

IN THE SUPREME COURT OF THE STATE OF NEVADA

Case No. 84345

and

Case No. 84640

Electronically Filed
May 02 2023 04:16 PM
Elizabeth A. Brown
Clerk of Supreme Court

CITY OF LAS VEGAS, a political subdivision of the State of Nevada

Appellant

v.

180 LAND CO, LLC, a Nevada limited-liability company, FORE STARS LTD.,
a Nevada limited liability company,

Respondents

District Court Case No.: A-17-758528-J
Eighth Judicial District Court of Nevada

**CITY OF LAS VEGAS' REPLY APPENDIX
VOLUME 8**

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CHRONOLOGICAL INDEX TO CITY'S REPLY APPENDIX

DATE	DOCUMENT	VOLUME	PAGE RANGE
2022-08-10	Plaintiff Landowners' Motion to Determine Take and for Summary Judgment on the Third and Fifth Claims for Relief, Case No. A-18-773268-C	1	REPLY APP 0001 - REPLY APP 0030
2022-08-11	Plaintiff Landowners' Appendix of Exhibits in Support of: Plaintiff Landowners' Motion to Determine Take and for Summary Judgment on the Third and Fifth Claims for Relief, Volume 22, Exhibit 214, Case No. A-18-773268-C	1	REPLY APP 0031 - REPLY APP 0227
2022-08-24	Defendant City of Las Vegas' Supplemental Appendix of Exhibits in Support of City's Renewed Motion for Summary Judgment and Motions in Limine Volume 26, Exhibits KKKKK - LLLLL, Case No. A-18-773268-C	2	REPLY APP 0228 - REPLY APP 0364
2022-09-12	Plaintiff Landowners Reply Re: Plaintiff Landowners' Motion to Determine Take and For Summary Judgment on the Third and Fifth Claims for Relief, Case No. A-18-773268-C	2	REPLY APP 0365 - REPLY APP 0395

DATE	DOCUMENT	VOLUME	PAGE RANGE
2022-09-13	Defendant City of Las Vegas' Second Supplemental Appendix of Exhibits in Support of City's Renewed Motion for Summary Judgment and Motions in Limine Volume 32, Case No. A-18-773268-C	2	REPLY APP 0396 - REPLY APP 0432
2022-11-23	Defendant City of Las Vegas' Supplemental Appendix of Exhibits in Support of City's Countermotion for Summary Judgment on Just Compensation Volume 34, Case No. A-18-773268-C	3	REPLY APP 0433 - REPLY APP 0652
2022-11-23	Defendant City of Las Vegas' Supplemental Appendix of Exhibits in Support of City's Countermotion for Summary Judgment on Just Compensation Volume 35, Case No. A-18-773268-C	4 5	REPLY APP 0653 - REPLY APP 0902 REPLY APP 0903 - REPLY APP 0907
2022-11-23	Defendant City of Las Vegas' Supplemental Appendix of Exhibits in Support of City's Countermotion for Summary Judgment on Just Compensation Volume 36, Case No. A-18-773268-C	5	REPLY APP 0908 - REPLY APP 1096
2022-11-23	Defendant City of Las Vegas' Supplemental Appendix of Exhibits in Support of City's Countermotion for Summary Judgment on Just Compensation Volume 37, Case No. A-18-773268-C	6	REPLY APP 1097 - REPLY APP 1240

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2022-11-23	Defendant City of Las Vegas' Supplemental Appendix of Exhibits in Support of City's Countermotion for Summary Judgment on Just Compensation Volume 38, Case No. A-18-773268-C	7	REPLY APP 1241 - REPLY APP 1406
2022-11-23	Defendant City of Las Vegas' Supplemental Appendix of Exhibits in Support of City's Countermotion for Summary Judgment on Just Compensation Volume 39, Case No. A-18-773268-C	7	REPLY APP 1407 - REPLY APP 1476
2023-01-23	Defendant City of Las Vegas' Appendix of Exhibits in Support of Motion to Retax Memorandum of Costs, Volume 1, Exhibits B - C, Case No. A-18-773268-C	8	REPLY APP 1477 - REPLY APP 1667
2022-09-12	Plaintiff Landowners Second Supplement to Appendix of Exhibits in Support of Motion to Determine Take and for Summary Judgment on the Third and Fifth Claims for Relief Volume 24, Excerpt from Exhibit 228, Case No. A-18-773268-C	9	REPLY APP 1668 - REPLY APP 1742

ALPHABETICAL INDEX TO CITY'S REPLY APPENDIX

DATE	DOCUMENT	VOLUME	PAGE RANGE
2023-01-23	Defendant City of Las Vegas' Appendix of Exhibits in Support of Motion to Retax Memorandum of Costs, Volume 1, Exhibits B - C, Case No. A-18-773268-C	8	REPLY APP 1477 - REPLY APP 1667
2022-09-13	Defendant City of Las Vegas' Second Supplemental Appendix of Exhibits in Support of City's Renewed Motion for Summary Judgment and Motions in Limine Volume 32, Case No. A-18-773268-C	2	REPLY APP 0396 - REPLY APP 0432
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DATED this 2nd day of May, 2023.

BY: /s/ Debbie Leonard

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Attorneys for City of Las Vegas

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of Leonard Law, PC, and that on this date a copy of Appendix Volumes 2-9 were electronically filed with the Clerk of the Court for the Nevada Supreme Court by using the Nevada Supreme Court's E-Filing system (E-Flex). Participants in the case who are registered with E-Flex as users will be served by the E-Flex system. All others will be served by U.S. mail.

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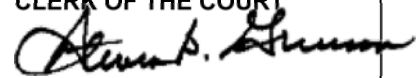
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Dated: May 2, 2023

/s/ Tricia Trevino

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DISTRICT COURT

CLARK COUNTY, NEVADA

FORE STARS, LTD.; SEVENTY ACRES, LLC, a
Nevada limited liability company, DOE
INDIVIDUALS I through X, DOE
CORPORATIONS I through X, DOE LIMITED
LIABILITY COMPANIES I through X,

Plaintiffs,

v.

CITY OF LAS VEGAS, political subdivision of the
State of Nevada, THE EIGHTH JUDICIAL
DISTRICT COURT, County of Clark, State of
Nevada, DEPARTMENT (the HONORABLE JIM
CROCKETT, DISTRICT COURT JUDGE, IN HIS
OFFICIAL CAPACITY), ROE government entities
I through X, ROE Corporations I through X, ROE
INDIVIDUALS I through X, ROE LIMITED
LIABILITY COMPANIES I through X, ROE quasi-
governmental entities I through X,

Defendants.

Case No. A-18-773268-C

Dept. 16

**APPENDIX OF EXHIBITS IN SUPPORT
OF MOTION TO RETAX
MEMORANDUM OF COSTS**

VOLUME 1

The City of Las Vegas ("City"), by and through the undersigned counsel, hereby submits this
Appendix of Exhibits in support of its Motion to Retax Memorandum of Costs.

Exhibit	Exhibit Description	Vol.	Bates No.
A	Declaration of Andrew W. Schwartz	1	001-008
B	DiFederico 17-Acre appraisal	1	009-162
C	Addendum to DiFederico 17-Acre appraisal	1	163-194
D	DiFederico 35-Acre appraisal report	2	195-330

REPLY APP 1477

Exhibit	Exhibit Description	Vol.	Bates No.
E	Order Granting in part and Denying in Part the City of Las Vegas' Motion to Retax Memorandum of Costs in the 35-Acre Case	2	331-339
F	Charles E. Jack IV, MAI, AI-GRS resume appraisal rebuttal report	3	340-520
G	Charles Jack Invoice dated 6/14/2022	3	521-522
H	Charles Jack Invoice dated 9/9/2022	3	523-524
I	Verified Memorandum of Costs in the 35-Acre Case (Excerpts)	3	525-528

Respectfully submitted this 23th day of January 2023.

McDONALD CARANO LLP

By: /s/ George F. Ogilvie III

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of McDonald Carano LLP, and that on the 23rd day of January, 2023, I caused a true and correct copy of the foregoing **APPENDIX OF EXHIBITS IN SUPPORT OF MOTION TO RETAX MEMORANDUM OF COSTS – VOLUME 1** 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 “B”

APPRAISAL OF REAL PROPERTY

A 17.49 Acre Vacant Site

Located at the southwest corner (SWC) of
Alta Drive & Rampart Boulevard
Las Vegas, Clark County, Nevada 89145

PREPARED FOR:

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

EFFECTIVE DATES OF THE APPRAISAL:

Retrospective – May 17, 2018
Prospective – October 10, 2022

REPORT FORMAT:

Appraisal Report

PREPARED BY:

Tio S. DiFederico, MAI
The DiFederico Group
7641 W. Post Road
Las Vegas, NV 89113
File Number: 22-007

THE DiFEDERICO GROUP

INTERNATIONAL APPRAISAL & CONSULTING

March 17, 2022

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

SUBJECT: A vacant 17.49-acre parcel of land located at the southwest corner (SWC) of Alta Drive and Rampart Boulevard, in Las Vegas, Clark County, NV 89145. Assessor Parcel Number 138-32-301-005.

Dear Mr. Leavitt and Ms. Waters:

The DiFederico Group is pleased to submit the attached appraisal report of the above referenced property. The purpose of the appraisal was to develop an opinion of the just compensation due to the landowners for the City of Las Vegas' taking of the subject property. The effective dates of value for this assignment are May 17, 2018 and October 10, 2022. The client and intended user of the report is the 180 Land Co., LLC, c/o James J. Leavitt, Esq., and Autumn L. Waters, Esq., of the Law Offices of Kermit Waters. The intended use of this appraisal report is for litigation purposes.

This assignment involves a retrospective and a prospective value analysis. A retrospective value is a value opinion as of a specified historical date, which in this assignment is May 17, 2018. This assignment also includes a prospective value. A prospective value is an opinion as of a specified future date, which in this assignment is October 10, 2022. Neither of these terms define a type of value, they just identify the date on which that value opinion was based upon.

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

The attached analysis involves a 17.49-acre parcel of land located at the southwest corner (SWC) of Alta Drive and Rampart Boulevard, in Las Vegas, Clark County, Nevada. As of the effective date of value, the site's Alta and Rampart frontages were improved with concrete curbs, gutters, sidewalks, and landscaping buffers. It is my understanding that the site has legal access to Alta Drive and Rampart Boulevard.

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

TDG Rpt 17 Acres 000002
REPLY APP 1482 010

The subject property's zoning and rights thereunder were recently addressed in a hearing before District Court Judge David Jones. In the Findings of Fact and Conclusions of Law Regarding Plaintiff Landowners Motion to Determine "Property Interest," Judge Jones stated:

- "14. Nevada Supreme Court precedent provides that zoning and the likelihood of zoning governs the property interest determination in this inverse condemnation case."
- "18. The Court relies on both inverse condemnation and direct eminent domain cases, because the Nevada Supreme court held, "inverse condemnation proceedings are the constitutional equivalent to eminent domain actions and are governed by the same rules and principles applied to formal condemnation proceedings."¹
- "19. Nevada Revised Statutes also provide that zoning is of the highest order when determining property rights in the State of Nevada. NRS 278.349(3)(e) provides if "any existing zoning ordinance is inconsistent with the master plan, the zoning takes precedence."
- "27. Based on the foregoing, the Court will rely on zoning to determine the property rights issue in this matter. Specifically, the Court will consider "the current zoning of the property, as well as the likelihood of a zoning change" as directed by the Nevada Supreme Court in *City of Las Vegas v. C. Bustos*, 119 Nev. 360, 362 (2003)."
- "28. As the evidence is undisputed that the 17 Acre Property had R-PD7 [R-PD8] zoning since 1981 and was re-zoned to R-3 on February 15, 2017, the Court turns to the RPD-7 and R-3 zoning to determine the property rights issue."
- "35. In regards to R-3 zoning, LVMC 19.12.010(B) is the City Code "Land Use Table" which identifies those uses "permitted as a principle use in that zoning district" with a "P" designation. The R-3 zoning lists "multi-family residential," "single family attached," and "single family detached" with a "P" designation, meaning these are uses "permitted as a principle use in [the R-3] zoning district by right."
- "36. Accordingly, the R-PD7 and R-3 zoning on the 17 Acre Property provide the Landowners the right to use the 17 Acre Property for single family residential and multi-family residential uses. In fact, the City conceded this issue when it re-zoned the 17 Acre Property to R-3 and granted the 435 residential units February 15, 2017, prior to filing of the complaint in this matter."

The Court then referenced Timothy C. Williams findings in the related 35 acre case. In the Findings of Fact and Conclusions of Law Regarding Plaintiff Landowners Motion to Determine "Property Interest," in the related 35-acre case, Judge Williams had ruled;

"the Court bases its property interest decision on eminent domain law. Nevada eminent domain law provides that zoning must be relied upon to determine a landowners' property interest in an eminent domain case. The Court concludes that the 35 Acre Property has

¹ *County of Clark v. Alper*. 100 Nev. 382, 391 (1984)

been hard zoned R-PD7 since at least 1990. The Court further concludes that the Las Vegas Municipal Code Section LVMC 19.10.050 lists single family and multi-family residential as the legally permissible uses on R-PD7 zoned properties. Therefore, the Landowners' Motion to Determine Property Interest is Granted in its entirety and it is hereby Ordered that:

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

The Court found that "Judge Williams order in the 35 Acre Case to be persuasive as it is on the same issue now pending before this Court. The Court then:

1. Declined the City's request to apply petition for judicial review rules;
2. Declined the City's request to apply Judge Herndon's Order;
3. Declined City's request to apply the City Master Plan, in place of zoning, to determine the property interest;
4. Declined the City's request to find there is a "condition" that the 17 Acre Property remain a golf course and open space into perpetuity; and
5. Declined the City's request to apply the purchase price the Landowners paid to acquire all of the assets of Fore Star, Ltd., the entity that owned the entire 250 Acre Property (that includes the 17 Acre Property) in 2015, as one of the guiding factors to decide the property rights issue.

The Court then ruled that the Landowners' request that the Court determine the property interest is **GRANTED** in its entirety and it is hereby **Ordered** that:

- 1) The determination of the property interest in this inverse condemnation action must be based on inverse condemnation and eminent domain law;
- 2) Nevada inverse condemnation and eminent domain law provides that zoning must be relied upon to determine the Landowners' property interest prior to any alleged City interference with that property interest;
- 3) The 17 Acre Property has been hard zoned R-PD7 since 1981 and was re-zoned to R-3 prior to the filing of the Complaint in this matter;
- 4) The Las Vegas Municipal Code lists single-family and multi-family residential as legally permissible uses on R-PD7 and R-3 zoned properties by right;
- 5) The legally permitted uses by right of the 17 Acre Property are single-family and multi-family residential: and

- 6) The 17 Acre Property has at all times since 1981 been designated as “M” (residential) on the City’s Master Land use plan.

I also considered that although the site had been zoned R-PD7 [R-PD8] since 1981, the property had historically been used as a portion of the Badlands Golf Course. The landowner had leased the property to Elite Golf, a local operator managing the Badlands and five (5) other local golf courses. According to that operator, revenue in 2015 was down 11% from 2014. The 2016 revenue was down another 25% from 2015, and the 2016 net operating income (NOI) was down over 85% from that reported in 2015.

The landowner tried to re-lease the property to that operator at a lower rate. The operator refused saying they would still lose money. The landowner then offered it to the operator for a year for free. The operator said that they would still lose money and passed. It is my understanding that two (2) other golf course operators were approached to take over, but both refused. The landowner then offered the golf course operations to the Queensridge Homeowner’s Association (HOA) for one (1) year for \$1.00. The HOA did not respond. At that point, December 1, 2016, the golf course was closed.

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

After looking at the historical operations of the golf course, which were trending downward rapidly, and considering the cost to bring the golf course to a competitive play level, I concluded that operating the golf course was not a financially feasible use of this property as of either May 17, 2018 or October 10, 2022, and would not be the highest and best use of this property on those dates. Based on my research, I concluded that the highest and best use of this property was a multi-family residential development. This use would conform to development in the surrounding area.

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

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

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

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

In this case, the landowner purchased this residentially zoned site and submitted an application to the City of Las Vegas for approval to develop the property with a conforming multi-family residential development. The City of Las Vegas re-zoned the 17 Acre Property to R-3 and approved the 435 residential units February 15, 2017, prior to filing of the complaint in this matter.

NRS 37.112 provides that any decrease or increase in the fair market value of a property before the date of valuation which is caused by the public work or public improvement for which the property is acquired; or the likelihood that the property would be acquired for such a purpose, has to be disregarded when estimating the value of the property. Therefore, when valuing this property in the before condition, I must value the property as of May 17, 2018 and October 10, 2022, the effective dates of value, disregarding the City’s actions to prevent the legal use of the property. This will be referred to as the “before condition” throughout the attached report. I will then value the property as of May 17, 2018 and October 10, 2022, considering the City’s actions to prevent the legal use of the property and authorize or preserve the property for public use. This will be referred to as the “after condition” throughout the report.

For this assignment I first analyzed the property as if it were available to be developed with a multi-family residential use in compliance with its R-3 zoning on May 17, 2018 and October 10, 2022. After concluding those “before values”, I analyzed the remainder. Due to the effect of the government’s actions, I concluded there was no market to sell this property with the substantial tax burden but no potential use or income to offset the tax expense. Based on the government’s actions, I concluded that the “after value” on both dates would be zero.

Based on the analyses and conclusions in the attached report and subject to the definitions, assumptions, and limiting conditions expressed herein, it is my opinion that the retrospective and prospective just compensation due to the landowner for the government’s actions, as of May 17, 2018 (retrospective) and October 10, 2022 (prospective), were as follows:

Estimated Just Compensation Due to Landowner - Retrospective - May 17, 2018		
1	Value in the Before Condition	= \$25,795,000
2.	Less Value of the Remainder in the After Condition	- \$ -
3.	Damages to the remainder	= \$25,795,000
4.	Less special benefits to remainder	- \$ -
5.	Just compensation due to property owner	= \$25,795,000

The previous value is based on the following hypothetical condition and extraordinary assumptions and their use might have affected the assignment results:

1. The above before condition value is based on the hypothetical condition that the government’s actions had no effect on the property’s value.
2. The above value is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 and January 27, 2022 property inspections was similar to its condition on May 17, 2018, the retrospective effective date of value for this assignment.
3. The above value estimate is based on the extraordinary assumption that the cost estimates provided by Aggregate Industries, SWR, Inc. to address the site’s drainage and grading accurately reflects the cost on the effective date of value.

Estimated Just Compensation Due to Landowner - Prospective - October 10, 2022		
1.	Value in the Before Condition	\$44,185,000
2.	Less Value of the Remainder in the After Condition	- \$ -
3.	Damages to the remainder	= \$44,185,000
4.	Less special benefits to remainder	- \$ -
5.	Just compensation due to property owner	= \$44,185,000

The previous value is based on the following hypothetical condition and extraordinary assumptions and their use might have affected the assignment results:

1. The above before condition value is based on the hypothetical condition that the government’s actions had no effect on the property’s value.
2. The above value is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 and January 27, 2022 property inspections will be similar to its condition on October 10, 2022, the effective prospective date of value for this assignment.

James J. Leavitt, Esq.
Autumn L. Waters, Esq.
March 17, 2022
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3. The above value estimate is based on the extraordinary assumption that the cost estimates provided by Aggregate Industries, SWR, Inc. to address the site's drainage and grading accurately reflects the cost on the effective date of value.

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

Respectfully submitted,

THE DiFEDERICO GROUP



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

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SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Property Type:	Vacant Land – The subject of this analysis is 17.49-acre vacant parcel of land.
Location:	SWC Alta Drive & Rampart Boulevard, Las Vegas, Clark County, NV 89145
Assessor Parcel Numbers (APN):	138-32-301-005
Owner of Record:	Seventy Acres, LLC
Date of value opinion - Retrospective:	May 17, 2018
Date of value opinion - Prospective:	October 10, 2022
Date of inspection:	August 12, 2020 and January 27, 2022
Date of report:	March 17, 2022
Client/Intended user/Intended use:	Seventy Acres, LLC, c/o Mr. James J. Leavitt, Esq., and Autumn Waters, Esq., of the Law Offices of Kermit Waters. The intended use is for litigation purposes.
Property rights appraised:	Fee Simple estate
Land Area:	17.49-acres / 761,864-square-feet
Zoning Designation	Medium Density Residential District (R-3), jurisdiction of the City of Las Vegas.
Real Estate Taxes	\$65,219
Flood Panel / Designation / Date	Panel 2145 of 4090 / Zone A / 11/16/11
Highest and Best use in the Before Situation:	Multi-Family Residential Development.

Based on the analyses and conclusions in this report and subject to the definitions, assumptions, and limiting conditions expressed herein, it is my opinion that the just compensation due to the landowners for the government's actions, as of May 17, 2018, was as follows:

Estimated Just Compensation Due to Landowner - Retrospective - May 17, 2018		
1	Value in the Before Condition	= \$ 25,795,000
2.	Less Value of the Remainder in the After Condition	- \$ -
3.	Damages to the remainder	= \$ 25,795,000
4.	Less special benefits to remainder	- \$ -
5.	Just compensation due to property owner	= \$ 25,795,000

The previous value is based on the following hypothetical condition and extraordinary assumptions and their use might have affected the assignment results:

1. The above before condition value is based on the hypothetical condition that the government's actions had no effect on the property's value.
2. The above value is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 and January 27, 2022 property inspections was similar to its condition on May 17, 2018, the retrospective effective date of value for this assignment.
3. The above value estimate is based on the extraordinary assumption that the cost estimates provided by Aggregate Industries, SWR, Inc. to address the site's drainage and grading accurately reflects the cost on the effective date of value.

And based on the analyses and conclusions in this report and subject to the definitions, assumptions, and limiting conditions expressed herein, it is my opinion that the prospective just compensation due to the landowners for the government's actions, as of October 10, 2022, is as follows:

Estimated Just Compensation Due to Landowner - Prospective - October 10, 2022	
1. Value in the Before Condition	\$ 44,185,000
2. Less Value of the Remainder in the After Condition	- \$ -
3. Damages to the remainder	= \$ 44,185,000
4. Less special benefits to remainder	- \$ -
5. Just compensation due to property owner	= \$ 44,185,000

The previous value is based on the following hypothetical condition and extraordinary assumptions and their use might have affected the assignment results:

1. The above before condition value is based on the hypothetical condition that the government's actions had no effect on the property's value.
2. The above value is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 and January 27, 2022 property inspections will be similar to its condition on October 10, 2022, the effective prospective date of value for this assignment.
3. The above value estimate is based on the extraordinary assumption that the cost estimates provided by Aggregate Industries, SWR, Inc. to address the site's drainage and grading accurately reflects the cost on the effective date of value.

GENERAL INFORMATION

IDENTIFICATION OF SUBJECT

The subject of this report is a 17.49-acre site located at the southwest corner of Alta Drive and Rampart Boulevard, Las Vegas, Nevada 89145. The property can also be identified as Clark County Assessor Parcel Number (APN) 138-32-301-005. A brief legal description of the property is as follows:

A PORTION OF THE SOUTHWEST QUARTER (SW ¼) OF SECTION 32,
TOWNSHIP 20 SOUTH, RANGE 60 EAST, M.D.M., CLARK COUNTY, NEVADA

CURRENT OWNERSHIP AND SALES HISTORY

A guideline of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice (USPAP) is that any pending or prior sales of the subject property over the last three years must be analyzed. The subject property was transferred with another 216.85 acres from Fore Stars, LTD., to 180 Land Co. LLC, an affiliated entity, on November 16, 2015. On the same day, the property was then transferred to Seventy Acres, LLC, another affiliated entity, via a Quitclaim Deed. The subject property had been held by Fore Stars, LTD., since April 14, 2005 when it was transferred from the Peccole 1982 Trust (45%) and William Peter and Wanda Ruth Peccole Family L.P. (55%), a business entity of which grantor is the 100% owner. The property had been transferred to the Peccole 1982 Trust and William Peter and Wanda Ruth Peccole Family L.P.; three (3) days prior from the Larry Miller Trust.

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

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

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

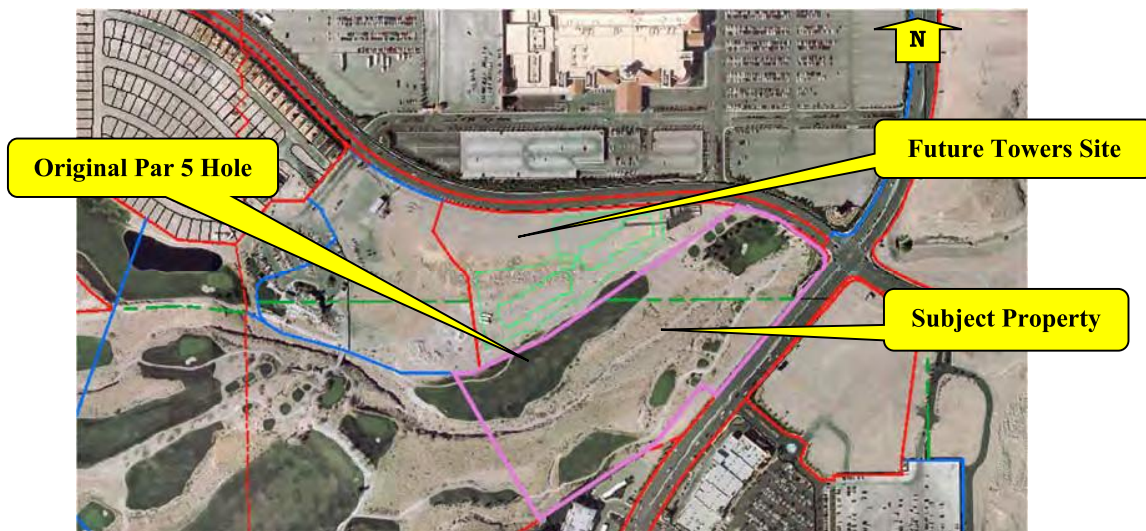


Photo taken spring 2004.



Photo taken spring 2008.

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

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

It was during this period of 2006, that Troon Golf, LLC., approached the Peccole family about leasing and operating the Badlands golf course. The Peccole family approached Mr. Lowie with the suggestion that he let them lease the golf course to Troon Golf since he was

busy with the Towers and Tivoli Village at that time. Mr. Lowie agreed. The Troon Golf lease was approximately three (3) years. Par 4 leased and operated the course thereafter. In March of 2015, Mr. Lowie and his partners, through their entities, purchased Fore Stars, the entity that owned the 250 acres of land that the Badlands Gold Course was operated on. Elite Golf then took over operations until it closed in December of 2016.

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

After considering all of the previous information about the subject property's transfer, the fact that market conditions had seen dramatic changes over the ten (10) years prior to the effective date of value, and the values I estimated in this report, it is my opinion that the final payment of \$15 million had no relationship to the subject site's May 17, 2018 nor October 10, 2022 market value.

To the best of my knowledge, while the property transferred in November 2015 to a related entity, there had been no market based sale of the subject property within the three (3) years prior to the retrospective effective date of value, May 17, 2018, and as of the effective date of this appraisal assignment, the property was not in escrow, subject to an option to buy, nor was it listed for sale. I am aware of an unsolicited offer of \$25.5M for the subject 17.49-acres in January of 2017; however, this sale did not close.

PURPOSE, PROPERTY RIGHTS AND EFFECTIVE DATE

The purpose of this appraisal is to develop an opinion of the just compensation due to the landowners for the City of Las Vegas' taking of the subject property. The effective dates of value are May 17, 2018 and October 10, 2022.

This involves a retrospective and a prospective value. A retrospective value is a value opinion as of a specified historical date, which in this assignment is May 17, 2018. This assignment also includes a prospective value opinion, which is an opinion as of a specified future date, which in this assignment is October 10, 2022. Neither of these terms define a type of value, they just identify the date on which that value opinion was based upon.

CLIENT, INTENDED USER AND INTENDED USE

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

APPLICABLE REQUIREMENTS

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

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

DEFINITION OF CONDEMNATION

The act or process of enforcing the right of eminent domain. Source: Appraisal Institute, *(The Dictionary of Real Estate Appraisal, 7th Edition, 2022)*.

DEFINITION OF EMINENT DOMAIN

The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the *takings clause*, guarantees payment of just compensation upon appropriation of private property. Source: Appraisal Institute, (*The Dictionary of Real Estate Appraisal*, 7th Edition, 2022).

DEFINITION OF EXTRAORDINARY ASSUMPTION

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Source: USPAP, (2020-2021 ed).

DEFINITION OF HYPOTHETICAL CONDITION

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

DEFINITION OF INVERSE CONDEMNATION

An action brought by a property owner for compensation from a governmental entity that has taken the owner's property without bringing formal condemnation proceedings; also termed *constructive condemnation*, *reverse condemnation*. Appraisal Institute, (*The Dictionary of Real Estate Appraisal*, 7th Edition, 2022).

DEFINITION OF JUST COMPENSATION

In condemnation, the amount of loss for which a property owner is compensated when property is taken. Just compensation should put the owner in as good a position pecuniarily as he or she would have been if the property had not been taken. Source: Appraisal Institute, (*The Dictionary of Real Estate Appraisal*, 7th Edition, 2022).

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

DEFINITION OF MARKET VALUE

Market value is defined as:

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

The Nevada Constitution has a similar definition:

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

DEFINITION OF PROPERTY RIGHTS APPRAISED

Fee simple estate is defined as an: “Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.” Source: Appraisal Institute, *(The Dictionary of Real Estate Appraisal, 7th Edition, 2022)*.

SCOPE OF WORK

This analysis involves a 17.49-acre parcel of land zoned R-3 located at the southwest corner (SWC) of Alta Drive and Rampart Boulevard, in Las Vegas, Clark County, Nevada. As of the effective date of value, the site’s Alta and Rampart frontages were improved with concrete curbs, gutters, sidewalks, and landscaping.

The subject property’s zoning was recently addressed in a hearing before District Court Judge David Jones. In the Findings of Fact and Conclusions of Law Regarding Plaintiff Landowners Motion to Determine “Property Interest,” Judge Jones ordered that:

- 1) The determination of the property interest in this inverse condemnation action must be based on inverse condemnation and eminent domain law;
- 2) Nevada inverse condemnation and eminent domain law provides that zoning must be relied upon to determine the Landowners’ property interest prior to any alleged City interference with that property interest;
- 3) The 17 Acre Property has been hard zoned R-PD7 [R-PD8] since 1981 and was re-zoned to R-3 prior to the filing of the Complaint in this matter;
- 4) The Las Vegas Municipal Code lists single-family and multi-family residential as legally permissible uses on R-PD7 and R-3 zoned properties by right;
- 5) The legally permitted uses by right of the 17 Acre Property are single-family and multi-family residential: and
- 6) The 17 Acre Property has at all times since 1981 been designated as “M” (residential) on the City’s Master Land use plan.

This appraisal assignment involves estimating the just compensation due to the landowners for the government actions requiring the property to remain in a vacant state, authorizing the public to use it, and not allowing the landowner to develop a multi-family zoned property with a multi-family development. To perform this assignment, I took the following steps to gather, confirm, and analyze relevant data.

- I inspected the subject property and surrounding area on August 12, 2020 and again on January 27, 2022. The photographs included in this report were taken by Tio S. DiFederico, MAI, during those inspections.
- I collected factual information about the property and the surrounding market and confirmed that information with various sources as of the effective date of value. This included numerous articles in the local newspapers regarding the Las Vegas golf courses, correspondence between the landowner, Par 4 and then Elite Golf, The National Golf Foundation’s “Golf Facilities in the U.S., 2017 Edition,” a report on the Badlands Golf Course prepared by Global Golf Advisors (GGA), site development

costs (included in my workfile), the City of Las Vegas Unified Development Code, Title 19, and numerous other publications identified within this report.

- I then performed a highest and best use analysis of the subject site as of May 17, 2018 and again as of October 10, 2022, the effective dates of value. Based on the highest and best conclusions, I estimated the market value of the fee simple estate in the subject site as if the permitted right to develop the property with single-family or multi-family residential use would have been allowed. (i.e., I excluded the project per NRS 37.112).
- Appraisers usually consider the use of three approaches to value when developing a market value opinion for real property. These are the cost approach, sales comparison approach and income capitalization approach. For this assignment, I used the Sales Comparison Approach since this methodology is considered to offer the best indications of the property's market value in this area.
- Since the Cost and Income Approaches are typically not considered when appraising vacant land, these approaches were not used in this analysis.
- The next part of the report involves analyzing and estimating the value of the property in the before and after condition. In this case, the landowners had a medium-density residentially zoned site and the legal right to develop it with a multi-family or single-family residential use. However, ultimately (as detailed herein) when the landowner attempted to get government approval for a residential development, the City of Las Vegas denied the landowner any economic use of the property and instead required the property stay in a vacant state. Therefore, I first analyzed the value of this property as if it were available to be developed with a multi-family or single-family residential use in compliance with its R-3 zoning on May 17, 2018 and October 10, 2022.
- After concluding the May 17, 2018 and October 10, 2022 values (the "before condition values"), I analyzed the value of the property on those dates in its after condition, subject to the government actions (the "after condition values"). This included considering what, if any, damages accrue to the remainder due to the effect of these government actions as of May 17, 2018 and as of October 10, 2022, the effective dates of value for this assignment.
- At the end of this analysis, I will report my conclusions of the just compensation due to the landowners.

REPORT FORMAT

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

MARKET AREA ANALYSIS

ECONOMIC ANALYSIS

Nevada Labor Force Summary

Statewide (Estimates in Thousands)

	Nov-21	Nov-20	+/- change	% change	Oct-21
Non-Seasonally Adjusted					
LABOR FORCE	1,542.0	1,513.5	28	1.9%	1,547.3
EMPLOYMENT	1,459	1,387.1	71.6	5.2%	1,459
UNEMPLOYMENT	83	126.4	-43	-34.1%	88
UNEMPLOYMENT RATE	5.4%	8.4%	-3.0%	-35.4%	5.7%
Seasonally Adjusted					
LABOR FORCE	1,549.2	1,509.1	40	2.7%	1,552.3
EMPLOYMENT	1,443	1,378.0	65.0	4.7%	1,440
UNEMPLOYMENT	106	131.1	-25	-19.0%	112
UNEMPLOYMENT RATE	6.8%	8.7%	-1.8%	-21.1%	7.2%

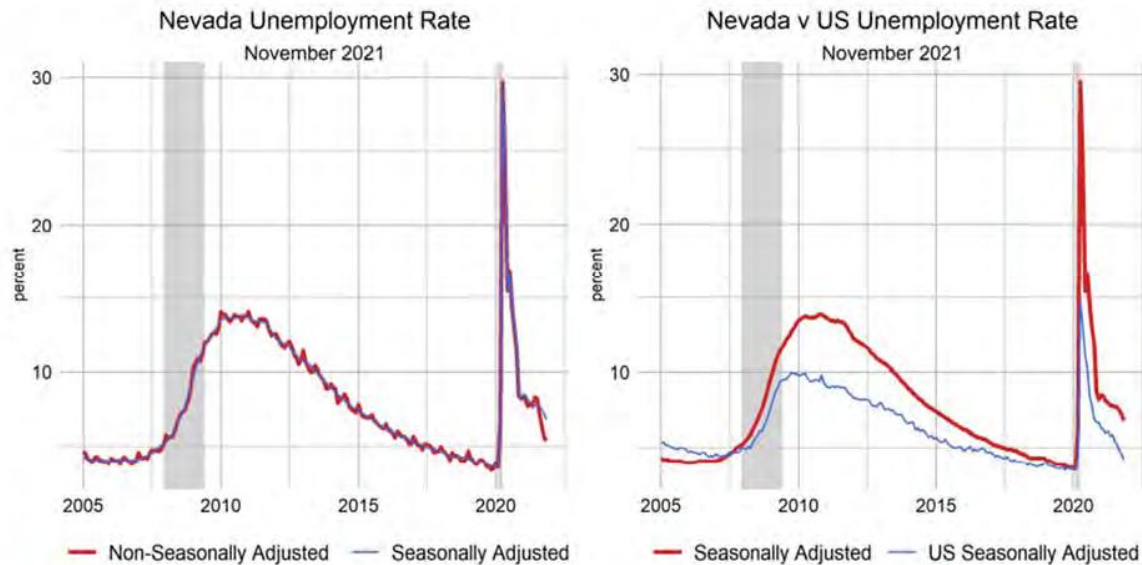
UNEMPLOYMENT RATES BASED ON UNROUNDED DATA

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

Information compiled by DETR's Research & Analysis Bureau

U.S. & Nevada Local Area Unemployment Statistics November 2021						
Area	Labor Force	Employed	Unemployed	Unemployment Rate	Labor Force Participation Rate	Employment Population Ratio
US						
U.S.	162,099,000	155,797,000	6,302,000	3.9	61.9	59.5
U.S. SA	162,052,000	155,175,000	6,877,000	4.2	61.8	59.2
State						
Nevada	1,541,975	1,458,701	83,274	5.4	60.6	57.3
Nevada SA	1,549,196	1,443,080	106,116	6.8	60.9	56.7

SA denotes seasonally adjusted data



Source: Nevada Department of Employment, Training and Rehabilitation.

Non-Seasonally Adjusted Establishment Based Industrial Employment

Las Vegas MSA (Estimates in Thousands)

	Nov-21	Nov-20	+/- change	% change	Oct-21
Total nonfarm	988.7	911.4	77.3	8.48%	983.6
Goods-producing	87.6	87.5	0.1	0.11%	90.8
Mining and logging	0.4	0.4	0.0	0.00%	0.4
Construction	62.9	63.2	-0.3	-0.47%	65.8
Construction of buildings	11.1	9.5	1.6	16.84%	11.4
Specialty trade contractors	45.4	47.7	-2.3	-4.82%	47.9
Manufacturing	24.3	23.9	0.4	1.67%	24.6
Durable goods	13.2	13.1	0.1	0.76%	13.5
Nondurable goods	11.1	10.8	0.3	2.78%	11.1
Service-providing	901.1	823.9	77.2	9.37%	892.8
Private service-providing	798.0	720.3	77.7	10.79%	791.8
Trade, transportation, and utilities	209.4	198.1	11.3	5.70%	204.5
Wholesale Trade	24.4	23.3	1.1	4.72%	24.3
Retail trade	120.0	113.7	6.3	5.54%	116.9
Food and beverage stores	21.7	20.6	1.1	5.34%	21.6
Health and personal care stores	7.3	6.8	0.5	7.35%	7.1
Transportation, Warehousing, and Utilities	65.0	61.1	3.9	6.38%	63.3
Utilities	2.6	2.6	0.0	0.00%	2.6
Transportation and Warehousing	62.4	58.5	3.9	6.67%	60.7
Transit and ground passenger transportation	5.3	5.5	-0.2	-3.64%	5.2
Taxi and limousine service	2.4	2.8	-0.4	-14.29%	2.4
Information	10.0	9.6	0.4	4.17%	9.9
Telecommunications	3.0	3.0	0.0	0.00%	3.0
Financial activities	52.8	52.6	0.2	0.38%	53.2
Finance and insurance	31.8	32.0	-0.2	-0.62%	31.9
Credit intermediation and related activities	17.6	17.6	0.0	0.00%	17.7
Real estate and rental and leasing	21.0	20.6	0.4	1.94%	21.3
Professional and business services	153.4	131.9	21.5	16.30%	152.8
Professional and technical services	50.9	43.0	7.9	18.37%	50.9
Management of companies and enterprises	21.8	19.0	2.8	14.74%	21.9
Administrative and waste services	80.7	69.9	10.8	15.45%	80.0
Administrative and support services	78.7	67.5	11.2	16.59%	77.9
Employment services	13.6	12.7	0.9	7.09%	13.1
Education and health services	109.0	102.6	6.4	6.24%	108.8
Health care and social assistance	98.4	92.3	6.1	6.61%	97.8
Ambulatory health care services	45.4	41.8	3.6	8.61%	45.7
Hospitals	23.5	23.1	0.4	1.73%	23.1
Leisure and hospitality	229.2	197.7	31.5	15.93%	228.1
Arts, entertainment, and recreation	18.1	15.8	2.3	14.56%	18.2
Amusements, gambling, and recreation	14.4	12.3	2.1	17.07%	14.5
Accommodation and food services	211.1	181.9	29.2	16.05%	209.9
Accommodation	102.2	94.7	7.5	7.92%	102.7
Casino hotels	92.8	86.8	6.0	6.91%	93.3
Gambling industries	4.6	4.3	0.3	6.98%	4.6
Food services and drinking places	108.9	87.2	21.7	24.89%	107.2
Full-service restaurants	51.7	40.0	11.7	29.25%	51.2
Limited-service eating places	46.5	42.5	4.0	9.41%	47.2
Other services	34.2	27.8	6.4	23.02%	34.5
Government	103.1	103.6	-0.5	-0.48%	101.0
Federal	14.7	14.3	0.4	2.80%	13.8
State government	19.9	21.0	-1.1	-5.24%	20.5
Local government	68.5	68.3	0.2	0.29%	66.7

UNEMPLOYMENT RATES BASED ON UNROUNDED DATA

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

Information compiled by DETR's Research & Analysis Bureau

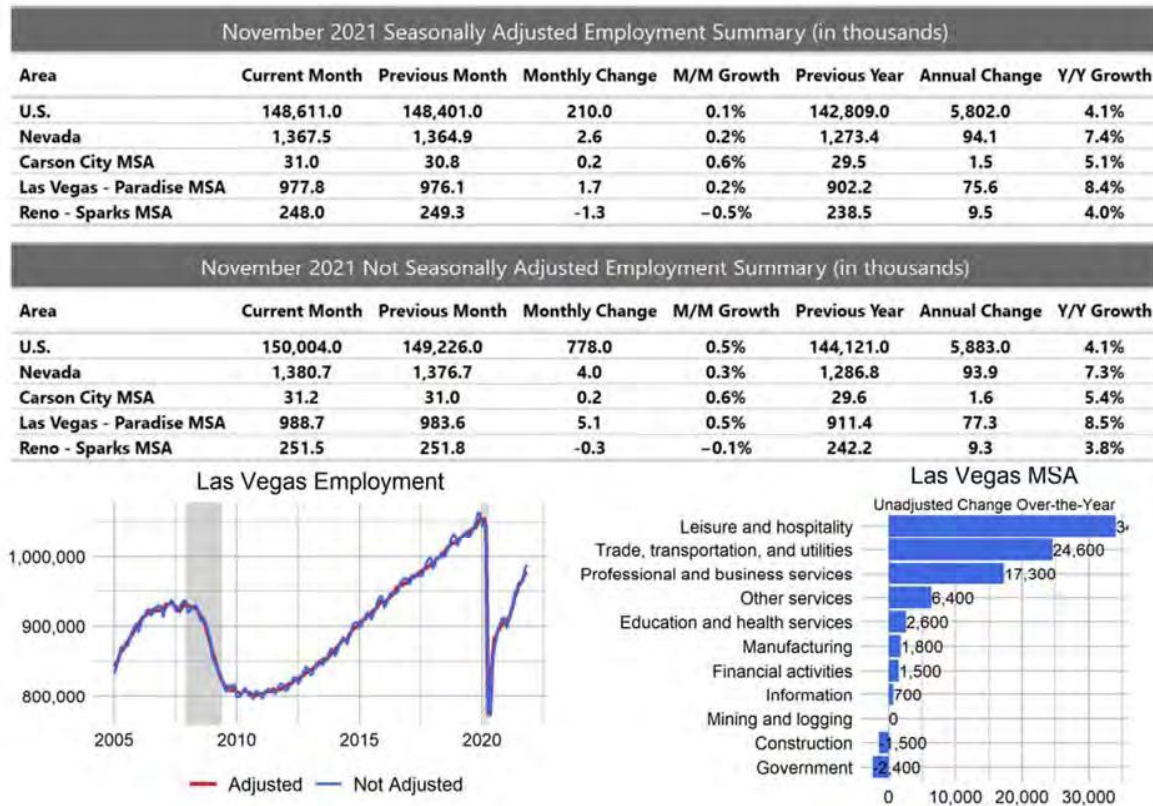
Source: Nevada Department of Employment, Training and Rehabilitation.

ECONOMIC BASE

According to the Department of Employment, Training and Rehabilitation's November 2021 economic report, released on December 17, 2021, Nevada added back 2,600 jobs over the month as the state continues to recover. Employment levels remain below typical, but is up 94,100 since November 2020, an annual increase of 7.4%. The total employment level in the state is 1,367,500. The state's unemployment rate is 6.8%, down from 7.2% in October and decreased by 1.9 percentage points when compared to November 2020.

In the three Metropolitan Statistical Areas (MSA), the unemployment rates were 6.3% in the Las Vegas area, 2.9% in Reno and 3.3% in Carson City in November 2021. Compared to the national unadjusted rate of 4.2%, only Clark County had an unemployment rate higher than the national average.

“As we near the end of the year, I am encouraged to see the ongoing growth in employment and declines in unemployment,” Governor Steve Sisolak said. “Nevada has now recovered more jobs than at the same point in the Great Recession, another sign that Nevada’s economy is resilient and continues to come back. As we look to the new year, we will continue to focus on helping Nevada’s employers provide good jobs for Nevada families.”



Source: Nevada Department of Employment, Training and Rehabilitation.

NOVEMBER 2021 DETR ECONOMIC REPORT HIGHLIGHTS:

EMPLOYMENT (SEASONALLY ADJUSTED)

- Las Vegas employment increased 1,700 (0.2%) jobs since October 2021, and an increase of 75,600 jobs since November 2020, a rate of 8.4%.
- Reno employment declined by 1,300 (-0.5%) jobs since last month but is up 9,500 jobs since November 2020, a rate of 4.0%.
- Carson City employment had an increase of 200 (0.6%) jobs since last month and shows an increase of 1,500 jobs since November 2020, a rate of 5.1%.

UNEMPLOYMENT (NON-SEASONALLY ADJUSTED)

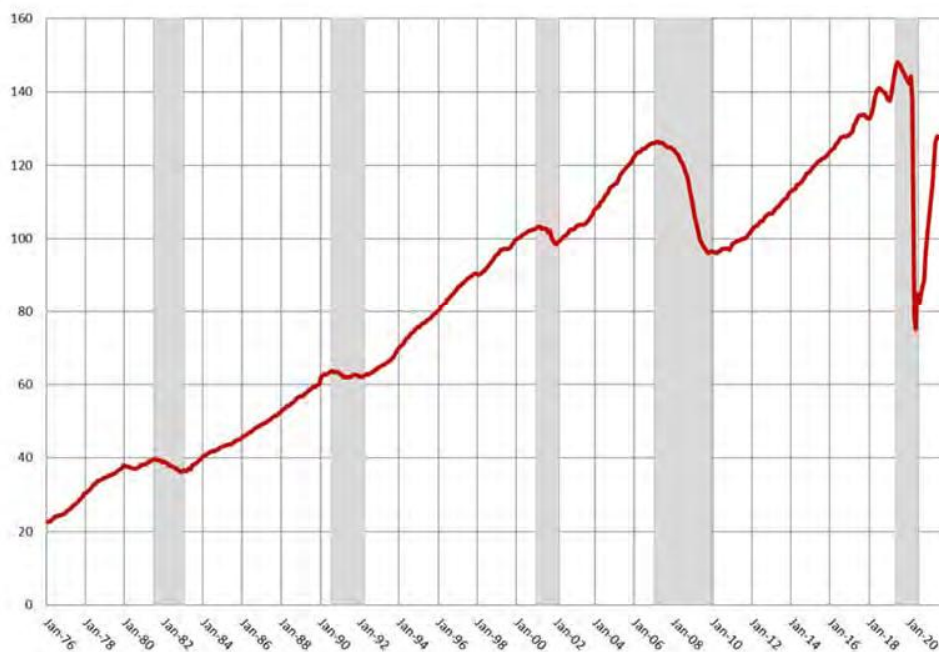
- Las Vegas MSA’s unemployment was 6.3% in November 2021 compared to October’s rate of 6.6% and down from 9.8% in November 2020.
- Reno MSA’s unemployment rate was 2.9% in November 2021 compared to October’s rate of 3.2% and down from 4.4% in November 2020.
- Carson City MSA’s unemployment rate was 3.3% in November 2021 compared to October’s rate of 3.5% and down from 4.8% in November 2020.

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

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

The coincident index provides the benchmark series that defines the business cycle or reference cycle in Nevada. The leading index then tracks the economy relative to that reference cycle. The coincident index peaked in February 2007 and then fell dramatically through June 2010. Prior to the Great Recession, identified by the benchmark Nevada coincident index, the Nevada leading index peaked in November 2005, 14 months before the Nevada coincident index peaked. Then the Nevada leading index bottomed out in May 2009, 13 months before the Nevada coincident index troughed. All series are seasonally adjusted (SA). The following data is from their October 2021 publication.

Figure 1. CBER-DETR Nevada Coincident Employment Index



- The coincident index continues to recover from its May 2020 trough due to Covid shut-downs. The chart encompasses four recessions in employment, including the recent Great Recession, where the peak in Nevada occurred in March 2007. The coincident index then regressed steadily to bottom out in October 2009. Now, the peak of the most recent expansion was in June 2019 and the trough in May 2020.
- The unemployment rate (inverted), household employment, nonfarm employment, and the insured unemployment rate (inverted) all moved in a negative direction on a two-year-over-two-year basis. The insured unemployment rate (inverted) still moved in a negative direction while unemployment (inverted), household employment, and nonfarm employment moved in a positive direction in a month-over-month basis.

- The October release tells a consistent, negative story for the coincident index over a two-year-over-two-year and a mixed story on a month-over-month basis. (UNLV does a two-year comparison as the economy collapsed due to the pandemic in March and April 2020).

Figure 2. CBER-DETR Nevada Leading Employment Index



- The chart above shows the leading index and its movements relative to Nevada recessions in its employment cycle captured by the coincident index. For the most recent employment recession prior to COVID-19, the leading index provided a clear signal by peaking in January 2006, fourteen months before the coincident index reached its peak, and bottoming out in May 2009, five months before the coincident index bottomed out. The most recent peak occurred in February 2020 and the trough in May 2020, although the big drop occurred in April 2020.
- For the leading index, the short-duration unemployment rate (inverted), housing permits, and construction employment moved in a negative direction while initial claims for unemployment insurance (inverted), commercial permits, and the real 10-year Treasury interest rate (inverted) moved in a positive direction on a two-year-over-two-year basis. On a month-over-month basis, initial claims for unemployment insurance (inverted), the real 10-year Treasury interest rate (inverted), and housing permits moved in a positive direction while the short-duration unemployment rate (inverted), construction employment, and commercial permits moved in a negative direction.

HOUSING

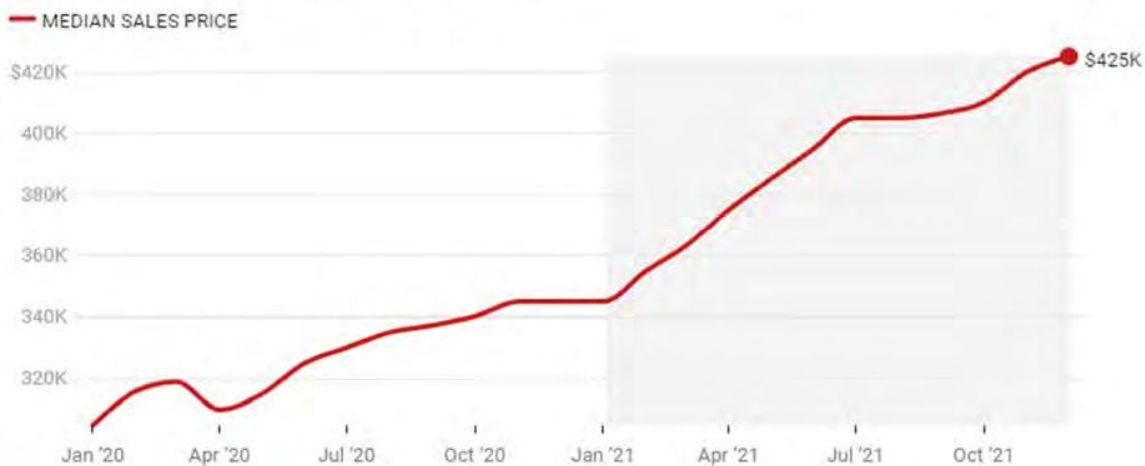
The Las Vegas REALTORS (LVR), formerly the Greater Las Vegas Association of Realtors (GLVAR), reported that the area's housing market is starting to stabilize even while home prices set another record. The most recent January 2022 report (reflecting December 2021 activity) reflected that Southern Nevada ended a year of record-setting home sales with prices at another all-time high, capping a frenzied stretch that defied an economy still affected by the pandemic.

The median sales price of previously owned single-family homes – the bulk of the market – was \$425,000 in December, up 1.2%, or \$5,000, from the record set in November, and 23.2% from December 2020, according to a new report from trade association Las Vegas Realtors.

The median price of local condos and townhomes sold in December was \$242,000. That's also an all-time record and up 30.1% from a year ago.

Fast ascent

Southern Nevada house prices climbed fast last year.



Note: Data is for previously owned single-family homes

Source: Las Vegas Realtors • Embed • Created with Datawrapper

“It’s remarkable, especially considering this record was set during a pandemic, when local home prices have never been higher and the housing supply has rarely if ever been lower,” said LVR President Brandon Roberts.

According to LVR, the total number of existing local homes, condos, townhomes and other residential properties sold in Southern Nevada during 2021 was 50,010. That was the first time the association reported more than 50,000 properties changing hands in a year and topped the previous record set in 2011 by nearly 2,000 sales. By comparison, LVR reported 41,155 sales in 2020.

Meanwhile, the local housing market supply remains tight but has stopped shrinking in recent months. By the end of December, LVR reported 2,251 single-family homes listed for sale without any sort of offer. That’s down 30.5% from the same time last year. The 387 condos and townhomes listed without offers in December was down 66.4% from one year ago.

LVR reported a total of 4,005 existing local homes, condos and townhomes sold during December. Compared with one year ago, December sales were down 3.8% for homes, but up 4.4% for condos and townhomes. Roberts said he expects sales to stay strong in 2022 and agrees with national experts who have been forecasting “an unseasonably warm winter,” but likely a more stable year, for the housing market.

Homes continue to sell at a faster pace than last year. LVR’s Martinez said the current sales price equates to just over one-month supply of properties available for sale.

Southern Nevada was initially hit with turbulence amid all of the chaos brought on by the outbreak, but it recovered and has embarked on a now-months long hot streak of record prices and rising sales, thanks in large part to record-low mortgage rates. Shrunk borrowing costs have let house hunters lock in lower monthly payments and stretch their budgets, fueling a surge that has bucked the broader economy. The market has also benefited from out-of-state buyers, particularly Californians, who are purchasing more homes than typical.

Southern Nevada homebuilders sold their highest number of homes since 2006 but shortages in labor, materials and land will continue to put a cap on growth in 2022 despite strong demand, industry insiders told the Las Vegas Review Journal.

Las Vegas-based Home Builders Research reported Wednesday there were 12,901 net sales (sales minus cancellations) in 2021, surpassing the 12,596 in 2007. That's nearly 17 percent higher than the 11,059 in 2020 but still well below the 20,000 in 2006 and 29,000 in 2005 prior to the Great Recession and housing downturn. Sales had declined in 2018 and 2019 before increasing the last two years.

"It was a very successful year and historic in terms of sales and permits," said Andrew Smith, president of Home Builders Research. "If it wasn't for all the delays and supply chain issues, it would have been even better."

As for how 2021 ended as COVID cases increased, Smith said the housing market continued to perform well even though traffic looking at new homes was 25 percent lower than the first half of the year. Net sales were the lowest of the year but still higher than November 2019 prior to the pandemic.

While 2021 was a strong sales and permit number, Nat Hodgson, CEO of the Southern Nevada Home Builders Association, said it could have exceeded 16,000 and approached 20,000 if there were enough workers, a better supply chain and available land.

That problem isn't expected to be corrected anytime soon, and the number of sales in 2022 will probably be close to 2021, Hodgson said. In part, that's because there's a build up of permits in the pipeline already with Home Builders Research reporting 13,774 in Southern Nevada issued through November, a year-to-date change of 3,365 or 32 percent.

"It's been a banner year," Hodgson said. "I remember 19 months ago we thought it was crashing and life was over and four weeks later we were starting up and growing again. When you say the industry is cyclical, that's an understatement."

GAMING & TOURISM

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

While it is recognized that a recession began in the US around March 2001, the Las Vegas market was mostly unaffected until September 11, 2001. However, the impact of closing Harry Reid International Airport in September was a stunning blow since over 45% of the tourists arrived by air. The slowdown in Nevada gaming was predictable and came when challenges were posed by not only the slow economy and the influx of California tribal

casinos, but also the September 11, 2001 tragedy. The highest recorded gaming revenue through the first three quarters of any given year up to that point was in 2001 at \$5.838 billion, when the US was in a recession. However, the 4th quarter 2001 gaming revenue dropped by over 7.3% from that reported in 2000. Even with that drop, Nevada casinos won 2.2% more money from gamblers in fiscal year 2001 than 2000.

Las Vegas' gaming revenue recovered and reached another all-time high in 2003, which it then surpassed in 2004, 2005, 2006 and 2007. The 2004 win marked the first time the total cracked the \$10 billion barrier. Nevada casinos closed fiscal 2007 with a record \$12.74 billion win, which was a 4.6% increase over 2006. However, expenses were also up, which resulted in a decline in the reported EBITDA (Earnings Before Interest Taxes Depreciation & Amortization). The result was a net decline of 4.0% when comparing 2007 to 2006.

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

Nevada's gaming revenues for non-restricted licensees peaked in 2007, dropped in 2008 and hit bottom 2009. Revenues then increased each year through 2013. In 2014, seven months reported a decline and five an increase, with the year down 1.13%. In 2015, gaming revenues were up six of the 12 months, with the year-over-year revenues up 0.70%. The 2016 year reflected an increase of 0.97% over 2015 and in 2017 the State ended up 2.72% over 2016. This trend continued in 2018 and 2019 with increases of 2.73% and 1.02%.

January 2020 gaming win statistics released by the state Gaming Control Board reflected a statewide gaming win of \$1.038 billion, up 5.48% over January 2019. In February the gaming win statistics reflected a statewide gaming win of \$1.042 billion, which was up from February 2019 and slightly higher than the previous month. Unfortunately, revenues took a substantial hit for the remainder of 2020. The biggest drops came in April and May 2020 with gaming revenues dropping over 99% from the same months in the previous year.

Statewide, gaming win was down 99.61% in April 2020 and down 99.41% in May 2020 compared to the same months in 2019. June 2020 saw the governor allow gaming to start again after two months of shutdown, but gaming win was still down. In fact, the second half of 2020 saw a drop of over 24%, with the worst of those six (6) months being December 2020, which had a drop of over 35% compared with December 2019. Overall, the state was down just over 24% for the twelve months.

The state reported total gaming revenue of \$1.15 billion for December 2021, which was the state's tenth consecutive month of over \$1 billion in gaming revenue. The figure, released by the Nevada Gaming Control Board on January 27, 2022, is just over a 68% increase from the prior year. The \$1.15 billion brought the state's total revenue for 2021 to \$13.4 billion, which surpasses the all-time record of \$12.8 billion set in 2007. It is also 12% higher than the \$12 billion set in 2019 prior to the pandemic, and 72% higher than the \$7.8 billion recorded in 2020, when casinos had been closed for over two months due to Covid.

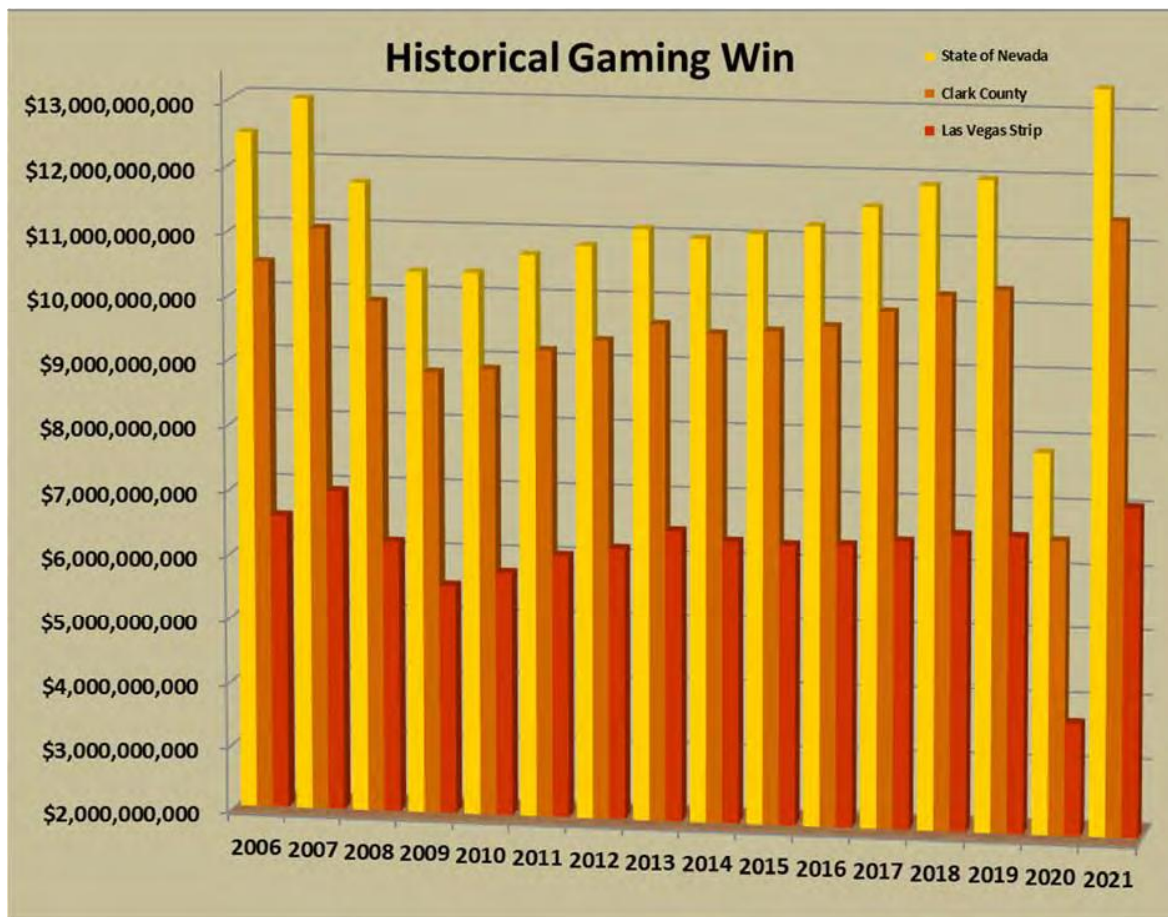
Clark County accounted for \$998.4 million of the total state gaming revenue, a 79% increase from the prior year. And within the county, revenue for the Las Vegas Strip grew 123% year-on-year to \$650.7 million. Downtown and North Las Vegas also grew, by 62% and 26%, respectively. Laughlin increased by 13%, with Boulder Strip and Mesquite increasing by 12% and 26%, respectively.

Michael Lawton, a senior research analyst for the Nevada Gaming Control Board, stated that revenue increased last year across all areas of Nevada, with 11 out of 18 gambling markets setting gambling revenue records in 2021. Once restrictions were lifted, pent-up demand for gambling set the state on a record ten-month streak of more than \$1 billion in monthly revenue.

Revenue from the Las Vegas Strip for all of 2021 increased by over 7% over 2019, which is a good sign that Sin City has bounced back. In a report published late last year, Fitch Ratings predicted that 2022 will be another growth year for Las Vegas and U.S. regional gambling markets with gross gaming revenue estimated to outpace 2019 levels, despite tourism being down by 10% compared with 2019.

The data below was compiled by the DiFederico Group from the Nevada Gaming Control Board's monthly releases from January 1, 2006 through December 31, 2021

GAMING REVENUES 2006 THROUGH 2021



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

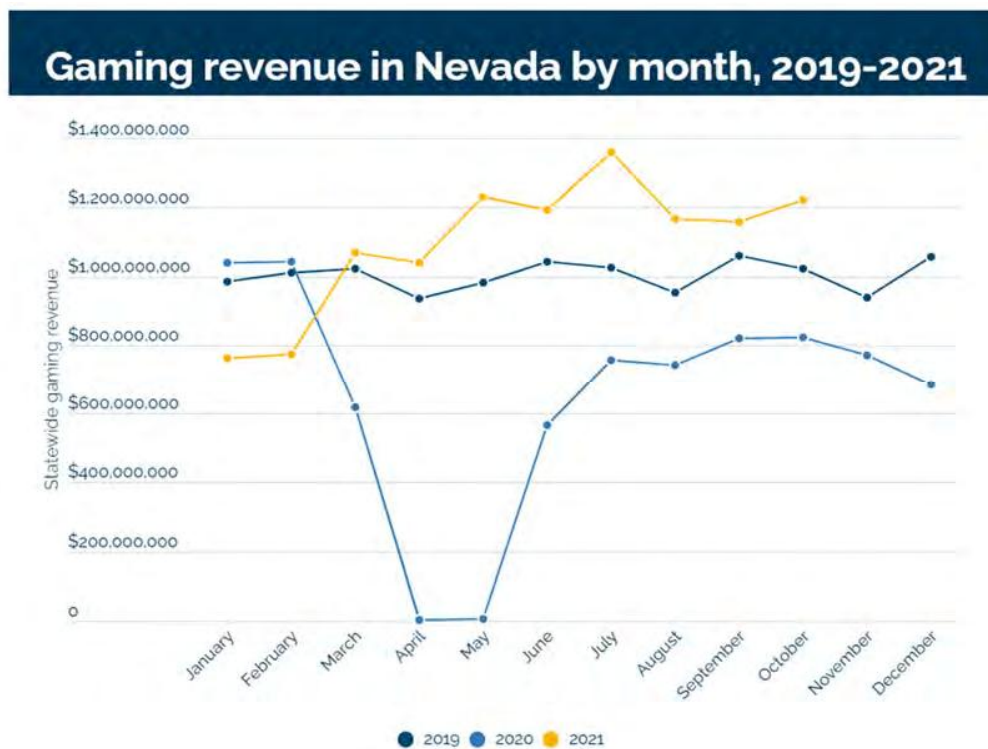
The Las Vegas Convention and Visitors Authority (LVCVA) reported all of the important metrics used to analyze the overall health of the tourist market showed substantial declines in 2020. Besides the gaming win for 2020, which was down over 34%, visitation was down over 55%, city-wide occupancy was down over 52%, convention attendance was down 74% and air passengers, which was over 51.5M in 2019, was down almost 56% to 22.2M. This turned around in 2021 with all twenty-two (22) metrics showing positive gains.

The following data was compiled by the DiFederico Group from the LVCVA's releases for visitor statistics for year-end 2015 through 2021.

Visitor Statistics										
Year	2017	Δ%	2018	Δ%	2019	Δ%	2020	Δ%	2021	Δ%
Visitor Volume	42,214,200	-1.7%	42,116,800	-0.2%	42,523,700	1.0%	19,031,100	-55.2%	32,230,600	69.4%
Room Inventory	146,993	-1.6%	147,238	0.2%	149,422	1.5%	143,117	-4.2%	150,487	5.1%
Citywide Occupancy	88.7%	-0.4%	88.2%	-0.6%	88.9%	0.8%	42.1%	-52.6%	66.8%	58.7%
Average Daily Room Rate	\$ 129.41	2.7%	\$ 128.85	-0.4%	\$ 132.62	2.9%	\$ 120.31	-9.3%	\$ 137.37	14.2%
Convention Attendance	6,646,200	5.3%	6,501,800	-2.2%	6,649,100	2.3%	1,727,200	-74.0%	2,206,400	27.7%
Total Air Passengers	48,500,194	2.2%	49,716,584	2.5%	51,537,638	3.7%	22,201,200	-56.9%	39,710,493	78.9%
Avg. Daily Auto Traffic	116,391	1.0%	119,068	2.3%	120,244	1.0%	105,766	-12.0%	128,938	21.9%

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

For 2021, all but the first two (2) months reflected a substantial increase in gaming win. It was negative 26.62% and 25.92% in January and February, respectively. This turned positive (72.61%) in March, and stayed positive over each of the next ten (10) months. The statewide gaming set an all-time record for the longest streak of consecutive months winning more than \$1 billion from players, the Nevada Gaming Control Board announced in December 2021. This trend continued in January of 2022, as the Nevada Gaming Control Board announced in February of 2022, that the state's major casinos won \$1.079 billion in January, the record 11th straight month win topped the \$1 billion mark. Win was up 41.6% from January 2021.



Source: The Nevada Independent website, published November 30, 2021

The State collected \$68,188,392 in percentage fees during December 2021 (based on revenues generated in November 2021). That is a 126.53% increase compared to the prior year's December percentage fees, when they were \$30,101,509. The following data was compiled by the DiFederico Group from the Nevada Gaming Control Board's monthly releases through January 2022, which is followed by the LVCVA's monthly executive summary.

NEVADA, CLARK COUNTY & LAS VEGAS STRIP GAMING REVENUES 01/01/16 THROUGH 12/31/21 (RELEASED JANUARY 27, 2022)

Nevada Gaming Revenue												
Month	2021	% Change	2020	% Change	2019	% Change	2018	% Change	2017	% Change	2016	% Change
January	\$ 761,847,813	-26.62%	\$ 1,038,196,869	5.48%	\$ 984,227,816	-3.04%	\$ 1,015,043,568	-2.04%	\$ 1,036,217,995	12.02%	\$ 925,066,268	-2.90%
February	\$ 772,408,499	-25.92%	\$ 1,042,627,516	3.05%	\$ 1,011,785,879	-0.59%	\$ 1,017,822,006	7.67%	\$ 945,342,577	-4.50%	\$ 989,909,589	8.06%
March	\$ 1,066,979,987	72.61%	\$ 618,129,278	-39.57%	\$ 1,022,961,241	-0.12%	\$ 1,024,175,826	3.35%	\$ 990,969,814	7.44%	\$ 922,329,184	-3.03%
April	\$ 1,039,444,911	28,404.04%	\$ 3,646,658	-99.61%	\$ 936,465,930	-1.81%	\$ 953,738,992	7.58%	\$ 886,561,704	1.19%	\$ 876,135,199	-2.43%
May	\$ 1,230,165,971	21,078.69%	\$ 5,808,507	-99.41%	\$ 981,766,859	-5.97%	\$ 1,044,072,414	5.29%	\$ 991,594,550	3.51%	\$ 957,937,998	-4.54%
June	\$ 1,193,426,299	110.55%	\$ 566,806,791	-45.55%	\$ 1,040,978,076	11.57%	\$ 933,019,638	4.17%	\$ 895,695,131	0.93%	\$ 887,464,756	6.81%
July	\$ 1,359,876,493	79.69%	\$ 756,793,269	-26.09%	\$ 1,023,950,453	2.91%	\$ 994,997,324	-0.30%	\$ 997,994,304	-1.73%	\$ 1,015,558,545	10.02%
August	\$ 1,165,801,985	56.90%	\$ 743,038,562	-21.98%	\$ 952,404,403	4.30%	\$ 913,099,059	-7.72%	\$ 989,526,639	14.91%	\$ 861,137,241	-5.19%
September	\$ 1,158,168,180	41.05%	\$ 821,132,375	-22.48%	\$ 1,059,291,018	6.83%	\$ 991,600,256	1.29%	\$ 978,932,772	3.16%	\$ 948,991,121	3.55%
October	\$ 1,221,410,318	48.47%	\$ 822,676,544	-19.50%	\$ 1,021,909,865	-3.85%	\$ 1,062,880,161	7.47%	\$ 988,966,026	0.29%	\$ 986,075,384	11.11%
November	\$ 1,321,624,724	71.38%	\$ 771,162,743	-17.75%	\$ 937,533,406	-3.06%	\$ 967,117,904	6.39%	\$ 909,013,517	-2.30%	\$ 930,405,599	-1.48%
December	\$ 1,150,169,585	68.23%	\$ 683,698,776	-35.35%	\$ 1,057,339,090	5.79%	\$ 999,678,537	4.11%	\$ 960,233,574	0.42%	\$ 956,173,169	-2.73%
Year to Date	\$ 13,441,324,765	86.94%	\$ 7,873,717,888	-24.02%	\$ 12,030,814,036	0.95%	\$ 11,917,245,685	2.99%	\$ 11,571,048,603	2.79%	\$ 11,257,184,053	1.28%

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

Clark County Gaming Revenue												
Month	2021	% Change	2020	% Change	2019	% Change	2018	% Change	2017	% Change	2016	% Change
January	\$ 617,294,316	-31.76%	\$ 904,553,924	5.07%	\$ 860,873,233	-3.49%	\$ 892,029,569	-3.68%	\$ 926,124,063	14.30%	\$ 810,285,924	-3.33%
February	\$ 631,545,547	-29.64%	\$ 897,532,499	0.54%	\$ 892,734,111	0.44%	\$ 888,800,990	7.65%	\$ 825,617,730	-4.38%	\$ 863,403,371	8.35%
March	\$ 893,237,457	63.45%	\$ 546,491,213	-38.10%	\$ 882,833,377	-0.62%	\$ 888,303,732	3.61%	\$ 857,316,810	7.60%	\$ 796,765,997	-3.58%
April	\$ 865,463,845	23173.69%	\$ 3,718,636	-99.54%	\$ 808,663,653	-2.02%	\$ 825,317,514	8.13%	\$ 763,254,432	1.38%	\$ 752,884,541	-4.25%
May	\$ 1,052,683,306	17827.53%	\$ 5,871,880	-99.30%	\$ 835,838,271	-7.63%	\$ 904,856,606	5.13%	\$ 860,698,197	3.48%	\$ 831,721,218	-4.40%
June	\$ 1,015,471,281	130.24%	\$ 441,041,951	-51.36%	\$ 906,679,758	14.63%	\$ 790,980,994	3.45%	\$ 764,615,246	0.39%	\$ 761,673,524	7.33%
July	\$ 1,162,599,810	89.70%	\$ 612,854,725	-28.77%	\$ 860,392,390	2.55%	\$ 839,034,415	-1.12%	\$ 848,573,052	-2.21%	\$ 867,748,929	10.29%
August	\$ 993,432,688	67.26%	\$ 593,947,693	-24.96%	\$ 791,560,199	4.69%	\$ 756,105,170	-10.16%	\$ 841,590,961	16.12%	\$ 724,746,316	-6.70%
September	\$ 1,005,184,833	50.77%	\$ 666,707,421	-27.02%	\$ 913,572,377	8.27%	\$ 843,828,417	1.57%	\$ 830,810,215	2.71%	\$ 808,860,810	3.64%
October	\$ 1,056,684,952	57.28%	\$ 671,838,977	-23.57%	\$ 879,033,651	-5.12%	\$ 926,513,821	8.43%	\$ 854,452,537	-0.29%	\$ 856,930,228	13.37%
November	\$ 1,159,958,874	81.31%	\$ 639,780,139	-20.54%	\$ 805,164,156	-3.42%	\$ 833,691,927	6.20%	\$ 785,051,493	-3.21%	\$ 811,122,991	-2.05%
December	\$ 998,447,156	79.28%	\$ 556,921,526	-39.30%	\$ 917,541,009	6.56%	\$ 861,091,282	4.96%	\$ 820,396,946	-0.89%	\$ 827,786,335	-4.33%
Year to Date	\$ 11,452,004,065	91.37%	\$ 6,541,260,584	-36.83%	\$ 10,354,886,185	1.02%	\$ 10,250,554,437	2.73%	\$ 9,978,501,682	2.72%	\$ 9,713,930,184	0.97%

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

Las Vegas Strip Gaming Revenue												
	2021	% Change	2020	% Change	2019	% Change	2018	% Change	2017	% Change	2016	% Change
January	\$ 321,527,682	-43.80%	\$ 572,125,072	7.49%	\$ 532,245,826	-4.06%	\$ 554,751,961	-8.89%	\$ 608,911,428	14.40%	\$ 532,275,993	-7.72%
February	\$ 348,455,699	-41.55%	\$ 596,198,044	0.75%	\$ 591,738,068	-1.95%	\$ 603,491,116	11.37%	\$ 541,900,782	-4.98%	\$ 570,303,264	7.32%
March	\$ 501,455,069	67.21%	\$ 299,896,696	-45.67%	\$ 551,943,704	-3.83%	\$ 573,946,592	9.10%	\$ 526,092,941	8.07%	\$ 486,819,711	-3.96%
April	\$ 483,403,485	141.30%	\$ 3,396,919	-99.30%	\$ 481,855,234	-3.53%	\$ 499,499,119	5.07%	\$ 475,375,212	-3.25%	\$ 491,369,187	-1.50%
May	\$ 655,469,447	17288.22%	\$ 3,769,618	-99.27%	\$ 517,347,625	-11.07%	\$ 581,744,700	6.39%	\$ 546,791,225	2.97%	\$ 531,003,569	-11.68%
June	\$ 610,561,748	156.27%	\$ 238,252,405	-61.36%	\$ 616,592,146	17.69%	\$ 523,922,254	5.36%	\$ 497,275,509	1.71%	\$ 488,928,905	9.75%
July	\$ 793,666,935	140.44%	\$ 330,085,234	-39.08%	\$ 541,804,525	1.63%	\$ 533,091,986	-5.75%	\$ 565,605,832	-7.73%	\$ 613,014,158	16.77%
August	\$ 625,687,881	97.19%	\$ 317,301,163	-39.06%	\$ 520,658,786	8.95%	\$ 477,906,216	-12.40%	\$ 545,546,040	21.35%	\$ 449,560,895	-14.76%
September	\$ 640,632,577	80.61%	\$ 354,696,471	-39.29%	\$ 584,249,402	7.00%	\$ 546,024,778	-3.71%	\$ 567,041,845	4.52%	\$ 542,540,638	7.46%
October	\$ 702,186,648	86.87%	\$ 375,760,200	-30.22%	\$ 538,520,657	-9.25%	\$ 593,419,466	12.24%	\$ 528,682,434	-6.05%	\$ 562,739,871	14.00%
November	\$ 755,056,322	115.86%	\$ 347,796,668	-32.46%	\$ 517,940,029	-3.09%	\$ 534,457,801	10.03%	\$ 485,753,251	-6.04%	\$ 516,992,327	-3.48%
December	\$ 650,778,416	122.86%	\$ 292,007,829	-50.66%	\$ 591,828,867	4.53%	\$ 566,200,902	-0.93%	\$ 571,504,379	-3.25%	\$ 590,707,642	-1.67%
Year to Date	\$ 7,088,881,909	106.00%	\$ 3,733,286,319	-43.32%	\$ 6,586,724,865	-0.03%	\$ 6,588,456,891	1.98%	\$ 6,460,480,878	1.32%	\$ 6,376,256,160	0.45%

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



Trailing 12-Months: Comparison to Pre-COVID Benchmarks (same months in 2019)

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22
Visitor Volume	-62%	-52%	-40%	-27%	-22%	-18%	-10%	-16%	-16%	-8%	-11%	-13%	-27%
Hotel Occupancy	-52.4	-45.0	-36.0	-25.4	-19.9	-15.8	-11.7	-14.9	-15.3	-8.4	-10.6	-12.5	-24.7
ADR	-42%	-25%	-25%	-16%	-10%	6%	20%	16%	14%	28%	16%	21%	-7%
RevPAR	-78%	-64%	-55%	-40%	-30%	-12%	4%	-4%	-6%	16%	2%	3%	-35%
En/Deplaned Passengers	-61%	-56%	-42%	-32%	-23%	-14%	-8%	-14%	-13%	-9%	-4%	-9%	-19%
Avg. Daily Auto Traffic: I-15 @ NV/CA Border	-9%	4%	6%	9%	8%	10%	7%	2%	11%	11%	17%	12%	-2%

Compiled by the LVCVA Research Center; email any questions or comments to research@lvcva.com.

HARRY REID INTERNATIONAL AIRPORT

Harry Reid International Airport is one of the most modern airports in the country. According to the Federal Aviation Administration, it is also one of the fastest growing facilities in the United States.

Harry Reid International Airport welcomed 49.7 million arriving and departing passengers in 2018. For the eighth consecutive year, this commercial airport posted a year-over-year increase with the 2018 total marking a 2.5% upturn from the prior year's record. In 2019, the airport shattered the previous record with 51.5 million passengers. According to their press release, this was the third consecutive year the airport posted a new high for passenger traffic and the ninth consecutive year Reid experienced a year-over-year increase. However, over the course of 2020, the airport saw steep declines. Reid Airport saw a 57.0% decrease in passenger volume in October, a 56.7% decrease in November and 60.7% drop in December. For the year, Reid saw 22.2 million passengers, down 56.9% from the 51.5 million passengers in 2019.

The February 2022 report, detailing the January 2022 numbers, reflected 3.15 million passengers, up 109.0% from last year. The following reflects the most current data of arriving and departing passengers.

ARRIVING & DEPARTING PASSENGERS MONTHLY TOTAL

JANUARY 2022	JANUARY 2021	PERCENT CHANGE
3,147,173	1,505,622	109.0%

ARRIVING & DEPARTING PASSENGERS BY CARRIER TYPE

CARRIER TYPE	JAN 2022	JAN 2021	% CHANGE
DOMESTIC	2,999,906	1,451,282	106.7%
INTERNATIONAL	94,363	21,572	337.4%
WEST SIDE/ HELICOPTERS	52,904	32,768	61.5%

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

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

SUMMARY AND CONCLUSIONS

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

The area was benefiting from strong national growth. U.S. gross domestic product expanded and increased economic diversification helped the comeback prior to the COVID-19 pandemic. The Southern Nevada economic recovery is still strongly tied to the tourism sector and when the national economy is doing well, Las Vegas' core sector also benefits. Leisure and hospitality will stay the city's most important jobs sector for the foreseeable future, but Brookings' best are now education, health care and business services. Contrary to Las Vegas' history, population growth is likely to be moderate and not the driver of economic growth in the coming years. But tourism and gaming will remain the driving force behind the region's economic growth.

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

- The Fontainebleau, Las Vegas' towering monument to the Great Recession of 2008, was foreclosed upon in February 2021. Real estate investment firms Witkoff and New Valley had purchased the property from Carl Icahn. The real estate wing of conglomerate Koch Industries teamed with Florida developer Jeffrey Soffer to acquire the unfinished Drew Las Vegas in foreclosure and have yet to disclose plans. However, permits and construction contracts to finish the building are rumored to be pending. The previous owners partnered with Marriott International; however, Soffer and Marriott have parted ways. According to a recent interview with the new owners, Soffer plans to finish the 3,700-plus room property in the fourth quarter of 2023.
- The Malaysia-based Genting Group has built the most expensive resort ever in the Las Vegas area, Resorts World Las Vegas. The \$4.3 billion hotel-casino has two towers with 3,500 rooms, luxury dining and shopping, a 5,000-seat theater, an infinity pool with Strip views and 75,000-square-foot nightclub and dayclub concept. In addition, the pool complex covers 220,000 square feet and includes 350,000 square feet of meeting and banquet space, a 27,000 square foot spa and 110,000 square foot casino. The company held a groundbreaking ceremony on May 5, 2015. The project, which has 60 stories, topped off in mid-August 2019. Resorts World Las Vegas opened its doors June 24, 2021, becoming the first Strip property to open in more than a decade. With over 85 acres, the ownership group said expansion plans are already in planning stages. The following is a rendering of the project.



- The Las Vegas Convention and Visitors Authority plans for the Las Vegas Global Business District, an overarching vision for the Las Vegas Convention Center and the surrounding area. The preliminary cost for the project is \$2.5 billion and will be completed in phases. This is the first major expansion of the 54-year-old Las Vegas Convention Center in more than a decade. Phase One consists of the acquisition of the 26-acre Riviera Hotel property, demolition of the existing Riviera structures and construction of outdoor exhibit space. Phase Two includes the development of a new exhibit hall and its ancillary spaces on the existing LVCC Gold Lot and the Riviera Hotel property. In early April 2021, meetings, conventions and trade show media got their first look at the \$989 million, 1.4 million-square-foot West Hall expansion. Phase Three will be the renovation and alteration of the existing Convention Center. However, Phase Three has been paused due to COVID-19.





- In addition to the new West Hall, LVCVA selected Elon Musk's The Boring Company to build and operate a tunnel system at the convention center. The \$52.5 million project encompasses the convention center. The underground highway system allows passengers to go directly from their station to another one in the new convention center, which spans about two miles. The system is designed with three stations, one underground and two above-ground. On October 20, 2021, commissioners approved plans for Boring Co.'s Vegas Loop system to connect 50 stations in the Loop down the Strip and north to downtown Las Vegas. The franchise agreement sets the stage for permitting, which would lead to the start of construction for the 15-mile dual loop system. The mostly underground system operates mainly in the resort corridor with stations at various resorts and connections to Allegiant Stadium and UNLV. Riders will be transported via private Tesla model vehicles.
- In May 2016, Madison Square Garden executives announced a partnership with the Las Vegas Sands Corp. to build a music venue, taking aim at competitors including MGM Resorts. The venue is under construction just east of the Las Vegas Strip, behind the Sands-owned Venetian and Palazzo hotel casinos. The new venue is a partnership among Madison Square Garden Co., Sands Corp., Azoff MSG Entertainment, concert promoter Live Nation and Oak View Group, an entertainment advisory firm. The room is designed for music, rather than the multipurpose model used in most sports arenas. The MSG Sphere at The Venetian will be 360-foot tall, will hold a capacity of more than 18,000 seats and will be home to the world's largest and highest resolution media display. The display plane, the largest and highest resolution LED display plane on Earth, roughly the size of three football fields, will wrap up, over and behind the stage and audience. Groundbreaking was held September 27, 2018. Construction has resumed after a slight pandemic-related pause, with project completion sometime in 2023. An artist's rendering follows.



- Derek and Greg Stevens, owners of several downtown Las Vegas properties, built the first ground-up downtown property in decades, Circa Las Vegas. The casino and restaurants opened October 28, 2020 with the hotel on December 26, 2020. The 1.25 million square foot property and its 777-room hotel is the tallest hotel north of the Strip at around 44 stories. The property has the longest outdoor bar on the Fremont Street Experience, five restaurants, a three-story sports book and a two-level casino. The following is a rendering of the property.



- After delays caused by the pandemic, Virgin Hotel Las Vegas opened March 25, 2021. The Virgin Hotel is the former Hard Rock Hotel & Casino, and has undergone a years-long \$200 million remodel of the property. Virgin Hotels Las Vegas is part of the Curio Collection by Hilton and the casino will be operated by Mohegan Gaming & Entertainment. The off-Strip property has three hotel towers with more than 1,500 rooms and suites. It features a five-acre pool complex, a live entertainment theater and 12 restaurants and bars. The property was

originally slated to open as early as October 2020 but was pushed back due to the coronavirus. The following is a rendering.



- A local developer held a ground-breaking on January 5, 2022 for a 720-room luxury hotel off the north Strip. Construction was planned in the summer of 2021; however, it was recently announced to start in early 2022. The roughly \$850 million resort – former home of the Clarion hotel, which was imploded in 2015 – is across the street from the newly expanded Las Vegas Convention Center, and the nongaming hotel is planned to cater to business travelers. Majestic is slated to include restaurants, live entertainment, a medical spa and nutrition counseling, and 35 corporate suites spread among the tower's top 10 floors. The suites, which could be used for convention and showroom space, are also offered for sale and priced from \$10 million and \$100 million, a news release said. Below is a rendering.



- Two years after developers unveiled plans for UnCommons, the \$400 million Las Vegas project has gone vertical. Works crews are building parking garages and forming the slabs for two office buildings, as of February 2021. The mixed-use development calls for office space,

retail and apartments on 40 acres at Durango Drive and the 215 Beltway in the southwest valley, near IKEA.

The first phase is slated to open in early 2022. The developers planned to break ground in April 2020 but was shelved until eight months later. It was announced that DraftKings, a fantasy and digital sports betting company based in Boston, plans to open its second largest office hub in the property, leasing 90,000 square feet. The following is a rendering of the project.



- Developers cleared a hurdle in October 2021 in their quest to build a resort next to Las Vegas's airport. The Clark County Commission approved plans for Dream Las Vegas, a 20-story, 527-room hotel-casino that would be built near the south edge of the Strip. Its roughly 5-acre plot of land on Las Vegas Boulevard is adjacent to Harry Reid International Airport. Developers hope to break ground by late second quarter or early third quarter 2022 and open about two years later. It is slated to cost around \$500 million. The following is a rendering of the project.



- The Clark County Commission gave the greenlight to Station Casinos to move forward with its plan to build a resort in the southwest valley. The company's proposed 211-room hotel with casino on South Durango Drive, just south of the 215 Beltway was approved on October 6, 2021. Station plans to break ground on its new project – Durango, a Station Casinos Resort, in early 2022. The resort will focus on gaming, having little competition within five square miles. Phase I includes a 216-foot tall hotel tower; parking structure; four restaurants and beverage stops; a “state-of-the-art” race and sportsbook; 20,000 square feet of meeting and convention space; a pool space with cabanas; and electric vehicle charging stations. Phase II calls for a second hotel tower and additional casino, banquet and lobby space and an entertainment-theatre. Estimated completion is late 2023. The following rendering depicts the planned resort.



- In late January 2021, the Howard Hughes Corporation announced a vision for the Downtown Summerlin area's walkable urban center that includes a new Class-A office building, along with a second phase of the Tanager luxury apartment complex. The new 10-story office building spans 267,413 square feet and is situated on just under three acres directly south of the Las Vegas Ballpark, home of the Las Vegas Aviators. The planned apartments contain 295 units and are in a five- to six-story building that will wrap around a parking garage allowing tenants direct parking access to their floor of residence. Howard Hughes put a price tag on the 10-story office building at \$120.4 million and the 295-unit apartment complex at \$81.6 million, for a total of \$202 million for both projects. The following rendering depicts the planned office building.



- The UNLV School of Medicine received full medical school accreditation, just five years after being established. It comes as the new medical school building is going up in downtown Las Vegas in the Las Vegas Medical District. The school currently has 240 students, 150 faculty physicians and more than 300 medical residents and fellows. The new five-story, 135,000 square foot building is under construction thanks to a partnership with the Nevada Health and Bioscience Corporation. The Kirk Kerkorian School of Medicine at UNLV, scheduled to be completed in 2022, will act as the school's primary campus, allowing the school to expand with additional research activities. Below is a rendering.



- The Vegas Golden Knights announced February 6, 2020 they purchased the San Antonio Rampage of the AHL and have relocated the franchise to the Las Vegas Valley. Majority owner Bill Foley said the new minor league affiliate will be known as the Henderson Silver Knights. The team's practice facility will be headquartered at the Lifeguard Arena in Henderson, which opened mid-November 2020. The team will play at a new 6,000 seat arena

also located in Henderson, called Dollar Loan Center. The city of Henderson will be the owner and the Vegas Golden Knights as the arena operator. Ground was broken in May 2020 with the first scheduled hockey game April 2, 2022.

- Arguably the biggest recent announcement involved the Oakland Raiders moving to Las Vegas. On October 17, 2016 Nevada Governor Brian Sandoval signed a bill into law that cleared the way for a Las Vegas stadium that will be home to both UNLV and the NFL's Oakland Raiders. Allegiant stadium was completed July 31, 2020 and handed over to the Las Vegas Raiders, who played the 2020 season without fans due to the pandemic. The first game with fans was held September 13, 2021 with a nationally televised audience tuning into the debut on Monday Night Football. On December 15, 2021, the NFL announced Las Vegas had been awarded Super Bowl LVIII to be played at the stadium on February 11, 2024. The following is an illustration.



AREA CONCLUSION

In summary, the Las Vegas MSA economy had been showing steady signs of recovery. The state was seeing increased population growth, increased tourism spending and increased jobs in growing industries. And, Southern Nevada was on the cusp of reaching peak employment levels with 50,000 fewer construction jobs. Southern Nevada's growth was outpacing the national rate, and a report by UNLV predicts this growth would have continued unless it was dampened by national and international issues, like fiscal policy and a potential trade war.

Las Vegas was one of the fastest growing in terms of population and jobs. Near-peak levels were seen in annual visitor volume and convention attendance. More passengers were arriving and departing from Harry Reid International Airport. These gains were made because of the decisions made in both public and private institutions, which have brought T-Mobile Arena, Terminal 3 at Reid and Project Neon, setting the stage for the next decade.

The largest and most exciting development in the Las Vegas area was the arrival of the NFL. On January 22, 2020, the Raiders officially became the Las Vegas Raiders, ushering the valley as

their permanent home. The Raiders will take up residence at their new Henderson headquarters and Allegiant Stadium and sharing the stadium with UNLV.

However, this was all prior to the COVID-19 pandemic that altered the economy.

CORONAVIRUS OUTBREAK – THE LOCAL ECONOMY

This pandemic recession is different from other recessions as recovery is not a function of time. It's not something that can be repaired but is a function of science. Therefore, the economy remains bound to the virus and its recovery is tied to the development and implementation of an effective vaccine. However, positive developments on the vaccine front in mid-December with two vaccines starting distribution across the United States to those in the first priority group was very positive news after 10 months of pandemic restrictions and economic woes. With a third vaccine added to the mix in early 2021 and the approval of vaccines for ages 12 to 15, case numbers, hospitalizations and COVID deaths declined between January and June 2021.

Gaming experts are seeing signs of a speedy recovery in the Las Vegas market. A number of positive trends have emerged in recent weeks, with analysts reporting that resort foot traffic and occupancy rates are quickly closing in on pre-pandemic levels. Various gaming experts say they are bullish on a speedy recovery in Las Vegas. Harry Reid International Airport served over 4.15 million passengers in July 2021. According the LVCVA, visitor volume in July 2021 was the highest since the on start of the pandemic. In addition, both month-over-month and year-over-year numbers are up among visitor volume, room inventory, hotel occupancy, ADR (average daily rate), RevPAR (revenue per available room) and room nights occupied. And, compared to 2019, room inventory, ADR and RevPAR are also higher.

Pandemic capacity, gathering and social distancing restrictions were lifted across Clark County on June 1. However, after the CDC updated its guidance relating to the mitigation of the spread of COVID-19 and the Delta variant, the mask requirement was reimplemented in late June. It remained in place as the omicron variant spread in the Valley. Mask mandates were lifted February 10, 2022 following omicron's rapid decline.

From the return of big concerts to crowded resorts to record levels of gambling revenue, signs of Las Vegas' economic revival are hard to miss. But as the state's economic backbone has surged back to life, the workforce that supports it has yet to see the same rebound. The unemployment rate in Nevada remains among the highest in the United States as the pandemic continues to inject uncertainty into the economy and impede full recovery. The unemployment rate has steadily decreased since the height of the pandemic at a faster rate than almost any other state. But still, Nevada's unemployment rate remains the second highest in the nation, after neighboring California.

Meanwhile, gaming companies are in the midst of a historic stretch. November marked the ninth straight month that statewide gaming win topped \$1 billion, the first time that has happened since 2008.

UNLV economic analysts had some good news for residents as 2021 came to a close. Southern Nevada's economic recovery – though still linked hand-in-hand with the COVID-19 pandemic and its variants – has a cautiously optimistic outlook as we head into the new year.

“Because the Southern Nevada economy heavily depends on tourism, its outlook ties to the future path of the coronavirus,” said Andrew Woods, director of UNLV's CBER. “The continued

progress on vaccinating a higher percentage of the population and the absence of variants that can avoid the protection of vaccines will make economic recovery much more likely.”

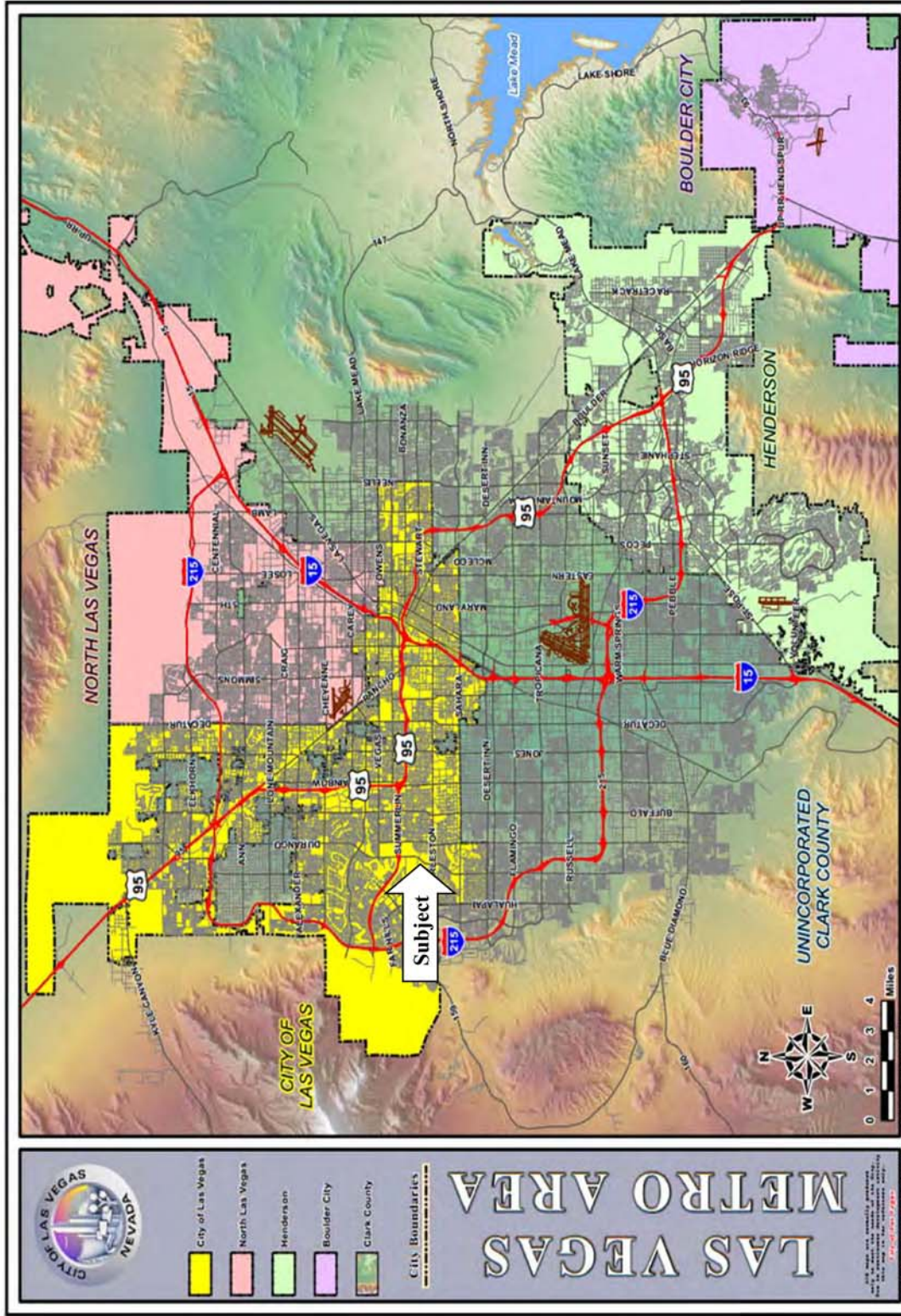
According to Woods, and CBER research director and economist Stephen Miller, local economic indicators point to a now slowing but continued comeback from a pandemic that the researchers described as an “economic sledgehammer” to Southern Nevada in 2020.

“In 2019, Las Vegas is a city on the edge of a new era,” Miller said. “Then COVID-19 hit.” But, he says, while public health success will ultimately lead to economic success, there are positive signs. After another wave of the pandemic swept the nation last fall and into early 2021, recovery kicked back into gear in March 2021, which Wood says “may have marked the turning of the corner on the pandemic and, thus, the economic recovery.”

Looking forward to the remainder of 2022, across Southern Nevada’s economy, metrics including visitor volume, gross gaming revenue, hotel occupancy, and employment are expected to follow a similar pattern: huge hits in 2020 followed by a 2021 surge that is expected to increase, albeit slowly, through 2022.

Woods says the unprecedented nature of the pandemic and two years of anomalous economic numbers makes forecasting more difficult than in years past. “Pandemics are rare events, and we hold relatively few data points to inform predictive models,” he says. Overall, Southern Nevada’s economic recovery outpaced many analysts’ expectations in 2021. Another wave of the pandemic slowed economic growth in Southern Nevada heading into last fall, but most signs point to a cautiously positive picture for the remainder of 2022.

AREA MAP



LEGEND OF PHOTOGRAPHS – (PHOTOS TAKEN DURING AUGUST 12, 2020 AND JANUARY 27, 2022 SITE INSPECTIONS)



Clark County indicated that the above aerial was taken on February 14, 2022.

SUBJECT PHOTOGRAPHS



View 1
(Photo taken on January 27, 2022)



View 2
(Photo taken on January 27, 2022)

SUBJECT PHOTOGRAPHS, CONTINUED



View 3
(Photo taken on January 27, 2022)



View 4
(Photo taken on January 27, 2022)

SUBJECT PHOTOGRAPHS, CONTINUED



View 5
(Photo taken on August 12, 2020)



View 6
(Photo taken on January 27, 2022)

SUBJECT PHOTOGRAPHS, CONTINUED



View 7
(Photo taken on January 27, 2022)



View 8
(Photo taken on January 27, 2022)

SUBJECT PHOTOGRAPHS, CONTINUED



View 9
(Photo taken on August 12, 2020)



View 10
(Photo taken on August 12, 2020)

SUBJECT PHOTOGRAPHS, CONTINUED



View 11
(Photo taken on August 12, 2020)

PROPERTY ANALYSIS – IN THE BEFORE CONDITION

PHYSICAL DESCRIPTION AND ANALYSIS OF THE SITE

LOCATION

The subject of this analysis is a vacant site located at the southwest corner of Alta Drive and Rampart Boulevard, Las Vegas, Clark County, Nevada.

SIZE

The subject site consists of one (1) assessor parcel number (APN), 138-32-301-005. The following is a summary of that parcel's size.

Land Area		
APN	Acres	Sq. Ft.
138-32-301-005	17.49	761,864
Total	17.49	761,864

CONFIGURATION

The shape of the subject site almost rectangular, and its shape would not negatively affect its development potential. The reader is referred to the following Parcel Map and aerial photograph for a visual illustration of the subject site's shape.

GROUND STABILITY

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

TOPOGRAPHY/ FLOOD PLAIN/DRAINAGE

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

According to Community Panel #2145 of 4090, this site is located within an area designated as a Zone A. Flood insurance is typically required within Zone A. I have included a copy of flood insurance map #2145 in the Addendum.

I was provided information about the cost to address the grading and drainage on this site. The grading cost estimate was prepared by Aggregate Industries SWR., Inc., on November 17, 2017, with the drainage cost estimate being prepared in January of 2022.

The grading cost estimate was \$1,280,977.50, which I rounded to \$1,281,000. Since this was bid six-months prior, I contacted a local general contractor to ask about any increases during that period. I learned that there would not have been an increase during that six (6) month period. However, from 2018 to 2022, an increase of 20%-to-25% would have been a reasonable expectation. Based on the increases applied to the drainage costs by Aggregate Industries SWR., Inc., I applied a similar increase (23%) to the cost of grading for the October 10, 2022, date of value.

As for the drainage cost estimates, these estimates were prepared by Aggregate Industries SWR., Inc., on January 20, 2022. The costs, which were based on the “100 Year Flood Control Facilities” plan prepared for GC Wallace, ranged from \$4,049,370 (Option #2) to \$4,665,739 (Option #1) in May of 2018. The costs then increase to \$4,963,838 (Option #2) to \$5,747,236 (Option #1) in October of 2022. Option #2 reflects an increase of 22.6% over that period, while Option #1 increased 23.1%. The higher estimate for each year would be based on using 12’x 12’ box culverts for the entire run, where the lower figure assumes using a combination of 12’x 8’ and 10’x 8’ box culverts. The following is a summary of the costs of including grading, installing the drainage facilities, and adding the required entrepreneurial incentive.

	May-18		October-22	
	Option #1	Option #2	Option #1	Option #2
Mobilization - Storm Drain	\$ 18,200.00	\$ 18,200.00	\$ 19,500.00	\$ 19,500.00
12 x 12 RCB	\$ 4,207,840.00		\$ 5,174,120.00	
12 x 8 RCB		\$ 2,206,750.00		\$ 2,710,568.00
10 x 8 RCB		\$ 1,435,910.00		\$ 1,746,598.00
Transition Structure	\$ 147,300.00	\$ 131,000.00	\$ 199,300.00	\$ 177,200.00
Testing & Handover	\$ 28,300.00	\$ 28,300.00	\$ 29,000.00	\$ 29,000.00
Sub-Total	\$ 4,401,640.00	\$ 3,820,160.00	\$ 5,421,920.00	\$ 4,682,866.00
6% Contingency	\$ 264,098.40	\$ 229,209.60	\$ 325,315.20	\$ 280,971.96
	\$ 4,665,738.40	\$ 4,049,369.60	\$ 5,747,235.20	\$ 4,963,837.96
Site Grading	\$ 1,281,000.00	\$ 1,281,000.00	\$ 1,575,630.00	\$ 1,575,630.00
Drainage & Grading	\$ 5,946,738.40	\$ 5,330,369.60	\$ 7,322,865.20	\$ 6,539,467.96
Entrepreneurial Incentive @ 10%	\$ 594,673.84	\$ 533,036.96	\$ 732,286.52	\$ 653,946.80
Totals	\$ 6,541,412.24	\$ 5,863,406.56	\$ 8,055,151.72	\$ 7,193,414.76

The difference in 2018 is \$0.81 per square foot, which increases to \$1.03 per square foot in 2022. I estimated the cost at the mid-way point, and added the entrepreneurial incentive that would be required to attract an investor. Based on my research, I estimated this at an additional 10% of the cost. This reflects a total cost to cure at \$6,202,409 in May of 2018, and \$7,624,283 in October of 2022. The following is a summary of those calculations.

May 17, 2018	Cost	Incentive	Total	October 10, 2022	Cost	Incentive	Total
Alternate #1	\$ 5,946,738	10%	\$ 6,541,412	Alternate #1	\$ 7,322,865	10%	\$ 8,055,152
Alternate #2	\$ 5,330,370	10%	\$ 5,863,407	Alternate #2	\$ 6,539,468	10%	\$ 7,193,415
Average Cost	\$5,638,554	10%	\$6,202,409	Average Cost	\$6,931,167	10%	\$7,624,283

The above amounts must be deducted from the estimate value of the subject property on each of the respective dates of value to conclude its values.

HAZARDOUS CONDITIONS

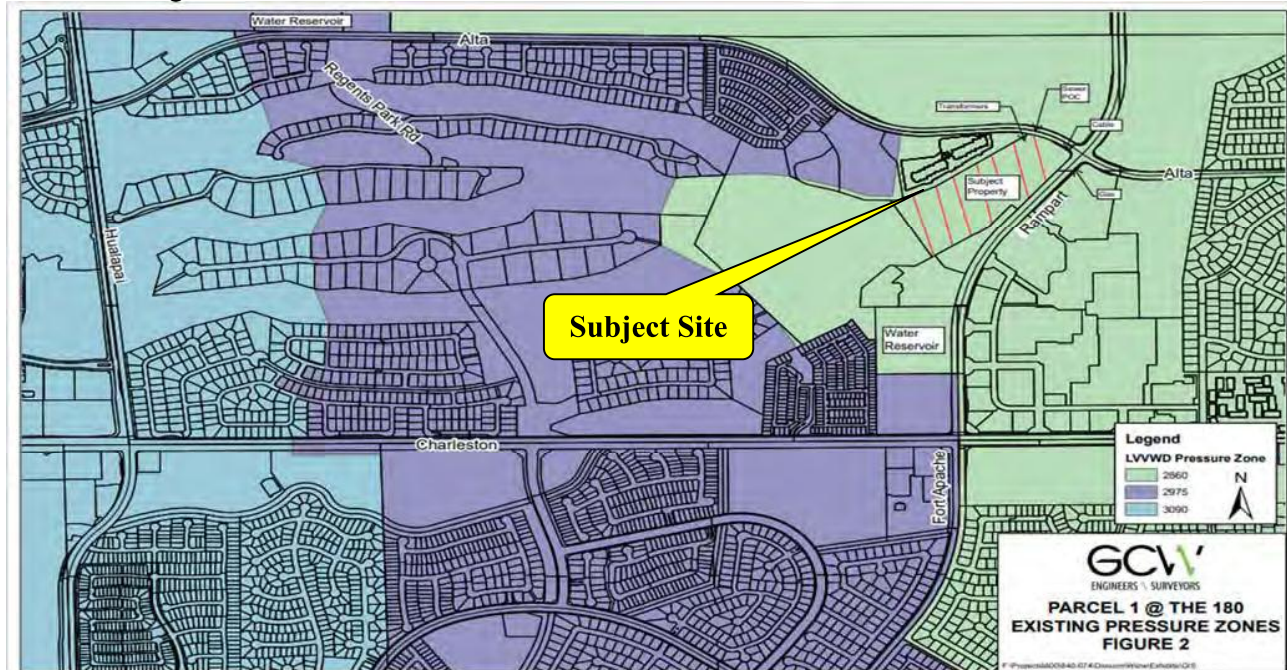
An environmental assessment report was not provided for review and environmental issues are beyond my scope of expertise. The inspection of the subject did not reveal any obvious signs that there are contaminants on or near the property. Therefore, I used the general assumption that the site is not adversely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

UTILITIES

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

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

The following reflects the location of utilities in the immediate area.



Source: GCW base map, with annotated utility locations added by Frank Pankratz of EHB.

STREET FRONTAGE & ACCESS,

The site has frontage along the south side of Alta Drive and the western side of Rampart Boulevard. It is my understanding that the property has general legal access to Alta Drive and Rampart Boulevard. More specific data regarding the subject's street frontages is in the following table.

Street	Rampart Boulevard	Alta Drive
Frontage Feet	+/- 700 Linear Feet	+/- 400 Linear Feet
Surface	Asphalt paving	Asphalt paving
On-Site Improvements	Concrete curb, gutter, sidewalk & Landscape buffer	Concrete curb, gutter, sidewalk & Landscape buffer
Lanes	Six-Lanes with Center Turn Lane	Four-Lanes with Center Turn Lane
Direction of Traffic	North / South	East / West
Traffic Station/Count	#1115/28,600 Vehicles per Day	#1567/7,100 Vehicles per Day
Traffic Control	Signalized intersection	Signalized intersection
Visibility	Good	Good

LEGAL INFORMATION (ZONING)

The subject property's zoning was recently addressed in a hearing before District Court Judge David Jones. In the Findings of Fact and Conclusions of Law Regarding Plaintiff Landowners

Motion to Determine “Property Interest,” Judge Jones ruled that the Landowners’ request that the Court determine the property interest is **GRANTED** in its entirety and it is hereby **Ordered** that:

- 1) The determination of the property interest in this inverse condemnation action must be based on inverse condemnation and eminent domain law;
- 2) Nevada inverse condemnation and eminent domain law provides that zoning must be relied upon to determine the Landowners property interest prior to any alleged City interference with that property interest;
- 3) The 17 Acre Property has been hard zoned R-PD7 [R-PD8] since 1981 and was re-zoned to R-3 prior to the filing of the Complaint in this matter;
- 4) The Las Vegas Municipal Code lists single-family and multi-family residential as legally permissible uses on R-PD7 and R-3 zoned properties by right;
- 5) The legally permitted uses by right of the 17 Acre Property are single-family and multi-family residential: and
- 6) The 17 Acre Property has at all times since 1981 been designated as “M” (residential) on the City’s Master Land use plan.

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

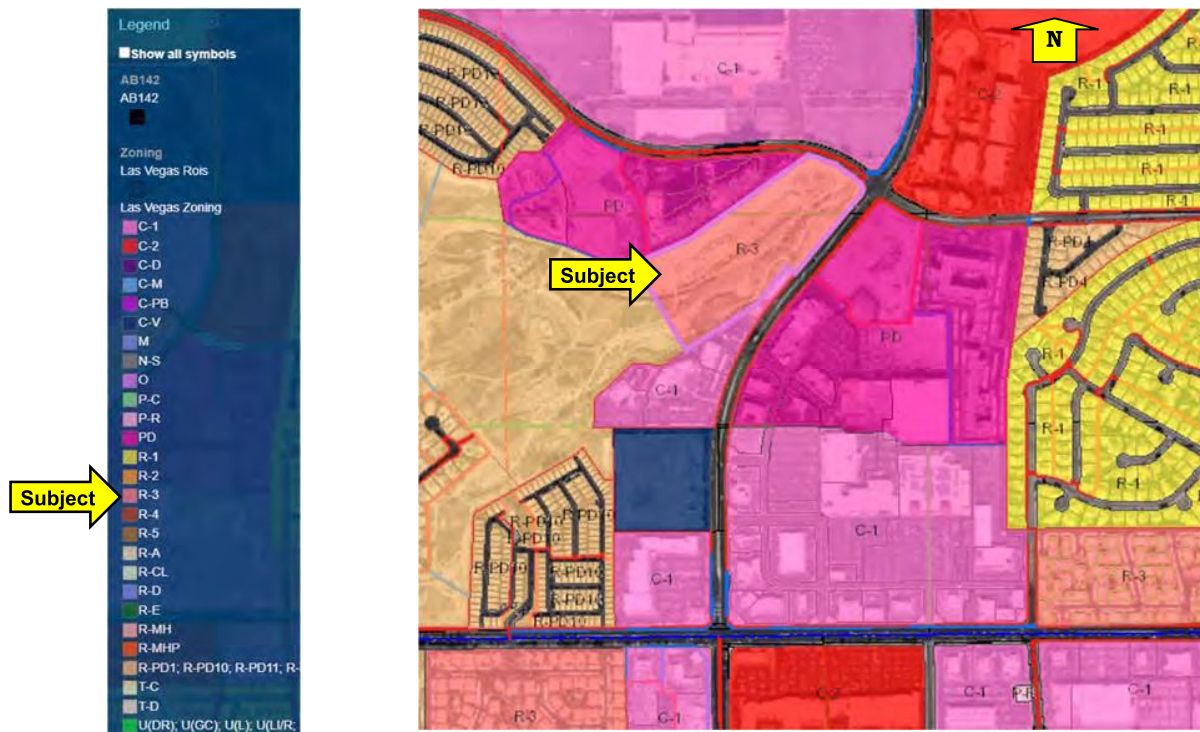
At a regular meeting held on February 15, 2017, the City Council approved a request for a Site Development Plan Review for a proposed 720-unit Multi-Family Residential (Condominium) Development consisting of Four, Four-Story Buildings on the 17.49-acre site. This approval, which required revised floor plans depicting a maximum of 435-units, was subject to obtaining approval of a General Plan Amendment (GPA-62387) and Rezoning (ZON-62392). The General Plan Amendment (GPA-62387) and Rezoning (ZON-62392) were both approved at the same meeting.

The density allowed in the R-3 District is shown to be 13-50 dwelling units per acre. However, there is a footnote that states: “Maximum dwelling units per acre (DUA) is determined by the underlying General Plan Designation and may not exceed the density permitted under said designation.” With 435 units approved for the subject site, a density of approximately 25-dwelling units per acre is indicated ($435\text{-units} \div 17.49\text{-Acres} = 24.87/\text{Units per Acre}$). This is well within the 13-50-dwelling unit range.

The following is the purpose of the R-3 zoning in the city of Las Vegas.

Designation:	R-3 Medium Density Residential District (R-3)
Purpose:	The purpose of the R-3 District is to provide for the development of a variety of multi-family units such as duplexes, townhouses and medium density apartments. The R-3 District is consistent with the policies of the Medium Density Residential and High Density Residential categories of the General Plan.
Zoning Jurisdiction:	City of Las Vegas

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



Source: Clark County Assessor's Open Web Mapper.

SURROUNDING USES

Immediately to the north of the subject parcel is One Queensridge Place, which includes two (2) condominium towers. The intersection of Alta Drive and Rampart Boulevard includes the Suncoast Hotel Casino at the northwest corner, Tivoli Village at the northeast corner and Boca Park's Fashion Village just south of the southeast corner.

The 7.66-acre vacant site at the southeast "hard" corner of Alta Drive and Rampart was sold in 2019 for \$18,980,000 or \$56.88 per square foot (\$2,477,693/Acre). Summerlin Parkway is located just north of this intersection. The reader is referred to the following aerial photograph for a visual illustration of the surrounding uses.

OTHER LEGAL AND REGULATORY CONSTRAINTS

Easements, Encumbrances, and Restrictions

Based on my review of public records, other than two (2) City of Las Vegas drainage easements that are discussed in another section of this report, I am not aware of any easements, encumbrances, or restrictions that would have adversely affect the highest and best use of the subject site. Therefore, this valuation is based on the general assumption that there were no adverse easements, encumbrances or restrictions and that the subject site had a clear and marketable title.

Encroachments

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

Other Land Use Regulations; Development Moratoriums

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

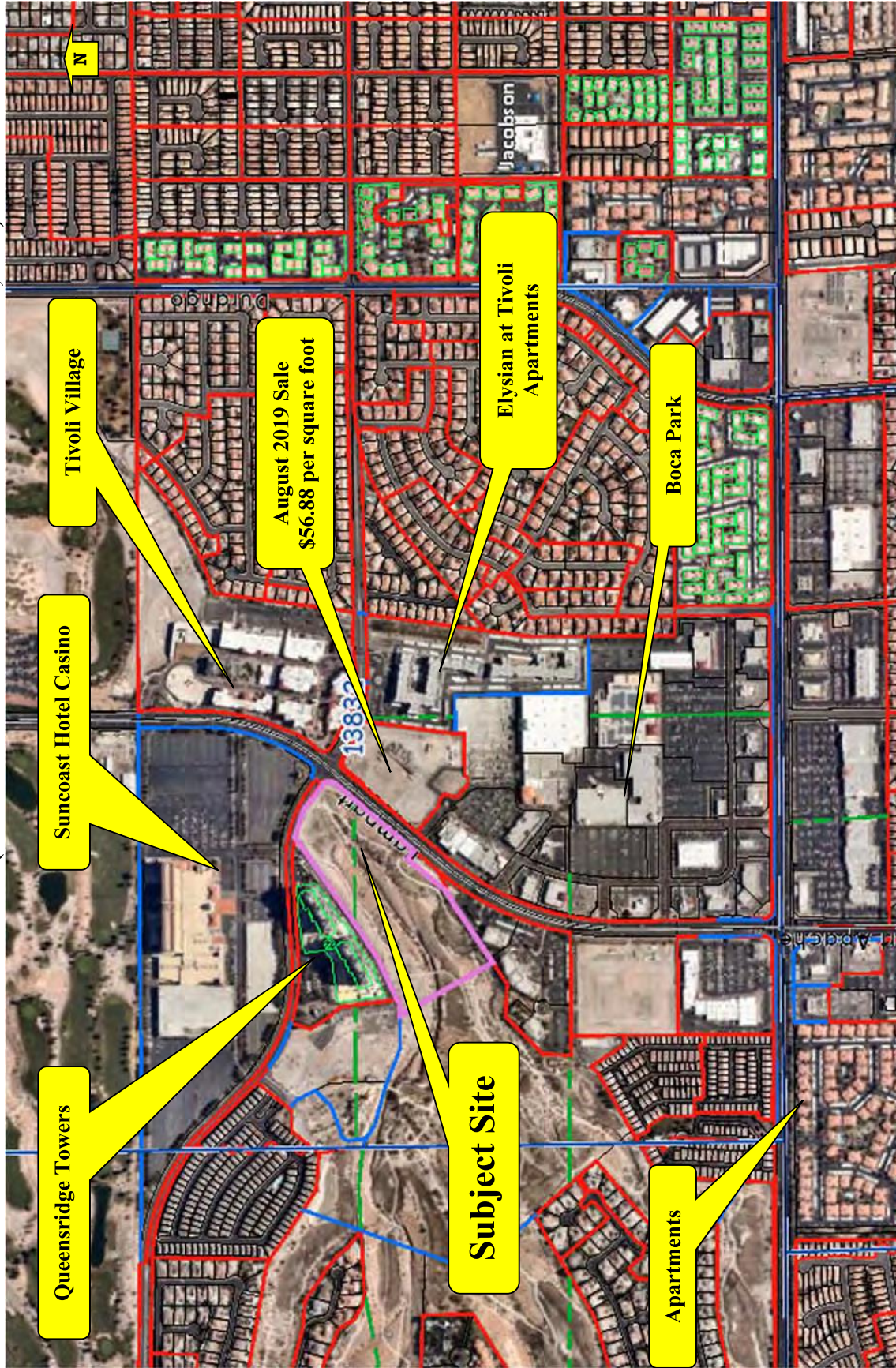
CONCLUSION OF LAND ANALYSIS IN THE BEFORE CONDITION

The subject of this analysis is a 17.49-acre vacant parcel of land located at the southwest corner of Alta Drive and Rampart Drive. In the before condition, this site was zoned R-3, which allowed a density of 13-to-50 dwelling units per acre, and approved for 435-units or just under 25-units per acre. The site had legal access to Alta Drive and Rampart Boulevard, and public utilities were located in both streets.

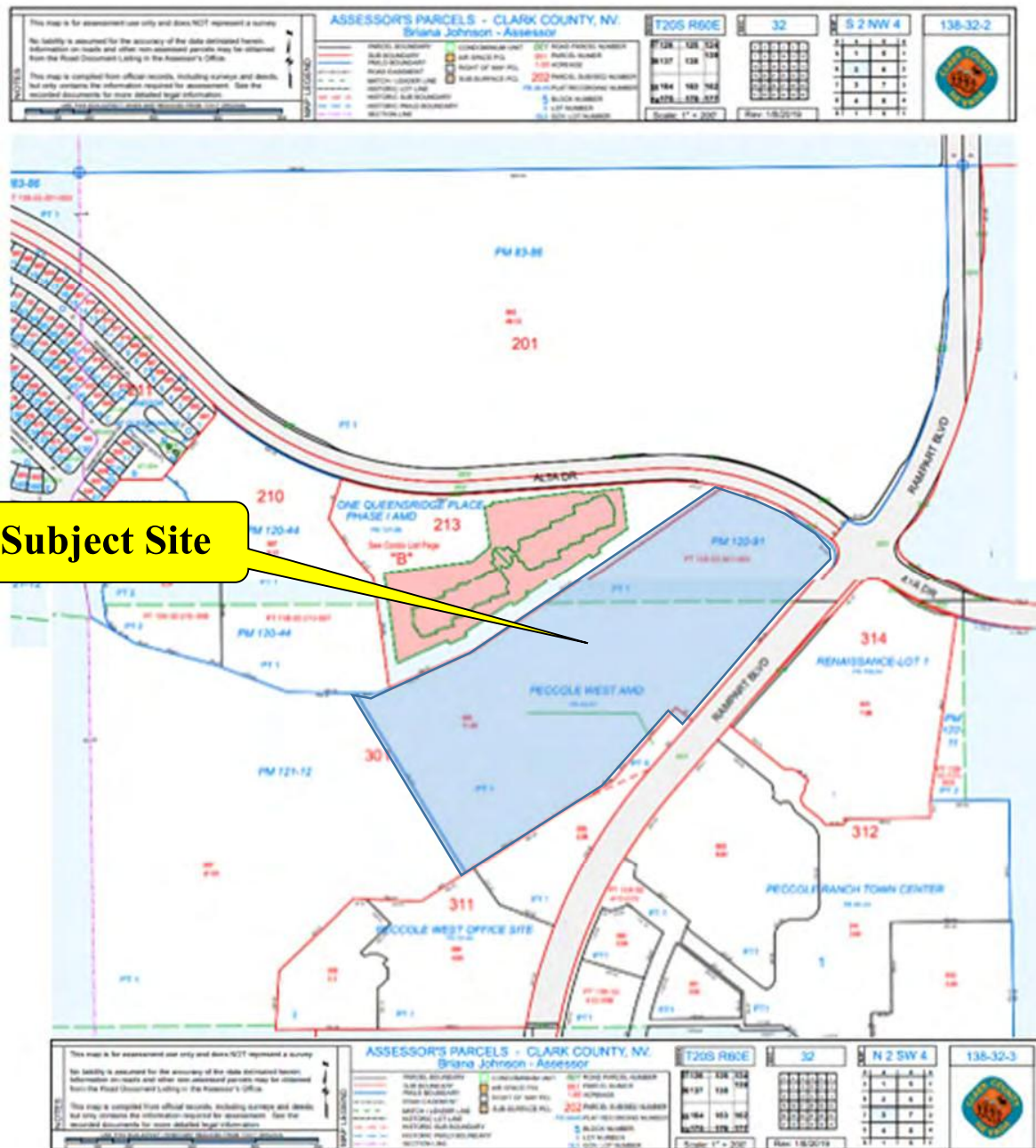
The property has drainage issues; however, the Landowners obtained estimates on the cost to cure. The cost estimates were based on the “100 Year Flood Control Facilities” plan prepared for GC Wallace. I estimated the cost at the average presented, added the grading costs, and added the entrepreneurial incentive that would be required to attract an investor. This reflected a total cost for grading and installing the drainage facilities at \$6,202,409 in May of 2018, and \$7,624,283 in October of 2022. Those amounts will be deducted from the indicated values to conclude the value of this property on each of the respective dates of value.

Overall, the site’s R-3 zoning, and physical characteristics were suitable for multi-family residential development, but the drainage must be considered in concluding values. On the following pages, I have included copies of an aerial photograph of the site with surrounding uses identified, and the Assessor’s Parcel Maps showing the subject site.

CLARK COUNTY ASSESSOR'S AERIAL PHOTOGRAPH (PHOTO REPORTED TO HAVE BEEN TAKEN FEBRUARY 14, 2022)



ASSESSOR'S PARCEL MAPS 138-32-2 & 138-32-3



ASSESSOR'S PARCELS - CLARK COUNTY, NV.

Briana Johnson - Assessor

T20S R50E

S2 NW 4

138-32-2

32

Rev: 1/8/2019

Scale: 1" = 200'

MAP LEGEND

Parcel Boundary (Solid black line)

Sub Boundary (Dashed black line)

Right of Way PCL (Thick solid black line)

Road Easement (Thin solid black line)

Historic Sub Line (Red dashed line)

Historic Lot Line (Blue dashed line)

Section Line (Green dashed line)

Condominium Unit (Pink box)

Air Space PCL (Yellow box)

Sub-Surface PCL (Orange box)

Block Number (Blue box)

Lot Number (Green box)

Assessment Year (Pink box)

Area Acreage (Yellow box)

Area Square Feet (Orange box)

Area Acres (Green box)

Area Square Meters (Blue box)

Area Hectares (Purple box)

Area Acres (Rounded) (Light green box)

Area Square Feet (Rounded) (Light orange box)

Area Acres (Rounded) (Light blue box)

Area Square Meters (Rounded) (Light purple box)

Area Hectares (Rounded) (Light pink box)

Area Acres (Rounded) (Light yellow box)

Area Square Feet (Rounded) (Light red box)

Area Acres (Rounded) (Light cyan box)

Area Square Meters (Rounded) (Light magenta box)

Area Hectares (Rounded) (Light brown box)

Area Acres (Rounded) (Light grey box)

Area Square Feet (Rounded) (Light olive box)

Area Acres (Rounded) (Light tan box)

Area Square Meters (Rounded) (Light mint box)

Area Hectares (Rounded) (Light peach box)

Area Acres (Rounded) (Light lavender box)

Area Square Feet (Rounded) (Light coral box)

Area Acres (Rounded) (Light plum box)

Area Square Meters (Rounded) (Light slate box)

Area Hectares (Rounded) (Light steel box)

Area Acres (Rounded) (Light sky box)

Area Square Feet (Rounded) (Light seafoam box)

Area Acres (Rounded) (Light turquoise box)

Area Square Meters (Rounded) (Light aquamarine box)

Area Hectares (Rounded) (Light powder blue box)

Area Acres (Rounded) (Light cornflower blue box)

Area Square Feet (Rounded) (Light mediumslateblue box)

Area Acres (Rounded) (Light orchid box)

Area Square Meters (Rounded) (Light thistle box)

Area Hectares (Rounded) (Light plumbox2 box)

Area Acres (Rounded) (Light firebrick box)

Area Square Feet (Rounded) (Light darkred box)

Area Acres (Rounded) (Light darkgreen box)

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Area Square Feet (Rounded) (Light lightcoral box)

Area Acres (Rounded) (Light lightplum box)

Area Square Meters (Rounded) (Light lightslate box)

Area Hectares (Rounded) (Light lightsteel box)

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Area Square Feet (Rounded) (Light lightseafoam box)

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Area Square Meters (Rounded) (Light lightaquamarine box)

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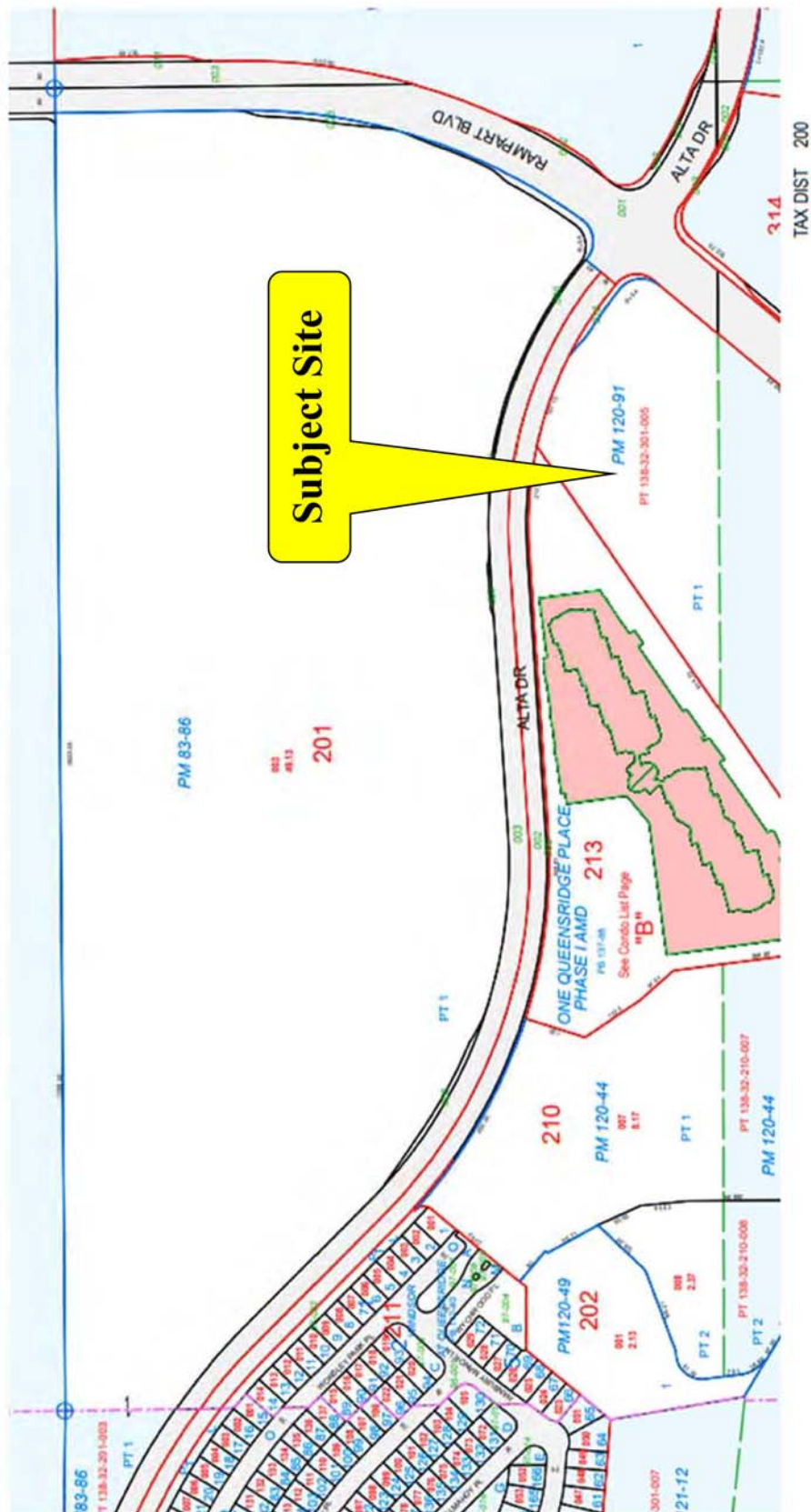
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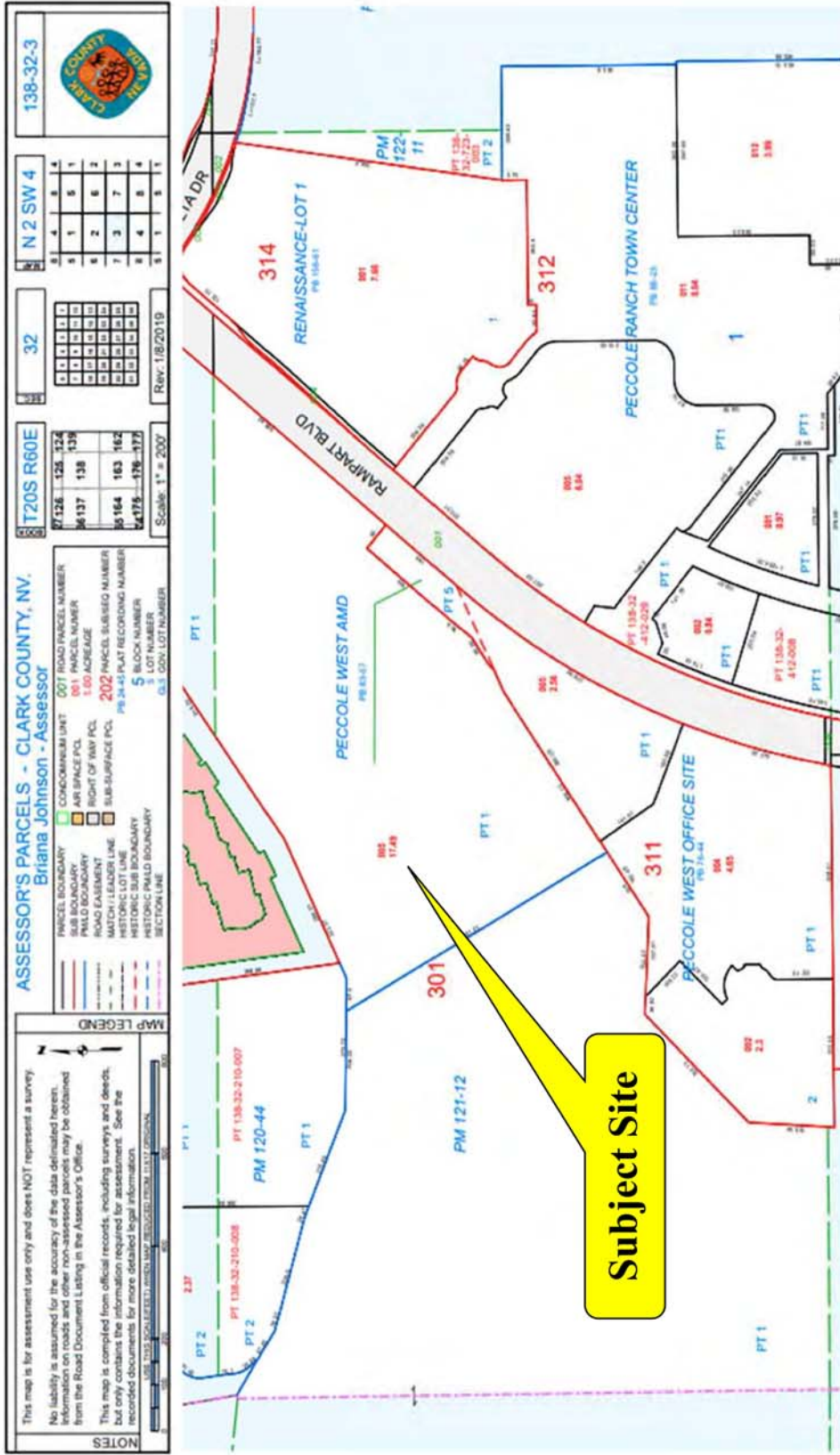
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ASSESSOR'S PARCEL MAP 138-32-3



[illegible]

Rampart & Alta Condominiums
LAS VEGAS, NEVADA

GPA-62387, ZON-62392 and SDR-62393 - REVISED



 A-2
 APR 25 2006

REAL ESTATE TAX ANALYSIS

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

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

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

The following reflects the subject's real estate taxes for the 2018 fiscal year, which ran July 1, 2017 through June 30, 2018.

AD VALOREM TAX INFORMATION			
Assessor's 2018 Fiscal Year Assessed Property Values			
APN	Land Value	Improvements	Total
138-32-301-005	\$ 5,684,251	\$ -	\$ 5,684,251
Subtotal			\$ 5,684,251
Assessed Value @			35%
Taxable Value			\$ 1,989,488
Tax Rate/\$100 AV			3.2782
Taxes as Assessed			\$ 65,219
<i>Source: Clark County Treasurer's Office</i>			

The assessed value in 2018 was based on the Assessor's estimated market value of \$5,684,251, which is equal to a value of \$325,000 per acre or \$7.46 per square foot. Based on the concluded market value of the subject, the assessed value is low. However, this is typical as the assessor's office has historically been on the conservative side of value. Therefore, in the before condition the subject's assessed value and real estate taxes should not negatively affect the site's value.

HIGHEST AND BEST USE ANALYSIS – IN THE BEFORE CONDITION

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

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

PROCESS

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

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

HIGHEST AND BEST USE AS IF VACANT IN THE BEFORE CONDITION

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

LEGALLY PERMISSIBLE

In the before condition, the subject site consisted of a 17.49-acre site located at the southwest corner of Alta Drive and Rampart Boulevard. Immediately to the north of the subject parcel is One Queensridge Place, which includes two (2) condominium towers, with commercial and office uses to the south. The intersection of Alta Drive and Rampart Boulevard includes the subject site at the southwest corner, the Suncoast Hotel Casino at the northwest corner, Tivoli Village at the northeast corner and Boca Park's Fashion Village just south of the southeast corner.

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

- "14. Nevada Supreme Court precedent provides that zoning and the likelihood of zoning governs the property interest determination in this inverse condemnation case."
- "18. The Court relies on both inverse condemnation and direct eminent domain cases, because the Nevada Supreme court held, "inverse condemnation proceedings are

the constitutional equivalent to eminent domain actions and are governed by the same rules and principles applied to formal condemnation proceedings.”²

- “19. Nevada Revised Statutes also provide that zoning is of the highest order when determining property rights in the State of Nevada. NRS 278.349(3)(e) provides if “any existing zoning ordinance is inconsistent with the master plan, the zoning takes precedence.”
- “27. Based on the foregoing, the Court will rely on zoning to determine the property rights issue in this matter. Specifically, the Court will consider “the current zoning of the property, as well as the likelihood of a zoning change” as directed by the Nevada Supreme Court in *City of Las Vegas v. C. Bustos*, 119 Nev. 360, 362 (2003).”
- “28. As the evidence is undisputed that the 17 Acre Property had R-PD7 [R-PD8] zoning since 1981 and was re-zoned to R-3 on February 15, 2017, the Court turns to the RPD-7 and R-3 zoning to determine the property rights issue.”
- “35. In regards to R-3 zoning, LVMC 19.12.010(B) is the City Code “Land Use Table” which identifies those uses “permitted as a principle use in that zoning district” with a “P” designation. The R-3 zoning lists “multi-family residential,” “single family attached,” and “single family detached” with a “P” designation, meaning these are uses “permitted as a principle use in [the R-3] zoning district by right.”
- “36. Accordingly, the R-PD7 and R-3 zoning on the 17 Acre Property provide the Landowners the right to use the 17 Acre Property for single family residential and multi-family residential uses. In fact, the City conceded this issue when it re-zoned the 17 Acre Property to R-3 and granted the 435 residential units February 15, 2017, prior to filing of the complaint in this matter.”

The Court then referenced Timothy C. Williams findings in the related 35 acre case. In the Findings of Fact and Conclusions of Law Regarding Plaintiff Landowners Motion to Determine “Property Interest,” in the related 35-acre case, Judge Williams had ruled;

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

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

Therefore, the Landowners’ request that the Court determine the property interest is **GRANTED** in its entirety and it is hereby **Ordered** that:

² *County of Clark v. Alper*. 100 Nev. 382, 391 (1984)

- 1) The determination of the property interest in this inverse condemnation action must be based on inverse condemnation and eminent domain law;
- 2) Nevada inverse condemnation and eminent domain law provides that zoning must be relied upon to determine the Landowners' property interest prior to any alleged City interference with that property interest;
- 3) The 17 Acre Property has been hard zoned R-PD7 since 1981 and was re-zoned to R-3 prior to the filing of the Complaint in this matter;
- 4) The Las Vegas Municipal Code lists single-family and multi-family residential as legally permissible uses on R-PD7 and R-3 zoned properties by right;
- 5) The legally permitted uses by right of the 17 Acre Property are single-family and multi-family residential: and
- 6) The 17 Acre Property has at all times since 1981 been designated as "M" (residential) on the City's Master Land use plan.

This is consistent with my investigation as well. The subject had been zoned R-PD7 and was rezoned in 2017 to R-3. Therefore, I considered the density allowed in each.

The density allowed in the R-PD District is reflected by a numerical designation for that district. However, new development under the R-PD District is not favored and will not be available under this Code. The R-PD7 zoning standards would be analogous to the LVMC 19.06.100 for the R-2 District, which allows 6-to-12 dwelling units per gross.

At a regular meeting held on February 15, 2017, the Las Vegas City Council approved a request for a Site Development Plan Review for a proposed 720-unit Multi-Family Residential (Condominium) Development consisting of Four, Four-Story Buildings on the 17.49-acre subject site. The approval required revised floor plans depicting a maximum of 435-units and was subject to obtaining approval of a General Plan Amendment (GPA-62387) and Rezoning (ZON-62392). The GPA (GPA-62387) and Rezoning (ZON-62392) were both approved at the same February 15, 2017 regular meeting.

The R-3 District provides for the development of a variety of multi-family units such as duplexes, townhouses and medium density apartments. The density allowed in the R-3 District is stated to be 13-50 dwelling units per acre. However, there is a footnote that states: "Maximum dwelling units per acre (DUA) is determined by the underlying General Plan Designation and may not exceed the density permitted under said designation." With 435-dwelling units approved for the subject site, a density of approximately 25-dwelling units per acre is reflected. This is well within the 13-to-50-dwelling unit range allowed in the R-3 district.

In looking at development trends, I noted that One Queensridge Place, which includes two upscale (2) condominium towers, abuts the subject site's northern boundary. Besides the subject property, the intersection of Alta Drive and Rampart Boulevard includes the Suncoast Hotel Casino at the northwest corner, Tivoli Village at the northeast corner and Boca Park's Fashion Village just south of the southeast corner. The 7.66-acre vacant site at the southeast corner of Alta Drive and Rampart was sold in 2019 for \$18,980,000 or \$56.88 per square foot (\$2,477,693/Acre). Summerlin Parkway is located just north of this intersection.

Given that the subject was zoned for medium density residential use with 435-dwelling units, located at an intersection with a hotel casino, and very dense retail and office development, industrial uses have been ruled out from further consideration. And based on the area's opposition to developing this site, it is reasonably probable that trying to obtain a commercial zoning designation would not be successful.

I am also aware that the subject property was historically used as part of a golf course. However, a golf course is not a permitted use in the R-2 or R-3 zoning district. The following is the permitted use table showing which districts allow public golf courses.

Table 2 - Permitted Use 19.12.010(B)																			
Click Title for additional information	U	R-E	R-D	R-1	R-SL	R-CL	R-TH	R-2	R-3	R-4	R-MH	P-O	O	C-D	C-1	C-2	C-PB	C-M	M
Commercial Recreation/Amusement (Outdoor)																P		P	P

Commercial Recreation/Amusement (Outdoor)

Description: An outdoor facility or area for sport, entertainment, games of skill, or recreation that is open to use by the general public for a fee. This use includes without limitation game courts, water slides, golf courses, outdoor miniature golf courses, drive-in theaters, batting cages, practice/instructional fields, amusement parks, amphitheaters, indoor general entertainment establishments, and sports events.

After considering the site's R-3 zoning designation, the allowable uses in the R-2 and R-3 districts, and recognizing the principle of conformity, medium density residential use should be given further consideration in determining this site's highest and best use of this property in its "before condition." However, since the site was historically used as part of a golf course, I will also analyze a golf course use on the property.

Physically Possible

What uses were physically possible in the site's before condition? In the previous section of this report, I discussed the physical characteristics of the subject site. Physically, the site consisted of a 17.49 acre or 761,864 square foot site that enjoyed approximately 400-linear-feet of frontage along Alta Drive, the site's northern boundary, and approximately 700-linear-feet of frontage along Rampart Boulevard, the site's eastern boundary.

The property's Alta and Rampart frontages were fully improved with concrete curbs, gutters, and sidewalks, as well as landscaped buffers. The site's topography is undulating and slopes from its high point at its western boundary, to the east as it follows the natural terrain in the area. My inspection indicated that the property had been left in its original ungraded state for use as a portion of the golf course. As for ground stability, the subject site has two (2) high-rise condominium towers immediately to its north, and an office development to its south. As for the northwest, northeast and southeast corners of this intersection, they are developed with a hotel casino, Suncoast Hotel Casino, and very dense commercial developments, Tivoli Village and Boca Park, respectively.

I was also provided a soils report prepared by Construction Testing Services, LLC (CTS). CTS concluded that the subject site was suited for development provided they follow the recommendations in their soils report. I have used the general assumption that the subject's soil bearing capacity was sufficient to support development of this site to its highest and best use.

I am also aware that the property is located within an area designated as a Flood Zone A. I was provided information about the cost to address the drainage issued on this site. These estimates were prepared by Aggregate Industries SWR., Inc., on January 20, 2022. The cost estimates, which were based on the “100 Year Flood Control Facilities” plan prepared for GC Wallace, ranged from \$4,049,370 to \$4,665,739 in May of 2018, and increases to \$4,963,838 to \$5,747,236 in October of 2022.

The difference in 2018 is \$0.81 per square foot, which increases to \$1.03 per square foot in 2022. I estimated the cost at the mid-way point, and added the entrepreneurial incentive that would be required to attract an investor. This reflected a total cost to cure of \$4,793,310 in May of 2018, and \$5,891,091 in October of 2022. Those amounts must be deducted from the estimate value of the subject property on each of the respective dates of value.

There were no environmental hazards known on the site that I am aware of, and all necessary utilities were available. The location of the property, the only undeveloped corner at a densely developed intersection that abuts two (2) upscale master-planned communities, Summerlin and Queensridge, access to major roadways with proximity to Summerlin Parkway, provides support for a medium-density residential development. While the legally permissible and physically possible attributes of the site suggest the most likely use of the property would be a medium-density residential development that could take advantage of the site’s location, community recreational uses or public park use, and golf course uses will still be considered in the feasibility section of the highest and best use analysis.

Financially Feasible

As for feasible uses, I looked at the medium-density residential market, and community recreational or public park uses. I also considered the financial feasibility of a golf course use as the property had historically been used as a portion of a golf course.

I first looked at the medium density residential market. To ascertain if a medium-density residential development, which is emerging as the highest and best use of this site, is feasible, I reviewed Colliers International Multifamily Reports, and Marcus Millichap Multifamily Research Market Reports.

According to the Colliers International 2018 1st Quarter Multifamily Report, multifamily vacancy decreased to 3% in the 4th quarter of 2017. They reported that all eight of the Valley’s submarkets had positive net absorption in the fourth quarter of 2017, with the highest net absorption occurring in the Northwest/Southwest submarket. The subject is located within this submarket. The highest net absorption for 2017 as a whole was 1,401 units in the subject’s Northwest/Southwest submarket, followed by the Henderson/Green Valley submarket.

As for market indicators, Colliers International reported the following:

Market Indicators

Relative to prior period	Q4 2017	Q1 2018*
VACANCY	↓	↓
NET ABSORPTION	↓	↑
COMPLETIONS	↔	↑
RENTAL RATE	↑	↑
*Projected		

Source: Colliers International 2018 1st Quarter Multifamily Report

As for their most recent report, their 4th Quarter 2021 Report, multifamily vacancy was at 2.6% in the 4th quarter of 2021. They reported that the average rent per square foot increased by \$0.08 psf over last quarter, and by \$0.31 psf over last year. Multifamily inventory increased by 3,577 units in 2021. Asking rental rates increased to \$1,440 per unit this quarter, a 24.9% Year-Over-Year increase. The following is a historical comparison they included in their report.

Historic Comparison

	20Q4	21Q3	21Q4
Total Inventory (in Thousands of Units)	219.3	222.4	222.9
New Supply (in Units)	898	883	458
Average Rental Rate (per Square Foot)	\$1.26	\$1.49	\$1.57
Vacancy Rate	3.5%	2.5%	2.6%
Under Construction (in Units)	7,383	7,208	6,953
Average Rental Rate (Per Unit)	\$1,153	\$1,366	\$1,440

Source: Colliers International 2018 1st Quarter Multifamily Report

I also looked at the Marcus & Millichap 2018 1st Quarter and the 2022 Multifamily National Investment Forecast. According to the 2018 report:

- Overall transactions in the metro rose by a modest amount as investors pursued cap rates in the high-5 to low-6 percent range. The vast majority of the closed deals were in the urban core along the Strip or in Downtown Las Vegas.
- The average price per unit advanced roughly 7 percent last year, reaching \$90,000. Properties in Paradise and Summerlin garnered the highest prices, exchanging ownership above \$130,000 per door.

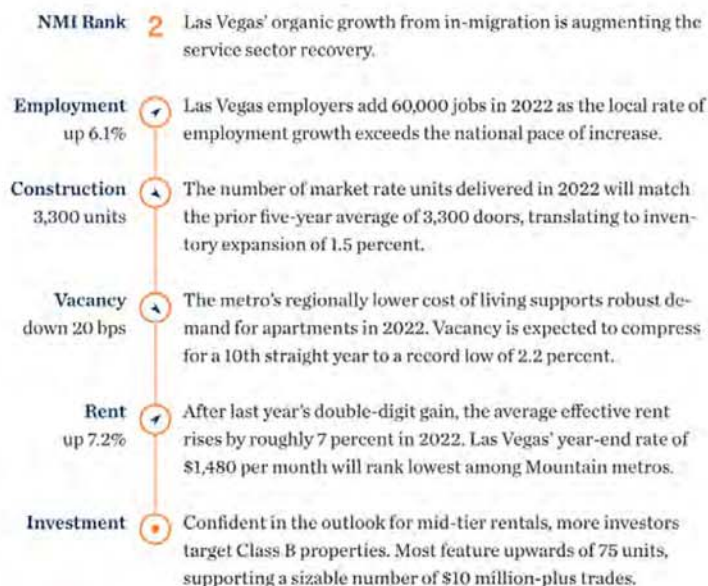
As for their 2018 Outlook, they reported the following:



Source: Marcus & Millichap Second Quarter 2018 Multifamily Research Market Report

I also reviewed their 2022 Multifamily National Investment Forecast. According to that forecast, low vacancy rates are common across all asset classes. There was record absorption in the last year and expectations are for strong demand across all rental tiers for the next twelve (12) months.

The Marcus & Millichap report includes a National Multifamily Index (NMI). This index ranks the 46 submarkets that they survey. They reported that Nation-leading rates of job creation and household formation place Orlando (#1) and Las Vegas (#2) at the top of their U.S. National Multifamily Index for 2022. The following is a summary of their 2022 market forecast.



As for the historical multifamily apartment sales in the Las Vegas market, the Las Vegas Review Journal recently reported the average unit prices paid for apartment units from 2011 through 2021. The following reflects this data.

Year	Avg. Unit \$	% Δ
2011	\$ 38,219	
2012	\$ 54,780	43%
2013	\$ 69,151	26%
2014	\$ 76,106	10%
2015	\$ 71,662	-6%
2016	\$ 105,737	48%
2017	\$ 113,464	7%
2018	\$ 119,935	6%
2019	\$ 158,585	32%
2020	\$ 155,933	-2%
2021	\$ 215,151	38%

This reflects substantial growth in the Las Vegas multifamily market's average unit price. Over the last over the last ten (10) years, the average unit prices have increased 463%. Since 2017, the average unit price is up 90%, which reflects an annual compound rate of 17.34% over the last four (4) years.

Las Vegas and the nation saw housing be a very strong growth market during the pandemic. Housing in this reference includes both single-family and multi-family products. That is continuing, but according to a March 2, 2022 report from the National Association of Home Builders (NAHB), year-over-year single family residential building growth peaked in the second half of 2021. In contrast, they reported that multi-family construction has continued to maintain its pace.

"As the economy reopened in most parts of the nation during the latter part of 2021, solid home building activity occurred in all regional submarkets," NAHB chief economist Robert Dietz said in the report. "Multifamily production posted strong gains in all regional markets as the demand for apartments increased. Meanwhile, supply-side constraints that include ongoing labor shortages and a lack of key housing products that include garage doors, appliances and windows have delayed single-family construction times across the nation and put upward pressure on home prices."

Unfortunately, the lack of single-family inventory means higher prices when mortgage rates are expected to rise. Here are some of the NAHB's observations about single-family building growth rates:

- Construction growth in large metro core counties fell from 26.3% in the second quarter to 13.0% in the fourth quarter.
- In large metro suburban counties, construction growth fell from 31.6% in the second quarter to 13.2% in the fourth quarter.
- For small metro core counties, construction growth was 27.7% in the second quarter but fell to 16.7% in the fourth quarter.
- Construction growth in small metro outlying counties fell from 31.8% in the second quarter to 20.3% in the fourth quarter.

And here are the figures for multifamily construction growth rates:

- Construction growth in large metro core counties rose from 1.2% in the second quarter to 21.8% in the fourth quarter.
- In large metro suburban counties, construction growth rose from 4.1% in the second quarter to 21.8% in the fourth quarter.
- For small metro core counties, construction growth was 16.0% in the second quarter but increased to 34.9% in the fourth quarter.
- Construction growth in small metro outlying counties rose from 23.7% in the second quarter to 70.4% in the fourth quarter.

These sentiments were stated in the following article in CoStar News, March 10, 2022.

BEACH-THEMED APARTMENTS IN LAS VEGAS TRADE FOR \$97.5 MILLION

**PER-UNIT SALES PRICE DOUBLES REGIONAL AVERAGE AS GAMBLING CAPITAL SEES
RISING MULTIFAMILY DEMAND**



San Diego-based Logan Capital Advisors acquired the 220-unit South Beach Apartments in Las Vegas. (Cushman & Wakefield)

By Lou Hirsh
CoStar News

March 10, 2022 | 12:29 P.M.

A \$97.5 million Las Vegas apartment sale is among the region's largest of the past year amid heightened investor interest in the gambling capital.

San Diego-based Logan Capital Advisors acquired the 220-unit South Beach Apartments, built in 2017 at 8920 W. Russell Road, for a price amounting to approximately \$443,000 per unit, according to public data and brokers at Cushman & Wakefield. The seller was Griffin Realty Trust of El Segundo, California.

The per-unit price paid for South Beach Apartments is double the regional average of \$221,000 paid for Las Vegas multifamily properties during the past year, according to CoStar Market Analytics data as of March 10.

The South Beach Apartments transaction presented the buyer with an opportunity in a growing neighborhood in a city that has seen exceptionally strong leasing activity, said Cushman & Wakefield Senior Director Taylor Sims in a statement. Sims represented the seller in the deal.

Las Vegas during the past year has seen a considerable recovery from early pandemic conditions that seriously diminished tourism and real estate demand. Las Vegas had \$5.5 billion in apartment investments over the past 12 months, up 720% from the prior year as rents grew 21.3% and the vacancy rate remained tight at 5.3%, according to CoStar data.

The deal marks Logan Capital Advisors' third Las Vegas multifamily acquisition since 2018, as it looks to add to its Southwest portfolio, said Ruben Islas, a founding partner at the firm quoted in the Cushman statement.

Located near Interstate 215 in the Summerlin-Spring Valley neighborhood, South Beach Apartments' amenities include a salt-water pool with an adjacent 16-foot TV, a beach volleyball court, a soccer field, a dog park and a yoga studio.

FOR THE RECORD

The seller of the Las Vegas apartment complex was represented by Taylor Sims, Carl Sims and Brady Cleary of Cushman & Wakefield. The buyer was self-represented.

After considering the state of the Las Vegas multifamily market in the first half of 2018 as well as the current and forecast market conditions for 2022, it is my opinion that a multifamily development, such as the approved 435-unit development approved for the subject site by the Las Vegas City Council in February of 2017, built to the area standards would have had a value commensurate with its cost. Therefore, I would expect the typical buyer to develop the property with a conforming multifamily development.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- Primm Valley Golf Course (Two (2) 18-hole golf courses)
- Spanish Trail Country Club (27 holes)
- Legacy Golf Club, Henderson (18 holes)
- Wildhorse Golf Club, Henderson (18 holes)
- Mountain Falls Golf Club, Pahrump (18 holes)

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

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

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

During this period (2014 to 2016), cost of sales percentage was slowly increasing. This expense was 14.1% of revenues in 2014, increased 80 basis points to 14.9% in 2015 and then increased another 100 basis points to 15.9% in 2016. This resulted in the effective gross income (EGI) being \$3,038,330 in 2014, \$2,679,318 in 2015 (down 11.8%), and

\$1,819,789 through the first eleven months of 2016 (down another 32.1%). Annualized, the 2016 EGI would be \$1,985,224, which was still down 25.9% from 2015.

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

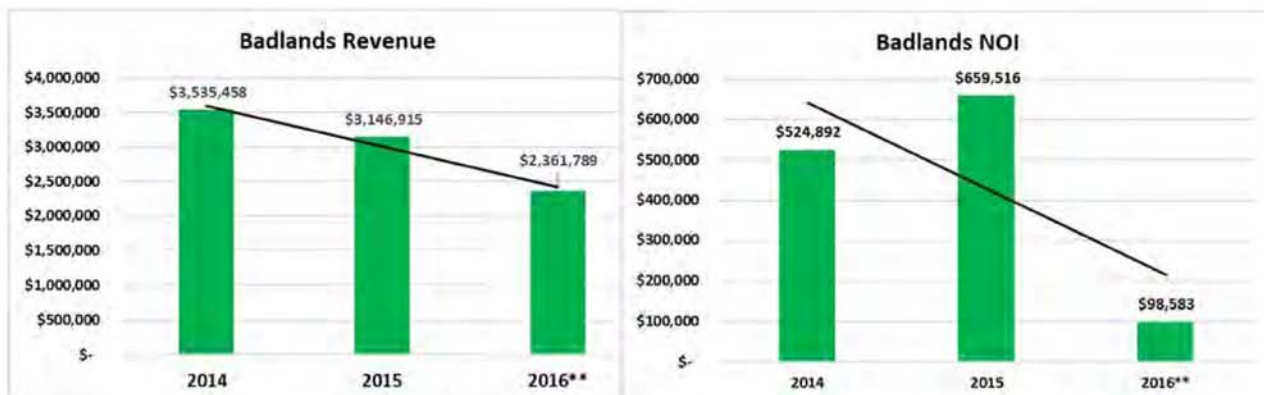
The historical net operating income (NOI) for the subject property is calculated by deducting the operating expenses from the EGI. The reported NOI was \$524,892 in 2014, \$659,516 in 2015 and \$90,368 for the first eleven months of 2016. Annualized, the 2016 NOI is \$98,583. Therefore, the NOI increased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

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

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

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

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



While there was an 81.2% decline in NOI over the prior three (3) years it was operating, the true picture of this property's viability is incomplete without including the deferred maintenance that had been ignored. It is not like the owner could have just decided on May 17, 2018, "let's open the course for play today." For the reader's perspective of the course's overall condition on May 17, 2018, I included the following photograph of the course. This photo was reportedly taken May 20, 2018 (Source: Google Earth).



It is obvious that the property was not ready for play in May of 2018 as the turf was dead and the ponds were empty and exposed. As of my January 2022 inspection, this condition had not changed and would not be expected to change anytime soon, suggesting a similar situation in October of 2022. Therefore, I looked at the cost to cure the property's deferred maintenance to see if it was economically feasible to return to operations on the effective date of value.

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

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

The previous items are a summary of the major capital expenditures required as of September 14, 2017, but does not include any unforeseen issues such as problems with the pumps, wells or any other existing infrastructure. For example, if the irrigation system needs to be replaced, the cost adds another \$2+M to the cost to reopen. The previous costs, without the irrigation system, total a minimum of \$6.75M with a refresh for the club house, and a maximum of \$13.75M if the club house is to be completely redone. In addition, these costs were estimated as of a date approximately eight (8) months prior to the effective date of value. Since costs were increasing during this period, the costs would be higher in May of 2018. Adding in the inflation that began in 2021, a much higher cost would be associated with the October 2022 date of value.

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

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

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

1. The above calculations are based on the extraordinary assumption that the provided costs to cure the deferred maintenance were accurate as of September 14, 2017, which was approximately eight (8) months prior to the May 2018 date of value.

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

The GGA report stated that their Director, Tommy Sasser, validated the previous cost estimates provided by Elite Management. They stated that Mr. Sasser has expertise in golf course renovation and construction management with over three decades of experience directing land development activities and has been involved in the design and/or construction of over 75 golf courses around the globe. The GGA report states that Mr. Sasser solicited a second expert opinion on the restoration costs from Heritage Links (a division of Lexicon Inc.), a Houston based restoration company with knowledge of the golf course. The total estimate provided by Heritage Links projects a cost of more than \$3.74M as of a date eight (8) months prior to the May 17, 2018 date of value, and does not include contingencies.

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

On December 1st, 2016, Keith Flatt (CEO of Elite Golf Management), expressed the following opinion in another memo to ownership: *"Unfortunately, it no longer makes sense for Elite Golf to remain at the facility under our lease agreement. The golf world continues to struggle, and Badlands revenues have continued to decrease over the years. This year we will finish 40% less in revenue than 2015 and 2015 was already 20% down from 2014. At that rate, we cannot continue to sustain the property where it makes financial sense for us to stay. Even with your generosity of the possibility of staying with*

no rent, we do not see how we can continue forward without losing a substantial sum of money over the next year. The possibility of staying rent free was enticing and we apologize if our email to customers about staying may have caused any issues for you, but after full consideration of our current financial status at Badlands, we came to the conclusion that we just could not afford to stay any longer.”

In addition to the previously discussed data, the fact that the two prior golf course management companies could not operate the Badlands at a profit sufficient to justify remaining on the Subject Property in the preceding years, even with free rent while ignoring the deferred maintenance, demonstrates operating the Badlands was not financially feasible as of December 2016 when it was closed or May 17, 2018, the retrospective effective date of value. And based on the current condition of the course, it would not be feasible to re-open on October 10, 2022, the prospective date of value. Therefore, golf course use is ruled out from further consideration as to being the highest and best use of the subject property.

I also researched the market for sales of public parks. For a public park use, the value of the subject would need to exceed \$33.86 per square foot in May of 2018 and \$58.00 per square foot in October of 2022. I used CoStar to search but did not find any park sales I could compare to the subject. And when considering this park would be subject to annual property taxes of over \$65,000, the possibility of this type of use being more productive than a medium-density residential use is not a reasonably probable conclusion. Therefore, golf course and public park uses have been eliminated from consideration as being the highest and best use of this site in its before condition.

Given the previous information, it is my opinion that the legally permissible, physically possible, and financially feasible use of this site, as of the effective date of value, was a medium-density residential use. This type of development would conform to the surrounding uses at this densely developed intersection and would conform to the site's R-3 zoning designation.

Maximally Productive

Based on the reasonably probable development scenarios and the potential values that could be created, I have concluded that developing the site with a medium-density residential use that conforms with the surrounding developments at this intersection was the maximally productive use of the subject property, as of May 17, 2018, and based on the current trends, would also be the maximally productive use, as of October 10, 2022.

CONCLUSION

Based on my research, I concluded that a medium-density multi-family residential use best met the four tests of highest and best use as of the both the retrospective May 17, 2018 date of value and the prospective October 10, 2022, effective date of value.

MOST PROBABLE BUYER

Based on the characteristics of the property, the likely buyer is a local or regional developer that would look to develop the property with a conforming multi-family development.

VALUATION ANALYSIS

VALUATION METHODOLOGY

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

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

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

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

In the following sections of this report, the sales comparison approach will be used to estimate the value of the subject in the before condition as of each effective date of value. For the sales comparison approach, I will research the market for multi-family land sales that can be compared to the subject property as of May 17, 2018 and as of October 10, 2022, in the before condition. After applying market supported adjustments, these sales will provide an indication of the subject site's market value in the before condition as of both dates. That analysis will be followed by my analysis of the value of the remainder in the "after condition." I will then conclude the just compensation due to the landowners, retrospectively, as of May 17, 2018 and prospectively, as of October 10, 2022, the effective dates of value for this assignment.

SALES COMPARISON APPROACH – BEFORE CONDITION

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

For this analysis, I included eight (8) comparables, with closing dates between September 30, 2016, and February 17, 2022. I also included a property that is in escrow and due to close and a current listing. The first four (4) comparables will be used to develop a supportable opinion of the subject site's retrospective market value as of May 17, 2018. The second four (4) comparables will then be used to develop a supportable opinion of the subject site's prospective market value as of October 10, 2022.

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

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

LOCATION/ # APN	SALE DATE	SALE PRICE	ACRE	\$/ACRE	SF	\$/SF	ZONING
1 3150 W. Twain Avenue 162-17-311-003	09/20/18	\$ 12,000,000	6.06	\$ 1,980,198	263,974	\$ 45.46	H-1
2 8791 Alta Drive 138-32-723-003	09/26/17	\$ 25,500,000	15.60	\$ 1,634,615	679,536	\$ 37.53	PD
3 SWC Paradise Road & Sands Avenue 162-16-712-005 & 003 (portion)	03/31/17	\$ 15,860,000	6.08	\$ 2,608,553	264,845	\$ 59.88	H-1
4 3883 W. Flamingo Road 162-19-502-002	09/30/16	\$ 13,500,000	8.60	\$ 1,569,767	374,616	\$ 36.04	H-1
5 NWC Harmon Avenue & Aldebaran Avenue 162-20-203-011 & -012	Escrow	\$ 6,000,000	2.02	\$ 2,970,297	87,991	\$ 68.19	H-1
6 E/S Hualapai Way, North of Alta Drive 138-31-210-008	02/17/22	\$ 7,440,000	3.67	\$ 2,027,248	159,865	\$ 46.54	R-3
7 510 Rampart Boulevard 138-32-314-001	08/05/19	\$ 18,980,000	7.66	\$ 2,477,807	333,670	\$ 56.88	PD
8 377 E. Flamingo Road 162-21-504-004 & -014	Listing	\$ 26,500,000	8.15	\$ 3,251,534	355,014	\$ 74.64	H-1
Subject Property 138-32-301-005	N/A	N/A	17.49		761,864	N/A N/A	R-3

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COMPARABLE LAND SALE 1

Location	3150 W. Twain Avenue	Close Date*	9/20/2018
APN(s)	162-17-311-003	Sale Price	\$ 12,000,000
Grantor	Club Wyndham	Cash Equqlancy	\$ 12,000,000
Grantee	Twain Apartments Venture, LP	Acres	6.06
Confirmed	Buyer/Co-Star/County Records/Deed	Price/AC	\$ 1,980,198
Zoning	H-1, Clark County	Square Feet	263,974
Doc. No.	20180920:02209	Price/SF	\$ 45.46

*According to the buyer, escrow opened approximately nine (9) months prior to closing.



Photo date: Spring 2018

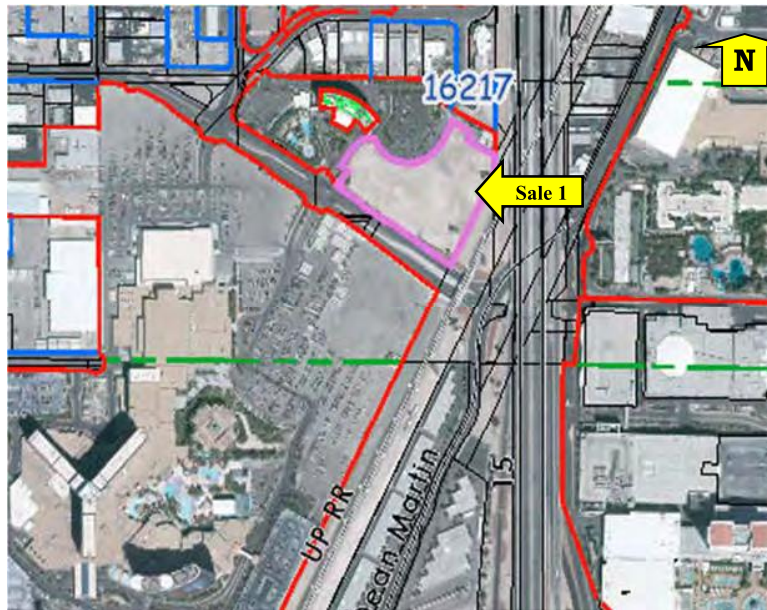


Photo date: Spring 2018

COMPARABLE LAND SALE 2

Location	8791 Alta Drive	Close Date	9/26/2017
APN(s)	138-32-723-003	Sale Price	\$ 25,500,000
Grantor	RA Southeast Land Company, LLC	Cash Equqlancy	\$ 25,500,000
Grantee	DC Rampart Owner, LLC	Acres	15.60
Confirmed	Seller/Co-Star/County Records/Deed	Price/AC	\$ 1,634,615
Zoning	Planned Development (PD), City of Las Vegas	Square Feet	679,536
Doc. No.	20170926:04448	Price/SF	\$ 37.53



Photo date: Spring 2017

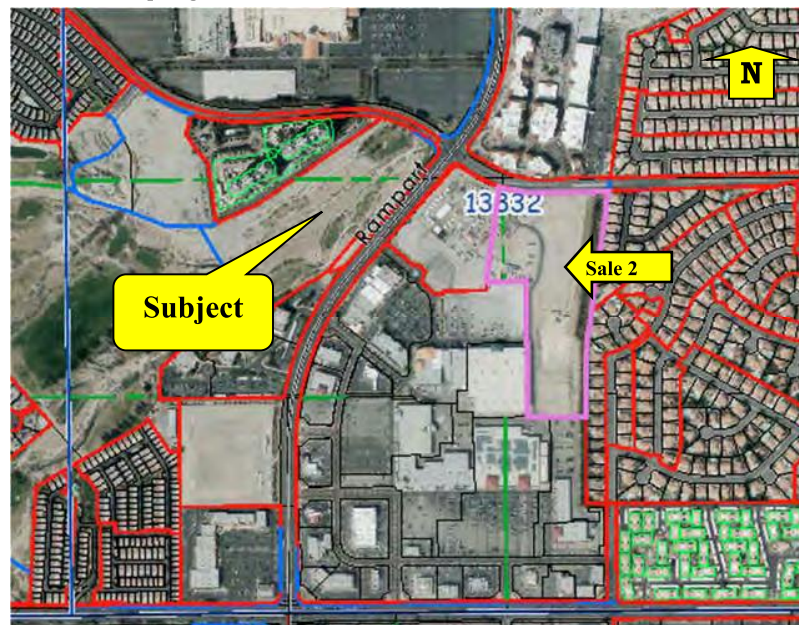


Photo date: Spring 2017

COMPARABLE LAND SALE 3

Location	SWC Paradise Road & Sands Avenue	Close Date	3/31/2017
APN(s)	162-16-712-005 & 003 (portion)	Sale Price	\$ 15,860,000
Grantor	The Blackstone Group	Cash Equqlancy	\$ 15,860,000
Grantee	HHP CalCyp, LLC	Acres	6.08
Confirmed	Buyer/Co-Star/County Records/Deed	Price/AC	\$ 2,608,553
Zoning	H-1, Clark County	Square Feet	264,845
Doc. No.	20170331:03302	Price/SF	\$ 59.88



Photo date: Spring 2017

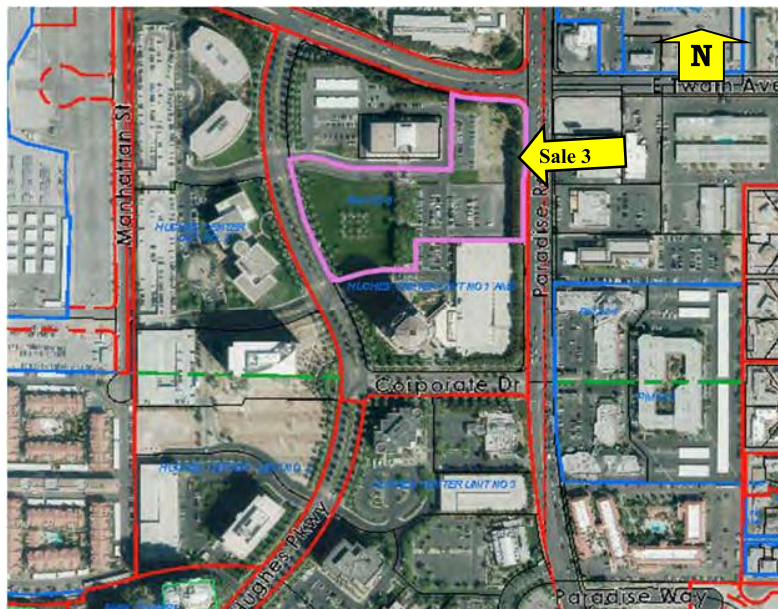


Photo date: Spring 2017

COMPARABLE LAND SALE 4

Location	3883 W. Flamingo Road	Close Date	9/30/2016
APN(s)	162-19-502-002	Sale Price	\$ 13,500,000
Grantor	Flamingo Land, LLC	Cash Equqlancy	\$ 13,500,000
Grantee	CAI Investments	Acres	8.60
Confirmed	Buyer/Co-Star/County Records/Deed	Price/AC	\$ 1,569,767
Zoning	H-1, Clark County	Square Feet	374,616
Doc. No.	20130930:05127	Price/SF	\$ 36.04



Photo date: Spring 2016



Photo date: Spring 2016

COMPARABLE LAND SALE 5

Location	NWC Harmon Avenue & Aldebaran Avenue	Close Date	Escrow
APN(s)	162-20-203-011 & -012	Sale Price	\$ 6,000,000
Grantor	John Morally Revocable Trust	Cash Equqlancy	\$ 6,000,000
Grantee	Jonathan Fore	Acres	2.02
Confirmed	Seller/Co-Star/County Records	Price/AC	\$ 2,970,297
Zoning	H-1, Clark County	Square Feet	87,991
Doc. No.	Scheduled to Close in May 2022	Price/SF	\$ 68.19

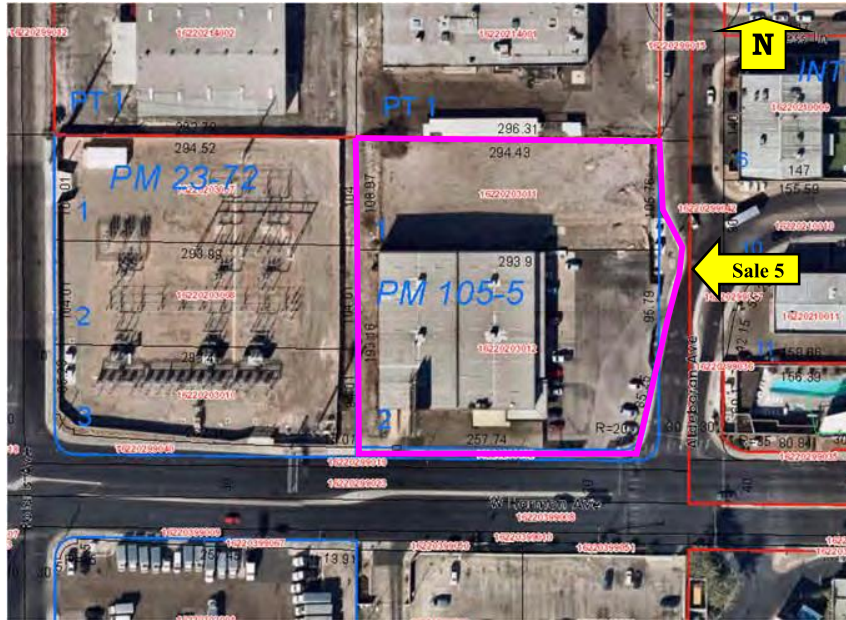


Photo date: Spring 2022

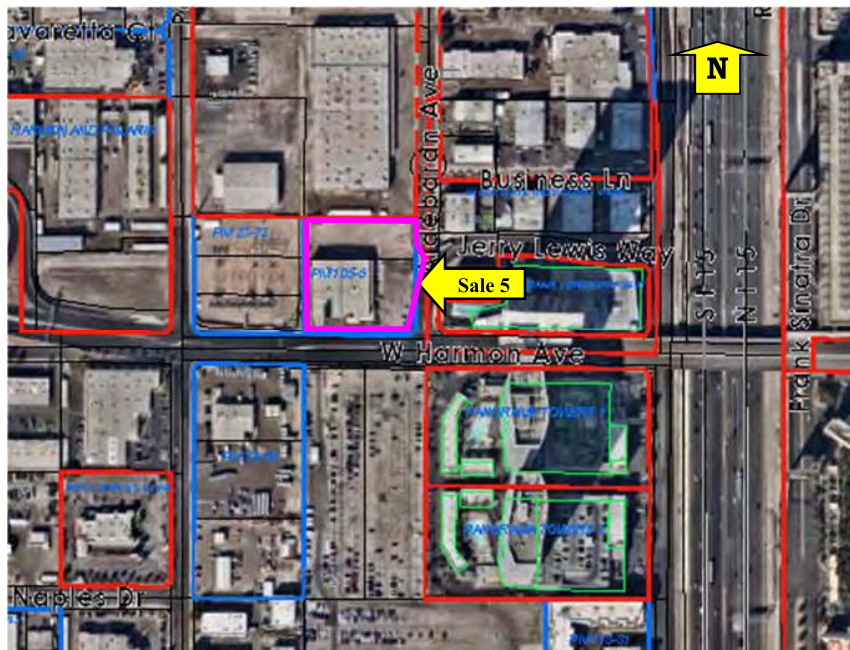


Photo date: Spring 2022

COMPARABLE LAND SALE 6

Location	E/S Hualapai Way, North of Alta Drive	Close Date	2/17/2022
APN(s)	138-31-210-008	Sale Price	\$ 7,440,000
Grantor	Church of Latterday Saints	Cash Equqlancy	\$ 7,440,000
Grantee	Prospect Street	Acres	3.67
Confirmed	Broker/Co-Star/County Records/Deed	Price/AC	\$ 2,027,248
Zoning	R-3, City of Las Vegas	Square Feet	159,865
Doc. No.	20220217:02016	Price/SF	\$ 46.54



Photo date: Spring 2022

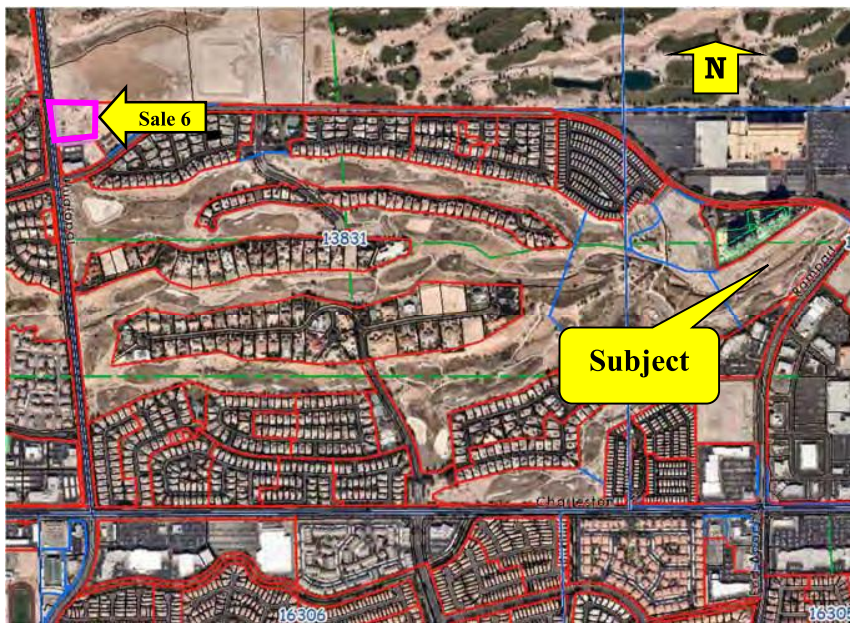


Photo date: Spring 2022

COMPARABLE LAND SALE 7

Location	510 Rampart Boulevard	Close Date	8/5/2019
APN(s)	138-32-314-001	Sale Price	\$ 18,980,000
Grantor	RA Southeast Land Co, LLC	Cash Equqlancy	\$ 18,980,000
Grantee	IHC Health Services, Inc.	Acres	7.66
Confirmed	Seller/Co-Star/County Records/Deed	Price/AC	\$ 2,477,807
Zoning	Planned Development (PD), City of Las Vegas	Square Feet	333,670
Doc. No.	20190805:03131	Price/SF	\$ 56.88



Photo date: Spring 2019

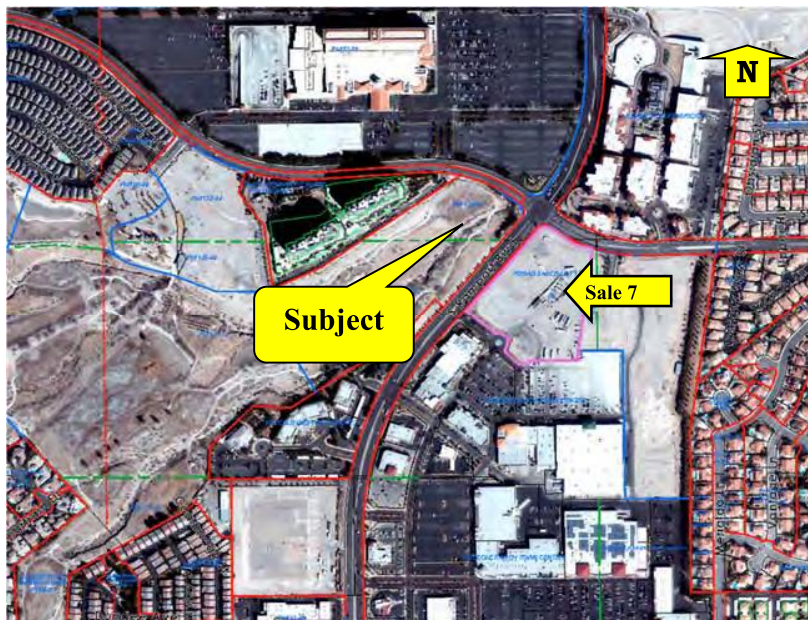


Photo date: Spring 2019

COMPARABLE LAND SALE 8

Location	377 E. Flamingo Road	Close Date	Listing
APN(s)	162-21-504-004 & -014	Sale Price	\$ 26,500,000
Grantor	Flamingo Vegas Holding Co, LLC	Cash Equqlancy	\$ 26,500,000
Grantee	Escrow	Acres	8.15
Confirmed	Listing/Co-Star/County Records/Deed	Price/AC	\$ 3,251,534
Zoning	H-1, Clark County	Square Feet	355,014
Doc. No.	N/A	Price/SF	\$ 74.64

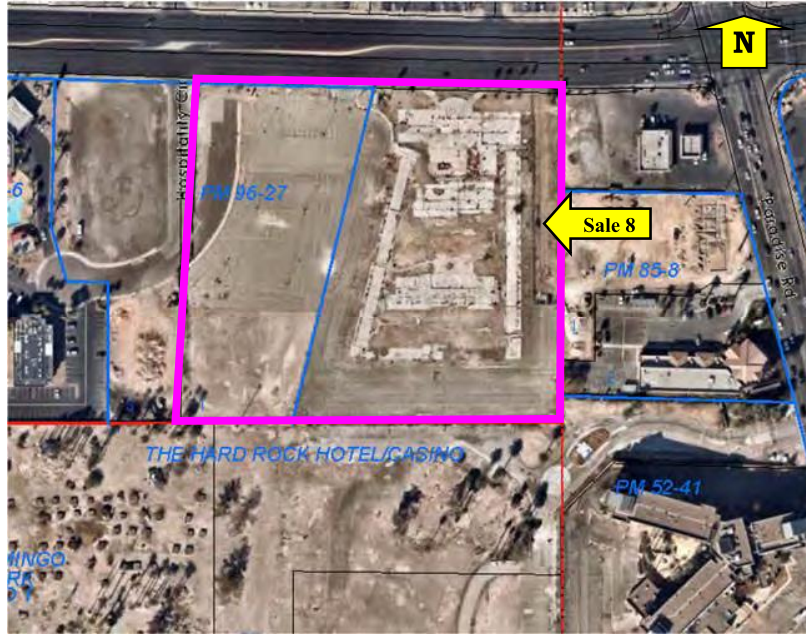


Photo date: Spring 2022

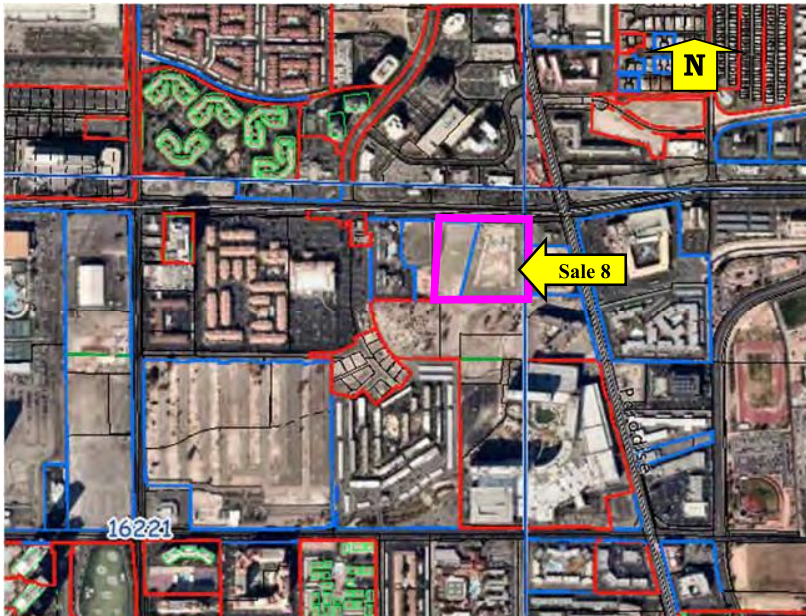


Photo date: Spring 2022

ANALYSIS AND ADJUSTMENT OF SALES

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

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

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

ADJUSTMENTS

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

REAL PROPERTY RIGHTS CONVEYED

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

FINANCING TERMS

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

CONDITIONS OF SALE

This category reflects extraordinary motivations of a buyer or seller to complete the sale. Examples can include a purchase for assemblage involving anticipated incremental value, or a quick sale for cash. None of the sales in this analysis were indicated to be affected by conditions of sale. Therefore, no adjustments are required for conditions of sale.

TIME - MARKET CONDITIONS

Real estate values normally change over time. The rate of this change fluctuates due to investors' perceptions of prevailing market conditions. This adjustment category reflects market differences occurring between the effective date of the appraisal and the sales date

of a comparable when values have appreciated or declined. To analyze the market conditions, I looked at a number of sales in the market area over the last several years and the prices per square foot that were being commanded.

For this analysis, I researched residential land sales between the first quarter of 2017 and the first quarter of 2022. My research reflected the average price per square foot for residential land in the Las Vegas Valley was \$12 in the first quarter of 2017. This increased to \$30 per square foot by the first quarter of 2022. The effective dates of value for this analysis are May 17, 2018 and October 20, 2022. The data reflects that the per square foot prices being paid for residential land in Las Vegas has been increasing.

I also considered that on January 4, 2010, Sales 2 and 7 of this analysis, which was APN 138-32-723-001 at the time, was purchased for \$11,750,000. This APN was then split into two (2) separate parcels, APN 138-32-314-001 and 138-32-723-003, and sold in 2017 and 2019, respectively. On September 26, 2017, APN 138-32-723-003 was sold for \$25,500,000, and on August 5, 2019, APN 138-32-314-001 was sold for \$18,980,000. Therefore, these properties which commanded \$11,750,000 in 2010, were resold for \$44,480,000, which reflects an increase of almost 280% over that period. Based on the increasing market conditions over the last several years, I have applied a market conditions adjustments to all six closed sales.

LOCATION

Location has a great impact on property values. The subject of this analysis is located at the southwest corner of Alta Drive and Rampart Boulevard, which is a signalized intersection. Besides the subject site, this intersection includes the Suncoast Hotel Casino (NWC), Tivoli Village (NEC) and Boca Park's Fashion Village (SEC). This is a heavily trafficked area with Summerlin Parkway access just to the north.

In researching these sales, I noted Sale 7 has a similar location at the southeast corner of Alta Drive and Rampart Boulevard, directly across the street from the subject site. I also concluded that Comparables 3, 4 and 8 have locations that are similar to that of the subject property. However, Sales 1, 2 5, and 6 have inferior locations. For example, Sales 1 and 5 are in areas predominately developed with industrial uses. As for Sales 2, and 6, both have frontage on minor thoroughfares, which is inferior to the subject's frontage on Rampart Boulevard. These sales require upward adjustments for their inferior locations.

PHYSICAL CHARACTERISTICS

This adjustment category generally reflects differences between a comparable and the subject in such areas as orientation (corner vs. interior), size, topography and level of off-site improvements installed at the time of sale. Again, the subject of this analysis is located at the signalized intersection of Alta Drive and Rampart Boulevard. Sales 1, 3, 4, 5, and 7 also enjoy corner orientation. In researching property sales, I noted that with all other potential differences being similar, corner sites typically commanded a premium for the additional exposure and access provided by having frontage on two (2) streets vs. one (1). Therefore, I applied upward adjustments for interior orientation of Sales 2, 6, and 8.

As for size, the subject contains 17.49 acres, and the sales range from 2.02-acres to 15.60-acres. Typically, with all other potential variables similar, smaller sites command higher unit prices than larger ones due to supply and demand. There are more buyers for smaller parcels than larger ones, meaning that there is more competition for the smaller sites. This

typically results in a lower unit price for the larger site when all other potential variables are similar. In this analysis, downward adjustments are required for all but Sale 2, which contained 15.60-acres.

Topography differences deal with differences in the costs to prepare the site for development. The subject site's drainage and topography will require more than the typical amount of dirt work to reach a development-ready stage. I was provided cost estimates for this work that coincides with each effective date of value. These cost estimates were prepared by Aggregate Industries, SWR, Inc. In this part of the report, I first will compare the sales to the subject as if the drainage was mitigated and the site was graded and ready for development. The costs indicated for each effective date of value will then be deducted to arrive at the site's value as of each date of value. I previously estimated these costs as follows:

May 17, 2018	Cost	Incentive	Total	October 10, 2022	Cost	Incentive	Total
Alternate #1	\$ 5,946,738	10%	\$ 6,541,412	Alternate #1	\$ 7,322,865	10%	\$ 8,055,152
Alternate #2	\$ 5,330,370	10%	\$ 5,863,407	Alternate #2	\$ 6,539,468	10%	\$ 7,193,415
Average Cost	\$5,638,554	10%	\$6,202,409	Average Cost	\$6,931,167	10%	\$7,624,283

The above amounts must be deducted from the estimated value of the subject property on each of the respective dates of value to conclude its respective values.

I also considered that Sale 2 includes an easement containing approximately 2-acres along its eastern boundary that must be maintained by the property owner and Sales 5 and 8 will require the buyer to demolish and/or remove older structures or their remnants. These differences, which increase the development costs, require upward adjustments when compared to a vacant, graded parcel of land.

As for off-site improvements, the subject and all but Sales 4 and 6 had a similar level of off-site improvements along their respective perimeters. Therefore, no adjustments for off-sites are warranted for those sales. Sales 4 and 6 lacked completed off-sites along their respective street frontages, which require upward adjustments.

ZONING / POTENTIAL USE

This adjustment category generally reflects differences between a comparable and the subject's zoning designation and potential use. The subject has R-3 zoning. This District provides for the development of multi-family units, including duplexes, townhouses and medium density apartments. The density allowed in the R-3 District is stated to be 13-50 dwelling units per acre. With 435-dwelling units approved for the subject site, a density of approximately 25-dwelling units per acre is reflected. This is well within the 13-to-50-dwelling unit range allowed.

As for Sales 2, 6, and 7, they had similar densities allowed. However, Sales 1, 3, 4, 5, and 8 were zoned H-1. Residential uses in the H-1 require conformance to the R-5 development standards and allows the maximum density to be increased to a maximum of 100 units per acre. Properties with H-1 zoning are allowed a density that is superior to that allowed in the R-3 zone and requires a downward adjustment.

COMPARABLE SALES DISCUSSION

The following is a discussion of each sale and its comparison to the subject property as of May 17, 2018.



Photo date: Spring 2018

Sale 1, which consisted of one (1) parcel (APN 162-17-311-003), is located at the northwest corner of Twain Avenue and Dean Martin Drive. The address is 3150 W. Twain Avenue. This is a 6.06-acre or 263,974-square-foot site. According to the buyer, this property went into escrow in early 2018 and closed approximately nine (9) months later on September 20, 2018. The price was \$12,000,000 or \$45.46 per square foot. This property was zoned H-1, off-sites were completed, and the site was graded as this was supposed to be Phase II of the adjacent timeshare development to the west. There are also two (2) outdoor advertising sign sites on this property, one (1) is leased, and the other is used to advertise the apartment complex that was built on the property. The site was developed with a 287-unit apartment complex that was sold in December of 2021 to the Ideal Capital Group for \$124.5 million. The sale price amounts to nearly \$433,798 per unit, which was more than double the average for the Las Vegas Valley in 2021. Las Vegas' rental market has heated up with increasing rents and low-availability. Overall, the area saw 193 apartment complex sales in 2021, compared to 91 in 2020. And last year's average unit price, \$215,151, was up 38% from 2020, according to data from real estate tracker CoStar.

In comparing Sale 1 to the subject, I first considered that it closed in 3rd quarter of 2018, which requires a downward adjustment for the increased market conditions since the May 2018 date of value. As for the location, other than this development and an abutting timeshare development, this area is predominately industrial in nature. Overall, this location is inferior for a multi-family development due to its limited nearby services. While an upward adjustment is warranted for its inferior location, additional downward adjustments are required for this property's smaller size, superior economic characteristics (outdoor advertising signs), and superior H-1 zoning designation. In this comparison, the predominance of the adjustments is downward. This indicates that the unit price of \$45.46 per square foot commanded by this site in September of 2018 would have been above what the subject could have commanded on May 17, 2018.



Photo date: Spring 2017

Sale 2, which consisted of one (1) parcel (APN 138-32-723-003), is located immediately east of what will be discussed as Sale 7. This is an interior site with an address of 8791 Alta Drive. This site, which contained 15.60-acres or 679,536-square-feet, sold on September 26, 2017 for \$25,500,000 or \$37.53 per square foot. This site also included a well landscaped easement containing approximately 2-acres along its eastern boundary. It is my understanding that this easement must be maintained by the property owner to protect the homeowners to the east. This reduces the buildable area of the site, and increases the annual expenses, but the area can still be considered for the allowable density. This property was zoned Planned Development (PD) at the time of sale. This site has since been developed with a 359-unit apartment complex that sold in January of 2022 to the Curve Land Co., LLC, for approximately \$164.5 million. The sale price amounts to nearly \$458,798 per unit. This site was allowed a density of 23.01-dwelling units per acre. Concrete curbs, gutters and sidewalks were installed at the time of sale

In comparing sale 2 to the subject, I noted that the size, level of off-sites, and zoning/potential use were all similar to those attributes at the subject site. However, I did note differences in the market conditions, location, orientation, and topography. As previously discussed, market conditions were steadily increasing during this period. Therefore, I first applied an upward adjustment for the increased market conditions since the effective date of value. I also applied upward adjustments for this site's inferior location on Alta Drive, and inferior orientation since this involved an interior site with frontage limited to one (1) street. Another upward adjustment is required for the 2-acre landscaped easement on this site that must be maintained at an additional expense. In this comparison, the only adjustments are upward, which indicates that the unit price of \$37.53 per square foot commanded by this site in September of 2017 would have been below what the subject could have commanded on May 17, 2018.



Photo date: Spring 2017

Sale 3 consists of a 6.08-acre, or 264,845 square foot site located at the southwest corner of Paradise Road and Sands Avenue. It is east of the Strip within the Hughes Center, a 1.4 million square foot master-planned office development comprised of 10 Class A office buildings. This site sold for \$15,860,000 or \$59.88 per square foot on March 31, 2017. This was reported as a cash equivalent sale. The site was zoned H-1 and within the MUD-1; however, it was not located in the GED. The sale was confirmed by the buyer, who has since constructed a multi-family apartment complex surrounding a parking structure on this site.

In comparing this sale to the subject, I noted differences in market conditions, size, potential use. First, I applied an upward adjustment for market conditions as this sale transferred in the first quarter of 2017 and the effective date of value is May 17, 2018. I then made downward adjustments for this property's smaller size, and for its superior potential use with the H-1 zoning in place at the time of sale. This site was developed with a density of over 60-dwelling units per acre. In this comparison, the predominance of adjustments is downward. This indicates that the unit price of \$59.88 per square foot is also above what the subject could have commanded on May 17, 2018.



Photo date: Spring 2016

Sale 4 which consisted of one (1) parcel (APN 162-19-502-002), is located at the southwest corner of Flamingo Road and Valley View Boulevard. This is a corner site with an address of 3883 W. Flamingo Road. This site, which contained 8.60-acres or 374,616-square-feet, sold on September 30, 2016 for \$13,500,000 or \$36.04 per square foot. This property was zoned H-1 at the time of sale. This site was improved with partial off-site improvements at the time of sale.

In comparing sale 4 to the subject, I noted differences in the market conditions, size, off-site improvements, and potential use. As previously discussed, market conditions were steadily increasing during this period; therefore, I first applied a substantial upward adjustment for the increased market conditions since this site sold in 2016. I then applied a downward adjustment for the size difference, another upward adjustment for its lack of completed off-site improvements and another downward adjustment for its superior density potential with the H-1 zoning. In this comparison, the predominance of the adjustments to this 2016 sale is upward, which indicates that the unit price of \$36.04 per square foot commanded by this site in September of 2016 would also be below what the subject could have commanded on May 17, 2018.

LAND VALUE CONCLUSION – BEFORE CONDITION AS OF MAY 17, 2018

I analyzed four (4) land sales that closed escrow between September of 2016 and September of 2018 (the September 2018 sale was in escrow at the beginning of 2018). These sales commanded unit prices ranging from \$36.04 to \$59.88 per square foot (psf). After comparing each of these sales to the subject, I concluded that the subject's retrospective unit value, as of May 17, 2018, would have been below that commanded Sales 1 and 3, and above that commanded by Sales 2 and 4. This indicates a value above \$37.53 psf (Sale 2), and below \$45.46 psf (Sale 1).

In this analysis, the estimated market value is to be based on the highest price that the property could have commanded on May 17, 2018. After considering all of the previous information, I have estimated the retrospective unit value of the subject site, with the drainage issue corrected, as of May 17, 2018, at \$42.00 psf. This suggests a value of \$31,998,305. However, I must adjust this value for the drainage and grading costs to obtain the as is value. In a previous section of the report, I was supplied the estimated costs. After adjusting for the entrepreneurial incentive needed to attract an investor, I concluded the cost for the site's drainage and grading at \$6,202,409. This cost must be deducted to arrive at the property's retrospective market value as of May 17, 2018.

Therefore, based on my research and the previous analysis, I estimated the retrospective market value of the subject property in the before condition, as of May 17, 2018, as follows:

Sales Comparison Approach		
Estimated Value per SF	\$	42.00
Subject's Square Feet Before the Take		761,864
Indicated Value	\$	31,998,305
Less: Drainage/Grading Adjustment	\$	(6,202,409)
Indicated Value of the Remainder Before the Take	\$	25,795,895
Rounded to	\$	25,795,000

The previous value is based on the following hypothetical condition and extraordinary assumptions and their use might have affected the assignment results:

1. The above before condition value is based on the hypothetical condition that the government's actions had no effect on the property's value.
2. The above value is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 and January 27, 2022 property inspections was similar to its condition on May 17, 2018, the retrospective effective date of value for this assignment.
3. The above value estimate is based on the extraordinary assumption that the cost estimates provided by Aggregate Industries, SWR, Inc. to address the site's drainage and grading accurately reflect the cost on the effective date of value.

COMPARABLE SALES DISCUSSION

The following is a discussion of each sale and its comparison to the subject property as of October 10, 2022.



Photo date: Spring 2020

Sale 5, which consisted of two (2) parcels (APN's 162-20-203-011 & -012), is located at the northwest corner of Harmon Avenue and Aldebaran Avenue. This corner site contained 2.02-acres or 87,991-square-feet. On March 2, 2022, an article in the Review Journal Newspaper reported that a \$60M apartment complex was to be built near the Strip. The site being purchased is actually west of I-15 and over one-half mile from the Strip in an industrial area and it abuts a NV Energy Substation. I contacted the seller and was told that the sales price was within the \$6M-to-\$6.5M range and was scheduled to close in May of 2022. This reflects a cost range of \$68.19-to-\$73.87 psf. Therefore, on the conservative side, I have used the \$6.0M price for this analysis. With an 87,991-square foot site, this reflects a price of \$68.19 psf. This property was zoned H-1 at the time of sale and all off-sites are installed. In addition, there is a 40+-year old building contain 22,950 square feet on the site that will need to be cleared. The buyer plans to construct a 184-unit apartment complex on this site. With 2.20-acres, this reflects a density of over 91-units per acre.

In comparing sale 5 to the subject, I noted that its orientation and level of off-site improvements were similar to those attributes at the subject site. However, I noted differences in location, size, topography, and zoning/potential use. I first applied an upward adjustment for this site's inferior location. This site abuts industrial buildings to its north, southwest and east, and abuts a NV Energy Substation to its west. In addition, there are no general services, such as a grocery stores or shopping in this area. Overall, the location is inferior for multi-family development and warrants an upward adjustment. I then applied a downward adjustment for its smaller size, an upward adjustment for the additional costs to demolish an existing structure, and another downward adjustment for its superior density due to the H-1 zoning. In this comparison, the adjustments are offsetting, indicating the unit price of \$68.19 psf is similar to what the subject could command on October 10, 2022.



Photo date: Spring 2022

Sale 6, which consisted of one (1) parcel (APN 138-31-210-008), is located one (1) lot north of Alta on the eastern side of Hualapai Way. This is an interior site that contained 3.67-acres or 159,865-square-feet. This property sold on February 17, 2022 for \$7,440,000 or \$46.54 per square foot. This property was zoned Medium Density Residential (R-3) at the time of sale and a concrete curb and gutter was installed. According to a planner with the City of Las Vegas, at a November 2021 meeting, the City Council approved this site for a development to include a 30-bed nursing home, 49 assisted living units and a 95 senior citizen apartment units.

In comparing sale 6 to the subject, I noted that the topography, and zoning/potential use were similar to those attributes at the subject site. However, I did note differences in the market conditions, location, orientation, size, and level of off-site improvements. As previously discussed, market conditions have been steadily increasing and are forecast to maintain that pace. Therefore, I first applied an upward adjustment for the increased market expected by October 2022. I also applied upward adjustments for this site's inferior location on Hualapai Way, and inferior orientation since this involved an interior site with frontage limited to one (1) street. While a downward adjustment is required for the size difference, another upward adjustment is required for this site having only partial off-sites (no sidewalks along its frontage). In this comparison, the predominance of the adjustments is upward, which indicates that the unit price of \$46.54 per square foot commanded by this site would be below what the subject could command on October 10, 2022.



Photo date: Spring 2019

Sale 7, which consisted of one (1) parcel (APN 138-32-314-001), is located at the southeast corner of Rampart Boulevard and Alta Drive. The address is 510 Rampart Boulevard. This site, which contained 7.66-acres or 333,670-square-feet, sold on August 5, 2019 for \$18,980,000 or \$56.88 per square foot. The property was zoned Planned Development (PD) at the time of sale. In looking at the nearby site, which was discussed as Sale 2, I noted a similar zoning of PD, and an allowed density of 23.01-dwelling units per acre. I would expect this site could have obtained a similar density if the buyer had planned to develop this site with a multi-family development. Concrete curbs, gutters and sidewalks were installed, and a mature landscaped buffer had previously been installed along this site's southern boundary.

In comparing sale 7 to the subject, I noted that the location, orientation, topography, off-site improvements, and zoning/potential use were all similar to those attributes at the subject site. However, I did note differences in the market conditions and size. As previously discussed, market conditions have been steadily increasing and this is an August 2019 sale. Therefore, I first applied a substantial upward adjustment for increased market conditions. While I applied a downward adjustment for this site's smaller size, the increased market conditions adjustment has been given more weight in concluding that the unit price of \$56.88 per square foot commanded by this site in 2019 would have been below what the subject could command over three (3) years later on October 10, 2022.



Photo date: Spring 2022

Sale 8, which consisted of two (2) parcels (APN's 162-21-504-004 & -014), is located on the southern side of Flamingo Road, one (1) lot west of Paradise Road. This is an interior site that contained 8.15-acres or 355,014-square-feet. The property had previously been improved with the 314-room Key Largo Hotel Casino. The property closed in 2005, to make way for a new high-rise project that failed to materialize. After sitting vacant for years, the main structure was partially destroyed in a 2013 fire and was subsequently demolished. This property is shown to be under contract with the asking price at \$26,500,000 or \$74.64 per square foot. I discussed this property with the listing broker and learned that it is supposed to close soon for a price that is close to the asking price. This property is zoned H-1 and includes a concrete curb, gutter, and sidewalk along this site's Flamingo frontage.

In comparing sale 8 to the subject, I noted that the location, and offsite improvements were similar to those attributes at the subject site. However, I did note differences in the market conditions, orientation, size, topography, and zoning/potential use. Since this is a listing price, and land in this area typically sells for slightly less than the asking price, I have first applied a downward adjustment for market conditions. I then applied an upward adjustment for this site's inferior orientation since this involved an interior site with frontage limited to one (1) street. Next, I applied a downward adjustment for its smaller size, an upward adjustment for the cost to clear the remnant slab from the site, and another downward adjustment for the superior H-1 zoning of this site. In this comparison, the predominance of the adjustments is downward, which indicates that the asking price of \$74.64 per square foot would be above what the subject could command on October 10, 2022.

NOTE: Since the prospective date of value is October 10, 2022, I reserve the right to revise this report based on any sale that occurs between the date of this report and October 10, 2022.

LAND VALUE CONCLUSION – BEFORE CONDITION AS OF OCTOBER 10, 2022

For the subject's prospective October 10, 2022 date of value, I analyzed four (4) additional comparables, including a current listing. The sales commanded unit prices ranging from \$46.54 to \$68.19 psf, with the listed property being available for \$74.64 psf. After comparing each of these sales to the subject, I concluded that the subject's prospective unit value, as of October 10, 2022, will be above that commanded by Sales 6 and 7, and below that commanded by Sale 8. The adjustments to Sale 5 were concluded to be offsetting. My comparison analysis indicates a value above \$56.88 psf (Sale 7), below the asking price of \$74.64 psf (Listing 8), and similar to \$68.19 psf (Sale 5).

In this section of the report, the estimated market value is to be based on the highest price that the property could have command on October 10, 2022. After considering all of the previous information, I have estimated the prospective unit value of the subject site, with the drainage and grading work completed, as of October 10, 2022, at \$68.00 psf. This suggests a value of \$51,806,779. However, I must adjust this value for the drainage and grading costs to obtain the as is value. In a previous section of the report, I concluded the cost for the site's drainage and grading at \$7,624,283. This cost must be deducted to arrive at the property's prospective market value as of October 10, 2022.

Therefore, based on my research and the previous analysis, I estimated the prospective market value of the subject property in the before condition, as of October 10, 2022, as follows:

Sales Comparison Approach	
Estimated Value per SF	\$ 68.00
Subject's Square Feet Before the Take	761,864
Indicated Value	\$ 51,806,779
Less: Drainage/Grading Adjustment	\$ (7,624,283)
Indicated Value of the Remainder Before the Take	\$ 44,182,496
Rounded to	\$ 44,185,000

The previous value is based on the following hypothetical condition and extraordinary assumptions and their use might have affected the assignment results:

1. The above before condition value is based on the hypothetical condition that the government's actions had no effect on the property's value.
2. The above value is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 and January 27, 2022 property inspections will be similar to its condition on October 10, 2022, the effective prospective date of value for this assignment.
3. The above value estimate is based on the extraordinary assumption that the cost estimates provided by Aggregate Industries, SWR, Inc. to address the site's drainage and grading accurately reflects the cost on the effective date of value.

DESCRIPTION OF THE GOVERNMENT ACTIONS

I have been provided and reviewed over 10,000 documents regarding the Landowner's attempts to develop the property with a conforming residential use. The following is a summary of this history, which will be followed by a more detailed description of these facts.

The Landowners filed three (3) development applications with the City's Planning Department in order to construct a residential development. This included a general plan amendment, a rezoning application, and a site development plan amendment. The landowner wanted to develop the subject property with a conforming residential use that included a 720-unit multi-family residential community. That would have reflected a density of 41.17-units per acre. On February 15, 2017, Las Vegas City Council voted to approve development with density of 435-units, or 24.87-units per acre. The property was rezoned R-3, which allowed density of 13-to-50 units per acre. The following excerpts are from the Approval letters the City sent to the Landowners on February 16, 2017 (copies of these letters are located in the Addendum to this report).

"The City Council at a regular meeting held February 15, 2017, voted to *APPROVE* a request for a General Plan Amendment FROM: PR-OS (PARKS/RECREATIONAL SPACE) TO: M (MEDIUM DENSITY RESIDENTIAL) on 17.49 acres at the southwest corner of Alta Drive and Rampart Boulevard (APN 138-32-301-005), Ward 2 (Beers) [PRJ-62226]."

"The City Council at a regular meeting held February 15, 2017, voted to *APPROVE* a request for a Site Development Plan Review FOR A PROPOSED 720-UNIT MULTI-FAMILY RESIDENTIAL (CONDOMINIUM) DEVELOPMENT CONSISTING OF FOUR, FOUR-STORY BUILDINGS on 17.49 acres at the southwest corner of Alta Drive and Rampart Boulevard (APN 138-32-301-005), R-PD7 (Residential Planned Development – 7 Units per acre) Zone [PROPOSED: R-3 (Medium Density Residential)], Ward 2 (Beers) [PRJ-62226]."

"The City Council at a regular meeting held February 15, 2017, voted to *APPROVE* a request for a Rezoning FROM: R-PD7 (RESIDENTIAL PLANNED DEVELOPMENT – 7 UNITS PER ACRE) TO: R-3 (MEDIUM DENSITY RESIDENTIAL) on 17.49 acres at the southwest corner of Alta Drive and Rampart Boulevard (APN 138-32-301-005), Ward 2 (Beers) [PRJ-62226]."

District Court Judge David Jones held the 17 acre property has at all times since 1981, been designated as "M" (Residential) on the City's Master Land Use Plan, and held that the "M" designation was never legally changed to a PR-OS designation on the City's Master Plan.

This PR-OS issue had previously been addressed in a letter written by Attorney Jim Jimmerson to Brad Jerbic, Las Vegas City Attorney, on December 7, 2016. Mr. Jimmerson's letter referenced a letter between Frank Pankratz to Tom, Perrigo in which Mr. Pankratz states that they can find no evidence that a PR-OS designation was in place prior to 1997. He also states that Mr. Perrigo's office "could not find" and record of the designation and that there is no evidence that the PR-OS general plan designation was placed on the property through a formal, publicly noticed hearing.

So, in December of 2016, the City had been made aware of the issue with the PR-OS designation. Instead of removing it, since it had been improperly placed on the property, the City left the PR-OS designation on the property, which gave the surrounding property owners an issue, albeit false, to object to the landowners development without changing the PR-OS.

After the City Council approved the 17.49-acre site for development with 435-units, surrounding homeowners filed a petition for judicial review of the City Council's approval. Their 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. They also argued that the City Council's decision was not supported by substantial evidence.

Citing a report prepared by the Planning Commission staff, the district court found that the City Council previously interpreted Title 19 of the LVMC as requiring the Landowners' to obtain a major modification of the Peccole Ranch Master Plan before it could develop the parcel. Based on that finding, on March 5, 2018, the district court determined that the City's previous interpretation should apply, and the Landowners' were required to obtain a major modification of the Peccole Ranch Master Plan before having their applications approved. Accordingly, the district court granted the petition for judicial review and vacated the City Council's approval of Landowner's three (3) applications. The landowners' appealed this decision because Title 19 of the LVMC does not require a major modification for residential planned development districts.

In January of 2020, the Nevada Supreme Court concluded that the surrounding property owners were wrong and the Landowners' "were 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." The Nevada Supreme Court did not accept the surrounding property owners' PR-OS argument. As stated previously, Judge Jones rejected the PR-OS argument also.

The following is a detailed history of the City actions towards this property. Supporting documents can be found in my workfile.

1. The property was zoned R-PD7 [R-PD8] since 1981.
2. **February 14, 2017** – Steve Seroka testifies at the Planning Commission (during his campaign) that it would be "over his dead body" before the Landowners could use their private property for which they have a right to develop. In reference to development on the landowners' property, Councilman Coffin stated, "I am voting against the whole thing," and called the landowners' representative a vulgar name, and expressed that he will continue voting against any development.
3. **February 15, 2017** – "The City Council at a regular meeting held February 15, 2017, voted to *APPROVE* a request for a General Plan Amendment FROM: PR-OS (PARKS/RECREATIONAL SPACE) TO: M (MEDIUM DENSITY RESIDENTIAL) on 17.49 acres at the southwest corner of Alta Drive and Rampart Boulevard (APN 138-32-301-005), Ward 2 (Beers) [PRJ-62226]."

February 15, 2017 "The City Council at a regular meeting held February 15, 2017, voted to *APPROVE* a request for a Site Development Plan Review FOR A PROPOSED 720-UNIT MULTI-FAMILY RESIDENTIAL (CONDOMINIUM) DEVELOPMENT CONSISTING OF FOUR, FOUR-STORY BUILDINGS on 17.49 acres at the

southwest corner of Alta Drive and Rampart Boulevard (APN 138-32-301-005), R-PD7 (Residential Planned Development – 7 Units per acre) Zone [PROPOSED: R-3 (Medium Density Residential)], Ward 2 (Beers) [PRJ-62226].”

February 15, 2017 “The City Council at a regular meeting held February 15, 2017, voted to *APPROVE* a request for a Rezoning FROM: R-PD7 (RESIDENTIAL PLANNED DEVELOPMENT – 7 UNITS PER ACRE) TO: R-3 (MEDIUM DENSITY RESIDENTIAL) on 17.49 acres at the southwest corner of Alta Drive and Rampart Boulevard (APN 138-32-301-005), Ward 2 (Beers) [PRJ-62226].”

4. **March, 2017** – After the City approved the 17-Acre Applications, nearby homeowners filed a petition for judicial review of the City’s approval on the basis that there is a PR-OS master plan designation on the property. This was assigned to Judge Jim Crockett.
5. **June 20, 2017** – According to a letter written by Attorney Jim Jimmerson to Councilman Bob Coffin; Mr. Coffin was being asked to recuse himself from voting and discussion due his “inability to act impartially in this matter...” The letter references quotes from an April 2016 meeting with nearby landowners that wanted the owners of the subject property “to “hand-over” 183 acres with certain water rights in perpetuity.” The letter states that Councilman Coffin was present at that meeting and that Mr. Coffin stated, “that was a “fair deal” and encouraged my clients to take it.”
6. **2016/2017 Time Period** – Excerpts from an August 3, 2017 Deposition of Councilman Bob Beers;
 Q: All right. Now, you also said that the homeowners were suing to slow it down so that there wouldn’t be any development in their lifetime?
 A: Yes, sir.
 Q: Well, what you're telling me is you specifically recall him saying that he -- they were suing to slow it down, correct?
 A. Oh, he -- he was -- he was very clear.
 Q. Okay. So they were suing to slow it down.
 A. There would be no construction during his lifetime.
 (Preservation for Public Use)
7. **March, 2017** – Steve Seroka states that the Landowners’ proposed development made him run for City Council and stating his focus is to keep the Landowners’ Property “open space” or to use the property for a “fitness park.” This suggests action to authorize the public to use the property.
8. **June 13, 2017** – Steve Seroka is elected to the City Council, defeating Bob Beers, who supported development on the Landowners’ Property.
9. **2015 - 2017** – After seventeen (17) meetings and numerous phone calls with the Planning Department representatives and/or representatives of the City Attorney’s office, Christopher Kaempfer, the Landowners land use attorney, concluded that the City would only approve a development of the Landowners’ 250 acre property via a Development Agreement for the entire 250 acre property and not just portions of it. That being said, Mr. Kaempfer concluded “it became clear that despite our best efforts, and despite the merits of our applications(s), no Development Agreement was going to

be approved by the City of Las Vegas unless virtually all of the Badlands neighborhood supported such a Development Agreement; and it was equally clear that this neighborhood support was not going to be achieved because, as the leader of the neighborhood opposition exclaimed to me and others, “I would rather see the golf course a desert than a single home built on it.”” (Preservation for Public Use)

- 10. June 21, 2017** – The Las Vegas City Council voted to deny the Landowners’ request for a Tentative Map, a Site Development Plan Review, and for a Waiver for 32-foot private streets with a sidewalk on one side for a 61 lot single family residential development on 34.07 acres at the southeast corner of Alta Drive and Hualapai Way (APN 138-31-702-002). City Council also voted to deny the Landowners request for a General Plan Amendment FROM: PR-OS (PARKS/RECREATIONAL SPACE) TO: L (LOW DENSITY RESIDENTIAL) on 166.9 acres at the southeast corner of Alta Drive and Hualapai Way (APN 138-31-702-002).
- 11. June 27, 2017** - Lauren Storia, a Senior Permit Technician in Building and Safety for the City of Las Vegas sent what appears to be an internal email with the subject – Badlands. The email stated: “If anyone sees a permit for grading or clear and grub at the **Badlands** Golf Course, please see Kevin, Rod, or me. Do Not Permit without approval from one of these three.” (Preservation for Public Use)
- 12. August 2, 2017** – After staff recommended approval; the Las Vegas City Council voted to deny the Master Development Agreement (MDA – that included development on the 17 Acre Property), even though City Planning Staff and the City Attorney Office recommended approval as the proposed uses under the MDA were consistent with zoning, and the City master plan, and the City Code.
- 13. August 24, 2017** – the City denied the Landowners permit for perimeter wall modifications and controlled access gates on the Badlands property which would be a routine request. It is my understanding that the Nevada Supreme Court has held that a landowner cannot be denied access to abutting roadways and that this is a recognized property right in Nevada. The City denied this access application citing as the basis for the denial, “any development on this site has the potential to have significant impact on the surrounding properties....” This applied to the 17.49-acre site. (Preservation for Public Use)
- 14. August 24, 2017** – the City denied the Landowners permit for chain link fencing to enclose two (2) water features/ponds on the site. City Code states that this application is similar to a building permit review that is granted over the counter and not subject to City Council review. The City denied the application, citing as the basis for denial, “any development on this site has the potential to have significant impact on the surrounding properties....” (Preservation for Public Use)
- 15. January 9, 2018** – Councilman Steve Seroka sends an email among City Councilman and City employees showing how they could use their Opioid Pharma lawsuit judgement; “15 Million - Purchase Badlands and operate.”
- 16. May 2, 2018** – Forrest Richardson, a Golf Course architect, responds to City Councilman Steve Seroka with a consulting proposal for the Landowners’ Property “best practices for golf course re-use(s), repurposing and conceptual land use(s).”

- 17. June 21, 2018** – Steve Seroka tells residents at a Queensridge Homeowners’ meeting that the subject property was their open space.
- 18. May 16, 2018** – “The City Council at a regular meeting held on May 16, 2018 voted to *STRIKE* a request for a Tentative Map FOR A 53-LOT SINGLE FAMILY RESIDENTIAL SUBDIVISION on 133.80 acres on the east side of Palace Court, approximately 330 feet north of Charleston Boulevard (APN 138-31-702-004), R-PD7 (Residential Planned Development - 7 Units per Acre) and PD (Planned Development) Zones, Ward 2 (Seroka) [PRJ-71992].”
- 19. November 7, 2018** – The City adopted Bill No. 2018-24. This Bill: 1) targeted only the Landowners’ Property; 2) makes it impossible to build; and 3) forces the Landowners to allow the surrounding owners ongoing access to the Landowners property. Councilwoman Fiore described these City Bills as follows:
- 1) “This bill is for one development and one development only. This bill is only about the Badlands Golf Course.”
- 2) “I call it the Yohan Lowie Bill.”
- This Bill applied to the 17.49-acre site. (Physical invasion by public).
- 20. January, 2019** – The Landowners requested an extension of time, as the initial approvals were lapsing. The City refused, citing the District Court order and stating:
- “Frank – I wanted to reach out to you about the question you had for Steve G. in the Planning Office last week regarding an EOT related to SDR-62393. As you know, as a result of Judge Crockett’s order in Case No. A-17-752344-J, the approvals of applications GPA-62387, ZON-62392, and SDR-62393 were “vacated, set aside and shall be void.” Because there are no longer any approvals for the aforementioned applications, there is nothing for the City to extend at this time and we cannot process any application for such an extension.”
- 21. January 15, 2020** – City repeals Bill Nos. 2018-5 and 2018-24.
- 22. March 5, 2020** – the Nevada Supreme Court reverses the District Court that voided the 17 Acre approvals.
- 23. March 26, 2020 and September 1, 2020** – A City attorney sends Landowners letters that initial approvals are reinstated and remain valid for another 2 years.

I also spoke with Donald Richards, the property Superintendent of the 250 Acre Residentially zoned land. Mr. Richards stated that the neighbors are using the Landowners’ Property and that they have told him; “it is our open space.”

It is important to again note: 1) the landowners’ own private property; 2) the 17.49-Acre Property was hard zoned R-3 and the permitted uses by right of the 17.49 Acre Property are single-family and multi-family residential; 3) the landowners’ property was not for sale; and 4) the Clark County Assessor had placed a residential value of almost \$6 million on the property for real estate taxes.

Based on my 25 years as a member of the Clark County Board of Equalization, the assessed value is typically well below a property’s market value in this area. Which based on my analysis in this report, is true for the subject property.

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

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

In the before condition, I analyzed the property as if it were available to be developed with a multi-family residential use in compliance with its R-3 zoning as of May 17, 2018 and October 10, 2022. The highest and best use in the before condition was a multi-family residential development. In the after condition, the City's actions have removed the possibility of residential development; however, the landowner is still required to pay property taxes as if the property could be developed with a residential use. This immediately added an annual expense that was over \$65,000, and that amount would be expected to increase over time.

Due to the effect of the government's actions, I concluded there is no market to sell this property with public use and these development restrictions along with high annual expenses. You would be paying for a property with no economic benefit that has annual expenses in excess of \$65,000 for real estate taxes, in addition to insurance for a property used by the public in an uncontrolled way.

VALUE OF THE REMAINDER - AFTER CONDITION

In the previous section of this report, I researched and analyzed comparable land sales to arrive at supportable opinions of the subject's value in the before condition, as of May 17, 2018 (retrospective) and as of October 10, 2022 (prospective). Based on my research, I have concluded that the value of the property in the after condition would be nominal at best and possibly negative. In researching "nominal" value, I found no definition that provided an actual dollar amount. Therefore, I researched what is the "nominal" value figure used by the Clark County Assessor as well as nominal values that are used by my peers.

The Assessor's office has informed me that Nevada State Law used to have a minimal figure that the Assessor would put on properties with what was concluded to be a nominal value. The Assessor stated that it had been subject to a state law that set the minimum or nominal value at \$1.25 per acre. In this case, that would reflect the nominal value at \$21.86 (17.49-Acres x \$1.25/Acre = \$21.86). The Assessor's office informed me that that law is no longer in effect and the Assessor can now put \$0.00 on a nominal use parcel.

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

Based on my research, an informed buyer would not be interested in a property under these conditions; no economic benefits but annual an annual expense of over \$65,000 that would be expected to increase. Due to the government actions, it is my opinion that there would have been no interest for the subject property in the after condition.

CONCLUSION

I previously estimated the value of the subject property in the before condition at \$25,795,000 as of May 17, 2018, and \$44,185,000 as of October 10, 2022. Based on my analysis of the property in the after condition, the City's actions result in catastrophic damages to this property as of either date. This is based on the value of the property in the after condition being zero. The following is a summary of the calculations and the resulting damages due to the City's actions.

SUMMARY OF JUST COMPENSATION DUE TO THE CITY' ACTIONS

Damages Due to the City's Actions - As of May 17, 2018	
Indicated Value of the Remainder Before the Take	\$ 25,795,000
Indicated Value the Remainder After the Take	-
Severance Damages	\$ 25,795,000
Damages Due to the City's Actions - As of October 10, 2022	
Indicated Value of the Remainder Before the Take	\$ 44,185,000
Indicated Value the Remainder After the Take	-
Severance Damages	\$ 44,185,000

SPECIAL BENEFITS

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

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

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

CONCLUSION TO JUST COMPENSATION

Based on the analyses and conclusions in this report and subject to the definitions, assumptions, and limiting conditions expressed herein, it is my opinion that the just compensation due to the landowners for the government's actions, as of May 17, 2018 (retrospective) and October 10, 2022 (prospective), were as follows:

Estimated Just Compensation Due to Landowner - Retrospective - May 17, 2018		
1	Value in the Before Condition	= \$ 25,795,000
2.	Less Value of the Remainder in the After Condition	- \$ -
3.	Damages to the remainder	= \$ 25,795,000
4.	Less special benefits to remainder	- \$ -
5.	Just compensation due to property owner	= \$ 25,795,000

The previous value is based on the following hypothetical condition and extraordinary assumptions and their use might have affected the assignment results:

1. The above before condition value is based on the hypothetical condition that the government's actions had no effect on the property's value.
2. The above value is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 and January 27, 2022 property inspections was similar to its condition on May 17, 2018, the retrospective effective date of value for this assignment.
3. The above value estimate is based on the extraordinary assumption that the cost estimates provided by Aggregate Industries, SWR, Inc. to address the site's drainage and grading accurately reflects the cost on the effective date of value.

Estimated Just Compensation Due to Landowner - Prospective - October 10, 2022		
1.	Value in the Before Condition	\$ 44,185,000
2.	Less Value of the Remainder in the After Condition	- \$ -
3.	Damages to the remainder	= \$ 44,185,000
4.	Less special benefits to remainder	- \$ -
5.	Just compensation due to property owner	= \$ 44,185,000

The previous value is based on the following hypothetical condition and extraordinary assumptions and their use might have affected the assignment results:

1. The above before condition value is based on the hypothetical condition that the government's actions had no effect on the property's value.
2. The above value is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 and January 27, 2022 property inspections will be similar to its condition on October 10, 2022, the effective prospective date of value for this assignment.
3. The above value estimate is based on the extraordinary assumption that the cost estimates provided by Aggregate Industries, SWR, Inc. to address the site's drainage and grading accurately reflects the cost on the effective date of value.

CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- I have performed no services, as an appraiser or any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- Tio S. DiFederico, MAI, made an inspection of the property that is the subject of this report on August 12, 2020 and again on January 27, 2022. The photographs in the body of this report were taken during those inspections.
- No one provided significant real property appraisal assistance to the person signing this certification.

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



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

ASSUMPTIONS AND LIMITING CONDITIONS

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

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

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

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

- other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the person signing the report.
9. Information, estimates and opinions contained in the report, obtained from third-party sources are assumed to be reliable and have not been independently verified.
 10. The current purchasing power of the dollar is the basis for the value stated in our appraisal; we assumed that no extreme fluctuations in economic cycles will occur.
 11. The value found herein is subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
 12. The *Americans with Disabilities Act (ADA)* became effective January 26, 1992. We have not made a specific survey or analysis of any property to determine whether the physical aspects of the improvements meet the *ADA* accessibility guidelines. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible non-compliance. A specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
 13. The appraisal report is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
 14. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards. No representations or warranties are made regarding the environmental condition of the subject property and the person signing the report shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
 15. The person signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
 16. It is expressly acknowledged that in any action which may be brought against The DiFederico Group, The DiFederico Group, Inc. or their respective officers, owners, managers, directors, agents, subcontractors or employees, arising out of, relating to, or in any way pertaining to this engagement, the appraisal reports, or any estimates or information contained therein, the DiFederico Group Parties shall not be responsible or liable for an incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with gross negligence. It is further acknowledged that the collective liability of the DiFederico Group Parties in any such action shall not exceed

the fees paid for the preparation of the appraisal report unless the appraisal was fraudulent or prepared with gross negligence. Finally, it is acknowledged that the fees charged herein are in reliance upon the foregoing limitations of liability.

17. The DiFederico Group, an independently owned and operated company, has prepared the appraisal for the specific purpose stated elsewhere in the report. The intended use of the appraisal is stated in the General Information section of the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
18. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The DiFederico Group, Inc. and the undersigned are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective marketing for the duration of the projected holding period of this property.

The values in this analysis are based on the following hypothetical condition and extraordinary assumptions and their use might have affected the assignment results:

1. The before values are based on the hypothetical condition that the government's actions had no effect on the property's value.
2. The values are based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 and January 27, 2022 property inspections was similar to its condition on May 17, 2018, the retrospective effective date of value for this assignment, and will be similar to its condition on October 10, 2022, the prospective effective date of value.
3. The value estimates are based on the extraordinary assumption that the cost estimates provided by Aggregate Industries, SWR, Inc. to address the site's drainage and grading accurately reflects the costs on the effective dates of value

JURISDICTIONAL EXCEPTION

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

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

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

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

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

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

The Nevada Constitution has a similar definition:

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

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

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

ADDENDUM A

APPRAISER QUALIFICATIONS

PROFESSIONAL QUALIFICATIONS OF TIO S. DIFEDERICO, MAI

EXPERIENCE:

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

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

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

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

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

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

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

PROFESSIONAL/COMMUNITY AFFILIATIONS:

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

EDUCATION:

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

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

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

QUALIFIED BEFORE COURTS AND ADMINISTRATIVE BODIES:

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

PROFESSIONAL DEVELOPMENT PROGRAMS:

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

PUBLICATIONS:

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

APPRAISER CERTIFICATE

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE	REAL ESTATE DIVISION	NOT TRANSFERABLE
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This is to Certify That : TIO S DIFEDERICO Certificate Number: A.0000150-CG

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


Issue Date: May 27, 2021 Expire Date: May 31, 2023

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: THE DIFEDERICO GROUP
7641 W POST RD
LAS VEGAS, NV 89113

REAL ESTATE DIVISION

SHARATH CHANDRA
Administrator



TESTIMONY AND DEPOSITIONS

TIO S. DIFEDERICO, MAI

2021:

September Snow Covered Capital, LLC v William Weidner, et al, United States District Court, District of Nevada Case No.: 2:19-CV-00595-JAD-NJK – Deposition – September 21, 2021, (Deficiency)

August TransWest Express, LLC vs. Mountain Vista Holdings, LLC, et al, – District Court Case – A-20-820883-C – Deposition – August 10, 2021 – (Condemnation)

March City of Las Vegas vs. Shadow Land, LLC, – District Court Case – A-19-8018232-C – Deposition – March 3, 2021 – (Condemnation)

2020:

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

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

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

2019:

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

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

2018:

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

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

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

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

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

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

2017:

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

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

File#22-007

2016:

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

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

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

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

PUBLICATIONS

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

HOURLY RATE

My standard fee for preparing reports is \$300 per hour. Review, trial preparation and conferences after the report is completed (if applicable), are billed at \$500 per hour. Deposition and/or trial testimony (if applicable), is billed at \$750 per hour. Videotaped depositions are billed at \$1,000 per hour.

ADDENDUM B

DEFINITIONS

ADDITIONAL DEFINITIONS

Unless otherwise noted, the source of the following definitions is as follows: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022). SVP are definitions from the Appraisal Institute's Standards of Valuation Practice. IVS are definitions from the International Valuation Standards.

Appraisal

(noun) the act or process of developing an opinion of value; an opinion of value. adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services. Comment: An appraisal must be numerically expressed a specific amount, as a range of numbers, or as a relationship (e.g., not more than, not less than) to a previous value opinion or numerical benchmark (e.g., assessed value, collateral value). (USPAP, 2020-2021 ed.)

Client

The party or parties (i.e., individual, group, or entity) who engage an appraiser by employment or contract in a specific assignment, whether directly or through an agent. (USPAP, 2020-2021 ed.)

Comparable

A shortened term for similar property sales, rentals, or operating expenses used for comparison in the valuation process. In best usage, the thing being compared should be specified, e.g., comparable sales, comparable properties, comparable rents.

Effective Date

1. The date on which the appraisal opinion applies. (SVP)
2. The date to which an appraiser's analyses, opinions, and conclusions apply; also referred to as date of value. (USPAP, 2020-2021 ed.)
3. The date that a lease goes into effect.

Exposure Time

An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at the market value on the effective date of value of the appraisal. (USPAP, 2020-2021 ed.)

Highest and Best Use

The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

Intended Use

The use(s) of an appraiser's reported appraisal or appraisal review assignment results, as identified by the appraiser based on communication with the client at the time of the assignment. (USPAP, 2020-2021 ed.)

Intended User

The client and any other party as identified, by name or type, as users of the appraisal or appraisal review report by the appraiser based on communication with the client at the time of the assignment. (USPAP, 2020-2021 ed.)

Legal Description

A description of land that identifies the real estate according to a system established or approved by law; an exact description that enables the real estate to be located and identified.

Legal Nonconforming Use

A use that was lawfully established and maintained, but no longer conforms to the use regulations of its current zoning; also known as a *legally nonconforming use*.

Management Fee

The amount charged by a management firm to manage property for an owner. In income and expense analysis, a management fee is typically treated as a variable operating expense, usually expressed as a percentage of effective gross income.

Market Participants

Individuals actively engaged in transactions. In real property markets, *primary market participants* invest in real property or use real estate, such as buyers, sellers, owners, lenders, and tenants. *Secondary market participants* include those who advise primary market participants, such as agents and brokers, advisors, counselors, underwriters, and appraisers.

Net Net Net Lease (Triple Net Lease)

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called *NNN lease*, *triple net lease*, or *fully net lease*.

Net Operating Income (NOI or Io)

The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income but before mortgage debt service and book depreciation are deducted. Note: This definition mirrors the convention used in corporate finance and business valuation for EBITDA (earnings before interest, taxes, depreciation, and amortization).

Off-Site Improvements

Improvements located off the property itself but necessary to facilitate its development, e.g., streets, sidewalks, curbing, traffic signals, water and sewer mains, parking, water retention ponds.

On-Premise Sign

A sign that advertises products or services that are sold, produced, manufactured, or furnished on the property where the sign is located. (Outdoor Advertising Association of America)

On-Site Improvements

Improvements on a site exclusive of buildings. Examples of on-site improvements include grading, landscaping, fences, gutters, paving, drainage and irrigation systems, walkways, and other physical enhancements to the land.

Parking Ratio

A ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios for various land uses are often stated in zoning ordinances.

Present Value (PV)

The value of a future payment or series of future payments discounted to the current date or to time period zero.

Qualitative Adjustment

An indication that one property is superior, inferior, or similar to another property. Note that the common usage of the term is a misnomer in that an adjustment to the sale price of a comparable property is not made. Rather, the indication of a property's superiority or inferiority to another is used in relative comparison analysis and other forms of qualitative analysis.

Qualitative Analysis

The process of accounting for differences (such as between comparable properties and the subject property) that are not quantified; may be combined with quantitative techniques.

Quantitative Adjustment

In the application of the sales comparison and income capitalization approaches, a numerical (dollar or percentage) adjustment to the sale price, rent, or expense amount of a comparable property to account for the effect on value of a difference between each comparable property and the subject property.

Quantitative Techniques.

Techniques used to derive quantitative adjustments to comparable sale prices in the sales comparison approach; also used in the development of adjustments in other valuation approaches and techniques. Quantitative techniques include data analysis techniques (paired data analysis, grouped data analysis, and secondary data analysis), statistical analysis, graphic analysis, trend analysis, cost analysis (cost-to-cure, depreciated cost), and capitalization of rent differences.

Real Estate Owned (REO)

In common usage, real property that has been acquired by a lending institution through foreclosure or deed in lieu of mortgage loans, i.e., what is more correctly called *other real estate owned (OREO)*. In best usage, the terms *owned real estate (ORE)* and *real estate owned (REO)* describe bank premises used for banking operations, and the term *other real estate owned (OREO)* describes foreclosed real property held for liquidation.

Reimbursable Expenses.

Real estate operating expenses that are subject to recovery from tenants; may include common area maintenance (CAM) charges, real property taxes, and property and casualty insurance.

Rentable Area

For office or retail buildings, the tenant's pro rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring to the inside finished surface of the dominant portion of the permanent building walls, excluding any major vertical penetrations of the floor. Alternatively, the amount of space on which the rent is based; calculated according to local practice.

Rent-Up Period

A period of time during which a rental property is in the process of initial leasing; may begin before or after construction and lasts until stabilized occupancy is achieved.

Scope of Work

The type and extent of research and analyses in an appraisal or appraisal review assignment. (USPAP, 2020-2021 ed.)

Setback

Zoning regulations that designate the distance that improvements must be set back from the front, rear, and sides of the property lines.

Subject Property

The property that is appraised in an assignment.

ADDENDUM C

PROPERTY INFORMATION



The MAPS and DATA are provided without warranty of any kind, expressed or implied.
Date Created: 01/31/2022

Property Information

Parcel: 13832301005
Owner Name(s): SEVENTY ACRES L L C
Site Address:
Jurisdiction: Las Vegas - null
Zoning Classification: Limited Multiple Residence District (R-3)

Planned Landuse:

Misc Information

Subdivision Name: PARCEL MAP FILE 120 PAGE 91
Lot Block: Lot:1 Block:
Sale Date: Not Available
Sale Price: Not Available
Recorded Doc Number: 20151116 00000239
Flight Date: 2021-09-27

Construction Year:
T-R-S: 20-60-32
Census tract: 3226
Estimated Lot Size: 17.49

Elected Officials

Commission: C - Ross Miller (D)
US Senate: Jacky Rosen, Catherine Cortez-Masto
State Senate: S - Marilyn Dondero Loop (D)
School District: E - Lola Brooks
Board of Education: 3 - Felicia Ortiz

City Ward: 2 - Victoria Seaman(3 Year Unexpired)
US Congress: 3 - Susie Lee (D)
State Assembly: 2 - Heidi Kasama (R)
University Regent: 7 - Mark Doubrava
Minor Civil Division: Las Vegas

Briana Johnson, Assessor

[Assessor Map](#) [Aerial View](#) [Building Sketch](#) [Ownership History](#) [Neighborhood Sales](#) [New Search](#)

GENERAL INFORMATION	
PARCEL NO.	138-32-301-005
OWNER AND MAILING ADDRESS	SEVENTY ACRES L L C C/O V DEHART 1215 S FORT APACHE RD # 120 LAS VEGAS NV 89117
LOCATION ADDRESS	LAS VEGAS
CITY/UNINCORPORATED TOWN	
ASSESSOR DESCRIPTION	PARCEL MAP FILE 120 PAGE 91 LOT 1
RECORDED DOCUMENT NO.	* 20151116:00239
RECORDED DATE	NOV 16 2015
VESTING	NS
COMMENTS	SF 199-19

*Note: Only documents from September 15, 1999 through present are available for viewing.

ASSESSMENT INFORMATION AND VALUE EXCLUDED FROM PARTIAL ABATEMENT	
TAX DISTRICT	200
APPRAISAL YEAR	2021
FISCAL YEAR	2022-23
SUPPLEMENTAL IMPROVEMENT VALUE	0
INCREMENTAL LAND	0
INCREMENTAL IMPROVEMENTS	0

REAL PROPERTY ASSESSED VALUE		
FISCAL YEAR	2021-22	2022-23
LAND	1989488	2188436
IMPROVEMENTS	0	0
PERSONAL PROPERTY	0	0
EXEMPT	0	0
GROSS ASSESSED (SUBTOTAL)	1,989,488	2,188,436
TAXABLE LAND + IMP (SUBTOTAL)	5,684,251	6,252,674
COMMON ELEMENT ALLOCATION ASSESSED	0	0
TOTAL ASSESSED VALUE	1,989,488	2,188,436
TOTAL TAXABLE VALUE	5,684,251	6,252,674

ESTIMATED LOT SIZE AND APPRAISAL INFORMATION	
ESTIMATED SIZE	17.49 ACRES
ORIGINAL CONST. YEAR	0
LAST SALE PRICE MONTH/YEAR	
SALE TYPE	
LAND USE	13.000 - VACANT - MULTI-RESIDENTIAL
DWELLING UNITS	0

PARCEL OWNERSHIP HISTORY

[Assessor Map](#) [Aerial View](#) [Comment Codes](#) [Current Ownership](#) [New Search](#)

ASSESSOR DESCRIPTION								
PARCEL MAP FILE 120 PAGE 91 LOT 1								
CURRENT PARCEL NO.	CURRENT OWNER	%	RECORD DOC NO.	RECORD DATE	VESTING	TAX DIST	EST SIZE	COMMENTS
138-32-301-005	SEVENTY ACRES L L C		20151116:00239	11/16/2015	NS	200	17.49 AC	SF 199-19

Property Account Inquiry - Summary Screen							
New Search							
Parcel ID	138-32-301-005	Tax Year	2022	District	200	Rate	3.2782
Situs Address:	UNASSIGNED SITUS LAS VEGAS						
Legal Description:	ASSESSOR DESCRIPTION: PARCEL MAP FILE 120 PAGE 91 LOT 1						
Status:	Property Characteristics		Property Values		Property Documents		
Active	Tax Cap Increase Pct.	7.7	Land	1989488	2015111800239	11/16/2015	
Taxable	Tax Cap Limit Amount	52330.58	Total Assessed Value	1989488			
	Tax Cap Reduction	12888.82	Net Assessed Value	1989488			
	Land Use	0-00 Vacant - Multi-residential	Exemption Value New Construction	0			
	Cap Type	OTHER	New Construction - Supp Value	0			
	Acreage	17.4900					
	Exemption Amount	0.00					
Role	Name	Address			Since	To	
Owner	SEVENTY ACRES L L C	C/O V DEHART 1215 S FORT APACHE RD #120, LAS VEGAS, NV 89117 UNITED STATES			6/14/2019	Current	
Summary							
Item		Amount					
Taxes as Assessed		\$85,219.40					
Less Cap Reduction		\$12,888.82					
Net Taxes		\$52,330.58					
PAST AND CURRENT CHARGES DUE TODAY							
Tax Year	Charge Category	Amount Due Today					
THERE IS NO PAST OR CURRENT AMOUNT DUE as of 3/3/2022						\$0.00	
NEXT INSTALLMENT AMOUNTS							
Tax Year	Charge Category	Installment Amount Due					
2022	Property Tax Principal	\$13,082.65					
NEXT INSTALLMENT DUE AMOUNT due on 3/7/2022						\$13,082.65	
TOTAL AMOUNTS DUE FOR ENTIRE TAX YEAR							
Tax Year	Charge Category	Remaining Balance Due					
2022	Property Tax Principal	\$13,082.65					
2022	Las Vegas Artesian Basin	\$0.00					
TAX YEAR TOTAL AMOUNTS DUE as of 3/3/2022						\$13,082.65	
PAYMENT HISTORY							
Last Payment Amount		\$13,082.65					
Last Payment Date		1/12/2022					
Fiscal Tax Year Payments		\$39,250.99					
Prior Calendar Year Payments		\$50,482.94					
Current Calendar Year Payments		\$13,082.65					



[View Printer-Friendly Map](#)

The District makes no warranties concerning the accuracy of this data. [View Disclaimer](#)

This parcel IS in a 100-year flood zone. Type: ZONE A

<i>Parcel</i>	13832301005
<i>Owner</i>	SEVENTY ACRES L L C
<i>Address</i>	
<i>Entity</i>	Las Vegas
<i>Contact</i>	702-229-6541
<i>Flood Zone</i>	ZONE A
<i>FIRM Panel</i>	View FIRM Panel (2145)
<i>LOMR</i>	This parcel is not affected by a LOMR



ADDENDUM D

SUPPORTING DOCUMENTS



LAS VEGAS
CITY COUNCIL

CAROLYN G. GOODMAN
MAYOR

STAVROS S. ANTHONY
MAYOR PRO TEM

LOIS TARKANIAN
STEVEN D. ROSS
RICKI Y. BARLOW
BOB COFFIN
BOB BEERS

ELIZABETH N. FRETWELL
CITY MANAGER

CITY OF LAS VEGAS
DEPARTMENT OF PLANNING
DEVELOPMENT SERVICES CENTER
333 NORTH RANCHO DRIVE
3RD FLOOR
LAS VEGAS, NEVADA 89108

VOICE 702.229.6301
FAX 702.474.0352
TTY 702.586.9108
www.lasvegasnevada.gov

December 30, 2014

EXHIBIT H

Frank Pankratz
ENB Companies
9755 W. Charleston Blvd.
Las Vegas, NV 89117

RE: 138-31-713-002
138-31-712-004
138-31-610-002
138-31-212-002 (ZVL-57350)



Mr. Pankratz,

This letter is in response to a request for zoning verification on properties located within Las Vegas, Nevada with Assessor's Parcel Numbers of 138-31-713-002; 138-31-712-004; 138-31-610-002; and 138-31-212-002. **The subject properties are zoned R-PD7 (Residential Planned Development District - 7 Units per Acre).**

The R-PD District is intended to provide for flexibility and innovation in residential development, with emphasis on enhanced residential amenities, efficient utilization of open space, the separation of pedestrian and vehicular traffic, and homogeneity of land use patterns. The density allowed in the R-PD District shall be reflected by a numerical designation for that district. (Example, R-PD4 allows up to four units per gross acre.) **A detailed listing of the permissible uses and all applicable requirements for the R-PD Zone are located in Title 19 ("Las Vegas Zoning Code") of the Las Vegas Municipal Code. The Las Vegas Zoning Code may be found on the City of Las Vegas website:**

http://www.lasvegasnevada.gov/LawsCodes/zoning_laws.htm

The department is unable to provide you with a statement as to whether or not this property conforms to current City codes. If a use or building is nonconforming, then Title 19.14 grants certain rights to the owner, which are addressed in Sections 19.14.040 and 19.14.050 located in Title 19 ("Unified Development Code") of the Las Vegas Municipal Code. The Unified Development Code may be found on the City of Las Vegas website:

http://www.lasvegasnevada.gov/files/CLV_Unified_Development_Code.pdf

Should you wish to obtain copies of a Certificate of Occupancy or other public records related to the subject property, please contact the Las Vegas Building and Safety Department at (702) 229-6251. Information regarding City code violations on the subject property can be obtained from the Code Enforcement Division of the Building and Safety Department at (702) 229-2330.

If you have any questions concerning this matter, please contact me at (702) 229-6745.

Sincerely,

Nicole Eddowes
Planner I
Planning & Development Department

PRJ-63491
02/25/16

00883 FM-0073a-04.12

000103 LO 00000084



THE JIMMERSON LAW FIRM
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW

James J. Jimmerson
Michael C. Rauman
Kirstine Brewer

*ALSO ADMITTED IN CALIFORNIA
**MEMBER, NATIONAL TRIAL LAWYERS
TOP 100 LAWYERS
**BARTINGALE-HUBBELL "AV" PREEMINENT
**SUPER LAWYERS BUSINESS LITIGATION
**SERIALS PUBLISHER "BEST LAWYERS"
**RECIPIENT OF THE PRESTIGIOUS ELITE ISLAND
MEDAL OF HONOR, 2012
**FELLOW, AMERICAN ACADEMY
OF MATRIMONIAL LAWYERS
**FELLOW, AMERICAN COLLEGE
OF FAMILY TRIAL LAWYERS
**FAMILY LAW SPECIALIST, NEVADA STATE BAR

December 7, 2016

By Email and U.S. Mail

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

Dear Mr. Jerbic:

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

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

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

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

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

415 SOUTH SIXTH STREET, SUITE 100 • LAS VEGAS, NV 89101 • (702) 386-7171 • FAX: (702) 380-6422 • EMAIL: jj@jimmersonlawfirm.com

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

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

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

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

"Tom,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sincerely,

THE JIMMERSON LAW FIRM, P.C.



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

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

To: alejandro.garcia[agarcia@LasVegasNevada.GOV]; Crystal H. Makridis[cmakridis@LasVegasNevada.GOV]; Nashira Ling[nling@LasVegasNevada.GOV]; rafiq ali[r.ali@LasVegasNevada.GOV]; Sandy Gravseth[sgravseth@LasVegasNevada.GOV]; Victor Ravelo[vravelo@LasVegasNevada.GOV]
From: Lauren E. Storla
Sent: Tue 6/27/2017 8:47:09 PM
Subject: Badlands

If anyone sees a permit for grading or clear and grub at the **Badlands** Golf Course, please see Kevin, Rod, or me. Do Not Permit without approval from one of these three.



Lauren Storla | Senior Permit Technician
Building & Safety
333 N. Rancho Drive, Las Vegas, NV 89106
702-229-5460

lasvegasnevada.gov



[City of Las Vegas Building & Safety](#)

Your opinion is important! Click [here](#) to take a short survey.

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CLV006185



Las Vegas
City Council
Carolyn G. Goodman
Mayor

Lois Tarkenton
Mayor Pro Tem

Rick Y. Barlow
Stavros S. Anthony
Bob Coffin

Steven G. Seroka
Michele Fiore

City of Las Vegas
City Manager
Scott D. Adams
City Manager

VIA CERTIFIED MAIL

August 24, 2017

Seventy Acres, LLC
Attn: Ms. Vickie Dehart
120 S. Fort Apache Rd., Suite 120
Las Vegas, NV 89117

Re: L17-00198

Dear Ms. Dehart:

Through the various public hearings and subsequent debates concerning development on the subject site I have determined, pursuant to Las Vegas Municipal Code (LVMC) 19.16.100(C)(1)(b), that any development on this site has the potential to have significant impact on the surrounding properties and as such may require a Major Review.

After reviewing the permit submitted (L17-00198) for perimeter wall modifications and controlled access gates on the subject site, I have determined that the proximity to adjacent properties has the potential to have significant impact on the surrounding properties. As such, the Minor Development Review (Building Permit Level Review) is denied and an application for a Major Review will be required pursuant to LVMC 19.16.100(G)(1)(b).

Please coordinate with the Department of Planning for the submittal of a Major Site Review.

Thank you.

Robert Summerfield, AICP
Acting Director
Department of Planning

RS:me

COPY

DEPARTMENT OF PLANNING

1333 N. Rancho Drive | 3rd Floor | Las Vegas, NV 89106 | 702.229.6301 | FAX 702.474.0352 | TTY 711

LO 00002365



VIA CERTIFIED MAIL

August 24, 2017

Las Vegas
City Council
Carolyn G. Goodman
Mayor
Lois Tarkanian
Mayor Pro Tem
Ricki Y. Barlow
Stavros S. Anthony
Bob Coffin
Steven G. Seroka
Michele Fiore

City Manager
Scott D. Adams
City Manager

American Fence Company, Inc.
Attn: Ms. Laurie Peters
4230 Losee Rd.
North Las Vegas, NV 89030

Re: C17-01047

Dear Ms. Peters:

Through the various public hearings and subsequent debates concerning development on the subject site, I have determined, pursuant to Las Vegas Municipal Code (LVMC) 19.16.100(C)(1)(b), that any development on this site has the potential to have significant impact on the surrounding properties and as such may require a Major Review.

After reviewing the permit submitted (C17-01047) for chain link fencing to enclose two water features/ponds on the subject site, I have determined that the proximity to adjacent properties has the potential to have significant impact on the surrounding properties. As such, the Minor Development Review (Building Permit Level Review) is denied and an application for a Major Review will be required pursuant to LVMC 19.16.100(G)(1)(b).

Please coordinate with the Department of Planning for the submittal of a Major Site Review.

Thank you.

A handwritten signature in cursive script, reading "Robert Summerfield".

Robert Summerfield, AICP
Acting Director
Department of Planning

RS:ma

cc: 180 Land Co., LLC
Attn: Vickie Dehart
1215 S. Fort Apache Rd, Suite 120
Las Vegas, NV 89117

DEPARTMENT OF PLANNING

1333 N. Rancho Drive | 3rd Floor | Las Vegas, NV 89106 | 702.229.6301 | FAX 702.474.0352 | TTY 7 1 1

LO 00002353

**LAS VEGAS
CITY COUNCIL**

Carolyn G. Goodman
Mayor

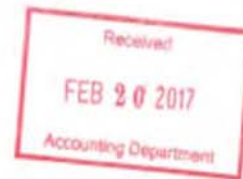
Steven D. Ross
Mayor Pro Tem

Lois Tarkanian
Ricki Y. Barlow
Stavros S. Anthony
Bob Coffin
Bob Beers

Elizabeth N. Fretwell
City Manager

February 16, 2017

Mr. Frank Pankratz
Seventy Acres LLC
1215 South Fort Apache Road, Suite #120
Las Vegas, Nevada 89117



**RE: ABEYANCE ITEM - GPA-62387 [PRJ-62226] - GENERAL PLAN
AMENDMENT RELATED TO ZON-62392 AND SDR-62393
CITY COUNCIL MEETING OF FEBRUARY 15, 2017**

Dear Mr. Pankratz:

The City Council at a regular meeting held on February 15, 2017 voted to **APPROVE** a request for a General Plan Amendment FROM: PR-OS (PARKS/RECREATION/OPEN SPACE) TO: M (MEDIUM DENSITY RESIDENTIAL) on 17.49 acres at the southwest corner of Alta Drive and Rampart Boulevard (APN 138-32-301-005), Ward 2 (Beers) [PRJ-62226].

The Notice of Final Action was filed with the Las Vegas City Clerk on February 16, 2017.

Sincerely,

Thomas A. Perrigo
Director
Department of Planning

TAP:PL:clb

CITY HALL
495 S. MAIN ST.
LAS VEGAS, NV 89101
702.229.6011
TTY 711



cc: Ms. Cindie Gee
GCW Engineering, Inc.
1555 South Rainbow Boulevard
Las Vegas, Nevada 89146



February 16, 2017

Mr. Frank Pankratz
Seventy Acres, LLC
1215 South Fort Apache Road, Suite #120
Las Vegas, Nevada 89117



**LAS VEGAS
CITY COUNCIL**

Carolyn G. Goodman
Mayor

Steven D. Ross
Mayor Pro Tem

Lois Tarkanian
Ricki Y. Barlow
Stavros S. Anthony
Bob Coffin
Bob Beers

Elizabeth N. Fretwell
City Manager

**RE: ABEYANCE ITEM - SDR-62393 [PRJ-62226] - SITE DEVELOPMENT
PLAN REVIEW RELATED TO GPA-62387 AND ZON-62392
CITY COUNCIL MEETING OF FEBRUARY 15, 2017**

Dear Mr. Pankratz:

The City Council at a regular meeting held on February 15, 2017 voted to **APPROVE** a request for a Site Development Plan Review FOR A PROPOSED 720-UNIT MULTI-FAMILY RESIDENTIAL (CONDOMINIUM) DEVELOPMENT CONSISTING OF FOUR, FOUR-STORY BUILDINGS on 17.49 acres at the southwest corner of Alta Drive and Rampart Boulevard (APN 138-32-301-005), R-PD7 (Residential Planned Development - 7 Units per Acre) Zone [PROPOSED: R-3 (Medium Density Residential)], Ward 2 (Beers) [PRJ-62226].

This approval is subject to the following conditions:

Planning

1. A maximum number of 435 units shall be allowed.
2. Revised floor plans depicting a maximum of 435 units shall be submitted to the Department of Planning prior to or at the same time as application is made for building permits.
3. Any future access to Alta Drive for vehicular traffic other than emergency vehicles shall be subject to a new traffic analysis and shall be reviewed and approved by the City Council at a public hearing.
4. All units shall be for sale only.
5. Approval of a General Plan Amendment (GPA-62387) and Rezoning (ZON-62392) shall be required, if approved.
6. This approval shall be void two years from the date of final approval, unless exercised pursuant to the provisions of LVMC Title 19.16. An Extension of Time may be filed for consideration by the City of Las Vegas.

CITY HALL
495 S. MAIN ST.
LAS VEGAS, NV 89101
702.229.6011
TTY 711



Mr. Frank Pankratz
Seventy Acres, LLC
SDR-62393 [PRJ-62226] - Page Two
February 16, 2017

7. All development shall be in conformance with the site plan date stamped 07/05/16, landscape plan date stamped 12/21/15, building elevations date stamped 11/30/15 and floor plans date stamped 06/29/16 and 07/28/16, except as amended by conditions herein.
8. All necessary building permits shall be obtained and final inspections shall be completed in compliance with Title 19 and all codes as required by the Department of Building and Safety.
9. These Conditions of Approval shall be affixed to the cover sheet of any plan set submitted for building permit.
10. Prior to the submittal of a building permit application, the landscape plan shall be revised to conform to the site plan dated 06/30/16.
11. A technical landscape plan, signed and sealed by a Registered Architect, Landscape Architect, Residential Designer or Civil Engineer, must be submitted prior to or at the same time application is made for a building permit. A permanent underground sprinkler system is required, and shall be permanently maintained in a satisfactory manner; the landscape plan shall include irrigation specifications. Installed landscaping shall not impede visibility of any traffic control device. The technical landscape plan shall include the following changes from the conceptual landscape plan:
 - A. Provide at least three additional 36-inch box shade trees (*Pinus pinea*) within the provided landscape buffer area along the southwest perimeter buffer, for a total of 29 trees.
 - B. Provide at least four, five-gallon shrubs per required tree in perimeter landscape buffers.
12. A fully operational fire protection system, including fire apparatus roads, fire hydrants and water supply, shall be installed and shall be functioning prior to construction of any combustible structures.
13. Prior to the submittal of a building permit application, the applicant shall meet with Department of Planning staff to develop a comprehensive address plan for the subject site. A copy of the approved address plan shall be submitted with any future building permit applications related to the site.
14. All City Code requirements and design standards of all City Departments must be satisfied, except as modified herein.

Mr. Frank Pankratz
Seventy Acres, LLC
SDR-62393 [PRJ-62226] - Page Three
February 16, 2017

Public Works

15. Correct all Americans with Disabilities Act (ADA) deficiencies on the sidewalk ramps accessing this site on Alta Drive and Rampart Boulevard in accordance with code requirements of Title 13.56.040 to the satisfaction of the City Engineer concurrent with development of this site. All existing paving damaged or removed by this development shall be restored at its original location and to its original width concurrent with development of this site.
16. Unless otherwise allowed by the City Engineer, construct sidewalk on at least one side of all access drives connecting this site to the adjacent public streets concurrent with development of this site. The connecting sidewalk shall extend from the sidewalk on the public street to the first intersection of the on-site roadway network and shall be terminated on-site with a handicap ramp.
17. Landscape and maintain all unimproved rights-of-way on Alta Drive and Rampart Boulevard adjacent to this site. All landscaping and private improvements installed with this project shall be situated and maintained so as to not create sight visibility obstructions for vehicular traffic at all development access drives and abutting street intersections.
18. Submit an Encroachment Agreement for landscaping and private improvements in the Alta Drive and Rampart Boulevard public rights-of-way prior to this issuance of permits for these improvements. The applicant must carry an insurance policy for the term of the Encroachment Agreement and add the City of Las Vegas as an additionally insured entity on this insurance policy. If requested by the City, the applicant shall remove property encroaching in the public right-of-way at the applicant's expense pursuant to the terms of the City's Encroachment Agreement. The installation and maintenance of all private improvements in the public right-of-way shall be the responsibility of the applicant and any successors in interest to the property and assigns pursuant to the terms of the Encroachment Agreement. Coordinate all requirements for the Encroachment Agreement with the Land Development Section of the Department of Building and Safety (702-229-4836).
19. A Traffic Impact Analysis must be submitted to and approved by the Department of Public Works prior to the issuance of any building or grading permits, submittal of any construction drawings or the recordation of a Map subdividing this site, whichever may occur first. Comply with the recommendations of the approved Traffic Impact Analysis prior to occupancy of the site. The Traffic Impact Analysis shall also include a section addressing Standard Drawings #234.1 #234.2 and #234.3 to determine additional right-of-way requirements for bus turnouts adjacent to this site, if any; dedicate all areas

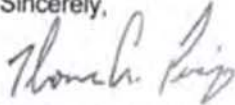
Mr. Frank Pankratz
Seventy Acres, LLC
SDR-62393 [PRJ-62226] - Page Four
February 16, 2017

recommended by the approved Traffic Impact Analysis. All additional rights of way required by Standard Drawing #201.1 for exclusive right turn lanes and dual left turn lanes shall be dedicated prior to or concurrent with the commencement of on site development activities unless specifically noted as not required in the approved Traffic Impact Analysis. Phased compliance will be allowed if recommended by the approved Traffic Impact Analysis. No recommendation of the approved Traffic Impact Analysis, nor compliance therewith, shall be deemed to modify or eliminate any condition of approval imposed by the Planning Commission or the City Council on the development of this site.

20. Prior to issuance of grading permits, replace the existing \$75,000 flood maintenance bond with a \$250,000 flood maintenance bond for the existing public drainage channel that is privately maintained for the Badlands golf course area, unless otherwise allowed in a Development Agreement.
21. A Drainage Plan and Technical Drainage Study must be submitted to and approved by the Department of Public Works prior to the issuance of any building or grading permits or submittal of any construction drawings, whichever may occur first. Provide and improve all drainageways recommended in the approved drainage plan/study. The developer of this site shall be responsible to construct such neighborhood or local drainage facility improvements as are recommended by the City of Las Vegas Neighborhood Drainage Studies and approved Drainage Plan/Study concurrent with development of this site. We note that this site is within a Federal Emergency Management Agency (FEMA) designated flood zone and that no permits of any kind will be issued until after the Conditional Letter of Map Revision (CLOMR) is approved by FEMA.

The Notice of Final Action was filed with the Las Vegas City Clerk on February 16, 2017.

Sincerely,



Thomas A. Perrigo
Director
Department of Planning

TAP:PL:clb

cc: Ms. Cindie Gee
GCW Engineering, Inc.
1555 South Rainbow Boulevard
Las Vegas, Nevada 89146

**LAS VEGAS
CITY COUNCIL**

Carolyn G. Goodman
Mayor

Steven D. Ross
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Lois Tarkanian
Ricki Y. Barlow
Stavros S. Anthony
Bob Coffin
Bob Beers

Elizabeth N. Fretwell
City Manager

February 16, 2017

Mr. Frank Pankratz
Seventy Acres LLC
1215 South Fort Apache Road, Suite #120
Las Vegas, Nevada 89117

**RE: ABEYANCE ITEM - ZON-62392 [PRJ-62226] - REZONING RELATED
TO GPA-62387 AND SDR-62393
CITY COUNCIL MEETING OF FEBRUARY 15, 2017**

Dear Mr. Pankratz:

The City Council at a regular meeting held on February 15, 2017 voted to **APPROVE** a request for a Rezoning FROM: R-PD7 (RESIDENTIAL PLANNED DEVELOPMENT - 7 UNITS PER ACRE) TO: R-3 (MEDIUM DENSITY RESIDENTIAL) on 17.49 acres at the southwest corner of Alta Drive and Rampart Boulevard (APN 138-32-301-005), Ward 2 (Beers) [PRJ-62226].

The Notice of Final Action was filed with the Las Vegas City Clerk on February 16, 2017.

Sincerely,

Thomas A. Perrigo
Director
Department of Planning

TAP:PL:clb

CITY HALL
495 S. MAIN ST.
LAS VEGAS, NV 89101
702.229.6011
TTY 711



cc: Ms. Cindie Gee
GCW Engineering, Inc.
1555 South Rainbow Boulevard
Las Vegas, Nevada 89146



Aggregate Industries, SWR, Inc.
 #10639A-AB Unlimited
 4675 West Teco Avenue #140
 Las Vegas, NV 89118
 Phone: 702.649.6250 • Fax: 702.649.8834

To:	Seventy Acres LLC, 180 Land Co LLC & Fore Stars Ltd	Contact:	Elizabeth G. Ham
Address:	Las Vegas, NV	Phone:	
		Fax:	
Project Name:	Drainage Facilities Estimate For 17 Acres - May 2018	Bid Number:	SWR/C220022CC
Project Location:	Las Vegas, NV	Bid Date:	1/20/2022

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
ALTERNATE #1					
5000	Mobilization - Storm Drain	1.00	LS	\$18,200.00	\$18,200.00
5010	SD - 12x12 RCB	2,380.00	LF	\$1,768.00	\$4,207,840.00
5020	SD - Transition Structure	1.00	EACH	\$147,300.00	\$147,300.00
5140	SD - Testing & Handover	1.00	LS	\$28,300.00	\$28,300.00
5200	SD - 6% Contingency	1.00	LS	\$264,099.00	\$264,099.00
Total Price for above ALTERNATE #1 Items:					\$4,665,739.00

ALTERNATE #2					
4000	Mobilization - Storm Drain	1.00	LS	\$18,200.00	\$18,200.00
4010	SD - 12x6 RCB	1,358.00	LF	\$1,625.00	\$2,206,750.00
4012	SD - 10x6 RCB	1,022.00	LF	\$1,405.00	\$1,435,910.00
4020	SD - Transition Structure	1.00	EACH	\$131,000.00	\$131,000.00
4140	SD - Testing & Handover	1.00	LS	\$28,300.00	\$28,300.00
4200	SD - 6% Contingency	1.00	LS	\$229,210.00	\$229,210.00
Total Price for above ALTERNATE #2 Items:					\$4,049,370.00

Notes:• **CLARIFICATIONS:**

- This is a budget proposal only
- The Proposal has been prepared on the "100 Year Flood Control Facilities" Plan as prepared by GC Wallace
- RCB boxes are quoted as 7,000 PSI Concrete with an additional 1" Sacrificial thickness. Therefore this provides a total sacrificial thickness of 2" as RCB standard design includes for 1" sacrificial thickness.
- Excavation and backfill quantities have been calculated based on a max of 15' to bottom of box type III bedding layer.
- Hard rock excavation is excluded.
- This proposal excludes all permit fees and bonding costs.

ACCEPTED: The above prices, specifications and conditions are satisfactory and are hereby accepted. Buyer: _____ Signature: _____ Date of Acceptance: _____	CONFIRMED: Aggregate Industries SWR Authorized Signature: _____ Estimator: Richard Cross richard.cross@lafargeholcim.com
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Page 1 of 1



Aggregate Industries, SWR, Inc.

#10639A-AB Unlimited

4675 West Teco Avenue #140

Las Vegas, NV 89118

Phone: 702.649.6250 • Fax: 702.649.8834

To:	Seventy Acres LLC, 180 Land Co LLC & Fore Stars Ltd	Contact:	Elizabeth G. Ham
Address:	Las Vegas, NV	Phone:	
		Fax:	
Project Name:	Drainage Facilities Estimate For 17 Acres - October 2022	Bid Number:	SWRRTC220022C
Project Location:	Las Vegas, NV	Bid Date:	1/20/2022

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
ALTERNATE #1					
5000	Mobilization - Storm Drain	1.00	LS	\$19,500.00	\$19,500.00
5010	SD - 12x12 RCB	2,380.00	LF	\$2,174.00	\$5,174,120.00
5020	SD - Transition Structure	1.00	EACH	\$199,300.00	\$199,300.00
5140	SD - Testing & Handover	1.00	LS	\$29,000.00	\$29,000.00
5200	SD - 6% Contingency	1.00	LS	\$325,316.00	\$325,316.00
Total Price for above ALTERNATE #1 Items:					\$5,747,236.00

ALTERNATE #2					
4000	Mobilization - Storm Drain	1.00	LS	\$19,500.00	\$19,500.00
4010	SD - 12x8 RCB	1,358.00	LF	\$1,996.00	\$2,710,568.00
4012	SD - 10x8 RCB	1,022.00	LF	\$1,709.00	\$1,746,598.00
4020	SD - Transition Structure	1.00	EACH	\$177,200.00	\$177,200.00
4140	SD - Testing & Handover	1.00	LS	\$29,000.00	\$29,000.00
4200	SD - 6% Contingency	1.00	LS	\$280,972.00	\$280,972.00
Total Price for above ALTERNATE #2 Items:					\$4,963,838.00

Notes:• **CLARIFICATIONS:**

- This is a budget proposal only
- The Proposal has been prepared on the "100 Year Flood Control Facilities" Plan as prepared by GC Wallace
- RCB Boxes are quoted as 7,000 PSI Concrete with an additional 1" Sacrificial thickness. Therefore this provides a total sacrificial thickness of 2" as RCB standard design includes for 1" sacrificial thickness.
- Excavation and backfill quantities have been calculated based on a max of 15' to bottom of box type II bedding layer.
- Hard rock excavation is excluded.
- This proposal excludes all permit fees and bonding costs.

ACCEPTED: The above prices, specifications and conditions are satisfactory and are hereby accepted.	CONFIRMED: Aggregate Industries SWR
Buyer: _____	Authorized Signature: _____
Signature: _____	Estimator: Richard Cross
Date of Acceptance: _____	richard.cross@lafargeholcim.com

2/21/2022 1:45:54 PM

Page 1 of 1

PROPOSAL



Aggregate Industries SWR, Inc #10639A

3101 East Craig Road
North Las Vegas, NV 89030
Contact: Greg Hunt
Phone: 702.649.6250
Fax: 702.649.8834 / 702.876.6808

Quote To: Level CM
Attn: Mark Henderson

Job Name: The 435
Bid Number: SWRGAH17038
Date: 11/17/2017
Addendum:
Date of Plans: 9/14/2017
Revision Date:

Phone:
Fax:
Email:

Proposal is based on 1 mobilization
Asphalt pricing is protected through — 2015.

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
10	MOBILIZATION/GENERAL CONDITIONS	1.00	LS	25,000.00	25,000.00
20	CLEAR & GRUB	22.00	ACRE	2,300.00	50,600.00
30	CUT TO FILL	121,910.00	CY	4.25	518,117.50
35	CUT TO STOCKPILE	31,580.00	CY	4.50	142,110.00
	Stockpile location to be given within 2000' of the cut.				
40	EXPORT TO ADJACENT SITE	108,600.00	CY	5.25	570,150.00
50	CRUSH MATERIAL TO COMPACTIBLE FILL	60,000.00	TN	5.25	315,000.00
	This proposal is based on crushing only enough material for RCB bedding and backfill. All other oversized material to be buried in the deeper fills. If any other crushing is requested or required, it will be done at the above unit rates. (Cut to Stockpile + Crushing + Cut From Stockpile)				
60	6" TYPE II BEDDING FOR RCB	1,630.00	TN	11.00	17,930.00
70	BACKFILL RCB	27,310.00	CY	15.00	409,650.00
80	FINE GRADING	104,600.00	SY	1.00	104,600.00
	This proposal is based on being able to rip all of the cut material. If blasting or extensive hoe ramming is required, an alternate proposal will be given for that work.				
90	STORM DRAIN	1.00	LS	3,809,462.00	3,809,462.00
	Storm Drain includes installation of 20 LF of 18" RCP, 25' x 25' concrete pad, 52 lf of 24" RCP, 49 LF of 36" RCP, 108 LF of 48" RCP, 339 LF of 10' x 8" RCB, 22 LF of 14' x 9' RCB, 1590 LF of 14' x 9' RCB, 10 lf of 20' x 12' RCB, 10 EA manhole risers, 3 EA transition structures, and 2 EA 5' drop inlets.				
GRAND TOTAL					\$5,962,619.50

Page 1 of 4

EXHIBIT “C”

LAW OFFICES OF KERMITT L. WATERS

Kermitt L. Waters, Esq., Bar No. 2571

kermitt@kermittwaters.com

James J. Leavitt, Esq., Bar No. 6032

jim@kermittwaters.com

Michael A. Schneider, Esq., Bar No. 8887

michael@kermittwaters.com

Autumn L. Waters, Esq., Bar No. 8917

autumn@kermittwaters.com

704 South Ninth Street

Las Vegas, Nevada 89101

Telephone: (702) 733-8877

Facsimile: (702) 731-1964

Attorneys for Plaintiff Landowners

DISTRICT COURT

CLARK COUNTY, NEVADA

FORE STARS, LTD; SEVENTY ACRES LLC,
a Nevada liability company; DOE
INDIVIDUALS I through X, DOE
CORPORATIONS I through X, and DOE
LIMITED LIABILITIES COMPANIES I
through X,

Plaintiffs,

vs.

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

Defendants.

Case No.: A-18-773268-C

Dept No.: XXIX

**PLAINTIFF LANDOWNERS' SECOND
SUPPLEMENT TO EARLY CASE
CONFERENCE INITIAL DISCLOSURES
PURSUANT TO NRCP 16.1**

Addendum to Initial Expert Disclosure

TO: THE CITY OF LAS VEGAS, Defendant; and

TO: COUNSEL OF RECORD FOR THE CITY OF LAS VEGAS.

///

///

1 Plaintiff FORE STARS Ltd., and SEVENTY ACRES, LLC (hereinafter “Landowners”),
2 by and through their counsel of record, the Law Offices of Kermitt L. Waters, hereby submit this
3 Second Supplement to their Early Case Initial Disclosures pursuant to NRCP 16.1, with Initial
4 Expert Disclosure, as follows:

5 **I.**

6 **LIST OF WITNESSES**

7 **A. NRCP Rule 16.1(a)(1)(A) disclosure: The name and, if known, the address and**
8 **telephone number of each individual likely to have information discoverable under**
9 **Rule 26(b), including for impeachment or rebuttal, identifying the subjects of the**
10 **information:**

- 11 1. Person Most Knowledgeable at the City of Las Vegas
12 c/o Las Vegas City Attorney’s Office
13 495 S. Main Street, 6th Floor
14 Las Vegas, NV 89101

15 Person Most Knowledgeable at the City of Las Vegas regarding the City’s guidelines,
16 instructions, process and/or procedures for adopting land use designation on the City of Las Vegas
17 General Plan Land Use Element and/or Master Plan, including the guidelines, instructions, process
18 and/or procedures applicable for each and every year from 1986 to present.

- 19 2. Person Most Knowledgeable at the City of Las Vegas
20 c/o Las Vegas City Attorney’s Office
21 495 S. Main Street, 6th Floor
22 Las Vegas, NV 89101

23 Person Most Knowledgeable at the City of Las Vegas regarding the City’s guidelines,
24 instructions, process and/or procedures implemented to place a designation of PR-OS or any
similar open space designation on all or any part of the Landowner’s Property and/or the 250 Acre
Residential Zoned Land on the City of Las Vegas General Plan Land Use Element and/or Master
Plan from 1986 to Present.

1 3. Person Most Knowledgeable at the City of Las Vegas
2 c/o Las Vegas City Attorney's Office
3 495 S. Main Street, 6th Floor
4 Las Vegas, NV 89101

5 Person Most Knowledgeable at the City of Las Vegas regarding the Master Development
6 Agreement Referenced in Landowner's Complaint

7 4. Steve Seroka
8 c/o Las Vegas City Attorney's Office
9 495 S. Main Street, 6th Floor
10 Las Vegas, NV 89101

11 Mr. Seroka may have information regarding the fact and circumstances surrounding the
12 allegations contained in the Landowners' Complaint which occurred while Mr. Seroka was
13 running for the City Council and while Mr. Seroka was on the City Council.

14 5. Person Most Knowledgeable
15 FORE STARS, Ltd.
16 c/o Law Offices of Kermitt L. Waters
17 704 South Ninth Street
18 Las Vegas, NV 89101

19 Person Most Knowledgeable at FORE STARS, LTD regarding the facts and circumstances
20 surrounding the allegation alleged in the Landowners' Complaint.

21 6. Person Most Knowledgeable
22 SEVENTY ACRES, LLC
23 c/o Law Offices of Kermitt L. Waters
24 704 South Ninth Street
25 Las Vegas, NV 89101

26 Person Most Knowledgeable at SEVENTY ACRES, LTD regarding the facts and
27 circumstances surrounding the allegation alleged in the Landowners' Complaint.

28 7. **Donald Richards**
29 **Superintendent/Property Manager of 250 Acres (former Badlands golf course)**
30 **c/o Law Offices of Kermitt L. Waters**
31 **704 South Ninth Street**
32 **Las Vegas, Nevada 89101**

33 Mr. Richards will testify as a representative of and on behalf of the Landowners and, based
34 upon his extensive expertise (see Curriculum Vitae, attached) in regard to any and all issues arising
35 out of and related to his work on the 17 Acre Property, including soils conditions and use of those

1 soils for development, and the physical possibility element of highest and best use. Mr. Richards
2 will also testify regarding the use of the 17 Acre Property by the public, including the surrounding
3 property owners, and the photos he has obtained of these individuals using the property such as
4 those pictures previously produced and attached to Mr. Richards Affidavit dated March 23, 2021.

5 Mr. Richards is the Property Superintendent/Property Manager assigned to the 17 Acre
6 Property. He has had this position from early 2014 to present. His responsibilities include, but are
7 not limited to, managing the FEMA maintenance and preservation of FEMA flood zone areas,
8 compliance with CLV Fire department to mitigate fire hazards, maintaining the property for safety
9 compliance, interacting with the health department, coordinating any access required for any City
10 personnel, interfacing with Metro Police regarding trespassers and vagrant's activity on property,
11 and interfacing with the public who use the property for recreation and open space.

12 **Physical Possibility**

13 Mr. Richards will testify, based on his extensive experience in the development of
14 residential and commercial properties in the City of Las Vegas and surrounding area, that, at all
15 relevant times (including the date of value), it was physically possible to develop the 17 Acre
16 Property with multi-family residential uses.

17 Mr. Richards will describe the physical attributes and shape of the 17 Acre Property,
18 including the topography, as set forth in the documents he reviewed, set forth below, and based
19 upon his knowledge and understanding of the 17 Acre Property. He will describe the surrounding
20 developments, including but not limited to Tivoli Village and the high density at One Queensridge
21 Place which demonstrates that the soils and topography will allow development of multi-family
22 residential units on the 17 Acre Property and how the soils can be used in development of the
23 property.

24 Mr. Richards will describe the access to the 17 Acre Property and how that access could
be developed from Rampart Boulevard and Alta Drive for multi-family residential development.
He will testify that the 17 Acre Property has 700 feet of frontage on Rampart Boulevard and 400
feet of frontage on Alta Drive. He will testify that the offsites, including curb, gutter, sidewalk,
and landscaping are currently installed on Rampart Boulevard and Alta Drive.

This testimony will be based on his knowledge and understanding of the 17 Acre Property
and, specifically, the data and documents described below, which more specifically identifies each
of these issues.

20 **The facts and data that Mr. Richards relied upon include, but is not limited to:**

21 Photos of individuals using the property, previously produced.

22 FEMA flood maps.

23 Numerous aerial photos of the 17 Acre Property and surrounding area.

24 His 40 + years of experience as a landscape and site development specialist and
Commercial Property Superintendent, including without limitation several large-scale
developments in the Las Vegas area, including Tivoli Village, One Queensridge Place, and
Sahara Center.

1 The Exhibits Mr. Richards will rely upon are referenced above and he will be asked to
2 identify the 17 Acre Property and the surrounding area based on aerial photos that will be presented
as exhibits at trial.

3 *Curriculum Vitae – see attached.*

4 **8. Frank Pankratz**
5 **Manager, EHB Companies LLC**
6 **c/o Law Offices of Kermitt L. Waters**
704 South Ninth Street
Las Vegas, Nevada 89101

7 Mr. Pankratz will testify as a representative of and on behalf of the Landowners and, based
upon his extensive expertise (see Curriculum Vitae, attached) in regards to any and all issues
8 arising out of and related to the physical possibility and financial feasibility elements of highest
and best use as they relate to the 17 Acre Property at issue in this matter.

9 **Physical Possibility**

10 Mr. Pankratz will testify, based on his extensive experience in the development of
11 properties in the City of Las Vegas and surrounding area, that, at all relevant times (including the
date of value), it was physically possible to develop the 17 Acre Property with multi-family
12 residential uses.

13 Mr. Pankratz will testify regarding the developability of the 17 Acre Property and all issues
related to this development. Mr. Pankratz will testify that the 17 Acre Property is 17.49 acres or
14 761,864.40 square feet.

15 Mr. Pankratz will additionally testify that the 17 Acre Property is in FEMA Flood Zone A
and would require drainage facilities to be installed and grading as described by Aggregate
16 Industries Drainage Facilities Cost Report for multi-family residential development and the costs
associated therewith.

17 Mr. Pankratz will describe the physical attributes and shape of the 17 Acre Property,
including the topography, as set forth in the documents he reviewed, set forth below, and based
18 upon his knowledge and understanding of the 17 Acre Property. He will describe the surrounding
developments, including Tivoli Village and One Queensridge Place that demonstrates the soils and
19 topography will allow development of multi-family residential units on the 17 Acre Property. He
will support this testimony further with the documents, referenced below. He will conclude that
20 the development of multi-family residential is physically possible.

21 Mr. Pankratz will describe the access to the 17 Acre Property and how that access could be
22 developed from Rampart Boulevard and Alta Drive for multi-family residential development. He
will testify that the 17 Acre Property has 700 feet of frontage on Rampart Boulevard and 400 feet
23 of frontage on Alta Drive. He will testify that the offsites, including curb, gutter, sidewalk, and
landscaping are currently installed on Rampart Boulevard and Alta Drive.

1 Mr. Pankratz will testify in regards to the location of the utilities for development and that
2 the location of these utilities is sufficient for multi-family residential development.

3 Mr. Pankratz will testify in regards to the grading work for the development of the 17 Acre
4 Property and that the grading could be accomplished for the development of multi-family
residential units on the property, based on his experience developing these types of properties and
the data and documents referenced below.

5 Mr. Pankratz will testify regarding all of the applications for, back up documents relevant
6 to, and approvals given on the 17 Acre Property relevant to February 15, 2017, approvals and how
this further proves the physical possibility of multi-family use on the 17 Acre property.

7 Mr. Pankratz will testify that multi-family residential development is physically possible
8 on the 17 Acre property.

9 **Financial Feasibility**

10 Mr. Pankratz will testify, based on his extensive experience in the development of
11 properties in the City of Las Vegas and surrounding area, that, at all relevant times, it was
financially feasible to develop the 17 Acre Property with multi-family residential uses. Mr.
Pankratz will describe the surrounding area and development he was personally involved with in
the surrounding area, including the following:

12 One Queensridge Place
13 Sahara Center
14 Tivoli Village
Sun City Summerlin

15 Mr. Pankratz will testify regarding the residential real estate market as of the date of
16 valuation and that the residential market was ideal for development. He will testify that the Las
Vegas residential real estate market as of the relevant date of value would have supported the
construction and sale of multi-family residential units on the 17 Acre Property.

17 Mr. Pankratz will testify that the location of the 17 Acre Property is a premium location
18 for multi-family residential development at all relevant times. He will describe the surrounding
developments, including Tivoli Village, and the homes built in the Queensridge Community and
19 the Summerlin Community, and explain that these are some of the most sought-after residential
developments in the City of Las Vegas. He will explain that the 17 Acre Property is one of few
20 parcels in this area that is available for multi-family residential development.

21 Mr. Pankratz will testify regarding all of the applications for, back up documents relevant
22 to, and approvals given on the 17 Acre Property relevant to February 15, 2017, approvals and how
this further proves the financial feasibility of multi-family residential use on the 17 Acre property.

23 **The facts and data that Mr. Pankratz relied upon include, but are not limited to:**

24 These documents are produced concurrently herein and are numbered FP WF 17 Acres 000001-
000116 which include the following:

1 Aggregate Industries Drainage Facilities Cost Estimates May 2018 and October 2022
2 Aggregate Industries Proposal - Grading

3 All of the applications for, back up documents relevant to, and approvals given on the 17
4 Acre Property relevant to February 15, 2017, approvals. Previously produced by both the
Landowners and the City.

5 Mr. Pankratz also relied upon the following:

6 FEMA flood map.

7 Numerous aerial photos of the 17 Acre Property and surrounding area.

8 His 40+years of experience in the land development and homebuilding industry, including
without limitation several large-scale residential developments in the Las Vegas area including:

- 9 • Alliante – 2,000 acres in North Las Vegas, NV – Del Webb with American Nevada Corporation
- 10 • General Manager of Del Webb's:
 - 11 ○ Anthem, Las Vegas, NV – 5,000 acres/13,700 homes.
 - 12 ○ Sun City Summerlin, Las Vegas, NV 1,500 acres/7,800 homes
 - Sun City MacDonald Ranch, Henderson, NV – 600 acres/2800 homes
- 12 • Oversight manager:

13 The Exhibits Mr. Pankratz will rely upon are referenced above and he will be asked to
14 identify the 17 Acre Property and the surrounding area based on aerial photos that will be presented
as exhibits at trial.

15 *Curriculum Vitae – see attached.*

16 **9. Tio S. DiFederico, MAI**
17 **The DiFederico Group**
18 **7641 Post Road**
Las Vegas, NV 89113
(702) 734-3030

19 Mr. DiFederico's report, curriculum vitae, list of publications if any, list of depositions and
20 testimony if any, fee schedule, work file and additional reviewed documents are disclosed
21 herewith. Mr. DiFederico will testify to those matters, information, and opinions provided in the
22 report(s) produced herewith (and any and all supplements thereto) and any and all matters,
23 information and opinions which reasonably flows therefrom. Mr. DiFederico may also testify to
24 those matters and information contained in the work file produced herewith and additional

documents disclosed herein as well as all matters and information which may reasonably flow therefrom.

B. NRCP Rule 16.1(a)(1)(B) disclosure: A copy of, or a description by category and location of, all documents, data compilations, and tangible things that are in the possession, custody or control of the party which are discoverable under Rule 26(b):

II.

**INDEX TO PLAINTIFF LANDOWNERS' EARLY CASE CONFERENCE
DISCLOSURES PURSUANT TO NRCP 16.1**

Document No.	Title	Bates Number
1	01.31.17 NOE FFCL Final Order Judgement Case A-16-739654-C	LO17 00000001 - 00000045
2	04.11.84 Attorney General Opinion 84-6	LO17 00000046 - 00000052
3	05.23.2016 Elite Golf Letter	LO17 00000053
4	06.21.17 City Council Transcript	LO17 00000054
5	1.9.2018 - Staff Report	LO17 00000055 - 00000066
6	1.9.2018 WVR 72004, SDR-72005 Staff Report	LO17 00000067
7	1.9.2018 WVR-72007 Staff Report	LO17 00000068 - 00000092
8	1.9.2018 WVR-72010 Staff Report	LO17 00000093 - 00000115
9	10.15.2018 Kaempfer Crowell Letter	LO17 00000116 - 00000117
10	10.15.2018 Recommending Committee Transcript	LO17 00000118
11	10.17.18 NV SC Order of Affirmance Case No 72455	LO17 00000119
12	10.18.16 Planning Commission Transcript Excerpt	LO17 00000120 - 00000125
13	11.1.2016 Badlands Homeowners' Meeting Transcript	LO17 00000126 - 00000134
14	11.16.2017 Seroka - Schreck Email	LO17 00000135
15	11.27.18 NV SC Order denying Rehearing Case No 72410	LO17 00000136 - 00000138
16	11.30.17 Justification letter filed under protest	LO17 00000139 - 00000141
17	11.30.2016 FFCL Case No A -16-739654-C	LO17 00000142 - 00000166
18	11.7.18 City Council Hearing Transcript	LO17 00000167
19	11.7.2018 City Council Meeting Transcript	LO17 00000168
20	12.12.2016 Justification Letter for 61 Lots	LO17 00000169
21	12.17.2015 LVRJ Article - Group that includes rich and famous files suit over condo plan	LO17 00000171
22	12.20.1984 Planning Commission Hearing on General Plan	LO17 00000172
23	12.27.2016 Justification letter for GPA 68385	LO17 00000173
24	12.7.16 Letter from Jimmerson to Jerbic	LO17 00000174 - 00000182

1	25	19.10.040	LO17 00000183 - 00000185
	26	19.10.050	LO17 00000186 - 00000187
2	27	19.10.050 R-PD	LO17 00000188
	28	19.12.010 CLV Land Use Table	LO17 00000189 - 00000190
3	29	19.16.030 GPA	LO17 00000191 - 00000200
	30	19.16.090	LO17 00000201 - 00000206
4	31	19.16.100 Site Development Plan Review	LO17 00000207 - 00000211
5	32	2.14.17 Planning Commission excerpt with video still	LO17 00000212 - 00000213
6	33	2.14.17 Planning Commission Transcript	LO17 00000214 - 00000293
	34	2.14.17 Planning Commission Transcript Item 21-14	LO17 00000294 - 00000295
7	35	2.14.2017 Planning Commission Staff Report	LO17 00000296 - 00000321
8	36	2.14.2017 Planning Commission Transcript	LO17 00000322 - 00000401
	37	2.14.2018 Recommending Committee Meeting Transcript	LO17 00000402 - 00000441
9	38	2.15.19 Minute Order Re CLV MTD	LO17 00000442
10	39	2.15.2017 City Council Meeting Transcript	LO17 00000443
	40	2.21.18 City Council Transcript Items 122-131	LO17 00000444 - 00000477
11	41	2.21.2018 City Council Transcript	LO17 00000478 - 00000511
	42	20170215 - 720 Conditions and Staff Report	LO17 00000512 - 00000532
12	43	2017-12-15 Thoughts on Eglet Prince Opiod Proposed Lawsuit	LO17 00000533 - 00000535
13	44	20180911 - Planning Commission - Hardstone Temp Permit	LO17 00000537 - 00000558
14	45	20180911 - Planning Commission - Hardstone Temp Permit	LO17 00000536
15	46	20180911 - Planning Commission - Hardstone Temp Permit - DeSalvio	LO17 00000559
16	47	2050 Master Plan Excerpts	LO17 00000560 - 00000562
	48	250 Design Guidelines DIR 70539	LO17 00000563 - 00000578
17	49	250 Design Guidelines, Development Standards and Uses	LO17 00000579 - 00000591
18	50	250 Development Agreement	LO17 00000592 - 00000640
19	51	3.21.18 City Council Meeting Agenda Summary Page Item No 47	LO17 00000641 - 00000645
20	52	4.15.1981 City Commission Minutes	LO17 00000646 - 00000683
	53	4.15.81 City Of Las Vegas Commission Meeting	LO17 00000684 - 00000721
21	54	5.14.2018 Michelle Fiore Opening Statement Bill	LO17 00000722 - 00000727
	55	5.16.18 City Council Agenda Summary 74-83	LO17 00000728 - 00000741
22	56	5.16.18 City Council Agenda Summary Page Item 26	LO17 00000742 - 00000743
23	57	5.16.18 City Council Meeting Transcript Item 66	LO17 00000744 - 00000764
	58	5.16.18 City Council Transcript	LO17 00000765 - 00000785
24	59	5.16.18 Transcript Excerpt	LO17 00000786

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60	5.16.2018 City Council Meeting Transcript	LO17 00000787 - 00000860
61	5.16.2018 City Council Transcript	LO17 00000861 - 00000934
62	5.17.2018 City of Las Vegas Letters Striking items	LO17 00000935 - 00000944
63	5.22.2017 Justification Letter for Development Agreement	LO17 00000945 - 00000946
64	5.23.2016 Par 4 Letter of Termination	LO17 00000947 - 00000948
65	6.13.17 City Council Transcript	LO17 00000949 - 00001031
66	6.13.17 Planning Commission Transcript - Excerpt	LO17 00001032 - 00001035
67	6.20.2017 Jimmerson Representation Letter	LO17 00001036 - 00001038
68	6.21.2017 Agenda Summary Pages	LO17 00001039 - 00001044
69	6.21.2017 City Council Transcript	LO17 00001045
70	6.21.2017 Emails between Luann Holmes and City Deputies	LO17 00001046 - 00001051
71	6.21.2017 Planning Commission Staff Report	LO17 00001052 - 00001078
72	6.21.2017 Staff Report	LO17 00001079 - 00001104
73	6.21.2018 Transcript of HOA Meeting	LO17 00001105
74	6.28.2016 Reasons for Access Points from Mark Colloton	LO17 00001106 - 00001111
75	65 acres combined Clark County tax assessor summary	LO17 00001112 - 00001117
76	7.17.18 Hutchison Letter in Oppo of Bill 2018-24	LO17 00001118 - 00001120
77	7.17.2018 Hutchison Steffen Letter Re Bill No 2018-24	LO17 00001121 - 00001123
78	8.10.17 Application for Wall and Fence	LO17 00001124
79	8.10.17 Application for Walls and Fence	LO17 00001125 - 00001132
80	8.13.2018 GCW Meeting Minutes	LO17 00001133 - 00001138
81	8.2.17 City Council Transcript	LO17 00001139
82	8.2.2017 City Council Agenda Summary Page	LO17 00001140 - 00001142
83	8.24.2017 Fence Denial Letter	LO17 00001143
84	8.28.17 City Council Meeting Transcript Item 8 (excerpt) and Items 53 and 51	LO17 00001144 - 00001298
85	8.28.17 CLV Abeyance Letters	LO17 00001299 - 00001302
86	9.16.17 City Council Agenda Summary	LO17 00001303 - 00001304
87	9.26.2018 Seroka - Craig Billings Email	LO17 00001305
88	9.4.18 Meeting Submission for Item No 4 by Stephanie Allen	LO17 00001306
89	9.4.2018 Recommending Committee Transcript	LO17 00001307 - 00001372
90	9.6.2017 City Council Transcript	LO17 00001373 - 00001435
91	Addendum to the Development Agreement for the 250	LO17 00001436
92	Aerial Map of Subject Property	LO17 00001437 - 00001438
93	Affidavit of Bryan Scott	LO17 00001439 - 00001440
94	Affidavit of Don Richards with Referenced Photos	LO17 00001493 - 00001544
95	Affidavit of Don Richards with Referenced Photos	LO17 00001441 - 00001492
96	Affidavit of James B Lewis	LO17 00001545 - 00001546

1	97	Agenda	LO17 00001547 - 00001557
	98	Agenda Summary Page	LO17 00001558
2	99	Agenda Summary Page	LO17 00001559 - 00001560
	100	Agenda Summary Page	LO17 00001561 - 00001562
3	101	Agenda Summary Page	LO17 00001563
	102	Agenda Summary Page 17-acre appeal	LO17 00001564 - 00001568
4		Appellees Oppo Brief-Cross Brief Del Monte Dunes v Monterey	LO17 00001569
5	103		
	104	Application for 68385	LO17 00001570
6	105	Application for DIR 70539	LO17 00001571 - 00001593
	106	Application for WVR - 68480	LO17 00001594 - 00001596
7	107	Application SDR 68481	LO17 00001597 - 00001600
	108	Application TMP-68482	LO17 00001601
8	109	Assessor's Summary of Taxable Values	LO17 00001602 - 00001603
	110	Back up from September 11 Planning Commission	LO17 00001604 - 00001693
9	111	Badlands Development Agreement CLV Comments	LO17 00001694 - 00001741
	112	Bill No 2015 -5 Proposed First Amendment	LO17 00001742 - 00001748
10	113	Bill No 2017-27	LO17 00001749 - 00001751
	114	Bill No 2018-24	LO17 00001752 - 00001764
11	115	Bill No. 2018 - 24	LO17 00001765 - 00001777
	116	Bob Beers Deposition Pg. 31-36 Binion v Fore Stars	LO17 00001778 - 00001780
13	117	Bob Coffin Email Re Vote Bill 2018-24	LO17 00001781
	118	Calida PSA Agreement	LO17 00001782 - 00001845
14	119	Calida Termination Letter	LO17 00001846
	120	Cedric Crear Campaign Contributions	LO17 00001847 - 00001880
15	121	City photos of SE Corner Alta and Hualapai	LO17 00001881 - 00001889
	122	City Required Concessions signed by Yohan	LO17 00001890
16	123	Clark County Assessor Valuation	LO17 00001891 - 00001915
	124	Clark County Real Property Tax Values	LO17 00001916 - 00001931
17		Clark County Tax Assessor Property Account Inquiry	LO17 00001932 - 00001933
18	125		
	126	CLV Answering Brief A-17-752344-J	LO17 00001934 - 00001964
19	127	CLV Answering Brief Excerpt - Binion v. CLV	LO17 00001965 - 00001967
		CLV Applications PRJ 11990, PRJ-11991 and PRJ-71992	LO17 00001968
20	128		
	129	CLV MTD A-18-775804-J	LO17 00001969 - 00001996
21	130	CLV MTN for Judgement Inverse Condemnation	LO17 00001997 - 00002010
	131	CLV Oppo to Motion to Determine Prop Interest	LO17 00002011
22	132	CLV Permitted Use Definition	LO17 00002012
	133	CLV Proposed FFCL A-18-773268-C	LO17 00002013 - 00002033
23	134	CLV response to RFP Set one	LO17 00002034
	135	CLV Sur Reply A-18-773268-C	LO17 00002035 - 00002045
24	136	Coffin - Bowling Email	LO17 00002046

1	137	Coffin - Schreck Emails	LO17 00002047 - 00002054
	138	Coffin Email	LO17 00002055 - 00002062
2	139	Coffin Facebook Posts	LO17 00002063 - 00002064
	140	Coffin Text Messages	LO17 00002065 - 00002076
3	141	De Facto Taking Case Law from State and Federal Jurisdiction	LO17 00002077 - 00002079
4	142	Dec 2016 Deposition of Peter Lowenstein	LO17 00002080 - 00002141
	143	Dec of Yohan Lowie in support of MTN new trial	LO17 00002142 - 00002143
5	144	Dec Vickie DeHart Binion v Fore Stars	LO17 00002144
	145	Declaration of Chris Kaempfer	LO17 00002145
6	146	Declaration of Yohan Lowie	LO17 00002146 - 00002152
7	147	Depo of Yohan Lowie Binion v Fore Stars	LO17 00002153 - 00002207
	148	Deposition of Keith Flatt Case A-16-748359-C	LO17 00002208 - 00002258
8	149	Development Agreement for the 250	LO17 00002259 - 00002313
	150	Development Agreement for the Forest and Orchestra Village	LO17 00002314
9	151	Docs Submitted at City Council 8.2.2017 - by Jimmerson	LO17 00002315 - 00002341
10	152	Exhibit F-1 Peccole Ranch As Built Map	LO17 00002342 - 00002344
11	153	FFCL MTD A-16-739654-C	LO17 00002345 - 00002369
	154	FFCL MTN to Alter or amend	LO17 00002370 - 00002382
12	155	FFCL regarding Property Interest	LO17 00002383
	156	Fore Stars PSA	LO17 00002384
13	157	Forrest Richardson - Seroka email Re Consulting	LO17 00002385 - 00002386
14	158	Frank Schreck and George West Email	LO17 00002387 - 00002392
	159	Grant Bargain and Sale Deed	LO17 00002393
15	160	Judge Smith Order Nov. 2016	LO17 00002394 - 00002418
	161	Justification Letter	LO17 00002422
16	162	Justification Letter	LO17 00002419 - 00002421
	163	Justification Letter Filed Under Protest	LO17 00002423 - 00002425
17	164	Land Use Triangle	LO17 00002426
	165	Location and Aerial Maps	LO17 00002429 - 00002430
18	166	Location and Aerial Maps	LO17 00002431 - 00002432
	167	Location and Aerial Maps	LO17 00002427 - 00002428
19	168	LVMC 19.06.100 R-2 Medium Low Density Residential District Designation	LO17 00002433 - 00002437
20	169	Map 2 of 250 Acre land	LO17 00002438
21	170	Map of 250 Acre Residential Zoned Land	LO17 00002439
	171	Master Decl of CC&Rs for Queensridge	LO17 00002440
22	172	Michelle Fiore Opening Statement Bill No. 2018-5	LO17 00002441 - 00002446
	173	Moccasin & 95, LLC v. City of Las Vegas	LO17 00002447 - 00002451
23	174	MTN to Dismiss Complaint for Inverse Condemnation	LO17 00002452 - 00002471
24	175	NOA FFCL A-18-780184-C	LO17 00002472 - 00002509

1	176	NOE FFCL Case A-16-739654-C	LO17 00002510 - 00002554
	177	Notice of Nun Pro Tunc Order	LO17 00002555 - 00002560
2	178	Notice of Related Cases	LO17 00002561 - 00002565
	179	Opioid Email	LO17 00002566 - 00002569
3	180	Order Denying CLV MTD A-18-773268-C	LO17 00002570 - 00002570
	181	Order Granting PJR A-17-752344-J	LO17 00002571 - 00002584
4	182	Order Granting MTN to Amend	LO17 00002585 - 00002608
	183	Ordinance 3636	LO17 00002609
5	184	Ordinance 5353	LO17 00002610 - 00002691
	185	Ordinance 5353 complete	LO17 00002692 - 00002773
6	186	Ordinance 6617	LO17 00002774 - 00002782
	187	Ordinance 6650	LO17 00002783 - 00002798
7	188	Original grant Bargain and Sale Deed	LO17 00002799 - 00002803
	189	Peccole Ranch Master Plan	LO17 00002804 - 00002825
8	190	Petition for Writ of Mandamus	LO17 00002826 - 00002877
	191	Photos	LO17 00002894 - 00002900
9	192	Photos	LO17 00002878 - 00002893
10	193	Pictures of Recreational Use of Property	LO17 00002901 - 00002905
	194	PRESENTATION_The720 (2)	LO17 00002906 - 00002949
11	195	PRMP As Built	LO17 00002950
	196	Properties Effected by Bill 2018-24	LO17 00002951
12	197	Protest and Support Cards	LO17 00002952 - 00002972
	198	Queensridge Custom Lots PSA	LO17 00002973 - 00002983
13	199	Queensridge Master Community Standards Section C	LO17 00002984 - 00002985
	200	Queensridge Public Offering Statement	LO17 00002986 - 00002993
14	201	Respondents Answering Brief SC Case 75481	LO17 00002994
	202	Revised Justification Letter WVR-68480	LO17 00002995 - 00002996
15	203	SC Order Denying En Banc	LO17 00002997 - 00002998
	204	SC Order Denying En Bank Case 75481	LO17 00002999 - 00003001
16	205	SC Order Denying Petition for Writ	LO17 00003002 - 00003003
	206	SC Order Denying ReHearing	LO17 00003004 - 00003005
17	207	SC Order Denying ReHearing 72410	LO17 00003006 - 00003008
	208	SC Order Denying Rehearing case 75481	LO17 00003009 - 00003010
18	209	SC Order of Affirmance Case 72410	LO17 00003011 - 00003015
	210	SC Order of Affirmance David Johnson v. McCarran	LO17 00003016
19	211	SC Order of Reversal	LO17 00003017 - 00003023
	212	Schreck - West Email	LO17 00003024
20	213	Seroka Campaign Contributions	LO17 00003025 - 00003073
	214	Seroka Campaign Literature	LO17 00003074
21	215	Site Plan PRJ-67184	LO17 00003075 - 00003090
22	216	Southwest Sector Zoning Map	LO17 00003091

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217	Staff Report	LO17 00003092 - 00003099
218	Staff Report SDR- 72005 Amended Condition	LO17 00003100
219	State Board of Equalization Appraisal	LO17 00003101 - 00003103
220	State Board of Equalization Assessor Valuation	LO17 00003104 - 00003109
221	State of Nevada State Board of Equalization Notice of Decision	LO17 00003110 - 00003114
222	Stephanie Allen Oppo to bill 2018-24 Part 1	LO17 00003115
223	Stephanie Allen Oppo to Bill 2018-24 Part 2	LO17 00003116
224	Steve Seroka Campaign Literature	LO17 00003117 - 00003122
225	Supporting Documentation	LO17 00003123 - 00003127
226	Tax Assessors Values for the 250	LO17 00003128 - 00003143
227	Taxes Assessed on the 65 acre property	LO17 00003144 - 00003146
228	The 250 Development Agreement's Executive Summary	LO17 00003147
229	Todd Polikoff Letter	LO17 00003148
230	Tom Perrigo Deposition Transcript Binion v. Fore Stars	LO17 00003149 - 00003157
231	Various City Employee Emails	LO17 00003158 - 00003166
232	Z-17-90 - PRMP - Complete Submission	LO17 00003167 - 00003167
233	Zoning Verification Letter	LO17 00003168 - 00003168
234	Frank Pankratz Work File	FP WF 17 Acres 000001 -000116
235	The DiFederico Group Report	TDG Rpt 17 Acres 000001-000154
236	The DiFederico Group Work File and Additional Documents Considered by The DiFederico Group	TDG WF 000001-006593 FP WF 000001-000456 <i>previously produced</i> TDG WF 17 Acres 00001-007098
237	Addendum to The DiFederico Group Report	TDG Rpt 17 Acres 000155-000169

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III.

COMPUTATION OF DAMAGES

C. A computation of any category of damages claimed by the disclosing party, making available for inspection and copying as under Rule 34 the documents or other evidentiary matter, not privileged, or protected from disclosure, on which such computation is based, including materials bearing on the nature and extent of injuries suffered:

Objection: The Landowners object to disclosing the computation of any category of “damages” at this time as this information requires the preparation of expert reports that will be produced in the normal course of discovery as provided in the Nevada Discovery Rules. Additionally, the computation of any category of “damages” may contain attorney work product, privileged information, and may require legal instructions or court rulings, accordingly, the same cannot be produced at this time.

The Landowners further object to the disclosing the computation of any category of “damages” at this time as the date of value has not been determined by the Court, nor has the City’s claim that it has abandoned the taking been determined as this could impact the length of the taking as well as the dates of value.

The Landowners will disclose their expert opinions/testimony regarding just compensation owed pursuant to NRCP 16.1(a)(2) and in accordance with the scheduling order set in this matter.

1 IV.

2 **POTENTIALLY APPLICABLE INSURANCE AGREEMENT**

3 **D. For inspection and copying as under Rule 34 any insurance agreement under which**
4 **any person carrying on an insurance business may be liable to satisfy part or all of a**
5 **judgement which may be entered in the action to indemnify or reimburse for**
6 **payments made to satisfy the judgement and any disclaimer or limitation of coverage**
7 **or reservation or frights under any such insurance agreement:**

6 N/A

7 ***THE LANDOWNERS INCORPORATE BY REFERENCE HEREIN ALL***
8 ***WITNESSES AND DOCUMENTS DISCLOSED BY OTHER PARTIES TO THIS ACTION,***
9 ***INCLUDING ANY DOCUMENT ATTACHED TO ANY PLEADING WHETHER***
10 ***FORMALLY DISCLOSED OR NOT. THE LANDOWNERS FURTHER RESERVE THE***
11 ***RIGHT TO SUPPLEMENT AND/OR AMEND THESE DISCLOSURES AS DISCOVERY***
12 ***CONTINUES. THE LANDOWNERS ALSO RESERVE THE RIGHT TO OBJECT TO THE***
13 ***INTRODUCTION AND/OR ADMISSIBILITY OF ANY DOCUMENT AT THE TIME OF***
14 ***TRIAL.***

15 ***THE LANDOWNERS RESERVE THE RIGHT TO SUPPLEMENT AND/OR AMEND***
16 ***THESE DISCLOSURES AS DEEMED NECESSARY IN THIS MATTER.***

17 DATED this 13th day of May, 2022.

18 **LAW OFFICES OF KERMIT L. WATERS**

19
20 BY: /s/ James J. Leavitt
KERMIT L. WATERS, ESQ.
Nevada Bar. No. 2571
21 JAMES J. LEAVITT, ESQ.
Nevada Bar No. 6032
22 MICHAEL SCHNEIDER, ESQ.
Nevada Bar No. 8887
23 AUTUMN WATERS, ESQ.
Nevada Bar No. 8917
24 ***Attorneys for Plaintiff Landowners***

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AN ADDENDUM TO AN APPRAISAL OF REAL PROPERTY

REGARDING SALES 5 & 8 OF THE ORIGINAL REPORT

PREPARED FOR:

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

EFFECTIVE DATE/FILE NUMBER OF THE ORIGINAL APPRAISAL:

Retrospective – May 17, 2018
Prospective – October 10, 2022
File No.: 22-007

ORIGINAL REPORT FORMAT:

Appraisal Report

PREPARED BY:

Tio S. DiFederico, MAI
The DiFederico Group
7641 W. Post Road
Las Vegas, NV 89113
File No.: 22-007A

May 12, 2022

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

SUBJECT: Addendum to File 22-007 – A vacant 17.49-acre parcel of land located at the southwest corner (SWC) of Alta Drive and Rampart Boulevard, in Las Vegas, Clark County, NV 89145. Assessor Parcel Number (APN) 138-32-301-005.

Dear Mr. Leavitt and Ms. Waters:

Pursuant to your request, I prepared this addendum to address the recent closings of what were identified as Sales 5 and 8 in my above referenced appraisal report. This is an addendum to my original March 17, 2022 (File No. 22-007) appraisal report of the referenced property. Therefore, this letter is not to be misconstrued as an appraisal, and it can only be used in conjunction with my original appraisal report.

The purpose of the original appraisal was to develop an opinion of the just compensation due to the landowners for the City of Las Vegas' taking of the property. In that original report, I analyzed eight (8) comparable properties to arrive at supportable opinions of the subject's value as of May 17, 2018, and as of October 10, 2022. Six (6) of those properties had closed escrow between September 30, 2016 and February 17, 2022. The remaining two (2), which are identified as Sales 5 and 8, were reported to be under contract and closing soon. Sales 5 and 8 were analyzed for the prospective October 10, 2022, date of value. In discussing Sale 5 on page 90 of the original report, I stated the following:

"I contacted the seller and was told that the sales price was within the \$6M-to-\$6.5M range and was scheduled to close in May of 2022. This reflects a cost range of \$68.19-to-\$73.87 psf. Therefore, on the conservative side, I have used the \$6.0M price for this analysis."

Due to the report involving a prospective value, I reserved the right to revise the original report based on any sale that occurred between the date of the original report and October 10, 2022 (Page 93). As I continued to monitor Sales 5 and 8, I found that the Clark County Assessor reported that Sale 5 closed escrow on April 27, 2022, and Sale 8 closed escrow on April 15, 2022. In reviewing the Deeds, which are attached to this Addendum, I found that the price of Sale 5 was at the upper end of the range provided at \$6.45M, and Sale 8 closed for \$24M, approximately 91% of the asking price ($\$24,000,000 \div \$26,500,000 = 91\%$).

The Assessor's records included a survey of Sale 5. The survey reflected APN 162-20-203-011 contained 31,582-square feet or 0.7250-acres, and APN 162-20-203-012 contained 56,152-square feet or 1.2891-acres. This reflects Sale 5 contained 87,734-square feet or 2.0141-acres (31,582 SF + 56,152 SF = 87,734 SF). With the price being \$6.45M, the unit price was \$73.52 psf ($\$6,450,000 \div 87,734 \text{ SF} = \$73.52/\text{SF}$). In comparing Sale 5 to the subject, I concluded that the adjustments were offsetting, indicating the unit price commanded by that sale would reflect what the subject could command on October 10, 2022.

As for Sale 8, since I was using the asking price, and land in this area typically sells for slightly less than the asking price, I first applied a downward adjustment for market conditions. I now know the actual price, \$24M, which indicates the downward adjustment was approximately 9% of the asking price. This reflects the price at \$67.60 psf ($\$24\text{M} \div 355,014 \text{ SF} = \67.60 SF). I must apply an upward adjustment for this site's inferior orientation, a downward adjustment for its smaller size, an upward adjustment for the cost to clear the remnant slab from the site, and another downward adjustment for its superior H-1 zoning. Since the market conditions adjustment is no longer required, and the remaining adjustments are offsetting, the unit price of \$67.60 per square foot would also be similar to what the subject could command on October 10, 2022.

On page 94 of the report, I concluded the subject's prospective October 10, 2022 value in the before condition. For this, I analyzed four (4) comparables. These sales commanded unit prices ranging from \$46.54 to \$73.52 psf. After comparing each of these sales to the subject, I concluded that the subject's prospective unit value, as of October 10, 2022, would be above that commanded by Sales 6 and 7 (\$46.54 psf-to-\$56.88 psf), and similar to that commanded by Sales 5 and 8. This suggests a value in the \$67.60-to-\$73.52 psf range.

The definition of market value for this assignment is to be based on the highest price, not the most probable price. Therefore, I have estimated the prospective unit value of the subject site, with the drainage and grading work completed, as of October 10, 2022, at \$73.00 psf. This suggests a value of \$55,616,101. However, I must adjust this value for the drainage and grading costs to obtain the as is value. In the original report, I concluded the cost for the site's drainage and grading in October 2022 at \$7,624,283. This cost must be deducted to arrive at the property's prospective market value as of October 10, 2022. Therefore, based on my research, the information in the original report, and the previous analysis, I estimated the prospective market value of the subject property in the before condition, as of October 10, 2022, as follows:

Sales Comparison Approach	
Estimated Value per SF	\$ 73.00
Subject's Square Feet Before the Take	761,864
Indicated Value	\$ 55,616,101
Less: Drainage/Grading Adjustment	\$ (7,624,283)
Indicated Value of the Remainder Before the Take	\$ 47,991,818
Rounded to	\$ 47,990,000

James J. Leavitt, Esq.
Autumn L. Waters, Esq.
May 12, 2022
Page 3

In the original appraisal report, I estimated the prospective value of the subject property, in the before condition, at \$68.00 psf as of October 10, 2022. However, since that report was prepared, Sales 5 and 8 closed escrow, and the actual prices were released. Based the closed unit prices, and my analysis of those sales, I am estimating the prospective value of the subject property, in the before condition, at \$73.00 psf as of October 10, 2022. And, based on my analysis of the property in the after condition in the original report, the City's actions result in catastrophic damages to this property. This is based on the value of the property in the after condition being zero. The following is a summary of the calculations and the resulting damages due to the City's actions as of October 10, 2022.

Damages Due to the City's Actions - As of October 10, 2022	
Indicated Value of the Remainder Before the Take	\$47,990,000
Indicated Value the Remainder After the Take	-
Severance Damages	\$47,990,000

The previous value is based on the following hypothetical condition and extraordinary assumptions and their use might have affected the assignment results:

1. The previous before condition value is based on the hypothetical condition that the government's actions had no effect on the property's value.
2. The previous value is based on the extraordinary assumption that the condition of the site noted during my August 12, 2020 and January 27, 2022 property inspections will be similar to its condition on October 10, 2022, the effective prospective date of value for this assignment.
3. The previous value estimate is based on the extraordinary assumption that the cost estimates provided by Aggregate Industries, SWR, Inc. to address the site's drainage and grading accurately reflects the cost on the effective date of value.

Again, this addendum is not to be misconstrued as an appraisal report. This is an addendum to my original March 17, 2022, appraisal report (File No. 22-007) of the referenced property that can only be used in conjunction with that report. The certification, assumptions and limiting conditions in the original report are incorporated by reference into this addendum. If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,



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

THE DIFEDERICO GROUP · INTERNATIONAL APPRAISAL & CONSULTING
7641 W. POST ROAD GO DRIVE, LAS VEGAS, NV 891137 · (702) 734-3030 · FAX (702) 240-4674

ADDENDUM A

APPRAISER QUALIFICATIONS

PROFESSIONAL QUALIFICATIONS OF TIO S. DIFEDERICO, MAI

EXPERIENCE:

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

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

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

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

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

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

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

PROFESSIONAL/COMMUNITY AFFILIATIONS:

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

EDUCATION:

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

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

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

QUALIFIED BEFORE COURTS AND ADMINISTRATIVE BODIES:

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

PROFESSIONAL DEVELOPMENT PROGRAMS:

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

PUBLICATIONS:

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

APPRAISER CERTIFICATE

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE REAL ESTATE DIVISION NOT TRANSFERABLE

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

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

Issue Date: May 27, 2021 Expire Date: May 31, 2023

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.



REAL ESTATE DIVISION

SHARATH CHANDRA
Administrator

FOR: THE DIFEDERICO GROUP
7641 W POST RD
LAS VEGAS, NV 89113

TESTIMONY AND DEPOSITIONS TIO S. DIFEDERICO, MAI

2022:

April City of Las Vegas vs. DiBella et al – District Court Case – A-20-819480-C – Deposition – April 22, 2022 – (Condemnation)

April Prometheus & Atlas Real Estate Development, LLC vs. Fidelity National Title Agency of Nevada, etal, District Court Case No.: A-19-801517-C – Deposition – April 12, 2022, (Deficiency Judgement)

2021:

September Snow Covered Capital, LLC v William Weidner, et al, United States District Court, District of Nevada Case No.: 2:19-CV-00595-JAD-NJK – Deposition – September 21, 2021, (Deficiency)

August TransWest Express, LLC vs. Mountain Vista Holdings, LLC, etal, – District Court Case – A-20-820883-C – Deposition – August 10, 2021 – (Condemnation)

March City of Las Vegas vs. Shadow Land, LLC, – District Court Case – A-19-8018232-C – Deposition – March 3, 2021 – (Condemnation)

2020:

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

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

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

2019:

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

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

2018:

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

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

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

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

2018 (Continued):

- March Bishop Gorman Development Corporation vs. J.A. Tiberti Construction, Inc. – United States Bankruptcy Court – District of Nevada- Case No, BK-S-17-11942-abl – Trial – March 20, 2018 (Deficiency Judgment)
- March United States of America v. 400 Acres of Land, More or Less Situate in Lincoln County, State of Nevada; and Jessie J. Cox, et al., – United States District Court – District of Nevada- Case No, 215-CV-01743-MMD-NJK – Deposition – March 9, 2018 (Condemnation)

2017:

- September Bishop Gorman Development Corporation vs. J.A. Tiberti Construction, Inc. – United States Bankruptcy Court – District of Nevada- Case No, BK-S-17-11942-abl – Deposition – September 27, 2017 (Deficiency Judgment)
- April State of Nevada vs. Darrell E. Jackson, Thomas M. Strawn, Jr., and Andrew S. Levy, et Al - District Court Case – A-14-707519-C – Deposition - April 11, 2017 – (Condemnation)

PUBLICATIONS

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

HOURLY RATE

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

ADDENDUM B

**ADDITIONAL INFORMATION
ON SALES 5 & 8**

SALE 5

STATE OF NEVADA DECLARATION OF VALUE FORM

1. Assessor Parcel Number(s)

a. 162-20-203-011 & 012

b. _____

c. _____

d. _____

2. Type of Property:

a. ☒ Vacant Landb. ☐ Single Fam. Res.c. ☐ Condo/Twnhsed. ☐ 2-4 Plexe. ☐ Apt. Bldgf. ☐ Comm'l/Ind'lg. ☐ Agriculturalh. ☐ Mobile Home

i. Other _____

FOR RECORDERS OPTIONAL USE ONLY

Book _____ Page _____

Date of Recording: _____

Notes: _____

3. a. Total Value/Sales Price of Property:

\$ 6,450,000.00

b. Deed in Lieu of Foreclosure Only (value of property)

\$

c. Transfer Tax Value

\$ 6,450,000.00

d. Real Property Transfer Tax Due:

\$ 32,895.00

4. **If Exemption Claimed**

a. Transfer Tax Exemption, per NRS 375.090, Section _____

b. Explain Reason for Exemption: _____

5. Partial Interest: Percentage being transferred: _____ %

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month. Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature _____

Capacity Grantor

Signature _____

Capacity Grantee

SELLER (GRANTOR) INFORMATION (REQUIRED)

Print Name: The John P Morally Revocable Trust dated May 15, 1997

Address: 6965 El Camino Real, Site 105231

City: Carlsbad

State: CA Zip: 92009

BUYER (GRANTEE) INFORMATION (REQUIRED)

Print Name: 3240 W HARMON OWNER, LP, a Delaware limited partnership

Address: 1741 Village Center Circle

City: Las Vegas

State: NV Zip: 89134

COMPANY/PERSON REQUESTING RECORDING (Required if not Seller or Buyer)

Print Name: Fidelity National Title Group

Escrow No.: 42048398-420-KAH

Address: 6385 S Rainbow Blvd, Suite 130

City, State, Zip: Las Vegas, NV 89113

AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED

SALE 8

STATE OF NEVADA DECLARATION OF VALUE FORM

1. Assessor Parcel Number(s)

a. 162-21-504-004

b.

c. 162-21-504-014

d.

2. Type of Property:

a. ☒ Vacant Landb. ☐ Single Fam. Res.c. ☐ Condo/Twnhsed. ☐ 2-4 Plexe. ☐ Apt. Bldgf. ☐ Comm'l/Ind'lg. ☐ Agriculturalh. ☐ Mobile Home

i. Other

FOR RECORDERS OPTIONAL USE ONLY

Book _____ Page _____

Date of Recording: _____

Notes: _____

3. a. Total Value/Sales Price of Property:

\$ 24,000,000.00

b. Deed in Lieu of Foreclosure Only (value of property)

\$

c. Transfer Tax Value

\$ 24,000,000.00

d. Real Property Transfer Tax Due:

\$ 122,400.00

4. If Exemption Claimed

a. Transfer Tax Exemption, per NRS 375.090, Section _____

b. Explain Reason for Exemption: _____

5. Partial Interest: Percentage being transferred: _____ %

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month. Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature

Capacity

Grantor

Signature

Capacity

Grantee

**SELLER (GRANTOR) INFORMATION
(REQUIRED)**

Print Name: Flamingo Vegas Holdco, LLC

Address: 100 Crescent Court, Suite 1850

City: Dallas

State: TX Zip: 75201

**BUYER (GRANTEE) INFORMATION
(REQUIRED)**

Print Name: Illumina Flamingo LP

Address: 360 S Rosemary Ave., Suite 400

City: West Palm Beach

State: Zip: FL 33401

COMPANY/PERSON REQUESTING RECORDING (Required if not Seller or Buyer)

Print Name: Fidelity National Title Group

Escrow No.: 42050223-420-MS6

Address: 8363 W Sunset Road, Suite 100

City, State, Zip: Las Vegas, NV 89113

AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED

SALE 5

[illegible]