are you looking at, Mr. Spitzer?

12 THE WITNESS: 867.

13 MR. O'NEILL: Thank you.

14 BY MR. LEAVITT:

15 Q That's page 867 of Exhibit No. 3, correct?

16 A Yes.

17 Q And the cover on that states, Exhibit No. 3, is

18 the Pecole Ranch Master Plan Amendment and Phase Two

19 Reasoning Application?

20 A Yes.

21 Q Okay. So would it be fair to say that your new

22 plan, which you came up with, with Mr. Pecole for phase

23 two, replaced the Triple Five plan?

24 A Absolutely.

25 Q Okay.

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1 Q Okay.

2 A And I didn't want to spend the money. And he

3 didn't want to spend the money.

4 Q All right. Understood. And that project that you

5 worked on in Ingham, what project was that, just out of

6 curiosity?

7 A I don't remember.

8 Q If you don't remember, that's okay.

9 A It's 20, 30 years ago.

10 Q And the purpose of doing that is so more property

11 would be developable, correct?

12 A Yes. When you got a quarter of a mile of stream

13 running off a mountain, it wipes out a huge big piece of

14 your property. So by gathering that water together and

15 getting it in something that would hold it and hold a 100

16 year storm without spending an arm and a leg, we got it

17 done.

18 Q Now, I am going to ask you similar questions about

19 just the golf course generally. I read a statement that you

20 made that you said that, hey, the main reason for leaving

21 the 250 acres open like you did on the Queensridge was

22 because of the drainage, we got to that, right? Then you

23 later stated that the golf course was a plus, right?

24 MR. OGILVIE: Objection. Mischaracterizes

25 witness's testimony.

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1 BY MR. LEAVITT:

2 Q He'll come back to that.

3 A The golf course was, if you want to, a golf course

4 is a plus. Because if you left it in its natural state as

5 open space, which is what we had to have for the community,

6 if you had something coming in there that you could use that

7 without a major expenditure and get money out of it, it

8 calls as a plus.

9 Q Maybe that was a very bad question by me. My

10 point in saying this is, you didn't locate the 250 acres

11 open area like you did in the Queensridge development so you

12 could build a golf course? That wasn't the principal reason

13 for it, correct?

14 A No. It was to take care of water.

15 Q And, again, I have read through tens of thousands

16 of pages of documents here, and I have not seen anywhere in

17 any of these documents where the City of Las Vegas

18 conditioned the development of the Queensridge property upon

19 the construction of a golf course. Would you agree with

20 that?

21 A Absolutely, it did not.

22 Q So was there any point in time when anybody at the

23 City of Las Vegas came to you and stated we will not allow

24 you to build the Queensridge development unless you will

25 build a golf course?

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1 MR. OGILVIE: Objection. Lacks foundation.

2 Mischaracterizes the evidence.

3 A No.

4 BY MR. LEAVITT:

5 Q George is starting to object.

6 A So woke up.

7 Q He woke up. Are you aware of any condition on any

8 application that you have made for the Queensridge

9 development where the City of Las Vegas conditioned the

10 Queensridge development upon the construction of a golf

11 course?

12 MR. OGILVIE: Objection. Lacks foundation. Calls

13 for a legal conclusion.

14 A As far as I know, there was nothing outside of the

15 original plan that I inherited that had a golf course in

16 that area. But, at the time that I went to work with Mr.

17 Pecole, that was not a critical issue. The critical issue

18 was he wanted as many houses to sell in a certain price

19 range in certain areas to open this and leave the open space

20 as drainage area. And that's it.

21 BY MR. LEAVITT:

22 Q Okay. Now, you also stated that the marketing

23 department set the price for the lots in the Queensridge

24 development?

25 A When I said marketing department, I meant Mr.

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1 Pecole, Mrs. Pecole, Larry Miller and anybody else having

2 to do with the family. I mean, it was his personal property

3 after he obtained it through other sales to get the property

4 all in his own name. And he's the one that determined how

5 many houses, how much money he wanted to make.

6 Q Do you know an individual by the name of Greg

7 Gorgien?

8 A I know Greg.

9 Q Who is Mr. Gorgien?

10 A Mr. Pecole had three daughters.

11 Q Okay.

12 A Okay? The youngest daughter married a fellow by

13 the name of Gorgien who played basketball for the University

14 of Las Vegas. And if you had been around you would have

15 known that.

16 Q Was that Gordo?

17 (Whereupon, a discussion took place off the record.)

18 BY MR. LEAVITT:

19 Q So what year did Gorgien play? Was it in the '80s

20 or something?

21 A Yeah.

22 Q Anyway, not too important. So, go ahead, you were

23 telling me who Greg Gorgien is.

24 A He was son-in-law to Bill Pecole.

25 Q Okay. And he also worked for the Pecoles? He

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1 that property which you have identified in red?
2 A Open space.
3 MR. OGILVIE: Objection. Lacks foundation.
4 BY MR. LEAVITT:
5 Q What do you mean by open space?
6 A It's a part of the map that's listed as open
7 space.
8 Q Okay. How does that limit its development?
9 MR. OGILVIE: Objection. Calls for a legal
10 conclusion.
11 A I am trying to think of the verbiage that the
12 county, that the city has that does not specify acreage, a
13 developable acreage in open space.
14 BY MR. LEAVITT:
15 Q Okay. I want you to open up back to Exhibit No. 5
16 if you don't mind?
17 A Exhibit No. what?
18 Q Nine.
19 A Okay.
20 Q If you don't mind looking at the very last page?
21 A Yeah.
22 Q And this is a map showing the old plan with your
23 new plan, correct?
24 A It's the first layout. It's the first developable
25 area in phase two.

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1 Q Okay. And then flip back to the next page. And
2 you should be on CIV001253?
3 A Uh-huh.
4 Q And that page there does not show that area as
5 open space, correct?
6 A It does not, because it has not, in that area,
7 been developed yet.
8 Q Okay. What does it designate that area for?
9 A It says single-family residence, 173 acres or
10 something to that effect.
11 Q Okay. And on your map here, and this is a map
12 that you assisted with preparing, correct?
13 A Yeah.
14 Q Okay. Does it designate any area as open space?
15 A It does not in that one. Because this is more of
16 a development phase map rather than an overall general plan.
17 Q But the City of Las Vegas never came to you, and
18 correct me if I'm wrong, and I think we have established
19 this, never came to you and said that 250 acres is going to
20 remain open space and you can't build in it?
21 MR. OGILVIE: Objection to facts.
22 A That's not really the way the action came to play.
23 I mean, when that section was put under design, and we got
24 the lots out of it that we wanted, that generated additional
25 open space, that's where it went.

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1 BY MR. LEAVITT:
2 Q Well, but I thought you stated previously that you
3 did not do any specific calculations?
4 A I did not.
5 Q Okay. And then the City of Las Vegas never
6 specifically required you or made a condition to have open
7 space?
8 A That's right.
9 Q Okay. So my question is, are there any
10 limitations on that property in red remaining open space?
11 MR. OGILVIE: Objection. Lacks foundation. Calls
12 for legal conclusion.
13 A If you look at the overall plan, you can't deal
14 with a half of a plan when you are dealing with the rest of
15 it. So you look at the overall, and see what areas
16 developed and what left was open space, and that's what we
17 had as open space.
18 Q No, I get that. That's what you and Mr. Pecole
19 and the team put together. What I am trying to get at is
20 are there any legal limitations, legally limiting that
21 property in red to open space that you are aware of?
22 MR. OGILVIE: Objection. Lacks foundation. Calls
23 for a legal conclusion.
24 A It doesn't fit into the, it doesn't fit into the
25 plan. It's not a usable portion. And everything that was

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1 not a usable portion became part of the open space which
2 consisted with the drainage area, which is primary. And it
3 just became open space. It was not property that Mr.
4 Pecole wanted to use.
5 BY MR. LEAVITT:
6 Q I understand that. But what I am trying to get at
7 is, are you aware of any restrictions or any limitations or
8 any agreement or any contract anywhere limiting the use of
9 that property in red to just open space?
10 MR. OGILVIE: Other than the city's general plan?
11 A I have seen plans from the city that lists that
12 all as open space.
13 BY MR. LEAVITT:
14 Q I am going to ask Mr. Ogilvie to please not direct
15 the witness how to answer questions. I heard what you said.
16 MR. OGILVIE: I said it under my breath. I don't
17 think the court reporter heard it.
18 BY MR. LEAVITT:
19 Q Okay. Okay, so let's get to that. So are you
20 aware of any limitation to using that property in red as
21 anything other than open space?
22 A Just the city plan that I saw says it's open
23 space.
24 Q Okay. All right. And what city plan is that?
25 Was it the one that Mr. Ogilvie just showed you?

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STATE OF UTAH
COUNTY OF UTAH

THAT SO TO SATISFY THAT THE FOREGOING PROCEEDINGS WERE
TAKEN BEFORE ME, MICHAEL H. GORDON, A QUALIFIED JUDGE
RESIDENT IN AND FOR THE STATE OF UTAH, RESIDING IN SMOOK
COUNTY, UTAH:

THAT THE FOREGOING WERE REPORTED AS THE SAME WERE,
AND THEREAFTER CARRIED BY ME TO BE CARRIED UPON THE
RECORDING, AND THAT A TRUE AND CORRECT TRANSMISSION OF
SAID RECEIPT BE TAKEN AND TRANSMITTED TO THE DEPT. OF AS
RELATES TO AND THROUGH THE FOREGOING PARTS & IN 196.

FUSSELL D. THOMAS, CCR
LICENSE 187-10642-2801

AUGUST 24, 2012.

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[illegible]

National Court Reporters Inc. 000 823.5E56 : 46

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DEBORAH COLEY
 EL PASO COUNTY, TEXAS
 105 LAMB CO, LLC, et al
 Plaintiff,
 vs.
 CITY OF LAS VEGAS, et al, political
 subdivisions of the State of
 Nevada, SOFT DEVELOPMENT PARTNERS
 I, THROUGH % SOFT DEVELOPMENT I
 THROUGH % SOFT DEVELOPMENT II
 THROUGH % SOFT DEVELOPMENT III
 THROUGH % SOFT DEVELOPMENT IV
 THROUGH % SOFT DEVELOPMENT V
 THROUGH % SOFT DEVELOPMENT VI
 Defendant.

REPORT OF COURT REPORTER

VOLUME II

Page 11

RECEIVED 10/10

1440 South Las Vegas Blvd.

Las Vegas, NV 89102

On Wednesday, August 21, 2013
 At 9:00 A.M.

Reported By: Michael D. Huggan, CSR

A P P E A R A N C E S

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 (702) 731-4100

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01345

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15450

1 A Triple Five. Yes, Mr. Peccole would come to me
2 and talk about what Triple Five was laying out and what they
3 were doing.
4 Q So when you say several redrafts of their master
5 plan were generated, what you are referring to there is the
6 master plan that Mr. Peccole and Triple Five were working
7 on?
8 A The partnership.
9 Q Okay. The last sentence there says, I did note
10 that it did not conform to what I understood was what Mr.
11 Peccole wanted.
12 A That's exactly what I said earlier today.
13 Q And that's why Mr. Peccole split from Triple Five,
14 correct, or one of the reasons?
15 A It was a contributing factor.
16 Q Okay. Let's go to the next page. And at the top
17 there, very top, it says, "During several meetings that I
18 had with Mr. Peccole over the next period of time, he
19 explained his disappointment with the plan for that area
20 north of Charleston, and particularly the location of a
21 desired regional center. I want to confirm that what you
22 are referring to there is phase two of the Peccole plan. Is
23 that correct?
24 A Yes. The area north of Charleston.
25 Q Okay. Then if we go down, we are going to skip
National Court Reporters Inc. 888.800.9656 247

1 down, since you testified to a lot of --
2 A Just a minute. My hearing aids have taken the
3 decision that they don't want to be up there where I can
4 hear.
5 Q Did you control it with your phone?
6 A Yes.
7 Q There is a photograph, I am going to reach over,
8 and see where it says it was?
9 A Yes.
10 Q "It was also at that time that I joined Pentacore
11 Engineering as the vice-president project manager. Mr.
12 Peccole contacted me for assistance. He wanted to revise
13 and refine the master plan for what he called phase two."
14 Can you explain just a little bit what you meant by revise
15 and refine the master plan for what he called phase two?
16 A Well, the plan that was approved to that point had
17 things in it, he did not like what he had, what they had put
18 together and got the plan approved. There were things that
19 he wanted to change. And so, he knew that he was going to
20 have to refine and get approval to modify that plan to what
21 he wanted.
22 Q Okay. And then, if we continue on that line after
23 where it says phase two, it says, "Consisting of most of the
24 area north of Charleston Boulevard and west of Rampart, and
25 the west end of phase one between Sahara and Charleston,
National Court Reporters Inc. 888.800.9656 248

1 which was done in approximately 1994. So are you saying
2 there that the Peccole phase two plan was revised and
3 refined in approximately 1994?
4 A Yeah. And I don't remember. I think what he's
5 talking about there has to do with that strip of property
6 that fronted on Highway between Sahara and Charleston, I
7 believe.
8 Q But this is your statement, right?
9 A Yes.
10 Q Oh, I see what you are saying. You are saying
11 what Mr. Peccole was talking about, because you said he
12 wanted to revise and refine the master plan for what he was
13 calling phase two?
14 A Yes.
15 Q Okay. And we are going to come back. If you go
16 to the very bottom, there is a paragraph that begins, there
17 was never a required number. Do you see that?
18 A Yes.
19 Q "There was never a required number on how many
20 in any parcel needed to meet the Peccole requirements. The
21 main requirements was always quality, not quantity."
22 A That's right.
23 Q That was based upon what Mr. and Mrs. Peccole had
24 told you, correct?
25 A Absolutely.
National Court Reporters Inc. 888.800.9656 249

1 B Okay. Then here's where I got this word, the
2 "plus". You say the golf course was a plus as long as the
3 flood requirements were not impaired, correct?
4 A Yes.
5 Q And so, the main issue was the drainage,
6 accommodating the drainage, correct?
7 A That's what it was for. And that's what he wanted
8 to leave it for.
9 Q Okay. And, as I stated before, the golf course
10 was just a plus to that drainage, correct?
11 MR. OUELLETTE: Object to form.
12 BY MR. LEAVITT:
13 Q Well, actually, let me rephrase that. The golf
14 course was a plus as long as the flood requirements were not
15 impaired?
16 A Yes.
17 Q Okay. Then, here we go. Let's go to the next
18 page, page number 3. It says the amended master plan. Do
19 you see that?
20 A Yes.
21 Q Okay. It says, "Amended master plan was completed
22 by the planning group and was accepted by the Peccole
23 family." Is the amended master plan that you are referring
24 to there the new plan for phase two?
25 A Yes.
National Court Reporters Inc. 888.800.9656 250

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1 Q That was to replace the Triple Five, correct?
2 A Yes.
3 Q Okay. Then you go on to state, "The residential
4 development was called Queensridge in honor of work done by
5 Mrs. Pecole and family."
6 A That's right.
7 Q What does Queensridge represent?
8 A It represents that area north of Charleston.
9 Q No. I know where it's at. But why did they use
10 the word Queensridge?
11 A Because Mrs. Pecole, the queen of Pecole South,
12 was honored by the name of Queensridge.
13 Q That's what I thought. I wanted to confirm that.
14 It says, "This final plan was submitted to the City of Las
15 Vegas and was approved."
16 A Yes.
17 Q What final plan were you referring to there?
18 A Phase two master plan, the modifications that we
19 have been talking about.
20 Q Okay. And I am going to make sure I get that
21 right. Because there were a couple of plans for phase two.
22 There was the Triple Five phase plan for phase two?
23 A Not talking about that.
24 Q Okay. So what happened in your plan that you
25 worked on with Mr. Pecole and Mrs. Pecole and the other

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1 been involved, that was the amended master plan, correct?
2 A Yes.
3 Q And that was the amended master plan for phase
4 two?
5 A Yes.
6 Q And that was what was going to be used for the
7 Queensridge development?
8 A Yes.
9 Q And that final plan was submitted to the City of
10 Las Vegas and was approved, correct?
11 A Yes.
12 Q And that final plan which you are referencing
13 there is the new phase two plan that replaced the 1990
14 Triple Five plan, correct?
15 A Yes.
16 Q Okay. Then if we go down here you say, "At this
17 point in time, the master plan was complete and the physical
18 design was beginning with the first phase of each building
19 group was being submitted to the city for approval and
20 construction." I want to make sure I understand that. So
21 you, with the Pecole group, created this new phase two plan
22 that replaced the Triple Five plan, correct?
23 A Yes.
24 Q And then what was happening was the development
25 was beginning, and it says that each building group was

National Court Reporters Inc. 888.800.9636 252

1 being submitted to the city for approval and construction.
2 So is what happened, after you created this plan, that
3 certain portions of Queensridge were sold to individual home
4 builders?
5 A Not at that point.
6 Q Okay. So what did you mean by each building group
7 was being submitted to the city for approval and
8 construction?
9 A Okay. Do you remember in the very beginning we
10 listed out those residential areas that were in the 50 --
11 the 60, 70, and 80s?
12 Q Yes. This was Exhibit No. 5, correct?
13 A Yes. So each one of those, and not on this side,
14 but, at that point, this was the first half that we worked
15 on. And we created a separate set of plans for each one of
16 those developments. And the first thing you do at this
17 point is you now come back with a tentative map.
18 Q Got it.
19 A So we created tentative maps on everything. And
20 then we came -- when that was approved, then we took and
21 made phase one, phase two, phase three, phase four,
22 whatever, on each one of those developments so that we had a
23 sellable piece of property to a residential builder that
24 wanted to build that.
25 Q Got it. So for purposes of the record we have

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1 been referring to Exhibit No. 5. And the developments you
2 have been identifying here are already labeled, one, two
3 three, four on Exhibit No. 5, correct?
4 A Correct.
5 Q All right. Now, let me make sure I've got this
6 right. What exhibit did we start that? No. 16. Okay. We
7 are going to skip a lot now because you have actually
8 answered a lot of these questions for me already.
9 Now, the hub of the, and I think that's what you
10 called it, there was a hub of people or a team of people
11 that worked on the development of phase two, which involved
12 Mr. Pecole and, obviously, Mrs. Pecole had some insight
13 because she traveled to Europe. There was an attorney.
14 There was a project manager. And there was a son-in-law,
15 Larry Miller. And I wanted to make sure I got this right.
16 When you say project manager, were you part of the project
17 management team?
18 A Yes.
19 Q Okay. And you worked with this company which is
20 called RTGT as the project management team, correct?
21 A Yes. He basically worked for me in doing this
22 design.
23 Q All right. And, in reading your deposition, you
24 stated that William Pecole was principally in charge until
25 a legal ruling on his decision making, correct?

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15452

1 recreation and open space designation even being implied as
2 their property through this notice of public hearing?
3 A I know nothing about this, honestly.
4 Q Okay. But if we then, if we put our hand where
5 that document is, and we go back to the front where the
6 notice is actually given, and we look at the third page of
7 Exhibit No. 23, if we look at the notice that was actually
8 provided to the public for a GSA-54-05, any reference to
9 parks and recreation and open space, that was in that
10 document we just referred to, was not included in the notice
11 to the public, correct?
12 A No.
13 Q It's not included or no I'm wrong?
14 A I don't see it referenced here at all.
15 Q Okay. Do you recall, as you sit here today,
16 having conversations with the City of Las Vegas, asking them
17 to ensure that reference to parks, recreation, open space
18 from that public hearing notice?
19 A No, I don't. It's been a number of years ago.
20 Q All right. Let's flip back to this page. It's a
21 letter from your company, Pentacore, looks like. It's
22 behind that page we were just looking at. It's further
23 back.
24 A It's further out?
25 Q Yeah, just a few pages back. It goes back

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1 further. It's after those. There you go.
2 A Should have started from the other way.
3 Q Okay. This is a letter from Ellen Harciel,
4 project coordinator?
5 A She worked for me.
6 Q Okay. And a letter has been -- and she states --
7 well, first of all, this letter is dated November 30th, 1994,
8 correct?
9 A Yes.
10 Q And it's to the City of Las Vegas in regards to
11 this GSA, correct?
12 A Okay.
13 Q All right. And there is one, two, three, four,
14 five, six parcels that are referenced in this letter,
15 correct?
16 A Right.
17 Q And Ellen, who is with your office, identified the
18 land uses that your office was requesting being changed on
19 the city's general planning, correct?
20 A Okay. Yes.
21 Q And they are from one use to another use, correct?
22 A Yes.
23 Q And they are listed there next to each one of
24 those six parcels, correct?
25 A Yes.

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1 Q And FROM is not identified or mentioned in --
2 actually, let me restate that. Parks and recreation or open
3 space use is not identified as any use in any one of those,
4 correct?
5 A No.
6 Q Then if we flip all the way to the back, there's
7 two maps on the back. Are those two maps maps that were
8 prepared by your company?
9 A Yes.
10 Q Okay. And your company being Pentacore, correct?
11 A Yes.
12 Q So did you assist with drafting these two maps?
13 A Probably had some involvement in it. I didn't
14 draft it.
15 Q What would best describe these two maps? How
16 would you best describe them?
17 A Well, I guess I can leave my fingers off of the
18 other one. It says a master plan zone change map. And it,
19 evidently, if those are the same parcels, yeah, those
20 parcels show the representation of those areas that we were
21 just talking about.
22 Q So, was this map intended to solely depict those
23 six parcels we were just talking about?
24 A That's what I am -- it appears that way.
25 Q All right. You can set that one to the side now,

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1 Mr. Spitzer.
2 (Exhibit No. 26 was marked for identification.)
3 BY MR. LEAVITT:
4 Q I am going to put before you another set of
5 documents, which is Exhibit No. 26. And this is the
6 completion application for a GSA-54-04 which is 2-146-04.
7 A Okay.
8 Q And, actually, you can stop right there, Mr.
9 Spitzer, where you are at. That's the Notice of Public
10 Hearing Regarding Request, correct?
11 A Yes.
12 Q Okay. And the applicant on this is Peccole Ranch
13 Trust, right?
14 A Yes.
15 Q Case number 2-146-04?
16 A Correct.
17 Q That zone change application provides for the
18 entities, for that zone change application, provides we
19 reference to a golf course, open space or a parks,
20 recreation or open space use item, correct?
21 A It does not.
22 Q Okay. Let me pause for a minute here. Was this
23 General Plan Amendment 54-04 and this zone change 2-146-04
24 the applications that you submitted to the City of Las Vegas
25 to further your new plan which replaced the Triple Five

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15453

1 place?

2 A Yes. I'm sure it is.

3 Q Okay. All right. If you get past all of the

4 scenes of public hearing, you'll come to a letter from the

5 City of Las Vegas dated January 13th, 1995. Once you get

6 past all the notices of public hearing.

7 A January 4th?

8 Q January 13th, 1995 letter. There it is right

9 there.

10 A Yeah.

11 Q So what you have before you is the January 13th,

12 1995 letter to Mr. Larry Miller, correct?

13 A Right.

14 Q Okay. And it's regarding a zone change related to

15 GSA 54-94, correct?

16 A Yes.

17 Q And this is a letter from the City of Las Vegas,

18 right?

19 A Correct.

20 Q And this is a letter which provides to Larry

21 Miller and the Pecore Trust notice that the city council at

22 a regular meeting held January 4th, 1995 approved the GSA

23 54-94 and S-146-94, correct?

24 A Not having read it all, but it appears that way.

25 Q Okay. And then there is a list of conditions that

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1 are placed on the approval, correct?

2 A Yes, I think.

3 Q From the City of Las Vegas. And I want you to

4 take just a moment to look at those conditions just very

5 briefly.

6 A Okay.

7 Q And after reviewing those conditions, isn't it

8 true that there is no condition that requires the 250-acre

9 property to remain a golf course?

10 MR. O'NEILL: Objection. The document speaks for

11 itself.

12 A There is no mention of it in here.

13 BY MR. LEAVITT:

14 Q Maybe that is a better way to say it. There is no

15 mention of a golf course, open space or a park, recreation,

16 open space use in any of the conditions, is there?

17 MR. O'NEILL: Same objection.

18 A It doesn't say anything about it.

19 BY MR. LEAVITT:

20 Q All right. If you could turn a few more pages

21 over you'll see a letter dated December 13th, 1994 from the

22 planning commission. There it is right there. And this is

23 a letter dated December 13th, 1994 to, again, Mr. Larry

24 Miller of the Pecore Ranch Trust. And it's regarding the

25 zoning reclassification S-146-94. And the second paragraph

National Court Reporters Inc. 888.800.9456 348

1 states that the planning commission unanimously voted to

2 recommend approval subject to the following. Do you see

3 that sentence?

4 A Yes.

5 Q In it your understanding that the city council and

6 the planning commission approved both GSA-54-94 and

7 S-146-94?

8 A That we just looked at?

9 Q Yes. So is your answer yes?

10 A Yes.

11 Q And this letter here dated December 13th, 1994

12 also includes a list of conditions, correct?

13 A Yes.

14 Q Okay. And so we understand this, a list of

15 conditions is something which the City of Las Vegas places

16 on a parcel of property as a condition to approval of a zone

17 change or a general plan amendment, correct?

18 A Yes. As was discussed and approved, yes.

19 Q So this was what was discussed and approved by the

20 city, correct?

21 A Right.

22 Q And that list of conditions in this letter,

23 December 13th, 1994, also does not include any mention of a

24 golf course or open space, or a park or recreation or open

25 space designation, correct?

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1 MR. O'NEILL: Objection. Document speaks for

2 itself.

3 BY MR. LEAVITT:

4 Q Did you say it does not?

5 A Does not.

6 Q All right. And then if we, the next page over is

7 actually the minutes -- actually, we already went through

8 this. What I want you to do is, if you can flip about 13

9 pages back. And you'll see there is a sign that was posted

10 on the property?

11 A Back towards the front?

12 Q This way towards the back about 15 pages. You see

13 that there was a sign that was posted. There it is right

14 there. Okay. So we are on a page right now which is a

15 picture of a sign that was posted on the property, it

16 appears, correct?

17 A Um-hum. Yes.

18 Q For the zoning reclassification, S-146-94,

19 correct?

20 A Yes.

21 Q All right. And do you remember who posted this

22 sign on the property? Should that have been you?

23 A No. No idea.

24 Q And on that sign that was -- what's the purpose of

25 posting this sign on the property?

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1 A It does not -- it is not a drainage plan. It
2 doesn't show that.
3 Q Got it.
4 A We followed the location of the drainage on the
5 property, not all of it, but what is covered in that map.
6 Q Totally understood. So my point is, the location
7 of what is depicted on Tripin Five's plan for the golf
8 course or potential drainage is different than what's
9 depicted on your plan that you worked on with Mr. Pecoles,
10 correct?
11 A Yes.
12 Q And your plan replaced the Triple Five plan,
13 correct?
14 A Yes.
15 Q And did you file a specific general plan amendment
16 to change the location of the golf course or drainage in
17 what's depicted on your plan?
18 MR. GULLIVIE: Objection. Lacks foundation.
19 A I don't know.
20 BY MR. LEAVITT:
21 Q Okay. You don't know whether you did it or not?
22 A I don't know.
23 Q Okay.
24 A If the city didn't require it we didn't do it.
25 Q All right. Understood.

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1 A It's not often that you get revising on something
2 that's already been approved.
3 Q Understood. Are you aware of any time that
4 William Pecoles or anyone from the Pecoles family went to
5 the City of Las Vegas and requested that a parks, recreation
6 or open space designation be placed on any part of their
7 property?
8 A Not that I know of.
9 Q And in 1992 you were very active in the planning
10 and development of the Queensridge property, right?
11 A Very much so.
12 Q Do you recall receiving notice from the City of
13 Las Vegas that it intended to change any portion of the
14 Queensridge property to a parks, recreation or open space
15 designation on the city's land use map?
16 A I have no idea.
17 Q As you sit here today -- I am showing you Exhibit
18 No. 7, page 1 of Exhibit No. 7. As you sit here today, do
19 you know why the city shaded in green the area which was the
20 area designated for drainage or golf course on the Triple
21 Five plan?
22 A It only makes an image of a proposed golf course
23 in that area. That's all it shows.
24 Q But do you have any idea why the City of Las Vegas
25 did that?

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1 A I don't.
2 Q So you had no communication with the City of Las
3 Vegas --
4 A No.
5 Q -- In regards to that change on the City of Las
6 Vegas 1992 map?
7 A None.
8 (Exhibit No. 7 was marked for identification.)
9 BY MR. LEAVITT:
10 Q I am going to mark Exhibit No. 7, which is a set
11 of documents beginning with Notice stamp 010091708. I am
12 going to show you that, Mr. Spitzer. At the top right-hand
13 corner it says Agenda Item No. 34. Do you see that?
14 A Yes.
15 Q And it's a 60A-6199, correct?
16 A Yes.
17 Q And if you turn to the next page, which I double-d, I
18 copied on both sides there, you can see the minutes there,
19 and it shows that you appeared on behalf of the applicant.
20 And you concurred with conditions, do you see that?
21 A Yes.
22 Q Do you recall appearing at this meeting on behalf of
23 the Pecoles, correct?
24 A I did.
25 Q And the next page shows the location of the

National Court Reporters Inc. 888.800.9456 355

1 property?
2 A Right.
3 Q Okay. Do you recall this application?
4 A No-hum.
5 Q What was this application for?
6 A There is an existing school in that area, SC, and
7 if my memory serves me right, they were talking about having
8 an additional school in that whole remaining area. And I
9 can be totally wrong. But that's as I remember.
10 Q Okay. If you turn to page 3112, 3112. You can
11 see there is a zone change request with this plan, right?
12 DON-6222?
13 A Right.
14 Q There was a rezoning request related to a general
15 plan amendment, correct?
16 A Yes.
17 Q And we can turn now to page 3112. 3112?
18 A Got it.
19 Q And does that accurately depict what you were
20 seeking to change?
21 A Oh, yes. Okay. Yes, I do remember that very
22 well.
23 Q Okay. So what's shown on the map at 3112 was the
24 use that you were seeking on behalf of the Pecoles family
25 pursuant to the general plan amendment and the zone change

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1 request, correct?

2 A Correct.

3 Q All right. And if we turn to 81755 --

4 A Okay.

5 Q -- That's a letter which was sent to Fred Waid,

6 dated May 19th, 2003 showing that the city council approved

7 that GPA and that zone change, correct?

8 A Right.

9 Q Do you know who Fred Waid is?

10 A He did work for Peccole for a short period of

11 time. I do remember him, yes.

12 Q Okay. And so, what were the two applications that

13 summarize this? What were the two applications that were

14 filed in order to get this use approved for the City of Las

15 Vegas?

16 A I remember seeking as this plan.

17 Q Okay.

18 A I don't remember what other documentation we had,

19 but that was, that consisted of all the changes we were

20 seeking.

21 Q Okay. My question was, well, maybe let's do it

22 this way. This was a general plan amendment request and a

23 zone change request, correct?

24 A Right.

25 Q As you sit here today, do you remember filing any

National Court Reporters Inc. 888.880.9656 358

1 other applications to obtain use on this property?

2 A Not really.

3 MR. OGILVIE: Objection to form.

4 BY MR. LEAVITT:

5 Q Okay. And I am going to show you -- we are going

6 to mark these, these two maps. We are going to mark these

7 two maps as Exhibit No. 28.

8 (Exhibit No. 28 was marked for identification.)

9 BY MR. LEAVITT:

10 Q One is a color map. And one is a black and white

11 map, correct?

12 A Okay.

13 Q As this Exhibit No. 28?

14 MR. OGILVIE: Which one is 28?

15 MR. LEAVITT: Both of them are 28.

16 BY MR. LEAVITT:

17 Q We'll make the color map first and the black and

18 white map second on Exhibit No. 28. And, again, the use

19 that was being sought on the applications that we just

20 looked at was a service commercial use, right?

21 A Right.

22 Q Okay. And these maps that we are looking at right

23 now as Exhibit No. 28 are the maps that were prepared by

24 Triple Five, correct?

25 A Correct.

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1 Q So this shows Triple Five's Phase Two Plan,

2 correct?

3 A Right.

4 Q All right. And the area that you are seeking the

5 general plan amendment and zone change for is depicted on

6 the Triple Five Phase Two Plans as single-family

7 residential, correct?

8 A Right.

9 Q And you were seeking a use which was service

10 commercial, correct?

11 A Yes.

12 Q And, as part of your applications, did you file a

13 major modification to modify Triple Five's plan from

14 single-family residential to service commercial?

15 A I can't tell you yes or no because I don't

16 remember.

17 Q Do you remember any point in time the City of Las

18 Vegas asking you to file a major modification of the Triple

19 Five phase two plan?

20 A If they did, I would have done it.

21 Q Okay. You don't recall doing it?

22 A I don't recall doing it.

23 Q What is the date on this application here for

24 Exhibit 27?

25 A February 14.

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1 Q What year?

2 A 2003.

3 Q And by that date you had already filed your new

4 plan for phase two, correct?

5 A Whether it included that or not, that alignment, I

6 don't know. I don't remember.

7 MR. OGILVIE: Objection to form.

8 BY MR. LEAVITT:

9 Q But your plan and the Peccole family worked on

10 replaced these two Triple Five plans that, correct?

11 A Correct.

12 MR. OGILVIE: Objection to form.

13 BY MR. LEAVITT:

14 Q We are going to go back in time now. This is

15 Exhibit No. 29.

16 (Exhibit No. 29 was marked for identification.)

17 BY MR. LEAVITT:

18 Q Exhibit 29 is a set of documents in relation to

19 GPA-31-05, which is a request to amend a portion of the

20 southeast sector of the general plan from service commercial

21 to medium low, correct?

22 A Okay.

23 Q And the documents begin with the Bates stamp

24 80035. And at the top it's dated August 2nd, 1995, correct?

25 A Correct.

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1 Q And Mr. Ogilvie read in a letter there was a
2 reference that one of the reasons that this zone change and
3 general plan amendment was being submitted was because you
4 had chosen to realign the golf course, correct?
5 A Yes, from the configuration of the original plan
6 amendment to the configuration that we were doing.
7 Q Okay. Was that a voluntary act on your and Mr.
8 Peccole's behalf?
9 MR. OGILVIE: Objection. Form.
10 A What do you mean voluntary?
11 BY MR. LEAVITT:
12 Q Let me ask it this way. Did the city force you to
13 realign that golf course?
14 A The city never forced us to do anything. We felt
15 that it was not appropriate.
16 Q Okay. So, that was a decision made by you to
17 realign the golf course?
18 A Yes. Well, to realign not just the golf course,
19 but realign all of that area internally within the center of
20 the project.
21 Q The drainage area, correct?
22 A Yes.
23 Q Okay. But what we read in Exhibit No. 25, what
24 Mr. Peccole read is that the letter of justification
25 submitted with the application offered no justification for

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1 the request, but stated that the change in alignment of the
2 golf course was our reason for the request. So my question
3 is that change in alignment of the golf course was a
4 decision that was made by you and Mr. Peccole, correct?
5 A The determination of golf course is more specific
6 than it actually was. There was a modification of the
7 master plan of that area and how that plan was to be
8 developed and how the drainage was being protected.
9 Q So it was really a realignment of the drainage
10 area, correct?
11 MR. OGILVIE: Objection to form.
12 A That caused our reasoning to change it.
13 BY MR. LEAVITT:
14 Q Okay. So, again, Mr. Ogilvie read from a letter
15 and a staff approval where this golf course was mentioned,
16 right, in Exhibit No. 23 and Exhibit No. 26, right?
17 A Yes. And their terminology of golf course was not
18 necessarily as I understand a golf course, but it was land
19 that was in their plan showing as golf course. And they
20 used that terminology.
21 Q Okay. But I want to focus here on something which
22 is important because I think you stated that you have done a
23 lot of land use applications, okay, at the end of these
24 applications and approval that was given, correct?
25 A Yeah.

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1 Q And that approval letter lists these conditions,
2 correct?
3 A Yes.
4 Q The approval letter lists the general conditions.
5 Plan amendment and the approval letter lists the conditions
6 of the zoning change, correct?
7 A Yes.
8 Q So what do you think from a land use perspective
9 is binding upon you as the applicant, the letter that is
10 given by the city approving your project with the
11 conditions, is that what you believe is binding upon you as
12 an applicant?
13 MR. OGILVIE: Objection. Calls for legal
14 conclusion.
15 A Versus what?
16 BY MR. LEAVITT:
17 Q Versus a statement made in a letter and a
18 statement made in a staff report?
19 A Yeah.
20 Q Is the answer yes?
21 A Yes.
22 MR. OGILVIE: Same objection.
23 BY MR. LEAVITT:
24 Q And, as you recall, we went through those
25 conditions in Exhibit No. 25 and Exhibit No. 26. And in

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1 those conditions there is no reference to a golf course,
2 open space, or park, recreation, open space, correct?
3 MR. OGILVIE: Objection. Document speaks for
4 itself.
5 A That's what it says.
6 BY MR. LEAVITT:
7 Q Okay.
8 (Whereupon, a discussion took place off the record.)
9 BY MR. LEAVITT:
10 Q Okay. I am almost done.
11 A All right.
12 Q Exhibit No. 34, if you don't mind opening that up.
13 A All right. Thirty-four.
14 Q I want to make sure I understand this. So Exhibit
15 No. 34 is the March 8th, 1990, 2-17-90 minutes, correct?
16 A Yes.
17 Q All right. And this was for the original phase
18 two plan which was recorded by Triple Five, correct?
19 A Correct.
20 Q And the statements in here were made in regards to
21 the original plan that was submitted by Mr. Peccole and
22 Triple Five, correct?
23 A Yes.
24 Q All right. But your plan that you worked on with
25 Mr. Peccole after you were retained replaced this Triple

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1 Five plan, correct?
2 A Yes. Yes.
3 Q And do you know whether the drainage improvements
4 that were made as a result of the construction of Tivoli
5 Village received a drainage award or not?
6 A I don't.
7 Q You don't?
8 A I don't know what you mean by award.
9 Q George is making fun of me now. Pass the witness.
10 MR. OGILVIE: Thank you, Mr. Spitzer. I think we
11 are all finished.
12 MR. COURT REPORTER: Do you want a transcript?
13 MR. OGILVIE: Absolutely.
14 MR. LEAVITT: I would like a transcript. Same as
15 last time, word searchable PDF.
16 (Whereupon, the proceedings were concluded at 5:47 p.m.)
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1 CERTIFICATE
2
3 STATE OF UTAH
4 COUNTY OF IRON
5 THIS IS TO CERTIFY THAT THE FOREGOING PROCEEDINGS WERE
6 TAKEN BEFORE ME, RUSSEL D. MORGAN, A CERTIFIED COURT
7 REPORTER IN AND FOR THE STATE OF UTAH, RESIDING AT IRON
8 COUNTY, UTAH;
9 THAT THE PROCEEDINGS WERE REPORTED BY ME IN STENOGRAPHY,
10 AND THEREAFTER CAUSED BY ME TO BE TRANSCRIBED INTO
11 TYPEWRITING, AND THAT A TRUE AND CORRECT TRANSCRIPTION OF
12 SAID TESTIMONY SO TAKEN AND TRANSCRIBED TO THE BEST OF MY
13 ABILITY IS SET FORTH IN THE FOREGOING PAGES 202 to 461.
14
15
16 RUSSEL D. MORGAN, CCR
17 LICENSE #87-108442-7901
18
19
20 August 28, 2019.
21
22
23
24
25

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1 CERTIFICATE OF DEPOSITION
2 PAGE LINE CHANGE REASON
3
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11
12
13 I, CLYDE O. SPITZER, deponent herein, do hereby
14 certify and declare under penalty of perjury the within and
15 foregoing transcription to be my deposition in said action
16 that I have read, corrected, and do hereby affix my
17 signature to said deposition.
18
19 CLYDE O. SPITZER
20 Depoent
21 Subscribed and sworn to before me this ____ day of
22 _____, 2019.
23 Notary Public
24
25

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Exhibit 188

Bill No. 12-16-80-2

SUMMARY - An Ordinance adopting a new Chapter 29.50 to limit the height of objects around all public use airports within Clark County, Nevada, and repealing the existing Chapter 29.50.

ORDINANCE NO. - 728
(of Clark County, Nevada)

AN ORDINANCE TO AMEND TITLE 29 OF THE CLARK COUNTY CODE BY ADDING THERETO A NEW CHAPTER DESIGNATED AS 29.50 WHICH REGULATES AND RESTRICTS THE HEIGHT OF STRUCTURES AND OTHERWISE REGULATES THE USE OF THE PROPERTY WITHIN THE JURISDICTION OF CLARK COUNTY, NEVADA AND IN THE VICINITY OF ALL PUBLIC USE AIRPORTS BY CREATING THE APPROPRIATE ZONES AND ESTABLISHING THE BOUNDARIES THEREOF; PROVIDING FOR CHANGES IN THE RESTRICTIONS AND BOUNDARIES OF SUCH ZONES; DEFINING CERTAIN TERMS USED HEREIN; REFERRING TO THE MC CARRAN INTERNATIONAL AIRPORT AIRSPACE ZONING MAP WHICH IS INCORPORATED IN AND MADE A PART OF THIS ORDINANCE; REPEALING THE EXISTING CHAPTER 29.50 OF THE CLARK COUNTY CODE; PROVIDING FOR ENFORCEMENT AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO.

THE BOARD OF COMMISSIONERS OF THE COUNTY OF CLARK, STATE OF NEVADA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Legislative Findings. It is hereby found that an obstruction has the potential for endangering the lives and property of users of any public use Airport, and property or occupants of land within Clark County, Nevada, in the vicinity of these Airports; that an obstruction may affect existing and future instrument approach minimums of any public use Airport; that an obstruction may reduce the size of the areas available for the landing, takeoff, and maneuvering of aircraft, thus tending to destroy or impair the utility and capacity of these Airports and the public investment therein. Accordingly, it is declared:

(A) That the establishment of an obstruction has the potential of being a public nuisance and may injure the region served by McCarran International Airport or any other public use Airport;

(B) That it is necessary in the interest of the public health, public safety, and general welfare that the establishment of obstructions that are a hazard to air navigation be prevented;
and

[Signature]
CLERK

Nov 2 '00

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TRUE AND CORRECT COPY
OF THE ORIGINAL ON FILE

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(C) That the prevention of these obstructions should be accomplished to the extent legally possible by the exercise of the police power without compensation.

SECTION 2. That the present Chapter 29.50 of the Clark County Code is hereby repealed in its entirety.

SECTION 3. That a new Chapter 29.50 be adopted as follows:

CHAPTER 29.50

PUBLIC USE AIRPORT HEIGHT ZONING RESTRICTIONS

Sections:

29.50.010 Definitions
29.50.020 Airport zones
29.50.030 Airport zone height limitations
29.50.040 Use restrictions
29.50.050 Nonconforming uses
29.50.060 Variances

29.50.010 DEFINITIONS. As used in this Ordinance, unless the context otherwise requires:

1. PUBLIC USE AIRPORT - means any of the following airports in Clark County, Nevada: McCarran International Airport, Overton Airport, Searchlight Airport, Jean Airport, Mo. Las Vegas Airport, Boulder City Airport, Echo Bay Airport, Henderson Sky Harbor Airport, Three Corners Airport, Hidden Hills Airport.

2. AIRPORT ELEVATIONS - The highest point of an airport's usable landing area measured in feet above mean sea level.

3. APPROACH SURFACE - A surface longitudinally centered on the extended runway centerline, extending outward and upward from the end of the primary surface and at the same slope as the approach zone height limitation slope set forth in Section 29.50.030 of this Ordinance. In plan the perimeter of the approach surface coincides with the perimeter of the approach zone.

4. APPROACH, TRANSITIONAL, HORIZONTAL, AND CONICAL ZONES - These zones are set forth in Section 29.50.020 of this Ordinance.

5. CONICAL SURFACE - A surface extending outward and upward from the periphery of the horizontal surface at a slope of 20 to 1 for a horizontal distance of 4,000 feet.

(6) HAZARD TO AIR NAVIGATION - An obstruction determined to have a substantial adverse effect on the safe and efficient utilization of the navigable airspace.

(7) HEIGHT - For the purpose of determining the height limits in all zones set forth in this Ordinance and/or shown on an airspace zoning map, the datum shall be mean sea level elevation unless otherwise specified.

(8) HORIZONTAL SURFACE - A horizontal plane 150 feet above the established airport elevation, the perimeter of which in plan coincides with the perimeter of the horizontal zone.

(9) LARGER THAN UTILITY RUNWAY - A runway that is constructed for and intended to be used by propeller driven aircraft of greater than 12,500 pounds maximum gross weight and jet power aircraft.

(10) NONCONFORMING USE - Any pre-existing structure or use of land which is inconsistent with the provisions of this Ordinance or an amendment thereto.

(11) NONPRECISION INSTRUMENT RUNWAY - A runway having an existing instrument approach procedure utilizing air navigation facilities with only horizontal guidance, or area type navigation equipment, for which a straight-in nonprecision instrument approach procedure has been approved or planned.

(12) OBSTRUCTION - Any structure, growth, or other object, including a mobile object, which exceeds a limiting height set forth in Section 29.50.030 of this Ordinance.

(13) PERSON - An individual, firm, partnership, corporation, company, association, joint stock association, or governmental entity; includes a trustee, a receiver, an assignee, or a similar representative of any of them.

(14) PRECISION INSTRUMENT RUNWAY - A runway having an existing instrument approach procedure utilizing an instrument landing system (ILS) or a precision approach radar (PAR). It also means a runway for which a precision approach system is planned and is so indicated on an approved airport layout plan.

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(15) PRIMARY SURFACE - A surface longitudinally centered on a runway. When the runway has a specially prepared hard surface, the primary surface extends 200 feet beyond each end of that runway, when the runway has no specially prepared hard surface, or planned hard surface, the primary surface ends at each end of that runway. The width of the primary surface varies with the type of runway and its approach and is set forth in Section 29.50.020. The elevation of any point on the primary surface is the same as the elevation of the nearest point on the runway centerline.

(16) RUNWAY - a defined area on an airport prepared for landing and take-off of aircraft along its length.

(17) STRUCTURE - An object, including a mobile object, constructed or installed by man, including but without limitation, buildings, towers, cranes, smokestacks, earth formation, signs and overhead transmission lines.

(18) TRANSITIONAL SURFACES - These surfaces extend outward at 90 degree angles to the runway centerline and the runway centerline extended at a slope of seven (7) feet horizontally for each foot vertically from the sides of the primary and approach surfaces to where they intersect the horizontal and conical surfaces. Transitional surfaces for those portions of the precision approach surfaces, which project through and beyond the limits of the conical surface, extend a distance of 5,000 feet measured horizontally from the edge of the approach surface and at 90 degree angles to the extended runway centerline.

(19) FREE - Any object of natural growth

(20) UTILITY RUNWAY - A runway that is constructed for and intended to be used by propeller driven aircraft of 12,500 pounds maximum gross weight and less.

(21) VISUAL RUNWAY - A runway intended solely for the operation of aircraft using visual approach procedures.

29.50.020 AIRPORT ZONES. In order to carry out the provisions of this Ordinance, there are hereby created and established certain zones

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which include all of the airspace above the height of 35 feet above the surface of the land, lying beneath the approach surfaces, transitional surfaces, horizontal surfaces, and conical surfaces as they apply to the portions of any public use Airport lying within the jurisdiction of Clark County, Nevada. Such zones for McCarran International Airport are shown on the McCarran International Airport Airspace Zoning Map consisting of three (3) sheets, prepared by the Clark County Airport Engineering Department dated September 10, 1979, a copy of which is on file at the County Clerk's office and which is hereby incorporated by reference and made a part hereof. An area located in more than one (1) of the following zones is considered to be only in the zone with the more restrictive height limitations. The various zones are hereby established and defined as follows:

(A) Runway Approach Zones

- (1) McCarran International Airport
(a) Utility Runway Visual Approach Zone - Runways 19R, 01L.

The inner edge of this approach zone coincides with the width of the primary surface and is 250 feet wide. The approach zone expands outward uniformly to a width of 1,250 feet at a horizontal distance of 5,000 feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

- (b) Runway Larger than Utility Visual Approach Zones -
Runways 01R, 07L, 07R.

The inner edge of this approach zone coincides with the width of the primary surface and is 1,000 feet wide. The approach zone expands outward uniformly to a width of 1,500 feet at a horizontal distance of 5,000 feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

- (c) Precision Instrument Runway Approach Zones -
Runways 19L, 25R, 25L

The inner edge of this approach zone coincides with the width of the primary surface and is 1,000 feet wide. The approach zone expands outward uniformly to a width of 16,000 feet at a horizontal distance of 50,000 feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

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- (2) All Other Public Use Airports
(a) Utility Runway Visual Approach Zone

The inner edge of this approach zone coincides with the width of the primary surface 250 feet wide. The approach zone expands outward uniformly to a width of 1,250 feet at a horizontal distance of 5,000 feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

- (b) Utility Runway Nonprecision Instrument Approach Zone

The inner edge of this approach zone coincides with the width of the primary surface and is 500 feet wide. The approach zone expands outward uniformly to a width of 2,000 feet at a horizontal distance 5,000 feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

- (c) Runway Larger Than Utility Visual Approach Zone

The inner edge of this approach zone coincides with the width of the primary surface and is 500 feet wide. The approach zone expands outward uniformly to a width of 1,500 feet at a horizontal distance of 5,000 feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

- (d) Runway Larger Than Utility With A Visibility Minimum
Greater than 3/4 Mile Nonprecision Instrument Approach
Zone

The inner edge of this approach zone coincides with the width of the primary surface and is 500 feet wide. The approach zone expands outward uniformly to a width of 3,500 feet at a horizontal distance of 10,000 feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

- (e) Runway Larger Than Utility With A Visibility Minimum
Low as 3/4 Mile Nonprecision Instrument Approach Zone

The inner edge of this approach zone coincides with the width of the primary surface and is 1,000 feet wide. The approach zone expands outward uniformly to a width of 4,000 feet at a horizontal distance of 10,000 feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

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f. Precision Instrument Runway Approach Zone

The inner edge of this approach zone coincides with the width of the primary surface and is 1,000 feet wide. The approach zone expands outward uniformly to a width of 16,000 feet at a horizontal distance of 50,000 feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

(B) Transition Zones

Transition zones are established adjacent to each runway and approach zone and are the areas beneath the transitional surfaces. Transition zones extend outward from the primary surface and shall slope upward and outward one (1) foot vertically for each seven (7) feet horizontally to the point where they intersect the surface of the horizontal zone. Transition zones are also established adjacent to approach zones for the entire length of the approach zones. Such transition zones flare symmetrically with either side of the runway approach zones from the base of such zones, and slope upward and outward at the rate of one (1) foot vertically for each seven (7) feet horizontally to the points where they intersect the surface of the horizontal and conical zones. Transition zones are also established adjacent to a precision instrument approach zone where it projects through and beyond the limits of the conical zone, extending a distance of 5,000 feet measured horizontally from the edge of the instrument approach zone at right angles to the runway centerline.

(C) Horizontal Zone

The horizontal zone is the area beneath the horizontal surface and is established by swinging arcs of 5,000 feet radii for all runways designated utility or visual and 10,000 feet radii for all others from the center of each end of the primary surface of each runway and connecting the adjacent arcs by drawing lines tangent to those arcs. The horizontal surface is located at a height of 150 feet above the established airport elevation. The horizontal zone does not include the approach zones or transition zones.

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(D) Conical Zone

The conical zone lies beneath the conical surface established as the area commencing at the periphery of the horizontal zone and extending upward one (1) foot in height for every twenty (20) feet of horizontal distance outward therefore a distance of 4,000 feet. The conical zone does not include the instrument approach zones or transition zones.

29-50.030 AIRPORT ZONE HEIGHT LIMITATIONS

Except as otherwise provided in this Ordinance, no structure shall be erected, altered, or maintained in any zone created by this Ordinance to a height in excess of the applicable height limit herein established for such zone. However, nothing in this Ordinance shall be construed as prohibiting the construction or maintenance of any structure to a height up to 35 feet above the surface of the land in any zone created by this Ordinance. Further, no building or structure shall be erected within the zones unless the Federal Aviation Administration (FAA) of the United States of America and the Director of Aviation of Clark County shall have determined that the building or structure is so situated or marked that it would not be a hazard. All construction within the various height zones shall be subject to the property owners' signing an aviation easement. Such applicable height limitations are hereby established for each of the zones in question as follows:

(A) Runway Approach Zones

(1) McCarran International Airport

(a) Utility Runway Visual Approach Zone - Runways 19R, 01L

Slopes twenty (20) feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of 5,000 feet along the extended runway centerline.

(b) Runway Larger than Utility Visual Approach Zones -

Runways 01R, 07L, 07R

Slopes twenty (20) feet outward for each foot upward beginning at the end of and at the same elevation as the primary

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surface and extending to a horizontal distance of 5,000 feet along the extended runway centerline.

(c) Precision Instrument Runway Approach Zones - Runway
19L, 25R, 25L.

Slopes fifty (50) feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of 10,000 feet along the extended runway centerline; thence slopes upward forty (40) feet horizontally for each foot vertically to an additional horizontal distance of 40,000 feet along the extended runway centerline.

(2) All other Public Use Airports

(a) Utility Runway Visual Approach Zone

Slopes twenty (20) feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of 5,000 feet along the extended runway centerline.

(b) Utility Runway Nonprecision Instrument Approach Zone

Slopes twenty (20) feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of 5,000 feet along the extended runway centerline.

(c) Runway Larger than Utility Visual Approach Zone

Slopes twenty (20) feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of 5,000 feet along the extended runway centerline.

(d) Runway Larger than Utility With a Visibility Minimum

Greater than 3/4 Mile Nonprecision Instrument Approach
Zone

Slopes thirty-four (34) feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of 10,000 feet along the extended runway centerline.

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- (e) Runway Larger than Utility With a Visibility Minimum As Low as 3/4 Mile Nonprecision Instrument Approach Zone.

Slopes thirty-four (34) feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of 10,000 feet along the extended runway centerline.

- (f) Precision Instrument Runway Approach Zone

Slopes fifty (50) feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of 10,000 feet along the extended runway centerline; thence slopes upward forty (40) feet horizontally for each foot vertically to an additional horizontal distance of 40,000 feet along the extended runway centerline.

(B) Transition Zones

Slope one (1) foot vertically for each seven (7) feet horizontally beginning at the sides of and at the same elevation as the primary surface and approach surface, and extending to a height of 150 feet above the airport elevation. In addition to the foregoing, there are established height limits of one (1) foot vertically for each seven (7) feet horizontally beginning at the sides of and the same elevation as all approach zone surfaces for the entire length of all approach zone surfaces and extending upward and outward to the points where they intersect the horizontal and conical surfaces. Where the precision instrument runway approach zone projects beyond the conical zone surface, a height limit of one (1) foot for each seven (7) feet of horizontal distance shall be maintained beginning at the sides of and the same elevation as the approach surface, and extending a horizontal distance of 5,000 feet measured at 90 degree angles to the extended runway centerline.

(C) Horizontal Zone

One hundred fifty (150) feet above the established Airport elevation.

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(D) Confocal Zone

One (1) foot vertical height for each twenty (20) feet of horizontal distance beginning at the periphery of the horizontal zone and extending a horizontal distance of 4,000 feet to a height of 350 feet above the airport elevation.

29.50.040 USE RESTRICTIONS

Notwithstanding any other provisions of this Ordinance, no use may be made of land or water within any zone established by this Ordinance in such a manner as to create electrical interference with navigation signals or radio communication between the airport and aircraft, make it difficult for pilots to distinguish between airport lights and others, result in glare in the eyes of pilots using the airport, impair visibility in the vicinity of the airport, create bird strike hazards, or otherwise in any way endanger or interfere with the landing, takeoff, or maneuvering of aircraft intending to use the airport.

29.50.050 NONCONFORMING USES

(A) Regulations Not Retroactive

The regulations prescribed by this Ordinance shall not be construed to require the removal, lowering, or other change or alteration of any structure not conforming to the regulations as of the effective date of this Ordinance, or otherwise interfere with the continuance of a nonconforming use. Nothing contained herein shall require any change in the construction, alteration, or intended use of any structure, the construction or alteration of which was begun prior to the effective date of this Ordinance, and is diligently prosecuted.

(B) Marking and Lighting

Notwithstanding the preceding provisions of this Section, the owner of any existing nonconforming structure may be required to install, operate, and maintain thereon such markers and lights as may be deemed necessary by the Director of Aviation to indicate to

the operators of aircraft in the vicinity of the airport the presence of such airport obstruction.

29.50.060 VARIANCES

(A) Future Uses

Any person desiring to erect or increase the height of any structure, or to permit the growth of any tree, or otherwise use his property in a manner which would constitute a violation of these regulations, may apply to the Clark County Planning Commission for a variance from these regulations. Such variances will be allowed where a literal application or enforcement of these regulations would result in practical difficulty or unnecessary hardship, and the relief granted would not be contrary to the public interest, but would do substantial justice and be in accordance with the spirit of these regulations and of Chapter 29.66 of the Clark County Code. Any such variance allowed may be subject to any reasonable conditions that the Clark County Planning Commission or Board of County Commissioners may deem necessary to effectuate the purposes of Chapter 29.66 of the Clark County Code, including, but not limited to, the condition to require the owner of the structure or tree in question to install, operate, and maintain, at the owner's expense, such markings and lights as may be necessary. If deemed proper by the Board of Clark County Commissioners, this condition may be modified to require the owner to permit Clark County, at its own expense, to install, operate, and maintain the necessary markings and lights.

(B) Existing Uses

No permit shall be granted that would allow the establishment or creation of an obstruction or permit a nonconforming use, structure, or tree to become a greater hazard to air navigation than it was on the effective date of this Ordinance or any amendments thereto or than it is when application for a permit is made.

(C) Nonconforming Uses Abandoned or Destroyed

Whenever a nonconforming structure, as set forth in the provisions of Chapter 29.45, has been abandoned or more than 50 percent

(50%) torn down, physically deteriorated, or decayed, no permit shall be granted that would allow such structure to exceed the applicable height limit or otherwise deviate from the zoning regulations.

SECTION 4: Enforcement and Penalties.

The penalties and enforcement provisions set forth in Chapter 29.74 of the Clark County Code shall govern the provisions of this Chapter.

SECTION 5: If any section of this Ordinance or portion thereof is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such holding shall not invalidate the remaining portions of this Ordinance.

SECTION 6: All Ordinances, parts of ordinances, chapters, sections, subsections, clauses, phrases or sentences contained in the Clark County Code in conflict herewith are hereby repealed.

SECTION 7: This Ordinance shall take effect and be in force from and after its passage and publication thereof by title only, together

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with the names of the County Commissioners voting for or against the passage, in a newspaper published in and having a general circulation in Clark County, Nevada, at least once a week for a period of two (2) weeks.

PROPOSED ON THE 16th DAY OF December, 19 80

PROPOSED BY: Thalia Dondero

PASSED ON THE 20th DAY OF January, 19 81

YOTE: AYES Robert M. Broadbent
David Canter
Manuel Cortez
Thalia Dondero
Jack R. Petitti
Richard J. Ronzone

NAYS None

ABSTAINING None

ABSENT Woodrow Wilson

BOARD OF COUNTY COMMISSIONERS
 CLARK COUNTY, NEVADA

BY: Manuel Cortez
 Chairman, MANUEL CORTEZ

ATTEST:

Loretta Bowman
 LORETTA BOWMAN, County Clerk

This Ordinance shall be in force and effect from and after the 3rd
 day of February, 1981.

CLARK COUNTY NEVADA
 JEAN L. SWIFT, RECORDER
 RECORDED AT REQUEST OF
 CLARK COUNTY CLERK

FEB 5 10 09 AM '81

Manuel Cortez
 Chairman, MANUEL CORTEZ

APPROVED AS TO FORM:
 ROBERT J. MILLER, DISTRICT ATTORNEY

BY: Thomas R. Severns
 Deputy, THOMAS R. SEVERNS

RETURN TO COUNTY CLERK

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COUNTY CLERK'S OFFICE
 CLERK OF COURT DIVISION
 CLARK COUNTY PLAZA - 11th FLOOR
 LAS VEGAS, NEVADA

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Exhibit 189

From: Robert Summerfield <rsummerfield@LasVegasNevada.GOV>
Date: January 7, 2019 at 5:49:44 PM PST
To: "Frank Pankratz (EHB Companies)" <frank@EHBCompanies.com>
Subject: CLV EOT Question

Frank – I wanted to reach out to you about the question you had for Steve G. in the Planning Office last week regarding an EOT related to SDR-62393. As you know, as a result of Judge Crockett’s order in Case No. A-17-752344-J, the approvals of applications GPA-62387, ZON-62392, and SDR-62393 were “vacated, set aside and shall be void.” Because there are no longer any approvals for the aforementioned applications, there is nothing for the City to extend at this time and we cannot process any application for such an extension.

I hope this answer helps as your team moves forward and please let me know if there is anything else I, or the Department, can help with.

Best – Robert

Robert Summerfield, AICP

Director
Department of Planning | Development Services Center
702-229-4856 | 702-229-6301
333 N. Rancho Dr. | Las Vegas, NV 89101



lasvegasnevada.gov



The city of Las Vegas Department of Planning offices are open Monday – Thursday from 7 AM to 5:30 PM. If you need immediate assistance during our office hours, please contact Administrative Secretary Milagros (Miles) Escuin at 702.229.1014 or mescuin@LasVegasNevada.GOV.

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Exhibit 190

[Bracketed] material is that portion being deleted
Underlined material is that portion being added

BILL NO. 6-20-90-2

SUMMARY - An Ordinance to amend Chapter 29.50 to enlarge the area included within the regulations governing airport airspace zoning and height restrictions and to adopt new airport airspace zoning maps for McCarran International Airport, North Las Vegas Airport, Overton Airport and Jean Airport.

ORDINANCE NO. 1221
(of Clark County, Nevada)

AN ORDINANCE TO AMEND TITLE 29, CHAPTER 29.50, PUBLIC USE AIRPORT HEIGHT ZONING RESTRICTIONS BY ADOPTING SPECIFIC AIRSPACE ZONING MAPS FOR MCCARRAN INTERNATIONAL, NORTH LAS VEGAS, OVERTON AND THE JEAN AIRPORTS, TO PROVIDE THAT NOTICE MUST BE GIVEN TO THE FAA PRIOR TO CONSTRUCTION WITHIN THE PROVIDED HEIGHT STANDARDS, TO MODIFY THE LANGUAGE PROVIDING FOR VARIANCE PROCEDURES AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF CLARK,
STATE OF NEVADA, DOES HEREBY ORDAIN AS FOLLOWS:

29.50.010 Definitions. As used in this chapter, unless the context otherwise requires or the definition is inconsistent with a definition by the Federal Aviation Administration:

(1) "Public use airport" means any of the following airports in Clark County, Nevada: McCarran International Airport, Overton Airport, Searchlight Airport, Jean Airport, No. Las Vegas Airport, Boulder City Airport, Echo Bay Airport, Henderson Sky Harbor Airport, Three Corners Airport, Hidden Hills Airport.

(2) "Airport elevations" mean the highest point of an airport's usable landing area measured in feet above mean sea level.

(3) "Approach surface" means a surface longitudinally centered on the extended runway centerline, extending outward and

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Shirley A. Ruggieri
CLERK

Nov 2 '00

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upward from the end of the primary surface and at the same slope as approach zone height limitation slope set forth in Section 29.50.030. In plan, the perimeter of the approach surface coincides with the perimeter of the approach zone.

(4) "Approach, transitional, horizontal, and conical zones" are as set forth in Section 29.50.020.

(5) "Conical Surface" means a surface extending outward and upward from the periphery of the horizontal surface at a slope of 20:1 for a horizontal distance of four thousand feet.]

[(6)] [3] "Hazard to air navigation" means an obstruction determined to have a substantial adverse effect on the safe and efficient utilization of navigable airspace.

[(7)] [4] "Height." For the purpose of determining the height limits in all zones set forth in this chapter and/or shown on an airspace zoning map, the datum shall be mean sea level elevation unless otherwise specified.

[(8) "Horizontal surface" means a horizontal plane one hundred fifty feet above the established airport elevation, the perimeter of which in plan coincides with the perimeter of the horizontal zone.

(9) "Larger than utility runway" means a runway that is constructed for and intended to be used by propeller driven aircraft of greater than twelve thousand five hundred pounds maximum gross weight and jet power aircraft.]

[(10)] [5] "Nonconforming use" means any pre-existing structure or use of land which is inconsistent with the provisions of this chapter or an amendment thereto.

[(11) "Nonprecision instrument runway" means a runway having an existing instrument approach procedure utilizing air navigation facilities with only horizontal guidance, or area type navigation equipment, for which a straight-in nonprecision instrument approach procedure has been approved or planned.]

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[(12)] (6) "Obstruction" means any structure, growth, or other object, including a mobile object, which exceeds a limiting height set forth in Section 29.50.030.

[(13)] (7) "Person" means an individual, firm, partnership, corporation, company, association, joint stock association, or governmental entity; includes a trustee, a receiver, an assignee, or a similar representative of any of them.

[(14)] "Precision instrument runway" means a runway having an existing instrument approach procedure utilizing an instrument landing system (ILS) or a precision approach radar (PAR). It also means a runway for which a precision approach system is planned and is so indicated on the Official Airport Airspace Zoning Maps.

(15) "Primary surface" means a surface longitudinally centered on a runway. When the runway has a specially prepared hard surface, the primary surface extends 200 feet beyond each end of that runway, when the runway has no specially prepared hard surface or planned hard surface, the primary surface ends at each end of that runway. The width of the primary surface varies with the type of runway and its approach and is set forth in Section 29.50.020. The elevation of any point on the primary surface is the same as the elevation of the nearest point on the runway centerline.]

[(16)] (8) "Runway" means a defined area on an airport prepared for landing and takeoff of aircraft along its length.

(9) "Runway Protection Zone" (formerly "Runway Clear Zone") means a trapezoidal area at ground level, for the purpose of protecting the safety of approaches and keeping the area clear of the congregation of people.

[(18)] (10) "Structure" means an object, including a mobile object, constructed or installed by man, including but without limitation, buildings, towers, cranes, smokestacks, earth

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formation, signs and overhead transmission lines.

[(19) "Transitional surfaces" mean surfaces which extend outward at ninety degree angles to the runway centerline, and the runway centerline extended at a slope of seven feet horizontally for each foot vertically from the sides of the primary and approach surfaces to where they intersect the horizontal and conical surfaces. Transitional surfaces for those portions of the precision approach surfaces, which project through and beyond the limits of the conical surface, extend a distance of five thousand feet measured horizontally from the edge of the approach surface and at ninety degree angles to the extended runway centerline.]

[(20)] [(11) "Tree" means any object of natural growth.

[(21) "Utility runway" means a runway that is constructed for and intended to be used by propeller driven aircraft of twelve thousand five hundred pounds maximum gross weight and less.

(22) "Visual runway" means a runway intended solely for the operation of aircraft using visual approach procedures. (Ord. 728 & 3 (part), 1981)]

29.50.020 Airport zones. In order to carry out the provisions of this chapter, there are created and established certain zones which include all of the airspace above the height of thirty-five feet above the surface of the land, lying beneath the approach surfaces, transitional surfaces, horizontal surfaces, and conical surfaces, as they apply to the portions of any public use airport lying within the jurisdiction of Clark County, Nevada. Such zones for [McCarran International Airport] each public use airport are shown on the [McCarran International] Official Airport Airspace Zoning Map [consisting of three sheets, prepared by the Clark County Airport Engineering Department dated September 10, 1979,] for each public use airport as adopted by specific map as put forth in §29.50.050. [a copy of which is

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on file at the county clerk's office and which is hereby incorporated by reference and made a part hereof.] An area located in more than one of the [following] airport zones is considered to be only in the zone with the more restrictive height limitations.

[(A) Runway Approach Zones.

(1) McCarran International Airport

(a) Utility Runway Visual Approach Zone

Runways 19R, 01L. The inner edge of this approach zone coincides with the width of the primary surface and is two hundred fifty feet wide. The approach zone expands outward uniformly to a width of one thousand two hundred fifty feet at a horizontal distance of five thousand feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

(b) Runway Larger than Utility Visual Approach Zones - Runways 01L, 07L, 07R. The inner edge of this approach zone coincides with the width of the primary surface and is one thousand feet wide. The approach zone expands outward uniformly to a width of one thousand five hundred feet at a horizontal distance of five thousand feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

(c) Precision Instrument Runway Approach Zones
Runways 19L, 25R, 25L. The inner edge of this approach zone coincides with the width of the primary surface and is one thousand feet wide. The approach zone expands outward uniformly to a width of sixteen thousand feet at a horizontal distance of fifty thousand feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

(2) All Other Public Use Airports

(a) Utility Runway Visual Approach Zone. The inner edge of this approach zone coincides with the width of the primary surface two hundred fifty feet wide. The approach zone expands outward uniformly to a width of one thousand two hundred

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fifty feet at a horizontal distance of five thousand feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

(b) Utility Runway Nonprecision Instrument Approach Zone. The inner edge of this approach zone coincides with the width of the primary surface and is five hundred feet wide. The approach zone expands outward uniformly to a width of two thousand feet at a horizontal distance five thousand feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

(c) Runway Larger than Utility Visual Approach Zone. The inner edge of this approach zone coincides with the width of the primary surface and is five hundred feet wide. The approach zone expands outward uniformly to a width of one thousand five hundred feet at a horizontal distance of five thousand feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

(d) Runway Larger than Utility with a Visibility minimum Greater than Three-fourths Mile Nonprecision Instrument approach Zone. The inner edge of this approach zone coincides with the width of the primary surface and is five hundred feet wide. The approach zone expands outward uniformly to a width of three thousand five hundred feet at a horizontal distance of ten thousand feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

(e) Runway Larger than Utility with a Visibility Minimum as Low as Three-fourths Mile Nonprecision Instrument Approach Zone. The inner edge of this approach zone coincides with the width of the primary surface and is one thousand feet wide. The approach zone expands outward uniformly to a width of four thousand feet at a horizontal distance of ten thousand from the primary surface. Its centerline is the continuation of the

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centerline of the runway.

(f) Precision Instrument Runway Approach Zone. The inner edge of this approach zone coincides with the width of the primary surface and is one thousand feet wide. The approach zone expands outward uniformly to a width of sixteen thousand feet at a horizontal distance of fifty thousand feet from the primary surface. Its centerline is the continuation of the centerline of the runway.

(B) Transition Zones. Transition zones are established adjacent to each runway and approach zone and are the areas beneath the transitional surfaces. Transition zones extend outward from the primary surface and shall slope upward and outward one foot vertically for each seven feet horizontally to the point where they intersect the surface of the horizontal zone. Transition zones are also established adjacent to approach zones for the entire length of the approach zones. Such transition zones flare symmetrically with either side of the runway approach zones from the base of such zones, and slope upward and outward at the rate of one foot vertically for each seven feet horizontally to the points where they intersect the surface of the horizontal and conical zones. Transition zones are also established adjacent to a precision instrument approach zone where it projects through and beyond the limits of the conical zone, extending a distance of five thousand feet measured horizontally from the edge of the instrument approach zone at right angles to the runway centerline.

(C) Horizontal Zone. The horizontal zone is the area beneath the horizontal surface and is established by swinging arcs of five thousand feet radii for all runways designated utility or visual and ten thousand feet radii for all others from the center of each end of the primary surface of each runway and connecting the adjacent arcs by drawing lines tangent to those arcs.

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(D) Conical Zone. The conical zone lies beneath the conical surface established as the area commencing at the periphery of the horizontal zone and extending upward one foot in height for every twenty feet of horizontal distance outward therefore for a distance of four thousand feet to a height of three hundred and fifty (350) feet above the airport elevation. The conical zone does not include the instrument approach zones or transition zones. (Ord. 728 & 3 (part), 1980)]

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the various height zones shall be subject to the property owner's signing an aviation easement. [Such applicable height limitations are established for each of the zones in question as follows:

(A) Runway Approach Zones.

(1) McCarran International Airport.

(a) Utility Runway Visual Approach Zone - Runways 19R, 01L. Slopes twenty feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of five thousand feet along the extended runway centerline.

(b) Runway Larger than Utility Visual Approach Zones - Runways 01R, 07L, 07R. Slopes twenty feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of five thousand feet along the extended runway centerline.

(c) Precision Instrument Runway Approach Zones Runway 19L, 25R, 25L. Slopes fifty feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of ten thousand feet along the extended runway centerline; thence slopes upward forty feet horizontally for each foot vertically to an additional horizontal distance of forty thousand feet along the extended runway centerline.

(2) All Other Public Use Airports.

(a) Utility Runway Visual Approach Zone. Slopes twenty feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of five thousand feet along the extended runway centerline.

(b) Utility Runway Nonprecision Instrument approach Zone. Slopes twenty feet outward for each foot upward

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beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of five thousand feet along the extended runway centerline.

(c) Runway Larger than Utility Visual Approach Zone. Slopes twenty feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of five thousand feet along the extended runway centerline.

(d) Runway Larger than Utility with a visibility Minimum Greater than Three-fourths Mile Nonprecision Instrument Approach Zone. Slopes thirty-four feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of ten thousand feet along the extended runway centerline.

(e) Runway Larger than Utility with a Visibility Minimum As Low as Three-fourths Mile Nonprecision Instrument Approach Zone. Slopes thirty-four feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of ten thousand feet along the extended runway centerline.

(f) Precision Instrument Runway Approach Zone. Slopes fifty feet outward for each foot upward beginning at the end of and at the same elevation as the primary surface and extending to a horizontal distance of ten thousand feet along the extended runway centerline; thence slopes upward forty feet horizontally for each foot vertically to an additional horizontal distance of forth thousand feet along the extended runway centerline.

(B) Transition Zones. Slopes one foot vertically for each seven feet horizontally beginning at the sides of and at the same elevation as the primary surface and approach surface, and extending to a height of one hundred fifty feet above the airport

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elevation. In addition to the foregoing, there are established height limits of one foot vertically for each seven feet horizontally beginning at the sides of and the same elevation as all approach zone surfaces for the entire length of all approach zone surfaces and extending upward and outward to the points where they intersect the horizontal and conical surfaces. Where the precision instrument runway approach zone projects beyond the conical zone surface, a height limit of one foot for each seven feet of horizontal distance shall be maintained beginning at the sides of and the same elevation as the approach surface, and extending a horizontal distance of five thousand feet measured at ninety degree angles to the extended runway centerline.

(C) Horizontal Zone. One hundred fifty feet above the established airport elevation.

(D) Conical Zone. One foot vertical height for each twenty feet of horizontal distance beginning at the periphery of the horizontal zone and extending a horizontal distance of four thousand feet to a height of three hundred fifty feet above the airport elevation. (Ord. 72B & 3 (part), 1980)]

29.50.040 Notices of Construction or Alteration.

(A) Any person proposing construction or alteration in the environs of any public use airport or airport operated by the United States Armed Services shall notify the Chief, Air Traffic Division, FAA Regional Office having jurisdiction over the area within which the construction or alteration will be located not less than thirty days before the commencement of the construction or alteration if such construction or alteration exceeds any of the following height standards:

(1) Two hundred (200) feet above the ground level at its site.

(2) The plane of an imaginary surface extending outward and upward at a slope of 100 to 1 for a horizontal distance of

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20,000 feet from the nearest point of the nearest runway of any airport subject to the provisions of this chapter.

(3) For highways, railroads and other traverse ways for mobile objects; if construction or alteration is of greater height than the standards set forth in subparagraphs (1) or (2) hereinbefore after their height has been adjusted upward for the appropriate traverse way as follows:

- (a) For interstate highways: 17 feet
- (b) For any other public roadways: 15 feet
- (c) For any private road: 10 feet or the height of the highest mobile object that would normally traverse the road, whichever is greater.
- (d) For any railroad: 23 feet
- (e) For a waterway or any other unspecified traverse way: the height of the highest mobile object that would normally use the traverse way.

(4) When requested by the FAA, any construction or alteration that would be in an instrument approach area and available information indicates the height might exceed any FAA obstruction standard.

Any notice required by this section shall be on FAA Form 7460-1, available from the regional offices of the Federal Aviation Administration.

(B) Construction or Alteration not requiring notice.
Notice to the FAA is not required for construction or alteration of any of the following:

- (1) Any object that would be shielded by existing structures of a permanent and substantial character or by natural terrain or topographical features of equal or greater height, and would be located in the congested area of a city, town, or settlement where it

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is evident beyond all reasonable doubt that the structure so shielded will not adversely affect safety in air navigation.

- (2) Any antenna structure of 20 feet or less in height except one that would increase the height of another antenna structure.
- (3) Any air navigation facility, airport visual approach or landing aid, aircraft arresting device, or meteorological device, of a type approved by the Administrator, or an appropriate military service on military airports, the location and height of which is fixed by its functional purpose.
- (4) Any construction or alteration for which notice is required by any other FAA regulation.

29.50.050 Official Airport Airspace Zoning Maps. The following official airport airspace zoning maps for specific public use airports lying within the jurisdiction of Clark County, Nevada, as adopted by ordinance of The Board of Clark County Commissioners, are on file at the office of the County Clerk and hereby incorporated by reference and made a part hereof:

- (A) The McCarran International Airport Official Airspace Zoning Map, consisting of five (5) sheets, prepared by the Clark County Airport Engineering Department dated July 18, 1990 and adopted by Ordinance Number 1221
- (B) The North Las Vegas Air Terminal Official Airspace Zoning Map, consisting of one (1) sheet, prepared by the Clark County Airport Engineering Department dated July 18, 1990 and adopted by Ordinance Number 1221
- (C) The Overton Airport Official Airspace Zoning Map,

consisting of one (1) sheet, prepared by the Clark
County Airport Engineering Department dated July 18, 1990
and adopted by Ordinance Number 1221

- (D) The Jean Airport Official Airspace Zoning Map
consisting of one (1) sheet, prepared by the Clark
County Airport Engineering Department dated July 18, 1990
and adopted by Ordinance Number 1221

29.50.060 Use restrictions. Notwithstanding any other provisions of this chapter, no use may be made of land or water within any zone established by this chapter in such a manner as to create electrical interference with navigation signals or radio communication between the airport and aircraft, make it difficult for pilots to distinguish between airport lights and others, result in glare in the eyes of pilots using the airport, impair visibility in the vicinity of the airport, create bird strike hazards, or otherwise in any way endanger or interfere with the landing, takeoff, or maneuvering of aircraft intending to use the airport. (Ord. 728 & 3 (part), 1980)

29.50.070 Nonconforming uses. (A) Regulations Not Retroactive. The regulations prescribed by this chapter shall not be construed to require the removal, lowering, or other change or alteration of any structure not conforming to the regulations as of the effective date of this chapter, or otherwise interfere with the continuance of a nonconforming use. Nothing contained in this chapter shall require any change in the construction, alteration, or intended use of any structure, the construction or alteration of which was begun prior to the effective date of this chapter, and is diligently prosecuted.

(B) Marking and Lighting. Notwithstanding the preceding provisions of this section, the owner of any existing nonconforming structure may be required to install, operate, and maintain thereon such markers and lights as may be deemed neces-

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sary by the director of aviation to indicate to the operators of aircraft in the vicinity of the airport the presence of such airport obstruction. (Ord. 72B & 3 (part), 1980)

29.50.080 Variances. (A) Future Uses. Any person desiring to erect or increase the height of any structure, or to permit the growth of any tree, or otherwise use his property in a manner which would constitute a violation of these regulations, may apply to the county planning commission for a variance from these regulations. Such variances [will] may be allowed where a literal application or enforcement of these regulations would result in practical difficulty or unnecessary hardship, and the relief granted would not be contrary to the public interest, but would do substantial justice and be in accordance with the spirit of these regulations [and of Chapter 29.66]. Any such variance allowed may be subject to any reasonable conditions that the county planning commission or board of county commissioners may deem necessary to effectuate the purposes of [Chapter 29.66.] Title 29 including, but not limited to, the condition to require the owner of the structure or tree in question to install, operate, and maintain, at the owner's expense, such markings and lights as may be necessary. If deemed proper by the board of county commissioners, this condition may be modified to require the owner to permit the county, at its own expense, to install, operate, and maintain the necessary markings and lights. Variances pursuant to this chapter shall be considered under the procedures put forth under Section 29.66 of this title with the exception that the applicant shall notify the FAA Regional Office of the application prior to the time of submission of the variance application and that the Planning Commissions' action concerning the variance application shall be considered advisory only, with all variances being referred to the Board of County Commissioners for final disposition.

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(B) Existing Uses. No permit shall be granted that would allow the establishment or creation of an obstruction or permit a nonconforming use, structure, or tree to become a greater hazard to air navigation than it was on the effective date of this chapter or any amendments thereto, or than it is when application for a permit is made.

(C) Nonconforming Uses Abandoned or Destroyed. Whenever a nonconforming structure, as set forth in the provisions of Chapter 29.45, has been abandoned or more than fifty percent torn down, physically deteriorated, or decayed, no permit shall be granted that would allow such structure to exceed the applicable height limit or otherwise deviate from the zoning regulations.

SECTION 2. If any section of this ordinance or portion thereof is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such holding shall not invalidate the remaining parts of this ordinance.

SECTION 3. All ordinances, parts of ordinances, chapters, sections, subsections, clauses, phrases or sentences contained in the Clark County Code in conflict herewith are hereby repealed.

SECTION 4. This ordinance shall take effect and be in force from and after its passage and the publication thereof by title only, together with the names of the County Commissioners voting for or against its passage, in a newspaper published in and having a general circulation in Clark County, Nevada, at least once a week for a period of two (2) weeks.

PROPOSED on the 20th day of June, 1990.

PROPOSED BY Manuel J. Cortez & William W. Pearson

PASSED on the 18th day of July, 1990.

VOTE:

AYES: Jay Bingham

Paul J. Christensen

Manuel J. Cortez

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Thalia M. Dondero

Karen Hayes

NAYS: None

ABSTAINING: None

ABSENT: William U. Pearson

Bruce L. Hoodbury

BOARD OF COUNTY COMMISSIONERS
CLARK COUNTY, NEVADA

By

B. J. Wood
Chairman

ATTEST:

Loretta Bowman
LORETTA BOWMAN, County Clerk

This ordinance shall be in force and effect from and after
the 1st day of August, 1990.

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