

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  
Sep 29 2022 08:06 p.m.  
Elizabeth A. Brown  
Clerk of Supreme Court

No. 84640

**AMENDED  
JOINT APPENDIX  
VOLUME 63**

LAW OFFICES OF KERMITT L. WATERS

Kermitt L. Waters, Esq.

Nevada Bar No. 2571

[kermitt@kermittwaters.com](mailto:kermitt@kermittwaters.com)

James J. Leavitt, Esq.

Nevada Bar No. 6032

[jim@kermittwaters.com](mailto:jim@kermittwaters.com)

Michael A. Schneider, Esq.

Nevada Bar No. 8887

[michael@kermittwaters.com](mailto:michael@kermittwaters.com)

Autumn L. Waters, Esq.

Nevada Bar No. 8917

[autumn@kermittwaters.com](mailto:autumn@kermittwaters.com)

704 South Ninth Street

Las Vegas, Nevada 89101

Telephone: (702) 733-8877

*Attorneys for 180 Land Co., LLC and  
Fore Stars, Ltd.*

LAS VEGAS CITY ATTORNEY'S OFFICE

Bryan K. Scott, Esq.

Nevada Bar No. 4381

[bscott@lasvegasnevada.gov](mailto:bscott@lasvegasnevada.gov)

Philip R. Byrnes, Esq.

[pbyrnes@lasvegasnevada.gov](mailto:pbyrnes@lasvegasnevada.gov)

Nevada Bar No. 166

Rebecca Wolfson, Esq.

[rwolfson@lasvegasnevada.gov](mailto:rwolfson@lasvegasnevada.gov)

Nevada Bar No. 14132

495 S. Main Street, 6th Floor

Las Vegas, Nevada 89101

Telephone: (702) 229-6629

*Attorneys for City of Las Vegas*

CLAGGETT & SYKES LAW FIRM

Micah S. Echols, Esq.

Nevada Bar No. 8437

[micah@claggettlaw.com](mailto:micah@claggettlaw.com)

4101 Meadows Lane, Suite 100

Las Vegas, Nevada 89107

(702) 655-2346 – Telephone

*Attorneys for 180 Land Co., LLC and  
Fore Stars, Ltd.*

McDONALD CARANO LLP

George F. Ogilvie III, Esq.

Nevada Bar No. 3552

[gogilvie@mcdonaldcarano.com](mailto:gogilvie@mcdonaldcarano.com)

Amanda C. Yen, Esq.

[ayen@mcdonaldcarano.com](mailto:ayen@mcdonaldcarano.com)

Nevada Bar No. 9726

Christopher Molina, Esq.

[cmolina@mcdonaldcarano.com](mailto:cmolina@mcdonaldcarano.com)

Nevada Bar No. 14092

2300 W. Sahara Ave., Ste. 1200

Las Vegas, Nevada 89102

Telephone: (702)873-4100

LEONARD LAW, PC

Debbie Leonard, Esq.

[debbie@leonardlawpc.com](mailto:debbie@leonardlawpc.com)

Nevada Bar No. 8260

955 S. Virginia Street Ste. 220

Reno, Nevada 89502

Telephone: (775) 964.4656

SHUTE, MIHALY & WEINBERGER, LLP

Andrew W. Schwartz, Esq.

[schwartz@smwlaw.com](mailto:schwartz@smwlaw.com)

California Bar No. 87699

(admitted pro hac vice)

Lauren M. Tarpey, Esq.

[ltarpey@smwlaw.com](mailto:ltarpey@smwlaw.com)

California Bar No. 321775

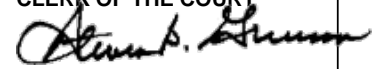
(admitted pro hac vice)

396 Hayes Street

San Francisco, California 94102

Telephone: (415) 552-7272

*Attorneys for City of Las Vegas*



**APEN**  
Bryan K. Scott (NV Bar No. 4381)  
Philip R. Byrnes (NV Bar No. 166)  
Rebecca Wolfson (NV Bar No. 14132)  
LAS VEGAS CITY ATTORNEY'S OFFICE  
495 South Main Street, 6th Floor  
Las Vegas, Nevada 89101  
Telephone: (702) 229-6629  
Facsimile: (702) 386-1749  
bscott@lasvegasnevada.gov  
pbyrnes@lasvegasnevada.gov  
rwolfson@lasvegasnevada.gov

(Additional Counsel Identified on Signature Page)

*Attorneys for City of Las Vegas*

**DISTRICT COURT  
CLARK COUNTY, NEVADA**

180 LAND CO LLC, a Nevada limited liability company, FORE STARS, LTD., a Nevada limited liability company and SEVENTY ACRES, LLC, a Nevada limited liability company, DOE INDIVIDUALS I-X, DOE CORPORATIONS I-X, and DOE LIMITED LIABILITY COMPANIES I-X,

Plaintiffs,

v.

CITY OF LAS VEGAS, a political subdivision of the State of Nevada; ROE GOVERNMENT ENTITIES I-X; ROE CORPORATIONS I-X; ROE INDIVIDUALS I-X; ROE LIMITED-LIABILITY COMPANIES I-X; ROE QUASI-GOVERNMENTAL ENTITIES I-X,

Defendants.

CASE NO.: A-17-758528-J

DEPT. NO.: XVI

**APPENDIX OF EXHIBITS IN  
SUPPORT OF CITY'S OPPOSITION  
TO PLAINTIFF'S MOTION TO  
DETERMINE TAKE AND FOR  
SUMMARY JUDGMENT ON THE  
FIRST, THIRD, AND FOURTH  
CLAIMS FOR RELIEF AND  
COUNTERMOTION FOR SUMMARY  
JUDGMENT**

**VOLUME 7**

The City of Las Vegas ("City") submits this Appendix of Exhibits in Support of the City's Opposition to Plaintiff's Motion to Determine Take and For Summary Judgment on the First, Third, and Fourth Claims for Relief and its Countermotion for Summary Judgment.

Exhibit	Exhibit Description	Vol.	Bates No.
A	City records regarding Ordinance No. 2136 (Annexing 2,246 acres to the City of Las Vegas)	1	0001-0011
B	City records regarding Peccole Land Use Plan and Z-34-81 rezoning application	1	0012-0030

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Exhibit	Exhibit Description	Vol.	Bates No.
C	City records regarding Venetian Foothills Master Plan and Z-30-86 rezoning application	1	0031-0050
D	Excerpts of the 1985 City of Las Vegas General Plan	1	0051-0061
E	City records regarding Peccole Ranch Master Plan and Z-139-88 phase I rezoning application	1	0062-0106
F	City records regarding Z-40-89 rezoning application	1	0107-0113
G	Ordinance No. 3472 and related records	1	0114-0137
H	City records regarding Amendment to Peccole Ranch Master Plan and Z-17-90 phase II rezoning application	1	0138-0194
I	Excerpts of 1992 City of Las Vegas General Plan	2	0195-0248
J	City records related to Badlands Golf Course expansion	2	0249-0254
K	Excerpt of land use case files for GPA-24-98 and GPA-6199	2	0255-0257
L	Ordinance No. 5250 and Excerpts of Las Vegas 2020 Master Plan	2	0258-0273
M	Miscellaneous Southwest Sector Land Use Maps from 2002-2005	2	0274-0277
N	Ordinance No. 5787 and Excerpts of 2005 Land Use Element	2	0278-0291
O	Ordinance No. 6056 and Excerpts of 2009 Land Use & Rural Neighborhoods Preservation Element	2	0292-0301
P	Ordinance No. 6152 and Excerpts of 2012 Land Use & Rural Neighborhoods Preservation Element	2	0302-0317
Q	Ordinance No. 6622 and Excerpts of 2018 Land Use & Rural Neighborhoods Preservation Element	2	0318-0332
R	Ordinance No. 1582	2	0333-0339
S	Ordinance No. 4073 and Excerpt of the 1997 City of Las Vegas Zoning Code	2	0340-0341
T	Ordinance No. 5353	2	0342-0361
U	Ordinance No. 6135 and Excerpts of City of Las Vegas Unified Development Code adopted March 16, 2011	2	0362-0364
V	Deeds transferring ownership of the Badlands Golf Course	2	0365-0377
W	Third Revised Justification Letter regarding the Major Modification to the 1990 Conceptual Peccole Ranch Master Plan	2	0378-0381
X	Parcel maps recorded by the Developer subdividing the Badlands Golf Course	3	0382-0410
Y	EHB Companies promotional materials	3	0411-0445
Z	General Plan Amendment (GPA-62387), Rezoning (ZON-62392) and Site Development Plan Review (SDR-62393) applications	3	0446-0466
AA	Staff Report regarding 17-Acre Applications	3	0467-0482



Exhibit	Exhibit Description	Vol.	Bates No.
BB	Major Modification (MOD-63600), Rezoning (ZON-63601), General Plan Amendment (GPA-63599), and Development Agreement (DIR-63602) applications	3	0483-0582
CC	Letter requesting withdrawal of MOD-63600, GPA-63599, ZON-63601, DIR-63602 applications	4	0583
DD	Transcript of February 15, 2017 City Council meeting	4	0584-0597
EE	Judge Crockett's March 5, 2018 order granting Queensridge homeowners' petition for judicial review, Case No. A-17-752344-J	4	0598-0611
FF	Docket for NSC Case No. 75481	4	0612-0623
GG	Complaint filed by Fore Stars Ltd. and Seventy Acres LLC, Case No. A-18-773268-C	4	0624-0643
HH	General Plan Amendment (GPA-68385), Site Development Plan Review (SDR-68481), Tentative Map (TMP-68482), and Waiver (68480) applications	4	0644-0671
II	June 21, 2017 City Council meeting minutes and transcript excerpt regarding GPA-68385, SDR-68481, TMP-68482, and 68480.	4	0672-0679
JJ	Docket for Case No. A-17-758528-J	4	0680-0768
KK	Judge Williams' Findings of Fact and Conclusions of Law, Case No. A-17-758528-J	5	0769-0793
LL	Development Agreement (DIR-70539) application	5	0794-0879
MM	August 2, 2017 City Council minutes regarding DIR-70539	5	0880-0882
NN	Judge Sturman's February 15, 2019 minute order granting City's motion to dismiss, Case No. A-18-775804-J	5	0883
OO	Excerpts of August 2, 2017 City Council meeting transcript	5	0884-0932
PP	Final maps for Amended Peccole West and Peccole West Lot 10	5	0933-0941
QQ	Excerpt of the 1983 Edition of the Las Vegas Municipal Code	5	0942-0951
RR	Ordinance No. 2185	5	0952-0956
SS	1990 aerial photograph identifying Phase I and Phase II boundaries, produced by the City's Planning & Development Department, Office of Geographic Information Systems (GIS)	5	0957
TT	1996 aerial photograph identifying Phase I and Phase II boundaries, produced by the City's Planning & Development Department, Office of Geographic Information Systems (GIS)	5	0958
UU	1998 aerial photograph identifying Phase I and Phase II boundaries, produced by the City's Planning & Development Department, Office of Geographic Information Systems (GIS)	5	0959

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Exhibit	Exhibit Description	Vol.	Bates No.
VV	2015 aerial photograph identifying Phase I and Phase II boundaries, retail development, hotel/casino, and Developer projects, produced by the City's Planning & Development Department, Office of Geographic Information Systems (GIS)	5	0960
WW	2015 aerial photograph identifying Phase I and Phase II boundaries, produced by the City's Planning & Development Department, Office of Geographic Information Systems (GIS)	5	0961
XX	2019 aerial photograph identifying Phase I and Phase II boundaries, and current assessor parcel numbers for the Badlands property, produced by the City's Planning & Development Department, Office of Geographic Information Systems (GIS)	5	0962
YY	2019 aerial photograph identifying Phase I and Phase II boundaries, and areas subject to inverse condemnation litigation, produced by the City's Planning & Development Department, Office of Geographic Information Systems (GIS)	5	0963
ZZ	2019 aerial photograph identifying areas subject to proposed development agreement (DIR-70539), produced by the City's Planning & Development Department, Office of Geographic Information Systems (GIS)	5	0964
AAA	Membership Interest Purchase and Sale Agreement	6	0965-0981
BBB	Transcript of May 16, 2018 City Council meeting	6	0982-0998
CCC	City of Las Vegas' Amicus Curiae Brief, <i>Seventy Acres, LLC v. Binion</i> , Nevada Supreme Court Case No. 75481	6	0999-1009
DDD	Nevada Supreme Court March 5, 2020 Order of Reversal, <i>Seventy Acres, LLC v. Binion</i> , Nevada Supreme Court Case No. 75481	6	1010-1016
EEE	Nevada Supreme Court August 24, 2020 Remittitur, <i>Seventy Acres, LLC v. Binion</i> , Nevada Supreme Court Case No. 75481	6	1017-1018
FFF	March 26, 2020 Letter from City of Las Vegas Office of the City Attorney to Counsel for the Developer Re: Entitlements on 17 Acres	6	1019-1020
GGG	September 1, 2020 Letter from City of Las Vegas Office of the City Attorney to Counsel for the Developer Re: Final Entitlements for 435-Unit Housing Development Project in Badlands	6	1021-1026
HHH	Complaint Pursuant to 42 U.S.C. § 1983, <i>180 Land Co. LLC et al. v. City of Las Vegas, et al.</i> , 18-cv-00547 (2018)	6	1027-1122
III	9th Circuit Order in <i>180 Land Co. LLC; et al v. City of Las Vegas, et al.</i> , 18-cv-0547 (Oct. 19, 2020)	6	1123-1127
JJJ	Plaintiff Landowners' Second Supplement to Initial Disclosures Pursuant to NRCP 16.1 in 65-Acre case	6	1128-1137
LLL	Bill No. 2019-48: Ordinance No. 6720	7	1138-1142

Exhibit	Exhibit Description	Vol.	Bates No.
MMM	Bill No. 2019-51: Ordinance No. 6722	7	1143-1150
NNN	March 26, 2020 Letter from City of Las Vegas Office of the City Attorney to Counsel for the Developer Re: Entitlement Requests for 65 Acres	7	1151-1152
OOO	March 26, 2020 Letter from City of Las Vegas Office of the City Attorney to Counsel for the Developer Re: Entitlement Requests for 133 Acres	7	1153-1155
PPP	April 15, 2020 Letter from City of Las Vegas Office of the City Attorney to Counsel for the Developer Re: Entitlement Requests for 35 Acres	7	1156-1157
QQQ	Valbridge Property Advisors, Lubawy & Associates Inc., Appraisal Report (Aug. 26, 2015)	7	1158-1247
RRR	Notice of Entry of Order Adopting the Order of the Nevada Supreme Court and Denying Petition for Judicial Review	7	1248-1281
SSS	Letters from City of Las Vegas Approval Letters for 17-Acre Property (Feb. 16, 2017)	8	1282-1287
TTT	Reply Brief of Appellants 180 Land Co. LLC, Fore Stars, LTD, Seventy Acres LLC, and Yohan Lowie in <i>180 Land Co LLC et al v. City of Las Vegas</i> , Court of Appeals for the Ninth Circuit Case No. 19-16114 (June 23, 2020)	8	1288-1294
UUU	Excerpt of Reporter's Transcript of Hearing on City of Las Vegas' Motion to Compel Discovery Responses, Documents and Damages Calculation and Related Documents on Order Shortening Time in <i>180 Land Co. LLC v. City of Las Vegas</i> , Eighth Judicial District Court Case No. A-17-758528-J (Nov. 17, 2020)	8	1295-1306
VVV	Plaintiff Landowners' Sixteenth Supplement to Initial Disclosures in <i>180 Land Co., LLC v. City of Las Vegas</i> , Eighth Judicial District Court Case No. A-17-758528-J (Nov. 10, 2020)	8	1307-1321
WWW	Excerpt of Transcript of Las Vegas City Council Meeting (Aug. 2, 2017)	8	1322-1371
XXX	Notice of Entry of Findings of Facts and Conclusions of Law on Petition for Judicial Review in <i>180 Land Co. LLC v. City of Las Vegas</i> , Eighth Judicial District Court Case No. A-17-758528-J (Nov. 26, 2018)	8	1372-1399
YYY	Notice of Entry of Order <i>Nunc Pro Tunc</i> Regarding Findings of Fact and Conclusion of Law Entered November 21, 2019 in <i>180 Land Co. LLC v. City of Las Vegas</i> , Eighth Judicial District Court Case No. A-17-758528 (Feb. 6, 2019)	8	1400-1405
ZZZ	City of Las Vegas Agenda Memo – Planning, for City Council Meeting June 21, 2017, Re: GPA-68385, WVR-68480, SDR-68481, and TMP-68482 [PRJ-67184]	8	1406-1432

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Exhibit	Exhibit Description	Vol.	Bates No.
AAAA	Excerpts from the Land Use and Rural Neighborhoods Preservation Element of the City's 2020 Master Plan adopted by the City Council of the City on September 2, 2009	8	1433-1439
BBBB	Summons and Complaint for Declaratory Relief and Injunctive Relief, and Verified Claims in Inverse Condemnation in <i>180 Land Co. LLC v. City of Las Vegas</i> , Eighth Judicial District Court Case No.A-18-780184-C	8	1440-1477
CCCC	Notice of Entry of Findings of Fact and Conclusions of Law Granting City of Las Vegas' Motion for Summary Judgment in <i>180 Land Co. LLC v. City of Las Vegas</i> , Eighth Judicial District Court Case No.A-18-780184-C (Dec. 30, 2020)	8	1478-1515
DDDD	Peter Lowenstein Declaration	9	1516-1522
DDDD-1	Exhibit 1 to Peter Lowenstein Declaration: Diagram of Existing Access Points	9	1523-1526
DDDD-2	Exhibit 2 to Peter Lowenstein Declaration: July 5, 2017 Email from Mark Colloton	9	1527-1531
DDDD-3	Exhibit 3 to Peter Lowenstein Declaration: June 28, 2017 Permit application	9	1532-1533
DDDD-4	Exhibit 4 to Peter Lowenstein Declaration: June 29, 2017 Email from Mark Colloton re Rampart and Hualapai	9	1534-1536
DDDD-5	Exhibit 5 to Peter Lowenstein Declaration: August 24, 2017 Letter from City Department of Planning	9	1537
DDDD-6	Exhibit 6 to Peter Lowenstein Declaration: July 26, 2017 Email from Peter Lowenstein re Wall Fence	9	1538
DDDD-7	Exhibit 7 to Peter Lowenstein Declaration: August 10, 2017 Application for Walls, Fences, or Retaining Walls; related materials	9	1539-1546
DDDD-8	Exhibit 8 to Peter Lowenstein Declaration: August 24, 2017 Email from Steve Gebeke	9	1547-1553
DDDD-9	Exhibit 9 to Peter Lowenstein Declaration: Bill No. 2018-24	9	1554-1569
DDDD-10	Exhibit 10 to Peter Lowenstein Declaration: Las Vegas City Council Ordinance No. 6056 and excerpts from Land Use & Rural Neighborhoods Preservation Element	9	1570-1577
DDDD-11	Exhibit 11 to Peter Lowenstein Declaration: documents submitted to Las Vegas Planning Commission by Jim Jimmerson at February 14, 2017 Planning Commission meeting	9	1578-1587
EEEE	GPA-72220 application form	9	1588-1590
FFFF	Chris Molina Declaration	9	1591-1605
FFFF-1	Fully Executed Copy of Membership Interest Purchase and Sale Agreement for Fore Stars Ltd.	9	1606-1622

Exhibit	Exhibit Description	Vol.	Bates No.
FFFF-2	Summary of Communications between Developer and Peccole family regarding acquisition of Badlands Property	9	1623-1629
FFFF-3	Reference map of properties involved in transactions between Developer and Peccole family	9	1630
FFFF-4	Excerpt of appraisal for One Queensridge place dated October 13, 2005	9	1631-1632
FFFF-5	Site Plan Approval for One Queensridge Place (SDR-4206)	9	1633-1636
FFFF-6	Securities Redemption Agreement dated September 14, 2005	9	1637-1654
FFFF-7	Securities Purchase Agreement dated September 14, 2005	9	1655-1692
FFFF-8	Badlands Golf Course Clubhouse Improvement Agreement dated September 6, 2005	9	1693-1730
FFFF-9	Settlement Agreement and Mutual Release dated June 28, 2013	10	1731-1782
FFFF-10	June 12, 2014 emails and Letter of Intent regarding the Badlands Golf Course	10	1783-1786
FFFF-11	July 25, 2014 email and initial draft of Golf Course Purchase Agreement	10	1787-1813
FFFF-12	August 26, 2014 email from Todd Davis and revised purchase agreement	10	1814-1843
FFFF-13	August 27, 2014 email from Billy Bayne regarding purchase agreement	10	1844-1846
FFFF-14	September 15, 2014 email and draft letter to BGC Holdings LLC regarding right of first refusal	10	1847-1848
FFFF-15	November 3, 2014 email regarding BGC Holdings LLC	10	1849-1851
FFFF-16	November 26, 2014 email and initial draft of stock purchase and sale agreement	10	1852-1870
FFFF-17	December 1, 2015 emails regarding stock purchase agreement	10	1871-1872
FFFF-18	December 1, 2015 email and fully executed signature page for stock purchase agreement	10	1873-1874
FFFF-19	December 23, 2014 emails regarding separation of Fore Stars Ltd. and WRL LLC acquisitions into separate agreements	10	1875-1876
FFFF-20	February 19, 2015 emails regarding notes and clarifications to purchase agreement	10	1877-1879
FFFF-21	February 26, 2015 email regarding revised purchase agreements for Fore Stars Ltd. and WRL LLC	10	1880
FFFF-22	February 27, 2015 emails regarding revised purchase agreements for Fore Stars Ltd. and WRL LLC	10	1881-1882
FFFF-23	Fully executed Membership Interest Purchase Agreement for WRL LLC	10	1883-1890

Exhibit	Exhibit Description	Vol.	Bates No.
FFFF-24	June 12, 2015 email regarding clubhouse parcel and recorded parcel map	10	1891-1895
FFFF-25	Quitclaim deed for Clubhouse Parcel from Queensridge Towers LLC to Fore Stars Ltd.	10	1896-1900
FFFF-26	Record of Survey for Hualapai Commons Ltd.	10	1901
FFFF-27	Deed from Hualapai Commons Ltd. to EHC Hualapai LLC	10	1902-1914
FFFF-28	Purchase Agreement between Hualapai Commons Ltd. and EHC Hualapai LLC	10	1915-1931
FFFF-29	City of Las Vegas' First Set of Interrogatories to Plaintiff	10	1932-1945
FFFF-30	Plaintiff 180 Land Company LLC's Responses to City of Las Vegas' First Set of Interrogatories to Plaintiff, 3 <sup>rd</sup> Supplement	10	1946-1973
FFFF-31	City of Las Vegas' Second Set of Requests for Production of Documents to Plaintiff	11	1974-1981
FFFF-32	Plaintiff 180 Land Company LLC's Response to Defendant City of Las Vegas' Second Set of Requests for Production of Documents to Plaintiff	11	1982-1989
FFFF-33	September 14, 2020 Letter to Plaintiff regarding Response to Second Set of Requests for Production of Documents	11	1990-1994
FFFF-34	First Supplement to Plaintiff Landowners Response to Defendant City of Las Vegas' Second Set of Requests for Production of Documents to Plaintiff	11	1995-2002
FFFF-35	Motion to Compel Discovery Responses, Documents and Damages Calculation, and Related Documents on Order Shortening Time	11	2003-2032
FFFF-36	Transcript of November 17, 2020 hearing regarding City's Motion to Compel Discovery Responses, Documents and Damages Calculation, and Related Documents on Order Shortening Time	11	2033-2109
FFFF-37	February 24, 2021 Order Granting in Part and denying in part City's Motion to Compel Discovery Responses, Documents and Damages Calculation, and Related Documents on Order Shortening Time	11	2110-2118
FFFF-38	April 1, 2021 Letter to Plaintiff regarding February 24, 2021 Order	11	2119-2120
FFFF-39	April 6, 2021 email from Elizabeth Ghanem Ham regarding letter dated April 1, 2021	11	2121-2123
FFFF-40	Hydrologic Criteria and Drainage Design Manual, Section 200	11	2124-2142
FFFF-41	Hydrologic Criteria and Drainage Design Manual, Standard Form 1	11	2143
FFFF-42	Hydrologic Criteria and Drainage Design Manual, Standard Form 2	11	2144-2148
FFFF-43	Email correspondence regarding minutes of August 13, 2018 meeting with GCW regarding Technical Drainage Study	11	2149-2152



Exhibit	Exhibit Description	Vol.	Bates No.
FFFF-44	Excerpts from Peccole Ranch Master Plan Phase II regarding drainage and open space	11	2153-2159
FFFF-45	Aerial photos and demonstrative aids showing Badlands open space and drainage system	11	2160-2163
FFFF-46	August 16, 2016 letter from City Streets & Sanitation Manager regarding Badlands Golf Course Drainage Maintenance	11	2164-2166
FFFF-47	Excerpt from EHB Companies promotional materials regarding security concerns and drainage culverts	11	2167
GGGG	Landowners' Reply in Support of Countermotion for Judicial Determination of Liability on the Landowners' Inverse Condemnation Claims Etc. in <i>180 Land Co., LLC v. City of Las Vegas</i> , Eighth Judicial District Court Case No. A-17-758528-J (March 21, 2019)	11	2168-2178
HHHH	State of Nevada State Board of Equalization Notice of Decision, <i>In the Matter of Fore Star Ltd., et al.</i> (Nov. 30, 2017)	11	2179-2183
IIII	Clark County Real Property Tax Values	11	2184-2199
JJJJ	Clark County Tax Assessor's Property Account Inquiry - Summary Screen	11	2200-2201
KKKK	February 22, 2017 Clark County Assessor Letter to 180 Land Co. LLC, re Assessor's Golf Course Assessment	11	2202
LLLL	Petitioner's Opening Brief, <i>In the matter of 180 Land Co. LLC</i> (Aug. 29, 2017), State Board of Equalization	12	2203-2240
MMMM	September 21, 2017 Clark County Assessor Stipulation for the State Board of Equalization	12	2241
NNNN	Excerpt of Reporter's Transcript of Hearing in <i>180 Land Co. v. City of Las Vegas</i> , Eighth Judicial District Court Case No. A-17-758528-J (Feb. 16, 2021)	12	2242-2293
OOOO	June 28, 2016 Letter from Mark Colloton re: Reasons for Access Points Off Hualapai Way and Rampart Blvd.	12	2294-2299
PPPP	Transcript of City Council Meeting (May 16, 2018)	12	2300-2375
QQQQ	Supplemental Declaration of Seth T. Floyd	13	2376-2379
QQQQ-1	1981 Peccole Property Land Use Plan	13	2380
QQQQ-2	1985 Las Vegas General Plan	13	2381-2462
QQQQ-3	1975 General Plan	13	2463-2558
QQQQ-4	Planning Commission meeting records regarding 1985 General Plan	14	2559-2786
QQQQ-5	1986 Venetian Foothills Master Plan	14	2787
QQQQ-6	1989 Peccole Ranch Master Plan	14	2788
QQQQ-7	1990 Master Development Plan Amendment	14	2789
QQQQ-8	Citizen's Advisory Committee records regarding 1992 General Plan	14	2790-2807

Exhibit	Exhibit Description	Vol.	Bates No.
QQQQ-9	1992 Las Vegas General Plan	15-16	2808-3257
QQQQ-10	1992 Southwest Sector Map	17	3258
QQQQ-11	Ordinance No. 5250 (Adopting 2020 Master Plan)	17	3259-3266
QQQQ-12	Las Vegas 2020 Master Plan	17	3267-3349
QQQQ-13	Ordinance No. 5787 (Adopting 2005 Land Use Element)	17	3350-3416
QQQQ-14	2005 Land Use Element	17	3417-3474
QQQQ-15	Ordinance No. 6056 (Adopting 2009 Land Use and Rural Neighborhoods Preservation Element)	17	3475-3479
QQQQ-16	2009 Land Use and Rural Neighborhoods Preservation Element	18	3480-3579
QQQQ-17	Ordinance No. 6152 (Adopting revisions to 2009 Land Use and Rural Neighborhoods Preservation Element)	18	3580-3589
QQQQ-18	Ordinance No. 6622 (Adopting 2018 Land Use and Rural Neighborhoods Preservation Element)	18	3590-3600
QQQQ-19	2018 Land Use & Rural Neighborhoods Preservation Element	18	3601-3700

DATED this 25<sup>th</sup> day of August 2021.

McDONALD CARANO LLP

By: /s/ George F. Ogilvie III  
 George F. Ogilvie III (NV Bar No. 3552)  
 Christopher Molina (NV Bar No. 14092)  
 2300 W. Sahara Avenue, Suite 1200  
 Las Vegas, Nevada 89102

LAS VEGAS CITY ATTORNEY'S OFFICE  
 Bryan K. Scott (NV Bar No. 4381)  
 Philip R. Byrnes (NV Bar No. 166)  
 Rebecca Wolfson (NV Bar No. 14132)  
 495 South Main Street, 6th Floor  
 Las Vegas, Nevada 89101

SHUTE, MIHALY & WEINBERGER, LLP  
 Andrew W. Schwartz (CA Bar No. 87699)  
 (Admitted *pro hac vice*)  
 Lauren M. Tarpey (CA Bar No. 321775)  
 (Admitted *pro hac vice*)  
 396 Hayes Street  
 San Francisco, California 94102

*Attorneys for City of Las Vegas*



**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I am an employee of McDonald Carano LLP, and that on the 25<sup>th</sup> day of August, 2020, I caused a true and correct copy of the foregoing **APPENDIX OF EXHIBITS IN SUPPORT OF CITY’S OPPOSITION TO PLAINTIFF’S MOTION TO DETERMINE TAKE AND FOR SUMMARY JUDGMENT ON THE FIRST, THIRD, AND FOURTH CLAIMS FOR RELIEF AND COUNTERMOTION FOR SUMMARY JUDGMENT – VOLUME 7** to be electronically served with the Clerk of the Court via the Clark County District Court Electronic Filing Program which will provide copies to all counsel of record registered to receive such electronic notification.

/s/ Jelena Jovanovic  
An employee of McDonald Carano LLP

# **EXHIBIT “LLL”**

S.V.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

**BILL NO. 2019-48**

**ORDINANCE NO. 6720**

AN ORDINANCE TO REPEAL LVMC 19.16.105, PERTAINING TO THE REPURPOSING OF CERTAIN GOLF COURSES AND OPEN SPACES, AND TO PROVIDE FOR OTHER RELATED MATTERS.

Sponsored by: Councilwoman Victoria Seaman	Summary: Repeals LVMC 19.16.105, pertaining to the repurposing of certain golf courses and open spaces.
--	---

THE CITY COUNCIL OF THE CITY OF LAS VEGAS DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1: Ordinance No. 6289 and the Unified Development Code adopted as Title 19 of the Municipal Code of the City of Las Vegas, Nevada, 1983 Edition, are hereby amended as set forth in Section 2 of this Ordinance. The amendment is deemed to be an amendment to both Ordinance No. 6289 and the Unified Development Code adopted as Title 19.

SECTION 2: Title 19, Chapter 16, Section 105, is hereby repealed in its entirety.

SECTION 3: The Department of Planning is authorized and directed to incorporate into the Unified Development Code the amendment set forth in Section 2 of this Ordinance.

SECTION 4: If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this ordinance or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this ordinance or any part thereof. The City Council of the City of Las Vegas hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional, invalid or ineffective.

...  
...  
...  
...

S.V.

1 SECTION 5: All ordinances or parts of ordinances or sections, subsections, phrases,  
2 sentences, clauses or paragraphs contained in the Municipal Code of the City of Las Vegas, Nevada, 1983  
3 Edition, in conflict herewith are hereby repealed.

4 PASSED, ADOPTED and APPROVED this 15<sup>th</sup> day of January, 2020<sup>Tue</sup>.

5 APPROVED:

6 By Carolyn G. Goodman  
7 CAROLYN G. GOODMAN, Mayor

8 ATTEST:

9 Luann D. Holmes  
10 LUANN D. HOLMES, MMC  
City Clerk

11 APPROVED AS TO FORM:

12 Val Steed 11-6-19  
13 Val Steed, Date  
Deputy City Attorney

1 The above and foregoing ordinance was first proposed and read by title to the City Council  
2 on the 20<sup>th</sup> day of November, 2019, and referred to a committee for recommendation;  
3 hereafter the committee reported favorably on said ordinance on the 15<sup>th</sup> day of January,  
4 2020, which as a regular meeting of said Council; that at said regular meeting, the  
5 proposed ordinance was read by title to the City Council and adopted by the following  
6 vote:

7 VOTING "AYE": Mayor Goodman and Councilmembers Fiore, Knudsen, and  
8 Seaman

9 VOTING "NAY": Anthony, Crear and Diaz

10 EXCUSED: None

11 ABSTAINED: None

12

13

14

15

16

17

18 ATTEST:

19   
LUANN D. HOLMES, MMC City Clerk

20

21

22

23

24

25

26

APPROVED:

  
CAROLYN G. GOODMAN, Mayor

AFFIDAVIT OF PUBLICATION

STATE OF NEVADA)  
COUNTY OF CLARK) SS:

RECEIVED  
CITY CLERK

2019 DEC 10 A 11:27

LV CITY CLERK  
495 S MAIN ST  
LAS VEGAS NV 89101

Account # 22515  
Ad Number 0001080913

Leslie McCormick, being 1st duly sworn, deposes and says: That she is the Legal Clerk for the Las Vegas Review-Journal and the Las Vegas Sun, daily newspapers regularly issued, published and circulated in the City of Las Vegas, County of Clark, State of Nevada, and that the advertisement, a true copy attached for, was continuously published in said Las Vegas Review-Journal and / or Las Vegas Sun in 1 edition(s) of said newspaper issued from 12/05/2019 to 12/05/2019, on the following days:

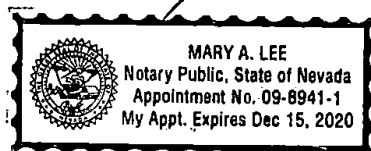
12 / 05 / 19

**BILL NO. 2019-48**  
AN ORDINANCE TO REPEAL LVMC 19.16.105, PERTAINING TO THE REPURPOSING OF CERTAIN GOLF COURSES AND OPEN SPACES, AND TO PROVIDE FOR OTHER RELATED MATTERS.  
Sponsored by:  
Councilwoman Victoria Seaman  
Summary: Repeals LVMC 19.16.105, pertaining to the repurposing of certain golf courses and open spaces.  
At the City Council meeting of  
November 20, 2019  
BILL NO. 2019-48 WAS READ BY TITLE AND REFERRED TO A RECOMMENDING COMMITTEE  
COPIES OF THE COMPLETE ORDINANCE ARE AVAILABLE FOR PUBLIC INFORMATION IN THE OFFICE OF THE CITY CLERK, 2ND FLOOR, 495 SOUTH MAIN STREET, LAS VEGAS, NEVADA  
PUB: Dec. 5, 2019  
LV Review-Journal

*[Signature]*  
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 5th day of December, 2019

Notary *[Signature]*



1141  
CLV65-001340

11255

AFFIDAVIT OF PUBLICATION

STATE OF NEVADA)  
COUNTY OF CLARK) SS:

RECEIVED  
CITY CLERK

2020 JAN 27 A 11: 50

LV CITY CLERK  
495 S MAIN ST  
LAS VEGAS NV 89101

Account # 22515  
Ad Number 0001088192

Leslie McCormick, being 1st duly sworn, deposes and says: That she is the Legal Clerk for the Las Vegas Review-Journal and the Las Vegas Sun, daily newspapers regularly issued, published and circulated in the City of Las Vegas, County of Clark, State of Nevada, and that the advertisement, a true copy attached for, was continuously published in said Las Vegas Review-Journal and / or Las Vegas Sun in 1 edition(s) of said newspaper issued from 01/18/2020 to 01/18/2020, on the following days:

01 / 18 / 20

<b>BILL NO. 2019-48 ORDINANCE NO. 6720</b>
AN ORDINANCE TO REPEAL LVMC 19.16.105, PERTAINING TO THE REPURPOSING OF CERTAIN GOLF COURSES AND OPEN SPACES, AND TO PROVIDE FOR OTHER RELATED MATTERS.
Sponsored by: Councilwoman Victoria Seaman Summary: Repeals LVMC 19.16.105, pertaining to the repurposing of certain golf courses and open spaces.
The above and foregoing ordinance was first proposed and read by title to the City Council on the 20th day of November, 2019, and referred to a committee for recommendation; thereafter the committee reported favorably on said ordinance on the 15th day of January, 2020, which was a regular meeting of said City Council; and that at said regular meeting the proposed ordinance was read by title to the City Council as first introduced and adopted by the following vote:
VOTING "AYE": Mayor Goodman and Councilmembers Fiore, Knudsen, and Seaman
VOTING "NAY": Councilmembers Anthony, Crear and Diaz
EXCUSED: NONE
COPIES OF THE COMPLETE ORDINANCE ARE AVAILABLE FOR PUBLIC INFORMATION IN THE OFFICE OF THE CITY CLERK, 2ND FLOOR, 495 SOUTH MAIN STREET, LAS VEGAS, NEVADA
PUB: January 18, 2020 LV Review-Journal

  
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 20th day of January, 2020

Notary 



1142  
CLV65-001341

11256

# **EXHIBIT “MMM”**



S.✓

**FIRST AMENDMENT**

**BILL NO. 2019-51**

**ORDINANCE NO. 6722**

AN ORDINANCE TO AMEND THE UNIFIED DEVELOPMENT CODE, SPECIFICALLY, LVMC 19.16.010, TO ADD NEW PROVISIONS REGARDING NEIGHBORHOOD MEETINGS, INCLUDING MANDATORY MEETINGS FOR CERTAIN TYPES OF APPLICATIONS, SUCH AS GENERAL PLAN AMENDMENTS AND APPLICATIONS TO REPURPOSE CERTAIN GOLF COURSES AND OPEN SPACES, AND TO PROVIDE FOR OTHER RELATED MATTERS.

Sponsored by: Councilwoman Victoria Seaman

Summary: Amends the Unified Development Code, specifically, LVMC 19.16.010, to add new provisions regarding neighborhood meetings, including mandatory meetings for certain types of applications, such as general plan amendments and applications to repurpose certain golf courses and open spaces.

THE CITY COUNCIL OF THE CITY OF LAS VEGAS DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1: Ordinance No. 6289 and the Unified Development Code adopted as Title 19 of the Municipal Code of the City of Las Vegas, Nevada, 1983 Edition, are hereby amended as set forth in Sections 2 to 4, inclusive, of this Ordinance. The amendments in those Sections are deemed to be amendments to both Ordinance No. 6289 and the Unified Development Code adopted as Title 19.

SECTION 2: Title 19, Chapter 16, Section 10, is hereby amended by relettering existing Subsections (E), (F), (G), (H) and (I) of that Section, so that those Subsections are lettered (F), (G), (H), (I) and (J), respectively.

SECTION 3: Title 19, Chapter 16, Section 10, is hereby amended by adding thereto, at the appropriate location, a new Subsection (E), reading as follows:

**E. Neighborhood Meetings**

**1. General.**

a. A neighborhood meeting may be required in connection with an application under this Chapter (a "mandatory meeting"). In addition, a neighborhood meeting may be held on a voluntary basis in connection with an application under this Chapter (a "voluntary meeting"). The purpose of a mandatory

8✓

1 meeting is to provide details regarding an application under this Chapter to property owners and residents  
2 within the area of the property that is the subject of the application, where the application requires such a  
3 meeting. A voluntary meeting regarding an application may have a similar purpose, as well as other purposes  
4 intended by an applicant.

5 b. A mandatory meeting shall be conducted by the applicant or representative for the associated  
6 application, and may be attended by representatives from the City to monitor the results. Each such meeting  
7 shall be conducted in accordance with meeting procedures that have been established by the Department,  
8 posted online, and otherwise made available upon request.

9 c. Compliance with the meeting procedures described in Subparagraph (b) is not required for  
10 a voluntary meeting, but is strongly encouraged.

11 2. Mandatory Meeting Requirement. A mandatory meeting is required for any of the following:

12 a. An application for a General Plan Amendment.

13 b. Except as otherwise specified in Paragraph (3) below, an application that would result in the  
14 repurposing of a golf course or an open space that is located within:

15 i. An existing residential development,

16 ii. A development within an R-PD District,

17 iii. An area encompassed by a Special Area Plan adopted by the City, or

18 iv. An area subject to a Master Development Plan within a PD District.

19 c. Any other application concerning which the Director, Planning Commission or City Council  
20 determines that a mandatory meeting is necessary or appropriate in order to provide for public notice,  
21 information, and input in furtherance of the public interest.

22 3. Exceptions to Mandatory Meeting Requirement. The requirement for a mandatory meeting under  
23 LVMC 19.16.010(E)(2)(b) does not apply to:

24 a. Any project that has been approved as part of the City of Las Vegas Capital Improvement  
25 Plan.

26 b. Any project that is governed by a development agreement that has been approved pursuant

1 to LVMC 19.16.150.

2 c. The repurposing of any area that has served as open space pertaining to a nonresidential  
3 development where that open space functions as an area for vehicle parking, landscaping, or any similar  
4 incidental use.

5 d. The reprogramming of open space recreational amenities that simply changes or adds to the  
6 programming or activities available at or within that open space.

7 e. The repurposing of any area where the currently required development application or  
8 applications to accomplish the repurposing already have been approved by the approval authority, with no  
9 further discretionary approval pending.

10 4. Notification Requirements.

11 a. Notice of a mandatory meeting shall be provided in general accordance with the notice  
12 provisions and procedures for a General Plan Amendment in LVMC 19.16.030(F)(2), except that:

13 i. The mailing of notice may be done by the applicant or by the City as agreed upon;  
14 and

15 ii. Except in the case of a neighborhood meeting required by LVMC  
16 19.16.010(E)(2)(a), no newspaper publication is required.

17 b. All notices are subject to review and approval by the Department prior to mailing.

18 c. Application-related fees and notice-related fees chargeable under the fee schedule, as well  
19 as any charges associated with mailing labels, must be paid as applicable prior to notification of the meeting.

20 d. Compliance with this Paragraph (4) is not required for a voluntary meeting, but is strongly  
21 encouraged.

22 5. For purposes of this Subsection (E), "repurposing" includes changing or converting all or a portion  
23 of the use of the golf course or open space to one or more other uses, or seeking to do by means of an  
24 application under this Chapter.

25 SECTION 4: Section 19.18.020 is hereby amended by amending the definition of "Open  
26 Space" to read as follows:

1 **Open Space.** Any parcel or area of land or water that:

2       1.     [As part of, and in consideration of development approval, has] Has been or is to be formally  
3 set aside, dedicated, designated, or reserved for public use or enjoyment or for the private use and enjoyment  
4 of owners and occupants of land adjoining or neighboring such area; and

5       2.     Is either unimproved or includes only improvements that pertain to or are incidental to the  
6 intended use and enjoyment of the area. Such improvements may include structures, amenities, landscaping,  
7 paving or other surface treatments that provide for or facilitate recreation and enjoyment, or that provide for  
8 support and maintenance of the area for its intended purposes.

9               SECTION 5: For purposes of Section 2.100(3) of the City Charter, Sections 19.16.010  
10 and 19.18.020 are deemed to be subchapters rather than sections.

11              SECTION 6: The Department of Planning is authorized and directed to incorporate into  
12 the Unified Development Code the amendments set forth in Sections 2 to 4, inclusive, of this Ordinance, as  
13 well as the relettering of paragraphs in Appendix B necessitated by this Ordinance.

14              SECTION 7: If any section, subsection, subdivision, paragraph, sentence, clause or phrase  
15 in this ordinance or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by  
16 any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the  
17 remaining portions of this ordinance or any part thereof. The City Council of the City of Las Vegas hereby  
18 declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase  
19 thereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs,  
20 sentences, clauses or phrases be declared unconstitutional, invalid or ineffective.

21 ...

22 ...

23 ...

24 ...

25 ...

26 ...


SECTION 8: All ordinances or parts of ordinances or sections, subsections, phrases, sentences, clauses or paragraphs contained in the Municipal Code of the City of Las Vegas, Nevada, 1983 Edition, in conflict herewith are hereby repealed.

PASSED, ADOPTED and APPROVED this 15<sup>th</sup> day of January, 2020.

APPROVED:

By   
CAROLYN G. GOODMAN, Mayor

**ATTEST:**

  
 LUANN D. HOLMES, MMC  
 City Clerk

APPROVED AS TO FORM:

Val Steed 1-15-2020  
Val Steed, Date  
Deputy City Attorney

1 The above and foregoing ordinance was first proposed and read by title to the City Council  
2 on the 18<sup>th</sup> day of December, 2019, and referred to a committee for recommendation;  
3 thereafter the said committee reported favorably on said ordinance on the 15<sup>th</sup> day of  
4 January, 2020, which was a regular meeting of said Council; that at said regular meeting,  
5 the proposed ordinance was read by title to the City Council as amended and adopted by  
6 the following vote:

7 VOTING "AYE": Mayor Goodman and Councilmembers Fiore, Anthony,  
Knudsen, Seaman and Diaz  
8 VOTING "NAY": Crear  
9 EXCUSED: None  
10 ABSTAINED: None

11  
12 APPROVED:

13   
14 CAROLYN G. GOODMAN, Mayor

15 ATTEST:

16   
17 LUANN D. HOLMES, MMC City Clerk

AFFIDAVIT OF PUBLICATION

STATE OF NEVADA)  
COUNTY OF CLARK) SS:

LV CITY CLERK  
495 S MAIN ST  
LAS VEGAS NV 89101

Account # 22515  
Ad Number 0001084679

RECEIVED  
CITY CLERK

2020 JAN -7 A 11:11

Leslie McCormick, being 1st duly sworn, deposes and says: That she is the Legal Clerk for the Las Vegas Review-Journal and the Las Vegas Sun, daily newspapers regularly issued, published and circulated in the City of Las Vegas, County of Clark, State of Nevada, and that the advertisement, a true copy attached for, was continuously published in said Las Vegas Review-Journal and / or Las Vegas Sun in 1 edition(s) of said newspaper issued from 01/02/2020 to 01/02/2020, on the following days:

01 / 02 / 20

**BILL NO. 2019-51**

AN ORDINANCE TO AMEND THE UNIFIED DEVELOPMENT CODE, SPECIFICALLY, LVMC 19.16.010, TO ADD NEW PROVISIONS REGARDING NEIGHBORHOOD MEETINGS, INCLUDING MANDATORY MEETINGS FOR CERTAIN TYPES OF APPLICATIONS, SUCH AS GENERAL PLAN AMENDMENTS REGARDING LAND USE, AND APPLICATIONS TO REPURPOSE CERTAIN GOLF COURSES AND OPEN SPACES, AND TO PROVIDE FOR OTHER RELATED MATTERS.

Sponsored by: Councilwoman Victoria Seaman

Summary: Amends the Unified Development Code, specifically, LVMC 19.16.010, to add new provisions regarding neighborhood meetings, including mandatory meetings for certain types of applications, such as general plan amendments regarding land use, and applications to repurpose certain golf courses and open spaces.

At the City Council meeting of December 18, 2019

BILL NO. 2019-51 WAS READ BY TITLE AND REFERRED TO A RECOMMENDING COMMITTEE

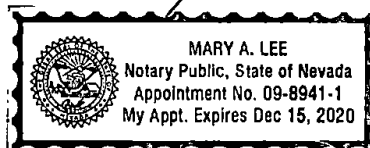
COPIES OF THE COMPLETE ORDINANCE ARE AVAILABLE FOR PUBLIC INFORMATION IN THE OFFICE OF THE CITY CLERK, 2ND FLOOR, 495 SOUTH MAIN STREET, LAS VEGAS, NEVADA

PUB: January 2, 2020  
LV Review-Journal

  
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 2nd day of January, 2020

Notary 



1149  
CLV65-001348

11264

AFFIDAVIT OF PUBLICATION

STATE OF NEVADA)  
COUNTY OF CLARK) SS:

RECEIVED  
CITY CLERK

2020 JAN 27 A 11:50

LV CITY CLERK  
495 S MAIN ST  
LAS VEGAS NV 89101

Account # 22515  
Ad Number 0001088195

Leslie McCormick, being 1st duly sworn, deposes and says: That she is the Legal Clerk for the Las Vegas Review-Journal and the Las Vegas Sun, daily newspapers regularly issued, published and circulated in the City of Las Vegas, County of Clark, State of Nevada, and that the advertisement, a true copy attached for, was continuously published in said Las Vegas Review-Journal and / or Las Vegas Sun in 1 edition(s) of said newspaper issued from 01/18/2020 to 01/18/2020, on the following days:

01 / 18 / 20

FIRST AMENDMENT

BILL NO. 2019-51  
ORDINANCE NO. 6722

AN ORDINANCE TO AMEND THE UNIFIED DEVELOPMENT CODE, SPECIFICALLY LVMC 19.16.010, TO ADD NEW PROVISIONS REGARDING NEIGHBORHOOD MEETINGS, INCLUDING MANDATORY MEETINGS FOR CERTAIN TYPES OF APPLICATIONS, SUCH AS GENERAL PLAN AMENDMENTS AND APPLICATIONS TO REPURPOSE CERTAIN GOLF COURSES AND OPEN SPACES, AND TO PROVIDE FOR OTHER RELATED MATTERS.

Proposed by:  
Councilwoman Victoria Seaman

Summary: Amends the Unified Development Code, specifically, LVMC 19.16.010, to add new provisions regarding neighborhood meetings, including mandatory meetings for certain types of applications, such as general plan amendments and applications to repurpose certain golf courses and open spaces.

The above and foregoing ordinance was first proposed and read by title to the City Council on the 18th day of December, 2019, and referred to a committee for recommendation; thereafter the committee reported that it had no recommendation regarding said ordinance on the 15th day of January, 2020, which was a regular meeting of said City Council; and that at said regular meeting the proposed ordinance was read by title to the City Council as amended and adopted by the following vote:

VOTING "AYE": Mayor Goodman and Councilmembers Fiore, Anthony, Knudsen, Seaman and Diaz

VOTING "NAY": Councilman Crear

EXCUSED: NONE

COPIES OF THE COMPLETE ORDINANCE ARE AVAILABLE FOR PUBLIC INFORMATION IN THE OFFICE OF THE CITY CLERK, 2ND FLOOR, 495 SOUTH MAIN STREET, LAS VEGAS, NEVADA

\* PUB: January 18, 2020  
- LV Review-Journal

/s/   
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 20th day of January, 2020

Notary 



1150  
CLV65-001349

11265



# **EXHIBIT “NNN”**

Seth T. Floyd  
Deputy City Attorney

City of Las Vegas  
Office of the City Attorney



495 South Main Street, Sixth Floor  
Las Vegas, Nevada 89101  
Office (702) 229-6629  
Fax (702) 386-1749  
sfloyd@lasvegasnevada.gov

March 26, 2020

Kermitt L. Waters, Esq.  
James J. Leavitt, Esq.  
Autumn L. Waters, Esq.  
LAW OFFICES OF KERMIT L. WATERS  
704 South Ninth Street  
Las Vegas, NV 89101

**RE: ENTITLEMENT REQUESTS FOR 65 ACRES**

Dear Counsel:

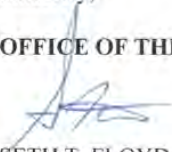
As you know, on March 5, 2020, a panel of the Nevada Supreme Court entered an unpublished Order of Reversal in *Seventy Acres, LLC v. Binion, et al.*, Case No. 75481 ("Reversal Order"). The Reversal Order reversed a prior decision by Judge Crockett of the Eighth Judicial District in Case No. A-17-752344-J ("Order"), which had concluded that your client, Seventy Acres, LLC, was required to submit a major modification application along with its other entitlement requests to develop 435 multi-family housing units on a 17-acre portion of the Badlands golf course in the Peccole Ranch Master Plan area.

Under the Reversal Order, that major modification application is no longer required to apply to develop any other portion of the former Badlands golf course. This includes approximately 65 acres of land owned by one of EHB's other subsidiaries, 180 Land Company, LLC. 180 Land has not filed any applications or requested any specific entitlements to develop the 65 acres, but it may now do so without submitting a major modification application as part of its entitlement package.

If you have any questions about the contents of this letter, please do not hesitate to contact me at (702) 229-6629. If you have any questions about the submittal requirements for land use entitlements, please do not hesitate to contact the appropriate City department.

Sincerely,

**OFFICE OF THE CITY ATTORNEY**

  
SETH T. FLOYD  
Deputy City Attorney

CERTIFIED MAIL NO. 7002 3150 0001 1717 4931  
cc: Elizabeth Ham, Esq. (via email to eham@ehbcompanies.com)

1151  
CLV65-000967

**11267**

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>		A. Signature x STACY <i>mm</i> <i>cnw 19</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to:  <div style="border: 1px solid black; padding: 5px;"> Kermitt L. Waters, Esq.  James J. Leavitt, Esq.  Autumn L. Waters, Esq.  LAW OFFICES OF KERMIT L. WATERS  704 South Ninth Street  Las Vegas, NV 89101 </div>		B. Received by (Printed Name) <i>STACY</i> <i>mm</i> <i>cnw 19</i> C. Date of Delivery <i>3-27-20</i> D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:	
		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number (Transfer from service label)		7002 3150 0001 1717 4931	
PS Form 3811, August 2001 65		Domestic Return Receipt 102595-02-M-1540	

1152

1152  
CLV65-000968

11268

# **EXHIBIT “OOO”**

Seth T. Floyd  
Deputy City Attorney

City of Las Vegas  
Office of the City Attorney



495 South Main Street, Sixth Floor  
Las Vegas, Nevada 89101  
Office (702) 229-6629  
Fax (702) 386-1749  
sfloyd@lasvegasnevada.gov

March 26, 2020

Kermitt L. Waters, Esq.  
James J. Leavitt, Esq.  
Autumn L. Waters, Esq.  
LAW OFFICES OF KERMIT L. WATERS  
704 South Ninth Street  
Las Vegas, NV 89101

**RE: ENTITLEMENT REQUESTS FOR 133 ACRES**

Dear Counsel:

As you know, on March 5, 2020, a panel of the Nevada Supreme Court entered an unpublished Order of Reversal in *Seventy Acres, LLC v. Binion, et al.*, Case No. 75481 ("Reversal Order"). The Reversal Order reversed a March 5, 2018 decision by Judge Crockett of the Eighth Judicial District in Case No. A-17-752344-J ("Order"), which provided that your client, Seventy Acres, LLC (one of the entities controlled by EHB Companies, LLC), was required to obtain a major modification to the Peccole Ranch Master Plan ("PRMP") pursuant to Title 19 of the Las Vegas Municipal Code before it could redevelop a 17-acre portion of the former Badlands golf course with 435 multi-family housing units. Because Seventy Acres had not filed a major modification application for the City's consideration, Judge Crockett vacated the City Council's approval of Seventy Acres' redevelopment applications. In reversing Judge Crockett's Order, the Nevada Supreme Court held that the City properly approved the 17-acre applications without requiring a major modification of the PRMP. The Reversal Order, once final, reinstates the entitlements your client obtained on the 17-acre property.

While Judge Crockett's Order was in effect, the City followed the Court's directive and required a major modification of the PRMP to redevelop any part of the Badlands golf course. This included approximately 133 acres of land owned by one of EHB's other subsidiaries, 180 Land Company, LLC, for which the City Council considered entitlement applications on May 16, 2018 ("the 133-Acre Applications"). The 133-Acre Applications consisted of GPA-72220, WVR-72004, SDR-72005, TMP-72006, WVR-72007, SDR-72008, TMP-72009, WVR-72010, SDR-72011, and TMP-72012. The City Council struck the 133-Acre Applications from its agenda as incomplete for two reasons. First, they did not include an application for a major modification, as Judge Crockett's Order required. Second, the application for a General Plan Amendment ("GPA") violated the City's Unified Development Code §19.16.030(D) because it was duplicative of one that had been filed within the previous 12-month period and was therefore time-barred. Now that more than a year has passed from the original GPA request and with the Supreme Court having reversed Judge Crockett's decision, the City Council is now permitted by law to consider the 133-Acre Applications.

1153  
CLV65-000971

**11270**

Entitlement Requests for 133 Acres  
March 26, 2020  
Page 2

For the City Council to consider the 133-Acre Applications, 180 Land needs to contact the Department of Planning and request the 133-Acre Applications be heard on the next available City Council agenda. The City will waive any applicable fees for the reconsideration of your application. If you have any questions about the contents of this letter, please do not hesitate to contact me at (702) 229-6629.

Sincerely,

**OFFICE OF THE CITY ATTORNEY**



SETH T. FLOYD  
Deputy City Attorney

CERTIFIED MAIL NO. 7002 3150 0001 1717 4948  
cc: Elizabeth Ham, Esq. (via email to eham@ehbcompanies.com)

1154  
CLV65-000972

**11271**



SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>		A. Signature X <i>STACY</i> <i>man</i> <i>CAV19</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to:  Kermitt L. Waters, Esq. James J. Leavitt, Esq. Autumn L. Waters, Esq. LAW OFFICES OF KERMIT L. WATERS 704 South Ninth Street Las Vegas, NV 89101		B. Received by (Printed Name) C. Date of Delivery <i>STACY</i> <i>man</i> <i>CAV19</i> <i>3-27-20</i>	
		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number (Transfer from service label)		7002 3150 0001 1717 4948	
PS Form 3811, August 2001 133		Domestic Return Receipt 102595-02-M-1540	

1155

1155

CLV65-000973

11272

# **EXHIBIT “PPP”**



Seth T. Floyd  
Deputy City Attorney

City of Las Vegas  
Office of the City Attorney



495 South Main Street, Sixth Floor  
Las Vegas, Nevada 89101  
Office (702) 229-6629  
Fax (702) 386-1749  
sfloyd@lasvegasnevada.gov

April 15, 2020

Kermitt L. Waters, Esq.  
James J. Leavitt, Esq.  
Autumn L. Waters, Esq.  
LAW OFFICES OF KERMIT L. WATERS  
704 South Ninth Street  
Las Vegas, NV 89101

**RE: ENTITLEMENT REQUESTS FOR 35 ACRES**

Dear Counsel:

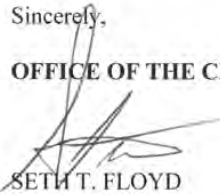
As you know, on March 5, 2020, a panel of the Nevada Supreme Court entered an unpublished Order of Reversal in *Seventy Acres, LLC v. Binion, et al.*, Case No. 75481 ("Reversal Order"). The Reversal Order reversed a prior decision by Judge Crockett of the Eighth Judicial District in Case No. A-17-752344-J ("Order"), which had concluded that your client, Seventy Acres, LLC, was required to submit a major modification application along with its other entitlement requests to develop 435 multi-family housing units on a 17-acre portion of the Badlands golf course in the Peccole Ranch Master Plan area.

Under the Reversal Order, that major modification application is no longer required to develop any other portion of the former Badlands golf course. This includes approximately 35 acres of land owned by one of EHB Properties, LLC's other subsidiaries, 180 Land Company, LLC (the "35 Acres"). 180 Land filed one set of applications for entitlements to develop the 35 Acres (WVR-68480, SDR-68481, TMP-68482), which the City Council denied. Under the Reversal Order, and because 180 Land only submitted a single set of requests for entitlements, the City is now able to consider new applications to develop the 35 Acres without any requirement for a major modification application.

If you have any questions about the contents of this letter, please do not hesitate to contact me at (702) 229-6629. If you have any questions about the submittal requirements for land use entitlements, please do not hesitate to contact the appropriate City department.

Sincerely,

**OFFICE OF THE CITY ATTORNEY**

  
SETH T. FLOYD  
Deputy City Attorney

CERTIFIED MAIL NO. 7002 3150 0001 1717 4894  
cc: Elizabeth Ham, Esq. (via email to [eham@ehbcompanies.com](mailto:eham@ehbcompanies.com))

1156  
CLV65-000969

**11274**

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse that we can return the card to you. Attach this card to the back of the mailpiece, on the front if space permits.</p> <p>Article Addressed to:</p> <p>Kermit L. Waters, Esq. James J. Leavitt, Esq. Autumn L. Waters, Esq. LAW OFFICES OF KERMIT L. WATERS 704 South Ninth Street Las Vegas, NV 89101</p>		<p>A. Signature  <input checked="" type="checkbox"/> <i>Evelyn</i> <i>Ma</i> <i>Calla</i> <input type="checkbox"/> Agent  <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name)  <i>Evelyn Ma</i></p> <p>C. Date of Delivery  <i>4-20-20</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes  If YES, enter delivery address below: <input type="checkbox"/> No</p>	
		<p>3. Service Type  <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
		<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	
<p>Article Number  (transfer from service label)</p>		<p>7002 3150 0001 1717 4894</p>	
<p>Form 3811, February 2004</p>		<p>Domestic Return Receipt 102595-02-M-1540</p>	

1157

1157

CLV65-000970

11275

# **EXHIBIT “QQQ”**



**Valbridge**  
PROPERTY ADVISORS

## Appraisal Report

NWC of Rampart & Charleston  
Portion of Badlands Golf Course  
Las Vegas, Clark County, Nevada 89145

Report Date: August 26, 2015



FOR:

Bank of Nevada  
Ms. Cheryl Moss  
2700 W. Sahara Avenue, 4th Floor  
Las Vegas NV 89102

Client ID: 15-000212-01-1

**Valbridge Property Advisors |  
Lubawy & Associates, Inc.**

3034 S. Durango Drive, Suite 100  
Las Vegas, Nevada 89117  
(702) 242-9369 phone  
(702) 242-6391 fax  
[valbridge.com](http://valbridge.com)

Valbridge File Number:  
15-0139-001

1158  
LO0035680

**11277**



3034 S. Durango Drive  
Suite 100  
Las Vegas, NV 89117  
702-242-9369 phone  
702-242-6391 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.

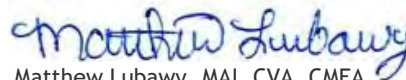
Based on the analysis contained in the following report, our value conclusions are summarized as follows:

Value Conclusions	
	As Is
Value Type	Market Value
Property Rights Appraised	Leased Fee
Effective Date of Value	July 23, 2015
<b>Value Conclusion</b>	<b>\$49,400,000</b>
	<b>\$700,510 per acre</b>

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

## Table of Contents

---

Cover Page	
Letter of Transmittal	
Table of Contents .....	i
Summary of Salient Facts .....	ii
Aerial and Front Views .....	iv
Location Map .....	v
Introduction .....	1
Scope of Work .....	4
Regional and Market Area Analysis .....	6
City and Neighborhood Analysis .....	10
Site Description .....	15
Subject Photos .....	20
Assessment and Tax Data .....	22
Market Analysis .....	24
Highest and Best Use .....	30
Appraisal Methodology .....	32
Land Valuation .....	33
General Assumptions and Limiting Conditions .....	49
Certification – Brenda Cazares .....	56
Certification – Matthew Lubawy .....	57
Addenda .....	58
Subject Photographs .....	59
Engagement Letter .....	60
Glossary .....	69



## Summary of Salient Facts

### Property Identification

Client Identification Number	15-000212-01-1
Property Name	NWC of Rampart & Charleston
Property Address	Portion of Badlands Golf Course Las Vegas, Clark County, Nevada, 89145
Latitude & Longitude	36.165852, -115.289127
Census Tract	32.26
Assessor's Parcel Number	138-32-301-004
Property Owner	Fore Stars LTD
Zoning	R-PD7
FEMA Flood Map No.	32003C2145F
Flood Zone	A
Primary Gross Land Area	70.520 acres
Total Land Area	70.520 acres

### Valuation Opinions

Highest & Best Use - As Vacant	Development of residential properties with a density of 7 to 10 units per acre
Reasonable Exposure Time	6 to 12 months
Reasonable Marketing Time	6 to 12 months

### Value Indications

Approach to Value	As Is
Sales Comparison	\$49,400,000
Cost	N/A
Income Capitalization	
Direct Capitalization	N/A
Yield Capitalization (DCF)	N/A
Reconciled Income Capitalization	N/A

### Value Conclusions

	As Is
Value Type	Market Value
Property Rights Appraised	Leased Fee
Effective Date of Value	July 23, 2015
<b>Value Conclusion</b>	<b>\$49,400,000</b>
	<b>\$700,510 per acre</b>

### 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.

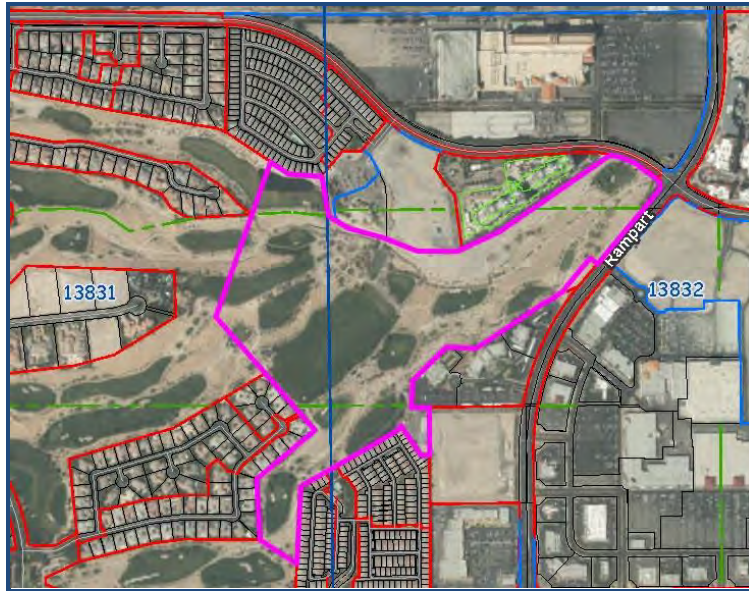
#### Hypothetical Conditions:

- There are no hypothetical conditions for this appraisal assignment.

## Aerial and Front Views

---

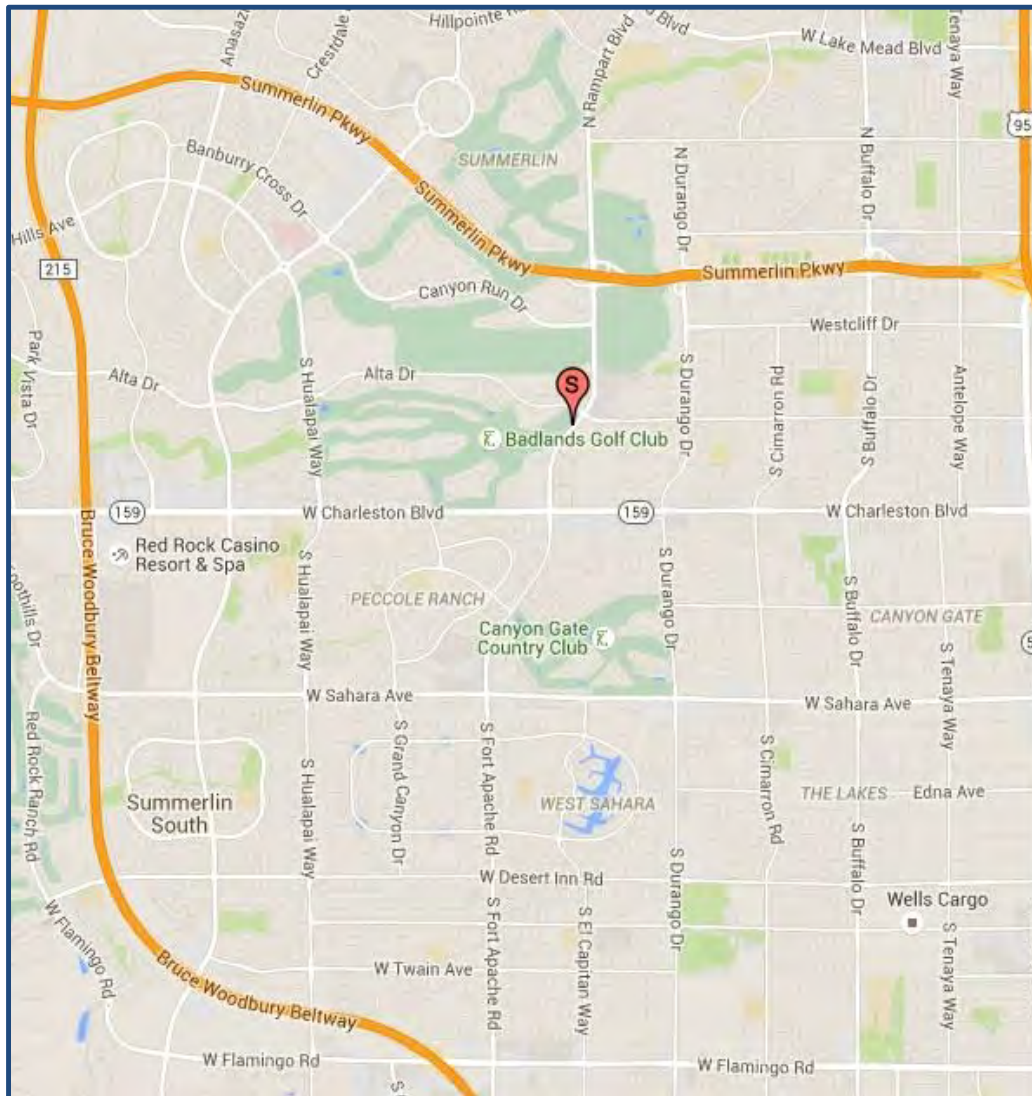
**AERIAL VIEW**



**FRONT VIEW**



## Location Map



## Introduction

---

### Client and Intended Users of the Appraisal

The client in this assignment is Bank of Nevada and the intended users of this report are Bank of Nevada and-or affiliates and no others.

### Intended Use of the Appraisal

The intended use of this report is for loan underwriting and-or credit decisions by Bank and or participants.

### Real Estate Identification

The subject property is located near the northwest corner of Rampart Boulevard and Alta Drive, Las Vegas, Clark County, Nevada 89145. The subject property is further identified by Assessor Parcel Number 138-32-301-004. 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.

### Legal Description

A portion of section 31 and the west half (W 1/2) of section 32, township 20 south, range 60 east, MDM, City of Las Vegas, Clark County, Nevada

### Use of Real Estate as of the Effective Date of Value

As of the effective date of the appraisal, the subject was a golf course property.

### Use of Real Estate as of the Date of this Report

Same as above.

### Ownership of the Property

According to the Clark County Assessor's record, title to the subject property is vested in Fore Stars LTD.

### History of the Property

Ownership of the subject property has not changed within the past three years. According to the owner Yohan Lowie, the Badlands Golf Course was purchased in 2007 and he possesses the declarant right and development rights associated with the property. The site is currently leased to the operator of the Badlands Golf Course for the next six months, at which point the golf course will be shut down. The site was previously encumbered by a ground lease beginning in 1996 and expiring in 2045. We have requested and have not been provided with a purchase agreement or documentation confirming this. We have appraised the subject under the extraordinary assumption that the information provided by the owner 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.

### Listings/Offers/Contracts

The subject is not currently listed for sale or under contract for sale.. We are aware of a letter of intent between the current owner and The Calida Group to purchase 16.23 acres, the northern portion of the site with frontage along Rampart Boulevard for a reported \$30,240,000, however, this purchase price is contingent on the site obtaining a zoning change to P-D (Planned Development). Therefore, as of the date of this appraisal, this offer has no bearing on the as is market value for the subject concluded to herein. We are not aware any further listings or offers concerning the subject property.

### Type and Definition of Value

The appraisal problem (the term "Purpose of Appraisal" has been retired from appraisal terminology) is to develop an opinion of the market value of the subject property. "Market Value," as used in this appraisal, is defined as "the most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus." Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- *Buyer and seller are typically motivated.*
- *Both parties are well informed or well advised, each acting in what they consider their own best interests;*
- *A reasonable time is allowed for exposure in the open market;*
- *Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- *The price represents the normal consideration for the property sold unaffected by special or creative financing or sale concessions granted by anyone associated with the sale."*<sup>1</sup>

The value conclusions apply to the value of the subject property under the market conditions presumed on the effective date(s) of value.

Please refer to the Glossary in the Addenda section for additional definitions of terms used in this report.

### Valuation Scenarios, Property Rights Appraised, and Effective Dates of Value

Per the scope of our assignment we developed opinions of value for the subject property under the following scenarios of value:

Valuation Scenario	Effective Date of Value
As Is Leased Fee Market Value	July 23, 2015

<sup>1</sup> Source: The Dictionary of Real Estate Appraisal, Fifth Edition, pg 123



We completed an appraisal inspection of the subject property on July 23, 2015.

### Date of Report

The date of this report is August 26, 2015, which is the same as the date of the letter of transmittal.

### List of Items Requested but Not Provided

- We have not been provided a formal bid for draining and grading cost from the owner

### Assumptions and Conditions of the Appraisal

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.

## Scope of Work

---

The scope of work includes all steps taken in the development of the appraisal. These include 1) the extent to which the subject property is identified, 2) the extent to which the subject property is inspected, 3) the type and extent of data researched, 4) the type and extent of analysis applied, and the type of appraisal report prepared. These items are discussed as follows:

### Extent to Which the Property Was Identified

#### Legal Characteristics

The subject was legally identified via a legal description and Assessor's Parcel Number in Clark County Assessor records and a preliminary title report.

#### Economic Characteristics

Economic characteristics of the subject property were identified via a comparison to similar properties in the Las Vegas market, as well as a comparison to properties with similar locational and physical characteristics.

#### Physical Characteristics

The subject was physically identified via a Clark County Assessor's map, Clark County GIS aerial mapping, and a physical inspection by Brenda Cazares.

### Extent to Which the Property Was Inspected

We inspected the subject on July 23, 2015.

Information concerning utilities was collected by a physical inspection as well as contacting the individual utility companies, when necessary. Information pertaining to dimensions, shape, and area was taken from the Clark County Assessor's Map. The description and analysis of topography, drainage, soils conditions and surrounding land uses was based upon a physical inspection. It is imperative to note that the appraisers are not experts in the analysis of soils conditions or environmental hazards; therefore, any comment by the appraisers that might suggest the presence of such substances should not be taken as confirmation of the presence of hazardous waste or questionable soils conditions. Such determination would require investigation by qualified professionals in the field of environmental assessment or soils testing. No responsibility is assumed for any environmental conditions or for any expertise or engineering knowledge required to discover them. The appraisers' descriptions and resulting comments are a result of routine observations made during the appraisal process.

### Type and Extent of Data Researched

We researched and analyzed: 1) market area data, 2) property-specific market data, 3) zoning and land-use data, and 4) current data on comparable listings, sales, and rentals in the competitive market area. We also interviewed people familiar with the subject market/property type, including brokers within the Summerlin area and Howard Hughes Company.

Data pertaining to the Las Vegas Metropolitan area and the subject neighborhood were provided by publications such as the Las Vegas Perspective, The Las Vegas Review Journal, and information from the local Chamber of Commerce and the Nevada Development Authority. Population information



was supplied by the Clark County Comprehensive Planning Department; information pertaining to visitor volume, convention attendance, gaming revenue and total visitor revenue was supplied by the Las Vegas Convention and Visitors Authority; data pertaining to the labor force, employment and unemployment was supplied by the State of Nevada Employment Security Department; information pertaining to taxable sales was provided by the Nevada Department of Taxation; and data pertaining to residential construction building permits was collected from the governing jurisdictions. Additional neighborhood data was based upon a physical inspection of the area.

Land sales data was collected through various sources including CoStar, Property Line, LoopNet, and from brokers, owners, and developers. The information was verified with one or more of the parties involved in the transaction including the grantor, grantee, broker, or other knowledgeable parties, when possible. Verification of each sale is listed separately on each land sale abstract contained later in the report.

### Personal Property/FF&E

Unless otherwise stated in the report, all furniture, fixtures, and equipment (FF&E) or any other personal property has been excluded from our analysis.

### Type and Extent of Analysis Applied

There are no improvements on the subject site that contribute to an overall value that exceeds the land value. We observed surrounding land use trends, the condition of the improvements, demand for the subject property, and relevant legal limitations in concluding a highest and best use. We then valued the subject based on the highest and best use conclusion, relying on the Sales Comparison Approach which is typical for vacant land properties.

### Appraisal Report Type

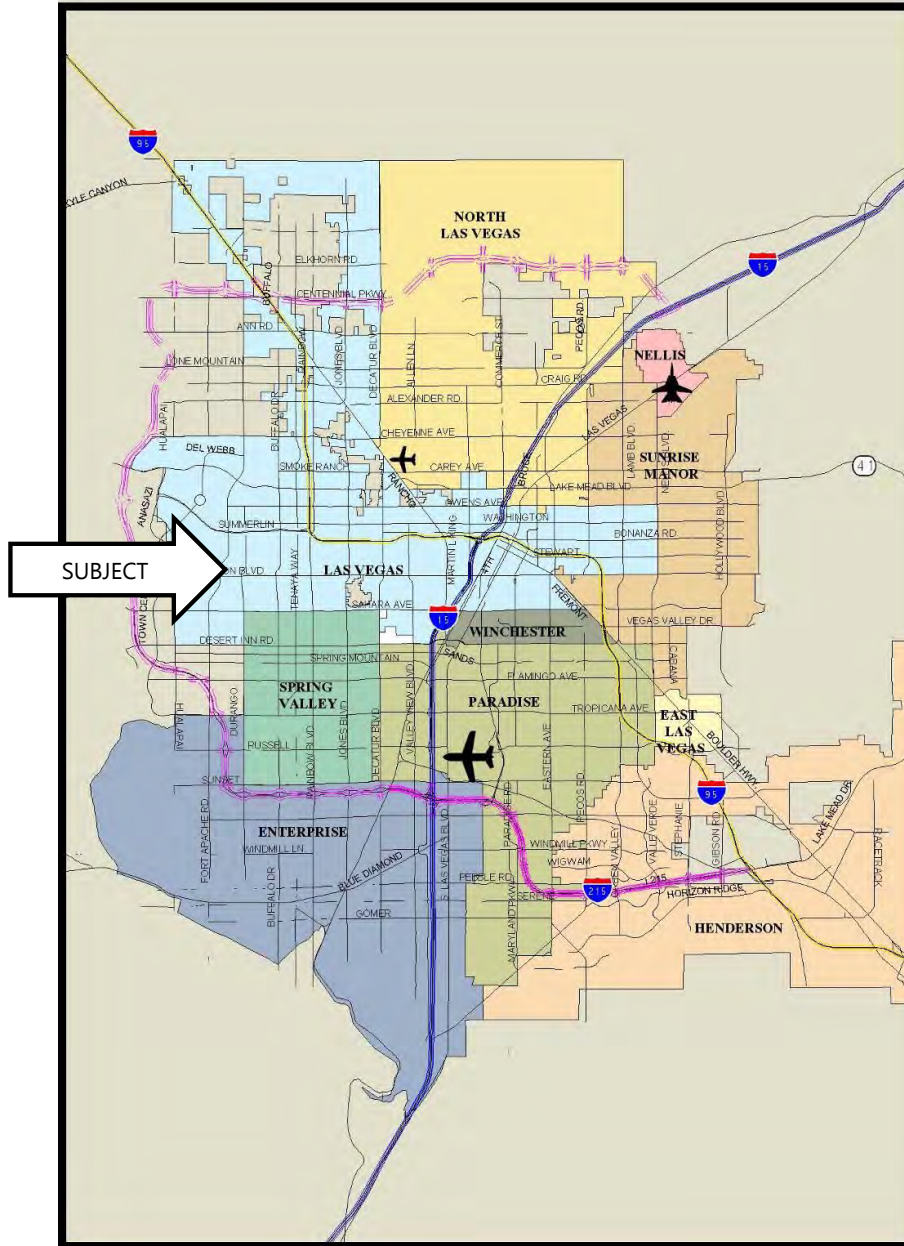
This is an Appraisal Report as defined by the Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2a. Please see the Scope of Work for a description of the level of research completed.

### Appraisal Conformity

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.

## Regional and Market Area Analysis

REGIONAL MAP



## Overview

The subject is located in Las Vegas, in Clark County. It is part of the Las Vegas, NV-AZ MSA.

## Summary of Clark County

Until the economic and real estate market collapse in 2008, the Las Vegas MSA (consisting of Clark and Nye counties in Nevada and Mohave County in Arizona) had been rated in the top 10 for annual population growth and near the top in terms of employment increase. According to Valuation International Limited, a market research company, the growth had been primarily attributable to the area's favorable climate. Inc. magazine named Las Vegas the #1 city in America for starting or growing a business in 2000, and Chief Executive Magazine named Nevada number 5 in 2010 on its list of Best States for Business.

Despite an economic slowdown in 2001, and the negative effects of the events of September 11, 2001 on tourism, Southern Nevada's economy demonstrated resilience. In the immediate aftermath of the September 11 attacks, hotels and gaming establishments laid off an estimated 12,000 to 15,000 workers, and other tourism-related businesses such as airlines, curbside baggage handlers, taxicab companies, and Grand Canyon tour operators suffered layoffs. Hotel occupancy rates fell dramatically, and many conventions were cancelled. However, by mid-October 2001, weekend occupancy rates rose to their normal level of approximately 95%, and midweek business improved to the point that one-fourth of the laid-off workers were recalled.

By mid-2002, the consensus among economists was that the trend was for continuing economic strength over the foreseeable future. This optimistic outlook had been supported by strong gaming profits and tourism results reported from 2004 through 2007, and by a moderate unemployment rate. Since 2008, the still recovering national and local economies have cut into the gaming revenues.

As of March 2015, the total labor force for the Las Vegas MSA was 967,000, with the unemployment rate at 7.2%. The largest contributor to the labor force is the leisure and hospitality industry (hotels, restaurants, etc.) accounting for 31% of the job force. The median household income for the Las Vegas Valley is \$54,255, and with the ongoing renovations, the planned construction and improving revenues in the gaming industry, the labor market is expected to grow as new resorts and resort expansions move forward in construction.

New home sales set a record in 2005 at 30,750 homes (not including 7,767 apartment-to-condominium conversions), which was 5% higher than the previous record of 29,248 new homes sold in 2004. Sales of existing homes in 2005 reached 54,663, which was 2.3% less than 2004's total. The lower resale number had provided optimism for a more stabilized market. However, the residential market softened in 2006, and by 2011, new home sales totaled just 3,894. Homes available on the resale market increased in 2006 and 2007 to reach nearly 30,000 which is another indication of the soft market. Additionally, the median price of a new home in the Las Vegas Valley was \$312,204 in March 2015, which was 7.6% less than the median price in 2006 of \$337,781, but up 58% from \$197,490 in August 2011. The median price of existing homes is down 37% from \$285,000 in 2006 to \$180,000 in March 2015, but up 68% from \$107,000 in August 2011. The market clearly flattened out in the second half of 2006 and declined thereafter, but a panel of residential real estate experts at the November 2012 and November 2013 Appraisal Institute Las Vegas Market Symposium indicated that resale home prices had reached bottom in 2011, and that the prices have steadily been

increasing. Home Builders Research continues to project that the long-term health of the Las Vegas housing market should be good as the recovery progresses.

The Nevada Department of Employment Training and Rehabilitation (DETR) reported that 23,600 jobs were created in Clark County from March 2014 to March 2015. For Comparison, Nevada Workforce reported that 23,800 new jobs were created in Clark County in 2013, with every major industry reporting job growth. Nevada overall in 2013 outpaced the nation in terms of job growth. Also, Nevada ranked first nationally in home price increase in 2013 (up 20%), and home prices are expected to continue to increase, although at a slower rate, until the Southern Nevada median resale price of \$180,000 catches up to the national median price of \$210,000. Southern Nevada homebuilders hope to sell 8,000+ homes in 2014, and new-home building permits are up more than 18% year-over-year. Nat Hodgson, executive director of the Southern Nevada Home Builders Association, indicates it is reasonable to expect the local market to sell 12,000 homes a year in the near future. Clearly, signs of recovery for the Southern Nevada home market are evident, but the market needs to keep strengthening before it is again considered in strong health.

According to the *Lied Institute of Apartment Market Trends*, 1<sup>st</sup> Quarter 2015, the Las Vegas apartment market saw an increase in both asking rents and vacancy rate. Asking rents increased by 2% during the quarter and the average asking rent is now \$815. Asking rents are up 7% in a year-over-year basis. After seeing a large decrease in asking rents in Las Vegas remain 7% lower than their peak in 2007. Preferable market conditions would involve coupling rent appreciation with waning vacancies, which are wavering occupancy currently. Apartment complexes, to a certain extent, compete with individually owned units, which mostly consist of single-family homes, townhomes, and condominiums. MLS rental leases, a proxy for this competition, typically start picking up towards the end of the first quarter and there was a three-month moving average of 2,774 leases in March 2015 – 10% more than the end of last quarter. However, MLS leases are down 319 leases (30%) on a year-over-year basis. Apartments compared to single-family homes often tend to offer shorter lease contracts, smaller deposits, and more common community amenities (i.e., pool, gym, or recreation center). Nevertheless, economic conditions, more than anything will influence the apartment market, especially as residents find better jobs, earn higher income, and recover financially.

According to *First Quarter 2015 Industrial Market Survey* prepared by Applied Analysis, there is 108,313,332 square feet of industrial space contained in 3,498 buildings with a vacancy factor of 7.4%, which is a decline from the fourth quarter of 2014. The industrial market continues to report stronger demand than its retail and office counterparts. The sector has reported annual declines in vacancy rate for 12 consecutive quarters. At current inventory levels, if this trend were to continue throughout the remainder of 2015, the industrial market vacancy rate would fall below 5.0 percent by the end of the year. Approximately 1.2 million square feet of positive net absorption was reported in the first quarter of 2015, with the industrial market experiencing 4.3 million square feet of net move-ins in the past year. During the first quarter of 2015, three industrial projects totaling 505,200 square feet completed construction, bringing total inventory to 108.3 million square feet. The amount of space actively under construction fell to 2.1 million square feet in the first quarter of 2015. Average asking rates increased slightly year-over-year to \$0.57 per square foot per month, and this represents an increase or holding steady of seven consecutive quarters. Average asking rates have declined 25% since the peak in the second quarter of 2007 at \$0.76 per square foot.

According to *First Quarter 2015 Retail Market Survey* prepared by Applied Analysis, there is 54,530,677 square feet of retail space contained in 361 centers with a vacancy factor of 9.4%. The Las Vegas retail market reported positive net absorption of 87,200 square feet during the quarter, and in the past year, there has been 1.7 million square feet of net move-ins. Pricing during the first quarter of 2015 was reported at an average asking rate of \$1.65 per square foot per month. This is slightly below that reported for the fourth quarter of 2014 at \$1.66, which was a new record high from year-end 2010. Two anchored retail projects totaling 107,800 square feet completed construction during the first quarter, bringing total inventory to 54.5 million square feet. Development activity increased to 688,200 square feet in the first quarter as five anchored retail projects were under construction at the end of the period. The most notable project that broke ground during the quarter was IKEA's first Las Vegas store, which will encompass 351,000 square feet. Southern Nevada population increased 1.9 percent in 2014 to a record 2.1 million, with many new residents drawn to the region's improving job market. In addition, new master planned communities provide opportunities for future retail development, including Cadence in Henderson, Skye Canyon in the northwest and potentially Park Highlands in North Las Vegas. An expanding base of consumers and positive employment gains are expected to drive demand in the retail sector.

According to *First Quarter 2015 Office Market Survey* prepared by Applied Analysis, there is 52,933,598 square feet of office space contained in 1,914 buildings with a vacancy factor of 23.6%. The office market reported approximately 113,700 square feet of positive net absorption in the first quarter, which compared favorably to the negative 83,800 square feet of net absorption witnessed in the same quarter one year ago. Two office projects completed construction in the Las Vegas valley during the first quarter, adding 69,000 square feet to the market and bringing total inventory to 52.9 million square feet. Construction activity fell to 232,700 square feet by the end of the first quarter of 2015 as three projects remained actively under development throughout the Las Vegas valley. The current average asking rental rate is \$1.87, which is down 16.2% from year-end 2009. Office-using employment reported a year-over-year increase of 4,400 positions in the latest period, with the professional and business services sector reporting the most substantial gain of 4,000 positions. The office market is expected to continue to report increased demand as the need for professional office space follows employment growth within the sector, but it will be some time before the market reaches absorption levels necessary to return vacancies to historical norms. At current inventory levels, the office market would be required to experience 1.9 million square feet of positive net absorption in order to reach a vacancy rate of 20.0 percent.

In conclusion, although the local real estate market softened as the economy weakened and financing tightened, the economic and financing conditions have been improving. Additionally, the construction of over 30,000+ hotel rooms a few years ago, along with new hotel construction, expansion, and renovation since then, has helped to soften the local recession, and the Las Vegas metropolitan economy, as a whole, should regain a position as one of the stronger metropolitan economies in the United States when the current economic and construction financing problems are fully resolved.



## City and Neighborhood Analysis

NEIGHBORHOOD MAP



### Overview

The subject is located in the City of Las Vegas in Clark County.

### Neighborhood Location and Boundaries

The subject neighborhood is located in the Summerlin section of Las Vegas. The area is suburban in nature. The neighborhood is bounded by Lake Mead Boulevard to the north, Buffalo Drive to the east, Sahara Avenue to the south, and I-215 to the west.

This area encompasses a highly commercialized district within the central Las Vegas area. The southern boundary of the market is the Sahara Avenue commercial corridor, which includes multiple retail uses. The Sahara Corridor includes numerous automobile dealerships, restaurants, shopping centers, and other intense commercial properties.

Summerlin has been the main driving force for development along the west boundary of this area over the recent past. Summerlin is a 22,500-acre master-plan community generally located on the west side of Hualapai Way within the subject's submarket; it is a Howard Hughes project. Development of this community began around West Lake Mead Boulevard and Rampart Drive further north. As growth continued, development has spread in a southerly direction to the south limits of the community. This

community will have a population of 200,000+ at build-out with 80,000 homes. The current population is 100,000 with 40,000 homes. The community covers 36 square miles of area and will include 6,750 acres for parks, trails, golf course and open areas. It is being developed in 31 “villages” with 19 complete or under construction thus far.

Boca Park, which is an outdoor shopping center encompassing 289,000 square feet of retailers such as Office Max, Target, Ross Dress 4 Less, REI, and Von’s and a variety of smaller retailers, is located on the northeast corner of Charleston Boulevard and Rampart Drive. Many restaurants are located in Boca Park which include but are not limited to Wahoo’s, Wendy’s, McDonald’s, Three Angry Wives, The Cheesecake Factory, The Melting Pot, and Gordon Biersch. This intersection also features additional shopping centers and more retail.

North of Boca Park on Rampart is Tivoli Village, Las Vegas Renaissance, One Queensridge Place, Suncoast Hotel/Casino and JW Marriott Resort and Spa (One Queensridge Place, Suncoast Hotel/Casino and J.W. Marriott are located on the west side of the submarket boundary). Tivoli Village is an approximate \$850 million project, on ±28 acres and is a mixed-use development with 700,000 square feet of upscale retail, restaurant and offices as well as 340 condominium homes once completed. Phase I has been complete for a couple years and Phase II is under construction with plans to open winter or 2015 or spring of 2016. Las Vegas Renaissance is a proposed project by EHB Companies who has built Tivoli Village and One Queensridge Place. Las Vegas Renaissance will feature 700,000 square feet of enclosed shopping and dining across the street from Tivoli Village and on the north side of Boca Park. There will be three department stores with national retailers and restaurants. The project has been placed on hold due to legal issues.

One Queensridge Place is an upscale condominium project featuring 18 stories and 385 custom condominiums and is across the street from Boca Park and Tivoli Village. At the intersection of Rampart Boulevard and Alta Drive is the Suncoast Hotel/Casino featuring 388 guest rooms and 39 suites with a 95,000-square-foot casino and Race and Sports Book Lounge, Century 16 movie theater, 64-lane bowling alley, arcade, and restaurants. J.W. Marriot Resort and Spa is located north of Suncoast Hotel/Casino and features 548 guestrooms, dining, outdoor pool, golf, spa and an independently operated casino.

The Howard Hughes Corporation has developed “Downtown Summerlin” located just off of the 215 Beltway, between Sahara Avenue and Charleston Boulevard. Construction began in the middle of 2013 on the 106-acre, 1.6-million square-foot development, which represents the first phase of the future 400-acre property, and opened in October 2014. The initial phase features more than 125 stores and restaurants in a walkable downtown shopping center in the middle of the Summerlin master-planned community. The development will also include a nine-story Class A office building to be known as One Summerlin. The first phase includes tenants such as Dillard’s Macy’s, Nordstrom Rack, Sports Authority, Old Navy and Victoria’s Secret. The development also features a luxury five-screen Regal Cinema. When all phases are complete, the development will include retail, entertainment, office, and multi-family residences.



**ARTIST'S RENDERING OF DOWNTOWN SUMMERLIN**

Red Rock Casino is located on 70 acres of land at the gateway to Red Rock Canyon, just 10 miles west of the Las Vegas Strip. Red Rock Casino, Resort and Spa is a modern resort that offers the amenities of a hotel/casino resort located on the strip. This offers a variety of dining options, gaming, and entertainment such as bowling, movies, bars and lounges.

The submarket area also has several golf courses including TPC Summerlin (a private country club), Angel Park (a public course) and Canyon Gate Country Club (a private and gated country club with semi-custom and custom homes).

### Demographics

The 2015 Las Vegas Perspective is an informational publication with survey data and demographics on the Las Vegas metropolitan area sponsored by the Las Vegas Review Journal, Nevada Development Authority, NV Energy Company and Wells Fargo Company. This publication identifies 66 survey areas (by ZIP Code). The subject property is located in Survey Area 89145. The table below details the demographic information for the noted survey area.



Survey Area	Las Vegas	89145	Survey Area	Las Vegas	89145
	Total			Total	
<b>No. of Households:</b>	774,540	11,514	<b>Type of Dwelling</b>		
			Single-Family:	59%	56%
<b>Population:</b>	2,102,238	26,775	Apt./Duplex:	24%	12%
			Condo/Townhome:	15%	33%
<b>Age of Adults:</b>			Mobile Home:	3%	0%
Under 18	24%	20%	<b>Household Income:</b>		
18-24:	9%	9%	Under \$15,000:	12%	10%
25-34:	15%	14%	\$15,000-\$24,999:	11%	10%
35-44:	12%	13%	\$25,000-\$34,999:	12%	11%
45-54:	13%	14%	\$35,000-\$49,999:	15%	18%
55-64:	12%	14%	\$50,000-\$74,999:	20%	21%
65+:	13%	16%	\$75,000-\$99,999:	12%	12%
<b>Education of Adults:</b>			\$100,000+	18%	19%
Less than 9th Grade	7%	4%	<b>Med. Household Inc.:</b>	\$50,274	\$51,153
Some High School:	9%	8%			
High School Degree:	29%	32%			
Some College:	25%	25%			
College Degrees:	30%	32%			
<b>Employment</b>					
Employed:	78%	57%			
Not in Labor Force	17%	34%			
Unemployed	5%	9%			
Unemployment Rate	8%	13%			

Percentages may not add up to 100% due to rounding.

Source: Las Vegas Perspective 2015

Based on the statistics, approximately 38% of the adult population in the Las Vegas Valley is older than 45 years of age versus the 89145 area of 44%. The number of children in the area under age 18 is at 20%, which is lower than the Las Vegas Valley at 24%. Education levels in the area are slightly higher than the overall valley, with 32% of the area residents having achieved a college degree or higher and with 30% for the valley. Approximately 57% of the area is employed versus 78% for the Las Vegas Valley. The unemployment rate for 89145 is at 13% versus 8% for the entire Las Vegas Valley. The area has 56% single family housing, 12% apartment/duplexes, 33% condos/townhouse, and has no mobile homes. The Las Vegas Valley has 59% single family housing, 24% apartment/duplexes, 15% condos/townhouse, and 3% mobile homes. Median household income reported for the area is \$51,153 versus \$50,274 for the entire Las Vegas Valley.

### Transportation Routes

The neighborhood is located in the southwestern portion of the Las Vegas Valley and is considered to have adequate accessibility to all sections of the Las Vegas area. The major east/west traffic arterials through the neighborhood are Lake Mead Boulevard, Summerlin Parkway, Charleston Boulevard, and Sahara Avenue.

Charleston Boulevard is a major community traffic arterial extending east and west across the entire valley. Charleston passes by the downtown Las Vegas business district, and it has freeway interchange access with I-15 in the downtown area. On the east side of the valley, Charleston provides freeway access to US 95, and at the far west edge of the valley Charleston has interchange access with the I-215 freeway.

Sahara Avenue is another important community traffic arterial crossing the entire valley from east to west. Along its length, Sahara Avenue has numerous car dealerships, shopping centers, office buildings, and residential districts. Sahara Avenue has freeway interchange access to I-15 and I-215.

The major north/south traffic arterials through the neighborhood are Fort Apache Road, which turns into Rampart Road, Durango Drive and Buffalo Road. Durango Drive has mostly smaller strip retail centers and apartment complexes along its length.

The I-215 freeway services the neighborhood and is part of the Las Vegas Beltway system, which encircles three-quarters of the valley. The I-215 freeway is completed across the southern end of the valley, and it interconnects with both the I-15 freeway (which extends across Southern Nevada from California to Utah) and the U.S. Highway 95 freeway (which connects downtown Las Vegas with Henderson). The I-215 freeway is of major importance in reducing traffic congestion and providing access to employment districts for the rapidly-growing suburban areas of the valley. Access to the area is considered average.

### Neighborhood Land Use

The surrounding areas are developed with scattered residential uses along interior streets and commercial uses located along the major arterial roads. The improvements for the area should have a positive effect on the commercial and residential real estate market and the businesses moving into the area. No known external influences affect the subject property. There are very limited light industrial uses in the area and the existing uses do not appear to pose any environmental concerns.

### Conclusions

Overall, the subject market area has good appeal and good access given the abundance of freeways and arterial roadways. Retail, office, and industrial uses remain oversupplied as the local economy has been in general recovery since 2010. The subject is located in a desirable neighborhood that is expected to continue to flourish over the upcoming years. Overall, the subject neighborhood is in the stable stage of its life cycle.

## Site Description

The subject site is located near the northwest corner of Rampart Boulevard and Alta Drive. The characteristics of the site are summarized as follows:

### Site Characteristics

Location:	Near the northwest corner of Rampart Boulevard and Alta Drive
Usable Land Area:	70.52 Acres or 3,071,851 SF
Usable Land %:	100.0%
Shape:	Irregular
Average Depth:	3,000.00 feet
Topography:	Level to Rolling
Drainage:	Poor
Grade:	Varies
Utilities:	All are located nearby
Off-Site Improvements:	Asphalt paved parking, concrete curb, gutters, sidewalks, and streetlights
Interior or Corner:	Corner
Signalized Intersection:	No: Traffic signal nearby that enhances access to the site. The nearest traffic signal is located at the corner of Rampart Boulevard and Charleston Boulevard.
Excess Land:	None
Surplus Land:	None

### Street Frontage / Access

Frontage Road	Primary
Street Name:	Rampart Boulevard
Street Type:	Commercial arterial
Frontage (Linear Ft.):	1,400
Number of Curb Cuts:	N/A
Traffic Count (Cars/Day):	34000

### Additional Access

Alley Access:	No
---------------	----

### Flood Zone Data

Flood Map Panel/Number:	32003C2145F
Flood Map Date:	November 16, 2011
Flood Zone:	A
	The subject property is in a Zone 'A' flood zone where base flood elevations have not been determined.

### Other Site Conditions

Soil Type:	A mix of mixed alluvial sand and top soil containing organic matter.
Environmental Issues:	There are no known adverse environmental conditions affecting the subject property
Easements/Encroachments:	There are no known adverse easements or encroachments affecting the subject property
Earthquake Zone:	The property is not in a fault, fissure, or earthquake zone

### Adjacent Land Uses

North:	Alta Drive followed by the South Coast Hotel and Casino
South:	Office development followed by LVVWD site followed by commercial development
East:	Rampart Boulevard followed by Boca Park and vacant commercial land
West:	Residential development

### Site Ratings

Access:	Average
Visibility:	Good

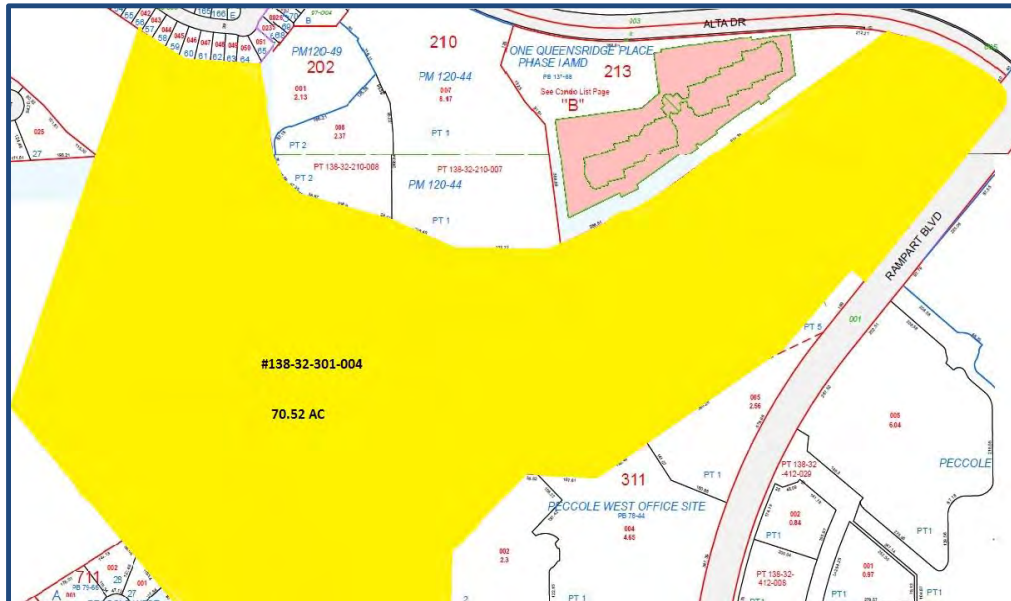
### Zoning Designation

Zoning Jurisdiction:	Las Vegas
Zoning Classification:	R-PD7, Residential Planned Development District
General Plan Designation:	Residential Planned Development District
Permitted Uses:	Residential development up to 7 du per acre
Zoning Comments:	The subject, as improved, is a legal use of the site per the current zoning code

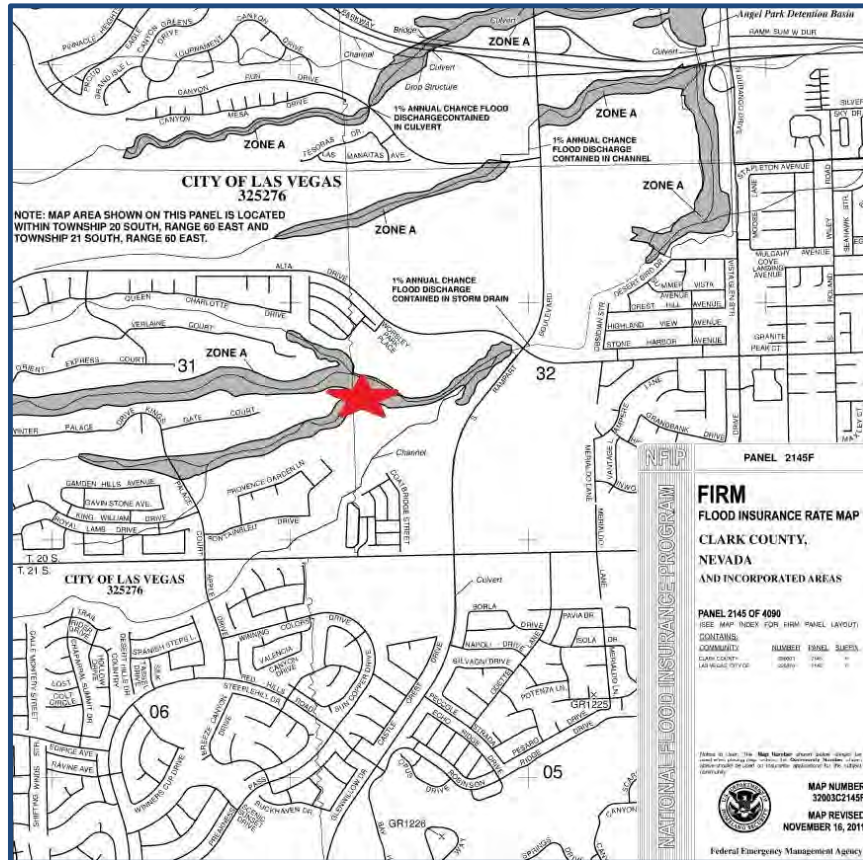
### Analysis/Comments on Site

The subject site consists of one 70.52 acre parcel conducive for development. The subject has uneven terrain in most areas with arroyos running through a greater portion of the site. In order to develop the site, box culverts will be needed as well as removal of the top soil associated with the golf course due to the large amount of organic matter present.

**TAX/PLAT MAP**

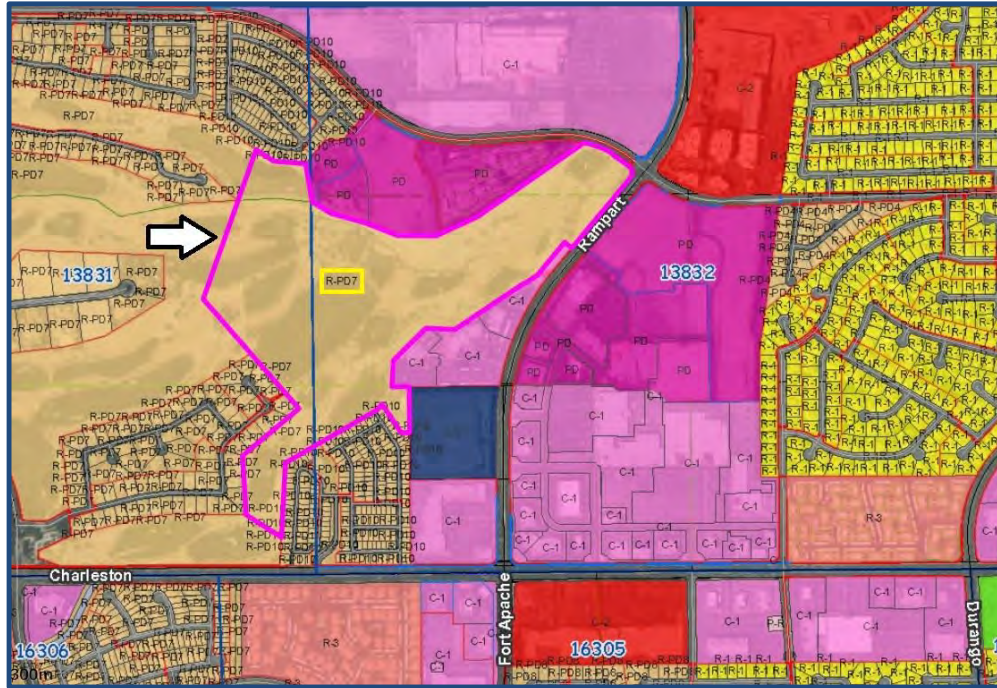


**FLOOD MAP**





**ZONING MAP**



11850035707

11304

## Subject Photos

---



View of the subject facing east



View of the subject facing southeast





View of the subject facing northwest



View of the subject facing north

*Additional photos are included in the Addenda*

## Assessment and Tax Data

---

### Assessment Methodology

Property taxes are based upon an appraisal of the property performed by the Clark County Assessor's Office. An appraisal is conducted every five years on properties located within Clark County and the values are updated each year by an index computed by the State of Nevada Department of Taxation.

According to personnel at the Assessor's Office, improved properties are appraised for taxable value based upon the cost approach. This approach to value is performed by estimating the replacement cost new of a property less depreciation of 1.5% per year of effective age, up to a maximum of 75%. State Statute 361.227 indicates that the taxable value of the property must not exceed the current market value. Since the cost approach in some instances may provide an indication higher than current market value, the sales comparison approach and/or income capitalization approach may be used to establish the taxable value of the property. Property taxes are calculated by multiplying 35% of the taxable value by the tax rate.

### Tax Rates

The subject is within Tax District 200 (LAS VEGAS CITY), which has a current tax rate of \$3.27820 per \$100.00 of assessed value for the 2014/15 tax year. The fiscal year starts July 1<sup>st</sup> and ends on June 30<sup>th</sup> of every year.

#### HISTORIC TAX RATES

Tax Year	Tax Rate
2015/16	\$3.2782
2014/15	\$3.2782
2013/14	\$3.2782
2012/13	\$3.2782

Please note that property tax increases were capped by Nevada Legislature Assembly Bill 489, which was passed on April 6, 2005. The tax increase caps are 3% per year for a primary residence and 8% per year on all other properties.

### Assessed Values and Property Taxes

The subject's assessed values, applicable tax rates and total taxes, including direct assessments, are shown in the following table:

**Ad Valorem Tax Schedule**
**Parcel Number: 138-32-301-004**

Clark County Appraised Values	Actual 2015
Land:	\$434,720
Improvements:	\$4,792,831
Total:	\$5,227,551
<b>Assessment Ratios</b>	
Land:	35.00%
<b>Assessed Value</b>	
Land:	\$152,152
Improvements:	\$1,677,491
Total:	\$1,829,643
<b>Tax Rate</b>	\$3.278200
<b>Millage Rate</b>	per \$100
<b>Tax Expense</b>	Actual 2015
Total:	\$59,979
Special Assessments:	\$0
Total Taxes:	\$59,979

**Conclusions**

According to the Clark County the subject's property taxes are current as of the date of value.

## Market Analysis

The use potential of the subject property is influenced by continued population growth and a healthy real estate market. Consequently, the following summaries of the housing, retail, office, and hotel/gaming markets are provided.

### Housing Market Analysis

Prospects for the local housing market depend on ongoing population growth, which, until the economic and financing problems started in 2008, had continued at a strong pace over several years. According to statistics from the Nevada State Demographer's Office, the following are population changes annually in Clark County from July 1 to June 30 each year:

Year	Population Change	Total Population
2003/2004	94,389	1,705,975
2004/2005	81,043	1,787,018
2005/2006	78,457	1,865,475
2006/2007	79,842	1,945,317
2007/2008	22,399	1,967,716
2008/2009	(15,676)	1,952,040
2009/2010	16,791	1,968,831
2010/2011	(1,109)	1,967,722
2011/2012	20,473	1,988,195
2012/2013	43,528	2,031,723
2013/2014	37,727	2,069,450

*Source: State of Nevada Demographer*

As shown above, the population growth slowed significantly in the 2007/2008 year, and actually declined in 2008/2009 and 2010/2011 as economic and financing problems persisted. However, in 2011/2012 through 2013/2014, growth in the population showed a recovering trend. Home Builders Research has reported new home sales activity as follows:

Year	# New Home Sales
2003	25,230
2004	29,248
2005	38,517
2006	36,051
2007	19,670
2008	8,994
2009	5,271
2010	5,341
2011	3,894
2012	5,544
2013	7,303
2014	6,007

*Source: Home Builders Research*

As can be seen, new home sales declined significantly from 2007 through 2011 with sales down in 2011 89.9% from 2005. The year 2005 was a record year for Southern Nevada new home sales, and sales started strong in early 2006. However, by the middle of 2006, sales slowed with consecutive months of decline that continued through 2009. The 2010 home sales were up slightly from 2009,

but they declined significantly in 2011. Sales in 2012 were up, and new home sales in 2013 were 32% greater than in 2012. Dennis Smith, president of Home Builders Research, said the 32% increase made 2013 “an exceptional year.” New homes sales in 2014 declined 18% from 2013, and the median home sales price was also down 2% from 2013. The decline is partly attributable to project processing delays with Clark County, and partly because the price of new homes has become unaffordable for many buyers.

At the market’s lowest point, sales of new homes fell to an average of 325 per month in 2011, and the number of new homebuilders in Las Vegas dwindled to less than 40. The 3,894 new home sales in 2011 was the lowest total in 23 years, and while economists have said Las Vegas is on the road to recovery, the housing industry has not yet fully returned to a sense of normalcy. Housing analyst Dennis Smith of Home Builders Research believes 2011 will remain the worst year in terms of the number of new homes sold. New home sales are only around 15% of the overall Las Vegas housing market, whereas, they were 50% of the market in the early 1990s.

In comparison to new home sales, the resale market also declined in 2014 with 36,550 sales versus 44,125 in 2013. Prior to 2014, the resale market had stayed at high levels with 87% more sales in 2013 than in 2007 (23,956 resales in 2007). Recorded resales totaled 44,830 in 2009; 42,673 in 2010; 48,822 in 2011; and 49,657 in 2012, and the inventory of available resale homes on the market began to stabilize at around 22,000 by December 2008. The inventory has fluctuated since 2006, reaching nearly 30,000 units, but the inventory declined significantly in 2012, 2013, and 2014 for reasons discussed later.

The median price of a new home in the Las Vegas Valley was \$305,704 in April 2015, which was 9.5% less than the median price in 2006 of \$337,781, but up 55% from \$197,490 in August 2011. The median price of existing homes is down 34% from \$285,000 in 2006 to \$187,000 in April 2015, but up 75% from \$107,000 in August 2011. The market clearly flattened out in the second half of 2006 and declined thereafter, but a panel of residential real estate experts at the November 2013 Appraisal Institute Las Vegas Market Symposium indicated that resale home prices had reached bottom in 2011, and that the prices had steadily been increasing until plateauing in 2013. Home Builders Research continues to project that the long-term health of the Las Vegas housing market should be good as the recovery progresses.

Resale home closings in 2009 averaged 3,736 per month, with 3,556 per month in 2010, 4,069 in 2011, 4,138 in 2012, 3,677 in 2013, and 3,046 in 2014. Resale homes in 2012 produced one of the highest home resale numbers on record. Las Vegas economic consultant John Restrepo said in a Review Journal newspaper article that home price appreciation is tied to jobs, and in 2010 only 2,000 jobs per month were lost in the Las Vegas Valley versus 12,000 to 15,000 jobs lost per month in 2009. The average home price fell 3% in 2010 compared to 33% in 2008 and 22% in 2009, and with improving economic conditions nationally and locally, there is optimism that prospects are better for a sustained recovery. However, the home price recovery has slowed as rising home prices become less affordable.

In January 2014, Dennis Smith with Home Builders Research indicated that despite the strong new home sales growth from 2012 to 2013, the Las Vegas Valley remains America’s capital for underwater homes. His projections for new home sales locally in 2015 remain “cautious and conservative,” but while 2014 was a disappointment, it could have been worse according to Dennis Smith. The Greater Las Vegas Association of Realtors reported in January 2015 that Southern Nevada has less than a

four-month supply of available homes when a six-month supply is considered to be a balanced market.

The new home market slowed after the Federal government's first time home buyer tax credit incentive of \$8,000 ended in late April 2010, and hit bottom in 2011. However, new home building permits and sales in 2012 and 2013 outpaced the same months in 2011. Additionally, a 2010/2011 foreclosure review process by the Federal government found that significant banks were filing unreviewed documents with the courts to hasten foreclosures, and the government sought to force Bank of America to buy back \$47 billion of troubled loans because of flawed foreclosure documents. That caused all mortgage lending institutions to slow down foreclosures to do better document reviews. In 2013, Federal banking regulators reached a settlement with 10 banks at \$8.5 billion for the flawed review of foreclosed loans.

The need for better loan foreclosure reviews, plus a Nevada robo-signing law (AB284), resulted in lending institutions authorizing more short sales by homeowners. Short sales in Southern Nevada were brisk, and resale home prices increased. The Nevada robo-signing law was keeping short sales at the forefront of home sales, and by September 2012, short sales increased to 45% of all sales, while foreclosure sales accounted for less than 14% of sales. Since 2013, traditional home sales, as opposed to lender sales, are once again at the forefront of the market, making up 64% of all sales by mid-2013, and 70% of sales in 2014.

The robo-signing law cut the foreclosure and available home inventory considerably, and homes for sale received multiple offers. The list prices for homes became minimum prices, and many existing homes sold for thousands more than the list prices. Real estate professionals were projecting 500+ new home sales per month from mid-2012 on, and home builders became busier than ever since the market crash in 2008. In 2013, the projection for new home sales was raised to 700 per month. However, new home prices in 2014 were too high to sustain the sales growth. Even so, homeowners who went through foreclosure and bankruptcy when the economy collapsed are becoming eligible again for bank home mortgage loans starting in 2015. That could be a catalyst for the home sales market.

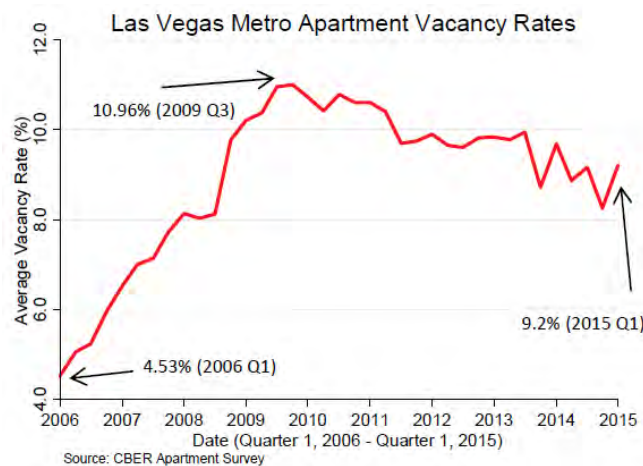
Although the numbers have headed in the right direction, job growth still needs to continue improving. The Brookings Institution indicated in November 2012 that the Las Vegas Valley has moved from the world's fifth worst economy in 2010 to the middle of cities in 2012. Brookings, a Washington, D.C. think tank foresees a rising standard of living and job growth for the valley as Southern Nevada's travel and tourism industry continues to improve, and as the local GDP (economic output) recovers. Even so, Steve Brown, director of the Center for Business and Economic Research at the University of Nevada Las Vegas, cautioned that "The economy here is improving, albeit pretty slowly".

Negative home equity in the valley is high but improving, and Southern Nevada existing housing is still affordable. Nevada has had one of the highest mortgage delinquency rates in the country since 2009, and in 2011, three-fourths of the homes sold were distress sales. Additionally, two-thirds of homes with a mortgage were "under water" in 2011, and there was concern that another 100,000 homes could be foreclosed upon by 2015. However, a panel of housing experts indicated on March 7, 2014, that although the local housing market has taken a long time to recover, the market did show strength in 2013 with surging sales and prices.

Nonetheless, the panel cautioned that home sales and pricing will likely remain near 2013 levels through much, if not all of 2015 because although 70,300 jobs have been added to the Nevada economy since 2011, that is only 35% of the jobs lost from 2007 to 2010. The unemployment rate remains high at 7.1%, and average annual income has stayed flat since 2007. Finally, mortgage financing is tougher to get for many buyers, and high land prices for scarce larger parcels is pushing builders to consider land in less desirable, but more affordable locations in the valley (Las Vegas Review Journal, March 8, 2014).

### Multiple-Family Market Analysis

According to the Lied Institute of Apartment Market Trends, 1<sup>st</sup> Quarter 2015, the average vacancy rate for apartments in the MSA has declined from 10.96% at its peak in the 3<sup>rd</sup> Quarter 2009 to 9.2%, but is up from the most recent low during fourth quarter of 2014, as shown in the graph below.



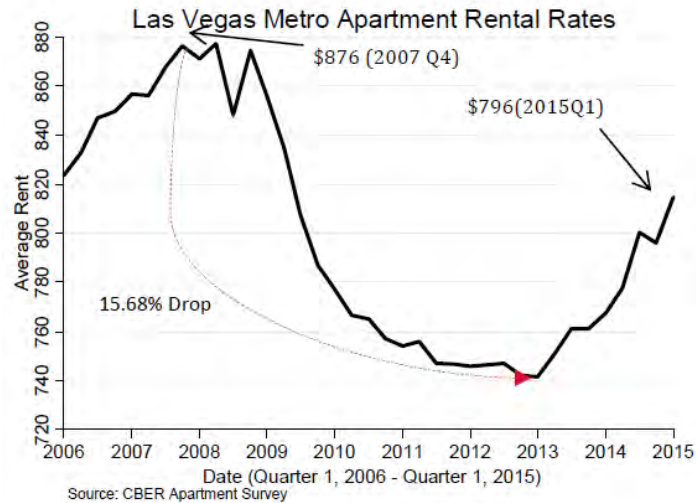
All but seven zip codes saw an increase in the vacancy rate this quarter and the overall vacancy rate in the Las Vegas metropolitan area increased by 0.9 percentage points. The most notable increases came from the central area where most zip codes saw an increase in the vacancy rate of about 2 percentage points. The 89109 zip code, the strip area, saw a 2 percentage-point increase in the vacancy rate and now has a vacancy rate of 15.7 percent – 4 percentage points higher than anywhere else in the Las Vegas Metropolitan area. The largest increase in the vacancy rate came from the 89139 zip code where the vacancy rate increased by 3 percentage points. The only notable decreases in vacancy rates came from the 89031 and 89131 zip codes, where the vacancy rate decreased by about 2 percent.

Asking rents increased by two percent this quarter and the average asking rent is now \$815. Asking rents are up 7 percent on a year-over-year basis. Still, average asking rents in Las Vegas still remain 7 percent lower than their peak in 2007 (\$876). The vacancy rate increased from 8.3 percent (2014 Q4) to 9.2 percent (2015 Q1).

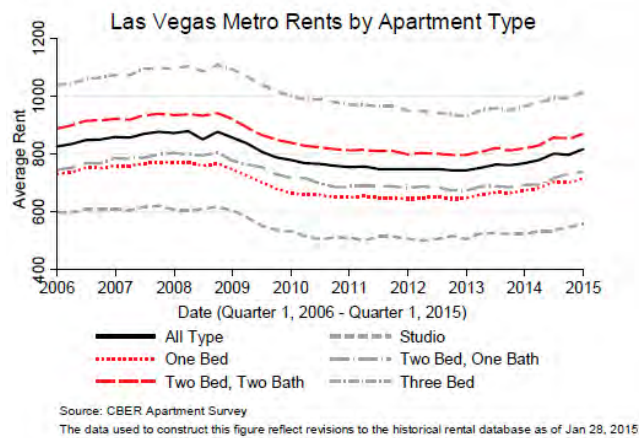
The Las Vegas metropolitan area saw a wide range of changes in asking rents this quarter. On one end, zip codes on the east side, which typically have lower asking rents, saw rents increase by over



\$20 this quarter. On the other end, the zip codes that had the highest asking rent last quarter, the 89138 and 89144 zip codes, both saw asking rents decrease by about \$40 this quarter. The most considerable increase came in the 89149 zip code where the average asking rent increased by \$101 (11 percent). The most considerable decrease came from the 89011 zip code where the average asking rent decreased by \$80 (8 percent).

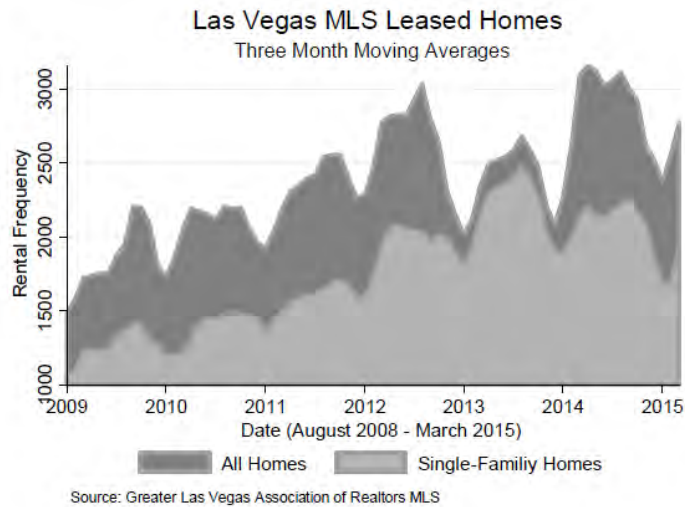


One bedroom apartments saw the most considerable increase in asking rents this quarter. Furnished one-bedroom apartments saw an increase of \$18 (2.6 percent) in the asking rent. Unfurnished one-bedroom apartments saw an increase of \$16 (2.3 percent). Furnished studios, which recently had the most robust growth, saw the largest decrease in asking rent this quarter with a decrease of \$14 (2.3 percent). Furnished two-bedroom, two-bath apartments are the only apartment type to have a decrease in the asking rent on a year-over-year basis.





Apartment complexes, to a certain extent, compete with individually owned units, which mostly consist of single family homes, townhomes, and condominiums. MLS rental leases, a proxy for this competition, began to slow down towards the end of this quarter reaching a three month moving average of 2,774 leases in March 2015 – 10 percent more than the end of last quarter. However, MLS leases are down 319 leases (10 percent) on a year-over-year basis. Apartments compared to single-family often tend to offer shorter lease contracts, smaller deposits, and more common community amenities (i.e., pool, gym, or recreation center).



Nevertheless, economic conditions, more than anything will influence the apartment market, especially as residents find better jobs, earn higher income, and recover financially.

## Highest and Best Use

---

The Highest and Best Use of a property is the use that is legally permissible, physically possible, and financially feasible which results in the highest value. An opinion of the highest and best use results from consideration of the criteria noted above under the market conditions or likely conditions as of the effective date of value. Determination of highest and best use results from the judgment and analytical skills of the appraiser. It represents an opinion, not a fact. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

### Analysis of Highest and Best Use As If Vacant

In determining the highest and best use of the property as if vacant, we examine the potential for: 1) near term development, 2) a subdivision of the site, 3) an assemblage of the site with other land, or 4) holding the land as an investment.

#### Legally Permissible

The subject site is zoned R-PD7, Residential Planned Development District which controls the general nature of permissible uses and allows for development of 7 units to the acre. However, according to the City of Las Vegas, "new development under the R-PD District is not favored and will not be available under this Code" and also states that "the "equivalent standard residential district" means a residential district listed in the Land Use Tables which, in the Director's judgement, represents the (or a) district which is most comparable to the R-PD District in question in terms of density and development type". Therefore, a change in zoning is likely. In conversation with the subject owner's attorney, Chris Kaempfer with Kaempfer Crowell Law Firm, it is likely that the subject can obtain zoning that would allow for the development of 7 to 10 unit per acre. We were told that this zoning is probable as it is based off of obtaining densities similar to the surrounding zoning that ranges from 5 units to the acre to very high density (from One Queensridge Place.

We have been provided with title reports for the site and there are no known easements, encroachments, covenants or other use restrictions that would unduly limit or impede development.

#### Physically Possible

The physical attributes allow for a number of potential uses. Elements such as size, shape, availability of utilities, known hazards (flood, environmental, etc.), and other potential influences are described in the Site Description and have been considered.

The subject is located in an area that has fairly stable soils and subsoil's with regard to support of commercial and residential structures. Moreover, we have been provided a Phase I soils report (performed by GES Services Inc. Project No. 20072184V2 and dated December 19, 2014) for the subject that concludes that there are no development limitations on the subject site. The site however, is developed with approximately 40% golf course and there will be need for removal of the top golf course soils prior to construction of any residential units due organic matter and the poor soil stability of the topsoil.

The property is located within a flood hazard area (Flood Zone A); therefore, flood insurance is required for any improvements on the site. The parcel has mild to severe sloping and undulations

and arroyos that are typical of golf course construction. Prior to development of a residential use, the site will require installation of proper drainage and box culverts to allow for development.

#### Financially Feasible

According to the owner, the Badlands Golf Course will be shut down within the next six months due to declines in profit. That said, the probable use of the site for residential development is feasible and conforms to the pattern of land use in the market area. A review of published yield, rental and occupancy rates suggest that there is a balanced supply and demand in the Summerlin area and it is sufficient to support construction costs and ensure timely absorption of additional inventory in this market. Therefore, near-term speculative development of the subject site is financially feasible.

#### Maximally Productive

Among the financially feasible uses, the use that results in the highest value (the maximally productive use) is the highest and best use. Considering these factors, the maximally productive use as though vacant is for development of residential properties with a density of 7 to 10 units per acre.

#### Conclusion of Highest and Best Use As If Vacant

The conclusion of the highest and best use as if vacant is for development of residential properties with a density of 7 to 10 units per acre.

#### Most Probable Buyer/User

As of the date of value, the most probable buyer of the subject property is developer and the most probable user would be a residential user.

## Appraisal Methodology

---

### Three Approaches to Value

There are three traditional approaches typically available to develop indications of real property value: the cost, sales comparison, and income capitalization approaches.

#### Cost Approach

The cost approach is based upon the principle that a prudent purchaser would pay no more for a property than the cost to purchase a similar site and construct similar improvements without undue delay, producing a property of equal desirability and utility. This approach is particularly applicable when the improvements being appraised are relatively new or proposed, or when the improvements are so specialized that there are too few comparable sales to develop a credible Sales Comparison Approach analysis.

#### Sales Comparison Approach

In the sales comparison approach, the appraiser analyzes sales and listings of similar properties, adjusting for differences between the subject property and the comparable properties. This method can be useful for valuing general purpose properties or vacant land. For improved properties, it is particularly applicable when there is an active sales market for the property type being appraised – either by owner-users or investors.

#### Income Capitalization Approach

The income capitalization approach is based on the principle that a prudent investor will pay no more for the property than he or she would for another investment of similar risk and cash flow characteristics. The income capitalization approach is widely used and relied upon in appraising income-producing properties, especially those for which there is an active investment sales market.

### Subject Valuation

As stated within the Scope of Work, we have relied upon the Sales Comparison Approach. If an approach has been omitted, the reason for that exclusion is also stated within the Scope of Work.

## Land Valuation

---

### Methodology

Land is most often valued using the Sales Comparison Approach. The opinion of market value is based on an analysis of sales, listings and pending sales of properties similar to the subject property, using the most relevant units of comparison. The comparative analysis focuses on the difference between the comparable sales and the subject property using all appropriate elements of comparison.

### Unit of Comparison

The unit of comparison depends on land use economics and how buyers and sellers use the property. The unit of comparison in this analysis is per gross acre.

### Elements of Comparison

Elements of comparison are the characteristics or attributes of properties and transactions that cause the prices of real estate to vary. The main elements of comparison that are considered in sales comparison analysis are as follows: (1) real property rights conveyed, (2) financing terms, (3) conditions of sale, (4) expenditures made immediately after purchase, (5) market conditions, (6) location and (7) physical characteristics.

### Comparable Sales Data

A search of data sources and public records, a field survey, interviews with knowledgeable real estate professionals in the area, and a review of our internal database were conducted to obtain and verify comparable sales and listings of vacant land properties.

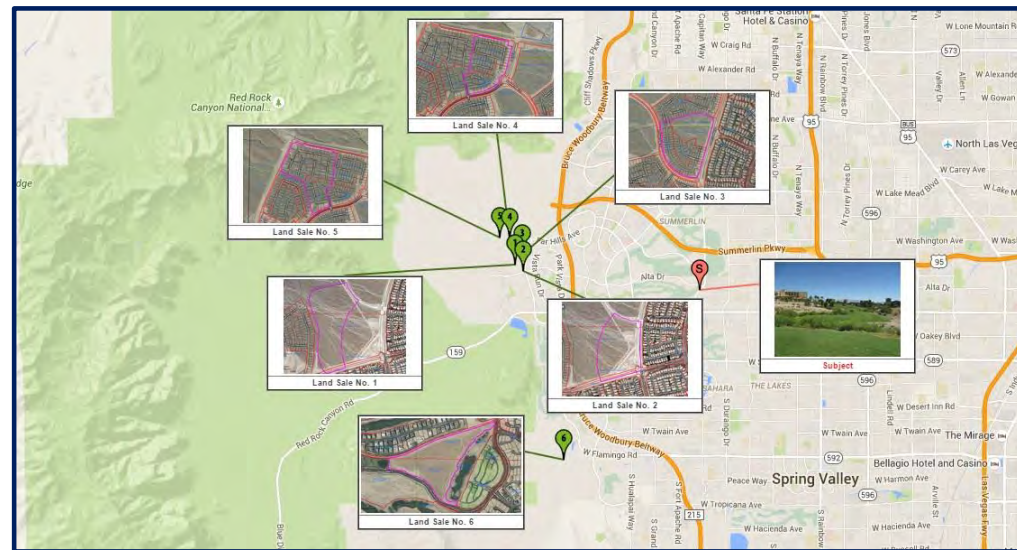
We used six sales in our analysis, these representing the sales judged to be the most comparable in developing an indication of the market value of the subject property. The land sales have been compared to the primary subject site, as a base. The indicated value was then adjusted accordingly and applied to the excess land.

The following table summarizes each of the land sale comparables and is followed by a map displaying the location of each comparable in relation to the subject. Summary sheets detailing each comparable follow the location map.

### Land Sales Summary

Land Sale No.	Date of Sale	Gross Acres	Location		Zoning	Proposed Use	Sale Price Actual	Per Acre
1	3/20/2014	33.000	Alta Dr	Las Vegas, Nevada	P-C	Single family residential	\$16,281,200	\$493,370
2	4/17/2014	26.500	NWC Alta Dr and Desert Foothills	Las Vegas, Nevada	P-C	Single Family Development	\$12,000,000	\$452,830
3	6/20/2014	28.570	Antelope Dr	Las Vegas, Nevada	P-C	Single Family Development	\$15,284,950	\$535,000
4	12/11/2014	20.350	Fox Hill Dr	Las Vegas, Nevada	P-C	Single Family Development	\$10,570,000	\$519,410
5	2/4/2015	29.280	Fox Hill Dr	Las Vegas, Nevada	P-C	Single Family Development	\$16,773,900	\$572,879
6	5/29/2015	33.190	Ns of Granite Ridge Drive, south of Flamingo	Las Vegas, Nevada	R-1a	Single Family Development	\$20,800,000	\$626,695

### COMPARABLE SALES MAP



**Land Comparable 1**

**Transaction Information**

Status: Closed  
 Recording Date: March 20, 2014  
 Recording #: 20140320:02087  
 Sale Price: \$16,281,200  
 Adjusted Sales Price: \$16,281,200  
 Grantor: Howard Hughes Company, LLC  
 Grantee: Toll South LV, LLC

**Property Rights**

Rights Conveyed: Fee Simple  
 Financing: All Cash to Seller  
 Conditions of Sale: Arm's Length  
 Marketing Time (Days): Not available

Price Per Gross Acre: \$493,370  
 Price Per Gross SF: \$11.33  
 Price Per Usable Acre: \$520,000.00  
 Price Per Usable SF: \$11.94

Property Type: Land  
 Property Sub-Type: Residential (Single-Family)  
 Location: Alta Dr, Las Vegas, Nevada 89138  
 County: Clark  
 Tax ID/APN: 137-34-519-001  
 Confirmed With: Rachel Lyons with Howard Hughes Co.  
 Confirmed By: Tammy O'Rourke

**Land Description**

Gross Acres: 33.00  
 Gross SF: 1,437,480  
 Net Acres: 31.31  
 Net SF: 1,363,864  
 Zoning: P-C, Planned Community  
 Zoning Jurisdiction: Las Vegas  
 Utilities: All public utility lines will be delivered to the site per the purchase agreement  
 Off-Sites: All off-site improvements are to be installed  
 On-Sites: None  
 Frontage: 513  
 Shape: Irregular  
 Topography: Generally level  
 In Flood Plain: No  
 Encumb./Easements: No known adverse easements or encumbrances

**Proposed Improvements**

Proposed Use: Single family residential  
 Highest & Best Use: Single family residential

**Comments:** This 33 gross acre parcel of land is located in the west/central portion of Las Vegas in the master planned community of Summerlin. As is typical for this community, the parcel will be fully finished with off-site improvements and all utilities will be delivered to the site. This parcel was purchased by Toll South LV, LLC in March 2014 for \$520,000 per net acre. The sale has been confirmed by a representative of the seller as arms length with no unusual buyer or seller motivation. As is typical for the Summerlin community, the buyer of this parcel also assumed SID fees in the amount of \$1,871,701.69 (as of March 2014). The parcel is also subject to a price participation clause where the buyer must pay a percentage to the seller on each home sold. There were no brokers involved on either side of this transaction.



**Land Comparable 2**

**Transaction Information**

Status: Closed  
 Recording Date: April 17, 2014  
 Recording #: 20140417:02201  
 Sale Price: \$12,000,000  
 Adjusted Sales Price: \$12,000,000  
 Grantor: Howard Hughes Company LLC  
 Grantee: Ryland Homes Nevada LLC

**Property Rights**

Rights Conveyed: Fee Simple  
 Financing: Assumed All Cash to Seller  
 Conditions of Sale: Assumed Arm's Length  
 Marketing Time (Days): Not available

Price Per Gross Acre: \$452,830  
 Price Per Gross SF: \$10.40  
 Price Per Usable Acre: \$500,000.00  
 Price Per Usable SF: \$11.48

Property Type: Land  
 Property Sub-Type: Residential (Single-Family)  
 Location: NWC Alta Dr and Desert Foothills, Las Vegas, Nevada 89138  
 County: Clark  
 Tax ID/APN: 137-34-519-002  
 Confirmed With: Rachel Lyons, Howard Hughes Co.  
 Confirmed By: Tammy O'Rourke

**Land Description**

Gross Acres: 26.50  
 Gross SF: 1,154,340  
 Net Acres: 24.00  
 Net SF: 1,045,440  
 Zoning: P-C, Planned Community  
 Zoning Jurisdiction: City of Las Vegas  
 Utilities: At or near site  
 Off-Sites: Full off-sites will be installed as included in purchase price  
 On-Sites: None  
 Frontage: 1,110  
 Shape: Irregular  
 Topography: Above grade and near level  
 In Flood Plain: No  
 Encumb./Easements: No known adverse easements or encumbrances

**Proposed Improvements**

Proposed Use: Single Family Development  
 Highest & Best Use: Single Family Development

**Comments:** This 24 net acre parcel of land is located in the west/central portion of Las Vegas in the master planned community of Summerlin. As is typical for this community, the parcel will be fully finished with off-site improvements and all utilities will be delivered to the site. This parcel was purchased by Ryland Homes Nevada, LLC in April 2014 for \$500,000 per net acre. The sale has been confirmed by a representative of the seller as arms length with no unusual buyer or seller motivation. As is typical for the Summerlin community, the buyer of this parcel also assumed SID fees in the amount of \$1,434,712.50 (as of May 2014). The parcel is also subject to a price participation clause where the buyer must pay a percentage to the seller on each home sold. There were no brokers involved on either side of this transaction.



**Land Comparable 3**

**Transaction Information**

Status: Closed  
 Recording Date: June 20, 2014  
 Recording #: 20140620:02262  
 Sale Price: \$15,284,950  
 Adjusted Sales Price: \$15,284,950  
 Grantor: Howard Hughes Company, LLC  
 Grantee: Woodside Homes of Nevada, LLC

**Property Rights**

Rights Conveyed: Fee Simple  
 Financing: All Cash to Seller  
 Conditions of Sale: Arm's Length  
 Marketing Time (Days): N/A

Price Per Gross Acre: \$535,000  
 Price Per Gross SF: \$12.28  
 Price Per Usable Acre: \$535,000.00  
 Price Per Usable SF: \$12.28

Property Type: Land  
 Property Sub-Type: Residential (Single-Family)  
 Location: Antelope Dr, Las Vegas, Nevada 89138  
 County: Clark  
 Tax ID/APN: 137-27-813-002

Confirmed With: CoStar, public records, calls to Peggy Chandler with Howard Hughes were not returned

Confirmed By: Brenda Cazares

**Land Description**

Gross Acres: 28.57  
 Gross SF: 1,244,509  
 Net Acres: 28.57  
 Net SF: 1,244,509  
 Zoning: P-C, Planned Community District  
 Zoning Jurisdiction: City of Las Vegas  
 Utilities: All are to the site  
 Off-Sites: Offsites are installed  
 On-Sites: No site improvements  
 Frontage: 1,700  
 Shape: Irregular  
 Topography: Mostly level  
 In Flood Plain: No  
 Encumb./Easements: There are no known adverse easements or encumbrances.

**Proposed Improvements**

Proposed Use: Single Family Development  
 Highest & Best Use: Single Family Development

**Comments:** This 28.57 acre parcel of land is located in the west/central portion of Las Vegas in the master planned community of Summerlin. As is typical for this community, the parcel will be fully finished with off-site improvements and all utilities will be delivered to the site. This site was purchased by Woodside Homes of Nevada, LLC for single family development. According to public records, the site will be the future home of Savona, a single-family subdivision. The site was approved for construction of 135 lots or 4.73 units per acre. The zoning will remain the same at P-C (Planned Community) which allows for up to 10 units per acre. The buyer may be required to assume remaining (if any) SID fees, however, the amounts were not disclosed.

**Land Comparable 4**

**Transaction Information**

Status: Closed  
 Recording Date: December 11, 2014  
 Recording #: 20141211:02406  
 Sale Price: \$10,570,000  
 Adjusted Sales Price: \$10,570,000  
 Grantor: Howard Hughes Company, LLC  
 Grantee: William Lyon Homes Inc

**Property Rights**

Rights Conveyed: Fee Simple  
 Financing: All Cash to Seller  
 Conditions of Sale: Arm's Length  
 Marketing Time (Days): N/A

Price Per Gross Acre: \$519,410  
 Price Per Gross SF: \$11.92  
 Price Per Usable Acre: \$519,410.00  
 Price Per Usable SF: \$11.92  
 Price Per Unit: N/A

Property Type: Land  
 Property Sub-Type: Multi-Family  
 Location: Fox Hill Dr, Las Vegas, Nevada 89138  
 County: Clark  
 Tax ID/APN: 137-27-313-001

Confirmed With: CoStar, public records, calls to Peggy Chandler with Howard Hughes were not returned

Confirmed By: Brenda Cazares

**Land Description**

Gross Acres: 20.35  
 Gross SF: 886,446  
 Net Acres: 20.35  
 Net SF: 886,446  
 Zoning: P-C, Planned Community District  
 Zoning Jurisdiction: City of Las Vegas  
 Utilities: All are to the site  
 Off-Sites: All off sites are installed  
 On-Sites: No site improvements  
 Frontage: 1,481  
 Shape: Irregular  
 Topography: Mostly level  
 In Flood Plain: No  
 Encumb./Easements: There are no known adverse easements or encumbrances.

**Proposed Improvements**

Proposed Use: Single Family Development  
 Highest & Best Use: Single Family Development

**Comments:** This 20.35 acre parcel of land is located in the west/central portion of Las Vegas in the master planned community of Summerlin. As is typical for this community, the parcel will be fully finished with off-site improvements and all utilities will be delivered to the site. This site was purchased by William Lyon Homes Inc. for single family development. According to public records, the site will be the future home of Allegra community within Paseos Village. The site was approved for construction of 88 lots or .23 units per acre. The zoning will remain the same at P-C (Planned Community) which allows for up to 10 units per acre. There were no conditions to the sale and no specific reason the price per acre is higher than the previous sold superpads. All approvals for single family residential development are in place as well as utilities and zoning. There was no broker representation on the transaction. The buyer may be required to assume remaining (if any) SID fees, however, the amounts were not disclosed.

**Land Comparable 5**


Property Type: Land  
 Property Sub-Type: Multi-Family  
 Location: Fox Hill Dr, Las Vegas, Nevada 89138  
 County: Clark  
 Tax ID/APN: 137-27-312-001, 137-27-313-004  
 Confirmed With: CoStar, public records, calls to Peggy Chandler with Howard Hughes were not returned  
 Confirmed By: Brenda Cazares

**Transaction Information**

Status: Closed  
 Recording Date: February 4, 2015  
 Recording #: 20150204:04866  
 Sale Price: \$16,773,900  
 Adjusted Sales Price: \$16,773,900  
 Grantor: Howard Hughes Company, LLC  
 Grantee: Toll South LV, LLC

**Property Rights**

Rights Conveyed: Fee Simple  
 Financing: All Cash to Seller  
 Conditions of Sale: Arm's Length  
 Marketing Time (Days): N/A

Price Per Gross Acre: \$572,879  
 Price Per Gross SF: \$13.15  
 Price Per Usable Acre: \$572,879.00  
 Price Per Usable SF: \$13.15

**Land Description**

Gross Acres: 29.28  
 Gross SF: 1,275,437  
 Net Acres: 29.28  
 Net SF: 1,275,437

Zoning: P-C, Planned Community District  
 Zoning Jurisdiction: City of Las Vegas  
 Utilities: All are to the site  
 Off-Sites: All off sites are installed  
 On-Sites: No site improvements  
 Frontage: 428  
 Shape: Irregular  
 Topography: Mostly level  
 In Flood Plain: No  
 Encumb./Easements: There are no known adverse easements or encumbrances.

**Proposed Improvements**

Proposed Use: Single Family Development  
 Highest & Best Use: Single Family Development

**Comments:** This 29.28 acre parcel of land is located in the west/central portion of Las Vegas in the master planned community of Summerlin. As is typical for this community, the parcel will be fully finished with off-site improvements and all utilities will be delivered to the site. This site was purchased by Toll Brothers Inc. for single family development. According to public records, the site will be the future home of Los Altos, a gated community within Paseos Village. The site was approved for construction of 78 lots or .37 units per acre. The zoning will remain the same at P-C (Planned Community) which allows for up to 10 units per acre. There were no conditions to the sale and no specific reason the price per acre is higher than the previous sold superpads. The deal was under contract for approximately 90 days. All approvals for single family residential development are in place as well as utilities and zoning. There was no broker representation on the transaction. The buyer may be required to assume remaining (if any) SID fees, however, the amounts were not disclosed.

**Land Comparable 6**


Property Type: Land  
 Property Sub-Type: Residential (Single-Family)  
 Location: Ns of Granite Ridge Drive,  
 south of Flamingo, Las  
 Vegas, Nevada 89135  
 County: Clark  
 Tax ID/APN: 164-14-813-001  
 Confirmed With: CoStar, public records, calls  
 to Peggy Chandler with  
 Howard Hughes were not  
 returned  
 Confirmed By: Brenda Cazares

**Transaction Information**

Status: Closed  
 Recording Date: May 29, 2015  
 Recording #: 20150529:05783  
 Sale Price: \$20,800,000  
 Adjusted Sales Price: \$20,800,000  
 Grantor: The Howard Hughes  
 Corporation  
 Grantee: ADLV Land Holdings LLC

**Property Rights**

Rights Conveyed: Fee Simple  
 Financing: All Cash to Seller  
 Conditions of Sale: Arm's Length  
 Marketing Time (Days): N/A

Price Per Gross Acre: \$626,695  
 Price Per Gross SF: \$14.39  
 Price Per Usable Acre: \$626,695.00  
 Price Per Usable SF: \$14.39

**Land Description**

Gross Acres: 33.19  
 Gross SF: 1,445,756  
 Net Acres: 33.19  
 Net SF: 1,445,756  
 Zoning: R-1a, Single Family  
 Residential up to 5 units  
 per acre  
 Zoning Jurisdiction: City of Las Vegas  
 Utilities: All are to the site  
 Off-Sites: The site requires all off  
 improvements  
 On-Sites: No site improvements  
 Frontage: 1,460  
 Shape: Irregular  
 Topography: Mostly level  
 In Flood Plain: No  
 Encumb./Easements: There are no known  
 adverse easements or  
 encumbrances.

**Proposed Improvements**

Proposed Use: Single Family Development  
 Highest & Best Use: Single Family Development

**Comments:** This 33.19 acre parcel of land is located in the west/central portion of Las Vegas in the master planned community of Summerlin. This site was purchased by William Lyon Homes, Inc. for single family development. The zoning at time of sale was R-1a, allowing development of up to 5 units per acre. The deal was under contract for approximately 90 days. All utilities are in place. Plans to develop the site are not known. Lyon Homes current has two single-family developments under construction to the east of this parcel. The proposed homes are semi-custom luxury homes in gated communities and it is expected that this parcel will also be developed with a similar community.

### Land Sales Comparison Analysis

We analyzed the sales and made adjustments for differences in the elements of comparison previously listed. The comparable sales are adjusted to the subject: if the comparable sale was superior to the subject, we applied a negative adjustment to the comparable sale. A positive adjustment to the comparable property was applied if it was inferior to the subject. A summary of the elements of comparison follows.

#### Transaction Adjustments

These items are applied prior to the application of property adjustments. Transaction adjustments include:

1. Real Property Rights Conveyed
2. Financing Terms
3. Conditions of Sale
4. Expenditures Made Immediately After Purchase

The adjustments are discussed as follows:

#### Real Property Rights Conveyed

The subject is currently encumbered by 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. Since the time frame between effective date of value and the termination date is minimal (10 months) the lease is not expected to affect the market value of site, making it commensurate to the fee simple market value. The sale comparables all reflect the fee simple interest as well as the subject, with no adjustments required.

#### Financing Terms

The transaction price of one property may differ from that of an identical property due to different financial arrangements. Sales involving financing terms that are not at or near market terms require adjustments for cash equivalency to reflect typical market terms. A cash equivalency procedure discounts the atypical mortgage terms to provide an indication of value at cash equivalent terms. All of the comparable sales involved typical market terms by which the sellers received cash or its equivalent and the buyers paid cash or tendered typical down payments and obtained conventional financing at market terms for the balance. Therefore, no adjustments for this category were required.

#### Conditions of Sale

When the conditions of sale are atypical, the result may be a price that is higher or lower than that of a normal transaction. Adjustments for conditions of sale usually reflect the motivations of either a buyer or a seller who is under duress to complete the transaction. Another more typical condition of sale involves the downward adjustment required to a comparable property's for-sale listing price, which usually reflects the upper limit of value.

A review of the land sales did not indicate any condition of sale adjustments to be warranted for atypical conditions or for sale listings.

#### Expenditures Made Immediately After Purchase

A knowledgeable buyer considers expenditures that will have to be made upon purchase of a property because these costs affect the price the buyer agrees to pay. Such expenditures may include: (1) costs to demolish and remove any portion of the improvements, (2) costs to petition for a zoning change, and/or (3) costs to remediate environmental contamination.

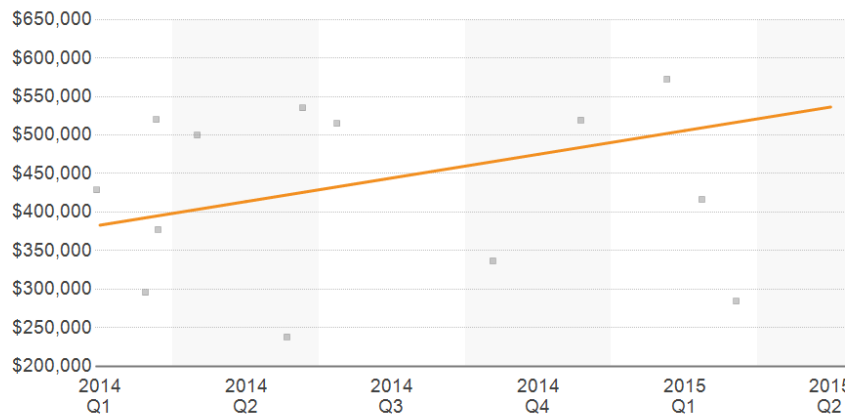
The relevant figure is not the actual cost incurred, but the cost that was anticipated by both the buyer and seller. Unless the sales involved expenditures anticipated upon the purchase date, no adjustments to the comparable sales are required for this element of comparison.

The parties to these transactions did not anticipate expenditures were required immediately after purchase; therefore, no adjustments were warranted.

#### Market Conditions Adjustment

Market conditions change over time as a result of inflation, deflation, fluctuations in supply and demand and other factors. Changing market conditions creates the need for adjustments to sale comparables that represent transactions during periods of dissimilar market conditions.

The subject is located within a centralized portion of Summerlin. The sales are also located in Summerlin, but in a mostly residential area that within the past year or so has been developed with several new residential communities. In order to determine if a market conditions adjustment is warranted, we have looked to CoStar to provide trends as to sales within the Summerlin area, above 15 acres, having sold after January 1, 2014 to the present time. The following table shows the market trend for sales in the Summerlin area:





The average price per acre in Q1 2014 was \$383,056 and in Q2 2015 the average price per acre rose to \$536,375 per acre, an increase of approximately 40%, according to Co Star records. However, this included several lower priced sales within 2014, causing upward pressure in 2015.

We have also looked to the land sales included in this section, and compared these sales to one another to better determine any market conditions adjustments. Below is a comparison of the land sales and their respective appreciation amounts:

Sale #	Sale Date	Sale Price/Per Acre
1	Mar-14	\$493,369
5	Feb-15	\$572,879
<b>Increase of:</b>		<b>16%</b>
<b>Per Month:</b>		<b>1.23%</b>
<b>Per Year</b>		<b>14.76%</b>

Sale #	Sale Date	Sale Price/Per Acre
3	Jun-14	\$535,000
5	Feb-15	\$572,879
<b>Increase of:</b>		<b>7%</b>
<b>Per Month:</b>		<b>0.875%</b>
<b>Per Year:</b>		<b>10.50%</b>

Based on our analysis, the market conditions can range from 10.50% to 40% per year. We have estimated market conditions at 20% given the subject's location and ongoing development in the Summerlin area.

### Property Adjustments

Property adjustments are usually expressed quantitatively as percentages that reflect the increase or decrease in value attributable to the various characteristics of the property. In some instances, however, qualitative adjustments are used. These adjustments are based on locational and physical characteristics and are applied after the application of transaction and market conditions adjustments.

We have summarized adjustments to the sale comparables below. These adjustments are based on our market research, best judgment, and experience in the appraisal of similar properties.

The adjustments are discussed as follows:

#### Location

Location adjustments may be required when the locational characteristics of a comparable are different from those of the subject. These characteristics can include general neighborhood characteristics, freeway accessibility, street exposure, corner- versus interior-lot location, neighboring properties, view amenities, and other factors.

The subject site is located within Queensridge and is along Rampart Boulevard with average access and good visibility. The subject site is centrally located in the Summerlin area with access to various commercial developments and amenities. We are of the opinion that the subject is superior in location to all of the comparable sales due to its centralized location. In order to determine the location adjustment we have compared a recent home sale within the Queensridge and have compared it to a model home currently for sale within Land Sale 3. As mentioned, Land Sale 3 was purchased to develop the single-family community of Savona built by Woodside Homes. The following grid compares the sale within Queensridge vs. the Portofino Plan 3 within Savona, which is currently available for sale:

ITEM	SUBJECT			COMPARABLE NO. 1			COMPARABLE NO. 2		
Address/Location	Queensridge Residential Community			9516 Royal Lamb Drive Las Vegas, NV 89145			Model- Portofino Plan 3 Savona Community, Summerlin		
Subdivision				APN 138-31-815-019			Not Available		
Assessor's Parcel Number									
Sales Price				\$ 670,000			\$ 505,990		
Price/Gross Liv. Area	\$			\$ 217.74			\$ 168.89		
Data and/or				Clark County Records/MLS			Woodside Homes Website		
Verification Source				DOC# 150728-03584    MLS# 1510181					
VALUE ADJUSTMENTS	DESCRIPTION			DESCRIPTION			+ (-) \$ Adj.		
Sales or Financing				Cash/Conventional			Assumed Cash/Conventional		
Concessions				None					
Date of Sale/Time				7/28/2015			\$0		
Location	Average/Typical			Similar			Similar		
Leased Fee/Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Site, Square Feet	6,970			6,970			\$ 0		
View	Residential/Typical			Similar			Similar		
Design and Appeal	2-story average			2-story average			2-story average		
Quality of Construction	Wood Frame/Average			Similar			Similar		
Age	14 Years			14 Years			\$ -		
Condition	Good			Similar			Similar		
Above Grade	Total	Bd rms	Baths	Total	Bd rms	Baths	Total	Bd rms	Baths
Room Count	7	4	3	7	4	3	8	4	4
Gross Living Area	3,077 Sq. Ft.			3,077 Sq. Ft.			\$ 0		
Basement & Finished	None			None			None		
Rooms Below Grade	None			None			None		
Functional Utility	Single Family			Similar			Similar		
Heating/Cooling	FWA/Central			FWA/Central			FWA/Central		
Energy Efficient Items	None/Typical			Similar			Similar		
Garage/Carport	3-car garage			3-car garage			3-car garage		
Porch, Patio, Deck,	Covered patio			Covered Patio			Covered Patio		
Fence, Pool, Site Improvements	Fence, , Pool/Spa, landscaping			Similar			None		
Upgrades/Finishes, Etc.	Good/Remodeled			Similar			Upgrades		
Net Adj. (total)							\$ 10,000		
Adjusted Sales Price/PSF							\$ 11,310		
Of Comparables							\$ 173		
							\$ 517,300		

We have adjusted the model home for difference such as square footage, age, size, and site improvements. The adjusted sale price resulted in \$517,300, or \$173 per square foot, a negative difference of approximately 30%, when compared to the Queensridge home sale. Since all of the land sales are located in similar locations within Summerlin, we have made an upward adjustment of 30.0% to Sales 1 through 5 for location.

Sale 6 is located in Summerlin; however, it is located farther south and near the Bear's Best Golf course, which is considered superior than the remaining sales. As a result, we have adjusted Sale 6 upward by 25%.



#### Size

The size adjustment identifies variances in the physical size of the comparables and the subject improvements. Typically, the larger a parcel, the lower the sale price per unit. This inverse relationship is due, in part, to the principle of "economies of scale."

The subject site consists of 70.52 acres of useable land. The sales range in size from 20.35 acres to 33.19 acres. The subject site is larger than the comparable sales; however, we expect that the subject parcel could be developed with multiple product types or possibly be subdivided into smaller parcels. Moreover, we are aware of other larger residential sites, like the subject, being purchased for development or being sold off into smaller parcels and/or developed with different product types. As a result, we are of the opinion that a size adjustment is not warranted and no adjustment has been applied to any of the sales.

#### Shape/Depth

The subject site consists of an irregular-shaped tract considered similar enough to the land sales to not warrant any adjustment for this category. Therefore, no adjustment was warranted to any of the sales.

#### Utilities

The subject property has all utilities in place. The sales also include utilities and no adjustment was warranted.

#### Topography

The subject has a level to rolling topography. Additional grading that will be required for the subject site and costs of exporting and importing the subject's soil to make the site ready for development in a condition similar to the land sales.

In order to estimate this cost, we have analyzed the purchase of two of the three Stallion Mountain Golf Courses that were purchased for redevelopment to single family residential homes by Pulte and their Del Webb subsidiary. While this sale transferred on March 15, 2004 it remains an indication of costs associated with grading/exporting/importing fill. According to the seller, Pulte spent approximately \$14 million importing and exporting the old soil out and replacing it with a foundation of materials more suitable for single family development as well as removing the topsoil due to organic material from the golf courses. However, this cost is based upon March 2004 data. We have therefore adjusted this cost to represent the likely cost today by using the Marshall Valuation Service cost book. Based upon the District Comparative Cost Multipliers found in Section 98, Page 6, we have reconciled a multiplier of 1.40 bringing the cost of \$14,000,000, current to \$19,600,000. Approximately 226 acres of the Stallion Mountain golf course was converted. This results in a unit cost per acre of \$19,600,000/226 acres or \$86,725 per acre. In conversations with the subject owner, Yohan Lowie, he mentioned that top soil would be removed, but will be ground and utilized as mulch for the remaining golf course site. Doing this, would reduce the cost of removing the top soil significantly since there would be no need to export the soil.

Moreover, we have spoken to other golf course operators that have indicated that the majority of the cost of removing the soil is exporting it off the property. In the case of Stallion Mountain, Mike Luce with the Walter Group indicated that the soils could not be re-located on nearby properties and had to be hauled off to the landfill. We have estimated the cost of removing the soils at

approximately 30% of the \$86,725 per acre, or \$25,000 per acre for the subject property. Approximately 40% of the subject includes top soil that will need to be removed, or approximately 28 acres. Applying the cost of \$25,000 per acre multiplied by the 28 acres, results in a total cost of \$700,000, or approximately \$10,000 per acre if applied to the overall site area of 70.52 acres. The sales utilized did not require this cost and this has been applied as a downward adjustment to each of the sales.

#### Floodplain

A property's location within flood zone areas is typically a negative factor due to the increased costs of raising improvements up out of the floodplain, as well as additional insurance costs associated with improvements.

The subject and the sales are not located within flood zone area and no adjustment was warranted.

#### Zoning

The highest and best use of sale comparables should be very similar to the subject property. When comparables with the same zoning as the subject are lacking or scarce, parcels with slightly different zoning, but a highest and best use similar to that of the subject may be used as comparables. These comparables may have to be adjusted for differences in utility if the market supports such adjustment.

The subject site is zoned Residential Planned Development District allowing for development of up to 7 units per acre. As discussed in the Highest and Best Use section, a zoning change is likely allowing for the density to allow between 7 and 10 units per acre.

Sales 1 through 5 have similar zoning and the ability to develop up to 10 units per acre, therefore, no adjustment was warranted.

Sale 6 can be developed up to 5 units per acre and is considered slightly inferior to the subject and an upward adjustment of 5.0% was warranted.

#### Drainage Cost/Grading

The subject includes several arroyos and rolling topography. In order to develop the subject site, appropriate drainage channels will need to be installed and the site will require grading. In conversations with the owner, two 12' X 12' box culverts will be developed on the subject site in order to alleviate any drainage issues. We have been provided a cost breakdown by EHB companies totaling \$7,663,000, or \$108,664 per acre or \$110,000 rounded. We have not been provided a formal bid for the costs are including these costs under the assumption that these are correct, and if not, the appraiser's opinions and conclusions included herein may be impacted. Based on the costs provided, we have made a downward adjustment of \$110,000 per acre to each of the sales.

#### Summary of Adjustments

Based on the preceding analysis, we have summarized adjustments to the sale comparables on the following adjustment grid. These quantitative adjustments are based on our market research, best judgment, and experience in the appraisal of similar properties.

	Subject	Sale # 1	Sale # 2	Sale # 3	Sale # 4	Sale # 5	Sale # 6
Sale ID		16085	16370	16763	18230	18232	18229
Date of Value & Sale	July 23, 2015	March-14	April-14	June-14	December-14	February-15	May-15
Unadjusted Sale Price		\$16,281,200	\$12,000,000	\$15,284,950	\$10,570,000	\$16,773,900	\$20,800,000
Gross Acres	70.520	33.000	26.500	28.570	20.350	29.280	33.190
<b>Transactional Adjustments</b>							
<b>Property Rights Conveyed</b>	<i>Leased Fee</i>	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>
Adjustment		-	-	-	-	-	-
Adjusted Sale Price		\$493,370	\$452,830	\$535,000	\$519,410	\$572,879	\$626,695
<b>Financing Terms</b>	<i>Cash to Seller</i>	<i>All Cash to Seller</i>	<i>Assumed All Cash to Seller</i>	<i>All cash to seller</i>	<i>All Cash to Seller</i>	<i>All Cash to Seller</i>	<i>All Cash to Seller</i>
Adjustment		\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Sale Price		\$493,370	\$452,830	\$535,000	\$519,410	\$572,879	\$626,695
<b>Conditions of Sale</b>	<i>Arm's Length</i>	<i>Assumed Arm's Length</i>	<i>Arm's length</i>	<i>Arm's Length</i>	<i>Arm's Length</i>	<i>Arm's Length</i>	<i>Arm's Length</i>
Adjustment		\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Sale Price		\$493,370	\$452,830	\$535,000	\$519,410	\$572,879	\$626,695
<b>Expenditures after Sale</b>		\$0	\$0	\$0	\$0	\$0	\$0
Adjustment		\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Sale Price		\$493,370	\$452,830	\$535,000	\$519,410	\$572,879	\$626,695
<b>Market Conditions Adjustments</b>							
<b>Elapsed Time from Date of Value</b>		\$1	\$1	\$1	\$1	\$0	\$0
Market Trend Through	July-15	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Sale Price		\$625,836	\$567,464	\$651,674	\$583,163	\$625,929	\$645,581
<b>Physical Adjustments</b>							
<b>Location</b>	<i>Portion of Badlands Golf Course</i>	<i>Alta Dr</i>	<i>NWC Alta Dr and Desert Foothills</i>	<i>Antelope Dr</i>	<i>Fox Hill Dr</i>	<i>Fox Hill Dr</i>	<i>Ns of Granite Ridge Drive, south of Flamingo</i>
Adjustment		30.0%	30.0%	30.0%	30.0%	30.0%	25.0%
<b>Size</b>	<i>70.520 acres</i>	<i>33.000 acres</i>	<i>26.500 acres</i>	<i>28.570 acres</i>	<i>20.350 acres</i>	<i>29.280 acres</i>	<i>33.190 acres</i>
Adjustment		-	-	-	-	-	-
<b>Shape/Depth</b>	<i>Irregular</i>	<i>Irregular</i>	<i>Irregular</i>	<i>Irregular</i>	<i>Irregular</i>	<i>Irregular</i>	<i>Irregular</i>
Adjustment		-	-	-	-	-	-
<b>Utilities</b>	<i>All are located nearby</i>	<i>All public utility lines will be delivered to the site per the purchase agreement</i>	<i>At or near site</i>	<i>All are to the site</i>	<i>All are to the site</i>	<i>All are to the site</i>	<i>All are to the site</i>
Adjustment		-	-	-	-	-	-
<b>Topography</b>	<i>Level to Rolling</i>	<i>Generally level</i>	<i>Above grade and near level</i>	<i>Mostly level</i>	<i>Mostly level</i>	<i>Mostly level</i>	<i>Mostly level</i>
Adjustment		-2.0%	-2.2%	-1.9%	-1.9%	-1.7%	-1.6%
Enter \$/Gross Acres Adj.		-\$10,000.00	-\$10,000.00	-\$10,000.00	-\$10,000.00	-\$10,000.00	-\$10,000.00
<b>Floodplain</b>	<i>A</i>	<i>X</i>	<i>X</i>	<i>X</i>	<i>X</i>	<i>X</i>	<i>X</i>
Adjustment		-	-	-	-	-	-
<b>Zoning</b>	<i>R-PD7</i>	<i>P-C</i>	<i>P-C</i>	<i>P-C</i>	<i>P-C</i>	<i>P-C</i>	<i>R-1a</i>
Adjustment		-	-	-	-	-	5.0%
<b>Drainage Cost/Grading</b>							
Adjustment		-22.3%	-24.3%	-20.6%	-21.2%	-19.2%	-17.6%
Enter \$/Gross Acres Adj.		-\$110,000.00	-\$110,000.00	-\$110,000.00	-\$110,000.00	-\$110,000.00	-\$110,000.00
Net Physical Adjustment		5.7%	3.5%	7.6%	6.9%	9.1%	10.9%
<b>Adjusted Sale Price per Gross Acre</b>		<b>\$661,368</b>	<b>\$587,326</b>	<b>\$701,006</b>	<b>\$623,383</b>	<b>\$682,596</b>	<b>\$715,639</b>

### Conclusion - Primary Site

From the market data available, six most comparable land sales were selected and adjusted based on pertinent elements of comparison. The adjustments were discussed earlier and are presented in the preceding adjustment grid. The following table summarizes the unadjusted and adjusted sale prices:

#### Land Sale Statistics

Metric	Unadjusted	Adjusted
Minimum Sale Price per Gross Acre	\$452,830	\$587,326
Maximum Sale Price per Gross Acre	\$626,695	\$715,639
Median Sale Price per Gross Acre	\$527,205	\$671,982
Mean Sale Price per Gross Acre	\$533,364	\$661,886

The most comparable sale was Sale #5, the most recent sale with the least amount of adjustments, with an adjusted sale price of \$682,595 per gross acre. Sale 2 was the lowest sale and was given the least weight. The remaining sales provided a range of \$623,383 to \$715,639 per gross acre, with four of the sales ranging between \$661,368 to \$715,639 per gross acre. Based on the adjusted prices and the most comparable sale, a unit value for the subject property is near the upper end of the adjusted range, given weight the subject's located within Queensridge, or \$700,000 per acre per gross acre. This indicates an as is market value of \$49,400,000.

#### Land Value Indications

Primary Site - Indicated Reasonable Value Range

70.520 acres	x	\$675,000 per acre	=	\$47,601,000
70.520 acres	x	\$700,000 per acre	=	\$51,127,000

#### Primary Site - Market Value Opinion

70.520 acres	x	<b>\$700,000 per acre</b>	=	(Rounded) \$49,400,000
--------------	---	---------------------------	---	---------------------------

### Exposure Time and Marketing Periods

Based on statistical information about days on market, escrow length, and marketing times gathered through national investor surveys, sales verification, and interviews of market participants, marketing and exposure time estimates of 6 to 12 months and 6 to 12 months, respectively, are considered reasonable and appropriate for the subject property.

## General Assumptions and Limiting Conditions

---

This appraisal is subject to the following limiting conditions:

1. The legal description – if furnished to us – is assumed to be correct.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Lubawy and Associates, Inc. will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.
4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.
5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
6. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.
7. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory, or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors | Lubawy and Associates, Inc. is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
8. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.

9. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.
10. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.
11. The information, estimates and opinions, which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.
12. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.
13. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. We claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.
14. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Lubawy and Associates, Inc. and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser assumes no obligation, liability or accountability to any third party.
15. Distribution of this report is at the sole discretion of the client, but third-parties not listed as an intended user on the face of the appraisal or the engagement letter may not rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.
16. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Lubawy and Associates, Inc..

17. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
18. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
19. The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the client obtain a confirmation of the subject's flood zone classification from a licensed surveyor.
20. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.
21. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
22. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the client have concerns in these areas, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise to make such inspections and assumes no responsibility for these items.
23. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

24. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or "as-built" plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods; however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.
25. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire a greater level of measuring detail, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer). We reserve the right to use an alternative source of building size and amend the analysis, narrative and concluded values (at additional cost) should this alternative measurement source reflect or reveal substantial differences with the measurements used within the report.
26. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, we reserve the right to amend this appraisal (at additional cost) if substantial differences are discovered.
27. If only preliminary plans and specifications were available for use in the preparation of this appraisal, then this appraisal is subject to a review of the final plans and specifications when available (at additional cost) and we reserve the right to amend this appraisal if substantial differences are discovered.
28. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.



29. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.
30. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.
31. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.
32. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.
33. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.
34. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.

35. You and Valbridge Property Advisors | Lubawy and Associates, Inc. both agree that any dispute over matters in excess of \$5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Lubawy and Associates, Inc. and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against Lubawy and Associates, Inc. or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Lubawy and Associates, Inc. for this assignment, and under no circumstances shall any claim for consequential damages be made.
36. Valbridge Property Advisors | Lubawy and Associates, Inc. shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Lubawy and Associates, Inc.. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Valbridge Property Advisors | Lubawy and Associates, Inc. and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Valbridge Property Advisors | Lubawy and Associates, Inc. harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Lubawy and Associates, Inc. in such action, regardless of its outcome.
37. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Lubawy and Associates, Inc.. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services, and has taken no part in the preparation of this report.
38. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.

39. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.
40. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

## Certification – Brenda Cazares

---

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

1. The statements of fact contained in this report are true and correct.
2. 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.
3. 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.
4. The undersigned has not performed services regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. 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 value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Brenda Cazares has personally inspected the subject property.
10. No one provided significant real property appraisal assistance to the person signing this certification, unless otherwise noted.
11. 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 and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, the undersigned has completed the Standards and Ethics Education Requirement for Candidates/Practicing Affiliates of the Appraisal Institute.



Brenda Cazares  
Appraiser  
Nevada License #A.0206506-CG  
License Expires 02-28-2016

## Certification – Matthew Lubawy

---

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

14. The statements of fact contained in this report are true and correct.
15. 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.
16. 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.
17. The undersigned has not performed services regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
18. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
19. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
20. 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 value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
21. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
22. **Matthew Lubawy did not personally inspect the subject property.**
23. No one provided significant real property appraisal assistance to the person signing this certification, unless otherwise noted.
24. 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 and Standards of Professional Appraisal Practice of the Appraisal Institute.
25. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
26. As of the date of this report, the undersigned has completed the continuing education program for Designated Members of the Appraisal Institute.



Matthew Lubawy, MAI, CVA, CMEA  
Senior Managing Director  
Nevada License #A.0000044-CG  
License Expires 04-30-2017

## Addenda

---

Subject Photos

Engagement Letter

Glossary

Qualifications

- Brenda Cazares, - Appraiser
- Matthew Lubawy, , MAI, CVA, CMEA - Senior Managing Director

Information on Valbridge Property Advisors

Office Locations

Subject Photographs



View of the subject facing west



View of the subject facing south



View of the subject facing south



View of the subject facing west



View of the subject facing northeast



View of the subject facing east

## Engagement Letter

**Appraisal Department**

2700 W. Sahara Ave.  
Las Vegas, NV 89102  
702-252-6366  
cmoss@bankofnevada.com

August 26, 2015

RE: Appraisal Assignment

Land - Multi-Family-Other  
Off the NW Corner of Rampart & Charleston  
Las Vegas, NV 89145

RIMS Project #: 15-000212-01

Dear Matthew J Lubawy, MAI, CVA, CMEA:

We would like to engage your services for the appraisal of the referenced property as indicated in the addendum to this letter. Your engagement is as an independent contractor and not as an employee or agent of Bank of Nevada. The appraisal assignment is to be prepared in accordance with the requirements of the current edition of Uniform Standards of Professional Appraisal Practice (USPAP).

A qualified staff appraiser may perform the appraisal, but you must review and sign the report. The appraisal may not be subcontracted to an outside individual or firm without my prior written consent. By accepting this appraisal assignment, you and all members of your organization certify that they have no direct or indirect interest, financial or otherwise, in the property or transaction, or relationship with the ownership or borrower. Moreover, you agree not to accept or pursue the appraisal, or related assignments, of the subject property for a minimum of one year from the delivery date of the final appraisal report without written consent from Bank of Nevada.

**Timing and Fee of Appraisal Assignment:** It is our understanding that the fee for this assignment includes all expenses and an allowance for any technical assistance you feel necessary or appropriate. The original, signed appraisals should be delivered to the undersigned no later than the specified due date. **If delays are anticipated or occur, you must immediately request an extension of the due date in writing from the undersigned in order to avoid late fees or penalties.**

Should the appraisal not be delivered on or before this date, Bank of Nevada reserves the right, at its sole discretion, to either cancel the assignment for cause without payment of the fee or deduct a penalty of one percent (1%) per business day until the appraisal is received. Additionally, Bank of Nevada reserves the right to cancel this assignment. Upon cancellation, payment of the fee will be limited to actual time spent and any out-of-pocket expenses incurred up to the date of termination.

We understand that you and all personnel associated with the assignment will be available to discuss any concerns we might have regarding the analysis and the value conclusions. Bank of Nevada reserves the right to withhold payment if, at our sole discretion, if the appraiser fails to address our concerns with the appraisal within ten working days of such notice.

**Property Contact / Information:** Please arrange an inspection of the property and make your initial request for information with the property contact listed in the addendum to this letter. Your initial request for information should be made in writing within two business days of receipt of this letter and a copy of the request should be sent to the undersigned. **Any questions regarding this assignment should be e-mailed to the undersigned at cmoss@bankofnevada.com.**

When applicable, discounted cash flow analysis should be performed using the most recent version of ARGUS. Please upload a copy of the ARGUS data file to RIMS upon completion along with your



Page 2

Matthew J Lubawy, MAI, CVA, CMEA.  
8/26/2015

Re: RIMS Project #: 15-000212-01

completed report.

**Confidentiality:** Bank of Nevada is your client and unless authorized by the undersigned, you may not disclose confidential data, including the value conclusion, to anyone other than the undersigned, including the owner of the property, our borrower, or any other individual connected directly or indirectly to this transaction.

To enable you to complete this assignment, we will provide to you information, some of which we regard as highly confidential. Your acceptance of the assignment includes your agreement to keep confidential **any and all information** provided to you, regardless of whether any information provided is marked or otherwise designated as "Confidential Information."

Specifically, any and all information about customers of Bank of Nevada, of any nature whatsoever, including but not limited to customer financial information, and the fact of the existence of a relationship, or potential relationship, between Bank of Nevada and customers, is confidential. Some of the information provided to you may not be confidential if:

- it was known to you before Bank of Nevada or the customer provided it to you; or
- it was public knowledge before Bank of Nevada or the customer provided it to you; or
- it becomes available from a third party, not subject to any restrictions, after Bank of Nevada or customer provided it to you.

You must protect the Confidential Information provided to you using at least a reasonable degree of care, to prevent the unauthorized disclosure of such Confidential Information. You can disclose the Confidential Information to your employees, but you must tell them that the information is confidential and must be maintained that way. You may use Bank of Nevada's Confidential Information only:

- for the purpose of completing your assignment, and
- for the purpose of meeting your professional obligations.

Your obligation to maintain the confidentiality of Bank of Nevada's Confidential Information continues even after the completion of your assignment, except that you have the right to use the Confidential Information to fulfill your professional obligations with respect to mandated file retention and disclosure for purposes of peer review.

If you are, or may be, required by a court or a governmental agency to disclose any Confidential Information, you agree to notify Bank of Nevada before you make any disclosure.

If a representative of Bank of Nevada inquires as to what provisions you have made to keep Bank of Nevada's information confidential, you agree to disclose in detail what steps you have taken and are taking to ensure confidentiality.

If you have any questions about your obligations as set forth above, or about how to meet your obligations set forth above, contact Cheryl Moss at [cmoss@bankofnevada.com](mailto:cmoss@bankofnevada.com) immediately. Cheryl Moss will assist you in meeting your obligations if at all possible. It is essential that Bank of Nevada's Confidential Information be maintained as confidential.

**Acceptance:** A copy of the fully executed engagement letter must be included in the addenda of each copy of the final appraisal report.

During the course of this assignment, if you determine that changes to the terms of this agreement or requested scope of work are necessary, please contact the undersigned in writing. Any changes to this engagement must be authorized by Cheryl Moss.

**Delivery Instructions:** Please upload the final appraisal report including all addendum to RIMS. Please hold all hard copies until notified by Bank of Nevada.

**Invoice:** Please include the following Cost Center 61 in your submitted invoice to ensure prompt

Page 3

Matthew J Lubawy, MAI, CVA, CMEA  
8/26/2015

Re: RIMS Project #: 15-000212-01

payment.


Sincerely,

By:



Name: Cheryl Moss

Title:

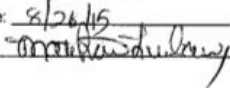
Address: 2700 W. Sahara Ave.  
Las Vegas, NV 89102Signature:   
Date of Signature: 8/26/15  
State Certification Number: ~~15000012106~~  
Expiration Date: 4/30/16

Cheryl Moss

It is not necessary to return a signed copy of the Engagement Letter until the completion of the assignment. By accepting this assignment through RIMS, it is understood that you fully agree to the terms herein.

**Agreed and Accepted:**

Date:

8/26/15  
By: 

**ADDENDUM TO ENGAGEMENT LETTER RIMS Project#: 15-000212-01****Property Data**

Borrower: MS Northwest Land Company  
Property Contact: Brett Harrison  
Affiliation: Manager  
Property Contact Phone: 702-940-8937  
Property Contact E-Mail: brett@ehbcompanies.com  
Subject Property Address: Off the NW Corner of Rampart & Charleston  
Las Vegas, NV 89145  
Property Type: Land - Multi-Family-Other  
Property Description: Raw land for future development. Zoned RPD7.

**Appraisal Assignment**

Appraisal Fee: \$4,000  
Due Date: 8/26/2015  
Job Manager: Cheryl Moss  
Phone: 702-252-6366  
Fax:  
Email: cmoss@bankofnevada.com

Report Addressee(s): Cheryl Moss  
2700 W. Sahara Ave.  
Las Vegas, NV 89102

**Delivery Instructions:**

Electronic copies: 1 Upload to RIMS upon completion, along with all supporting files  
Hard copies: 0 Douglas Hathaway  
Bank of Nevada  
2700 W Sahara Ave 2nd Floor  
Las Vegas, NV 89102  
Intended Use: Use - Loan Underwriting  
Description: The intended use of this appraisal is for loan underwriting  
and-or credit decisions by Bank and-or participants  
Intended User: User - Bank  
Description: The intended users of this report is Bank and-or affiliates  
Approaches to Value: Approach - Best  
Description: The most appropriate valuation approach or approaches to  
reach a sound valuation conclusion  
Inspection Requirements: Inspect - Full Subject  
Description: An interior and exterior inspection of the subject property in  
sufficient detail to determine marketability



Listing Comparables:	<p><b>Listing Comparables</b> Description: Please include listings of both sales and rental comparables</p>
Adjustment Grid:	<p><b>Adjustment Grid</b> Description: Include an Adjustment Grid for both sales and rental comparables.</p>
Source References:	<p><b>Reference Sources</b> Description: Please include the name and phone number on all market sources referenced</p>
Addendum:	<p>Please include the Environmental and Hazmat Questionnaire in the final report.</p>
Market Conditions Disclaimer:	<p>Due to concerns with changing market conditions, we are requiring your analyses to consider:</p> <ol style="list-style-type: none"> <li>1. Market Participant Interviews: Discussions with real estate market participants (buyers, sellers, property managers, real estate agents/brokers). Reference these interviews in a dedicated section, and report and analyze the most pertinent comments and how they impact the subject value.</li> <li>2. Comparable Listings: In addition to consummated comparable sales and leases, listings should be considered, with the most pertinent ones reported and analyzed, and incorporated within your market data.</li> </ol>
Scope of Work:	<p>1. USPAP Summary report 2. Preparer inspects subject-unless otherwise instructed 3. Preparer provides two most meaningful approaches to value in a Summary format. 4. Preparer determines and states within the report, as described within their scope and subject to their extraordinary assumptions and hypothetical conditions- if applicable-the value conclusion-conclusions are credible. 5. Additional services as instructed.</p>
Specific Performance Standards As Is:	<p>As Stabilized Market Value (If you, the appraiser, judge it likely that the stabilization will take more than two years, use the hypothetical As if Stabilized. If you, the appraiser, think it will take two years or less, then it is a prospective date of value.)</p>
Specific Performance Standards Leased Fee:	<p>The following scope of work is the MINIMUM standard for this assignment. If more work is necessary, the appraiser is required to perform that work, whether or not the work is included in the minimum scope shown below. Disclose what you did in developing the assignment results.</p>
Specific Performance Standards Sales Comparison:	<ol style="list-style-type: none"> <li>1. Adjustment Grid, comp sheets, photos and location map for sales comps.</li> <li>2. All sales to be confirmed with a party to the transaction.</li> <li>3. All adjustments to be discussed and supported with market data and analysis.</li> <li>4. The concluded adjusted indicator must be bracketed by the adjusted comparables.</li> <li>5. Any sale within the past three years and the pending transaction involving the subject property MUST be reported and ANALYZED. The appraiser is encouraged to use the recent and/or pending sale of the subject as a comp.</li> </ol>
Specific Performance Standards	<ol style="list-style-type: none"> <li>1. Adjustment grid and comp sheets are required for rent comps.</li> </ol>



**Income Approach:**

Please include the term, start date, annual rent/SF, suite size and TI allowance for each comp. The concluded market rent must be bracketed by the adjusted comps. Conclude annual market rent for each type of space, rather than an average. Discuss and analyze subject's contract rents and conclude whether the contract rents are at, below or above current market rents. State whether a tenant improvement allowance is amortized in the subject's lease(s) and adjust appropriately for future rollovers/renewals.

2. Support vacancy allowance with a date and analysis of market vacancy rates and subject vacancy history.
3. If space absorption is a factor, support the absorption period with comparable analysis and market indicators.
4. Support estimates for each expense item for all types of leases.
5. For net leases, all expenses are to be estimated /analyzed and grossed-up with the estimated tenant reimbursements. Then they are to be deducted to a net basis.
6. Analyze and reconcile subject's historical income and expenses with appraiser's concluded stabilized operating income. If no history (new construction), use comps and market norms and state sources.
7. Provide a rent roll in the report and review all submitted leases. State the type of lease in terms of who is responsible for which operating expenses.
8. Support tenant improvement allowance (\$/SF) and leasing commissions for new leases and rollovers.
9. Support tenant overall capitalization and discount rates. A DCF analysis is NOT required but may be applicable. If a DCF is performed, ARGUS is preferred, but not required.
10. Put our RIMS number on the title page.
11. Interior and exterior inspections are required as well as interior and exterior photographs. Measurement of the building and tenant spaces (if applicable) is required.
12. A conclusion as to the remaining useful life of the improvements is required, even if a Cost Approach is not

**Report Type:**

Appraisal Report

**Report Format:**

Narrative

**Valuation Scenario(s):**

Market Value - As-Is - Fee Simple  
Market Value - As-Is - Leased Fee

**BANK OF NEVADA**  
Hazardous Waste Supplement**A. IDENTIFICATION**

Owner's Name(s) ETHB  
Property Address or Brief Description 70.52 Acres Rampart / Alta  
Date of Inspection 7/23/15

**B. STORAGE TANKS**

Are there any storage tanks on the property? ☐ Yes ☒ No

If yes, please provide the following information for each tank.

(Use additional pages if necessary.)

**Tank #1**

Is tank in use? ☐ Yes  
☒ No  
☐ Unable to determine

Tank is: ☐ Above ground  
☐ Below ground

Location: \_\_\_\_\_

What is/was tank used for? \_\_\_\_\_

What is the tank size? \_\_\_\_\_

**Tank #2**

Is tank in use? ☐ Yes  
☐ No  
☐ Unable to determine

Tank is: ☐ Above ground  
☐ Below ground

Location: \_\_\_\_\_

What is/was tank used for? \_\_\_\_\_

What is the tank size? \_\_\_\_\_

**C. COLLECTION SITES**

1. Are there any open pits or sumps? ☐ Yes ☒ No

2. Are there any drain water evaporation ponds? ☐ Yes ☒ No

3. Are there any holding ponds with chemical waste effluents? ☐ Yes ☒ No  
If yes, please provide the following information for each pit/pond.

Number of pits/ponds \_\_\_\_\_

Size of each \_\_\_\_\_

4. Is there any evidence of pollutants in the water or around the edges of the ponds? ☐ Yes ☒ No

**D. DRUMS/CONTAINERS**

Are there any drums/containers (e.g., pesticides, oils, fuels, lubricants, paints, etc.)? ☐ Yes ☒ No

If yes, please provide the following on a separate attachment:

- A rough count by size (number of gallons) and type.
- Number of unlabeled drums.
- Evidence of spills or leaks.
- Location of drums.





**E. PESTICIDE APPLICATION OPERATION**

1. Is there any evidence or knowledge that any part of the property is or has been used for a pesticide application or chemical manufacturing business? ☒ Yes ☐ No  
If yes, please explain on a separate sheet. *Pesticide is used on the golf course, No manufacturing of pesticide*
2. Is there any evidence of any hazardous waste problem which has not been described above? ☐ Yes ☒ No  
If yes, please explain on a separate sheet.

**F. MISCELLANEOUS**

1. Is there evidence of soil contamination or other noteworthy conditions which has not been previously discussed? ☐ Yes ☒ No  
If yes, please explain on a separate sheet.  
Examples of conditions are as follows:
  - a. Gullies partially filled in or edges of mounds with containers exposed.
  - b. Top soil removed and/or soil does not support the same vegetation as the surrounding area.
  - c. Unexplained one inch (1") or bigger pipeline or any kind of opening with metal rim (a possible indicator of an underground storage tank).
2. Is there any evidence or knowledge of contamination from adjacent or nearby properties (e.g., property is located next to a crop duster operation or a dump site)? ☐ Yes ☒ No  
If yes, please explain on a separate sheet.

**G. APPRAISAL REPORT**

1. Have storage and/or disposal site(s) been shown on the plat or site plan? ☐ Yes ☒ No
2. Does the existence, storage and/or disposal of any hazardous materials affect appraised value? ☐ Yes ☒ No

If yes, please indicate how the appraised value is affected.

---



---



---

3. This report is true and correct to the best of my/our knowledge and belief.

8/26/15

*Matthew Dubney*  
(Primary Appraiser)

By signing the above, the appraiser does not imply or represent that he/she has expertise in the field of environmental contamination.



**BANK OF NEVADA  
 AMERICANS WITH DISABILITIES ACT (ADA) SUPPLEMENT**

The following questionnaire will help Bank of Nevada determine the subject property's compliance or non-compliance with ADA. Please answer each question, "Yes" or "No" based on your inspection of the subject property. If explanation is needed, please attach additional sheets of paper.

	Yes	No	
1. Are there cuts to allow access through the curb from the street and/or parking area?			N/A
2. Are parking spaces for the disabled identified and located in the most convenient access point to the facility entrance?			X
3. Is there an unobstructed wheelchair route from the parking area to the facility entrance?			X
4. Are ramps provided across a portion of stairs that otherwise would be impassable?			X
5. Are landings at the top and bottom of ramps level and large enough to accommodate passage of a wheelchair or walker (5' x 5')?			X
6. Is there at least one entrance door accessible to disabled persons?			X
1. Is the space between two doors in a series a minimum of 48" plus the width of any door swinging into the space?			X
2. If the facility has double doors, is at least one side of the double door a minimum width of 32" and does it open at least 90 degrees?			X
3. Are door handles easy to grasp and can doors be easily opened with one hand?			X
4. Are there overhanging objects which would obstruct a blind person?			X
5. Are drinking fountains and restrooms accessible to persons in wheelchairs?			X
6. If elevators are present, are controls identified by braille?			X

*Matthew L. Lubaw*

8/26/15



## Glossary

Definitions are taken from the Dictionary of Real Estate Appraisal, 5<sup>th</sup> Edition (Dictionary), the Uniform Standards of Professional Appraisal Practice (USPAP) and Building Owners and Managers Association International (BOMA).

### Absolute Net Lease

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. (Dictionary)

### Additional Rent

Any amounts due under a lease that is in addition to base rent. Most common form is operating expense increases. (Dictionary)

### Amortization

The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund. (Dictionary)

### As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Dictionary)

### Base (Shell) Building

The existing shell condition of a building prior to the installation of tenant improvements. This condition varies from building to building, landlord to landlord, and generally involves the level of finish above the ceiling grid. (Dictionary)

### Base Rent

The minimum rent stipulated in a lease. (Dictionary)

### Base Year

The year on which escalation clauses in a lease are based. (Dictionary)

### Building Common Area

The areas of the building that provide services to building tenants but which are not included in the rentable area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building common areas are; floor common areas, parking spaces,

portions of loading docks outside the building line, and major vertical penetrations. (BOMA)

### Building Rentable Area

The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. (BOMA)

### Certificate of Occupancy (COO)

A statement issued by a local government verifying that a newly constructed building is in compliance with all codes and may be occupied.

### Common Area (Public) Factor

In a lease, the common area (public) factor is the multiplier to a tenant's useable space that accounts for the tenant's proportionate share of the common area (restrooms, elevator lobby, mechanical rooms, etc.). The public factor is usually expressed as a percentage and ranges from a low of 5 percent for a full tenant to as high as 15 percent or more for a multi-tenant floor. Subtracting one (1) from the quotient of the rentable area divided by the useable area yields the load (public) factor. At times confused with the "loss factor" which is the total rentable area of the full floor less the useable area divided by the rentable area. (BOMA)

### Common Area Maintenance (CAM)

The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property.

CAM can be a line-item expense for a group of items that can include maintenance of the parking lot and landscaped areas and sometimes the exterior walls of the buildings. CAM can refer to all operating expenses.

CAM can refer to the reimbursement by the tenant to the landlord for all expenses reimbursable under the lease. Sometimes reimbursements have what is called an administrative load. An example would be a 15 percent addition to total operating expenses, which are then prorated among tenants. The administrative load, also called an administrative and marketing fee, can be a substitute for or an addition to a management fee. (Dictionary)

### Condominium

A form of ownership in which each owner possesses the exclusive right to use and occupy an allotted unit plus an undivided interest in common areas.

A multiunit structure, or a unit within such a structure, with a condominium form of ownership. (Dictionary)

### Conservation Easement

An interest in real property restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A conservation easement may permit farming, timber harvesting, or other uses of a rural nature to continue, subject to the easement. In some locations, a conservation easement may be referred to as a conservation restriction. (Dictionary)

### Contributory Value

The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries. (Dictionary)

### Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service ( $DCR = NOI/Im$ ), which measures the relative ability to a property to meet its debt service out of net operating income. Also called Debt Service Coverage Ratio (DSCR). A larger DCR indicates a greater ability for a property to withstand a downturn in revenue, providing an improved safety margin for a lender. (Dictionary)

### Deed Restriction

A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners. (Dictionary)

### Depreciation

- 1) In appraising, the loss in a property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date. 2) In accounting, an allowance made against the loss in value of an asset for a defined purpose and computed using a specified method. (Dictionary)

### Disposition Value

The most probable price that a specified interest in real property is likely to bring under the following conditions:

- Consummation of a sale within a exposure time specified by the client;
- The property is subjected to market conditions prevailing as of the date of valuation;

- Both the buyer and seller are acting prudently and knowledgeably;
- The seller is under compulsion to sell;
- The buyer is typically motivated;
- Both parties are acting in what they consider to be their best interests;
- An adequate marketing effort will be made during the exposure time specified by the client;
- Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary)

### Easement

The right to use another's land for a stated purpose. (Dictionary)

### EIFS

Exterior Insulation Finishing System. This is a type of exterior wall cladding system. Sometimes referred to as dry-vit.

### Effective Date

The date at which the analyses, opinions, and advice in an appraisal, review, or consulting service apply. 2) In a lease document, the date upon which the lease goes into effect. (Dictionary)

### Effective Gross Income (EGI)

The anticipated income from all operations of the real property after an allowance is made for vacancy and collection losses and an addition is made for any other income. (Dictionary)

### Effective Rent

The rental rate net of financial concessions such as periods of no rent during the lease term and above- or below-market tenant improvements (TIs). (Dictionary)

### EPDM

Ethylene Diene Monomer Rubber. A type of synthetic rubber typically used for roof coverings. (Dictionary)

### Escalation Clause

A clause in an agreement that provides for the adjustment of a price or rent based on some event or index. e.g., a provision to increase rent if operating expenses increase; also called an expense recovery clause or stop clause. (Dictionary)

### Estoppel Certificate

A statement of material factors or conditions of which another person can rely because it cannot be denied at a later date. In real estate, a buyer of rental property

typically requests estoppel certificates from existing tenants. Sometimes referred to as an estoppel letter. (Dictionary)

#### Excess Land

Land that is not needed to serve or support the existing improvement. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land may have the potential to be sold separately and is valued separately. (Dictionary)

#### Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying any operating expenses above a stated level or amount. (Dictionary)

#### Exposure Time

1) The time a property remains on the market. 2) The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. (Dictionary)

#### Extraordinary Assumption

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. (Dictionary)

#### Fee Simple Estate

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. (Dictionary)

#### Floor Common Area

Areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor. (BOMA)

#### Full Service (Gross) Lease

A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called a full service lease. (Dictionary)

#### Going Concern Value

- The market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the market value of the going concern.
- The value of an operating business enterprise. Goodwill may be separately measured but is an integral component of going-concern value when it exists and is recognizable. (Dictionary)

#### Gross Building Area

The total constructed area of a building. It is generally not used for leasing purposes (BOMA)

#### Gross Measured Area

The total area of a building enclosed by the dominant portion (the portion of the inside finished surface of the permanent outer building wall which is 50 percent or more of the vertical floor-to-ceiling dimension, at the given point being measured as one moves horizontally along the wall), excluding parking areas and loading docks (or portions of the same) outside the building line. It is generally not used for leasing purposes and is calculated on a floor by floor basis. (BOMA)

#### Gross Up Method

A method of calculating variable operating expense in income-producing properties when less than 100 percent occupancy is assumed. The gross up method approximates the actual expense of providing services to the rentable area of a building given a specified rate of occupancy. (Dictionary)

#### Gross Retail Sellout

The sum of the appraised values of the individual units in a subdivision, as if all of the units were completed and available for retail sale, as of the date of the appraisal. The sum of the retail sales includes an allowance for lot premiums, if applicable, but excludes all allowances for carrying costs. (Dictionary)

#### Ground Lease

A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term. (Dictionary)

#### Ground Rent

The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land. (Dictionary)

**HVAC**

Heating, ventilation, air conditioning. A general term encompassing any system designed to heat and cool a building in its entirety.

**Highest and Best Use**

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are 1) legal permissibility, 2) physical possibility, 3) financial feasibility, and 4) maximally profitability. Alternatively, the probable use of land or improved –specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value. (Dictionary)

**Hypothetical Condition**

That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (Dictionary)

**Industrial Gross Lease**

A lease of industrial property in which the landlord and tenant share expenses. The landlord receives stipulated rent and is obligated to pay certain operating expenses, often structural maintenance, insurance and real estate taxes as specified in the lease. There are significant regional and local differences in the use of this term. (Dictionary)

**Insurable Value**

A type of value for insurance purposes. (Dictionary)  
(Typically this includes replacement cost less basement excavation, foundation, underground piping and architect's fees).

**Investment Value**

The value of a property interest to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. (Dictionary)

**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 as he or she would be if the property had not been taken. (Dictionary)

**Leased Fee Interest**

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease). (Dictionary)

**Leasehold Interest**

The tenant's possessory interest created by a lease. (Dictionary)

**Lessee (Tenant)**

One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement. (Dictionary)

**Lessor (Landlord)**

One who conveys the rights of occupancy and use to others under a lease agreement. (Dictionary)

**Liquidation Value**

The most probable price that a specified interest in real property should bring under the following conditions:

- Consummation of a sale within a short period.
- The property is subjected to market conditions prevailing as of the date of valuation.
- Both the buyer and seller are acting prudently and knowledgeably.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider to be their best interests.
- A normal marketing effort is not possible due to the brief exposure time.
- Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary)

**Loan to Value Ratio (LTV)**

The amount of money borrowed in relation to the total market value of a property. Expressed as a percentage of the loan amount divided by the property value. (Dictionary)

**Major Vertical Penetrations**

Stairs, elevator shafts, flues, pipe shafts, vertical ducts, and the like, and their enclosing walls. Atria, lightwells and similar penetrations above the finished floor are included in this definition. Not included, however, are vertical penetrations built for the private use of a tenant occupying office areas on more than one floor. Structural columns, openings for vertical electric cable or telephone distribution, and openings for plumbing lines

are not considered to be major vertical penetrations. (BOMA)

#### Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement including permitted uses, use restrictions, expense obligations; term, concessions, renewal and purchase options and tenant improvements (TIs). (Dictionary)

#### Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

#### Market Value As If Complete

Market value as if complete means the market value of the property with all proposed construction, conversion or rehabilitation hypothetically completed or under other specified hypothetical conditions as of the date of the appraisal. With regard to properties wherein anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion, this estimate of value shall reflect the market value of the property as if complete and prepared for occupancy by tenants.

#### Market Value As If Stabilized

Market value as if stabilized means the market value of the property at a current point and time when all improvements have been physically constructed and the property has been leased to its optimum level of long term occupancy.

#### Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded

market value level during the period immediately after the effective date of the appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Standards Board of the Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time). (Dictionary)

#### Master Lease

A lease in which the fee owner leases a part or the entire property to a single entity (the master lease) in return for a stipulated rent. The master lessee then leases the property to multiple tenants. (Dictionary)

#### Modified Gross Lease

A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a double net lease, net net lease, partial net lease, or semi-gross lease. (Dictionary)

#### Operating Expense Ratio

The ratio of total operating expenses to effective gross income (TOE/EGI); the complement of the net income ratio, i.e., OER = 1 – NIR (Dictionary)

#### Option

A legal contract, typically purchased for a stated consideration, that permits but does not require the holder of the option (known as the optionee) to buy, sell, or lease real property for a stipulated period of time in accordance with specified terms; a unilateral right to exercise a privilege. (Dictionary)

#### Partial Interest

Divided or undivided rights in real estate that represent less than the whole (a fractional interest). (Dictionary)

#### Pass Through

A tenant's portion of operating expenses that may be composed of common area maintenance (CAM), real estate taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant. (Dictionary)

#### Potential Gross Income (PGI)

The total income attributable to real property at full occupancy before vacancy and operating expenses are deducted. (Dictionary)

### Prospective Future Value Upon Completion

Market value “upon completion” is a prospective future value estimate of a property at a point in time when all of its improvements are fully completed. It assumes all proposed construction, conversion, or rehabilitation is hypothetically complete as of a future date when such effort is projected to occur. The projected completion date and the value estimate must reflect the market value of the property in its projected condition, i.e., completely vacant or partially occupied. The cash flow must reflect lease-up costs, required tenant improvements and leasing commissions on all areas not leased and occupied.

### Prospective Future Value Upon Stabilization

Market value “upon stabilization” is a prospective future value estimate of a property at a point in time when stabilized occupancy has been achieved. The projected stabilization date and the value estimate must reflect the absorption period required to achieve stabilization. In addition, the cash flows must reflect lease-up costs, required tenant improvements and leasing commissions on all unleased areas.

### Replacement Cost

The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the building being appraised, using modern materials and current standards, design, and layout. (Dictionary)

### Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, super-adequacies, and obsolescence of the subject building. (Dictionary)

### Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., “retrospective market value opinion.” (Dictionary)

### Sandwich Leasehold Estate

The interest held by the original lessee when the property is subleased to another party; a type of leasehold estate. (Dictionary)

### Sublease

An agreement in which the lessee (i.e., the tenant) leases part or all of the property to another party and thereby becomes a lessor. (Dictionary)

### Subordination

A contractual arrangement in which a party with a claim to certain assets agrees to make his or her claim junior, or subordinate, to the claims of another party. (Dictionary)

### Substantial Completion

Generally used in reference to the construction of tenant improvements (TIs). The tenant’s premises are typically deemed to be substantially completed when all of the TIs for the premises have been completed in accordance with the plans and specifications previously approved by the tenant. Sometimes used to define the commencement date of a lease.

### Surplus Land

Land that is not currently needed to support the existing improvement but cannot be separated from the property and sold off. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary)

### Triple Net (Net Net Net) Lease

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, triple net lease, or fully net lease. (Dictionary)

(The market definition of a triple net lease varies; in some cases tenants pay for items such as roof repairs, parking lot repairs, and other similar items.)

### Usable Area

The measured area of an office area, store area or building common area on a floor. The total of all the usable areas on a floor shall equal floor usable area of that same floor. The amount of floor usable area can vary over the life of a building as corridors expand and contract and as floors are remodeled. (BOMA)

### Value-in-Use

The value of a property assuming a specific use, which may or may not be the property’s highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. (Dictionary)

### Qualifications of Brenda Cazares

#### **Appraiser**

Valbridge Property Advisors | Lubawy & Associates, Inc.

### *Independent Valuations for a Variable World*

#### State Certifications

Nevada License  
 #A.0206506-CG

#### Education

Bachelor of Science-  
 Finance  
 University of Las Vegas  
 Nevada

#### Contact Details

702-242-9369 (p)  
 702-242-6391 (f)

Valbridge Property Advisors  
 | Lubawy & Associates, Inc.  
 3034 S. Durango Dr. #100  
 Las Vegas, NV 89117

[www.valbridge.com](http://www.valbridge.com)  
[bcazares@valbridge.com](mailto:bcazares@valbridge.com)

#### Membership/Affiliations:

UNLV Alumni Association

#### Appraisal Institute & Related Courses:

Appraisal Principles	2005
National USPAP Module	2006
Appraisal Law in Nevada	2006
Highest and Best Use	2006
Advanced Applications	2007
USPAP Update	2007
Basic Appraisal Procedures	2008
Site Valuation & Cost Approach	2008
General Appraiser Sales Comparison Approach	2008
Real Estate Finance Statistics & Valuation Modeling	2008
USPAP Update	2009
Report Writing & Analysis	2009
Income Capitalization Approach 1 & 2	2009
General Report Writing & Analysis	2009
General Highest & Best Use Analysis	2009
Business Standards & Ethics	2010
USPAP Update	2011
Apartment Appraisal Concepts & Applications	2012
USPAP Update	2012
Advanced Income Capitalization	2013

#### Experience:

##### **Appraiser**

Valbridge Property Advisors | Lubawy & Associates (2013-Present)

##### **Appraiser**

Lubawy & Associates, Inc. (2006-2013)

Appraisal/valuation and consulting assignments include: apartment buildings; retail buildings and shopping centers; office buildings; industrial buildings; religious and special purpose properties including schools, churches and cemeteries; hotels and motels; residential subdivisions; and vacant industrial, commercial and residential land. Assignments also include tax credit valuations, Fannie Mae and Freddie Mac reports, and comparability studies. Assignments have been concentrated in the Las Vegas Metropolitan areas.



<b>APPRAISER CERTIFICATE</b>		
<b>STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY</b>		
<b>NOT TRANSFERABLE</b>	<b>REAL ESTATE DIVISION</b>	<b>NOT TRANSFERABLE</b>
<b>This is to Certify That :</b> BRENDA CAZARES		<b>Certificate Number:</b> A.0206506-CG
Is duly authorized to act as a <b>CERTIFIED GENERAL APPRAISER</b> 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.		
<b>Issue Date:</b> February 26, 2014		<b>Expire Date:</b> February 29, 2016
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.		
<b>FOR:</b> VALBRIDGE PROPERTY ADVISORS 3034 S DURANGO DR STE 100 LAS VEGAS, NV 89117		<b>REAL ESTATE DIVISION</b>  <b>GAIL J ANDERSON</b> <i>Administrator</i>
		



Qualifications of Matthew Lubawy, MAI, CVA, CMEA

**Senior Managing Director**

Valbridge Property Advisors | Lubawy & Associates, Inc.



*Independent Valuations for a Variable World*

State Certifications

Nevada License  
# A.0000044-CG

Arizona License  
#31821

Education

Bachelor of Science  
Business Administration  
University of Nevada, Las Vegas

Contact Details

702-242-9369 (p)  
702-242-6391 (f)

Valbridge Property Advisors  
| Lubawy & Associates, Inc.  
3034 S. Durango Dr. #100  
Las Vegas, NV 89117  
[www.valbridge.com](http://www.valbridge.com)  
[mlubawy@valbridge.com](mailto:mlubawy@valbridge.com)

Membership/Affiliations:

Member: Appraisal Institute - MAI Designation #10653  
Director - (2008 – 2011)  
President of Las Vegas Chapter (1998 - 1989)  
1<sup>st</sup> V.P. of Las Vegas Chapter (1997 – 1998)  
2<sup>nd</sup> V.P. of Las Vegas Chapter (1996 – 1997)  
Member: NACVA – CVA Designation (Certified Valuation  
Analyst for business valuation)  
Member: NEBB Institute – CMEA Designation for  
Machinery  
and Equipment  
Board Member: Valbridge Property Advisors -  
Vice-Chairman of the Board of Directors  
(2011 – Present)  
Member: International Right of Way Association  
Member: National Association of Realtors  
Member: GLVAR  
Board Member: Nevada State Development Corporation  
Chairman of the Board (2008-Present)

Experience:

**Senior Managing Director**

ValbridgePropertyAdvisors|Lubawy & Associates (2013 to Present)

**Principal**

Lubawy & Associates (1994-2013)

**Independent Fee Appraiser and Real Estate Consultant**

Timothy R. Morse and Associates (1992 – 1994)

**Staff Appraiser/Assistant Vice President**

First Interstate Bank (1988 - 1992)

**Independent Fee Appraiser and Real Estate Consultant**

The Clark Companies (1987 - 1988)

Appraisal/valuation and consulting assignments include: vacant land; apartment buildings; retail buildings; shopping centers; office buildings; industrial buildings; religious and special purpose properties including schools, churches hotel/casinos air hangars, automobile dealerships, residential subdivisions, and master-planned communities. Other assignments include tax credit valuations, Fannie Mae and Freddie Mac reports, and HUD MAP valuations and market studies, as well as valuation of fractional interests in FLP's, LP's LLC's and/or other business entities.

#### Appraisal Institute & Related Courses:

NEBB Institute Machinery & Equipment Certification Training	January 2014
2014-2015 National USPAP Update Course, Appraisal Institute	January 2014
NACVA Business Valuation Certification and Training Center	December 2013
Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets, Appraisal Institute	March 2012
7-Hour National USPAP Update Course, Appraisal Institute	January 2012
2010-2011 National USPAP Update, Appraisal Institute	January 2010
Appraising Distressed Commercial Real Estate, Appraisal Institute	July 2009
Understanding the Home Valuation Code of Conduct, Appraisal Institute	June 2009
Introduction to Valuation for Financial Reporting, Appraisal Institute	June 2009
Argus Based Discounted Cash Flow Analysis, Appraisal Institute	June 2009
National Uniform Standards of Professional Practice Course 400, Appraisal Institute	April 2009
Online Scope of Work: Expanding Your Range of Services, Appraisal Institute	April 2009
Online Rates and Ratios: Making sense of GIMs, OARs and DCF, Appraisal Institute	April 2009
Forecasting Revenue, Appraisal Institute	October 2008
Law of Easements: Legal Issues & Practical Considerations, Lorman Education Services	August 2008
Analyzing Operating Expenses, Appraisal Institute	May, 2007
Valuation of Detrimental Conditions in Real Estate, Appraisal Institute	April, 2007
2007 National USPAP Update, Appraisal Institute	March, 2007
Analyzing Commercial Lease Clauses, Appraisal Institute	February, 2007
Analyzing Distressed Real Estate, Appraisal Institute	February, 2007
Uniform Appraisal Standards for Federal Land Acquisitions, Appraisal Institute	October 2005
Online Analyzing Distressed Real Estate, Appraisal Institute	September 2005
Business Practices and Ethics, Course 420, Appraisal Institute	September 2005
USPAP Update – Course 400, Appraisal Institute	February 2005
Litigation Appraising: Specialized Topics and Applications	October 2004
Separating Real & Personal Property from Intangible Business Assets	September 2003
So. NV Public Land Mgt. Act BLM Appraisal Compliance Workshop	May 2003
Income Capitalization	March 2003
Appraising Non-Conforming and Difficult Properties	March 2003
Appraiser Liability	March 2003
2003 National USPAP	February 2003
Valuation of Partial Acquisitions, Course 401 through IRWA	October 2000
Partial Interest Valuation – Divided, Course A7414	April 2000

Highest & Best Use and Market Analysis	March 2000
Subdivision Analysis	January 2000
Writing the Narrative Appraisal Report	November 1999
USPAP 1999 Revisions A7415ES	March 1999
Reporting Sales Comparison Grid Adj. for Residential Properties	March 1999
USPAP 1999 Revisions – A7415ES	March 1998
Litigation Appraisal and Expert Testimony	June 1997
USPAP (Parts A & B)	1996
Ethics - USPAP Statements	March 1995
Comprehensive Appraisal Workshop	July 1994
Current Issues and Misconceptions in Appraisal	December 1993
Standards of Professional Appraisal Practice, Part B	1992
Land Faire Nevada	July 1992
Appraising From Blueprints and Specifications	September 1992
Accrued Depreciation	September 1992
Standards of Professional Appraisal Practice, Part A	1991
Report Writing and Valuation Analysis; Exam 2-2	June 1991
Case Studies; Exam 2-1	June 1991
Capitalization Theory and Techniques, Part B; Exam 1-BB	June 1990
Capitalization Theory and Techniques, Part A; Exam 1-BA	June 1990
Basic Valuation; Exam 1A2	May 1989
Principles of Real Estate Appraisal ; Exam 1A1	May 1989

## APPRAISER CERTIFICATE

### STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE

REAL ESTATE DIVISION

NOT TRANSFERABLE

This is to Certify That : MATTHEW J LUBAWY

Certificate Number: A.0000044-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: March 31, 2015

Expire Date: April 30, 2017

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: VALBRIDGE PROPERTY ADVISORS  
 3034 S DURANGO DR #100  
 LAS VEGAS, NV 89117

REAL ESTATE DIVISION

JOSEPH (JD) DECKER  
*Administrator*



## Valuation and Advisory Services for All Types of Property and Land

- Office
- Industrial
- Retail
- Apartments/multifamily/senior living
- Lodging/hospitality/recreational
- Other special-purpose properties

### SPECIALTY SERVICES

- Portfolio valuation
- REO/foreclosure evaluation
- Real estate market and feasibility analysis
- Property and lease comparables, including lease review
- Due diligence
- Property tax assessment and appeal-support services
- Valuations and analysis of property under eminent domain proceedings
- Valuations of property for financial reporting, including goodwill impairment, impairment or disposal of long-lived assets, fair value and leasehold valuations
- Valuation of property for insurance, estate planning and trusteeship, including fractional interest valuation for gifting and IRS purposes
- Litigation support, including expert witness testimony
- Business and partnership valuation and advisory services, including partial interests





**Valbridge**  
PROPERTY ADVISORS

# OFFICE LOCATIONS

## ALABAMA

**Valbridge Property Advisors | Real Estate Appraisers, LLC**  
4732 Woodmere Boulevard  
Montgomery, AL 36106  
334-277-5077

## ARIZONA

**Valbridge Property Advisors | MJN Enterprises, Inc.**  
6061 E. Grant Road, Suite 121  
Tucson, AZ 85712  
520-321-0000

## CALIFORNIA

**Valbridge Property Advisors | Michael Burger & Associates**  
4915 Calloway Drive, Suite 101  
Bakersfield, CA 93312  
661-587-1010

**Valbridge Property Advisors | Cummings Appraisal Group, Inc.**  
99 S. Lake Avenue, Suite 21  
Pasadena, CA 91101  
626-744-0428

**Valbridge Property Advisors | Hulberg & Associates, Inc.**  
225 Crossroads Blvd, Suite 326  
Carmel, CA 93923  
831-917-0383

2813 Coffee Road, Suite E-2  
Modesto, CA 95355  
209-569-0450

One North Market Street  
San Jose, CA 95113  
408-279-1520

3160 Crow Canyon Place, Suite 245  
San Ramon, CA 94583  
925-327-1660

**Valbridge Property Advisors | Penner & Associates, Inc.**  
1370 N. Brea Boulevard, Suite 255  
Fullerton, CA 92835  
714-449-0852

**Valbridge Property Advisors | Ribacchi & Associates**  
10301 Placer Lane, Suite 100  
Sacramento, CA 95827  
916-361-2509

## COLORADO

**Valbridge Property Advisors | Bristol Realty Counselors**  
5345 Arapahoe, Suite 7  
Boulder, CO 80303  
303-443-9600

**Valbridge Property Advisors | Mountain West**  
562 Highway 133  
Carbondale, CO 81623  
970-340-1016

## CONNECTICUT

**Valbridge Property Advisors | Italia & Lemp, Inc.**  
6 Central Row, Third Floor  
Hartford, CT 06103-2701  
860-246-4606

17 High Street, Suite 214  
Norwalk, CT 06851  
203-286-6520

## FLORIDA

**Valbridge Property Advisors | Armalavage Valuation, LLC**  
2240 Venetian Court  
Naples, FL 34109  
239-514-4646

**Valbridge Property Advisors | Beaumont, Matthes & Church, Inc.**  
603 Hillcrest Street  
Orlando, FL 32803  
407-839-3626

**Valbridge Property Advisors | Boyd, Schmidt & Brannum**  
2711 Poinsettia Avenue  
West Palm Beach, FL 33407  
561-833-5331

**Valbridge Property Advisors | Broom, Moody, Johnson & Grainger, Inc.**  
121 West Forsyth Street, Suite 1000  
Jacksonville, FL 32202  
904-296-3000

**Valbridge Property Advisors | Entreen Associates, Inc.**  
1100 19th Street N  
St. Petersburg, FL 33705  
727-894-1600

## GEORGIA

**Valbridge Property Advisors | Cantrell Miller, LLC**  
2675 Paces Ferry Road, Suite 145  
Atlanta, GA 30339  
678-644-4853

## IDAHO

**Valbridge Property Advisors | Auble, Jolicœur & Gentry, Inc.**  
1875 N. Lakewood Drive, Suite 100  
Coeur d'Alene, ID 83814  
208-292-2965

**Valbridge Property Advisors | Mountain States Appraisal & Consulting, Inc.**  
1459 Tyrell Lane, Suite B  
Boise, ID 83706  
208-336-1097

## INDIANA

**Valbridge Property Advisors | Mitchell Appraisals, Inc.**  
820 Fort Wayne Avenue  
Indianapolis, IN 46204  
317-687-2747

## KANSAS

**Valbridge Property Advisors | Shaner Appraisals, Inc.**  
10990 Quivira, Suite 100  
Overland Park, KS 66210  
913-451-1451

## KENTUCKY

**Valbridge Property Advisors | Allgeier Company**  
214 South 8th Street, Suite 200  
Louisville, KY 40202  
502-585-3651

## LOUISIANA

**Valbridge Property Advisors | Argote, Derbes, Graham, Shuffield & Tatje, Inc.**  
512 North Causeway Boulevard  
Metairie, LA 70001  
504-833-8234

7607 Fern Avenue, Suite 104  
Shreveport, LA 71105  
318-797-0543

## MARYLAND

**Valbridge Property Advisors | Lipman Frizzell & Mitchell LLC**  
6240 Old Dobbin Lane, Suite 140  
Columbia, MD 21045  
410-423-2300

## MASSACHUSETTS

**Valbridge Property Advisors | Bullock Commercial Appraisal, LLC**  
21 Muzzey Street, Suite 2  
Lexington, MA 02421  
781-652-0700

## MICHIGAN

**Valbridge Property Advisors | The Oetzel-Hartman Group**  
2127 University Park Drive, Suite 390  
Okemos, Michigan 48864  
517-338-0001

## MINNESOTA

**Valbridge Property Advisors | Mardell Partners, Inc.**  
120 South 6th Street, Suite 1650  
Minneapolis, MN 55402  
612-253-0650

## NEVADA

**Valbridge Property Advisors | Lubawy & Associates, Inc.**  
3034 S. Durango Drive, Suite 100  
Las Vegas, NV 89117  
702-242-9369

## NEW JERSEY

**Valbridge Property Advisors | Oxford Group**  
2740 Route 10 West, Suite 204  
Morris Plains, NJ 07950  
973-970-9333

2052 Route 35, Suite 104  
Wall Township, NJ 07719  
732-807-3113

## NEW YORK

**Valbridge Property Advisors | Oxford Group**  
424 West 33rd Street, Suite 630  
New York, NY 10001  
212-268-1113

## NORTH CAROLINA

**Valbridge Property Advisors | John Bosworth & Associates, LLC**  
4530 Park Road, Suite 100  
Charlotte, NC 28209  
704-376-5400

**Valbridge Property Advisors | Paramount Appraisal Group, Inc.**  
412 E. Chatham Street  
Cary, NC 27511  
919-859-2666

## OHIO

**Valbridge Property Advisors | Allgeier Company**  
9277 Centre Point Dr., Suite 350  
West Chester, OH 45069  
513-785-0820

**Valbridge Property Advisors**  
1655 W. Market Street, Suite 130  
Akron, OH 44313  
330-899-9900

526 E. Superior Avenue, Suite 455  
Cleveland, OH 44114  
216-367-9690

## OKLAHOMA

**Valbridge Property Advisors | Walton Property Services, LLC**  
6666 South Shendan Road, Suite 104  
Tulsa, OK 74133  
918-712-9992

## PENNSYLVANIA

**Valbridge Property Advisors | Barone, Murtha, Shonberg & Associates, Inc.**  
4701 Baptist Road, Suite 304  
Pittsburgh, PA 15227  
412-881-6080

**Valbridge Property Advisors | Lukens & Wolf, LLC**  
150 S. Warner Road, Suite 440  
King of Prussia, PA 19406  
215-545-1900

## SOUTH CAROLINA

**Valbridge Property Advisors | Atlantic Appraisals, LLC**  
800 Main Street, Suite 220  
Hilton Head Island, SC 29926  
843-342-2302

1250 Fairmont Avenue  
Mt. Pleasant, SC 29464  
843-884-1266

**Valbridge Property Advisors | Robinson Company**  
610 N. Main Street  
Greenville, SC 29601  
864-233-6277

## TENNESSEE

**Valbridge Property Advisors | R.K. Barnes & Associates, Inc.**  
112 Westwood Place, Suite 300  
Brentwood, TN 37027  
615-369-0670

**Valbridge Property Advisors | C & I Appraisal Services, Inc.**  
6750 Poplar Avenue, Suite 706  
Memphis, TN 38138  
901-753-6977

**Valbridge Property Advisors | Meridian Realty Advisors, LLC**  
701 Broad Street, Suite 209  
Chattanooga, TN 37402  
423-285-8435

213 Fox Road  
Knoxville, TN 37922  
865-522-2424

## TEXAS

**Valbridge Property Advisors | Dugger, Canaday, Grafe, Inc.**  
111 Soledad, Suite 800  
San Antonio, TX 78205  
210-227-6229

**Valbridge Property Advisors | The Gerald A. Teel Company, Inc.**  
Two Energy Square  
4849 Greenville Avenue, Suite 1495  
Dallas, TX 75206  
214-446-1611

974 Campbell Road, Suite 204  
Houston, TX 77024  
713-467-5858

**Valbridge Property Advisors**  
2731 81st Street  
Lubbock, TX 79423  
806-744-1188

## UTAH

**Valbridge Property Advisors | Free and Associates, Inc.**  
260 South 2500 West, Suite 301  
Pleasant Grove, UT 84062  
801-492-9328

1100 East 6600 South, Suite 201  
Salt Lake City, UT 84121  
801-262-3388

20 North Main, Suite 304  
St. George, UT 84770  
435-773-6300

## VIRGINIA

**Valbridge Property Advisors | Axial Advisory Group, LLC**  
656 Independence Parkway, Suite 220  
Chesapeake, VA 23320  
757-410-1222

7400 Beaufort Springs Drive, Suite 300  
Richmond, VA 23225  
804-672-4473

5107 Center Street, Unit 2B  
Williamsburg, VA 23188  
757-345-0010

## WASHINGTON

**Valbridge Property Advisors | Allen Brackett Shedd**  
18728 Bothell Way, NE, Suite B  
Bothell, WA 98011  
425-450-4040

2927 Colby Avenue, Suite 100  
Everett, WA 98201  
425-258-2611

419 Berkeley Avenue, Suite A  
Fircrest, WA 98466  
253-274-0099

506 Second Avenue, Suite 1001  
Seattle, WA 98104  
206-209-3016

**Valbridge Property Advisors | Auble, Jolicœur & Gentry, Inc.**  
7601 West Clearwater Ave., Suite 320  
Kennewick, WA 99336  
509-221-1540

324 N. Mullan Road  
Spokane Valley, WA 99206  
509-747-0999

## WISCONSIN

**Valbridge Property Advisors | Vitale Realty Advisors, LLC**  
12660 W. North Avenue  
Brookfield, WI 53005  
262-782-7990

## CORPORATE OFFICE

2240 Venetian Court  
Naples, FL 34109

239-325-8234 phone  
239-325-8356 fax

[valbridge.com](http://valbridge.com)

1247 0035769

11366

# **EXHIBIT “RRR”**



1 **NEOJ**  
2 Micah S. Echols, Esq.  
3 Nevada Bar No. 8437  
4 4101 Meadows Lane, Ste. 100  
5 Las Vegas, Nevada 89107  
6 (702) 655-2346 – Telephone  
7 (702) 655-3763 – Facsimile  
8 [micah@claggettlaw.com](mailto:micah@claggettlaw.com)  
9 *Attorneys for Respondent,*  
10 Seventy Acres, LLC  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24

DISTRICT COURT

CLARK COUNTY, NEVADA

JACK B. BINION, an individual;  
DUNCAN R. and IRENE LEE,  
individuals and Trustees of the LEE  
FAMILY TRUST; FRANK A SCHRECK,  
an individual; TURNER  
INVESTMENTS, LTD., a Nevada  
Limited Liability Company; ROGER P.  
and CAROLYN G. WAGNER,  
individuals and Trustees of the  
WAGNER FAMILY TRUST;  
BETTY ENGLESTAD AS TRUSTEE OF  
THE BETTY ENGLESTAD TRUST;  
PYRAMID LAKE HOLDINGS, LLC.;  
JASON AND SHEREEN AWAD AS  
TRUSTEES OF THE AWAD ASSET  
PROTECTION TRUST; THOMAS LOVE  
AS TRUSTEE OF THE ZENA TRUST;  
STEVE AND KAREN THOMAS AS  
TRUSTEES OF THE STEVE AND  
KAREN THOMAS TRUST; SUSAN  
SULLIVAN AS TRUSTEE OF THE  
KENNETH J. SULLIVAN FAMILY  
TRUST, AND DR. GREGORY BIGLER  
AND SALLY BIGLER,

Petitioners,

v.

Case No. A-17-752344-J

Dept. No. 24

**NOTICE OF ENTRY OF ORDER  
ADOPTING THE ORDER OF  
THE NEVADA SUPREME  
COURT AND DENYING  
PETITION FOR JUDICIAL  
REVIEW**

1 THE CITY OF LAS VEGAS; and  
2 SEVENTY ACRES, LLC, a Nevada  
Limited Liability Company,

3 Respondents.  
4

5 **PLEASE TAKE NOTICE** that the above-entitled Court entered the  
6 following Order Adopting the Order of the Nevada Supreme Court and Denying  
7 Petition for Judicial Review on November 6, 2020.

8 A copy of the Court's Order is attached hereto as **Exhibit A**.

9 Dated this 6th day of November 2020.

10 CLAGGETT & SYKES LAW FIRM

11 /s/ Micah S. Echols

12 Micah S. Echols  
13 Nevada Bar No. 8437  
14 *Attorneys for Respondent,*  
Seventy Acres, LLC



**CERTIFICATE OF SERVICE**

I hereby certify that on the 6th day of November 2020, I served a true and correct copy of the **NOTICE OF ENTRY OF ORDER ADOPTING THE ORDER OF THE NEVADA SUPREME COURT AND DENYING PETITION FOR JUDICIAL REVIEW** via the Eighth Judicial District Court electronic filing and service system on all parties requiring notice.

/s/ Anna Gresl

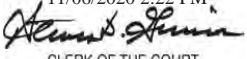
\_\_\_\_\_  
Anna Gresl, an employee of  
Claggett & Sykes Law Firm

# EXHIBIT A

# EXHIBIT A

1251

**11371**

  
CLERK OF THE COURT

**ORDR**

BRYAN K. SCOTT  
City Attorney  
Nevada Bar No. 4381  
By: PHILIP R. BYRNES  
Senior Litigation Counsel  
Nevada Bar No. 166  
495 South Main Street, Sixth Floor  
Las Vegas, NV 89101  
(702) 229-6629 (office)  
(702) 386-1749 (fax)  
Email: pbyrnes@lasvegasnevada.gov  
Attorneys for CITY OF LAS VEGAS

DISTRICT COURT

CLARK COUNTY, NEVADA

JACK B. BINION, an individual;  
DUNCAN R. and IRENE LEE, individuals  
and Trustees of the LEE FAMILY TRUST;  
FRANK A SCHRECK, an individual;  
TURNER INVESTMENTS, LTD., a Nevada  
Limited Liability Company; ROGER P. and  
CAROLYN G. WAGNER, individuals and  
Trustees of the WAGNER FAMILY TRUST;  
BETTY ENGLESTAD AS TRUSTEE OF  
THE BETTY ENGLESTAD TRUST;  
PYRAMID LAKE HOLDINGS, LLC.;  
JASON AND SHEREEN AWAD AS  
TRUSTEES OF THE AWAD ASSET  
PROTECTION TRUST; THOMAS LOVE  
AS TRUSTEE OF THE ZENA TRUST;  
STEVE AND KAREN THOMAS AS  
TRUSTEES OF THE STEVE AND KAREN  
THOMAS TRUST; SUSAN SULLIVAN AS  
TRUSTEE OF THE KENNETH J.  
SULLIVAN FAMILY TRUST, AND DR.  
GREGORY BIGLOR AND SALLY  
BIGLER,

Petitioners,

vs.

THE CITY OF LAS VEGAS; and  
SEVENTY ACRES, LLC, a Nevada Limited  
Liability Company,

Respondents.

CASE NO. A-17-752344-J  
DEPT. NO. XXIV

**ORDER ADOPTING THE ORDER OF THE NEVADA SUPREME COURT AND**  
**DENYING PETITION FOR JUDICIAL REVIEW**

1 On March 5, 2018, this Court entered its "Order Granting Plaintiffs' Petition for Judicial  
2 Review." A copy of this Court's order is attached as **Exhibit 1**. Respondent, Seventy Acres,  
3 LLC ("Seventy Acres") appealed this order to the Nevada Supreme Court, which was docketed  
4 as Case No. 75481.

5 On March 5, 2020, the Nevada Supreme Court issued its "Order of Reversal" reversing  
6 this Court's "Order Granting Plaintiffs' Petition for Judicial Review." A copy of the Supreme  
7 Court's order is attached as **Exhibit 2**. In accordance with the Order of the Nevada Supreme  
8 Court,

9 IT IS HEREBY ORDERED that the Petition for Judicial Review is denied.

Dated this 6th day of November, 2020

10 DATED this \_\_\_\_ day of November, 2020.

11  
12   
DISTRICT COURT JUDGE

13 SUBMITTED BY:

14 BRYAN K. SCOTT  
15 City Attorney

16 By: /s/ Philip R. Byrnes  
17 PHILIP R. BYRNES, ESQ.  
18 Senior Litigation Counsel  
19 Nevada Bar No. 166  
495 South Main Street, Sixth Floor  
Las Vegas, NV 89101  
Attorneys for CITY OF LAS VEGAS

59B 7A7 6106 2059  
Jim Crockett  
District Court Judge

20 APPROVED AS TO FORM AND CONTENT:

21 PISANELLI BICE, PLLC

22  
23 By: NO RESPONSE  
24 TODD L. BICE, ESQ.  
25 Nevada Bar No. 4534  
26 DUSTUN H. HOLMES, ESQ.  
27 Nevada Bar No. 12776  
28 400 South Seventh Street, #300  
Las Vegas, NV 89101  
Attorneys for Petitioners

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

CLAGGETT & SYKES LAW FIRM

By: /s/ Micah S. Echols  
MICAHA S. ECHOLS, ESQ.  
Nevada Bar No. 8437  
4101 Meadows Lane, #100  
Las Vegas, NV 89107  
*Attorneys for Respondent SEVENTY ACRES, LLC*

**From:** [Philip Byrnes](#)  
**To:** [Micah Echols](#); [Dustun Holmes](#); [Todd Bice](#)  
**Subject:** RE: Proposed Order Denying Petition for Judicial Review re Jack B. Binion, et al. v. City of Las Vegas, et al.  
**Date:** Wednesday, November 4, 2020 4:22:17 PM  
**Attachments:** [image002.png](#)  
[image003.png](#)  
[image005.png](#)  
[image006.png](#)  
[image008.png](#)  
[image009.png](#)  
[image010.png](#)  
[image011.png](#)  
[image012.png](#)  
[image013.png](#)

---

I am OK with both. If you wish, you can submit with my electronic signature.

## Philip R. Byrnes

Senior Litigation Counsel  
City Attorney's Office | Civil Division  
**702-229-6629 | 702-386-1749 (fax)**  
495 South Main Street, Sixth Floor | Las Vegas, NV 89101



[lasvegasnevada.gov](http://lasvegasnevada.gov)



---

**From:** Micah Echols <Micah@claggettlaw.com>  
**Sent:** Wednesday, November 04, 2020 4:08 PM  
**To:** Dustun Holmes <DHH@pisanellibice.com>; Philip Byrnes <PByrnes@LasVegasNevada.GOV>; Todd Bice <tlb@pisanellibice.com>  
**Subject:** RE: Proposed Order Denying Petition for Judicial Review re Jack B. Binion, et al. v. City of Las Vegas, et al.

**CAUTION:** This email originated from an **External Source**. Please **use caution** before opening attachments, clicking links, or responding to this email. **Do not sign-in with your City of Las Vegas account credentials.**

Judge Crockett has set an in-chambers status check hearing for tomorrow (11/5) for the submission of this order. Any changes to our version?

And, any changes to our stipulation to release the cost bond?


**Micah S. Echols, Esq.**  
**Partner, Appellate Division**

CLAGGETT & SYKES LAW FIRM  
4101 Meadows Lane #100  
Las Vegas, NV 89107  
Tel. 702-655-2346 Fax 702-655-3763

# EXHIBIT 1

# EXHIBIT 1





Todd L. Bice, Esq., Bar No. 4534  
[tlb@pisanellibice.com](mailto:tlb@pisanellibice.com)  
Dustin H. Holmes, Esq., Bar No. 12776  
[dh@pisanellibice.com](mailto:dh@pisanellibice.com)  
PISANELLI BICE PLLC  
400 South 7th Street, Suite 300  
Las Vegas, Nevada 89101  
Telephone: 702.214.2100  
Facsimile: 702.214.2101

*Attorneys for Plaintiffs*

**DISTRICT COURT  
CLARK COUNTY, NEVADA**

JACK B. BINION, an individual; DUNCAN  
R. and IRENE LEE, individuals and Trustees  
of the LEE FAMILY TRUST; FRANK A.  
SCHRECK, an individual; TURNER  
INVESTMENTS, LTD., a Nevada Limited  
Liability Company; ROGER P. and  
CAROLYN G. WAGNER, individuals and  
Trustees of the WAGNER FAMILY TRUST;  
BETTY ENGLESTAD AS TRUSTEE OF  
THE BETTY ENGLESTAD TRUST;  
PYRAMID LAKE HOLDINGS, LLC.;  
JASON AND SHEREEN AWAD AS  
TRUSTEES OF THE AWAD ASSET  
PROTECTION TRUST; THOMAS LOVE  
AS TRUSTEE OF THE ZENA TRUST;  
STEVE AND KAREN THOMAS AS  
TRUSTEES OF THE STEVE AND KAREN  
THOMAS TRUST; SUSAN SULLIVAN AS  
TRUSTEE OF THE KENNETH J.  
SULLIVAN FAMILY TRUST, AND DR.  
GREGORY BIGLOR AND SALLY  
BIGLER,

Plaintiffs,

v.

THE CITY OF LAS VEGAS; and SEVENTY  
ACRES, LLC, a Nevada Limited Liability  
Company,

Defendants.

Case No.: A-17-752344-J

Dept. No.: XXIV

**ORDER GRANTING PLAINTIFFS'  
PETITION FOR JUDICIAL REVIEW**

<input type="checkbox"/> Voluntary Dismissal	<input checked="" type="checkbox"/> Summary Judgment
<input type="checkbox"/> Involuntary Dismissal	<input type="checkbox"/> Stipulated Judgment
<input type="checkbox"/> Stipulated Dismissal	<input type="checkbox"/> Default Judgment
<input type="checkbox"/> Motion to Dismiss by Deft(s)	<input type="checkbox"/> Judgment of Arbitration

On January 11, 2018, Plaintiffs'<sup>1</sup> Petition for Judicial Review came before the Court for a hearing. Todd L. Bice, Esq. and Dustun H. Holmes, Esq. of the law firm PISANELLI BICE PLLC appeared on behalf of Plaintiffs, Christopher Kaempfer, Esq., James Smyth, Esq., Stephanie Allen, Esq appeared on behalf of Defendant Seventy Acres, LLC ("Seventy Acres"), and Philip T. Byrnes, Esq., with the LAS VEGAS CITY ATTORNEY'S OFFICE appeared on behalf of the Defendant City of Las Vegas ("City"). The Court, having reviewed Plaintiffs' Memorandum in Support of the Petition for Judicial Review, the City's Answering Brief, Seventy Acres' Opposition Brief, Plaintiffs' Reply Brief, the Record for Review, and considered the matter and being fully advised, and good cause appearing makes the following findings of fact and conclusions of law:

**FINDINGS OF FACT AND CONCLUSIONS OF LAW<sup>2</sup>**

**A. FINDINGS OF FACT**

1. Plaintiffs challenge the City's actions and the final decision entered on February 16, 2017 regarding the approval of Seventy Acres' applications GPA-62387 for a General Plan Amendment from parks/recreation/open space (PR-OS) to medium density (M), ZON-62392 for rezoning from residential planned development – 7 units per acre (R-PD7) to medium density residential (R-3), and SDR-62393 site development plan related to GPA-62387 and ZON-62392 (collectively the "Applications") on 17.49 acres at the southwest corner of Alta Drive and

<sup>1</sup> Jack B. Binion, Duncan R. and Irene Lee, individuals and trustees of the Lee Family Trust, Frank A. Schreck, Turner Investments, LTD, Rover P. and Carolyn G. Wagner, individuals and trustees of the Wagner Family Trust, Betty Englestad as trustee of the Betty Englestad Trust, Pyramid Lake Holdings, LLC, Jason and Shereen Awad as trustees of the Awad Asset Protection Trust, Thomas Love as trustee of the Zena Trust, Steve and Karen Thomas as trustees of the Steve and Karen Thomas Trust, Susan Sullivan as trustee of the Kenneth J. Sullivan Family Trust, and Dr. Gregory Bigler and Sally Bigler

<sup>2</sup> Any findings of fact which are more properly considered conclusions of law shall be treated as such, and any conclusions of law which are more properly considered findings of fact shall be treated as such.

1 Rampart Boulevard, more particularly described as Assessor's Parcel Number 138-32-301-005  
2 (the "Property").<sup>3</sup>

3 2. The Property at issue in the Applications is a portion of land which was previously  
4 known as Badlands Golf Course and is part of the Peccole Ranch Master Plan.

5 3. In 1986, the William Peccole Family presented their initial Master Planned  
6 Development under the name Venetian Foothills to the City ("Peccole Ranch"). ROR002620-  
7 2639.

8 4. The original Master Plan contemplated two 18-hole golf courses, which would  
9 become known as Canyon Gate in Phase I of Peccole Ranch and Badlands in Phase II of Peccole  
10 Ranch. Both golf courses were designed to be in a major flood zone and were designated as flood  
11 drainage and open space. ROR002634. The City mandated these designations so as to address the  
12 natural flood problem and the open space necessary for master plan development. ROR002595—  
13 2604.

14 5. The William Peccole Family developed the area from W. Sahara north to W.  
15 Charleston Blvd. within the boundaries of Hualapai Way on the west and Durango Dr. on the east  
16 ("Phase I"). In 1989, the Peccole family submitted what was known as the Peccole Ranch Master  
17 Plan, which was principally focused on what was then commonly known as Phase I.

18 6. In 1990 the William Peccole Family presented their Phase II Master Plan under the  
19 name Peccole Ranch Master Plan Phase II (the "Phase II Master Plan") and it encompassed the  
20 land located from W Charleston Blvd. north to Alta Dr. west to Hualapai Way and east to  
21 Durango Dr. ("Phase II"). Queensridge was included as part of this plan and covered W.  
22

23  
24 <sup>3</sup> The Applications as originally submitted were for a General Plan Amendment from  
25 parks/recreation/open space (PR-OS) to high density residential (H), for rezoning from residential  
26 planned development – 7 units per acre (R-PD7) to high density residential (R-4). At the February  
27 15, 2017 City Council meeting, Seventy Acres indicated that it was amending its Applications  
28 from 720 units on the Property to 435 units. The corresponding effect was an amendment to its  
General Plan Amendment from PR-OS to medium density (M) and rezoning from R-PD7 to  
medium density residential (R-3).

1 Charleston Blvd. north to Alta Dr., west to Hualapai Way and east to Rampart Blvd. ROR002641-  
2 2670.

3 7. Phase II of the Peccole Ranch Master Plan was approved by the City Council of  
4 the City of Las Vegas on April 4, 1990 in Case No. Z-17-90. ROR007612, ROR007702-7704.  
5 The Phase II Master Plan specifically defined the Badlands 18 hole Golf Course as flood  
6 drainage/golf course in addition to satisfying the required open space necessitated by the City for  
7 Master Planned Development. ROR002658-2660.

8 8. The Phase II golf course open space designation was for 211.6 acres and  
9 specifically was presented as zero net density and zero net units. (ROR002666). The William  
10 Peccole Family knew that residential development would not be feasible in the flood zone, but as  
11 a golf course could be used to enhance the value of the surrounding residential lots. As the Master  
12 Plan for Phase II submitted to the City outlines:

13 A focal point of Peccole Ranch Phase Two is the 199.8 acre golf  
14 course and open space drainage way system which traverses the site  
15 along the natural wash system. All residential parcels within Phase  
16 Two, except one, have exposure to the golf course and open space  
17 areas . . . The close proximity to Angel Park along with the  
18 extensive golf course and open space network were determining  
19 factors in the decision not to integrate a public park in the proposed  
20 Plan."

21 ROR002658-2660.

22 9. The Phase II Master Plan amplifies that it is a planned development, incorporating  
23 a multitude of permitted land uses as well as special emphasis the open space and:

24 Incorporates office, neighborhood commercial, a nursing home, and  
25 a mixed-use village center around a strong residential base in a  
26 cohesive manner. A destination resort-casino, commercial/office  
27 and commercial center have been proposed in the most northern  
28 portion of the project area. Special attention has been given to the  
29 compatibility of neighboring uses for smooth transitioning,  
30 circulation patterns, convenience and aesthetics. An extensive 253  
31 acre golf course and linear open space system winding throughout  
32 the community provides a positive focal point while creating a  
33 mechanism to handle drainage flows.

34 ROR00264-2669.

35 10. As the Plan for Phase II outlined, there would be up to 2,807 single-family  
36 residential units on 401 acres, 1,440 multi-family units on 60 acres and open space/golf

1 course/drainage on approximately 211 acres. ROR002666-2667. For the single-family units  
2 which would border the proposed golf course/open space, the zoning sought was for R-PD7,  
3 which equates to a maximum of seven (7) single-family units per acre on average. ROR002666-  
4 2667. Such a zoning approval for a planned development like Peccole Ranch Phase II and its  
5 proposed golf course/open space/drainage is common as confirmed by the City's own code at the  
6 time because R-PD zoning category was specifically designed to encourage and facilitate the  
7 extensive use of open space within a planned development, such as that being proposed by the  
8 Peccole Family. ROR02716-2717.

9 11. Both the Planning Commission and the City Council approved this 1990  
10 Amendment for the Phase II Plan (the "Plan"). ROR007612, ROR007702-7704.

11 12. The City confirmed the Phase II Plan in subsequent amendments and re-adoption  
12 of its own General Plan, both in 1992 and again in 1999. ROR002735-2736.

13 13. On the maps of the City's General Plan, the land for the golf course/open  
14 space/drainage is expressly designated as PR-OS, meaning Parks/Recreation/Open Space.  
15 ROR002735-2736. There are no residential units permitted in an area designated as PR-OS.

16 14. The City's 2020 Master Plan specifically lists Peccole Ranch as a Master  
17 Development Plan in the Southwest Sector.

18 15. In early 2015, the land was acquired by a developer and as a representative of the  
19 developer, Yohan Lowie, would testify at the November 16, 2016 City Council meeting that  
20 before purchasing the property he had conversations with the City Council members from which  
21 he inferred that he would be able to secure approvals to redevelop the golf course/open space of  
22 this master planned community with housing units. ROR001327-1328; ROR007364-7365. The  
23 purchaser elected to take on the risk of acquiring the property and did not provide for typical  
24 contingencies, such as a condition of land use approvals prior to closing.

25 16. Instead, it was after acquiring the land that one of the developer's entities, Seventy  
26 Acres, filed the Applications with the City in November 2015.

27 17. When the Applications were initially submitted they were set to be heard in front  
28 of the City's Planning Commission on January 12, 2016. ROR017362-17377. The Staff Report

1 prepared in advance of this meeting states that the City's Planning Department had no  
2 recommendation at the time because the City's code required an application for a major  
3 modification of the Peccole Ranch Master Plan prior to the approval of the Applications.  
4 ROR017365. Specifically, the Staff Report states:

5           The site is part of the Peccole Ranch Master Plan. The appropriate  
6 avenue for considering any amendment to the Peccole Ranch  
7 Master Plan is through the Major Modification process as outline in  
8 Title 19.10.040. As this request has not been submitted, staff  
recommends that the [Applications] be held in abeyance has no  
recommendation on these items at the time.  
(*Id.*)

9           18. Indeed, a critical issue noted by the City pertaining to the Applications was that  
10 "[t]he proposed development requires a Major Modification of the Peccole Ranch Master Plan,  
11 specifically the Phase Two area as established by Z-0017-90. As such, staff is recommending that  
12 these items be held in abeyance." (*Id.*)

13           19. Following staff's recommendation, the Applications were held over to the March 8,  
14 2016 Planning Commission meeting.

15           20. Again, the Staff Report prepared in advance of the meeting states, "[t]he site is part  
16 of the Peccole Ranch Master Plan. The appropriate avenue for considering any amendment to the  
17 Peccole Ranch Master Plan is through the Major Modification process as outline in Title  
18 19.10.040." ROR017445-17538. As no Major Modification had been submitted the City's staff  
19 had no recommendation on the Applications at the time. *Id.*

20           21. As a result, the Applications were held over to the April 12, 2016 Planning  
21 Commission meeting.

22           22. Consistent with the City's requirements, the developer subsequently filed an  
23 application MOD-63600 for a Major Modification of the Peccole Ranch Master Plan to amend the  
24 number of allowable units, to change the land use designation of parcel, and to provide standards  
25 for redevelopment.

26           23. As the Staff Report prepared in advance of an April 12, 2016 Planning  
27 Commission meeting states, "[p]ursuant to 19.10.040, a request has been submitted for a  
28 modification to the Peccole Ranch Master Plan to authorize removal of the golf course, change

1 the designated land uses on those parcels to single family and multi-family residential and allow  
2 for additional residential units." ROR017550-17566.

3 24. The Staff Report goes on to state that "[i]t is the determination of the Department  
4 of Planning that any proposed development not in conformance with the approved Peccole Ranch  
5 Master Plan would be required to pursue a Major Modification of the Plan prior to or concurrently  
6 with any new entitlements. *Id.* Such an application (MOD-63600) was filed with the City of Las  
7 Vegas on 02/25/16 along with a Development Agreement (DIR-63602) for redevelopment of the  
8 golf course parcels." *Id.*

9 25. As the Staff Report indicates, "[a]n additional set of applications were submitted  
10 concurrently with the Major Modification that apply to the whole of the 250.92-acre golf course  
11 property." These applications were submitted by entities – 180 Land Co LLC and Fore Stars, Ltd-  
12 controlled and related to the developer submitting the Applications at issue here. *Id.*

13 26. As with the previous Staff Reports, the Staff emphasized that "[t]he proposed  
14 development requires a Major Modification of the Peccole Ranch Master Plan, specifically the  
15 Phase Two area as established by Z-0017-90." *Id.* However, the City's Staff was now  
16 recommending the Applications be held in abeyance as additional time was needed for "review of  
17 the Major Modification and related development agreement." *Id.*

18 27. Over the next several months the Applications were held in abeyance at the request  
19 of Seventy Acres and/or the City. Specifically, the Staff Reports prepared in advance of every  
20 meeting continuously noted that approval of the Applications was dependent upon an approval of  
21 a Major Modification of the Peccole Ranch Master Plan.

22 28. For example, the May 10, 2016 Staff Report provides "[t]he proposed development  
23 requires a Major Modification (MOD-6300) of the Peccole Ranch Master Plan, specifically the  
24 Phase Two area as established by Z-0017-90." ROR018033-18150. The Staff findings likewise  
25 provide the Applications "would result in the modification of the Peccole Ranch Master Plan.  
26 Without the approval of a Major Modification to said plan, no finding can be reached at this  
27 time." *Id.*

28



1           29. In the July 12, 2016 Staff Report, staff states "[t]he Peccole Ranch Master Plan  
2 must be modified to change the land use designations from Golf Course/Drainage to Multi-Family  
3 Residential and Single Family Residential prior to approval of the proposed" Applications.  
4 ROR018732-18749. ROR0198882-

5           30. Less than two months later, in an August 9, 2016 Staff Report, the City's Staff  
6 reiterated that "[t]he proposed development requires a Major Modification (MOD-6300) of the  
7 Peccole Ranch Master Plan, specifically the Phase Two area as established by Z-0017-90."  
8 ROR0198882-19895.

9           31. Ultimately, the Applications came before a special Planning Commission meeting  
10 on October 18, 2016. ROR000725-870. The Applications were heard along with other  
11 applications from the developer, including application for a Major Modification of the Peccole  
12 Ranch Master Plan. (MOD-63600).

13           32. The City's Planning Commission denied all other applications, including MOD-  
14 63600, except for the Applications at issue in this case by a five-to-two margin. ROR00865-870.  
15 In other words, the Planning Commission approved certain applications notwithstanding that it  
16 had expressly denied the Major Modification (MOD-63600) that the City's Staff recognized as a  
17 required prerequisite to any applications moving forward.

18           33. The Applications, along with all other applications from the developer, were then  
19 scheduled to be heard in front of the City Council on November 16, 2016.

20           34. Prior to the City Council Meeting the developer requested that the City permit it to  
21 withdraw without prejudice all other applications, including the Major Modification (MOD-  
22 63600), leaving the Applications at issue relating to the 720 multifamily residential buildings on  
23 17.49 acres located on Alta/Rampart southwest corner. ROR001081-1135.

24           35. But again, the City's Staff Report prepared in advance of the City Council meeting  
25 confirmed that one of the conditions for approving these Applications was that there be a Major  
26 Modification of the Peccole Ranch Master Plan. ROR002421-2441. As the City's staff explains,  
27 the Applications "are dependent on action taken on the Major Modification and the related  
28 Development Agreement between the application and the City for the development of the golf



1 course property." ROR002425. This point is reiterated in the report that "[t]he proposed  
2 development requires a Major Modification (MOD-63600) of the Peccole Ranch Master Plan."  
3 (*Id.*).

4 36. Yet, as the City's Staff Report confirms, the developer had submitted no request  
5 for a Major Modification to the 1990 Peccole Ranch Master Development Plan Phase II to  
6 authorize modification for the 17.49 acres of golf course/drainage/open space land use to change  
7 the designated land uses, and increase in net units, density, and maximum units per acre. Rather,  
8 the application for a Major Modification was submitted on February 25, 2016, relating to the  
9 entirety of the Badlands Golf Course, along with an application for a development agreement, and  
10 the developer had now withdrawn any request for a major modification.

11 37. The City Council voted to hold the matter in abeyance. ROR001342.

12 38. Subsequently, the Applications came back before the City Council on February 15,  
13 2017.

14 39. The Staff Report again provided that "[p]ursuant to Title 19.10.040, a request has  
15 been submitted for a Modification to the 1990 Peccole Ranch Master Plan to authorize removal of  
16 the golf course, change the designated land uses on those parcels to single-family and multi-  
17 family residential and allow for additional residential units." The City's Staff maintained that  
18 Applications "are dependent on action taken on the Major Modification," and that the "the  
19 proposed development requires a Major Modification (MOD-63600) of the Peccole Ranch Master  
20 Plan." ROR011240.

21 40. There is no question that the City's own Staff had long recognized that these  
22 Applications were dependent upon a Major Modification of the Peccole Ranch Master Plan.

23 41. At the February 15, 2017 City Council meeting, Seventy Acres announced that it  
24 was amending its Applications by reducing the units from 720 to 435 units on 17.49 acres located  
25 on Alta/Rampart southwest corner. ROR017237-17358. The corresponding effect was an  
26 amendment to its application for a general plan amendment PR-OS to medium density,  
27 application for rezoning from R-PD7 to medium density residential, and application for SDR-  
28 62393 site development plan subject to certain conditions. *Id.*

42. Despite no Major Modification as the City had long recognized as required, the City Council by a four-to-three vote proceeded anyway and approved the Applications.

43. On or about February 16, 2017, a Notice of Final Action was issued.

44. On March 10, 2017, Plaintiffs timely filed this Petition seeking judicial review of the City's decision.

#### **B. CONCLUSIONS OF LAW**

1. The City's decision to approve the Applications is reviewed by the district court for abuse of discretion. *Stratosphere Gaming Corp. v. City of Las Vegas*, 120 Nev. 523, 528, 96 P.3d 756, 760 (2004). "A decision that lacks support in the form of substantial evidence is arbitrary or capricious, and thus an abuse of discretion that warrants reversal." *Tighe v. Las Vegas Metro. Police Dep't*, 110 Nev. 632, 634, 877 P.2d 1032, 1034 (1994). Substantial evidence is evidence that "a reasonable mind might accept as adequate to support a conclusion." *Id.* Yet, on issue of law, the district court conducts an independent review with no deference to the agency's determination. *Maxwell v. State Indus. Ins. Sys.*, 109 Nev. 327, 329, 849 P.2d 267, 269 (1993).

2. Although the City's interpretation of its land use laws is cloaked with a presumption of validity absent manifest abuse of discretion, questions of law, including Municipal Codes, are ultimately for the Court's determination. *See Boulder City v. Cinnamon Hills Assocs.*, 110 Nev. 238, 247, 871 P.2d 320, 326 (1994); *City of N. Las Vegas v. Eighth Judicial Dist. Court ex rel. Cty. of Clark*, 122 Nev. 1197, 1208, 147 P.3d 1109, 1116 (2006).

3. Here, while the City says that this Court should defer to its interpretation, the Court must note that what the City is now claiming as its interpretation of its own Code appears to have been developed purely as a litigation strategy. Before the homeowners filed this suit, the City and its Planning Director had consistently interpreted the Code as requiring a major modification as a precondition for any application to change the terms of the Peccole Ranch Master Plan. Indeed, it was not until oral argument on this Petition for Judicial Review that the City Attorneys' office suggested that the terms of LVMC 19.10.040(G) only applied to property that is technically zoned for "Planned Development" as opposed to property that is zoned R-PD which is "Residential-Planned Development." This position is completely at odds with the City's

own longstanding interpretation of its own Code and that its own Director of Development had long determined that a major modification was required and that the terms of LVMC 19.10.040(G) applied here. Respectfully, interpretations that are developed by legal counsel, as part of a litigation strategy, are not entitled to any form of deference by the judiciary. See *Christopher v. SmithKline Beecham Corp.*, 567 U.S. 142, 155, 132 S. Ct. 2156, 2166, 183 L. Ed. 2d 153 (2012)(no deference is provided when the agency's interpretation is nothing more than a "convenient litigating position."). What is most revealing is the City's interpretation of its own Code before it felt compelled to adopt a different interpretation as a defense strategy to this litigation.

4. The Court finds the City's pre-litigation interpretation and enforcement of its own Code – that a major modification to the Peccole Ranch Master Plan is required to proceed with these Applications – to be highly revealing and consistent with the Code's actual terms.

5. LVMC 19.10.040(G) is entitled "Modification of Master Development Plan and Development Standards." It provides, in relevant part, that:

The development of property within the Planned Development District may proceed only in strict accordance with the approved Master Development Plan and Development Standards. Any request by or on behalf of the property owner, or any proposal by the City, to modify the approved Master Development Plan or Development Standards shall be filed with the Department. In accordance with Paragraphs (1) and (2) of this Subsection, the Director shall determine if the proposed modification is "minor" or "major," and the request or proposal shall be processed accordingly.

See LVMC 19.10.040(G).

6. Accordingly, under the Code, "[a]ny request by or on behalf of the property owner, or any proposal by the City, to modify the approved Master Development Plan or Development Standards shall be filed with the Department." LVMC 19.10.040(G). It is the City's Planning Department who "shall determine if the proposed modification is minor or major, and the request or proposal shall be processed accordingly." *Id.*

7. There is no dispute that the Peccole Ranch Master Plan is a Master Development Plan recognized by the City and listed in the City's 2020 Master Plan accordingly.

1           8.       Likewise, there is no dispute that throughout the application process, the City's  
2 Planning Department continually emphasized that approval of the Applications was dependent  
3 upon approval of a major modification of the Peccole Ranch Master Plan. For example, the record  
4 contains the following representations from the City:

- 5           • "The site is part of the 1,569-acre Peccole Ranch Master Plan. Pursuant to Title  
6           19.10.040, a request has been submitted for a Modification to the 1990 Peccole  
7           Ranch Master Plan to authorize removal of the golf course, change the designated  
8           land uses on those parcels to single family and multi-family residential and allow  
9           for additional residential units."
- 10          • "The site is part of the Peccole Ranch Master Plan. The appropriate avenue for  
11          considering any amendment to the Peccole Ranch Master Plan is through the  
12          Major Modification process as outline in Title 19.10.040..."
- 13          • "The current General Plan Amendment, Rezoning and Site Development Plan  
14          Review requests are dependent upon on action taken on the Major Modification..."
- 15          • "The proposed Development requires a Major Modification (MOD-63600) of the  
16          Peccole Ranch Master Plan...."
- 17          • "The Department of Planning has determined that any proposed development not  
18          in conformance with the approved (1990) Peccole Ranch Master Plan would be  
19          required to pursue a Major Modification..."
- 20          • "The Peccole Ranch Master Plan must be modified to change the land use  
21          designations from Golf Course/Drainage to Multi-Family prior to approval of the  
22          proposed General Plan Amendment..."
- 23          • "In order to redevelop the Property as anything other than a golf course or open  
24          space, the applicant has proposed a Major Modification of the 1990 Peccole  
25          Master Plan."
- 26          • "In order to address all previous entitlements on this property, to clarify intended  
27          future development relative to existing development, and because of the acreage of  
28

1 the proposed for development, staff has required a modification to the conceptual  
2 plan adopted in 1989 and revised in 1990."

3 ROR000001-27; ROR002425-2428; ROR006480-6490; ROR017362-17377.

4 9. The City's failure to require or approve of a major modification, without getting  
5 into the question of substantial evidence, is legally fatal to the City's approval of the Applications  
6 because under the City's Code, as confirmed by the City's Planning Department, the City was  
7 required to first approve of a major modification of the Peccole Ranch Master Plan, which was  
8 never done. That, by itself, shows the City abused its discretion in approving the Applications.

9 10. Instead of following the law and the recommendations from the City's Planning  
10 Department, over the course of many months there was a gradual retreat from talking about a  
11 major modification and all of a sudden that discussion and the need for following Staff's  
12 recommendation just went out the window.

13 11. The City is not permitted to change the rules and follow something other than the  
14 law in place. The Staff made it clear that a major modification was mandatory. The record  
15 indicates that the City Council chose to just ignore and move past this requirement and did what  
16 the developer wanted, without justification for it, other than the developer's will that it be done.

17 12. In light of the foregoing, the Court finds that the City abused its discretion in  
18 approving the Applications. The Court interprets the City's Code, just as the City itself had long  
19 interpreted it, as requiring a major modification of the Peccole Ranch Master Plan. Since the City  
20 failed to approve of a major modification prior to the approval of these Applications the City  
21 abused its discretion and acted in contravention of the law.

22 Based upon the Findings and Facts and Conclusions of Law above:

23 **IT IS HEREBY ORDERED** that Plaintiffs' Petition for Judicial Review is **GRANTED**.

24 ...

25 ...

26 ...

PISANELLI BICE PLLC  
400 SOUTH 7TH STREET, SUITE 300  
LAS VEGAS, NEVADA 89101  
702.214.2100

1 IT IS FURTHER ORDERED that the approval of the applications GPA-62387, ZON-  
2 62392, and SDR-62393 are hereby vacated, set aside, and shall be void, and judgment shall be  
3 entered against Defendant City of Las Vegas and Seventy Acres, LLC in favor of Plaintiffs  
4 accordingly.

5 DATED: March 1, 2015

6  
7  
8 THE HONORABLE JIM CROCKETT  
EIGHTH JUDICIAL DISTRICT COURT

9 Submitted by:

10 PISANELLI BICE PLLC

11 By: Dustun H. Holmes  
12 Todd L. Bice, Esq., Bar No. 4534  
Dustun H. Holmes, Esq., Bar No. 12776  
400 South 7th Street, Suite 300  
Las Vegas, Nevada 89109

13 Attorneys for Plaintiffs

14 Approved as to Form and Content by:

15 KAEMPFER CROWELL

16 By: NOT SIGNED  
17 Christopher L. Kaempfer, Esq., Bar No. 1625  
Stephanie Allen, Esq., Bar No. 8486  
18 1980 Festival Plaza Drive, Suite 650  
Las Vegas, Nevada 89135

19 Attorneys for Seventy Acres, LLC

20 Approved as to Form and Content by:

21 By: NOT SIGNED  
22 Philip R. Byrnes, Esq., Bar No. 166  
495 South Main Street, Sixth Floor  
23 Las Vegas, Nevada 89101

24 Attorneys for City of Las Vegas  
25  
26  
27  
28

# EXHIBIT 2

# EXHIBIT 2

1271

**11391**



IN THE SUPREME COURT OF THE STATE OF NEVADA

SEVENTY ACRES, LLC, A NEVADA  
LIMITED LIABILITY COMPANY,  
Appellant,

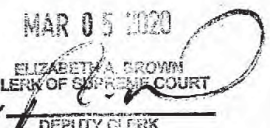
vs.

JACK B. BINION, AN INDIVIDUAL;  
DUNCAN R. LEE AND IRENE LEE,  
INDIVIDUALS AND TRUSTEES OF  
THE LEE FAMILY TRUST; FRANK A.  
SCHRECK, AN INDIVIDUAL; TURNER  
INVESTMENTS, LTD., A NEVADA  
LIMITED LIABILITY COMPANY;  
ROGER P. WAGNER AND CAROLYN G.  
WAGNER, INDIVIDUALS AND AS  
TRUSTEES OF THE WAGNER FAMILY  
TRUST; BETTY ENGLESTAD AS  
TRUSTEE OF THE BETTY  
ENGLESTAD TRUST; PYRAMID LAKE  
HOLDINGS, LLC; JASON AWAD AND  
SHEREEN AWAD AS TRUSTEES OF  
THE AWAD ASSET PROTECTION  
TRUST; THOMAS LOVE AS TRUSTEE  
OF THE ZENA TRUST; STEVE  
THOMAS AND KAREN THOMAS AS  
TRUSTEES OF THE STEVE AND  
KAREN THOMAS TRUST; SUSAN  
SULLIVAN AS TRUSTEE OF THE  
KENNETH J. SULLIVAN FAMILY  
TRUST; DR. GREGORY BIGLER; AND  
SALLY BIGLER,  
Respondents.

No. 75481

**FILED**


MAR 05 2020

ELIZABETH A. BROWN  
CLERK OF SUPREME COURT  
BY  DEPUTY CLERK

*ORDER OF REVERSAL*

This is an appeal from a district court order granting a petition  
for judicial review of the Las Vegas City Council's decision that approved

SUPREME COURT  
OF  
NEVADA

(O) 1947A 

20-08895



three land use applications. Eighth Judicial District Court, Clark County; James Crockett, Judge.<sup>1</sup>

Appellant Seventy Acres filed three development applications with the City's Planning Department in order to construct a multi-family residential development on a parcel it recently acquired. Specifically, Seventy Acres filed a general plan amendment, a rezoning application, and a site development plan amendment. Relying on reports compiled by the Planning Commission staff and statements made by the Planning Director, the City's Planning Commission and City Council approved the three applications.

Respondents filed a petition for judicial review of the City Council's approval of Seventy Acres's applications. Respondents' primary argument was that the City failed to follow the express terms of Title 19 of the Las Vegas Municipal Code (LVMC) in granting the applications. Respondents also argued that the City's decision was not supported by substantial evidence. Following a hearing, the district court concluded that the City adopted its interpretation of Title 19 of the LVMC as a litigation strategy and declined to give the City's interpretation of its land use ordinances deference. Citing a report prepared by the Planning Commission staff, the district court found that the City previously interpreted Title 19 of the LVMC as requiring Seventy Acres to obtain a major modification of the Peccole Ranch Master Plan before it could develop

---

<sup>1</sup>The Honorables Kristina Pickering, Chief Justice, and Mark Gibbons, James Hardesty, Ron Parraguirre, and Abbi Silver, Justices, voluntary recused themselves from participation in the decision of this matter. The Governor designated The Honorable Lynne Simons, District Judge of the Second Judicial District Court, to sit in place of the Honorable James Hardesty.

the parcel. Therefore, the district court determined that the City's previous interpretation should apply and Seventy Acres was required to obtain a major modification of the Peccole Ranch Master Plan before having the subject applications approved. Accordingly, the district court granted the petition for judicial review and vacated the City Council's approval of Seventy Acres's three applications. Seventy Acres appeals.

*Title 19 of the LVMC does not require a major modification for residential planned development districts*

This court's role in reviewing an administrative agency's decision is identical to that of the district court and we give no deference to the district court's decision. *Elizondo v. Hood Mach., Inc.*, 129 Nev. 780, 784, 312 P.3d 479, 482 (2013); *City of Reno v. Bldg. & Constr. Trades Council of N. Nev.*, 127 Nev. 114, 119, 251 P.3d 718, 721 (2011). We review an administrative agency's legal conclusions de novo and its "factual findings for clear error or an arbitrary abuse of discretion and will only overturn those findings if they are not supported by substantial evidence." *City of N. Las Vegas v. Warburton*, 127 Nev. 682, 686, 262 P.3d 715, 718 (2011) (internal quotations omitted). When construing ordinances, this court "gives meaning to all of the terms and language[,] . . . read[ing] each sentence, phrase, and word to render it meaningful within the context of the purpose of the legislation." *City of Reno v. Citizens for Cold Springs*, 126 Nev. 263, 274, 236 P.3d 10, 17-18 (2010) (internal citation and internal quotation omitted). Additionally, this court presumes a city's interpretation of its land use ordinances is valid "absent a manifest abuse of discretion." *Boulder City v. Cinnamon Hills Assocs.*, 110 Nev. 238, 247, 871 P.2d 320, 326 (1994).



Having considered the record and the parties' arguments, we conclude that the City Council properly interpreted the City's land use ordinances in determining that Seventy Acres was not required to obtain a major modification of the Peccole Ranch Master Plan before it could develop the parcel. LVMC 19.10.040(B)(1) expressly limits master development plans to planned development district zoning designations. Therefore, the major modification process described in LVMC 19.10.040(G)(2), which is required to amend a master development plan, only applies to planned development district zoning designations. Here, the parcel does not carry the planned development district zoning designation. Therefore, the major modification process is not applicable to the parcel.

Instead, the parcel carries a zoning designation of residential planned development district. LVMC 19.10.050(B)(1) expressly states that site development plans govern the development of residential planned development districts. Therefore, as the City correctly determined, Seventy Acres must follow the site development plan amendment process outlined under LVMC 19.16.100(H) to develop the parcel. LVMC 19.10.050(D). This process does not require Seventy Acres to obtain a major modification of the Peccole Ranch Master Plan prior to submitting the at-issue applications. Accordingly, we conclude that the City Council's interpretation of the City's land use ordinances did not constitute a manifest abuse of discretion. *Cinnamon Hills Assocs.*, 110 Nev. at 247, 871 P.2d at 326 (1994).

*Substantial evidence supports the City's approval of the applications*

We next consider whether substantial evidence supports the City's decision to grant Seventy Acres's applications. "Substantial evidence is evidence that a reasonable person would deem adequate to support a decision." *City of Reno v. Reno Police Protective Ass'n*, 118 Nev. 889, 899,

59 P.3d 1212, 1219 (2002). In determining whether substantial evidence exists to support an agency's decision, this court is limited to the record as presented to the agency. *Id.* Although conflicting evidence may be present in the record, "we cannot substitute our judgment for that of the City Council as to the weight of the evidence." *Stratosphere Gaming Corp. v. City of Las Vegas*, 120 Nev. 523, 530, 96 P.3d 756, 761 (2004).

The parties dispute whether substantial evidence supported the City's decision to grant Seventy Acres's three applications.<sup>2</sup> The governing ordinances require the City to make specific findings to approve a general plan amendment, LVMC 19.16.030(I), a rezoning application, LVMC 19.16.090(L), and a site development plan amendment, LVMC 19.16.100(E). In approving the applications, the City primarily relied on a report prepared by the Planning Commission staff that analyzed the merits of each application.<sup>3</sup> The report found that Seventy Acres's applications met the statutory requirements for approval. The City also relied on the testimony

---

<sup>2</sup>Respondents point to evidence in the record showing that the public schools that serve the community where the parcel is located are currently over capacity and that many of the residents that live in the surrounding area are opposed to the project. However, "it is not the place of the court to substitute its judgment for that of the [City Council] as to weight of the evidence." *Clark Cty. Liquor & Gaming Licensing Bd. v. Simon & Tucker, Inc.*, 106 Nev. 96, 98, 787 P.2d 782, 783 (1990) (explaining that "conflicting evidence does not compel interference with [a] . . . decision so long as the decision was supported by substantial evidence").

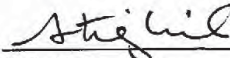
<sup>3</sup>The report erroneously found that Seventy Acres had to obtain a major modification of the Peccole Ranch Master Plan prior to submitting a general plan amendment. Setting that finding aside, the report found that Seventy Acres met the other statutory requirements for approval of its general plan amendment, its rezoning application, and its site development plan amendment.



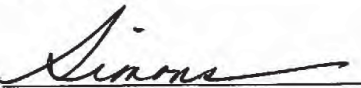
of the Planning Director, who found that the applications were consistent with the goals, objectives, and policies of the City's 2020 Master Plan, compatible with surrounding developments, and substantially complied with the requirements of the City's land use ordinances. Evidence in the record supports these findings. Accordingly, we conclude that a reasonable person would find this evidence adequate to support the City's decision to approve Seventy Acres's general plan amendment, rezoning application, and site development plan amendment. *Reno Police Protective Ass'n*, 118 Nev. at 899, 59 P.3d at 1219.

In sum, we conclude that the district court erred when it granted respondents' petition for judicial review. The City correctly interpreted its land use ordinances and substantial evidence supports its decision to approve Seventy Acres's three applications. We therefore

ORDER the judgment of the district court REVERSED.

 J.  
Stiglich

 J.  
Cadish

 D.J.  
Simons

cc: Hon. James Crockett, District Judge  
Ara H. Shirinian, Settlement Judge  
Law Offices of Kermitt L. Waters  
EHB Companies, LLC  
Marquis Aurbach Coffing  
Claggett & Sykes Law Firm  
Hutchison & Steffen, LLC/Las Vegas  
Pisanelli Bice, PLLC  
Las Vegas City Attorney  
Eighth District Court Clerk

1 CSERV

2 DISTRICT COURT  
3 CLARK COUNTY, NEVADA  
4

5 Jack Binion, Petitioner(s)	CASE NO: A-17-752344-J
6 vs.	DEPT. NO. Department 24
7 Las Vegas City of,	
8 Respondent(s)	
9	

10  
11 **AUTOMATED CERTIFICATE OF SERVICE**

12 This automated certificate of service was generated by the Eighth Judicial District  
13 Court. The foregoing Order was served via the court's electronic eFile system to all  
recipients registered for e-Service on the above entitled case as listed below:

14 Service Date: 11/6/2020

15 Ryan Daniels	rdaniels@kcnvlaw.com
16 "Elias P. George, Esq." .	egeorge@lasvegasnevada.gov
17 "James J. Jimmerson, Esq." .	jjj@jimmersonlawfirm.com
18 "Philip R. Byrnes, Esq." .	pbyrnes@lasvegasnevada.gov
19 Adar Bagus .	abagus@kcnvlaw.com
20 Betsy Comella .	bcomella@lasvegasnevada.gov
21 Brian Brancato .	BB@jimmersonlawfirm.com
22 Chris Kaempfer .	ckaempfer@kcnvlaw.com
23 Cindy Kelly .	ckelly@lasvegasnevada.gov
24 Dustun H. Holmes .	dhh@pisanellibice.com
25 Heather Suter .	hsuter@kcnvlaw.com
26	
27	
28	



1	Kelli Hansen .	khansen@lasvegasnevada.gov
2	Kimberly Stewart .	ks@jimmersonlawfirm.com
3	PB Lit .	lit@pisanellibice.com
4	Shahana Polselli .	sp@jimmersonlawfirm.com
5	Shannon Thomas .	smt@pisanellibice.com
6	Stephanie Allen .	sallen@kcnvlaw.com
7	Todd Bice .	tlb@pisanellibice.com
8	Reception E-File	reception@claggettlaw.com
9	Philip Byrnes	pbyrnes@lasvegasnevada.gov
10	Jeffrey Andrews	jandrews@lasvegasnevada.gov
11	Leah Dell	ldell@maclaw.com
12	Cindy Kelly	ckelly@lasvegasnevada.gov
13	Kelli Hansen	khansen@lasvegasnevada.gov
14	Robert McCoy	rmccoy@kcnvlaw.com
15	Shannon Dinkel	smt@pisanellibice.com
16	Jeri Winter	jwinter@kcnvlaw.com
17	Seth Floyd	sfloyd@lasvegasnevada.gov
18	Cynthia Callegaro	ccallegaro@ehbcompanies.com
19	Marie Wade	mwade@ehbcompanies.com
20	Jennifer Knighton	jknighton@ehbcompanies.com
21	Christi Colucci	cmc@pisanellibice.com
22	Desiree Staggs	dstaggs@kcnvlaw.com
23	Jocelyn Abrego	Jocelyn@claggettlaw.com
24		
25		
26		
27		
28		

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Micah Echols  
Bonnie Jacobs

micah@claggettlaw.com  
bjacobs@kcnvlaw.com