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**An Appraisal Report of a Portion of  
the Laughlin Southland Vacant  
Land Containing a Total of 4,225  
Acres**

Owned By:

**The County Of Clark, A  
Political Subdivision of  
the State of Nevada**

Generally Located:

**West of Needles  
Highway, North of the  
Nevada/California  
State Line and South  
of the Town of  
Laughlin, Clark County,  
Nevada**

For the Purpose Of:

**Developing Opinions of  
Market Value, As Is, in  
Fee Simple Interest, as  
of February 10, 2015**

Date of Report:

**April 16, 2015**

File Number:

**033-15**

Purchase Order Number:

**4500234251-010**

# Anderson Valuation Group



www.andersonvaluationgroup.com

April 16, 2015

Ms. Krynn Williams  
Property Acquisition Administrator  
Department of Real Property Management  
Property Management and Acquisition Division  
Clark County Nevada  
500 South Grand Central Parkway, 4<sup>th</sup> Floor  
Las Vegas, NV 89155-1825

**File No: 033-15**  
**Purchase Order: 4500234251-010**

Dear Ms. Williams:

Pursuant to the request and authorization, we have prepared an appraisal report of the approximate 4,225 gross acres of vacant land which is a portion of the Laughlin Southland master plan. The vacant land included in this analysis and valuation is generally oriented west of Needles Highway and north of the Nevada/California state line and is identified in this valuation as Parcels A and B as noted on the map of Fort Mojave Lands submitted and reviewed. Additionally, we have concluded a value opinion of the two individual Parcels "A" and "B" as a single land holding. The valuation of Parcels "A" and "B", individually and combined presumes an approximate 60-foot wide access easement will be extended from Needles Highway to the eastern boundary line of Parcel "B". According to the legal descriptions provided to these appraisers, subject Parcel "A" contains approximately 2,596 acres gross and Parcel "B" contains approximately 1,629 acres gross. The future access easement also identified as Parcel C will contain approximately 2 acres gross.

The approximately 4,225 acres which is oriented west of Needles Highway will be made available for possible purchase or long term ground lease to a private solar energy company. As stated, the valuation of these two parcels has been concluded individually and as combined, forming the larger 4,225 gross acres. Potential use of the subject property as a solar power generating facility would represent a physically possible, financially feasible and maximally productive use of the land holding; however, it does not represent all available uses of this large vacant land holding. A solar energy use would be considered a specific use and not a general use for all available uses. As will be more fully discussed and ultimately concluded, it is our opinion that the highest and best use of the approximate 4,225 acres combined or 2,596 acres in Parcel "A" and 1,629 acres in Parcel "B" would be a speculative investment and hold the property until overall economic and real estate market conditions improve and demand for a myriad of development types is realized. These appraisers recognize the demand for solar energy facilities in the southwest portions of the United States, as well as the general area. The market value opinions rendered in this analysis are *as is* and do recognize the locational, physical and economic characteristics of these parcels.

Ms. Krynn Williams  
Clark County Nevada  
April 16, 2015  
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The appraisal of the subject vacant land reflects the market value *as is* with no consideration given to use value, investment value, business value or any future going concern characteristics.

Included directly in this analysis and valuation is a compilation of transfers of vacant land parcels oriented within the northwest portion of Nevada, as well as the south and southwest portions of the State of Arizona. These comparables were acquired for primarily speculative investment purposes and have somewhat similar ultimate highest and best uses or development characteristics as the subject. Some of the comparable transfers represent sites or parcels being utilized for agricultural uses and one of the transfers were acquired from a solar energy related company. As will be seen, the unit prices paid per gross acre tends to represent a relatively close range for these large speculative investment type land sales. As will be further discussed and identified, price and value levels have remained relatively stable over the past few years. Notwithstanding, price and value levels of development type parcels oriented in close proximity to major metropolitan areas including Phoenix and Las Vegas have shown measurable increases over the past  $\pm 2$  years. Generally speaking, economic and real estate market conditions have improved over the past couple of years within the Phoenix, Arizona and Las Vegas, Nevada metropolitan areas.

The valuation of the subject property again represents it's *as is* condition, but does include an extraordinary assumption that it could be utilized for the development of renewable energy (solar energy generating facilities). Included within the addenda of this appraisal report is an amended modification of master plan of development provided by the United States Department of the Interior Bureau of Land Management. This amended modification of master plan of development generally identifies the fact that the master plan was adopted over 40 years ago and is outdated. The modification is intended to provide for a change of development use as not previously considered at the time of the enactment of the plan. Again, future utilization of the subject property for solar energy farming would be considered one of many available or potential uses of the subject vacant land.

As requested, we have developed market value opinions of the two vacant land holdings, individually and also combined as a larger 4,225 acre parcel.

Ms. Krynn Williams  
Clark County Nevada  
April 16, 2015  
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Data setting forth the analysis used and descriptive details are included in the body of this report. Based on an analysis of all the data utilized, we have developed opinions of the market value of the subject property, *as is*, in fee simple interest, as of February 10, 2015, as follows:

**Subject Parcel "A" ±2,596 Gross Acres  
\$3,000/Gross Acre  
Seven Million Seven Hundred Ninety Thousand Dollars  
\$7,790,000**

**Subject Parcel "B" ±1,629 Gross Acres  
\$3,250/Gross Acre  
Five Million Two Hundred Ninety-Five Thousand Dollars  
\$5,295,000**

As requested, we have also developed an opinion of the market value of the two Parcels "A" and "B" combined as a larger land holding containing 4,225 acres. Recognizing the measurably larger size of the land holding combined and economies of scale, we have developed an *as is* market value opinion of the combined 4,225 acres, in fee simple interest, as of February 10, 2015, at:

**Combined Land Holding "A" and "B" 4,225 Gross Acres  
\$2,750/Gross Acre  
Twelve Million Six Hundred Seventy Five Thousand Dollars  
\$11,620,000**

The concluded unit value opinions of the subject land parcels, i.e. A, B and A+B combined could be used as a basis for the determination of a long term ground lease rate.

As requested, we have also developed opinions of the fair market rent of subject parcels A and B, individually and combined as a single larger land holding. In developing an opinion of the fair market rent on an annual basis for each the two separate parcels, and also as a single larger land holding, we have utilized an annual return rate against the concluded market value opinions, in fee simple interest. As will be more fully discussed and concluded in the body of this appraisal report, we have utilized an annual return rate of 7% against the market value opinions in fee simple to reflect an annual market rent for each of the two subject parcels and also as a combined larger site. Based on analysis of the data utilized, we have developed opinions of the current annual market rent, assuming net ground lease terms, as is, as of February 10, 2015, as follows:

Ms. Krynn Williams  
Clark County Nevada  
April 16, 2015  
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**Subject Parcel "A" ±2,596 Gross Acres  
\$545,300 Per Year**

**Subject Parcel "B" 1,629 Gross Acres  
\$370,650 Per Year**

**Subject Parcels "A" & "B" Combined 4,225 Gross Acres  
\$813,400 Per Year**

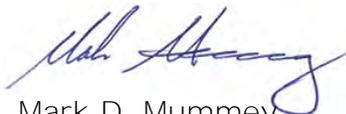
This appraisal has been prepared with the intent to comply with the *Uniform Standards of Professional Appraisal Practice (USPAP)* as adopted by the Appraisal Foundation. This report is also intended to comply with the *Code of Professional Ethics of the Appraisal Institute*.

The intended users of this report include the client, Ms. Krynn Williams, Property Acquisition Administrator, Department of Real Property Management, Clark County Nevada and her assignees/nominees. The intended use of this report is to assist in possible future sale or lease negotiations or for general asset management purposes. No other use or users of this appraisal report are intended by these appraisers.

This Letter of Transmittal must be used in conjunction with the following enclosed descriptive details, appraisal procedures and analysis and is, therefore, not considered a report standing on its own merit.

Thank you for giving us the opportunity to appraise this property for you.

Sincerely,  
**Anderson Valuation Group, LLC**



Mark D. Mummey  
Certified General Appraiser  
Nevada License N<sup>o</sup> A.0000256-CG  
Expiration Date: June 30, 2015



Glenn M. Anderson MAI, SRA, AI-GRS  
Certified General Appraiser  
Nevada License No. A.0000555-CG  
Expiration Date: January 31, 2016

MDM/mia

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### **Addenda**

Appraiser's Qualifications  
Letter of Engagement  
Purchase Order  
Preliminary Title Report  
Amended Modification of Master Plan of Development  
CoStar Comps, Inc. Data Sheets  
BLM Solar Energy Ground Lease Policy  
Legal Descriptions

## Summary of Salient Facts

### Property Location:

The subject is generally oriented west of Needles Highway, north of the Nevada/California State Line and south of the Town of Laughlin. As discussed, the subject property is being appraised and identified as two separate parcels, A and B, and also combined as a single land holding. Subject Parcel "A" contains approximately 2,596 acres and Parcel "B" 1,629 acres. Combined, the property contains approximately 4,225 acres. The valuation of the two parcels individually and combined presumes ultimate access to the two parcels from Needles Highway, provided by a future 60-foot wide access easement. The subject properties are identified as being a portion of the Southland Master Plan, which is located in the Laughlin Township, Clark County, Nevada. The subject property is located within Zip Code 89029 and Census Tract Number 5705.

### Property Owner:

The County Of Clark, A Political Subdivision of the State of Nevada

### Clark County Assessor Parcel Numbers:

#### ***Subject Property "A"***

APN: 266-00-001-001

266-00-001-009

266-00-001-010

A portion of: 266-00-002-002

A portion of: 266-00-002-003

#### ***Subject Property "B"***

APN: 265-00-001-010

265-00-001-012

A portion of: 265-00-001-013

A portion of: 265-00-001-043

A portion of: 265-00-002-001

**Land Areas:**

Subject Property "A"	Approximately 2,596 gross acres
Subject Property "B"	Approximately 1,629 gross acres
Subject Property "C"	60-foot wide future access easement Approximately 2 acres

**Zoning:**

Both subject properties "A" and "B" are zoned Rural Open Land (R-U) with a Planned Land Use of O-L (Open Land).

Area "C" which is the future 60-foot wide access easement is zoned M-D, Design Manufacturing and has a Planned Land Use of Business Design and Research Park (BDRP)

Of note, the approximate 1,320-foot wide strip between subject Parcels "A" and "B" and the Needles Highway right-of-way is zoned M-D, Design Manufacturing.

**Highest and Best Use:**

The highest and best use of the subject vacant land has been concluded by us as being consistent with speculative investment or holding the property until demand for development is identified. As noted, the subject property contains a total combined gross area of approximately 4,225 acres. For valuation purposes, and as requested, we have appraised the two Parcels "A" and "B" on an individual basis and also combined as a larger land holding. The subject property again, is a portion of the Laughlin Southland master plan that contains a total of approximately 9,520 gross acres and is oriented on both the east and west sides of Needles Highway.

The potential acquisition or lease of the subject property for solar energy development or farming is recognized as being a potential use of multiple alternate uses or scenarios. The valuation of the subject property recognizes that the subject vacant land holding could be utilized for future mixed use residential, commercial and industrial development as part of a master planned development. Demand for traditional

residential, commercial and industrial development does not exist at this time in the outlying southern Nevada market area, or the outlying Southwest Arizona market area. As will be further discussed, demand for residential, commercial and industrial product is very limited within the Laughlin and Bullhead City, Arizona market areas at this time. Price and value levels of vacant land declined dramatically over the past years, but has stabilized recently. National and local economies have shown some improvement over the past ±1 to 2 years; however, demand for large scale development of any form is lacking at this time.

**Effective Date of Appraisal/Last Date of Inspection:**

February 10, 2015

**Effective Date of Report:**

April 16, 2015

**Property Rights Appraised:**

Fee Simple Interest

**Market Value Opinions:**

***Subject Property "A"***

The market value opinion of the subject property "A" has been concluded, in fee simple interest, as of February 10, 2015, at:

**\$7,790,000**

***Subject Property "B"***

The market value opinion of the subject property "B" has been concluded, in fee simple interest, as of February 10, 2015, at:

**\$5,295,000**

***Subject Property "A" and "B" Combined***

The market value opinion of the combined land holding including Parcels "A" and "B", in fee simple interest, as of February 10, 2015, is:

**\$11,620,000**

The market value opinions of the subject property are subject to the extraordinary assumption that a future 60-foot wide access easement will be provided for ingress/egress from Needles Highway. The market value opinions of the subject property generally recognize the proximity of available public utilities, current market conditions and unit prices being paid for comparable large scale speculative investment land holdings.

The subject property is encumbered by multiple overhead and subterranean utility easements. Mapping made available to us, reflects substantial areas of the land holding is affected by these easements. The market value opinions of the subject property are based on the total reported gross acreage, recognizing the existence of these utility easements and their overall effect on this large vacant land holding.

The estimated market rent of the subject parcels has been concluded by the utilization of a market level return rate against land value in fee simple interest. The forecasted market rent, aka fair market rent, on an annual basis assuming net ground lease terms has been concluded as of February 10, 2015, as follows:

**Subject Parcel "A"**  
**\$543,300 Per Year**

**Subject Parcel "B"**  
**\$370,650 Per Year**

**Subject Parcels "A" and "B" Combined**  
**\$813,400 Per year**

## **Purpose and Use of the Appraisal**

The purpose of this appraisal is to develop *as is* market value opinions of the subject property, in fee simple interest, predicated on a maximum marketing time of 12 months. The subject property, as stated, has been appraised as two separate land holdings identified as subject Property "A" and subject Property "B". Additionally, as market value opinion of both parcels combined as a single parcel containing 4,225 acres has been concluded. The valuation of the subject property is intended to reflect the highest and best use conclusion of the land holding as being a speculative investment. The intended users of this report include the client, Ms. Krynne Williams, Property Acquisition Administrator, Department of Real Property Management, Clark County, Nevada and her assignees/nominees. The subject property is being appraised for possible future sale or lease negotiations or asset management purposes. No other use or users of this appraisal report are intended nor authorized.

## **Definitions**

### **Assignment, Defined:**

- An agreement between an appraiser and a client to provide a valuation service;
- The valuation service that is provided as a consequence of such an agreement.

### **Client Defined:**

The party or parties who engage an appraiser (by employment or contract) in a specific assignment.

### **Comment:**

The client identified by the appraiser in an appraisal, appraisal review, or appraisal consulting agreement (or in the assignment work file) is the party or parties with whom the appraiser has an appraiser-client relationship in the related assignment and may be an individual, group or entity.

### **Extraordinary Assumption, Defined:**

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions.

**Fee Simple Ownership, Defined:**

The absolute ownership unencumbered by any other interest or estate subject only to the four powers of government.

**Highest and Best Use, Defined:**

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

**Hypothetical Condition, Defined:**

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.

**Intended Use, Defined:**

The use or uses of an appraiser's reported appraisal, appraisal review or appraisal consulting assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment.

**Intended User, Defined**

The client and any other part of identified by name or type, as users of the appraisal, appraisal review or appraisal consulting report by the appraiser on the basis of communication with the client at the time of the assignment.

**Market Value, Defined:**

The following definition of market value is used by agencies that regulate federal financial institutions in the United States:

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

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.<sup>1</sup>

**Net Ground Lease, Defined:**

A lease of unimproved land in which the lessee agrees to accept and pay the owner's expenses, e.g., the ad valorem taxes, assessments, as well as all expenses for any improvements created by the lessee.

**Reasonable Exposure Time, Defined:**

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

**Exposure time is always presumed to precede the effective date of the appraisal. Our value opinion is predicated on the reconciled exposure time and is valid only as of the stated date of value.**

**Reasonable Marketing Time, Defined:**

The reasonable marketing time is an estimate of the amount of time it might take to sell a property interest in real estate at the estimated market value level during the period immediately **after** the effective date of an appraisal.

**Comment:**

The marketing time does not imply some future value data and should not be used in that manner. Our value conclusion is valid only as of the valuation date.

**Scope of Work, Defined:**

The type and extent of research and analyses in an assignment.

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<sup>1</sup> Source: Federal Register, vol. 55, no. 163, August 22, 1990, pp 34228 & 34229

### **Owner of Record and Three Year Sales History**

The owner of record of the subject is the County Of Clark, A Political Subdivision of the State of Nevada. The property is a portion of a larger 9,520 acres that was acquired from the Colorado River Commission. As noted, an amended modification of master plan of development has been filed with the United States Department of the Interior. The amended modification of master plan of development is intended to allow for future utilization of the subject property for renewable energy, i.e. solar energy development.

The subject property has not transferred ownership during the past or prior 3 years and based on available information, the subject property has not been marketed for sale or lease on the open market.

### **Estimated Typical Marketing/Exposure Time**

The appraisal of the subject property represents our opinion of the *as is* market value in fee simple interest. The valuation of the subject property and opinions rendered herein, are predicated on a maximum marketing time of 12 months presuming the property were made available for sale on the open market. As indicated previously, real estate market conditions within the greater Phoenix, Arizona area and the greater Las Vegas valley are improving. This is after multiple years of depressed real estate and general recessionary economic conditions. Land speculators have been somewhat active in outlying areas of both Phoenix and Tucson, Arizona. Many of the comparable land sales identified between 2010 through 2012 represented lender owned REOs. None of the comparable land sales included in this valuation appeared to have been lender owned properties or properties with measurable distressed market characteristics or motivations involved. Nevertheless, price levels for outlying speculative investment parcels like the subject property have remained somewhat stable over the past few years. The valuation of the subject properties again, is based on a maximum marketing time of 12 months and a similar exposure time is presumed in this analysis.

## **Method of Valuation and Scope of Work**

The subject property consists of two individual parcels or areas containing a total of 4,225 acres. Multiple maps have been included in this analysis and valuation which are identified both subject Parcels "A" and "B", as well as the proposed or future 60-foot wide access easement. Of note, subject Parcel "B" has a modestly higher unit value opinion than subject parcel "A" due to the fact that it is oriented closer to existing utilities, as well as the Needles Highway. Subject Parcel "A" is oriented along the west boundary of subject Parcel "B". Again, the subject parcels are oriented approximately 1,320 feet west of the Needles Highway right-of-way. Subject Parcel "A" abuts the Nevada/California state line. The subject properties are located within the southernmost portion of the State of Nevada, and therefore, Clark County. Further, the subject properties are located approximately 3 miles south of the existing development of the town of Laughlin. This is measured generally from the northern boundary line of subject Parcel "B".

Unit value opinions have been rendered on the two sites by way of the direct sales comparison approach only. The market value opinion of the subject property combined as a single parcel is also a reflection of the direct sales comparison approach. The concluded market value opinion of the subject parcel as a single land holding is lower than the combined market value opinions of subject Parcels "A" and "B" individually. This is due to economies of scale and recognizing that the larger parcel would likely command a unit price lower than Parcels "A" and "B" individually.

The highest and best use of the subject property is consistent with a speculative investment. We have recognized the potential future use of the property as being a myriad of development scenarios. This is considered appropriate given the large size scale of this vacant land holding. Included herein are speculative land transactions known to have occurred within the past few years. Additionally, the unit value opinions reached on the two individual subject parcels, as well as the combined larger land holding are reflective of economies of scale. The comparable sales included in this

analysis represent primarily vacant sites and range in size from approximately 795 acres to 2,415 acres. Unfortunately, no truly comparable recent transfers of parcels similar in size to the subject as a combined holding, i.e. 4,225 acres were found. However, the comparables included in this analysis do represent large vacant land parcels of somewhat similar location, potential utility and general highest and best use. All seven of the comparable land sales have been referenced and considered in the valuation of subject Parcels "A" and "B", individually and combined as a single parcel.

This valuation includes the direct sales comparison approach only. Due to the vacant land characteristics of the subject property, a cost approach would not be appropriate. Additionally, the income capitalization approach has not been included in this valuation since no direct comparable large land holdings that are currently under contract lease were available for consideration. As noted, the highest and best use of the subject is considered to be a speculative investment and potential future utilization of the subject property for solar energy development and/or farming is considered one of many potential viable utilizations of the site or sites. Again, a future solar energy use of the subject property would be considered a specific use rather than a general use or not a general use for all available uses. As the primary purpose and function of this appraisal report is to develop a market value opinion of the two subject parcels, individually and as a combined larger single holding, the direct sales comparison approach is considered the most meaningful one and has been utilized herein.

The sales comparison approach is based on the principle of substitution, whereas a prospective buyer or investor might consider alternate properties when deciding upon an acquisition. To arrive at an indication of value of the subject property, we have considered land sales of somewhat similar size, ultimate development potential and/or use located in southwest Arizona and northwest Nevada. No recent transfers of comparable vacant land holdings of relatively similar size were available for consideration or analysis in the Clark County, Nevada market area. This necessitated the utilization of comparable large land holdings outside of southern Nevada.

A site visit/inspection of the subject vacant land was made on February 10, 2015 by these appraisers. Photographs of major portions of the property are included in the body of this appraisal report. Additionally, multiple exhibits have been retained within the body and addenda of this document. The land areas utilized in the valuation of the two subject parcels were taken directly from the legal description provided and prepared by VTN Engineering. The land areas described in the legal descriptions prepared by VTN are presumed to be relatively accurate and if in fact, after a formal survey is completed; the gross land areas differ from what is reported in this valuation, these appraisers reserve the right to revisit this analysis and valuation. However, the unit value opinions set forth in this analysis would not change.

The market value opinions of the subject properties presume that a solar energy development and/or use of the property would be allowed within the Southland master plan on the subject parcels. Presumably, the modification to the master plan would enable the future utilization of these sites to include renewable energy (solar facilities), office, manufacturing, commercial retail and residential development. Alternate utilization of the subject land holding likely would include master plan development including mixed uses of residential, commercial and industrial. The valuation of the subject property is predicated again, on a concluded highest and best use of speculative investment, recognizing demand does not exist for immediate traditional development of the subject property, as well as the comparable land sales introduced in this analysis and valuation.

Information contained in this report was obtained through a variety of sources which were either purchased by this appraisal office or available within public records. Additionally, primary research has been performed directly in this valuation. Market information included in this valuation has been confirmed with knowledgeable parties or sources in the marketplace including buyers, sellers, sales agents, and through public records including actual deeds and affidavits. Additionally, the confirmation process included information available through the CoStar Comps Service. It is reiterated that the comparable land sales introduced in this valuation are located

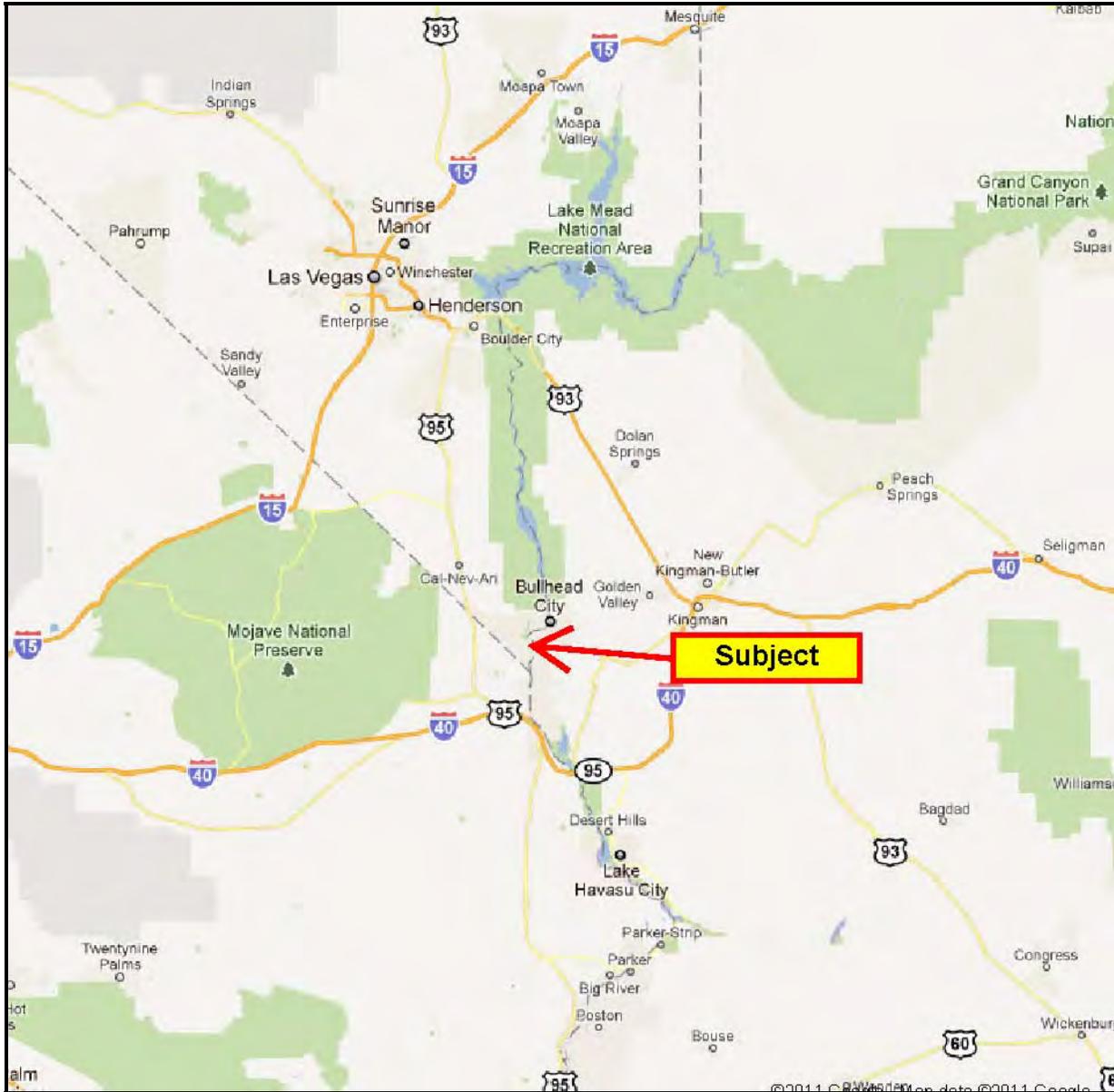
outside of the southern Nevada market area. The comparables have been referenced and visually inspected through available aerial photography only. As will be further discussed, the comparable land sales represent generally vacant unimproved land in outlying areas of Phoenix, Tucson, Arizona and a single land comparable oriented east of Reno/Sparks, Nevada. The comparable land sales introduced herein are considered to have highest and best uses of speculative investment with exception of those comparables that are presently being utilized for agricultural purposes or that were purchased for solar power generating purposes. It is recognized that the comparable land sale oriented east of Sparks, Nevada was purchased by Tesla Motors, Inc. for future development of a battery manufacturing and research facility. It is recognized that those comparables presently being utilized for agricultural use would likely have an ultimate highest and best use alternate to agriculture.

The intended use of this appraisal is to establish a credible market value opinion of the subject property on an *as is* basis. The client of this appraisal report and their assignees/nominees are expected to use this appraisal for possible future sale or lease negotiations or for asset management purposes. No other use or users of this appraisal report are intended nor authorized by us.

This appraisal report is intended to comply with the *Uniform Standards of Professional Appraisal Practice (USPAP)* as adopted by the Appraisal Foundation. The date of this valuation is the same as the last date of inspection, February 10, 2015.

Information relative to the subject property has been obtained from the client, as well as available public records including the Clark County Assessor's Office, Clark County aerial photography, etc. Information relative to zoning, flood areas, utilities and other statistical information was obtained from municipalities, as well as local governmental agencies.

### Location Map



## **Las Vegas Area and City - General Information**

Located in the extreme southern regions of Nevada, the Las Vegas valley area is situated in a broad desert valley in the central portion of Clark County. Comprised of approximately 600 square miles, the Las Vegas valley extends generally northwest to southwest and is bounded by a natural geography. This includes the Sheep Mountains and Desert National Wildlife Range to the north, Sunrise Mountains and Lake Mead to the East, McCullough Mountain Range to the south and Spring Mountains to the west. The Spring Mountains include the Red Rock Canyon National Recreation Area, the Toiyabe National Forest and Mount Charleston, which rises to an elevation of 11,918 feet and is the region's highest peak. The majority of urbanization in the 8,012 square miles of Clark County has occurred within the Las Vegas valley area.

During the last two decades, the Las Vegas valley has emerged as one of the fastest growing metropolitan areas in the nation experiencing a population growth from about 400,000 residents in 1980 to 1,966,330 in 2011, down from 2,036,358 in 2010. While the larger valley is generally referred to as Las Vegas, the area is actually comprised of four different municipalities. They are the cities of Las Vegas, Henderson, North Las Vegas, and unincorporated portions of Clark County. Each of these entities provides similar levels of services, land use planning, ordinances and taxation. The majority of outlying land within Clark County is owned by the Bureau of Land Management (BLM), as well as large portions within the Las Vegas valley. However, the BLM has auctioned off parcels throughout the valley to private investors. Additional lands surrounding the Las Vegas valley are owned by the other government branches including the National Forest Service, National Park Service, and the Department of Defense.

### **History**

Flowing underneath the Las Vegas valley is a system of artesian aquifers. Fed by rainwater and snow melt from the surrounding mountain ranges, this underground lake forced water to the valley surface creating natural springs and oases. The area was named Las Vegas by the first Spanish explorers, which translated means "the Meadows." Providing a basis for settlement, the springs provided water for early inhabitants dating back as far as 11,000 years. The first Europeans arrived into this portion of the southwest in 1776, blazing a trail which became known as the Old Spanish Trail. This trail connected Santa Fe, New Mexico with modern day Los Angeles via Las Vegas. After various mining, farming, and ranching efforts during the latter parts of the 1800's, Las Vegas was eventually stabilized by the construction of the first railroad line crossing southern Nevada in 1905. The artesian springs provided a critical water stop for the railroad. The original Las Vegas townsite boasted some 1500 residents, brickyards, newspapers, a bank and a tent hotel. In 1906, the first hotel/casino was built downtown and still remains today as the Golden Gate. In 1911, the City of Las Vegas was incorporated with an approximate population of 3,350 residents.

Over the next few decades, Las Vegas experienced a decline due in part to prohibition and suspended railway operations. It was not until the development of the Hoover Dam, between 1928 and 1935 that Las Vegas began to experience significant growth. With the construction of Hoover Dam and the creation of Lake Mead, inexpensive power and water came to Las Vegas. Lake Mead became a tourist destination spurring the development of hotels and casinos in anticipation of this recreational destination. It was also around this time that the gaming industry became notable, centered on the "Glitter Gulch" (now the Fremont Street Experience) in the downtown area. This would eventually evolve into the major tourist, convention, and resort industry that now serves as the primary economic force in the area.

Development of the Las Vegas "Strip" began in the 1940's with the construction of the El Rancho Hotel/Casino and other casinos such as the Thunderbird, Frontier, and the Flamingo. Since that time, properties along this world famous gaming corridor have been developed with a variety of modern amenities and themed appearances to attract visitors. Amenities, such as shopping malls, salons, spas, nightclubs, golfing, and concert arenas are not uncommon in today's hotel/casinos. Away from the "Strip," Las Vegas has seen an increase in "neighborhood hotel/casinos." These establishments are generally located away from the established tourist corridors and offer amenities such as bowling centers, movie theaters, day care, restaurant dining, showrooms, night clubs and fast food chain outlets.

### **Climate**

The greater Las Vegas valley resides at an altitude generally ranging from 1,500 to 3,200 feet above sea level. The four seasons are relatively well defined in Las Vegas. Summers experience daily high temperatures typically exceeding 100 degrees with nightly lows in the 70's and extremely low humidity. However, it is not uncommon for humidity to increase markedly for several weeks each summer in association with a moist "monsoonal flow" from the south, typically during July and August. Winter temperatures average near 50 degrees during the day and nightly temperatures rarely drop below freezing. Pacific storms occasionally produce rainfall in Las Vegas. But in general, the Sierra Nevada Mountains of eastern California and the Spring Mountains immediately west of the Las Vegas valley act as effective barriers to moisture.

### **Population**

The Las Vegas valley has historically grown at a rapid rate. From 2000 when the population was 1,360,496 to present day, Las Vegas has seen an approximate 54.52% increase in total population.

The 2014 Clark County population is 2,102,238, a 1.94% increase from the 2013 population of 2,062,254.

Approximately 97% of Clark County residents are located in the greater Las Vegas Valley Urban Area. Based on consistent historic growth patterns, it is projected that population growth will occur in 2015. The projected rate of growth is anticipated to be slightly lower than over the recent past. However, historical projections by the Nevada State Demographer's office have been conservative with actual growth generally outpacing projections.

<b>Population Distribution (2014)</b>	
<b>City/Area</b>	<b>Population</b>
<b>Henderson</b>	<b>284,968</b>
<b>Las Vegas</b>	<b>619,419</b>
<b>North Las Vegas</b>	<b>233,806</b>
<b>Unincorporated Clark County</b>	<b>929,669</b>
<b>Boulder City</b>	<b>15,852</b>
<b>Mesquite</b>	<b>18,525</b>
<b>Total Clark County Population 2014</b>	<b>2,102,238</b>

*Source: Clark County Comprehensive Planning*

**Demographics (Las Vegas Valley):****Source: 2014 Las Vegas Perspective**

<b>POPULATION DISTRIBUTION</b>	
<b>Gender</b>	
Male	50.3%
Female	49.7%
<b>Male/Female Ratio</b>	<b>1.01</b>
<b>Education</b>	
Less than 9th Grade	6.7%
Some High School, No Diploma	9.6%
High School Graduate (or GED)	29.4%
Some College, No Degree	24.9%
Associate Degree	7.1%
Bachelor's Degree	14.9%
Graduate Degree	7.3%
<b>Housing Unit Types</b>	
Single Family:	58.8%
Condominiums	9.4%
Townhouses	5.1%
Plexes (2-4 Units)	2.2%
Mobile Homes	3.0%
Apartments	21.4%
<b>Marital Status</b>	
Never Married	32.1%
Married, Spouse Present	42.9%
Married, Spouse Absent	6.5%
Widowed	4.9%
Divorced	13.6%
<b>Age</b>	
Under 18	24.4%
18 to 24	9.3%
25 to 34	14.7%
35 to 44	14.2%
45 to 54	13.4%
55 to 64	11.4%
65 and Over	12.5%
<b>Average Age</b>	<b>37.3</b>
<b>Median Age</b>	<b>36.4</b>
<b>Household Income</b>	
Income Less than \$15,000	12.2%
Income \$15,000 - \$24,999	11.0%
Income \$25,000 - \$34,999	11.7%
Income \$35,000 - \$49,999	15.3%
Income \$50,000 - \$74,999	19.6%
Income \$75,000 - \$99,999	12.3%
Income \$100,000 - \$149,999	11.4%
Income \$150,000 - \$199,999	3.6%
Income \$200,000 and Over	2.9%
<b>Average Household Income</b>	<b>\$64,885</b>
<b>Median Household Income</b>	<b>\$50,454</b>

Demographics (Las Vegas Valley):

Source: 2014 Las Vegas Perspective

**POPULATION DISTRIBUTION****Persons per Household**

1	25.6%
2	31.2%
3	16.3%
4	12.8%
5	7.5%
6	3.8%
7 or More	2.8%
<b>Average Persons per Household</b>	<b>2.71</b>

**HOUSING\*****2013 Home Sales Price**

Median New Home	\$260,000
Median Resale Home	\$149,000

**2013 Recorded Homes Sales**

New Homes	7,076
Resale Homes	47,570
<b>Total</b>	<b>54,646</b>

**Type of Home Purchased**

New Homes	12.9%
Resale Homes	87.1%

\*Source: *Sales Traq***APARTMENT HOUSING\*****Rental Market (Year-end)**

Average Asking Rent per Unit	\$757
Average Rent Growth	1.2%
Average Unit Size (in square feet)	910
Average Asking Rent per square foot	\$0.83
Average Occupancy Rate	92.0%

\*Source: *Applied Analysis*

## Demographics (Las Vegas Valley):

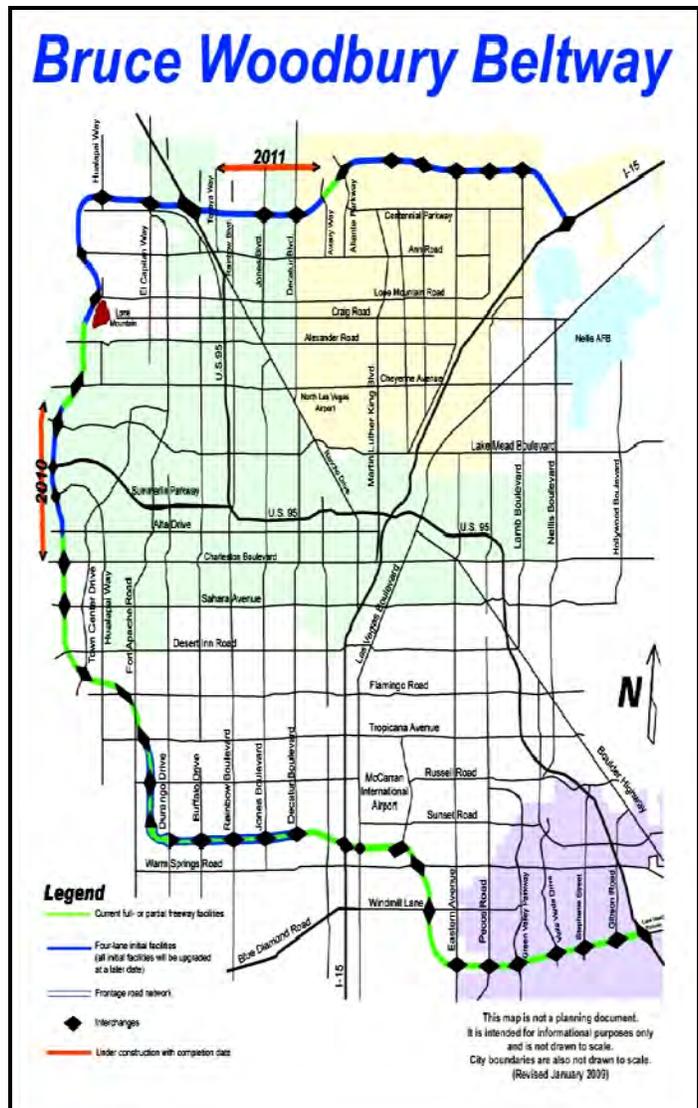
Source: 2014 Las Vegas Perspective

<b>OWNER/RENTER PROFILE</b>		
<b>Marital Status</b>	<b>Own</b>	<b>Rent</b>
Never Married	27.7%	37.7%
Married, Spouse Present	50.1%	33.7%
Married, Spouse Absent	2.8%	11.1%
Widowed	6.1%	3.4%
Divorced	13.2%	14.2%
<b>Household Income</b>	<b>Own</b>	<b>Rent</b>
Income Less than \$15,000	8.9%	16.3%
Income \$15,000 - \$24,999	8.5%	14.1%
Income \$25,000 - \$34,999	9.5%	14.5%
Income \$35,000 - \$49,999	13.4%	17.7%
Income \$50,000 - \$74,999	19.6%	19.6%
Income \$75,000 - \$99,999	15.8%	7.9%
Income \$100,000 and Over	24.3%	9.9%
<b>Average Household Income</b>	<b>\$73,662</b>	<b>\$50,318</b>
<b>Median Household Income</b>	<b>\$58,855</b>	<b>\$37,552</b>
<b>Type of Home</b>	<b>Own</b>	<b>Rent</b>
Single Family	80.7%	36.1%
Apartment/Condo/Townhouse	13.2%	59.9%
Plex (2-4 Units)	1.2%	3.2%
Mobile Home	4.8%	0.8%
<b>Length of Residence</b>	<b>Own</b>	<b>Rent</b>
Newcomer	2.7%	3.8%
1 Year or Longer	97.3%	96.2%
<b>Persons per Household</b>	<b>Own</b>	<b>Rent</b>
1	21.9%	30.0%
2	36.2%	25.2%
3	15.8%	16.8%
4	12.0%	13.8%
5 or More	14.0%	14.3%
<b>Average Household Size (Persons)</b>	<b>2.76</b>	<b>2.68</b>

## Transportation

Located in the extreme southern portion of Nevada, Las Vegas is one the country's most remote cities. However, its geographical location places it in the center of California, Nevada, Arizona and Utah which provides Las Vegas with direct routes to several of the Southwest's largest cities. Located 285 miles southeast on U.S. Highway 95/Interstate 515 is Phoenix, Arizona, the sixth largest city in the United States. Traveling south on Interstate 15 provides access to Los Angeles (272 miles) and the southern California Basin. Traveling north on Interstate 15 provides access to Salt Lake City, Utah. North on U.S. 95 is Reno (445 miles) and San Francisco (570 miles). In addition to Interstate freeway systems, the Las Vegas Metropolitan area is serviced by the Union Pacific Railroad which provides direct rail distribution from Los Angeles and Salt Lake City. The railway bisects the city, with various rail spurs connecting to outlying areas of the Las Vegas valley.

Clark County Highway 215 (or the Bruce Woodbury Beltway) is an outer loop expressway which generally encircles the city, originating in the Henderson area at U.S. Highway 95 and terminating at Interstate 15 in the northeast quadrant of the city. This 53 mile stretch of roadway encircles three quarters of the Las Vegas valley. A significant portion of this project was built out in early 2009. Generally, this expressway is complete to freeway status between U.S. Highway 95 in Henderson to Cheyenne Avenue in the north-west quadrant of the city. Some at-grade interchanges remain in the northwest and north quadrants of the city. Construction has recently been completed on full freeway interchanges at Jones Boulevard and Decatur Boulevard in the north part of the city. The facing map provides an overview of this Beltway system.



The Regional Transportation Commission of Southern Nevada (RTC) owns and operates the public mass transit system for Southern Nevada known as Citizens Area Transit, or CAT. This bus system began in December 1992 and over recent years has been upgraded to include new transportation systems such as the Metropolitan Area Express or the Max Line in 2004, and in 2005, the Deuce Double Deck Bus Service was initiated, primarily on the Las Vegas "Strip." In 2010, the RTC launched the Ace Rapid Transit System. The Ace System includes a sleek modern service that will ultimately connect all corners of the valley with the look and feel of a light rail system.

The initial Ace Rapid Transit Line services the Las Vegas "Strip" area. The Ace buses have rail-like features, including multiple doors for easy loading and stations which will have level platform boarding. The bus stops include comfortable and modern shelters. Phase 1 of the Ace Line was completed in the downtown area, and this continues through to the Las Vegas "Strip." New transit centers have been constructed at Bonneville Street in the downtown district, Gillespie Street in the south valley, Westcliff Avenue in the western portion of the valley and, to alleviate congestion on U.S. 95, in the suburb of Centennial Hills on Grand Montecito Parkway in the northwestern portion of the valley. Planned is a transit center at the University of Nevada Las Vegas campus.

In general, the entire RTC Transit System consists of 67 routes served by 402 vehicles carrying more than 177,000 passengers per weekday in the greater Las Vegas valley. More than 3,700 active bus stops exist in the Las Vegas valley and the fixed route monthly ridership is approximately 4.8 million passengers. The coming years will reveal a transition in the RTC CAT bus service in the form of these new Ace Bus Lines.

Recently, the Nevada Department of Transportation has upgraded the Interstate 15 Expressway generally between Craig Road south to the U.S. Highway 95. Also recently, new travel lanes and upgraded interchanges were constructed between the central business district and Craig Road. Express lanes are currently being added to the Interstate 15 corridor between the Las Vegas Spaghetti Bowl south to the 215 Beltway to accommodate the increased traffic flow along this corridor. New travel lanes and improved interchanges have recently been completed on the U.S. Highway 95 corridor north of Lake Mead Boulevard.

McCarran International Airport is a primary point of entry for most visitors and tourists to the Las Vegas metropolitan area. Expansion has occurred in this facility over the years to accommodate the rapid growth in passenger traffic which has occurred through approximately 2007. Passenger traffic declined 2008, 2009 and 2010 due to the recession. In 2011, this declining trend reversed with the first increase in passenger traffic since 2007. Air passenger traffic was recorded at 41,857,059 by McCarran Airport for 2013, and this has continued to increase in 2014 to 42,869,517 passengers.

Terminal 3 opened within the last 2 to 3 years. This new terminal is nearly one-half mile in length and includes a 6,000 space 8-story parking garage, essential utility plant and 14 new gates; including 6 gates reserved for international air service with updated customs processing service areas. The total cost of Terminal 3 was approximately \$2.4 billion

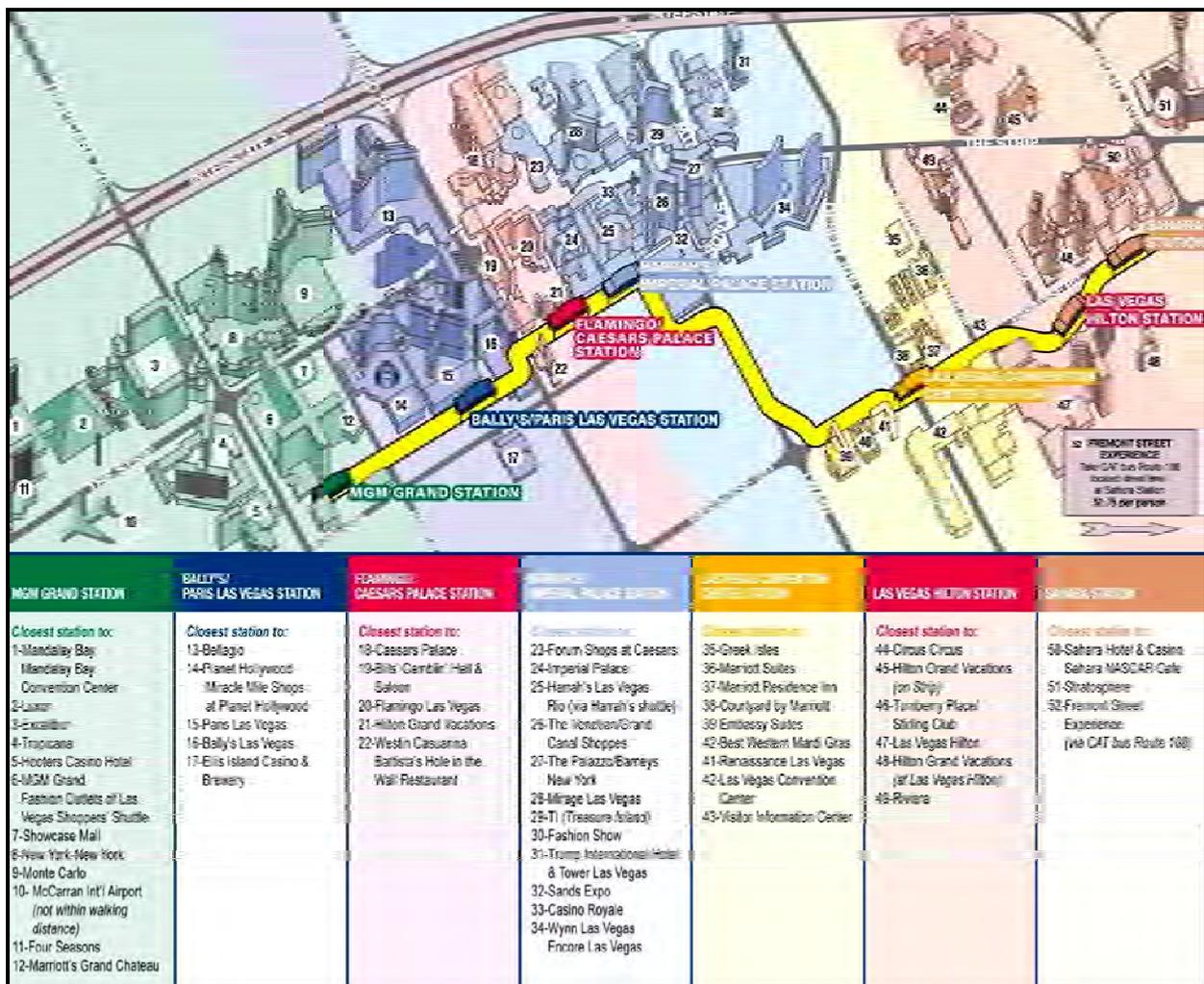
Other projects underway at McCarran International Airport include improved transportation and circulation routes, which includes new electronic signage into and around the airport, rental car parking lot renovations, gate ramp renovations and remodeling of Concourse C. Further, the FAA is building a new state of the art control tower to service McCarran which, when complete this year, will be the second tallest tower in the U.S. behind Atlanta's Hartsfield tower. Runway improvements are also underway.

Private and charter aircraft also contribute to tourist volume, with North Las Vegas Airport, Henderson Executive Airport, as well as McCarran providing private aircraft services. Tourist flights to the Grand Canyon and similar destinations, as well as sightseeing flights around the Las Vegas area are available at McCarran Airport and at the smaller airports.

<b>McCarran International Airport Air Passenger Traffic</b>		
<b>Year</b>	<b>Passengers</b>	<b>% Change</b>
<b>2000</b>	36,865,866	9.3%
<b>2001</b>	35,203,808	-4.5%
<b>2002</b>	35,009,011	-0.5%
<b>2003</b>	36,265,932	3.6%
<b>2004</b>	41,441,531	14.3%
<b>2005</b>	44,267,362	6.8%
<b>2006</b>	46,193,329	4.4%
<b>2007</b>	47,728,414	3.3%
<b>2008</b>	44,074,707	-7.7%
<b>2009</b>	40,469,012	-8.2%
<b>2010</b>	39,757,359	-1.8%
<b>2011</b>	41,479,814	4.3%
<b>2012</b>	41,667,596	0.4%
<b>2013</b>	41,857,059	0.5%
<b>2014</b>	42,869,517	2.42%

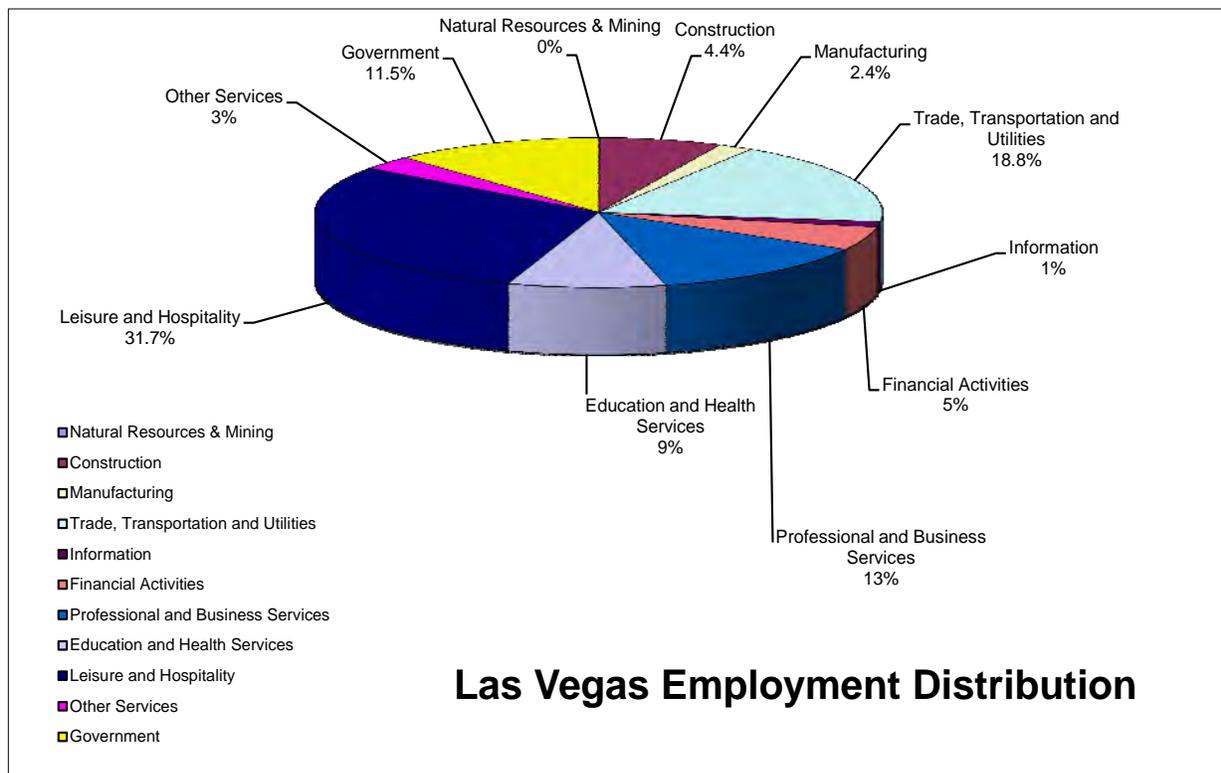
*Source: Las Vegas Convention & Visitors Authority*

The Las Vegas Monorail began operating in 2004 and is a state-of-the-art driverless rail system that extends approximately 3.9 miles on the east side of the Las Vegas "Strip." The monorail includes seven stations, completes the total route within 15 minutes, is capable of reaching speeds of up to 50 miles per hour, and operates 365 days a year. The monorail has experienced financial difficulties, filing for bankruptcy protection in January 2010, partly due to limitations on ridership, which is somewhat dependent upon convention attendance. One of the main stations within the 3.9 mile route is the Las Vegas Convention Center, providing conventioners easy access the various hotels on the Las Vegas "Strip." Decreased convention attendance has resulted in lower ridership on the monorail system. Plans exist for an extension of the monorail to McCarran International Airport which most agree would significantly boost ridership on the system, yet difficulty in obtaining financing for this expansion has stalled this development. Despite the setbacks in lower ridership, this remains an important method of transporting tourists and conventioners around the Las Vegas "Strip." The following illustrates the route map for this state-of-the-art monorail.



## Economy

The economic base of the Las Vegas area is dominated by the tourist/service industries, trade industries, professional services, construction industry, and governmental/municipal agencies, including substantial military base employment. The total Clark County labor force reported for 2014 is 984,200; a decrease of -.63% from the total labor force of 990,456 in 2013. The largest employment sector is the leisure and hospitality industry which includes the most tourism related employment. This sector includes jobs related to arts and entertainment, hotel/gaming and recreation, food service and accounts for 31.7% of the total employment in Las Vegas. Currently Las Vegas–Paradise MSA unemployment is approximately 6.9%. Employment distribution is illustrated in the following chart:



Source: Nevada Workforce Informer, NV Dept. of Employment

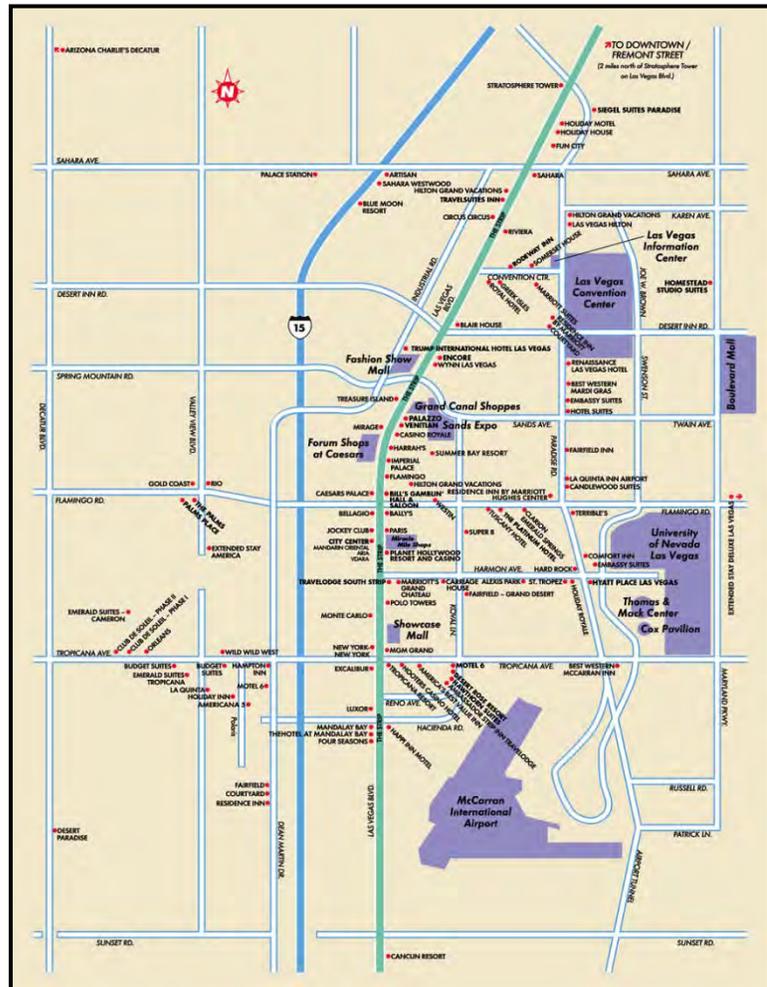
## Tourism

Generally recognized as Las Vegas Boulevard, between Sahara Avenue and Russell Road, the Las Vegas "Strip" includes 14 of the 15 largest hotels in the United States. The dawn of the mega-resort era was trumpeted by the development of the Mirage Hotel and Casino, built in 1989 and generally recognized as the first major hotel and casino in Las Vegas. Featuring a \$40 million "volcano," this resort demonstrated demand for world class type resorts in Las Vegas. Since then, many major hotel/casinos have opened in the Las Vegas Area.

Developed as the first private \$1 billion construction project in Nevada, the MGM Grand introduced the world's largest hotel in 1993 with 5,034 rooms. Today, the MGM Grand includes the 16,800 seat Grand Garden Arena which hosts a variety of sporting events and concerts. Convention/meeting space is available at the MGM and a 171,000 square foot gaming floor, all located on 112 acres at the Tropicana Avenue intersection - diagonally across from the former world's largest hotel, the Excalibur (4,008 rooms built in 1990).

At the south end of Las Vegas "Strip," Circus Circus Corporation opened Mandalay Bay (1999), a 3,211 room hotel/casino and Luxor (1995), a prominent pyramid-shaped facility on the former site of the Hacienda Hotel. Luxor, (4,400+ rooms) with all its rooms in the pyramid along outside walls, includes the world's largest atrium, containing a large indoor entertainment complex. Mandalay Bay includes a world-renowned Four Seasons Hotel located on the top of the tower, House of Blues, shark aquarium, auditorium and restaurant facilities.

The acquisition of the Desert Inn Hotel and its golf course (encompassing 200± acres) by Steve Wynn, former Mirage CEO, occurred in 2000 and was subsequently demolished for a planned 2,716 room resort hotel/casino. This hotel/casino, simply named Wynn Las Vegas opened in April 2005, on the 55<sup>th</sup> anniversary of the opening of the original Desert Inn. The cost Wynn Casino was estimated at approximately \$2.6



billion. Since the opening of Wynn, Encore has been completed and opened December 22, 2008. The Encore was completed at a cost of approximately \$2.3 billion and includes 2,034 rooms, a 72,000 square foot casino, 11 retail outlets, showroom, multiple restaurants, and other facilities. Encore and Wynn are operated in conjunction with one another directly across from the Fashion Show Mall.

Other notable projects which have been completed of late, includes the Palazzo, adjacent to the Venetian. This development by the Sands Corporation cost upwards of \$1.8 billion, and includes 105,000 square feet of gaming area, as well as 3,068 all-suite rooms. A theater, spa, night club, various restaurants, as well as retail outlets also exist in the Palazzo development.

The largest hotel/casino project opened in recent times is the new CityCenter development. Opened in December 2009, this was the completion of one of the largest privately-funded construction projects in the nation. CityCenter includes multiple properties such as the ARIA Resort and Casino, the Mandarin Oriental, Vdara Hotel and Spa, the Cosmopolitan as well as Veer Towers. The ARIA Resort and Casino is the main facility, which includes a full service resort and casino. The Mandarin Oriental, as well as Vdara, are boutique-type properties which include a full complement of services such as restaurants and spas. Veer Towers is primarily a condominium-type complex. The Harmon Hotel, located along the Las Vegas "Strip" frontage, has been plagued by construction defects and this part of the project is being demolished. CityCenter also boasts Crystals, a retail and entertainment complex similar to other upscale Las Vegas Boulevard Malls such as Caesar's Forum Shops, the Canal Shoppes at the Venetian, and the Miracle Mile Shops at Planet Hollywood. This project was highly anticipated due to the amount of permanent employment represented by this project and the anticipation that the CityCenter Development by MGM Mirage would boost tourism in Las Vegas. Upwards to 12,000 permanent employment positions exist in the CityCenter Complex. The most recent opening on the Las Vegas "Strip" was the Cosmopolitan, a hotel/casino in CityCenter that opened in December 2010. This hotel has a 100,000 square foot casino, 1,198 hotel rooms, 968 hotel/ condominium style units, multiple restaurants, convention space, showroom, and 60,000 square feet of retail space, among other amenities.

<b>Hotel and Motel Occupancy Levels</b>			
<b>Year</b>	<b>Hotel %</b>	<b>Motel %</b>	<b>Combined %</b>
<b>1997</b>	90.3%	68.8%	86.4%
<b>1998</b>	90.3%	67.3%	85.8%
<b>1999</b>	92.1%	68.6%	88.0%
<b>2000</b>	92.5%	71.9%	89.1%
<b>2001</b>	88.9%	63.8%	84.7%
<b>2002</b>	88.8%	60.2%	84.0%
<b>2003</b>	89.6%	60.5%	85.0%
<b>2004</b>	92.0%	68.7%	88.6%
<b>2005</b>	91.8%	72.0%	89.2%
<b>2006</b>	93.2%	65.2%	89.7%
<b>2007</b>	94.0%	64.5%	90.4%
<b>2008</b>	89.8%	57.8%	86.0%
<b>2009</b>	85.3%	50.1%	81.5%
<b>2010</b>	83.5%	52.0%	80.4%
<b>2011</b>	86.9%	56.0%	83.8%
<b>2012</b>	87.4%	58%	84.4%
<b>2013</b>	87.1%	59.8%	84.3%
<b>2014</b>	89.1%	65%	86.8%

*Source: Las Vegas Convention & Visitors Authority*

New development on the Las Vegas "Strip" first includes the SLS Hotel/Casino. This is a former Sahara Hotel/Casino which has been completely renovated and has been reopened with 1,600 guest rooms and suites, 30,000 square feet of meeting space, full service hotel/casino, as well as restaurant and lounges. The renovated hotel opened Labor Day 2014. The former Stardust Hotel/Casino site was acquired by Boyd Gaming with the intention of developing the Echelon project. Boyd Gaming ceased development on this project in 2008 and more recently, sold this property to Genting Group. This is an international gaming company which plans to build Resorts World Las Vegas, a \$2 billion Asian themed mega resort to include 3,500 rooms, a 175,000 square foot casino, 500,000 square feet of retail space, 500,000 square feet of convention space and a 4,000 seat theater. The resort is intended to feature attractions such as a replica of the Great Wall of China and an enclosure to house live pandas for exhibition. Development is expected to begin on this project in 2015. The new LINQ Las Vegas project adjacent to the Flamingo Las Vegas has been recently completed. This development is anchored by the High Roller, a 550 foot observation wheel (Ferris wheel). The LINQ project includes a large retail complex connecting Las Vegas Boulevard and the observation wheel, featuring numerous new tenants such as Starbucks, Ghirardelli Ice Cream and Chocolate, the Tilted Kilt Pub and Eatery, Yard House, and many more. Various high profile type nightclubs, including the Brooklyn Bowl and O'Shea's also occupies the LINQ development.

Other development occurring along the Las Vegas "Strip" includes the addition of various retail shops to many hotel/casinos. Retail shops have recently been developed along the frontage of major hotel/casinos including Treasure Island, Monte Carlo, New York New York and Bally's, among others. Plans exist for a major retail complex in front of the Tropicana Hotel/Casino. Also under construction along the Las Vegas "Strip" is the new City of Rock project by MGM Grand, which is being developed at the intersection of Las Vegas Boulevard and Sahara Avenue. The first event to be held at this facility will be the Rock in Rio concert, which is anticipated to draw upwards to 80,000 patrons. This will be an outdoor venue; however, will also include permanent developments which will be accessible as a tourist attraction. A wide range of other events are also intended to be held at this facility. A new stadium/arena is being developed adjacent to New York New York. In addition to the new arena will be a large retail component. Proponents are lobbying the National Hockey League to land an expansion team which will use this new arena as its home.

<b>Clark County Visitor Volume</b>		
<b>Year</b>	<b>Total Visitors</b>	<b>% Change</b>
<b>1997</b>	30,464,635	2.8%
<b>1998</b>	30,605,128	0.5%
<b>1999</b>	33,809,134	10.5%
<b>2000</b>	35,849,691	6.0%
<b>2001</b>	35,017,317	-2.3%
<b>2002</b>	35,071,504	0.2%
<b>2003</b>	35,540,126	1.3%
<b>2004</b>	37,388,781	5.2%
<b>2005</b>	38,566,717	3.2%
<b>2006</b>	38,914,889	0.9%
<b>2007</b>	39,197,000	0.7%
<b>2008</b>	37,481,552	-4.4%
<b>2009</b>	36,351,461	-2.68%
<b>2010</b>	37,335,436	2.71%
<b>2011</b>	38,928,708	4.3%
<b>2012</b>	39,727,022	2.1%
<b>2013</b>	39,668,221	-0.1%
<b>2014</b>	41,126,512	3.68%

Source: Las Vegas Convention & Visitors Authority

An additional 22,000 seat arena has broken ground adjacent south of the SLS Hotel/Casino, and this property will include other retail outlets as well as a non-gaming hotel component. Therefore, optimism exists along the Las Vegas "Strip" as new development in 2015 should influence visitor numbers during this year and next.

The Fremont Street Experience was developed in 1994 at a cost of \$70 million in the Downtown Central Business District. The experience includes a computer-controlled, 12.5 million LED Module color light display which forms a nearly ½-mile long canopy over Fremont Street. As part of a comprehensive pedestrian mall (closing vehicular traffic) along what has historically been called "Glitter Gulch," this project revitalized the older downtown casino district. In August 2007, Fremont East was completed for a reported \$5.5 million. Workers widened sidewalks, improved the landscaping, and created an arched gateway that is lighted. The downtown area has been improved with the construction of various neon signs from the Neon Museum along the Fremont east area, as well as the north part of Las Vegas Boulevard. The Golden Nugget Hotel/Casino has recently been expanded with the introduction of a new hotel tower and additional public spaces. The Golden Gate was also renovated and expanded. The Plaza Hotel reopened in 2012 after a full interior renovation. Recently, Fitzgerald's was also renovated and has been rebranded as the "D". Finally, the former Lady Luck (which closed in past years) has been renovated, expanded and reopened as the Downtown Grand.

Historically, tourism has increased consistently as measured by total visitor volume, gaming, revenues, and other indicators. The introduction of new hotel rooms in Las Vegas historically has resulted in increases in visitor volume; however, the downturn in the national economy had resulted in a reduction of total visitors in Las Vegas between 2008 and 2010. Beginning in 2011, this trend has reversed. More visitors traveled to Las Vegas last year than previous years and this resulted in a 5.4% increase in average daily room rates. This trend is expected to continue in 2015.

Another important aspect of the Las Vegas economy and the tourism industry is convention attendance. Las Vegas has a large convention facility, the Las Vegas Convention Center, which includes over 3,200,000 square feet of convention space under a single roof. The Las Vegas Convention and Visitors Authority recently approved an approximate \$2.5 billion expansion project for the convention facility to occur over the course of the next 10 years. Approximately one million square feet of new space will be added and an upgrade of the existing facility, additional parking areas, buildings, transportation improvements, and the improvement of the technology at the

<b>Convention Attendance</b>		
<b>Year</b>	<b>Volume</b>	<b>Change</b>
<b>1997</b>	3,519,424	6.47%
<b>1998</b>	3,301,705	-6.19%
<b>1999</b>	3,772,726	14.27%
<b>2000</b>	3,853,363	2.14%
<b>2001</b>	5,014,240	30.13%
<b>2002</b>	5,105,450	1.82%
<b>2003</b>	5,657,796	10.82%
<b>2004</b>	5,724,864	1.19%
<b>2005</b>	6,166,194	7.71%
<b>2006</b>	6,307,961	2.30%
<b>2007</b>	6,209,253	-1.56%
<b>2008</b>	5,899,725	-5.00%
<b>2009</b>	4,492,275	-23.09%
<b>2010</b>	4,473,134	-0.43%
<b>2011</b>	4,865,272	8.8%
<b>2012</b>	4,944,014	1.6%
<b>2013</b>	5,107,416	3.3%
<b>2014</b>	5,169,054	1.21%

Source: Las Vegas Convention & Visitors Authority

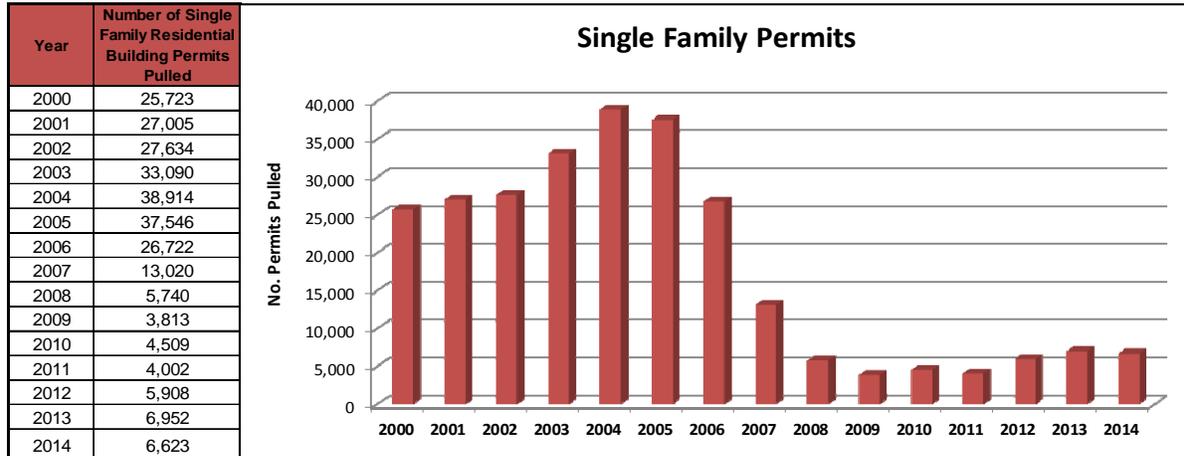
center. Other large convention facilities exist around the city, including the Mandalay Place, MGM Grand Garden and Sands Convention Center. Many of the "Strip" hotel/casinos offer some convention venues, but the economic downturn had resulted in significant decline in overall convention attendance through 2009. Stabilization was noted in 2010, and through 2014 more conventions returned to Las Vegas, resulting in an increase in convention attendance of 1.21% in 2014 when compared to 2013, further contributing to positive trends in the tourism sector of the economy.

### **Housing**

During 2014, the median (existing) single-family home price increased 10% to \$204,000, according to the Greater Las Vegas Association of Realtors. In December 2013, the median price of a resale home was \$185,000, which was a 40% increase from the preceding year, or December 2012. The increase in 2014 is a result of more restricted inventory or availability of resale homes throughout the Las Vegas metropolitan area. According to the Greater Las Vegas Association of Realtors, available listings in December 2014 were 38,365 while in 2013, there were 39,819 homes available. This represents a 3.8% decrease in available inventory, and with this restricted supply, an increase in home prices is evident.

While increases in median resale home prices are evident, new home median prices decreased modestly from December 2013 to December 2014. Median home price in December 2013 was \$298,601 and December 2014 was \$291,785. This represents a 2.2% decline. New home construction which is measured best by the number of building permits pulled, increased approximately 18% from 2012 to 2013. However, an approximate 4.9% decrease was identified between 2013 and 2014. Although this represents a modest decline, predictions are for an increase in new home building permits for 2015. With the expected increase in new home construction, the improvement in employment in the Las Vegas valley likewise would be expected. Although optimism is identified in new home construction over the coming year, some negative characteristics also remain in the housing market due to a perceived large shadow inventory of unoccupied homes remaining in the Las Vegas valley. This shadow inventory represents foreclosed homes that have not yet been placed on the open market.

The following reflects the trends in single-family permits over time. As noted, there was a modest decrease (4.9%) in the number of permits issued in 2014 when compared to the immediately preceding year. Home Builders Research, Inc. predicts 7,000 to 7,250 permits will be pulled in 2015.



## Apartment Market

The apartment market has improved over the course of the last two years after several years of declines and/or stagnation. Occupancies in the apartment segment of the Las Vegas real estate market have improved during 2014 and apartment developers are again building luxury Class A type properties in the suburban market areas. Absorption of these luxury units has been relatively rapid and occupants appear willing to pay premiums for high-end amenities and interior finishes. A strong buyer pool exists which has driven capitalization rates on good quality apartments to low levels. Class B and C type apartments likewise have a relatively strong buyer pool; however, higher capitalization rates are being paid for these properties. The most marketable of the Class B and C properties are those that have good locations. Buyers are willing to renovate where necessary to improve occupancy rates. The trend in rental rates on average has been upward, albeit a modest decline at the end of 2014 was recognized likely as a result of increased inventory entering the marketplace. Occupancy rates however, continue to improve and most experts expect these positive trends in the apartment segment of the market to continue through 2015.

## Office Market

The office market remains over-supplied albeit trends are positive. This is measured by modest improvements in the overall vacancy rate. Rental rates remain relatively stagnant. Most absorption in the market is occurring in Class A type office product where move-ups are encouraged. Large users likewise are actively in the market seeking large contiguous office space for call centers or other similar type activities. Owner users have acquired most of the existing freestanding small owner occupant type inventories in the market, resulting in an increase in unit prices for these smaller single tenant properties in both the medical and professional office categories. The general improvement in the Las Vegas

economic condition, including the recent improvement in the unemployment rate, which has fallen to 6.9% in Las Vegas, should result in continued absorption of existing office inventories. No expectation of significant office development in the market exists as adequate product remains available. The only new development would likely be build-to-suit projects or some Class A type developments at premium locations such in the central business district where vacancy rates remain low. Trends in the office segment of the real estate market should continue to improve, albeit at a slower pace than other segments of the real estate market.

## Industrial Market

The industrial market has improved at a rapid pace over the course of the past year. A strong absorption rate with upwards of 4 million square feet of space absorbed has been reported. This has outpaced the amount of new inventory constructed and will likely result in a shortage of large contiguous and quality industrial space in the coming year. Large developers such as ProLogis have broken ground on some large distribution facilities, particularly in the Northeast Submarket, in advance of the expected shortage of suitable space. Prospective occupants shopping regionally for new locations require standing inventory to accommodate a move and developers recognize this need. A variety of larger users are seeking space or have recently located in Las Vegas including Catamaran RX.

Average Annual Occupancy Levels - Greater Las Vegas Area				
Year	Apartment Occupancy	Office Occupancy	Industrial Occupancy	Retail Occupancy
1999	94.0%	88.0%	88.4%	96.5%
2000	94.3%	89.5%	92.4%	96.9%
2001	93.8%	87.8%	89.3%	95.9%
2002	92.2%	86.1%	88.6%	96.9%
2003	92.9%	89.4%	89.4%	96.5%
2004	94.6%	89.7%	91.3%	96.2%
2005	95.1%	91.6%	97.0%	97.6%
2006	94.0%	89.5%	96.9%	97.5%
2007	92.3%	87.6%	94.0%	96.8%
2008	92.0%	82.7%	91.1%	92.6%
2009	89.0%	77.0%	86.3%	90.0%
2010	89.2%	75.8%	83.1%	89.8%
2011	90.3%	74.7%	81.5%	89.4%
2012	90.2%	74.7%	81.7%	90.1%
2013	90.1%	74.3%	86.2%	90.8%
2014	91.3%	76.4%	91.9%	90.6%

Source: Applied Analysis and UNLV

This tenant is in the process of developing a distribution center in the Southwest Submarket. Switch Communications likewise has developed large industrial space in the Southwest Submarket. Distribution users are seeking space in the Northeast Submarket. The City of North Las Vegas is in the process of securing necessary financing to extend added infrastructure into the Apex Industrial Park in the north part of Las Vegas to attract heavy industrial users.

Similar to the office segment of the real estate market, owner user type freestanding office/warehouses are in higher demand and most of the available inventories that stood vacant during the recession have been acquired and occupied. The availability of SBA financing has facilitated many of these acquisitions and little owner occupant type inventory remains available in the marketplace. It is expected these types of industrial parks will be initiated in the coming year to serve this demand. Overall, we would expect the industrial segment of the real estate market to continue to have positive trends in 2015.

### **Retail Market**

The retail market has also improved significantly during 2014 as measured by occupancy and average rental rates. A significant amount of new inventory and net absorption occurred in 2014, most of which was associated with the new Summerlin Mall adjacent to Red Rock Station. This is the largest new retail complex built in Las Vegas in recent years and is anchored by Macy's and Dillard's. This shopping center also includes "big box" retailers such as Sports Authority, Trader Joe's and Nordstrom Rack, among many others. Development also continues on the next phase of Tivoli Village which is anticipated to be available for occupancy during 2015. IKEA recently acquired a large site at the intersection of Durango Drive and Highway 215 in the Southwest Submarket and will build an approximate 200,000 square foot retail outlet. Population continues to grow in Las Vegas and general economic conditions are improving. The unemployment rate has dropped to 6.9% and residents are purchasing new housing in the suburban markets, which to date, would be considered adequately served by available retail properties. However, the continued development in the fringe parts of the valley will likely result in new retail development in these growing market areas. According to Applied Analysis, the average rental rate in Las Vegas at the end of 2014 rose abruptly to \$1.66 per square foot, per month based on net terms. This change was a result of rental rates charged in the new Summerlin Mall, increasing average rates valley wide. However, rental rates in general are beginning to increase due to more limited inventory and higher demand for retail services. This positive trend is anticipated to continue in the retail segment of the market in the coming year.

The following chart provides an overview of new inventory and net absorption for office, industrial and retail segments of the real estate market in Las Vegas.

<b>Inventory and Absorption (Leased/For Lease Space, Only, in Square Feet)</b>									
<b>Year</b>	<b>Office</b>			<b>Industrial</b>			<b>Retail*</b>		
	<b>Total Inventory</b>	<b>New Inventory</b>	<b>Net Absorption</b>	<b>Total Inventory</b>	<b>New Inventory</b>	<b>Net Absorption</b>	<b>Total Inventory</b>	<b>New Inventory</b>	<b>Net Absorption</b>
<b>2000</b>	22,159,446	1,453,327	1,503,497	60,364,888	3,110,444	5,573,774	26,341,956	1,692,744	1,850,291
<b>2001</b>	23,551,042	1,499,048	988,208	65,325,586	4,718,675	2,050,507	28,305,307	2,257,664	1,909,018
<b>2002</b>	25,181,209	1,119,495	794,443	68,548,229	3,166,078	3,547,628	28,164,315	794,592	937,057
<b>2003</b>	30,985,552	1,188,150	1,399,782	76,718,263	2,599,531	2,714,855	38,170,422	2,630,089	2,692,629
<b>2004</b>	33,366,011	1,860,204	1,748,179	78,916,350	2,264,505	3,269,831	40,848,840	3,184,019	3,021,872
<b>2005</b>	37,398,389	4,032,378	3,238,186	82,435,938	3,519,588	5,555,282	42,184,810	1,335,970	1,076,906
<b>2006</b>	41,003,968	3,605,579	2,549,857	87,901,081	5,465,143	5,147,197	44,316,060	2,131,250	1,743,043
<b>2007</b>	44,681,664	3,677,696	2,354,913	96,413,819	8,512,738	4,809,905	48,728,503	4,412,443	4,102,143
<b>2008</b>	48,551,573	2,741,062	425,745	102,421,433	3,215,779	2,905,094	50,471,090	1,900,053	383,869
<b>2009</b>	49,505,158	956,880	-1,946,066	103,559,187	1,043,890	-3,538,935	51,811,333	1,329,176	49,988
<b>2010</b>	49,739,251	105,814	-557,878	103,621,757	350,905	-2,213,770	51,196,016	164,584	228,807
<b>2011</b>	51,550,199	781,316	-44,965	104,405,551	142,000	-1,526,985	51,464,427	260,000	244,572
<b>2012</b>	52,513,816	544,938	248,766	105,061,148	65,000	-536,942	51,722,483	201,000	563,262
<b>2013</b>	52,753,068	80,660	208,270	107,473,956	934,149	2,961,731	51,991,343	41,136	434,459
<b>2014</b>	52,837,096	506,000	536,702	107,886,404	689,539	3,928,693	54,360,822	2,015,000	2,085,048

\*Includes Power Centers, "Anchored" Community and Neighborhood Centers only.

Source: Applied Analysis

**Utilities**

Water is supplied by the Las Vegas Valley Water District (Las Vegas and Clark County areas); electricity by NV Energy; natural gas by Southwest Gas Company and sewer is owned by respective municipalities. Public water is supplied by the city in both North Las Vegas and Henderson and telephone service is provided by Century Link. Utility services have proven adequate and dependable, with rates comparable to, or below those, in adjoining western states.

**Schools**

As of the 2014/2015 school years, the Clark County School District operates approximately 357 schools. To operate the 357 schools, the district employs an estimated 37,361 people, including 18,183 teachers. There are over 320,000 students enrolled in the Clark County School District, ranking it 5<sup>th</sup> largest in the nation. Development of new school facilities has been rapid in the past, 83 in the last ten years, successfully funded by major state bond issues and generally kept pace with local growth. However, as of 2013, no new schools are under construction. The district instead has focused on rehabilitation/upgrading current facilities with \$275 million set aside for this purpose. In addition to public schools, there are 65 private and church-sponsored schools with 40 having enrollments of 100 or more students. Higher education is provided by the Southern Nevada Vocational Technical Center, Area Technical Training Center, College of Southern Nevada, Nevada State College and the University of Nevada-Las Vegas to name a few. In addition, another 26 private colleges and universities exist.

The University of Nevada-Las Vegas (UNLV) is situated on 340 acres near the Las Vegas "Strip." As of the Fall Semester 2013, UNLV had faculty and staff of over 2,800, UNLV offers more than 220 undergraduate, master's and doctoral degree programs. Since its opening in 1957, enrollment at UNLV has steadily increased with a current enrollment of over 27,848 students for the Fall Semester 2013.

**Community Services**

There are 16 full service hospitals licensed for 3,957 beds. In addition, Las Vegas has 27 specialty hospitals providing for services including long term acute care, spinal cord and brain injury.

The Las Vegas area employs nearly 4,555 police officers, with departments in Las Vegas, Henderson, Boulder City, North Las Vegas and the Nevada Highway Patrol. Over 1,800 firefighting personnel are on staff in the area, manning 42 stations. Two ambulance companies serve the southern Nevada area, providing emergency and non-emergency transportation.

The Cashman Field complex offers 122,000 square feet of exhibit space, a 2,000 seat auditorium and a 10,000 seat baseball stadium for the 51's, a "Triple A" team. The Thomas & Mack Center and Sam Boyd Stadium are home to UNLV sports teams, as well hosting a wide variety concerts, sporting and other events. The National Finals Rodeo is held annually at the Thomas and Mack center and provides a substantial

contribution to the area's economy with more than 175,000 fans, of which an estimated 90 percent are out of town visitors. Numerous concerts and shows are available for local residents and tourist alike, including a variety of long-running shows in the various hotel/casinos and special appearances by numerous celebrities, bands and other showmen in the numerous, varied, venues throughout the area. Some of the largest venues include the Thomas & Mack Center, the MGM Grand Garden, the Mandalay Bay Events Center among others. Plans exist for a new arena to be built by MGM behind the New York New York. Additionally, the Thomas & Mack is scheduled for a \$47 million facelift to begin in the Fall of 2014.

The Las Vegas Motor Speedway (LVMS) is a motor sports entertainment complex encompassing over 1,000 acres just northwest of Nellis AFB. LVMS has 24 different racing venues, including a 1.5 mile super-speedway, 2.5 mile road course, 4,000 foot drag strip, paved and dirt short tracks, motor-cross circuits, stadium truck racing facilities, go-carts, BMX, etc. The main facility seats approximately 107,000 people along the 1.5 mile super speedway, has a 40,000 car parking area, and 100-space RV park. Host to an annual NASCAR race, this \$200 million facility opened in September 1996 for the Indy Racing League's Las Vegas 500, breaking all previous attendance records for a Nevada sporting event, with over 60,000 race fans in attendance. Speedway Industrial Park, an adjacent part of the Las Vegas Motor Speedway facility, completed 1.4 million square feet of industrial/flex space in 1997/98.

In addition, an array of family attractions exists throughout the Las Vegas area including various attractions within the hotel and casinos: museums and art galleries, performing art centers as well as cultural organizations and events. Sixty one golf courses are interspersed throughout the valley as well as public parks, including public and private courses.

### **Taxes**

Nevada does not have state taxes, personal or corporate income taxes, admissions taxes, inheritance or gift taxes, or franchise tax on income. Property tax rate in Nevada is limited to a total of \$3.64 per \$100 of assessed value. Assessment is at 35% of taxable value. The state sales tax is 8.1% for Clark County and does not apply to food products for home use. Nevada's Freeport Law, which exempts goods in transit and not to be delivered within the State from taxation, has caused a great influx of warehousing to the State. Primarily because of the state gaming taxes, Nevada has an individual tax load well below most states. However, state gaming tax is substantially below that of other states with any legal form of gaming, giving Nevada casinos a substantial edge over competing out-of-state gaming markets.

### **Government**

The County operates as an independent political entity, administered by a County Manager who is supervised by an elected seven person Board of Commissioners. Unlike many counties in the nation where County government tends to control rural areas, with city governments controlling urbanized areas, the substantial urban areas (most notably the Las Vegas "Strip") located within unincorporated areas of the county give Clark County government substantial political and economic clout. Occasional political

discussion of consolidation or expanded city incorporation has always been thwarted a trend which is likely to continue. The City of Las Vegas and the County do, however, share a common police force, The Las Vegas Metropolitan Police Department. The three cities within the area all have council-manager forms of government, with elected mayors having an equal vote on an elected council and a city manager, facilitating daily operations at the direction of the council.

Each city operates independent fire departments, jail and court systems with North Las Vegas and Henderson each having a police force. The County and City's administrations have proven to be effective in providing for, and protecting, public and private interests.

A number of major federal government facilities operate in the Las Vegas valley. This includes Nellis Air Force Base in the northeast part of the valley and the Indian Springs Auxiliary Air Base, located 25 miles northwest of the Las Vegas valley, and its surrounding bombing and gunnery range (operated by Nellis AFB). The Department of Energy's (DOE) operations office and the Nevada Test Site (NTS) is located roughly 65 miles north of the Las Vegas city center and encompasses an area larger than the state of Rhode Island or approximately 1,350 square miles.

The Nevada Test Site, now known as the DOE Nevada National Security Site, was originally established as the Atomic Energy Commission's on-continent proving ground, with an initial primary function of testing nuclear weapons. Approximately 5,000 people are employed at the facility, including 50 military, with an additional 2,000 people in test site related employment in Las Vegas.

Nellis Air Force Base includes 12,000 square miles of air space, north of the Las Vegas valley, and approximately 3,000,000 acres of land. This is the largest installation in the Air Combat Command. Currently, Nellis AFB accounts for approximately 5% of Clark County's gross product. Nellis AFB is one of the largest employers in Southern Nevada with 9,500 military and civilian personnel. Additionally, the base averages about 1,000 temporary duty personnel. Its primary purpose is for Air Combat Training, hosting domestic as well as allied aircraft for this function. The world famous Thunderbirds Air Demonstration Squadron is also based at this facility. This base continues to grow as other facilities around the nation are downsized or closed.

### **Recreation Areas**

Recognized primarily for its entertainment and gaming attractions, Las Vegas is centrally located to a wide variety of recreational opportunities. Las Vegas is located approximately 35 miles southeast of the Mt. Charleston ski and recreation area with neighboring trails and camping in the Toiyabe National Forest/Spring Mountains National Recreation Area. Just west of and visible from most of the valley are the shear red sandstone cliffs of Red Rock National Recreation Area, within which is the Spring Mountain Ranch State Park. Lake Mead National Recreation Area is approximately one-half-hour driving distance from most of the valley, and includes the largest man-made lake in the country. Lake Mead Recreational area offers activities for boaters and fisherman as well as hikers and photographers. Three of America's four desert

ecosystems meet in this national recreation area. In addition, within daily driving distance are Hoover Dam, Valley of Fire State Park and Zion, Bryce, Grand Canyon and Death Valley National Parks.

Floyd Lamb State Park is located at the northern portion of the valley. These recreation areas are open year-round and offer a variety of government-supervised facilities. A large off-road recreation area is available in Las Vegas Dunes, at the northeast corner of the valley and numerous protected wilderness areas and various points of interest are in immediate surrounding areas. Located northwest of the Las Vegas area is the Southern Nevada Wildlife refuge which encompasses approximately 2,200 square miles of land.

### **Summary**

The greater Las Vegas area has grown throughout recent history, and should continue to do so into the long term future. The long term increase tends to indicate the long term strength of the local economy and strong demand for Las Vegas' diversified tourist opportunities.

Recent improvement in the tourism industry should begin to resonate throughout the economy and given the significant investment in the infrastructure of the tourism industry, this short term trend should result in long term growth.

### Market Area Location Map



## **Neighborhood Description (Laughlin Market Overview)**

Laughlin was founded as a result of scattered gold and silver mines in the area and the construction of Davis Dam, which now supports Lake Mohave. A small motel and bar catered to these workers, which eventually grew into the Laughlin area. The dam workers provided the primary support for the motel and bar, which was located in this Laughlin area. In 1964, Don Laughlin bought the property and converted the facility into the Riverside Resort with a small gaming area and a few hotel rooms. The little community was originally known as South Point; however, was later renamed Laughlin. Additions to the small motel began in 1972, and through the 1980's, a surge in casino construction added most of the other existing facility such as the Pioneer, the Edgewater, the expanded Riverside, the Colorado Belle, Harrah's, and others which have recently been renamed such as River Palms, the Aquarius, the Tropicana, and the Golden Nugget. In 1987, the Laughlin Bridge was constructed which connected Laughlin to Bullhead City. The connection prior to the construction of the bridge was only by way of ferries which transported tourists from the Bullhead City side, where large parking lots existed to the casinos on the river.

Currently, there are 9 hotel/casinos with over 10,000 rooms and 154,000 square feet of meeting space. The little town boasts 60 restaurants, a 34 lane bowling center, theatres, and the various casino operations. An outlet mall and a large RV park also exist, among other amenities along Casino Drive. Tourists use the river extensively for jet skis and boating where various boat slips are available in the immediate area.

Laughlin has grown with the residential development primarily along Bruce Woodbury Drive. This includes single-family residential tracts, a variety of multi-family housing, small shopping opportunities, office space, post office, and houses of worship. The Clark County School District has schools available for local residents. Most of the commercial opportunities, however, including large shopping centers and other amenities, exist on the Bullhead City side of the Colorado River in Arizona. Again, this area is easily accessible by way of the bridge which exists. Large shopping centers on

the Bullhead City side are anchored by tenants such as Home Depot, Lowe's, Walmart, and a variety of grocery stores. Laughlin is accessible from Las Vegas by way of Highway 163, then Highway 95. These are four lane highways and travel time to Las Vegas is approximately one and a half hours, relatively convenient by way of good roadway. As discussed, many recreational amenities exist in the Laughlin area, most of which are centered around the Colorado River, north at Lake Mohave and Lake Mead, and further south at Lake Havasu.

Casino Drive is the main commercial and tourist corridor in Laughlin. The various hotel/casinos all have direct frontage on the Colorado River, with the exception of the Tropicana, which is located on the opposite side of Casino Drive. Therefore, all the hotel/casinos offer some form of dock privileges and direct access to the river. A river walk has been erected along the river frontage, which generally connects most of the casinos between the Golden Nugget and the Riverside. Many of the casinos have improved the river frontage areas of the hotels with restaurants and other features to take advantage of the view offered overlooking the Colorado River. Again, along Casino Drive is an outlet mall, various convenience stores and gas stations, an RV park, and other commercial improvements.

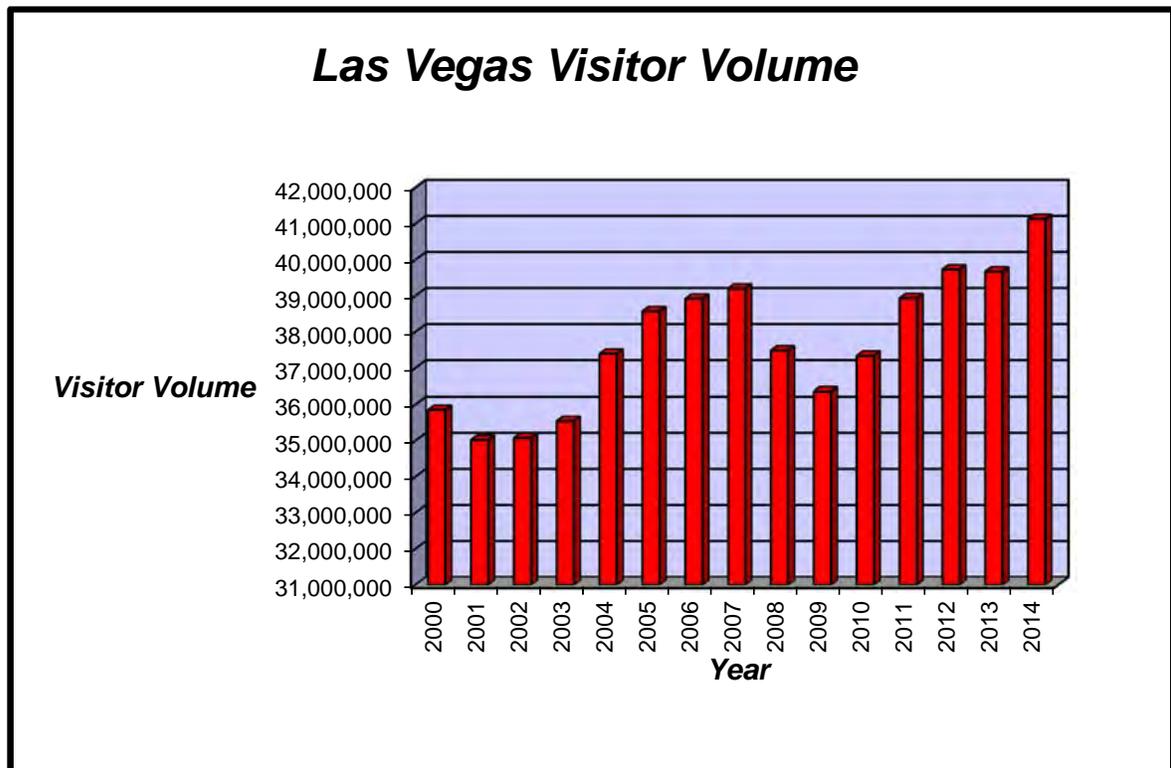
**Market Overview:**

The Laughlin economy is driven by the hotel/casinos which exist in this community. This is a primary source of employment for both residents living in Laughlin and many which live in the Bullhead City area. This is also the primary source of entertainment. The tourism industry in Laughlin, however, has suffered over recent years as the result of competition from the Las Vegas metropolitan area, which has become one of the world's most recognized destinations. Las Vegas has expanded its offerings with upscale shopping and dining, expanded resorts with added amenities, significant increases in available shows, luxury hotels, and other features. This has detracted from tourism in Laughlin. In addition, the proliferation of gaming throughout the United States, including those on Indian reservations (particularly in California and Arizona), has also affected the tourism in Laughlin.

Over the following pages, we have included an illustration of trends in the tourism industry. For comparison, we have included both the trends in the Las Vegas metropolitan area and the trends in Laughlin. As will be illustrated by the following graphics, improvement in many of the primary indicators has occurred in Las Vegas over the past two years consistent with the improving economy. However, at the same time these trends have been less positive or negative in the Laughlin area. The following information has been obtained from the Las Vegas Convention and Visitors Authority.

### Las Vegas Visitor Volume Chart:

Year	Volume	Change
2000	35,849,691	
2001	35,017,317	-2.32%
2002	35,071,504	0.15%
2003	35,540,126	1.34%
2004	37,388,781	5.20%
2005	38,566,717	3.15%
2006	38,914,889	0.90%
2007	39,196,761	0.72%
2008	37,481,552	-4.38%
2009	36,351,469	-3.02%
2010	37,335,436	2.71%
2011	38,928,708	4.27%
2012	39,727,022	2.05%
2013	39,668,221	1.90%
2014	41,126,512	3.68%



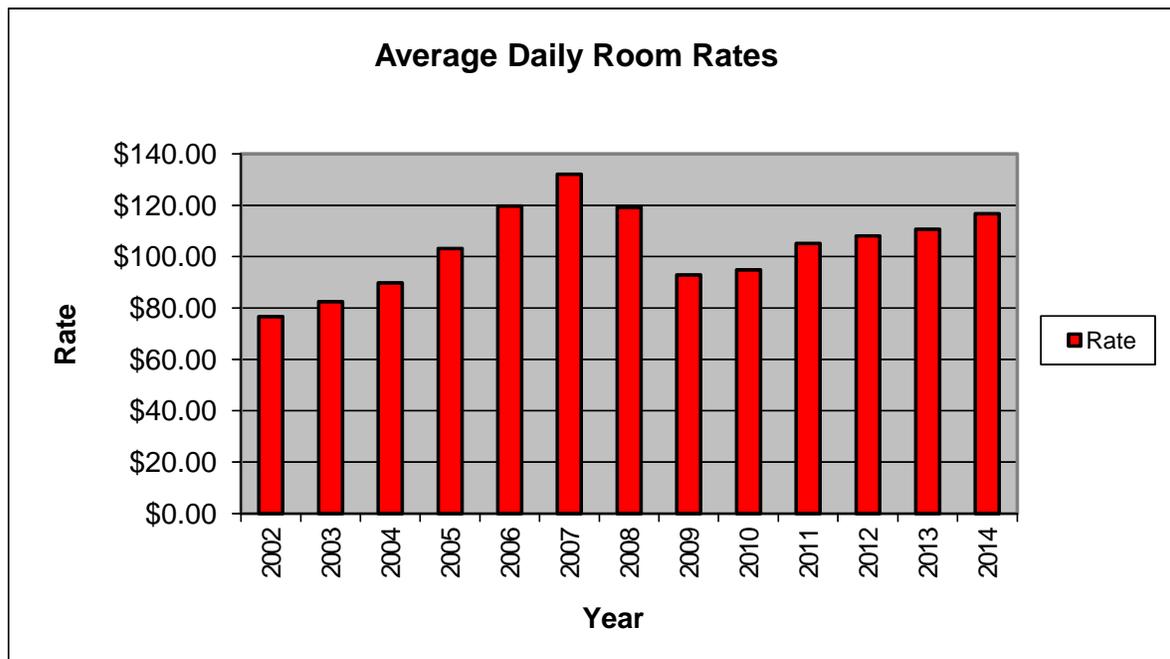
### Laughlin Visitor Volume Chart:

Year	Volume	Change
2003	4,191,404	
2004	4,046,453	-3.46%
2005	3,884,791	-4.00%
2006	3,323,673	-14.44%
2007	3,098,084	-6.79%
2008	2,862,086	-7.62%
2009	2,446,655	-14.51%
2010	2,363,734	-3.39%
2011	2,253,124	-4.68%
2012	2,072,230	-15.30%
2013	2,044,974	-1.32%
2014	1,988,750	-2.75%



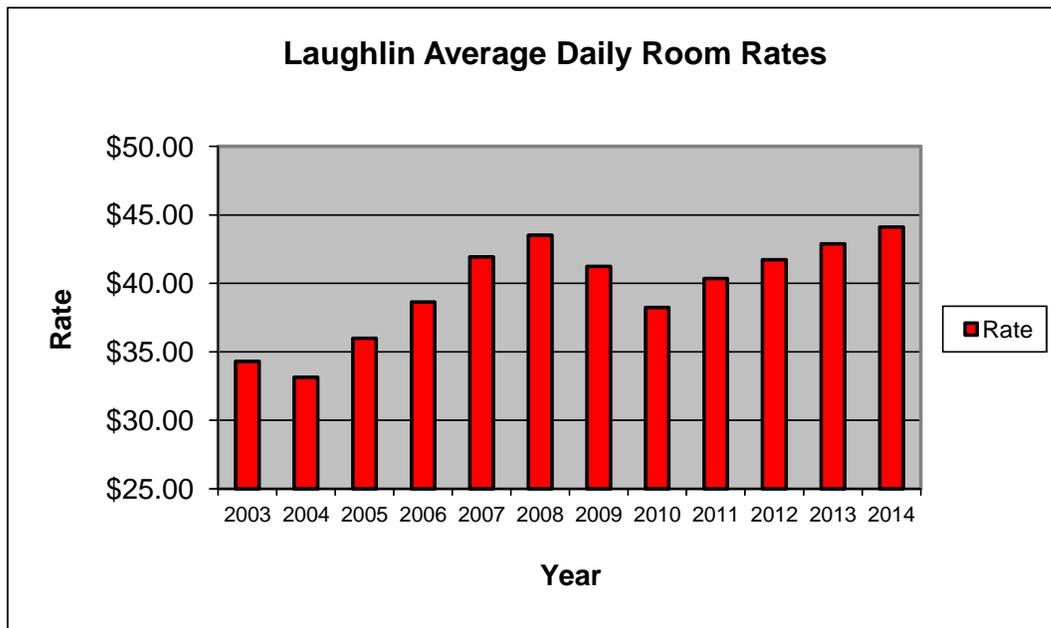
### Las Vegas Average Daily Room Rate Chart:

Year	Rate	Change
2002	\$76.69	
2003	\$82.48	7.55%
2004	\$89.78	8.85%
2005	\$103.12	14.86%
2006	\$119.66	16.04%
2007	\$132.09	10.39%
2008	\$119.19	-9.77%
2009	\$92.93	-22.03%
2010	\$94.91	2.13%
2011	\$105.11	10.75%
2012	\$108.08	2.83%
2013	\$110.72	2.44%
2014	\$116.73	5.43%



### Laughlin Average Daily Room Rate Chart:

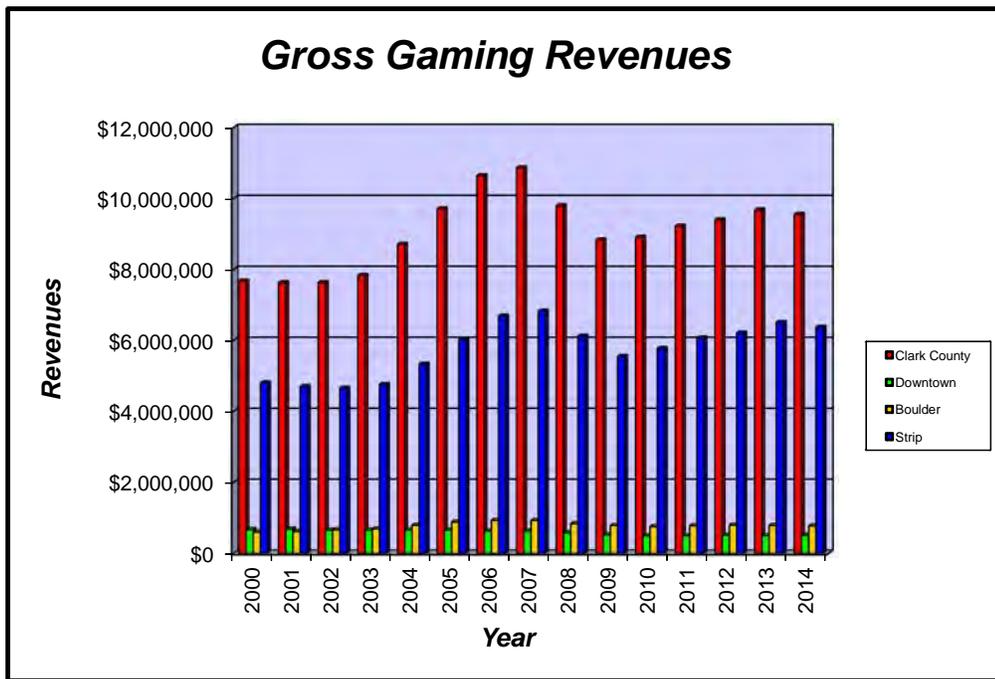
Year	Rate	Change
2003	\$34.30	
2004	\$33.14	-3.38%
2005	\$35.98	8.57%
2006	\$38.63	7.37%
2007	\$41.92	8.52%
2008	\$43.51	3.79%
2009	\$41.24	-5.22%
2010	\$38.25	-7.25%
2011	\$40.34	5.46%
2012	\$41.72	1.16%
2013	\$42.87	2.76%
2014	\$44.12	2.92%



Las Vegas Gross Gaming Revenue Chart:

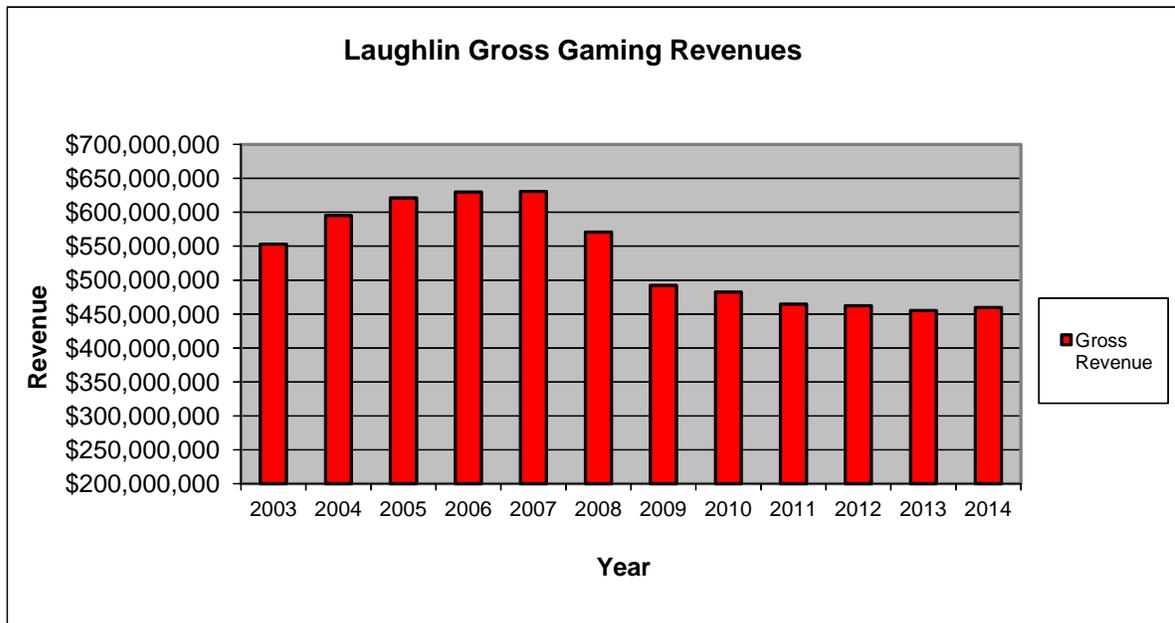
Year	Clark County	Change	Downtown	Change	Boulder	Change	Strip	Change
2000	\$7,673,489		\$673,873		\$599,478		\$4,805,561	
2001	\$7,631,761	-0.54%	\$683,297	1.40%	\$614,366	2.48%	\$4,703,169	-2.13%
2002	\$7,630,996	-0.01%	\$656,671	-3.90%	\$665,636	8.35%	\$4,655,211	-1.02%
2003	\$7,831,464	2.63%	\$657,830	0.18%	\$690,339	3.71%	\$4,759,996	2.25%
2004	\$8,710,976	11.23%	\$663,280	0.83%	\$791,686	14.68%	\$5,333,518	12.05%
2005	\$9,709,408	11.46%	\$654,115	-1.38%	\$885,989	11.91%	\$6,031,251	13.08%
2006	\$10,643,206	9.62%	\$630,290	-3.64%	\$929,696	4.93%	\$6,688,517	10.90%
2007	\$10,868,029	2.11%	\$632,929	0.42%	\$927,698	-0.21%	\$6,827,613	2.08%
2008	\$9,796,970	-9.86%	\$582,461	-7.97%	\$836,596	-9.82%	\$6,120,653	-10.35%
2009	\$8,833,902	-9.83%	\$523,819	-10.07%	\$786,085	-6.04%	\$5,550,206	-9.32%
2010	\$8,908,698	0.85%	\$493,392	-5.81%	\$757,027	-3.70%	\$5,776,569	4.08%
2011	\$9,222,906	4.40%	\$496,704	-5.18%	\$778,887	-0.92%	\$6,068,986	5.06%
2012	\$9,399,882	1.92%	\$509,144	2.50%	\$796,714	2.30%	\$6,207,229	2.30%
2013	\$9,676,458	2.94%	\$500,964	-1.61%	\$786,951	-1.25%	\$6,508,084	4.85%
2014	\$9,554,002	-1.27%	\$511,422	2.09%	\$772,838	-1.79%	\$6,372,526	-2.08%

Revenue in Thousands



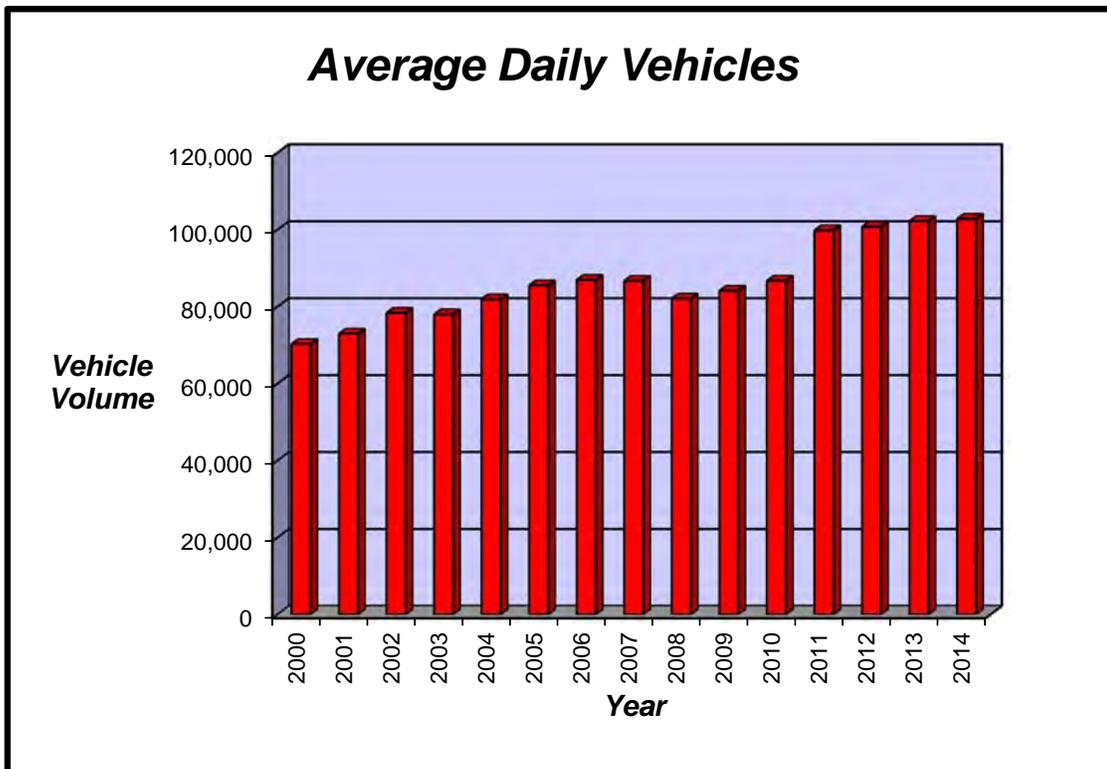
**Laughlin Gross Gaming Revenue Chart:**

Year	Revenue	Change
2003	\$553,240,000	
2004	\$595,315,000	7.61%
2005	\$621,183,000	4.35%
2006	\$629,757,000	1.38%
2007	\$630,915,000	0.18%
2008	\$570,978,000	-9.50%
2009	\$492,514,000	-13.74%
2010	\$482,388,000	-2.06%
2011	\$464,713,000	-3.66%
2012	\$462,061,000	-6.18%
2013	\$455,167,000	-1.49%
2014	\$459,603,000	0.97%



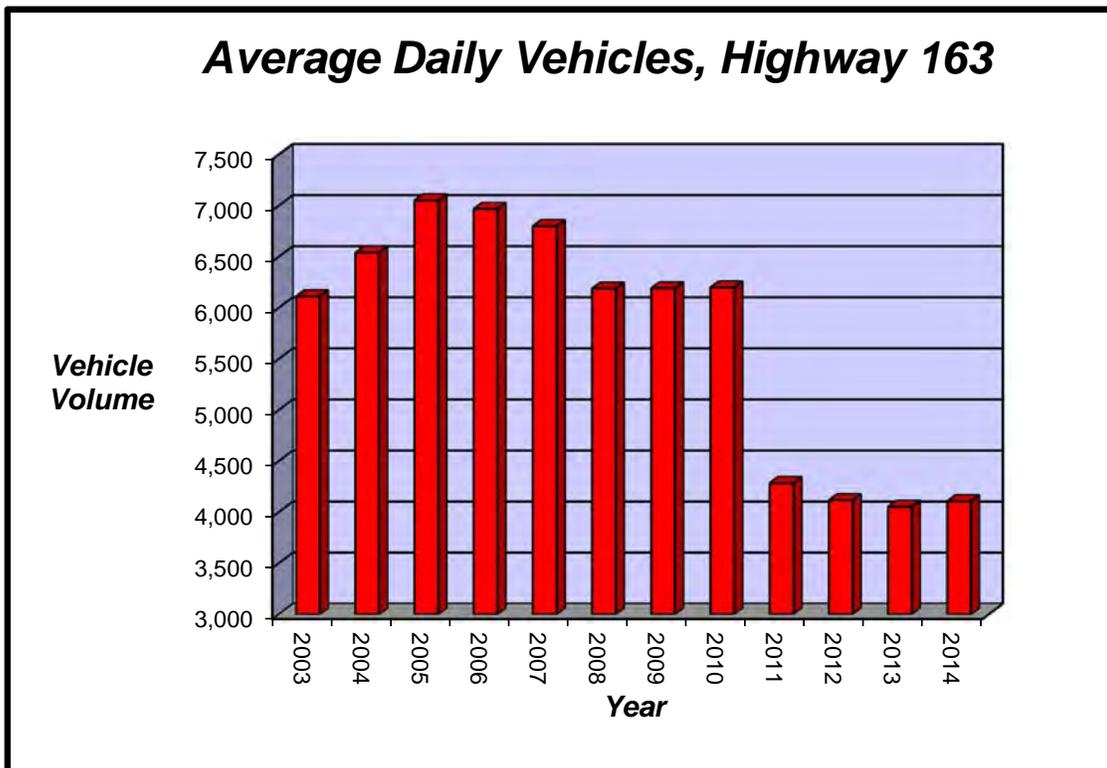
**Las Vegas Average Daily Vehicle Chart:**

<b>Year</b>	<b>Volume</b>	<b>Change</b>
2000	70,294	
2001	72,973	3.81%
2002	78,405	7.44%
2003	78,013	-0.50%
2004	81,921	5.01%
2005	85,544	4.42%
2006	86,961	1.66%
2007	86,701	-0.30%
2008	82,093	-5.31%
2009	84,115	2.46%
2010	86,738	3.12%
2011	99,844	18.70%
2012	100,774	0.93%
2013	102,244	1.46%
2014	102,823	5.67%



**Laughlin Average Daily Vehicle Chart:**

Year	Volume	Change
2003	6,113	
2004	6,541	7.00%
2005	7,053	7.83%
2006	6,969	-1.19%
2007	6,801	-2.41%
2008	6,189	-9.00%
2009	6,192	0.05%
2010	6,199	0.11%
2011	4,286	-30.86%
2012	4,117	-33.59%
2013	4,053	-1.55%
2014	4,108	1.36%



It is apparent, based on the trends illustrated by these graphics, the tourism industry in Laughlin has been in decline for numerous years; however, appear to have somewhat stabilized in the last two years. Improvements in the national economy have helped stabilize revenues in the Laughlin area. We would not expect a significant change in this trend in Laughlin in the foreseeable future. We are not aware of any significant development projects which would provide any long term prospect for improvement and therefore, the success of Laughlin is likely to be dependent upon larger economic conditions in Clark County and the nation. Laughlin continues to capture an adequate share of the market to maintain a level of revenues that make continued operations for the hotel/casinos in this area feasible. The Laughlin area does offer a unique opportunity, given its location along the Colorado River and a variety of annual events such as the River Run and other events focused on the Colorado River, which help the area to maintain this relevant market share. However, without significant changes in the characteristic of the area, which may include major new development, we again, would not expect these trends to significantly improve absent some major development in the area.

Across the river east from Laughlin is Bullhead City. Bullhead City and the Mojave Valley area which is south of Bullhead City resides in Arizona. Bullhead City is primarily residential in nature. Typical community services exist such as shopping centers with major retailers including Home Depot, numerous grocers, Walmart and others. A medical center also exists in Bullhead City. Single-family residential subdivisions, multi-family apartments and mobile home parks also reside throughout the Bullhead City and Mojave Valley areas.

A high concentration of retirees have located to Bullhead City area given the relatively mild weather year round and the recreational amenities offered by the Colorado River. A four lane highway has been developed between Bullhead City and Kingman, which is located to the east of Bullhead City. To the south, access is available to Needles,

California where access to Interstate 40 exists. Modest growth continues in the Bullhead City area; however, due to the past economic downturn, little new development is presently being seen. However, as noted previously, general economic conditions appear to have stabilized and we would anticipate general trends in both Bullhead and Laughlin to remain relatively stable into the foreseeable future.





**Subject Photographs**



1. Looking northwesterly along the southern boundary line of subject Parcel "A". Photograph taken from Needles Highway near the California state line.



2. Looking northerly along Needles Highway from near the Nevada/California state line.

**Subject Photographs, continued**



3. Looking southerly along Needles Highway from near the Nevada/California state line.



4. Looking westerly at the southern portion of subject Parcel "A". Photograph taken from Needles Highway.

**Subject Photographs, continued**



5. Looking westerly at the southern portion of subject Parcel "B" and a portion of Parcel "A" from Needles Highway.



6. Looking northerly along Needles Highway from near the Aha Machav Parkway.

**Subject Photographs, continued**



7. Looking southwesterly at the subject Parcels "A" and "B" from Needles Highway oriented north of Aha Machav Parkway.



8. Looking northwesterly across portions of subject Parcels "A" and "B" from Needles Highway north of Aha Machav Parkway.

**Subject Photographs, continued**



9. Looking northerly along Needles Highway from near the existing Southwest Gas easement.



10. Looking southerly along Needles Highway from near the alignment of the Southwest Gas easement.

**Subject Photographs, continued**



11. Looking westerly at the northern portion of subject Parcels "A" and "B".



12. Looking southerly at subject Parcel "B" near its northern portion. Photograph taken near the Southwest Gas easement line. CP National Power Easement overhead line noted.

**Subject Photographs, continued**



13. Looking easterly towards the town of Laughlin along graded road presumably a portion of the Southwest Gas easement.



14. Looking northwesterly along the graded road presumably along the Southwest Gas easement.

**Subject Photographs, continued**



15. Looking southerly along the approximate western boundary line of subject Parcel "A". Photograph taken from the afforded discussed graded dirt road.



16. Looking southeasterly across the northern portion of the subject Parcel "A" and "B". Photograph taken near subject Parcel "A" western boundary line.

**Subject Photographs, continued**

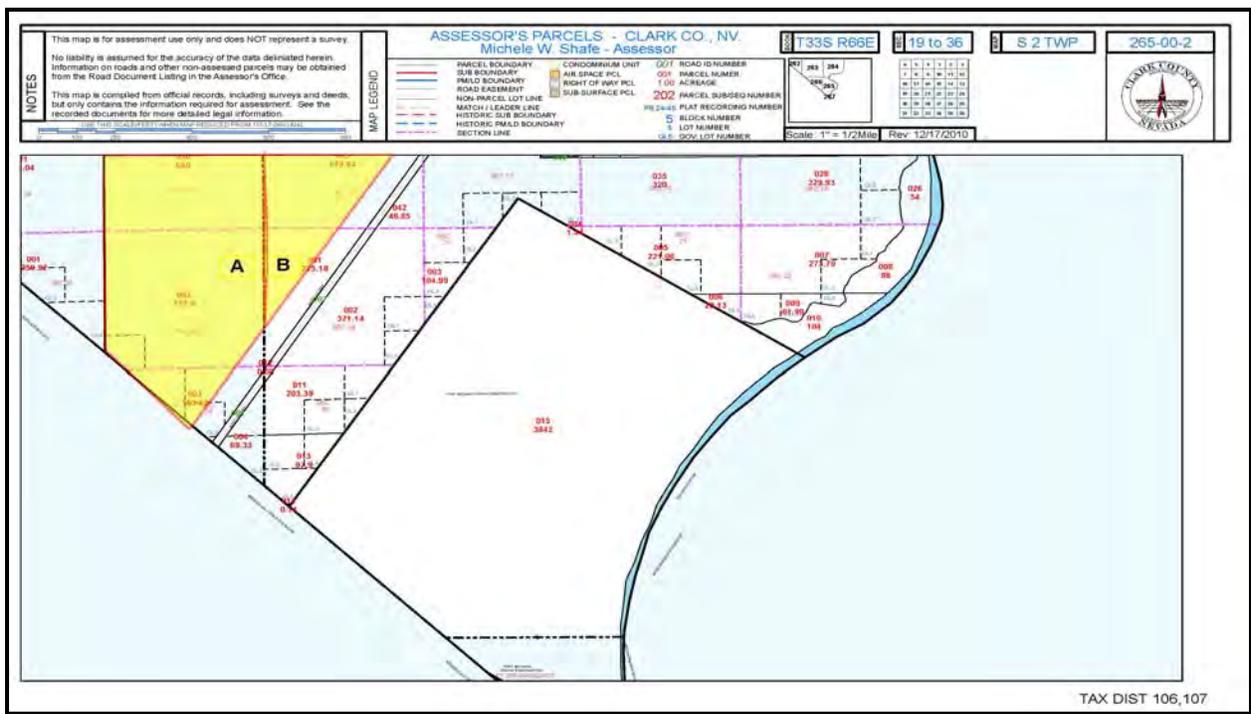
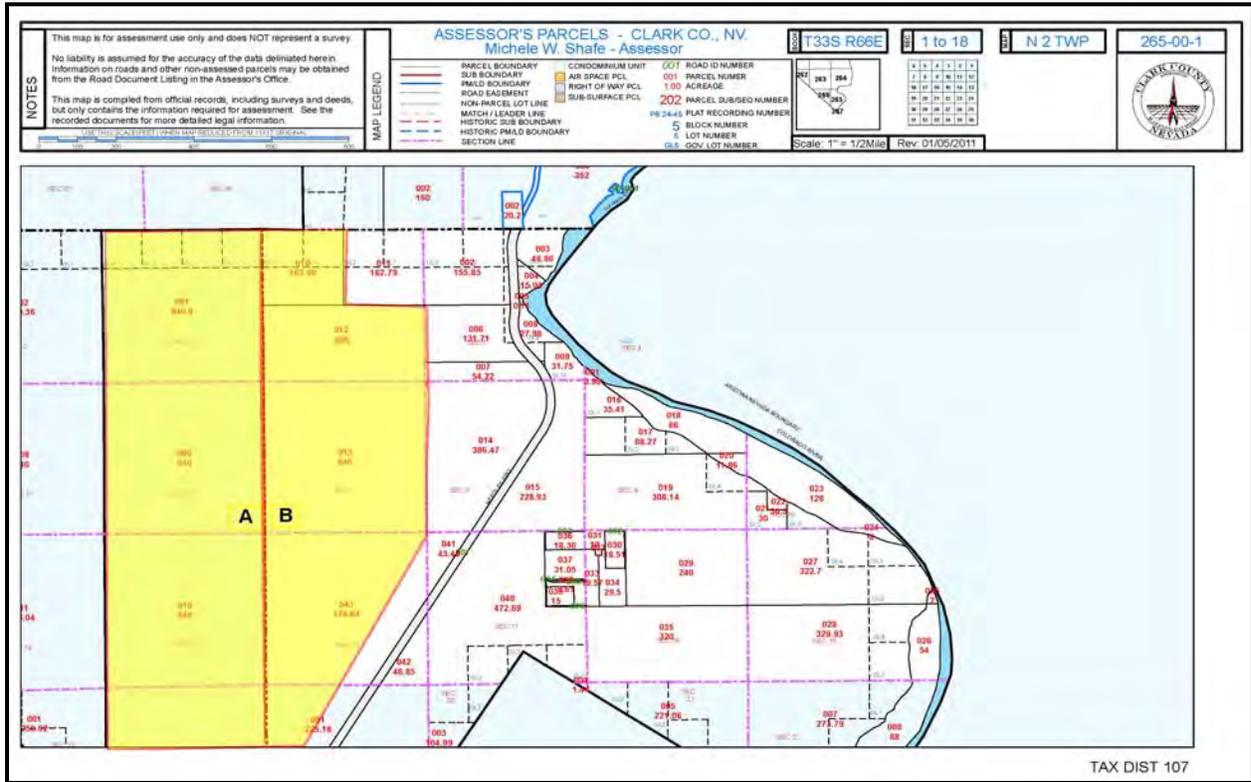


17. Looking easterly along the graded dirt road, presumably a portion of the Southwest Gas easement area.



18. Looking northeasterly at a portion of subject Parcels "A" and "B". Photograph taken from the Southwest Gas easement/roadway.

# Clark County Assessor Map



## **Description of Subject Site**

### **Shape, Dimensions and Area:**

As illustrated in the preceding maps, exhibits and aerial photography, the subject property consists of two separate irregular shaped vacant land parcels or areas. As noted, these two parcels are being appraised individually and as a combined larger land holding. The valuation of the subject property presumes a  $\pm 60$ -foot wide access easement will be provided by Clark County for ingress/egress from Needles Highway. This access easement area will align in an east/west direction and will be oriented north of Aha Machav Parkway.

Presently, the subject sites are accessible by way of unimproved dirt roads/trails. Oriented along the northern portion of both subject Parcels "A" and "B" is a graded access dirt road that presumably lies within or adjacent to an existing 50-foot wide Southwest Gas easement. This dirt road extends from Needles Highway west through and past the western boundary line of subject Parcel "A".

As previously discussed, the subject property is identified as being a portion of the Southland master plan. This area is the southernmost portion of Clark County/Nevada and is oriented approximately 3 miles south of the town of Laughlin. To the southeast across Needles Highway is the Fort Mojave Indian Reservation which includes the AVI Resort and Casino, plus a golf course, single-family residences generally surrounding the golf course and some agricultural uses.

Subject Parcel "A" extends west of Needles Highway beginning at the Nevada/California state line and extends approximately 4 miles along its western boundary line. Subject Parcel "B" is oriented adjacent east of Parcel "A", is irregular in shape and contains approximately 1,629 gross acres. Subject Parcel "A" contains approximately 2,596 acres gross and combined, the larger land holding includes a total of 4,225 acres. The subject larger land holding does not include direct frontage on Needles Highway. The south/east property lines of subject Parcels "A" and "B" are oriented 1,350 feet west of

the existing Needles Highway right-of-way. It appears the Needles Highway right-of-way is approximately 270-feet wide.

Based on the mapping/exhibits provided to these appraisers by Clark County Department of Real Property Management, the total combined land area is approximately 4,225 acres with approximately 2,596 acres in Parcel or Area "A" and approximately 1,629 acres Parcel or Area "B". The valuation of the subject property is based on gross acreage and does take into account that multiple overhead and subterranean easements and/or potential rights-of-way affect or cross portions of the subject land holding.

Following is the Laughlin Land Use Map.



**Zoning:**

Both subject Parcels "A" and "B" are presently zoned R-U (Rural Open Lands) per Clark County Records. The R-U zoning classification was established to provide very low density residential use, as well as other appropriate uses including rural land, including dwellings which would not conform to the design restrictions for single-family residential type development. This zoning classification is also recognized as being a holding type designation until actual development plans have been submitted to Clark County for approval. Further, all of subject Parcel "A" and "B" is master planned O-L (Open Land) which is generally defined as areas designated to provide for permanent open space in the community; to prevent irreversible damage to sensitive areas; and to deter development in areas with highly limited availability of public services and facilities. As discussed, both subject Parcels "A" and "B" are removed or set back approximately 1,320 feet from the existing Needles Highway right-of-way. The vacant land area between Needles Highway right-of-way and the subject land parcels are reportedly zoned M-D (Design Manufacturing) and within the Planned Land Use (BDRP, Business Design and Research Park).

The valuation of the subject property generally presumes ultimate approval of future development scenarios recognized as being consistent with the master plan development characteristics of this large land holding. A myriad of possible mixed use development that could be undertaken within this vacant area. As noted, the valuation of the subject property recognizes that a very wide and varied development scenario could be undertaken on this combined 4,225 gross acres of vacant land. The somewhat remote physical and locational characteristics of the subject land holding, would likely allow a truly mixed use type development including residential, commercial and industrial if desired. Ultimately, utilization of the subject property as a major solar energy generating facility would likewise be a reasonable use of the subject vacant land.

**Topography and Soils Conditions:**

Subject Parcels "A" and "B" again, oriented west of the Needles Highway north of the Nevada/California state line. The overall topographical characteristics of these parcels slope in a southeast direction at an approximate 4% to 6% grade. The areas closest to Needles Highway appear to be a lower percentage of grade. This large vacant land area is best described as being desert range land which includes numerous natural washes, consistent with typical alluvial fan patterns. Storm run-off discharges under the Needles Highway by way of several existing man-made culverts under this public right-of-way. The northern and northwest portions of both subject Parcels "A" and "B" are best described as being hilly with sloping characteristics. Portions are also consistent with "bad lands" type physical characteristics.

The valuation of the subject property generally presumes that typical mixed use master plan type development would be suitable or alternately, the site could be utilized as a major solar energy generating facility. Clearly, drainage type improvements would be required likely on both subject Parcels "A" and "B". However, only professional engineers and/or site planners could detect any potential drainage issues or required improvements as part of future development scenarios.

These appraisers were not submitted nor provided any recent soils reports or environmental type studies relative to the subject property. Our analysis and valuation of the subject property presumes that the vacant land is not adversely affected by any surface or subsurface soils type conditions. Adequate soil conditions are generally presumed by us through visual observation only and are not warranted. These appraisers' does not purport to have any expertise in soils contamination nor hazardous waste type issues.

**Flood Hazard Designation:**

It appears that both subject Parcels "A" and "B" are located within FEMA Flood Insurance Rate Map, Community Panel Numbers 32003C4060 E and 32003C4070 E, both maps were revised September 27, 2002. According to these maps, the subject

properties are not located within identifiable flood zones. However, it is presumed that future development of subject Parcels "A" and "B" would require some forms of man-made flood control improvements.

**Utilities and Street Improvements:**

As noted, the Needles Highway extends just east in a north/south pattern along the subject parcels. This public right-of-way is presently two, three and four lanes and includes an approximate 270-foot wide right-of-way. This thoroughfare is presently asphalt paved and includes two travel lanes southbound to the Nevada/California border and one lane northbound from the Nevada/California border to Aha Machav Parkway. North of Aha Machav Parkway to Laughlin, two northbound asphalt paved travel lanes exist.

Additional accessibility to subject Parcels "A" and "B" are available by way of non-dedicated dirt roads, trails, etc. As noted, a fairly established dirt road extends along the 50-foot wide Southwest Gas easement which extends west of Needles Highway, through the northern portion of subject Parcels "A" and "B".

Based on available information, taken primarily from the feasibility study prepared by VTN and dated August 4, 2009, public water is located approximately 3 miles north of the northern boundary of subject Parcel "B". Water is provided by the Big Bend Water District. The Big Bend Water District provides potable water to the Laughlin community via a raw water pumping station intake at the Colorado River and the Big Bend Water District Treatment Facility. Multiple pump stations and reservoir tanks distribute the treated water through a network of main transmission lines. Presuming a major master plan mixed use type development of the subject vacant land holding likely, substantial water service and treatment development or future construction would be required. Additionally, water service would be required for potential utilization of the subject property as a solar energy generating facility; however, in a much lesser capacity.

Future development of the subject property with any form of traditional master plan type development or use would require a new sewer treatment facility. Future utility of the subject vacant land holding for solar energy purposes would likely require very limited sanitation sewer type improvements and may be suitable to construct septic tanks and leach fields where required or necessary.

NV Energy previously identified as Nevada Power Company, is the provider of electrical power to any Southland future development and large scale mixed use type development would require a new distribution substation. An NV Energy electrical transmission line bisects portions of the northern portion of both subject Parcels "A" and "B".

Southwest Gas Corporation is the provider of natural gas to Southland. Presently, two 16 inch steel high-pressure transmission lines exist at the northern portion of subject Parcels "A" and "B". This 50-foot wide easement extends generally from the subject Parcel "A" western boundary line to Needles Highway and further east. Additionally, an existing natural gas regulation station is located just east of Needles Highway, near the eastern boundary of subject Parcel "B".

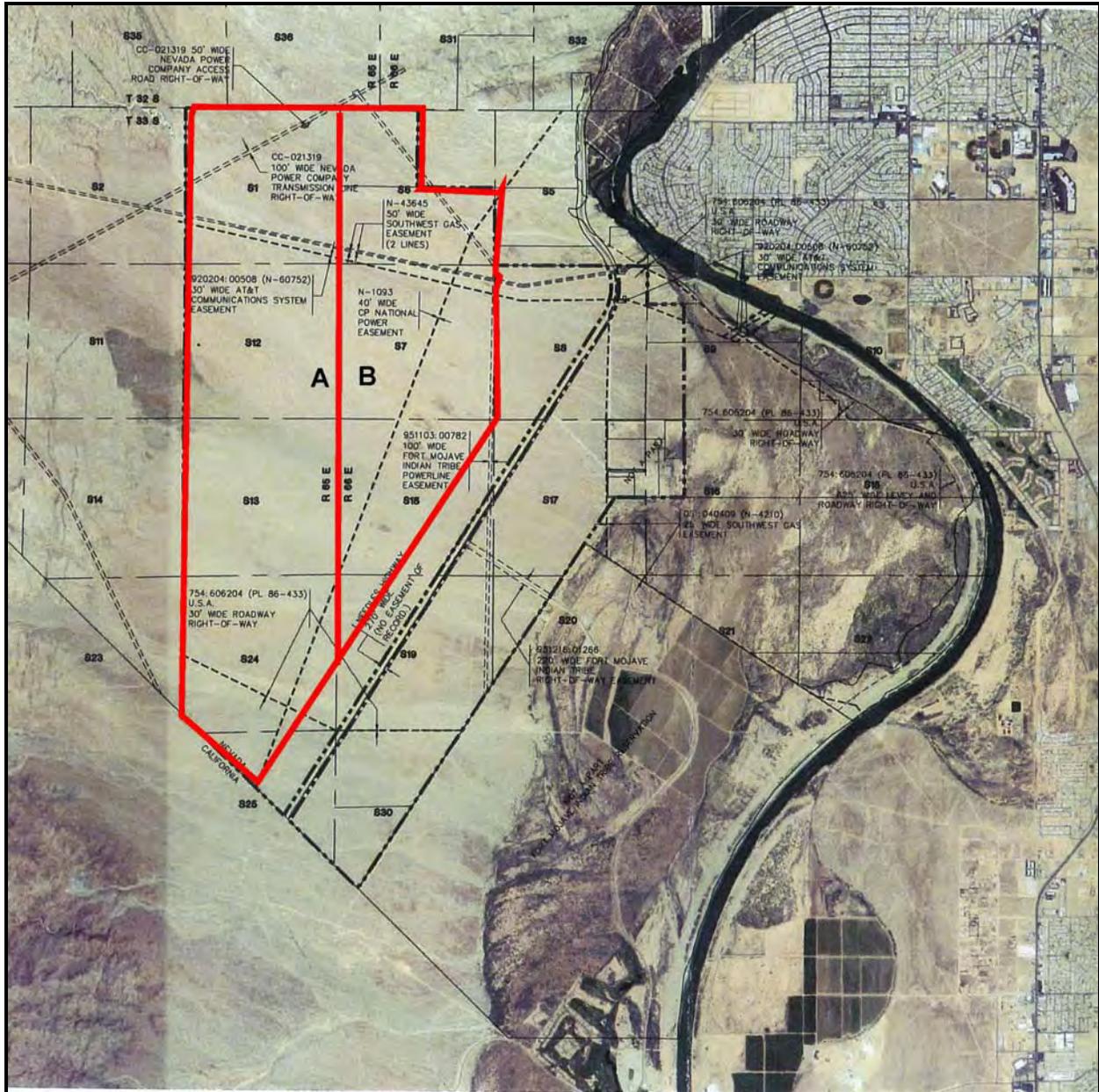
CenturyLink formerly Embarq, has a small facility located on the east side of the Needles Highway right-of-way. Both fiber optic and copper phone lines reportedly are available. Additionally, a 30-foot wide AT&T communication easement generally parallels the existing Southwest Gas easement line across the northern portion of subject Parcels "A" and "B".

**Encumbrances/Easements:**

As previously discussed, the subject property is encumbered by multiple overhead and subterranean easements. These existing easements traverse portions of subject Parcel "A" and "B". The actual encumbered area of these easements as it affects subject Parcels "A" and "B" were not provided to these appraisers. However, it is recognized as being a sizeable acreage. The easement areas are included within the total identified

gross acreage included in the valuation. Of note, a 30-foot wide roadway right-of-way extends west from Needles Highway to subject Parcel "A". This 30-foot wide roadway right-of-way is oriented near the southern most portion of subject Parcel "A". Overhead utility type lines include the CP National Power easement which is reportedly 40-feet wide and extends generally north to northeast from the Nevada/California state line, bisecting the existing Southwest Gas underground easement, the AT&T Communication System easement and a reported 100-foot wide Fort Mojave Indian Tribe power line easement which is oriented near the north portion of subject Parcel "B". A copy of the encumbrance map is set forth following.

# Encumbrance Map



**Tax Data:**

The following sets forth a summary of the assessed values and reported annual real estate taxes for Clark County Assessor parcels of which the subject properties "A" and "B" are a portion. The current property owner "Clark County" is exempt from paying real estate taxes.

<b>Subject "A"</b>	<b>Assessed Value</b>	<b>Tax Rate</b>	<b>2015 Real Estate Taxes</b>
266-00-001-001	\$336,420	3.3483	\$11,264.35
266-00-001-009	\$336,000	3.3483	\$11,250.29
266-00-001-010	\$336,000	3.3483	\$11,250.29
266-00-002-002 (portion of)	\$333,995	3.3483	\$11,176.46
266-00-002-003 (portion of)	\$85,796	3.3483	\$2,872.71
<b>Subject "B"</b>			
265-00-001-010	\$85,097	3.3483	\$2,849.30
265-00-001-012	\$168,000	3.3483	\$5,625.14
265-00-001-013 (portion of)	\$336,000	3.3483	\$11,250.29
265-00-001-043 (portion of)	304,416	3.3483	\$10,192.76
265-00-002-001 (portion of)	\$118,220	3.3483	\$3,958.36
<b>Total</b>			<b>\$81,689.95</b>

\*Note: the reported annual real estate tax burden reflects the entire Clark County Assessor parcels. As noted, only portions of some of the Assessor parcels are included in the subject land holding and within the valuation.

**Legal Description:**

A copy of a preliminary title report prepared by Chicago Title of Nevada, Inc. is retained within the addenda of this appraisal report. Legal descriptions of subject land Parcels "A" and "B" and as combined are also set forth in the documents prepared by VTN engineers, also retained within the addenda of this appraisal report for the reader's perusal. As discussed previously, we have utilized the gross acreage identified on the mapping and VTN prepared legal descriptions in this valuation. If in fact actual gross land area is measurably differ than what is identified in this report, these appraisers reserve the right to revisit this analysis and valuation and make revisions if deemed necessary.



## Highest and Best Use Analysis

The highest and best use of a property such as the subject is determined through the application of four tests, the legally permissible, physically possible, economically feasible and maximally productive use or that use which would provide the highest net return to the property owner. These tests are being applied for a vacant unimproved standpoint. As noted, the subject property is presently vacant unimproved land only.

### Legally Permissible Use:

The entire subject property is presently zoned R-U (Rural Open Land) per Clark County records. The R-U zoning classification was established to provide very low density residential uses. Additionally, the zoning classification is recognized as being a holding type designation until actual development plans have been submitted to Clark County for approval. Further, the majority of subject parcel "A" is master planned O-L (Open Land) which is generally defined as areas designated to provide for permanent open space in the community, etc.

Ultimate utilization of subject Parcels "A" and "B" for solar generating purposes likely would require some form of rezoning.

The valuation of the subject property generally presumes ultimate approval of future development scenarios could be achieved. This would include possible future utilization of the large land holding with mixed use development including residential, commercial and industrial. The valuation of the subject property *as is* recognizes that a very wide and varied development scenario could be undertaken given the combined gross acreage of 4,225 acres. Further, the ultimate utilization of the subject property as a major solar energy generating facility, would be a reasonable use of the large land holding again presuming appropriate approvals and zoning could be achieved.

**Physically Possible Use:**

Generally speaking, all or the majority of the subject land holding is believed to be ultimately developable. Overall topographical characteristics of this site are such that master planned mixed use development could be achieved. Further, a potential utilization of subject Parcels "A" and "B" as a solar energy farm, would be a physically possible use of this large vacant land area.

The overall size, shape and topographical characteristics of both subject Parcels "A" and "B" would allow for various forms of potential future development. While it is recognized that utility infrastructure is rather distant in most cases, given the overall size of this large land holding, ultimate extension of utilities would be required in any future development scenarios.

Most likely, the potential utilization of the subject vacant land as a solar energy generating facility would require less utility infrastructure given the lower development density reflected by this type of potential use. If the subject were ultimately developed with a major mixed use master plan, substantially more utility costs would be expected.

The potential cost or expense associated with extending dry and wet utilities to the northern portion of the subject Parcels "A" and "B", have not been considered or analyzed directly in the valuation of the subject. This is considered to be outside the scope of this appraisal assignment and is also outside of the appraiser's expertise. Clearly, potential future expenses or costs associated with extending required dry and wet utility infrastructure would vary greatly depending on ultimate development scenarios of this large vacant land holding.

**Economically Feasible and Maximally Productive Use:**

From the preceding two tests of highest and best use, future development and/or utility of the subject property with a myriad of potential development scenarios is considered possible. Given the overall size of the subject land holding, a major mixed

use master plan development could be undertaken. Alternately, the subject property would be suitable for a major solar energy generating facility. Generally speaking, the valuation of the subject property, *as is*, does presume and generally recognizes that a myriad of potential uses of the subject land holding could ultimately occur.

To these appraisers' knowledge, the subject property was not ever available for sale or lease on the open market during the past or prior multiple years. Reportedly, a private solar energy company is interested in acquiring or leasing all or portions of the subject property. Unit prices recently paid for large speculative investment land suitable for future master plan type development, as well as potential solar energy operations and also agricultural type land tend to reflect a rather close range. The comparable sales included in this analysis represent large parcels or land holdings ranging in size from approximately 795 acres to 2,415 acres. As noted, these comparable land sales are located within outlying areas of Phoenix and Tucson, Arizona and also a comparable sale of a large land holding oriented outside of Sparks/Reno, Nevada. Again, no recent similar sized comparable land sales oriented within the outlying southern Nevada market area were identified.

The comparable land sales included in this valuation represent parcels that were acquired primarily as speculative investments. Again, some of the selected comparables reportedly were originally acquired for potential future solar energy type development and use or were acquired as more traditional future development sites. Finally, selected comparables are currently being utilized for agriculture, but could have alternate future highest and best uses consistent with more traditional master plan type development.

Price and value levels declined dramatically within the southern Nevada and southwest Arizona market areas due to the national economic recession. However, some stabilization has been seen and price and value levels for speculative investment type land parcels appear to have remained relatively stable over the past few years. Included in this valuation is a total of 7 relatively large comparable land holdings that

have sold between late 2013 and early 2015. The unit prices paid for the comparable land sales generally reflect a reasonably close unit price paid range. Again, over the past approximate 2 plus years, it appears that unit prices for large speculative investment land has stabilized. Given the overall size of the subject property and recognizing the rather limited demand for any form of traditional development in the Laughlin/Mojave Desert market area, it would be expected the subject land holding would remain vacant and unimproved into the foreseeable future. The subject property is clearly a secondary location as it relates to potential future master plan type development and as it relates to the outlying greater Las Vegas valley and areas outside of the greater Phoenix and Tucson metropolitan areas.

These appraisers' do recognize the past demand for large vacant land holdings suitable for solar energy related development. However, the demand for this type of future use, has not directly influenced the market value opinion of the land based solely on this potential future use. As noted previously, the market value opinion of the subject property is based on the recognition the site does have a speculative investment type characteristic at this time, due to the limited demand for new development and the relatively stagnant real estate market conditions in the Laughlin area. Nevertheless, the subject property could ultimately be utilized with a myriad of mixed use type developments once sufficient market demand exists.

Little or no recent development has been identified within the Laughlin and Bullhead City market areas. The most recent major development in the area included the Laughlin Ranch master planned community which is located in the eastern portion of the Bullhead City area. This master planned community which includes primarily single-family residential development and a golf course and country club, failed in January 2008. An approximate 1,280 acre land parcel was acquired through an open auction shortly thereafter. This comparable transaction has not been included directly in the valuation of the subject property due to the fact that it represents an acquisition over 7 years ago. As noted, the comparable sales included in this analysis represent properties that have transferred between late 2013 and early 2015.

Recognizing the lack of demand for new development of any traditional forms would generally indicate that the subject land holding is best suited as a speculative investment, likely for an extended period of time. However, we do recognize that an economically feasible and maximally productive use of this large vacant land holding could be realized with the future development and use as a solar energy generating facility.

**Highest and Best Use Conclusion:**

In the final analysis, due to the limited amount of demand that exists for any forms of traditional development in the market area, other than potential solar energy generating type facilities, the subject property is likely best suited as a speculative investment and hold this site vacant until overall market conditions improve and demand for development actually exists. The economic feasibility of a proposed solar energy generating facility on all or a portion of the subject property is beyond the scope of this appraisal assignment and beyond the expertise of these appraisers. Again, the valuation of the subject property is based on the fact that the vacant land has potential as a future mixed use type development. However, ultimate development of the subject property with mixed use master plan type development could be many years in the future. Present or current demand for solar energy related development may exist at this time, as again, a potential buyer or tenant of all or a portion of the subject land holding is identified.

## **Land Valuation**

The valuation of the two subject parcels individually and combined as a single or larger land holding is based on the direct sales comparison approach. As part of this analysis, we have developed a unit value opinion of subject Parcel "A" which contains approximately 2,596 acres and a unit value per acre for subject Parcel "B" which contains approximately 1,629 acres. A modestly higher unit value has been concluded on subject Parcel "B" due to its smaller size and closer proximity to existing utilities and the Needles Highway. The concluded value opinion of the subject parcel or land holding combined also recognizes some economies of scale based on the measurably larger parcel size of a combined 4,225 acres. Typically, smaller land holdings tend to transfer at higher unit prices than that of larger speculative investment parcels.

The majority of the comparable transfers included in this analysis are considered to be relatively recent and no measurable differences in unit prices have been identified or noted for changes in market conditions. All seven of the comparable land sales included in this analysis were reportedly acquired under all cash or cash equivalent terms and all are believed to be indicative of arm's length type transactions.

The majority of the seven comparable land sales are oriented within southwest and south central Arizona, either within the outlying areas of Tucson or Phoenix metropolitan areas. Additionally, one of the comparable sales represents a recent acquisition of an industrial site located in the Tahoe/Reno industrial center which is located east of the Reno/Sparks, Nevada metropolitan area.

The comparable land sales included in this analysis do vary in location, size, physical characteristics including topography, shape, adjacency, etc. Further, these comparable transfers do differ as to their proximity to infrastructure, i.e. utilities and access.

The following page sets forth a summary of the seven comparable land sales utilized in the valuation of subject vacant parcels. Following the Land Sales Summary Chart is a master location map which identifies the seven comparables orientation in relationship to the subject. Following this map is individual abstract sheets which have been included on the comparable transfers. Additional mapping and/or exhibits have been included as part of the abstracts. Following these exhibits and abstracts, is a brief discussion and analysis of each of the comparable land sales as they relate to the two subject parcels, individually and as combined as a single larger land holding.

Due to the wide and varied differences between the comparable land sales as they relate to the subject property, a quantitative type adjustment process has not been undertaken. Insufficient data is available to these appraisers to undertake a meaningful quantitative adjustment process. Hence, as part of this analysis and valuation, we have provided a qualitative consideration and analysis directly to the comparable land sales included.

<b>Land Sales Summary Chart</b>					
<b>Sale No.</b>	<b>Location</b>	<b>Date of Sale</b>	<b>Price</b>	<b>Size Gross (Acres)</b>	<b>Unit Price/Acre</b>
<b>1</b>	West of we-19, North of Rio Rico Road Rio Rico, Arizona	10/13	\$2,830,000	1,199.63	\$2,359
<b>2</b>	West of Night Sky Street, South of Aguire Wash Road, Eloy, Arizona	11/13	\$4,950,000	1,600	\$3,094
<b>3</b>	Kimzey Road, East of Kansas Settlement Road, Wilcox, Arizona	4/14	\$9,500,000	2,200	\$4,318
<b>4</b>	East and West Sides San Lucy Road, North of Water Melon Road Gila Bend, Arizona	5/14	\$6,336,000	795.41	\$7,966
<b>5</b>	Electric Avenue, South of we-80 Sparks, Nevada	10/14	\$3,166,500	987.74	\$3,206
<b>6</b>	Northeast of we-8 and Painted Rock Road Gila Bend, Arizona	12/14	\$5,774,179	1,920	\$3,007
<b>7</b>	Lower Buckeye Road at 539 <sup>th</sup> Avenue Tonopah, Arizona	1/15	\$10,000,000	2,415	\$4,141

### Land Sales Location Map



## Land Sale Abstract Number 1

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Assessor's Parcel No: 140-03-001A; 114-52-109; 199-01-004; 114-57-062, -044 to -046; 114-53-002; 114-57-042, -065, -050, -051, -052; 129-01-042; 114-57-037, -059, -060, -061, -049; 140-03-006A, 114-52, 167; 115-13-462, -457; 114-57-063, 119-01-001; 114-57-057, -058; 114-52-126, 114-57-055, 039; 115-13-459; 114-52-206; 114-53-001A; 140-03-025; 114-52-216 to -212; 114-52-208; 115-13-455; 114-52-224; 115-13-460; 114-52-222; 114-52 187; 115-13-456; 114-52-186; 114-52-203; 114-52-202; 114-52-185; 115-13-461; 114-52-188; 114-52-136; 114-52-135; 114-52-168; 114-52-140; 140-03-001B; 114-52-139; 114-52-138; 140-03-007B; 114-52-223; 114-52-132; 114-52-129; 114-52-125; 114-552-137; 140-03-008; 114-52-170; 114-57-064; 114-52-171

Location: West of we-19, North of Rio Rico Road, Rio Rico, Arizona

Grantor: Rio Rico Properties, Inc.

Grantee: Rio Rico Pacific, LLC

Document No: 0007249

Date of Sale: October 2013

Sales Price: \$2,830,000

Size: 1,199.63 Acres

Unit Price: \$2,359/Acre

Zoning: RES

Terms: Cash or Cash Equivalent

Verified By: County Records, CoStar Comps

Comments: Combined residential and commercial vacant land. Property was purchased by a home builder/developer.

### Land Sale Number 1 – Area/City Location Maps



**Land Sale Abstract Number 2**

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Assessor's Parcel No: 207-06-005, 207,-015, 207-06-016, 207-06-008

Location: West of Night Sky Street, South of Aguire Wash Road, Eloy, Arizona

Grantor: James G. & Zora R. Bechtel

Grantee: Morning Doves, LLC

Document No: 20133/190760

Date of Sale: November 2013

Sales Price: \$4,950,000

Size: 1,600 Acres

Unit Price: \$3,094/Acre

Zoning: RH

Terms: Cash or Cash Equivalent

Verified By: County Records, CoStar Comps

Comments: Property is presently being used for agricultural farming.

### Land Sale Number 2 – Area/City Location Maps



**Land Sale Abstract Number 3**

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Assessor's Parcel No: 204-24-043B, 204-24-049, 204-24-062, 204-28-002, 205-22-002, 205-22-003A, 205-22-004, 205-35-001B, 205-47-003, 305-43-007B

Location: Kimzey Road, East of Kansas Settlement Road, Wilcox, Arizona

Grantor: John J & Candy E Terry

Grantee: Sebastiao & Maria F. Faria

Document No: 0005762

Date of Sale: April 2014

Sales Price: \$9,500,000

Size: 2,200 Acres

Unit Price: \$4,318/Acre

Zoning: RU-4

Terms: Cash or Cash Equivalent

Verified By: County Records, CoStar Comps

Comments: Property is presently identified as Terry Brothers Farm. This farm land was purchased including approximately \$500,000 worth of improvements including 4 homes, shop building, grain silos and 16 center pivot sprinklers.

### Land Sale Number 3 – Area/City Location Maps



**Land Sale Abstract Number 4**

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Assessor's Parcel No: 402-06-005F, 403-14-017J, 402-05-15C, 402-05-017E, 403-14-017N, 403-14-017M, 402-05-019A, 402-06,005E, 403-14-017Q, 402-050-017C

Location: Northwest Russell Road & Joaquin Road, Casa Grande, Arizona

Grantor: Gila Bend Farms, LLC

Grantee: Tom & Susan DeJong Family Trust

Document No: 0328539

Date of Sale: May 2014

Sales Price: \$6,336,000

Size: 795.41 Acres

Unit Price: \$7,966/Acre

Zoning: M-M

Terms: Cash or Cash Equivalent

Verified By: County Records

Comments: Property includes 10 individual parcels, some of which is agricultural farm land. Property is located in close proximity to the town of Gila Bend.

### Land Sale Number 4 – Area/City Location Maps



**Land Sale Abstract Number 5**

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Assessor's Parcel No: 005-091-18, 005-091-20, 005-09-34, 005-011-22, 005-011-24, 005-091-17

Location: Electric Avenue, South of we-80, Sparks, Nevada

Grantor: Tahoe-Reno Industrial Center, LLC

Grantee: Tesla Motors, Inc.

Document No: 0121154

Date of Sale: October 2014

Sales Price: \$3,166,500

Size: 987.74 Acres

Unit Price: \$3,206/Acre

Zoning: we-2

Terms: Cash or Cash Equivalent

Verified By: County Records, CoStar Comps

Comments: Vacant industrial parcel located in the Tahoe/Reno Industrial Center.

### Land Sale Number 5 – Area/City Location Maps



**Land Sale Abstract Number 6**

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Assessor's Parcel No: 403-18-021, 403-19-010, 403-19-011

Location: Northeast of I-8 and Painted Rock Road, Gila Bend, Arizona

Grantor: Sisson North, LLC

Grantee: Hettinga Revocable Trust

Document No: 0799283

Date of Sale: December 2014

Sales Price: \$5,774,179

Size: 1,920 Acres

Unit Price: \$3,007/Acre

Zoning: R-190

Terms: Cash or Cash Equivalent

Verified By: County Records, CoStar

Comments: Property located west of town of Gila Bend. Solar power generating farms in immediate area.

### Land Sale Number 6 – Area/City Location Maps



**Land Sale Abstract Number 7**

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Assessor's Parcel No: 506-25-001B, 506-25-001C, 506-25, 009A, 50-6-25,014, 506-25-015E, 506-27-011, 506-27-010, 506-22-032, 506-22-027, 506-24-013

Location: Lower Buckeye Road at 539<sup>th</sup> Avenue, Tonopah, Arizona

Grantor: Allegheny Energy Supply Company, LLC

Grantee: Waydon Farms, LLC

Document No: 0014552

Date of Sale: January 2015

Sales Price: \$10,000,000

Size: 2,415 Acres

Unit Price: \$4,141/Acre

Zoning: R-4, Gila Bend

Terms: Cash or Cash Equivalent

Verified By: County Records, CoStar Comps

Comments: Property was acquired as a speculative investment. It was planned for future solar farm use. However, never developed for any use.

### Land Sale Number 7 – Area/City Location Maps



## **Land Valuation - Analysis and Conclusion**

**Land Sale Number 1** is generally located west of Interstate 19 and north of Rio Rico Road in the town of Rio Rico, Arizona. The comparable land holding contains approximately 1,199.63 acres in multiple parcels and was acquired in October 2013 at a total price of \$2,830,000 or \$2,359 per acre. This vacant land is best described as being suburban and rural location within the foothills outside of the town of Rio Rico. Rio Rico is oriented just north of the town of Nogales on the border of Mexico. General locational characteristics of this speculative investment land is rated modestly inferior to the subject. Overall, the unit price paid for the comparable at \$2,359 per acre is considered to be lower than that which the subject land holding could command as two individual sites, as well as a larger or single parcel.

**Land Sale Number 2** is generally located west of Night Sky Street, south Aguire Wash Road outside of the town of Eloy, Arizona. This 1,600 acre vacant land holding was acquired in November 2013 at a total price of \$4,950,000. This translates to a unit price paid of \$3,094 per acre. This acquisition represents three vacant land parcels that are currently being utilized for agricultural purposes. This farm land is oriented south and west of the town of Eloy. Eloy is oriented south of Casa Grande, Arizona which is south of the greater Phoenix metropolitan area. The comparable site is remotely located again, south and west of the town of Eloy. In relationship to the subject, the locational characteristics are considered somewhat similar. The comparable site is similar to subject Parcels "A" and "B" individually or separately in size, but is measurably smaller than the two subject parcels combined as a single land holding. The unit price paid for the comparable at \$3,094 per acre is considered to be at or near that which the subject property could command both individually as two separate parcels, as well as combined as a single larger land holding. Reportedly, the comparable site was acquired as a speculative investment with potential of future master plan type development. In the interim, it is expected the site will continue to be utilized for agricultural farming.

**Land Sale Number 3** is located on Kimzey Road, east of Kansas Settlement Road, south of the town of Wilcox, Arizona. This property was acquired in April 2014 at a total price of \$9,500,000. The property includes a total 2,200 acres of agricultural farm land and transferred at a unit price of \$4,318 per acre. Wilcox, Arizona is oriented east of Tucson, Arizona along Interstate 10. The comparable property is located due south of Wilcox within an area that is best described as being agricultural. The comparable property transferred including 4 single-family residences, a shop building, 16 center pivot sprinklers and grain storage. Based on information provided by the listing broker of this acquisition, Mr. Jack Doughty of Three Rivers Ag Investments, the contributory value of the improvements was estimated at approximately \$500,000 which would reflect an effective purchase price for the land only at approximately \$9 million or \$4,090 per acre.

In comparison to the subject property, the actual and adjusted unit price paid per acre is judged to be measurably higher than that which the subject property could command. The locational characteristics of the comparable is rated modestly superior to the subject recognizing its closer proximity to the Tucson metropolitan area. Additionally, consideration has been given the fact that the comparable property does have an established interim use as an operating farm. The actual and adjusted unit price paid for the comparable is considered to be above that which the subject properties could command individually or as a combined single land holding.

**Land Sale Number 4** is located along the east and west sides of San Lucy Road, north of Water Melon Road in Gila Bend, Arizona. This 795.41 acre land holding was acquired in May 2014 at a total price of \$6,336,000 or \$7,966 per acre. This comparable includes 10 individual parcels and was acquired as a speculative investment. Presently, the property is being utilized for agricultural farming. Gila Bend is oriented south and west of the greater Phoenix metropolitan area. The unit price paid for the comparable at \$7,966 per acre is judged to be substantially higher than that which the subject properties could command, both individually and as a combined larger land holding. Primary consideration has been given to the relatively large size differential between

the comparable and the subject. Some economies of scale have been noted, and typically speaking, the smaller the property, the higher the unit price paid and vice versa. Generally, the locational characteristics of the comparable are rated superior to the subject given its closer proximity to the Phoenix metropolitan area in relationship to the subject's location or proximity to the City of Las Vegas. We expect the comparable will continue to be utilized for agricultural purposes in the interim. However, the comparable does have future residential development potential given its proximity to the Phoenix metropolitan area.

**Land Sale Number 5** is oriented along Electric Avenue, south of Interstate 80, which is approximately 20 miles northeast of Sparks, Nevada. This 987.74 acre parcel was acquired in October 2014 at a total price of \$3,166,500. This translates to a unit price paid of \$3,206 per acre. The comparable is an industrial zoned parcel/land holding that was purchased by Tesla Motors, Inc. for the future development of a battery manufacturing and engineering facility. The comparable site is located in the Tahoe/Reno Industrial Center which is a 30,000 acre industrial park. The unit price paid for the comparable site reportedly was somewhat of a discount recognizing the anchor tenant characteristics of the property buyer. It is expected that many of Tesla Motors vendors and/or subcontractors will be interested in locating within this larger industrial park. Overall, the unit price paid for the comparable at approximately \$3,206 per acre is judged to be at or near that which the subject property/parcels could command both individually and as assembled as a single larger land holding. The comparable property's locational characteristics are rated superior to the subject recognizing its closer proximity to Sparks and Reno, Nevada; however, some consideration has been given to the fact that the comparable's unit price paid appears to have been discounted by the property seller/developer due to the potential for additional future sales within this larger industrial park.

**Land Sale Number 6** is located northeast of Interstate 8 near Painted Rock Road near Gila Bend, Arizona. Like Comparable Sale Number 4, portions of this property are currently being utilized for agricultural purposes. The comparable was acquired in

December 2014 at a total price of \$5,774,179. This 1,920 acre parcel transferred at a unit price of \$3,007 per acre. This comparable is located further west from Gila Bend than Comparable Sale Number 4. As can be seen, a measurable difference in unit price paid is reflected between the two comparables. This is due primarily to the size differential, inferior location and the fact that all of Comparable 6 is presently not being utilized for agricultural purposes. Of note, Comparable Sale 6 is in very close proximity to existing solar energy generating facilities. Overall, the unit price paid for Comparable Sale 6 is considered to be a good indication of unit value of the subject property individually and as a combined larger land holding.

**Land Sale Number 7** is oriented along Lower Buckeye Road at 539<sup>th</sup> Avenue. The property is located outside of Tonopah, Arizona and represents a 2,415 acre acquisition in January 2015 with a purchase price of \$10 million or \$4,141 per acre. This property was sold by Alleghany Energy Supply Company, LLC. This seller is also identified as First Energy Corporation. This site was acquired for future agricultural farming purposes. However, the site was acquired in March 2001 at a reported price of \$9,090,100 by Alleghany Energy which subsequently merged with First Energy in 2011. The parcel was originally purchased for future solar power generating; however, construction/development never occurred.

This comparable property is located west of the town of Buckeye and south of Interstate 10. The properties locational characteristics are rated superior to the subject given its closer proximity to a major metropolitan area, i.e. Phoenix, Arizona. Overall, the price paid for the comparable at \$4,141 per acre is considered to be higher than that which the subject property could command both as individual parcels or as a combined larger land holding.

The seven comparable transfers previously discussed in this analysis, reflect a range in unit prices paid from a low of \$2,359 per acre, to a high of \$7,966 per acre. As noted, the unit price paid for Comparable Sale Number 1 at \$2,359 is judged to be below that which the subject property could command. Further, the unit prices paid for

Comparables 2, 5 and 6 are judged to be near that which the subject parcels could command, both individually and as combined. Finally, the unit prices paid for Comparables 3, 4 and 7 are judged to be measurably higher than that which the subject property could command.

With primary consideration given to Comparables 2, 5 and 6, we have developed unit value opinions of the subject properties, both "A" and "B" individually and as a combined larger land holding of approximately 4,225 acres.

In conclusion, we have developed a unit value opinion of subject Parcel "A" which contains approximately 2,596 acres and is further removed from existing utilities and the Needles Highway, than subject Parcel "B" at approximately \$3,000 per acre. This concluded unit value opinion is clearly within the range indicated by the market comparables. Additionally, we have developed a unit value opinion of the subject Parcel "B" which contains approximately 1,629 acres at \$3,250 per acre which is modestly higher than the concluded unit value for subject Parcel "A". Again, subject Parcel "B" has closer proximity to the Needles Highway and is also in closer proximity to existing public utilities. This concluded unit value opinion is well within the range indicated by the market comparables.

The following sets forth a summary of the valuation of both subject Parcels "A" and "B" individually.

With careful consideration given to all the market evidence and comparable sale data included in this analysis, we have developed market value opinions of the two subject properties on an *as is* basis, in fee simple interest, as of February 10, 2015, as follows:

<b>Subject Parcel "A"</b>	<b>2,596 Acres @ \$3,000/Acre or \$7,790,000</b>
<b>Subject Parcel "B"</b>	<b>1,629 Acres @ \$3,250/Acre or \$5,295,000</b>

As part of this valuation, we have developed a market value opinion of the two subject parcels "A" and "B" as a combined single larger land holding. Again, the combined area is reflected at approximately 4,225 acres. Recognizing economies of scale and the substantially larger land area of the subject, as combined, we have developed a unit value opinion for the total or larger land holding at approximately \$2,750 per acre which is modestly lower than the concluded unit value for subject Parcels "A" and "B" individually. The following sets forth a summary of the value indication of the subject property as a single larger land holding. We have developed the market value opinion of the subject property as a single parcel, on an *as is* basis, in fee simple interest, as of February 10, 2015, as follows:

<b>Entire Subject Landholding including Both Parcels "A" and "B"</b>	<b>4,225 Acres @ \$2,750/Acre or \$11,620,000</b>
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The concluded *as is* market value opinion of the larger combined parcel at \$11,620,000 represents an approximate 11% discount from the summated individual value opinions of subject Parcels "A" and "B". The summated or total would translate to \$13,085,000. An approximate 11% discount is considered reasonable and appropriate when recognizing the measurably larger size of the combined land area in relationship to the individual sites, i.e. Parcels "A" and "B".

The following sets forth our final value opinions of the subject parcels, *as is*, in fee simple estate interest, as of February 10, 2015:

<b>Subject Parcel "A"</b>	<b>2,596 Acres</b>	<b>\$7,790,000</b>
<b>Subject Parcel "B"</b>	<b>1,629 Acres</b>	<b>\$5,295,000</b>
<b>Subject Parcels "A" &amp; "B" as a combined single landholding:</b>	<b>4,225 Acres</b>	<b>\$11,620,000</b>

The concluded unit value opinions of the subject land parcels, i.e. A, B and A+B combined could be used as a basis for the determination of a long term ground lease rate.

## **Market Rent Estimate**

Pursuant to the client's request, we have developed opinions of market rent on Subject Parcels "A" and "B" individually and combined as a single parcel. The forecast market rent, also known as current fair market value rent, has been calculated based on an annual return rate against the market value opinions of the landholdings in fee simple interest. The inclusion of a market rent estimate of the two subject landholdings would allow the property owner the availability to lease the land parcels rather than sell them in fee simple interest. The forecasted market rent is based on a presumed net ground type lease agreement whereas the lessee would be responsible for all associated expenses and would be net to the property owner landlord.

Land or ground leases on large speculative investment type landholdings are not readily available for direct analysis and/or comparison to the subject properties. However, ground leases are regularly negotiated within the Southern Nevada market area based on return on cost or value. For example, the State of Nevada regularly leases remnant land parcels, i.e., properties which were acquired as a part of roadway improvements, which were not specifically used as part of the right-of-way. Additionally, NV Energy also leases land parcels which are considered to be excess or surplus sites. However, these excess or surplus sites or remnant parcels are typically substantially smaller than the subject landholdings included in this valuation. Historically, both the State of Nevada and NV Energy have negotiated ground leases against annual return rates of between 8% and 10% based on land value. Further, private property owners and developers in the greater Las Vegas valley are regularly leasing sites suitable for industrial related storage in the 8% to 10% range. The known ground leases of industrial related vacant sites located in the greater Las Vegas valley are substantially smaller properties, and therefore, would not be considered directly comparable to the subject properties on a rent per acre basis.

In order to estimate a market level annual return rate for potential lease of the subject landholdings, we have also referenced information available within the United States Department of the Interior Bureau of Land Management website as it relates to

potential ground lease rental policy for solar energy right-of-way use. Retained within the Addenda of this appraisal report is information relative to base rental fees per acre, as well as a chart that implies 6.3% annual return rates against market value. The BLM summary chart entitled "Solar 2010-2015 Per Acre Base Rent Schedule" reflects 12 different zones with reported value per acre ranging from \$250.00 to \$100,000.00 per acre. The 2015 annual rent per acre ranges from \$17.24 to \$6,897.20. The indicated annual return rate for all 12 zones is 6.90%. Specific locations are not identified within the information for the BLM potential ground leases. However, the return rate percentage of 6.90% implies an annual return rate for unimproved large vacant tracts of land.

Recognizing the fact the two subject landholdings are in relatively close proximity to available public utilities and is also readily accessible by asphalt paved Needles Highway, a modestly higher annual return rate than indicated for BLM land would be appropriate. Based on all of the available comparable information, in our opinion, an annual return rate against the land value opinions of the subject parcels of approximately 7% would be appropriate and reasonable.

As set forth previously in this appraisal report, we have developed a market value opinion of Subject Parcel "A", in fee simple interest, at approximately \$7,790,000. Further, we have developed a market value opinion of Subject Parcel "B", in fee simple interest, at approximately \$5,295,000. The land value in fee simple for "A" and "B" combined as a single parcel is \$11,620,000. In order to forecast a market rent, we have utilized an annual return rate of 7%. Calculating this annual return rate against the market value opinions, in fee simple, would reflect an annual market rental rate for Subject Parcel "A" at \$545,300. Utilizing the same annual return rate against the market value opinion of Subject Parcel "B" of \$5,295,000 would reflect an annual market rent of \$370,650. Combined Parcels "A" and "B" would have a market rent of \$813,400. These forecasted market rents, also identified as fair market value rent, has been concluded presuming a net type ground lease, whereas all applicable or appropriate expenses would be paid directly by the lessee. The following sets forth a summary of the market rent calculations and conclusions set forth in this analysis.

**Summary of Market Rent Estimates**

**Subject Parcel "A" ±2,596 Gross Acres**

**Market Value Opinion in Fee Simple  
Seven Million Seven Hundred Ninety Thousand Dollars  
(\$7,790,000)**

**7% Annual Return Rate**

**Estimated Annual Market Rent  
Five Hundred Forty-Five Thousand Three Hundred Dollars  
(\$545,300)**

**Subject Parcel "B" ±1,629 Gross Acres**

**Market Value Opinion in Fee Simple  
Five Million Two Hundred Ninety-Five Thousand Dollars  
(\$5,295,000)**

**7% Annual Return Rate**

**Estimated Annual Market Rent  
Three Hundred Seventy Thousand Six Hundred Fifty Dollars  
(\$370,650)**

**Subject Parcel "A" and "B" 4,225 Gross Acres**

**Market Value Opinion in Fee Simple  
Eleven Million Six Hundred Twenty Thousand Dollars  
(\$11,620,000)**

**7% Annual Return Rate**

**Estimated Annual Market Rent  
Eight Hundred Thirteen Thousand Four Hundred Dollars  
(\$813,400)**

## **Assumptions and Limiting Conditions**

### **This appraisal assignment has been made with the following general assumptions:**

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
5. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. This appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value opinion is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
8. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless non-compliance is stated, defined and considered in the appraisal report.
9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined and considered in the appraisal report.

10. It is assumed that all required licenses, certificates of occupancy, consents or other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the value opinion contained in this report is based.
11. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described, and that there is no encroachment or trespass unless noted in the report.

**All reports issued by this appraiser are subject to the following general limiting conditions:**

1. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
2. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.
3. The appraiser herein, by reason of this appraisal, is not required to give further consultation, testimony or be in attendance in court with reference to the property in question unless arrangements have been previously made.
4. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales or other media without the prior written consent and approval of the appraiser.
5. The American with Disabilities Act ("ADA") became effective January 26, 1992. we have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

**This appraisal has been developed and the report is provided subject to the following specific assumptions, extraordinary assumptions, hypothetical conditions and additional limiting conditions:**

1. It is assumed that the subject property is free and clear of all liens and encumbrances.

## Certification of Value

**The undersigned does hereby certify that, except as otherwise noted in this appraisal report, to the best of my knowledge and belief, ...**

1. The statements of fact contained in this appraisal report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, impartial and unbiased professional analyses, opinions and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our 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.
7. The appraisal assignment was not based on a requested minimum valuation, a specific valuation or the approval of a loan.
8. The appraisers have performed services regarding the subject property within the three year period immediately preceding acceptance of the assignment, as an appraiser.
9. We have made a personal inspection of the property that is the subject of this report.
10. No one provided significant professional assistance to the persons signing this report.
11. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* (USPAP) as adopted by the Appraisal Standard's Board of the Appraisal Foundation and as mandated by Nevada State Law's Standards of Practice for real estate appraisers (Nevada Administrative Code Chapter 645C).

12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, we, Glenn M. Anderson, MAI, SRA, AI-GRS, have completed the requirements under the continuing education program of the Appraisal Institute.
14. The appraisers are competent and qualified to perform the appraisal assignment. The appraisers' State of Nevada license/certification has not been revoked, suspended, canceled or restricted.
15. This report has been prepared as an appraisal which is intended to comply with the reporting requirements set forth under the *Uniform Standards of Professional Appraisal Practice*.
16. Data setting forth the analysis used and descriptive details are included in the body of this report. Based on an analysis of all the data utilized, we have developed opinions of the market value of the subject property, *as is*, in fee simple interest, as of February 10, 2015, as follows:

**Subject Parcel "A" ±2,596 Gross Acres  
\$3,000/Gross Acre  
Seven Million Seven Hundred Ninety Thousand Dollars  
\$7,790,000**

**Subject Parcel "B" ±1,629 Gross Acres  
\$3,250/Gross Acre  
Five Million Two Hundred Ninety-Five Thousand Dollars  
\$5,295,000**

17. As requested, we have also developed an opinion of the market value of the two Parcels "A" and "B" combined as a larger land holding containing 4,225 acres. Recognizing the measurably larger size of the land holding combined and economies of scale, we have developed an *as is* market value opinion of the combined 4,225 acres, in fee simple interest, as of February 10, 2015, at:

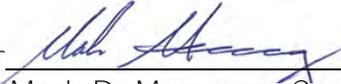
**Combined Land Holding "A" and "B" 4,225 Gross Acres  
\$2,750/Gross Acre  
Twelve Million Six Hundred Seventy Five Thousand Dollars  
\$11,620,000**

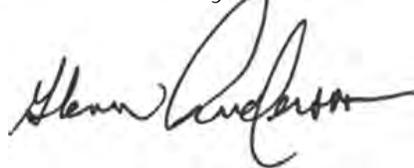
18. As requested, we have also developed opinions of the fair market rent of subject parcels A and B, individually and combined as a single larger land holding. In developing an opinion of the fair market rent on an annual basis for each the two separate parcels, and also as a single larger land holding, we have utilized an annual return rate against the concluded market value opinions, in fee simple interest. As will be more fully discussed and concluded in the body of this appraisal report, we have utilized an annual return rate of 7% against the market value opinions in fee simple to reflect an annual market rent for each of the two subject parcels and also as a combined larger site. Based on analysis of the data utilized, we have developed opinions of the current annual market rent, assuming net ground lease terms, as is, as of February 10, 2015, as follows:

**Subject Parcel "A" ±2,596 Gross Acres  
\$545,300 Per Year**

**Subject Parcel "B" 1,629 Gross Acres  
\$370,650 Per Year**

**Subject Parcels "A" & "B" Combined 4,225 Gross Acres  
\$813,400 Per Year**

Appraiser  Date April 16, 2015  
Mark D. Mummey, Certified General Appraiser

Appraiser  Date April 16, 2015  
Glenn M. Anderson, MAI, SRA, AI-GRS

# **ADDENDA**

## **Appraisers' Qualifications**

## QUALIFICATIONS

**Glenn M. Anderson, MAI, SRA, AI-GRS**

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### LICENSING

Certified General Appraiser, State of Nevada, License No. A.0000555-CG  
Certified General Appraiser, State of Arizona, License No. 31426

### PROFESSIONAL DESIGNATIONS/AFFILIATIONS

MAI - Member of the Appraisal Institute, September, 1995  
SRA - Member - Appraisal Institute, November, 1989  
AI-GRS - Member - Appraisal Institute, October, 2014  
Past President (2002), Las Vegas Chapter, Appraisal Institute  
Member, Commission of Appraisers of Real Estate State of Nevada, 7/1/2011 - Present

### EDUCATION

B.S., Arizona State University, Bachelor of Science, Real Estate/Finance, 1986

### Sample of Core Appraisal Courses Completed:

SREA Course 101	1986	Introduction of Appraising Real Property
SREA Course 102	1986	Applied Residential Property Valuation
SREA Course 201	1986	Principles of Income Property Appraising
SREA Course 202	1986	Applied Income Property Valuation
AIREA Seminar	1987	Standards of Professional Practice
AIREA Course 1BA		
Part A, Seminar	1990	Capitalization Theory and Techniques
AIREA Seminar	1991	Comprehensive Appraisal Workshop
Appraisal Institute	1993	Course 410, 420
		Standards of Professional Practice, Parts A & B
Appraisal Institute	1996	Course 520 - Highest and Best Use
Appraisal Institute	2001	Course 410 & 420 - Standards of Professional
		Appraisal Practice and Code of Ethics
Appraisal Institute	2007	The Appraiser as an Expert Witness
Appraisal Institute	2009	Condemnation Appraising
Appraisal Institute	2009	Appraisal of Nursing Facility
Appraisal Institute	2011	Apartment Appraisal, Concepts & Applications
Appraisal Institute	2012	Fundamentals of Separating Real, Personal
		Property, and Intangible Business Assets
Appraisal Institute	2014	Review Theory- General

Attended other Various Seminars and Courses, 1984 to Present

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**Anderson Valuation Group, LLC**  
1601 South Rainbow Boulevard, Suite 230  
Las Vegas, Nevada 89146  
Telephone: 702•307•0888  
Fax: 702•307•0894  
e-mail [glenn@andersonvaluationgroup.com](mailto:glenn@andersonvaluationgroup.com)

## QUALIFICATIONS

Glenn M. Anderson, MAI, SRA, AI-GRS

Page Two

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### EXPERIENCE

Anderson Valuation Group, LLC, Partner, Las Vegas, Nevada	2005 to Present
Gary H. Kent, Inc., Independent Fee Appraiser, Las Vegas, Nevada	1991 to 2004
McFadden & Associates, Staff Appraiser, Scottsdale, Arizona	1984 to 1991

### Type of Properties Appraised/Services Provided:

Retail Centers	Apartments
Residential Subdivisions	Litigation Support
Golf Courses	Office Buildings
Industrial Properties	Hotels/Casinos
Leasehold/Leased Fee Estates	Medical Offices
Health/Fitness Centers	Vacant Land (all types)
Condemnation (total and partial takes)	
Master Planned Communities (Residential & Commercial)	

### Service Areas:

Southern Nevada, Northern Nevada, Northern Arizona

### Clients Serviced:

#### Government Agencies

Federal Housing Administration	City of North Las Vegas
Nevada Department of Transportation	City of Henderson
Las Vegas Valley Water District	City of Las Vegas
Clark County School District	City of Boulder City
NV Energy	FHLMC
State of Nevada	FNMA
Clark County	District Attorney's Office
Attorney General's Office (Nevada)	Internal Revenue Service (IRS)
Regional Transportation Commission (RTC)	Small Business Administration (SBA)

#### Private Clients

Banks and other Lenders, Attorneys, Individual Clients; list available upon request

### Court Fees/Court Qualifications:

Hourly rate for court testimony and deposition: \$375  
List of recent court testimony available upon request.

I have not published any articles/documents in the last ten years.

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**Anderson Valuation Group, LLC**  
1601 South Rainbow Boulevard, Suite 230  
Las Vegas, Nevada 89146  
Telephone: 702•307•0888  
Fax: 702•307•0894  
e-mail [glenn@andersonvaluationgroup.com](mailto:glenn@andersonvaluationgroup.com)

# APPRAISER CERTIFICATE

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE

REAL ESTATE DIVISION

NOT TRANSFERABLE

This is to Certify That : GLENN M ANDERSON

Certificate Number: A.0000555-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: January 22, 2014

Expire Date: January 31, 2016

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

FOR: ANDERSON VALUATION GROUP LLC  
1601 S RAINBOW BLVD STE 230  
LAS VEGAS, NV 89146

REAL ESTATE DIVISION

GAIL J ANDERSON  
*Administrator*



# QUALIFICATIONS

**Mark D. Mummey**

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## QUALIFICATIONS

Certified General Appraiser, State of Nevada, License No. A.0000256-CG  
Certified General Appraiser, State of Idaho, License No. CGA-3824

## PROFESSIONAL DESIGNATION

Certified General Appraiser, since 1990

## EDUCATION

Business Major, University of Nevada-Las Vegas, 1975-1977

### ***Appraisal Courses Completed:***

Clark County Community College  
South Western University of Law

American Institute of Real Estate  
University of San Diego

Appraisal Institute  
Appraisal Institute  
Appraisal Institute  
Appraisal Institute  
Appraisal Institute

Appraisal Institute

Real Estate Appraisal RE 206  
American Institute of Real Estate Appraisal Course, -  
1-A  
Appraisal Course, Residential Valuation  
American Institute of Real Estate Appraisal Course,  
Standards of Professional Practice  
Capitalization Theory and Techniques I  
Accrued Depreciation  
Market Analysis  
Course 410 and 420, Standards of Appraisal Practice  
Course 430, Standards of Professional Appraisal  
Practice and Code of Ethics  
Fundamentals of Separating Real Property, Personal  
Property and Intangible Business Assets

Various appraisal courses and seminars necessary for continuing education to maintain appraisal license.

## EXPERIENCE

Anderson Valuation Group, LLC, Las Vegas, Nevada (Co-Owner)	2005 to Present
Gary H. Kent Inc., Las Vegas, Nevada (Independent Fee Appraiser)	1983 to 2004
Nevada Savings and Loan Association (Vice President-Sr. Appraiser)	1977 to 1983

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**Anderson Valuation Group, LLC**  
1601 South Rainbow Boulevard, Suite 230  
Las Vegas, Nevada 89146  
Telephone: 702•307•0888  
Fax: 702•307•0894  
e-mail [mark@andersonvaluationgroup.com](mailto:mark@andersonvaluationgroup.com)

# **QUALIFICATIONS**

**Mark D. Mummey**

**Page Two**

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***Type of Properties Appraised/  
Services Provided:***

Residential – Existing and Proposed  
Residential Income Properties – Existing and Proposed  
Raw Land and Finished Lots  
Industrial Properties  
Commercial Properties  
Hotels and Casinos  
Going Concern Valuations  
Condemnation  
Special Purpose Properties

**Service Areas:**

Southern Nevada, Northern Nevada

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**Anderson Valuation Group, LLC**  
1601 South Rainbow Boulevard, Suite 230  
Las Vegas, Nevada 89146  
Telephone: 702•307•0888  
Fax: 702•307•0894  
e-mail [mark@andersonvaluationgroup.com](mailto:mark@andersonvaluationgroup.com)

# APPRAISER CERTIFICATE

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE

REAL ESTATE DIVISION

NOT TRANSFERABLE

This is to Certify That : MARK D MUMMEY

Certificate Number: A.0000256-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: June 25, 2013

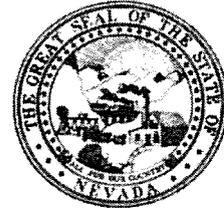
Expire Date: June 30, 2015

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: ANDERSON VALUATION GROUP LLC  
1601 S RAINBOW BLVD STE 230  
LAS VEGAS, NV 89146

REAL ESTATE DIVISION

GAIL J ANDERSON  
*Administrator*



# Engagement Letter



# Department of Real Property Management

500 S Grand Central Pky 4th Fl • Box 551825 • Las Vegas NV 89155-1825  
(702) 455-4616 • Fax (702) 455-4055

Jerome A. Stueve, Director • Lisa Kremer, Assistant Director

January 22, 2015

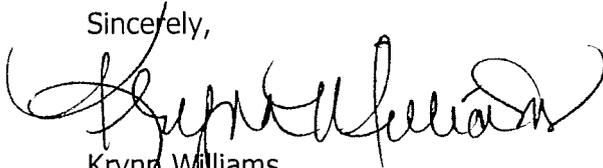
Anderson Valuation  
Glenn M. Anderson  
1601 S. Rainbow Blvd, Ste 2301  
Las Vegas, NV 89146

## ACCEPTANCE OF APPRAISAL PROPOSAL

Clark County hereby accepts your proposal dated January 2, 2015 for the appraisal of approximately 4,227 acres of vacant land in Laughlin, more commonly known as Fort Mohave Lands with separate values for parts of the site designated as Area "A", Area "B" and a combined value for the entire acreage for the stated fee of \$6,500.00. Please include in your Appraisal Report a copy any maps you may have been sent and the Preliminary Title Report and legal description's are enclosed for your use. Please reference these items in the Appendix of your report and in the appropriate area of the appraisal report if any basis for value is determined. We will expect the report in our office no later than February 18, 2015.

If you have an questions regarding this assignment, please contact me at (702)455-5289 or by email at [Williams@clarkcountynv.gov](mailto:Williams@clarkcountynv.gov).

Sincerely,



Kryn Williams  
Property Acquisition Administrator

# **Purchase Order**



Clark County Purchasing  
 500 S Grand Central Parkway  
 Las Vegas NV 89155,  
 Phone:(702) 455-2897,Fax:(702) 386-4914  
 Tax ID No. 88-6000028

Purchase Order 4500234251-010

Page 1 of 2

<b>Order Date</b> 01/22/2015 <b>Last change date</b> N/A <b>Payment Terms</b> Net 30 Days <b>Buyer</b> Sandra Moody-Upton <b>Phone</b> 702-455-4424 <b>Required Delivery Date</b> 04/17/2015 <b>Inco Terms</b> DESTINATION - FREIGHT PREPAID <b>Inco Terms(Part 2)</b> N/A <b>Reference Number</b> N/A <b>Confirmation By</b> N/A <b>Contact Person</b> VICTORIA COSTON <b>Phone Number</b> 702-397-6475	<b>Vendor Address</b> Vendor Number:508427 ANDERSON VALUATION GROUP 1601 S RAINBOW BLVD STE 230 LAS VEGAS NV 89146
	<b>Billing Address</b> CLARK COUNTY LAUGHLIN TOWN MANAGER 101 CIVIC WAY LAUGHLIN NV 89029
	<b>Delivery Address</b> CLARK COUNTY LAUGHLIN TOWN MANAGER 101 CIVIC WAY LAUGHLIN NV 89029

THIS PO IS ISSUED NOT TO EXCEED THE TOTAL AMOUNT OR THE EXPIRED DATE SHOWN.

PO TERM: JANUARY 21, 2014 THROUGH JUNE 30, 2015

Please contact Deborah Murray for any questions 702-298-0828.

Item	Material/Description	Quantity	UOM	Unit Price	Net Amount
10	Appraisals on 4,227 acres of Fort Mohave	1.00	EA	6,500.00 / EA	6,500.00
<b>Total</b>					<b>\$ 6,500.00</b>

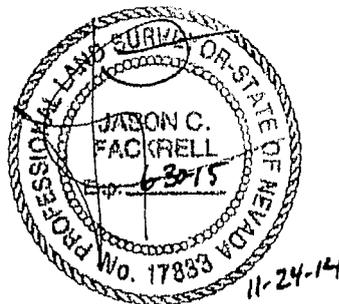
# **Legal Descriptions**

Area  
A



2727 SOUTH RAINBOW BOULEVARD \* LAS VEGAS, NEVADA 89146-5148  
PHONE 702-873-7550 \* FAX 702-362-2597

W.O. 7691  
NOVEMBER 13, 2014  
BY: TZ  
CHK: JCF  
APN 266-00-001-001,009, AND 010  
PT. OF APN 266-00-002-002 AND 003



**EXPLANATION:**  
THIS LEGAL DESCRIBES PARCELS OF LAND GENERALLY LOCATED WESTERLY OF NEEDLES HIGHWAY AND AHA MACAV PARKWAY FOR LEASE EASEMENT PURPOSES.

**LEGAL DESCRIPTION**

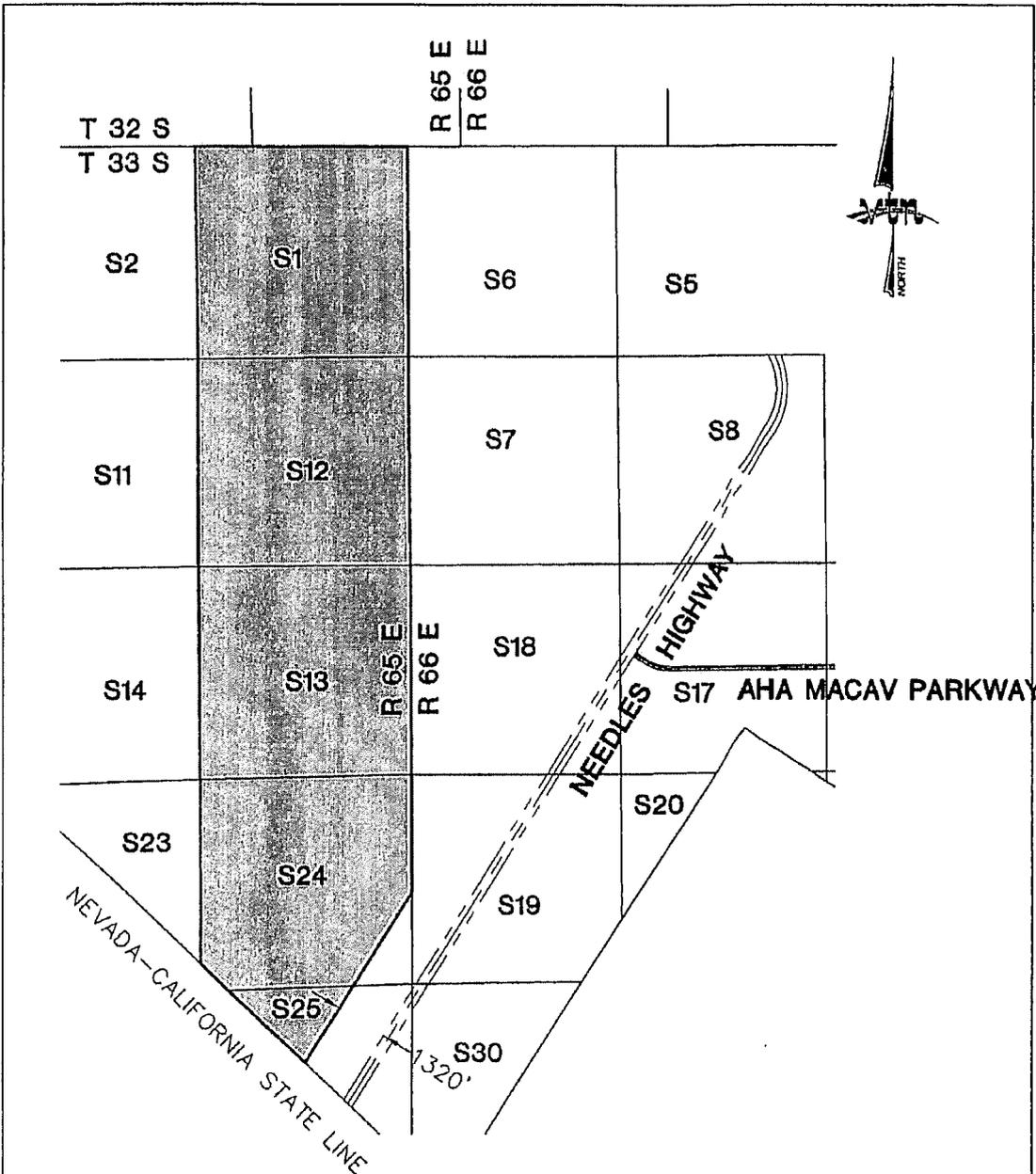
BEING ALL OF SECTIONS 1, 12 AND 13, TOWNSHIP 33 SOUTH, RANGE 65 EAST, M.D.M., CLARK COUNTY, NEVADA;

**TOGETHER WITH ALL THAT PORTION OF SECTION 24 AND SECTION 26, SAID TOWNSHIP AND RANGE LYING WESTERLY OF A LINE LYING 1,320 FEET WEST OF AND RUNNING PARALLEL WITH THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY, ALL SHOWN ON THE "EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION" ATTACHED HERETO AND MADE A PART HEREOF.**

CONTAINING: 2,596 ACRES, MORE OR LESS, AS DETERMINED BY CLARK COUNTY GIS RECORD INFORMATION.

NOTE: THE ABOVE DESCRIPTION AND RESULTANT ACREAGE WAS OBTAINED FROM RECORD INFORMATION AND DOES NOT REPRESENT AN ACTUAL SURVEY PERFORMED ON THE GROUND.

G:\7691\LEGALS\7691\LeaseEasement02.DOC  
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 LEASE AREA 2,596 ACRES +/- (GIS RECORD)

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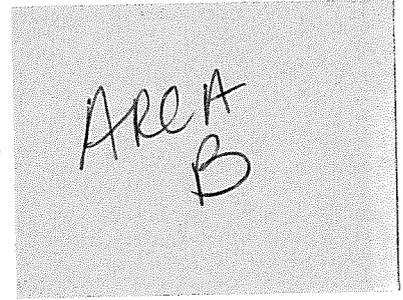
  
 2727 SOUTH RAINBOW BOULEVARD  
 LAS VEGAS, NV 89146-5148

EXHIBIT TO ACCOMPANY  
 LEGAL DESCRIPTION

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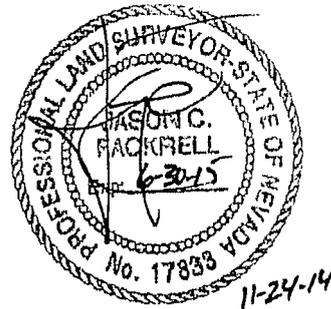
CLARK COUNTY  
 LEASE EASEMENT

SCALE	HORZ.	1"=4000'
	VERT.	
W.O. NO.	7691	
DRAWN BY:	JCF	
DATE:	11/10/14	
SHEET	1	OF 1



2727 SOUTH RAINBOW BOULEVARD \* LAS VEGAS, NEVADA 89146-5148  
PHONE 702-873-7550 \* FAX 702-362-2597

W.O. 7691  
NOVEMBER 13, 2014  
BY: TZ  
CHK: JCF  
APN 265-00-001-010 AND 012  
PT. OF APN 265-00-001-013,043 AND 002-001



**EXPLANATION:**

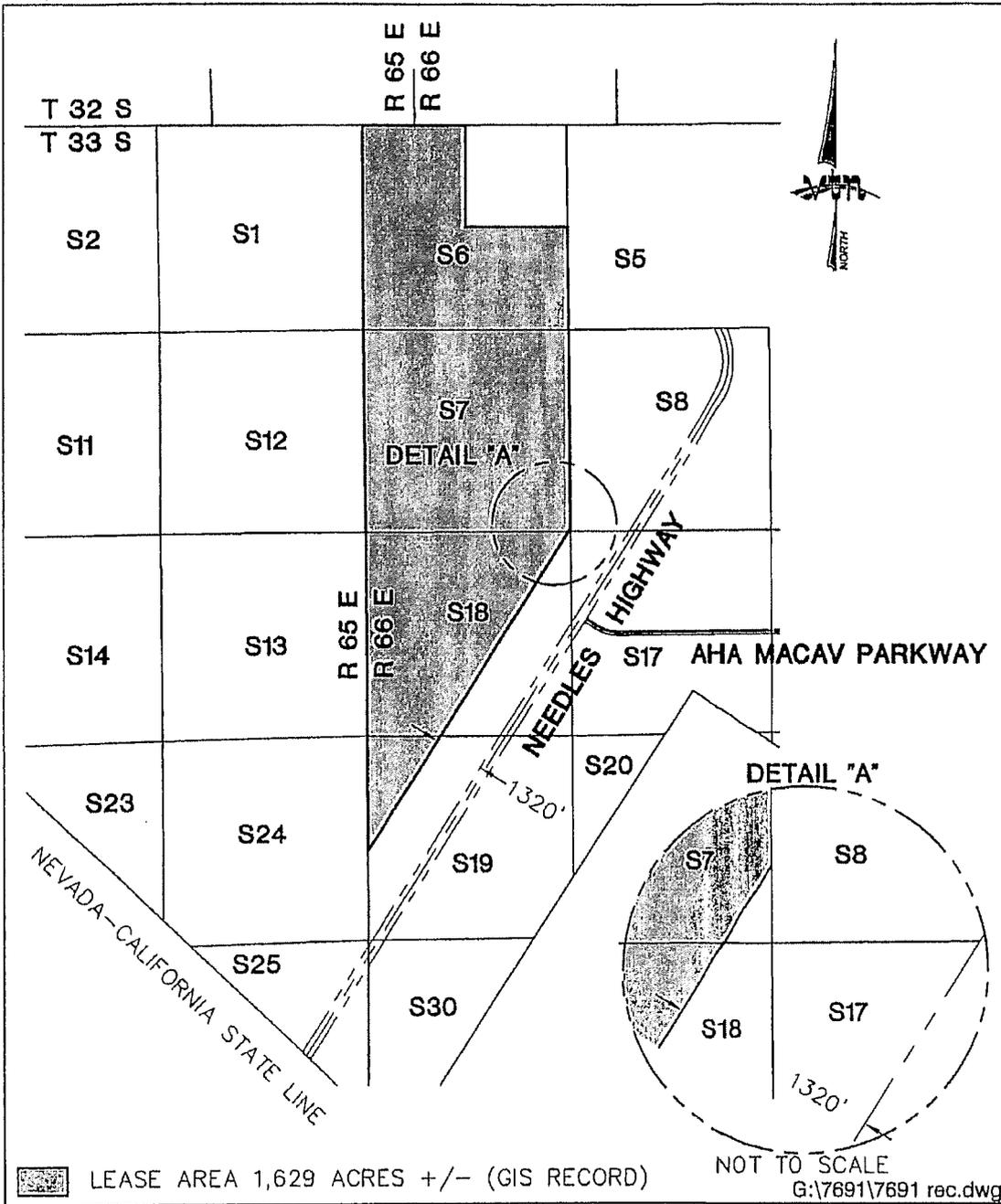
THIS LEGAL DESCRIBES PARCELS OF LAND GENERALLY LOCATED WESTERLY OF NEEDLES HIGHWAY AND AHA MACAV PARKWAY FOR LEASE EASEMENT PURPOSES.

**LEGAL DESCRIPTION**

BEING THE NORTHWEST QUARTER (NW 1/4) AND THE SOUTH HALF (S 1/2) OF SECTION 6, TOWNSHIP 33 SOUTH, RANGE 66 EAST, M.D.M., CLARK COUNTY, NEVADA;  
**TOGETHER WITH ALL THAT PORTION OF SECTIONS 7, 18 AND 19, SAID TOWNSHIP AND RANGE LYING WESTERLY OF A LINE LYING 1,320 FEET WEST OF AND RUNNING PARALLEL WITH THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY, ALL SHOWN ON THE "EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION" ATTACHED HERETO AND MADE A PART HEREOF.**

CONTAINING: 1,629 ACRES, MORE OR LESS, AS DETERMINED BY CLARK COUNTY GIS RECORD INFORMATION.

NOTE: THE ABOVE DESCRIPTION AND RESULTANT ACREAGE WAS OBTAINED FROM RECORD INFORMATION AND DOES NOT REPRESENT AN ACTUAL SURVEY PERFORMED ON THE GROUND.



**WJM**  
 2727 SOUTH RAINBOW BOULEVARD  
 LAS VEGAS, NV 89146-5148

EXHIBIT TO ACCOMPANY  
 LEGAL DESCRIPTION

CLARK COUNTY  
 LEASE EASEMENT

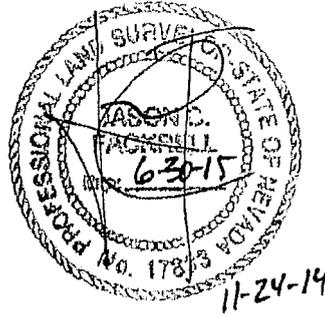
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	VERT.	
W.O. NO.	7691	
DRAWN BY:	JCF	
DATE:	11/10/14	
SHEET	1	OF 1



Area  
A+B  
Together

2727 SOUTH RAINBOW BOULEVARD \* LAS VEGAS, NEVADA 89146-5148  
PHONE 702-873-7550 \* FAX 702-362-2597

W.O. 7691  
NOVEMBER 13, 2014  
BY: TZ  
CHK: JCF  
APN 265-00-001-010 AND 012  
APN 266-00-001-001,009 AND 010  
PT. OF APN 265-00-001-013,014,041,043, AND 002-001  
PT. OF APN 266-00-002-002 AND 003  
PAGE 1 OF 2



**EXPLANATION:**

THIS LEGAL DESCRIBES PARCELS OF LAND GENERALLY LOCATED WESTERLY OF NEEDLES HIGHWAY AND AHA MACAV PARKWAY FOR LEASE EASEMENT PURPOSES.

**LEGAL DESCRIPTION**

BEING ALL OF SECTIONS 1, 12 AND 13, TOWNSHIP 33 SOUTH, RANGE 65 EAST, M.D.M., CLARK COUNTY, NEVADA AND ALL THAT PORTION OF SECTION 24 AND SECTION 25, SAID TOWNSHIP AND RANGE LYING WESTERLY OF A LINE LYING 1,320 FEET WEST OF AND RUNNING PARALLEL WITH THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY;

**TOGETHER WITH** THE NORTHWEST QUARTER (NW 1/4) AND THE SOUTH HALF (S 1/2) OF SECTION 6, TOWNSHIP 33 SOUTH, RANGE 66 EAST, M.D.M., CLARK COUNTY, NEVADA AND ALL THAT PORTION OF SECTIONS 7, 18 AND 19, SAID TOWNSHIP 33 SOUTH AND RANGE 66 EAST LYING WESTERLY OF A LINE LYING 1,320 FEET WEST OF AND RUNNING PARALLEL WITH THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY;

**TOGETHER WITH** A PORTION OF SECTIONS 7, 8, 17 AND 18, TOWNSHIP 33 SOUTH, RANGE 66 EAST, M.D.M., CLARK COUNTY, NEVADA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEING THAT PORTION OF THE SOUTH 30.00 FEET OF SAID SECTION 7 LYING EASTERLY OF A LINE LYING 1,320 FEET WEST OF AND RUNNING PARALLEL WITH THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY, AND THAT PORTION OF THE SOUTH 30.00 FEET OF SAID SECTION 8 LYING WESTERLY OF THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY, AND THAT PORTION OF THE NORTH 30.00 FEET OF SAID SECTION 17 LYING WESTERLY OF THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY, AND THAT PORTION OF THE NORTH 30.00 FEET OF SAID SECTION 18 LYING EASTERLY OF A LINE LYING 1,320 FEET WEST OF AND RUNNING PARALLEL WITH THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY ALL SHOWN ON THE "EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION" ATTACHED HERETO AND MADE A PART HEREOF.

LEGAL DESCRIPTION CONTINUED

W.0.7691

NOVEMBER 13, 2014

BY: TZ

CHK: JCF

APN 265-00-001-010 AND 012

APN 266-00-001-001,009 AND 010

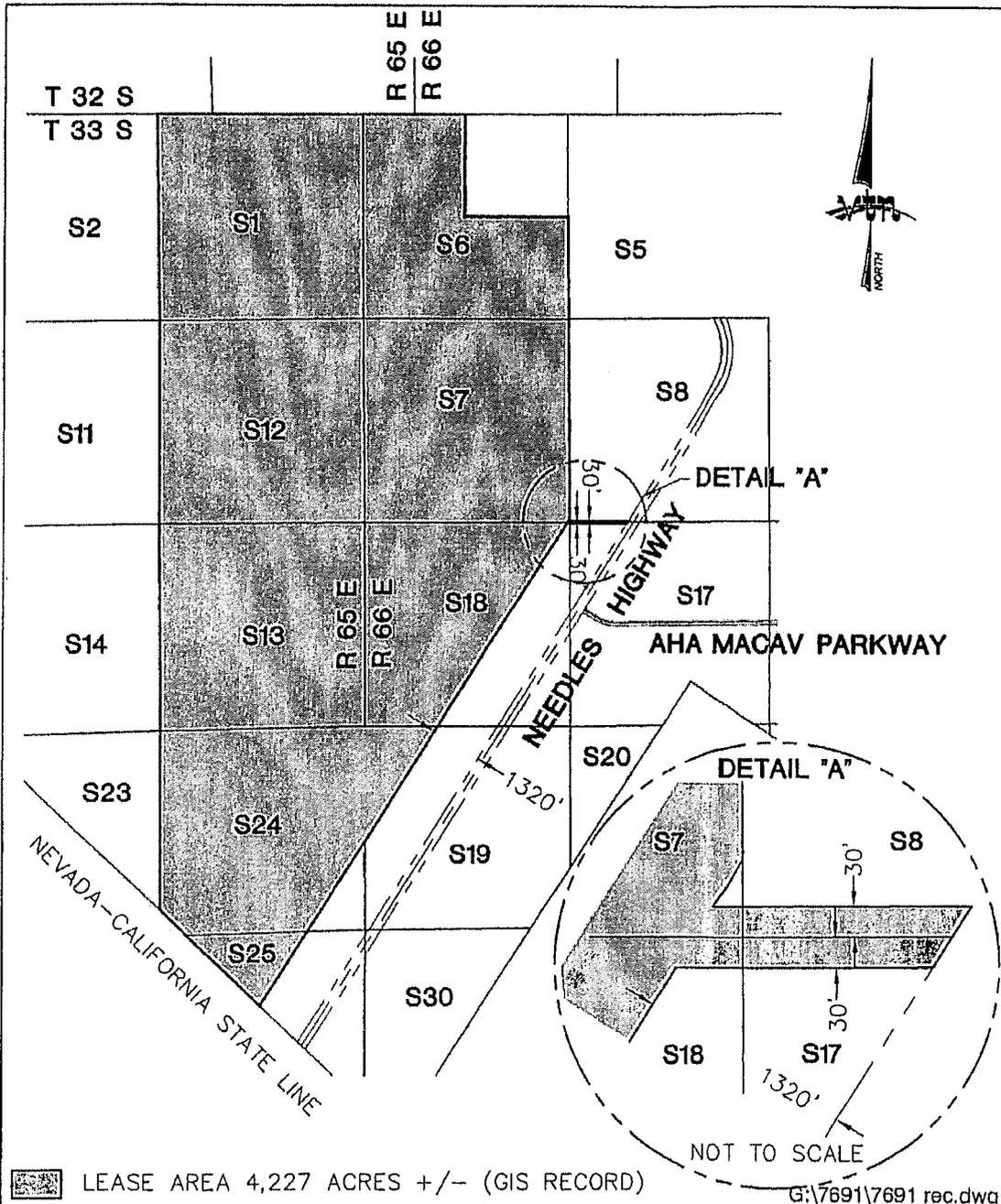
PT. OF APN 265-00-001-013,014,041,043, AND 002-001

PT. OF APN 266-00-002-002 AND 003

PAGE 2 OF 2

CONTAINING: 4,227 ACRES, MORE OR LESS, AS DETERMINED BY CLARK COUNTY GIS RECORD INFORMATION.

NOTE: THE ABOVE DESCRIPTION AND RESULTANT ACREAGE WAS OBTAINED FROM RECORD INFORMATION AND DOES NOT REPRESENT AN ACTUAL SURVEY PERFORMED ON THE GROUND.



LEASE AREA 4,227 ACRES +/- (GIS RECORD)

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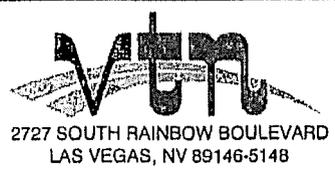


EXHIBIT TO ACCOMPANY  
 LEGAL DESCRIPTION

CLARK COUNTY  
 LEASE EASEMENT

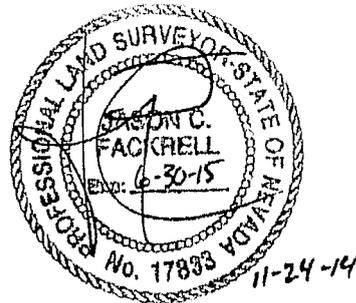
SCALE	HORZ.	1"=4000'
	VERT.	
W.O. NO.	7691	
DRAWN BY:	JCF	
DATE:	11/10/14	
SHEET	1	OF 1



30'  
Access  
Road

2727 SOUTH RAINBOW BOULEVARD \* LAS VEGAS, NEVADA 89146-5148  
PHONE 702-873-7550 \* FAX 702-362-2597

W.O. 7691  
NOVEMBER 13, 2014  
BY: TZ  
CHK: JCF  
PT. OF APN 265-00-001-013,014,041, AND 043



**EXPLANATION:**

THIS LEGAL DESCRIBES A PARCEL OF LAND GENERALLY LOCATED NORTHWESTERLY OF NEEDLES HIGHWAY AND AHA MACAV PARKWAY FOR LEASE EASEMENT PURPOSES.

**LEGAL DESCRIPTION**

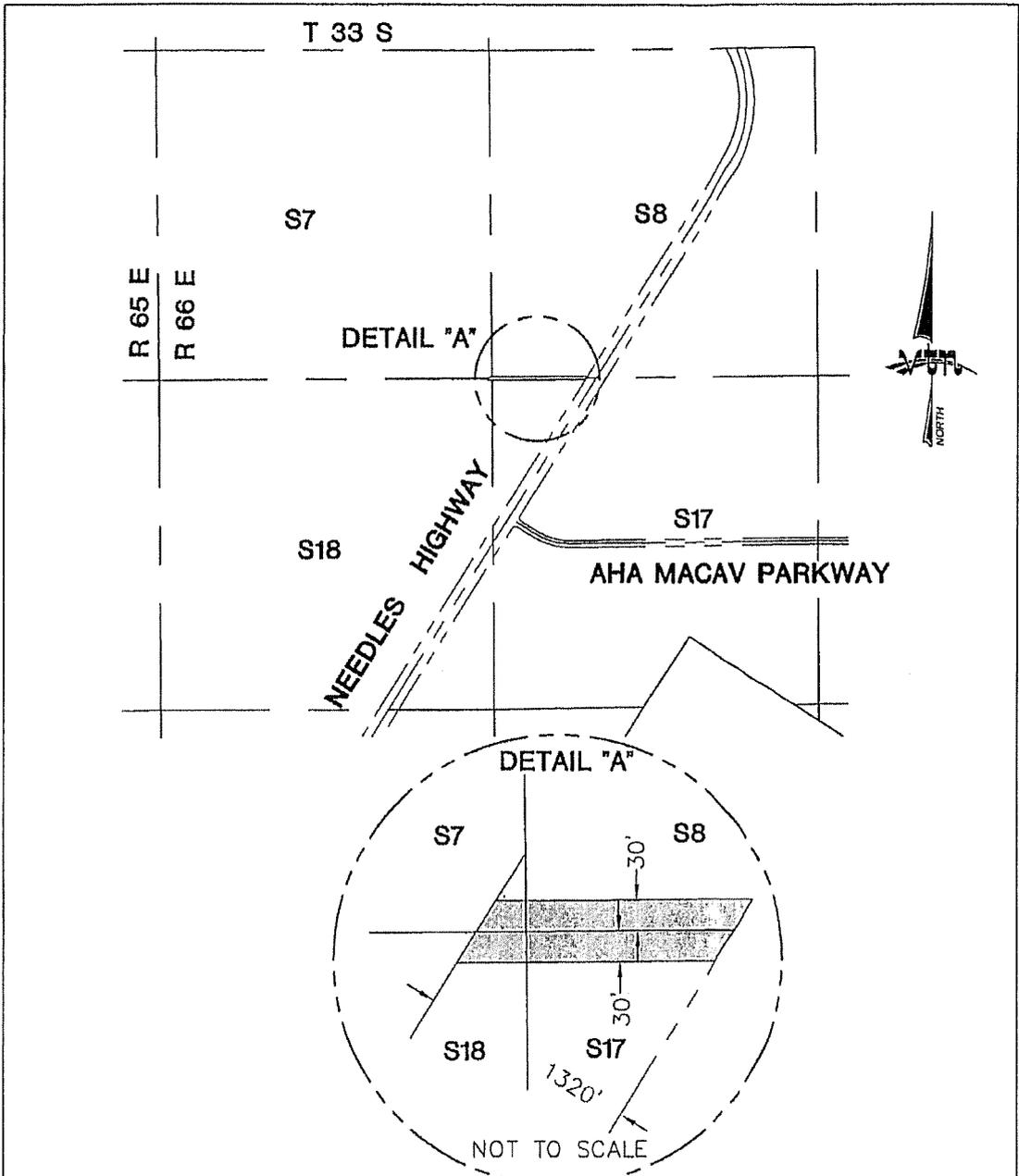
BEING A PORTION OF SECTIONS 7, 8, 17 AND 18, TOWNSHIP 33 SOUTH, RANGE 66 EAST, M.D.M., CLARK COUNTY, NEVADA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEING THAT PORTION OF THE SOUTH 30.00 FEET OF SAID SECTION 7 LYING EASTERLY OF A LINE LYING 1,320 FEET WEST OF AND RUNNING PARALLEL WITH THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY;  
**TOGETHER WITH** THAT PORTION OF THE SOUTH 30.00 FEET OF SAID SECTION 8 LYING WESTERLY OF THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY;  
**TOGETHER WITH** THAT PORTION OF THE NORTH 30.00 FEET OF SAID SECTION 17 LYING WESTERLY OF THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY; AND  
**TOGETHER WITH** THAT PORTION OF THE NORTH 30.00 FEET OF SAID SECTION 18 LYING EASTERLY OF A LINE LYING 1,320 FEET WEST OF AND RUNNING PARALLEL WITH THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY, ALL SHOWN ON THE "EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION" ATTACHED HERETO AND MADE A PART HEREOF.

CONTAINING: 2 ACRES, MORE OR LESS, AS DETERMINED BY CLARK COUNTY GIS RECORD INFORMATION.

NOTE: THE ABOVE DESCRIPTION AND RESULTANT ACREAGE WAS OBTAINED FROM RECORD INFORMATION AND DOES NOT REPRESENT AN ACTUAL SURVEY PERFORMED ON THE GROUND.

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G:\7691\7691rec.DWG



 LEASE AREA 2 ACRES (GIS RECORD)

G:\7691\7691 rec.dwg

 2727 SOUTH RAINBOW BOULEVARD LAS VEGAS, NV 89146-5148	EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION	SCALE	HORZ. 1"=2500
			VERT.
CLARK COUNTY LEASE EASEMENT		W.O. NO.	7691
		DRAWN BY:	JCF
		DATE:	11/10/14
		SHEET	1 OF 1

# **Preliminary Title Report**

# Chicago Title of Nevada, Inc.

9075 W. Diablo Drive, Ste. 100, , Las Vegas, NV 89148

## PRELIMINARY REPORT

Order No. 11017849 (2nd Amended)

Escrow Officer: Jennifer Reinink  
9075 W. Diablo Drive, #100

Phone Number: (702) 836-8000

Title Officer: Bonnie L. Blackburn  
9075 W. Diablo Drive, Ste. 100  
Las Vegas, NV 89148  
Phone Number: (702) 836-8000

Buyer / Borrower: PRELIM ONLY FOR KRYNN WILLIAMS

In response to the above referenced application for a policy of title insurance, Chicago Title of Nevada, Inc., a Nevada Corporation, hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a California Land Title Association Standard Coverage form of title insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception below, or not excluded from coverage pursuant to the printed schedules, conditions and stipulations of said policy form.

This report (and any supplement or amendments thereto) is issued for the purpose of facilitating the issuance of a policy of title insurance.



Dated: December 19, 2014 at 7:30 AM

Bonnie L. Blackburn - Title Officer

The estate or interest in the land hereinafter described or referred to covered by this report is:

Fee Simple

Title to said estate or interest at the date hereof is vested in:

County of Clark, a political subdivision of the State of Nevada

The land referred to in this report is described as follows:

**See Exhibit A attached hereto and made a part hereof.**

**LEGAL DESCRIPTION**

**EXHIBIT "A"**

Township 33 South, Range 65 East, Mount Diablo Meridian,

Lots One (1), Two (2), Three (3), and Four (4) along with the South Half (S ½) of the North Half (N ½) and the South Half (S ½) of Section 1;

All of Section 12;

All of Section 13;

Lot One (1) and the North Half (N ½) , the North Half (N ½) of the South Half (S ½), the Southeast Quarter (SE ¼) of the Southwest Quarter (SW ¼), the South Half (S ½) of the Southeast Quarter (SE ¼) of Section 24;

All of Section 25 lying Northwesterly of the Northwest right-of-way line of Needles Highway as described in Quitclaim Deed to Clark County recorded June 11, 2004, in Book 20040611 as Document No. 05180, of Official Records.

Township 33 South, Range 66 East, Mount Diablo Meridian,

Lots Three (3) and Four (4) along with the South Half (S ½) of the Northwest Quarter (NW ¼) and the South Half (S ½) of Section 6;

All of Section 7;

All of Section 8 lying Southeasterly of the Southeast right-of-way line of Needles Highway as described in Quitclaim Deed to Clark County recorded June 11, 2004, in Book 20040611 as Document No. 05180, of Official Records;

All of Section 17 lying Southeasterly of the Southeast right-of-way line of Needles Highway as described in Quitclaim Deed to Clark County recorded June 11, 2004, in Book 20040611 as Document No. 05180, of Official Records, Excepting therefrom The East Half (E ½) of the Northwest Quarter (NW ¼) of said Section 17, and Further Excepting therefrom any portion lying within the boundaries of the Fort Mohave Indian Reservation;

All of Section 18 lying Northwesterly of the Northwest right-of-way line of Needles Highway as described in Quitclaim Deed to Clark County recorded June 11, 2004, in Book 20040611 as Document No. 05180, of Official Records;

All of Section 19 lying Northwesterly of the Northwest right-of-way line of Needles Highway as described in Quitclaim Deed to Clark County recorded June 11, 2004, in Book 20040611 as Document No. 05180, of Official Records;

PRELIMINARY REPORT  
Order No.:11017849 (2nd Amended)

**EXCEPTIONS - SECTION A**

The following exceptions will appear in policies when providing standard coverage as outlined below:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or the public records.
2. Any facts, rights, interests, or claims which are not shown by public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, whether or not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.
5. (a) Unpatented mining claims; (b) Reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) Water rights, claims or title to water, whether or not the matters excepted under (a),(b) or (c) are shown by the public records.

PRELIMINARY REPORT  
Order No.:11017849 (2nd Amended)

**EXCEPTIONS - SECTION B**

The following are exceptions to Title:

1. Taxes for the fiscal year 2014-2015 are exempt.  
Parcel No.: 266-00-001-001 (Affects: Sec 1-33-65)  
Parcel No.: 266-00-001-009 (Affects: Sec 12-33-65)  
Parcel No.: 266-00-001-010 (Affects: Sec 13-33-65)  
Parcel No.: 266-00-002-002 (Affects: Sec 24-33-65)  
Parcel No.: 266-00-002-003 (Affects: Sec 25-33-65)  
Parcel No.: 265-00-001-010 (Affects: ptn Sec 6-33-66)  
Parcel No.: 265-00-001-012 (Affects: ptn Sec 6-33-66)  
Parcel No.: 265-00-001-013 (Affects: Sec 7-33-66)  
Parcel No.: 265-00-001-015 (Affects: Sec 8-33-66)  
Parcel No.: 265-00-001-040 (Affects: Sec 17-33-66)  
Parcel No.: 265-00-001-043 (Affects: Sec 18-33-66)  
Parcel No.: 265-00-002-001 (Affects: Sec 19-33-66)
2. Any lien or right to a lien for services, labor or material not shown by the Public Records.
3. Any taxes that may be due, but not assessed, for new construction which can be assessed on the unsecured property rolls, in the Office of the Clark County Assessor, per Nevada Statute 361.260.
4. Water rights, claims or title to water, whether or not shown by the public record.
5. The terms, provisions and easements as contained in an instrument, entitled "Contract of Sale Between United States and the State of Nevada Pursuant to Public Law 86-433"  
Recorded : October 26, 1966 in Book 754  
Document No. : 606204, Official Records.  
  
Modifications(s) of said covenants, conditions and restrictions  
Recorded : April 1, 1971 in Book 113  
Document No. : 90146, Official Records.  
  
Modifications(s) of said covenants, conditions and restrictions  
Recorded : September 30, 1986 in Book 860930  
Document No. : 00974, Official Records.
6. Mineral rights, reservations, easements and exclusions in patent from the United States of America.  
Recorded : April 12, 1989 in Book 890412  
Document No. : 00637, Official Records.
7. Easement for power line in favor of Nevada Power Company as disclosed by Quit Claim Deed to the City of Needles, California recorded January 13, 1987 in Book 870113 as Document No. 00386, Official Records

And disclosed by Quit Claim Deed to the City of Needles, California recorded October 1, 2009 in Book 20091001 as Document No. 003909, Official Records

The exact location and extent of said Easement is not disclosed of record.

PRELIMINARY REPORT  
Order No.:11017849 (2nd Amended)

8. An Easement affecting a portion of said land for the purpose stated herein, and incidental purposes  
In Favor of : American Telephone and Telegraph Company  
For : communication systems  
Recorded : September 19, 1990 in Book 900919  
Document No. : 00692, Official Records.

And by amendment recorded February 4, 1992 in Book 920204 as Document No. 00508, Official Records.

9. An Easement affecting a portion of said land for the purpose stated herein, and incidental purposes  
In Favor of : American Telephone and Telegraph Company  
For : fiber optic cable  
Recorded : October 22, 1990 in Book 901022  
Document No. : 00597, Official Records.

And by amendment recorded March 6, 1991 in Book 910306 as Document No. 00667, Official Records.

10. An Easement affecting a portion of said land for the purpose stated herein, and incidental purposes  
In Favor of : Fort Mojave Indian Tribe  
For : highway purposes, drainage facilities, signage, landscaping, monumentation, grade, slopes and ingress and egress  
Recorded : February 4, 1992 in Book 920204  
Document No. : 00507, Official Records.

And by Agreement and Instrument Amending Supplementing and Restating recorded Grant of Right of Way Easement, recorded December 16, 1993 in Book 931216 as Document No. 01266, Official Records.

And by Agreement and Instrument Second Amended and Instrument Amending Supplementing and Restating recorded Grant of Right of Way Easement, recorded October 19, 1995 in Book 951019 as Document No. 00701, Official Records.

11. An easement for communication conduits in favor of AT & T Communications, Inc. as agent for AT & T Corp., a New York Corporation as disclosed by "Duct Purchase Agreement" in favor of Citizen Communication Services, Inc., a Subsidiary of Citizens Utility Company, a Delaware Corporation, recorded September 16, 1994 in Book 940916 as Document No. 00732, Official Records.

PRELIMINARY REPORT  
Order No.:11017849 (2nd Amended)

12. Any rights, interest, or claims which may exist or arise by reason of a Record of Survey  
File : 73, of Surveys, Page 100  
Recorded : December 2, 1994 in Book 941202  
Document No. : 01276, Official Records.
13. An Easement affecting a portion of said land for the purpose stated herein, and incidental purposes  
In Favor of : Fort Mojave Indian Tribe  
For : 69-kilovolt powerline  
Recorded : November 3, 1995 in Book 951103  
Document No. : 00782, Official Records.

And by amended recorded September 9, 1997 in Book 970909 as Document No. 02076, Official Records

14. Any rights, interest, or claims which may exist or arise by reason of a Record of Survey  
File : 135, of Surveys, Page 22  
Recorded : January 13, 2004 in Book 20040113  
Document No. : 03597, Official Records.
15. Rights and claims of parties in possession by reason of unrecorded leases, if any, that would be disclosed by an inquiry of the parties, or by an inspection of said land.
16. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land.
17. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
18. Lack of right of access to and from the land, by a dedicated public right-of-way.
19. This Preliminary Report is intended only as a solicitation of an offer to issue a CLTA policy of title insurance. It is not intended for any other purpose and the Company expressly disclaims all liability for any use or purpose other than as stated herein. The Company reserves the right to make further requirements or exceptions in the event issuance of a CLTA policy of title insurance is hereafter requested.
20. Note: The last Document(s) purporting to transfer Title:  
Recorded : June 27, 2007 in Book 20070627  
Document No. : 04261, Official Records.

Legal Description Documents:  
20040611-5180

21. The terms, covenants, conditions and provisions as contained in an instrument, entitled "Memorandum of Option Agreement"  
Seller : ENN Mojave Energy, LLC, a Nevada limited liability company  
Purchaser : County of Clark,, State of Nevada  
Dated : December 21, 2011  
Recorded : January 4, 2012 as Instrument No. 201201040002598, Official Records.

## ATTACHMENT ONE

### CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY – 1990

#### EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

## EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.  
  
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

### CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10) ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE

#### EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
  - a. building;
  - b. zoning;
  - c. land use;
  - d. improvements on the Land;
  - e. land division; and
  - f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
  - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
  - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
  - c. that result in no loss to You; or
  - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.

5. Failure to pay value for Your Title.
6. Lack of a right:
  - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
  - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.

7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

#### LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 16:	1 % of Policy Amount Shown in Schedule A or \$ 2,500.00 (whichever is less)	<b>\$ 10,000.00</b>
Covered Risk 18:	1 % of Policy Amount Shown in Schedule A or \$ 5,000.00 (whichever is less)	<b>\$ 25,000.00</b>
Covered Risk 19:	1 % of Policy Amount Shown in Schedule A or \$ 5,000.00 (whichever is less)	<b>\$ 25,000.00</b>
Covered Risk 21:	1 % of Policy Amount Shown in Schedule A or \$ 2,500.00 (whichever is less)	<b>\$ 5,000.00</b>

#### AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)

#### EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
  - \* land use
  - \* improvements on the land
  - \* land division
  - \* environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date.

This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

2. The right to take the land by condemning it, unless:
  - \* a notice of exercising the right appears in the public records
  - \* on the Policy Date
  - \* the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking

3. Title Risks:
  - \* that are created, allowed, or agreed to by you
  - \* that are known to you, but not to us, on the Policy Date -- unless they appeared in the public records
  - \* that result in no loss to you
  - \* that first affect your title after the Policy Date -- this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
4. Failure to pay value for your title.
5. Lack of a right:
  - \* to any land outside the area specifically described and referred to in Item 3 of Schedule A  
OR
  - \* in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

#### 2006 ALTA LOAN POLICY (06-17-06)

#### EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13 or 14); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
  - (a) a fraudulent conveyance or fraudulent transfer, or
  - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

#### EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

#### 2006 ALTA OWNER'S POLICY (06-17-06)

#### EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.

4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
  - (a) a fraudulent conveyance or fraudulent transfer; or
  - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

#### **EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

#### **ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (07-26-10)**

##### **EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.

3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
  - (a) a fraudulent conveyance or fraudulent transfer, or
  - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.

# **Amended Modification of Master Plan of Development**

36

Inst #: 20150311-0001309  
Fees: \$0.00  
N/C Fee: \$0.00  
03/11/2015 09:15:12 AM  
Receipt #: 2342755  
Requestor:  
REAL PROPERTY MANAGEMENT  
CL  
Recorded By: MJM Pgs: 36  
DEBBIE CONWAY  
CLARK COUNTY RECORDER

**RECORDING COVER PAGE**

(Must be typed or printed clearly in BLACK ink only and avoid printing in the 1" margins of document)

APN# 266-00-001-001

(11 digit Assessor's Parcel Number may be obtained at:  
<http://redrock.co.clark.nv.us/assrealprop/ownr.aspx>)

**TITLE OF DOCUMENT**

(DO NOT Abbreviate)

Re-Recording to show map and legal descriptions

Letter of Request  
Amended modification of Master plan  
Document Title on cover page must appear EXACTLY as the first page of the document to be recorded. *development*

**RE-RECORDED**

RECORDING REQUESTED BY:

Clark County Real Property Management

RETURN TO: Name CCRPM/Krynn Williams  
Address 500 S. Grand Central Parkway  
City/State/Zip Las Vegas, NV 89155

MAIL TAX STATEMENT TO: (Applicable to documents transferring real property)

Name same as above  
Address \_\_\_\_\_  
City/State/Zip \_\_\_\_\_

This page provides additional information required by NRS 111.312 Sections 1-2.

An additional recording fee of \$1.00 will apply.

To print this document properly, do not use page scaling.

Using this cover page does not exclude the document from assessing a noncompliance fee.

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D (4)

Inst #: 20150310-0004245  
Fees: \$0.00  
N/C Fee: \$0.00  
03/10/2015 04:20:48 PM  
Receipt #: 2342376  
Requestor:  
REAL PROPERTY MANAGEMENT  
CL  
Recorded By: SHAWA Pgs: 6  
DEBBIE CONWAY  
CLARK COUNTY RECORDER

**RECORDING COVER PAGE**

(Must be typed or printed clearly in BLACK ink only and avoid printing in the 1" margins of document)

**APN#** 266-00-001-001,266-00-001-009, 2  
(11 digit Assessor's Parcel Number may be obtained at:  
<http://redrock.co.clark.nv.us/assrealprop/ownr.aspx>)

**TITLE OF DOCUMENT**  
(DO NOT Abbreviate)

Letter of Request

Ameuded Modification of Master Plan Development

Document Title on cover page must appear EXACTLY as the first page of the document to be recorded.

**RECORDING REQUESTED BY:**  
Clark County Real Property Management

**RETURN TO: Name** CCRPM/Krynn Williams  
**Address** 500 S. Grand Central Parkway, 4th floor  
**City/State/Zip** Las Vegas, NV 89131

**MAIL TAX STATEMENT TO: (Applicable to documents transferring real property)**  
**Name** same as above  
**Address** \_\_\_\_\_  
**City/State/Zip** \_\_\_\_\_

This page provides additional information required by NRS 111.312 Sections 1-2.  
An additional recording fee of \$1.00 will apply.  
To print this document properly, do not use page scaling.  
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## Department of Administrative Services Laughlin Town Manager

Regional Government Center • 101 Civic Way • Laughlin NV 89029  
(702) 298-0828 • Fax (702) 298-6132

Sabra Smith-Newby, Director • Jacquelyne A. Brady, Laughlin Town Manager

December 29, 2010

Mary Jo Rugwell, District Manager  
Bureau of Land Management – Southern Nevada District  
4701 N. Torrey Pines Drive  
Las Vegas, NV 89130

**RE: Clark County's Request for 2010 Modification of the 1966 Master Plan of the Fort Mohave Development Area**

Dear Ms. Rugwell:

On February 9, 2010, Clark County filed a formal request for waiver of the patent restrictions on the 9,000+ acres lying in the southern part of Laughlin, Nevada, an unincorporated town of Clark County. This land was sold by the Bureau of Land Management (BLM) to the Colorado River Commission of Nevada (CRC) and recorded by the County Recorder in 1989 (Patent No. 27-89-0023; Book No. 754, Inst. No. 606204), and 86 acres of the 9,000+ acres conveyed to the CRC in 1967 (Patent No. 27-67-0121; Book No. 796, Inst. No. 639446). On June 22, 2007, all of the Fort Mohave land still owned by the CRC was deeded to Clark County as a result of an act of the Nevada State Legislature.

The purpose of the earlier request was and still is to allow for land development that is different from the proposed land uses shown in the Master Plan of 1966, which allowed for only "resort and residential" and state park development. Because of its relevance to this request, the background information contained in the original request of February 2010 is hereby incorporated into this second request.

Regarding the referenced 9,000+ acres, this specific area is part of the Fort Mohave Valley Development Area and more recently has been called, "Southland" to denote its physical location in Laughlin and to help distinguish it from lands associated with the Fort Mojave Reservation which is adjacent. The original sale of these lands to the State resulted from passage by Congress of The Fort Mohave Act of 1960 (74 Stat. 74), as amended on April 26, 1963 (77 Stat. 14) and passage by the Nevada State Legislature of the Fort Mohave Valley Development Law of 1959, as amended. The 9,000+ acres were the last parcels sold by the BLM of a 15,000-acre transfer area. In pursuit of the purposes of these two laws, Clark County as the new owner intends to develop, sell and lease this land for economic development purposes.

The Bureau of Land Management staff from the Las Vegas Office has recommended Clark County separate its request into two parts:

- The request for the U.S. Secretary of the Interior or his designee to Waive the Covenant restricting the uses of this land (February 9, 2010) and

BOARD OF COUNTY COMMISSIONERS  
STEVE SISOLAK, Chairman \* \* LARRY BROWN, Vice-Chair  
SUSAN BRAGER \* TOM COLLINS \* CHRIS GIUNCHIGLIANI \* MARY BETH SCOW \* LAWRENCE WEEKLY  
DONALD G. BURNETTE, County Manager

Mary Jo Rugwell  
Bureau of Land Management  
December 29, 2010  
Page Two

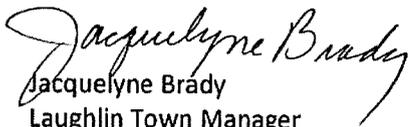
- A request for modification of the 1966 Master Plan to allow development of Southland (the 9,000+ acres and the 86 acres) according to the adopted Laughlin Land Use Plan.

By this package the second request is being submitted for approval. The 1966 Master Plan is woefully outdated and fails to address the community's changing needs. To date, the County has been unable to utilize the important area to attract to Laughlin (an unincorporated town of Clark County) needed employment in a time of severe economic recession. And, it has not been able to begin full implementation of its 2008 Laughlin Economic Development Plan/Strategy. It is our understanding that consideration of our request for waiver of patent restrictions could take an extended length of time, but modification of the Master Plan is less complicated and has been done at least three previous times. A request for a modification would allow Clark County to move forward to begin developing portions of the land.

Regarding the requested modifications, the attached information includes maps and legal descriptions of the areas involved and the categories of proposed uses. The designations and terminologies utilized are consistent with Clark County's planning documents and processes. Over the years, Clark County has developed a sophisticated and comprehensive planning process to address orderly and beneficial development.

We thank you for your prompt consideration and assistance. If you have any questions, please let Deborah Murray or me know in the Laughlin Town Manager's Office (702-298-0828).

Sincerely,

  
Jacquelyne Brady  
Laughlin Town Manager  
Clark County Administrative Services

cc: Robert Ross, Field Manager, BLM, Las Vegas Field Office  
Vanessa Hice, Supervising Realty Specialist, BLM, Las Vegas Field Office  
Cheryl Cote, Realty Specialist, BLM, Las Vegas Field Office  
Commissioner Steve Sisolak, Commission District "A"  
Virginia Valentine, County Manager  
Randy Tarr, Assistant County Manager  
Leslie Nielsen, Deputy District Attorney, Civil Division  
Sabra Smith-Newby, Director, Administrative Services Department  
Deborah Murray, Laughlin Community Development Manager, Administrative Services Department  
Carel Carter, Director, Real Property Management Department  
Chuck James, Manager of Design and Construction, Real Property Management Department  
Krynn Williams, Property Acquisition Administrator, Real Property Management Department  
Lesa Coder, Clark County Sustainability/Economic Development, Parks and Recreation Department



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Nevada State Office  
P.O. Box 12000 (1340 Financial Blvd.)  
Reno, Nevada 89520-0006  
<http://www.blm.gov/nv/st/en.html>

**JUL 22 2011**

2011 AUG - 1 P 2:0  
RECEIVED-LAND  
OWNER MANAGERS OFFICE

In Reply Refer to:  
N-88553 and N-55704  
2800 (NVS00560)

## DECISION

Clark County :  
c/o Jacquelyn Brady, Laughlin Town Manager :  
Administrative Services :  
Regional Government Center : Modification  
101 Civic Way :  
Laughlin, NV 89028 :

### Amended Modification of Master Plan of Development

On December 29, 2010, a letter was sent by Clark County requesting the approval of the modification of the existing patent restrictions on 9,520 +/- acres included in the original Master Plan of Development (MP). The MP was adopted over 40 years ago and is outdated. This modification is to provide for a change of development uses not previously considered at the time of enactment of the MP.

The Fort Mohave Act, PL 86-433, approved April 22, 1960, and amended April 26, 1963, was the foundation for the transfer of lands to the Colorado River Commission for the development of the Fort Mohave area. The lands were patented to the Colorado River Commission (State of Nevada) in several patents. Per the Fort Mohave Valley Development Law passed by the Nevada Legislature on June 13, 2007, the lands were transferred from the Colorado River Commission to Clark County. The Fort Mohave Act required the preparation of a MP and required the Secretary of the Interior to include in conveyancing instruments provisions to protect existing and future uses by the United States of lands within the transfer area. The patents conveying the transfer area contain language restricting land uses to those described in the MP. Modifications to the MP have been approved by the Secretary in 1970, and by the DOI/BLM State Director in 1986 and 1992.

The below referenced uses are consistent with the need of future development of the lands and the area has been reviewed under the Final Environmental Analysis dated and accepted January 26, 1975.

The legal description of the 9,520 +/- acres requested for modification is:

T. 33 S., R. 65 E., MDM., Clark County, Nevada:  
sec. 1, lots 1-4, S1/2N1/2, S1/2;  
sec. 12, all;  
sec. 13, all;  
sec. 24, lot 1, N1/2, N1/2S1/2, SE1/4SW1/4, S1/2SE1/4;  
sec. 25, lots 2-4, N1/2NE1/4, SE1/4NE1/4;

T. 33 S., R. 66 E., MDM, Clark County, Nevada;  
sec. 5, lot 10, S1/2S1/2SW1/4, S1/2SW1/4SE1/4;  
sec. 6, lots 3 & 4, S1/2NW1/4, S1/2;  
sec. 7, all;  
sec. 8, all;

sec. 9, lots 2-4, SW1/4NW1/4, SW1/4, W1/2SE1/4,  
SE1/4SE1/4;  
sec. 10, lots 2 & 3;  
sec. 15, lots 3-7, SW1/4NE1/4, W1/2, W1/2SE1/4;  
sec. 16, E1/2, E1/2W1/2, W1/2SW1/4;  
sec. 17, lots 1-3, W1/2NE1/4, NW1/4, N1/2S1/2, SW1/4SW1/4;  
sec. 18, all;  
sec. 19, lots 1 & 2, N1/2, SW1/4, W1/2SE1/4;  
sec. 20, lots 1-4, NW1/4NW1/4;  
sec. 21, lots 2, 3, 5 & 6, E1/2NE1/4, NW1/4NE1/4;  
sec. 22, lots 1-5, NW1/4NE1/4, NW1/4;  
sec. 30, lots 1-6, N1/2NW1/4, SW1/4NW1/4.

The original Master Plan of Development allowed the following future uses for the area:

Resort and Residential-Development of residences, resorts, motels, hotels, restaurants, and related recreation and shopping and service facilities to provide support to surrounding areas. Islands restricted to residential development only and schools and playgrounds. Lower lands in eastern portion, which are at or below elevation 510 feet, restricted to water-oriented resort, recreational and residential development.

State Parks-Areas set aside for public use, development which includes

Water Facilities

Swimming, beaches, marinas and boat rentals, water skiing, boat racing, fishing

Overnight Accommodations

Lodges, cabins, trailer sites, camping areas

Recreation and special facilities

Picnic grounds, scenic drive, botanical gardens, hiking and riding trails, Boy Scout camps, recreation centers, day camps, fish hatchery, wilderness areas

The modification allows the future uses of the area to include:

The land uses allowed in Clark County's Laughlin Land Use Plan adopted May 16, 2007, and amended on September 5, 2007, including the development of renewable energy (solar) facilities and include office, light manufacturing, commercial, retail and residential development.

Our records indicate that upon receipt of the application by the interested party and approved by the Secretary of Interior, the provisions set forth in section 5 of Exhibit B of the Contract of Sale provide for modification of the MP. The authorization to sign modifications was designated to the DOI/BLM State Director. The request is hereby approved.

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office (at the above address) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

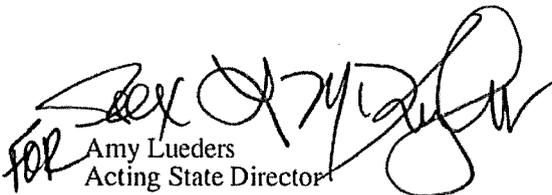
If you wish to file a petition (request) pursuant to regulation 43 CFR 2801.10 or 2881.10 for a stay (suspension) of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and petition for a stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

- (1) The relative harm to the parties if the stay is granted or denied,
- (2) The likelihood of the appellant's success on the merits,
- (3) The likelihood of immediate and irreparable harm if the stay is not granted, and
- (4) Whether the public interest favors granting the stay.

If you are in need of further assistance, please contact Cheryl G. Cote, Realty Specialist, at (702) 515-5104.

  
for Amy Lueders  
Acting State Director

Enclosure

**REQUESTED MODIFICATION  
OF MASTER PLAN OF  
SOUTHLAND**

(FORT MOHAVE DEVELOPMENT AREA)  
LAUGHLIN, NEVADA

**BY CLARK COUNTY, NEVADA**

Prepared by VTN Nevada

Submitted to:  
The BUREAU OF LAND MANAGEMENT  
U.S. DEPARTMENT OF THE INTERIOR

December 29, 2010

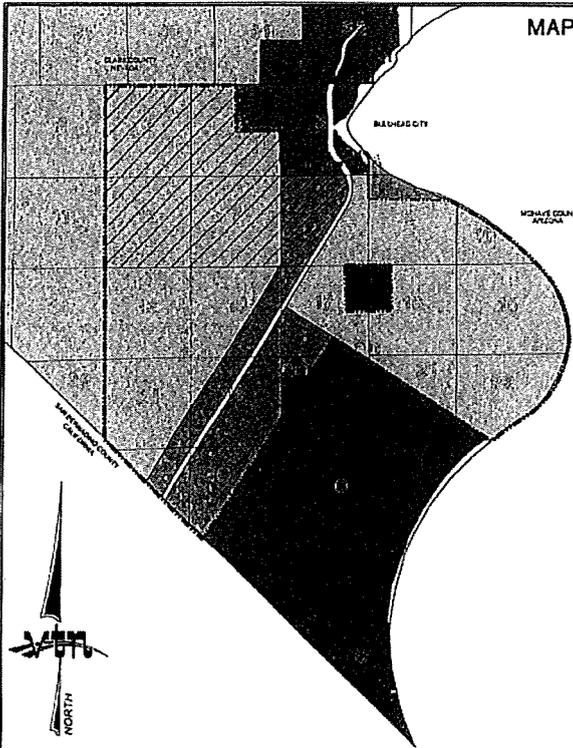
Requested Modification of Master Plan of Southland  
(Fort Mohave Development Area)  
Laughlin, Nevada

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I.	<b>MAP EXHIBIT - SOUTHLAND DEVELOPMENT AREA, REQUESTED MODIFICATION OF MASTER PLAN.....</b>	<b>1 Sheet</b>
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	b. <b>EXHIBIT "B" – LEGAL DESCRIPTION, SOUTHLAND, OPEN LANDS.....</b>	<b>2 Pages with Map</b>
	c. <b>EXHIBIT "C" – LEGAL DESCRIPTION, SOUTHLAND, BUSINESS AND DESIGN RESEARCH PARK.....</b>	<b>2 Pages with Map</b>
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	e. <b>EXHIBIT "E" – LEGAL DESCRIPTION, SOUTHLAND, MAJOR DEVELOPMENT PROJECTS.....</b>	<b>2 Pages with Map</b>
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	g. <b>EXHIBIT "G" – LEGAL DESCRIPTION, SOUTHLAND, FEASIBILITY STUDY AREA, SOUTHLAND BUSINESS AND INDUSTRIAL PARK.....</b>	<b>1 Page</b>
II.	<b>MAP EXHIBIT – SOUTHLAND DEVELOPMENT AREA, TRANSPORTATION MAP.....</b>	<b>1 Sheet</b>
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	a. <b>EXHIBIT "BB" – LEGAL DESCRIPTION, SOUTHLAND, BRIDGE LOCATIONS.....</b>	<b>2 Pages</b>

***Note:*** A CD has been provided separately containing the Clark County Real Property Management, Feasibility Study, Southland Business and Industrial Park 400 Acres, prepared by VTN, Nevada, 2009

## MAP EXHIBIT FOR REQUESTED MODIFICATION OF MASTER PLAN OF SOUTHLAND (FORT MOHAVE DEVELOPMENT AREA)



- LAND-USE LEGEND**
- SOUTHLAND BOUNDARY—(Reference: Exhibit "A", Legal Description, Southland, Requested Modification Area) 9,520 Acres
  - ▨** **Open Lands**—(Reference: Exhibit "B", Legal Description Southland 1st Phase Solar and Renewable Energy Area) Allows local supporting public facility uses, such as solar. (See the Laughlin Land Use Plan, Adopted May 16, 2007, and Amended Sept. 3, 2007 for additional allowable land uses.)  
This category includes the Public Facility (P-F) zoning district. A solar plant is classified as "Electric Generation District" and is allowed as a Special Use in the P-F zoning district. See the Clark County Title 30 Development code, 30.44-1 Global Use Table.
  - ▩** **MDAP: Business and Design Research Park**—(Reference: Exhibit "C", Legal Description, Southland Business and Design Research Park) Allows commercial, professional or manufacturing developments. (See the Laughlin Land Use Plan, Adopted May 16, 2007, and Amended Sept. 3, 2007 for additional allowable land uses.)  
This category includes the following zoning districts: Office and Professional (O-P), Local Business (L-B), Design Manufacturing (M-D), Public Facility (P-F). Some uses include research and development, equatorial businesses, food sales and distribution, vehicle sales and repair (public) and non-hazardous warehousing. See the Clark County Title 30 Development code, 30.44-1 Global Use Table.
  - ▩** **PF - Public Facilities**—(Reference: Exhibit "D", Legal Description, Southland Public Facilities) Some allowable uses include public areas and public buildings, storm water controls, and quasi public areas. (See the Laughlin Land Use Plan, Adopted May 16, 2007, and Amended Sept. 3, 2007 for additional allowable land uses.)  
Suggested zoning district would include P-F. Some uses include parks and recreation areas, golf courses, police and fire stations, cemeteries, schools and libraries. See the Clark County Title 30 Development code, 30.44-1 Global Use Table.
  - ▩** **MDP - Major Development Projects**—(Reference: Exhibit "E", Legal Description, Southland (Requested Modification Area), Public Facilities. A variety of land uses with greater densities than 2 dwelling units (DU) per acre are allowed if processed through the Major Projects Review Process and a Development Agreement is established to accommodate the comprehensive review of projects and to provide for mitigation measures for their impacts to the local community. (See the Laughlin Land Use Plan, Adopted May 16, 2007, and Amended Sept. 3, 2007 for additional allowable land uses.)  
Any zoning can be used if consistent with the appropriate land use category of that approved plan. Examples for this area might be mixed-use commercial/residential, mixed-use office/professional residential designed manufacturing, and mixed-use hotel/commercial, etc. See section 30.20 of Title 30 for more specifics on Major Projects.

- FUTURE PROJECTS LEGEND**
- ▨** "M" Solar/Renewable Energy Use Area (Reference: Exhibit "F")
  - ▩** 400 acre Southland Business and Industrial Park, Area A, Per the 2009 Feasibility Study Prepared By VTH (Reference: Exhibit "G")
- NOT A PART OF REQUEST LEGEND**
- ▩** Tribal Lands
  - ▩** "U.S.A. Property" (Not Within Transfer Area)
  - ▩** "Private Ownership" (Not Within Transfer Area)

NOTE: LAND USE DESIGNATIONS CORRESPOND TO THOSE WITHIN THE LAUGHLIN LAND USE PLAN AND THE CLARK COUNTY TITLE 30 DEVELOPMENT CODE.  
<http://www.clarkcountynv.gov/Title30developmentcode/documents/AvailableAmerica/Jan2007.pdf>  
<http://www.clarkcountynv.gov/Title30developmentcode/documents/Title30uses>

W.O.P. 2/18/07  
 DATE: 12-28-10  
 BY: R.M.S.  
 SCALE: 1"=5000'  
 SHEET OF

SOUTHLAND DEVELOPMENT AREA  
 REQUESTED MODIFICATION OF MASTER PLAN



**RECORDER'S MEMO**  
 POSSIBLE POOR IMAGE DUE TO  
 QUALITY OF ORIGINAL DOCUMENT



2727 SOUTH RAINBOW BOULEVARD \* LAS VEGAS, NEVADA 89146-5148  
PHONE 702-873-7550 \* FAX 702-362-2597

W.O. 7180-1  
DECEMBER 14, 2010  
BY: VCL  
P.R. BY: TZ  
PAGE 1 OF 3

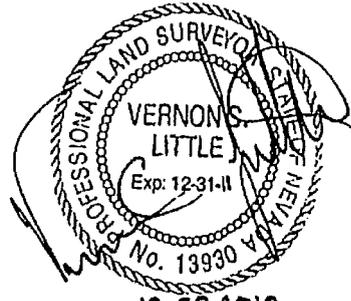


EXHIBIT "A" 12-28-2010

**EXPLANATION:**

THIS LEGAL DESCRIBES A PARCEL OF LAND GENERALLY LOCATED ALONG THE NEEDLES HIGHWAY, NORTHERLY OF THE NEVADA, CALIFORNIA STATE LINE.

**LEGAL DESCRIPTION**

**SOUTHLAND**

**REQUESTED MODIFICATION AREA 9,520 ACRES**

**T.33 S., R. 65 E., M.D.M., CLARK COUNTY, NEVADA:**

SECTION 1, LOTS 1, 2, 3, 4, SOUTH HALF (S 1/2) OF THE NORTH HALF (N 1/2), SOUTH HALF (S 1/2);

SECTION 12, ALL;

SECTION 13, ALL;

SECTION 24, LOT 1, NORTH HALF (N 1/2), NORTH HALF (N 1/2) OF THE SOUTH HALF (S 1/2), SOUTHEAST QUARTER (SE 1/4) OF THE SOUTHWEST QUARTER (SW 1/4), SOUTH HALF (S 1/2) OF THE SOUTHEAST QUARTER (SE 1/4);

SECTION 25, LOTS 2, 3, 4, NORTH HALF (N 1/2) OF THE NORTHEAST QUARTER (NE 1/4), SOUTHEAST QUARTER (SE 1/4) OF THE NORTHEAST QUARTER (NE 1/4).

**T.33 S., R. 66 E., M.D.M., CLARK COUNTY, NEVADA:**

SECTION 5, LOT 10, SOUTH HALF (S 1/2) OF THE SOUTH HALF (S 1/2) OF THE SOUTHWEST QUARTER (SW 1/4), SOUTH HALF (S 1/2) OF THE SOUTHWEST QUARTER (SW 1/4) OF THE SOUTHEAST QUARTER (SE 1/4);

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DECEMBER 14, 2010  
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SECTION 6, LOTS 3, 4, SOUTH HALF (S 1/2) OF THE NORTHWEST QUARTER (NW 1/4), SOUTH HALF (S 1/2);

SECTION 7, ALL;

SECTION 8, ALL;

SECTION 9, LOTS 2, 3, 4, SOUTHWEST QUARTER (SW 1/4) OF THE NORTHWEST QUARTER (NW 1/4), SOUTHWEST QUARTER (SW 1/4), WEST HALF (W 1/2) OF THE SOUTHEAST QUARTER (SE 1/4), SOUTHEAST QUARTER (SE 1/4) OF THE SOUTHEAST QUARTER (SE 1/4), TOGETHER WITH THAT AREA OF SECTION 9 BETWEEN LOTS 2, 3, 4, AND THE ORDINARY AND PERMANENT HIGH WATER MARK OF THE WEST BANK OF THE COLORADO RIVER;

SECTION 10, LOTS 2, 3, TOGETHER WITH THAT AREA OF SECTION 10 BETWEEN LOTS 2, 3 AND THE ORDINARY AND PERMANENT HIGH WATER MARK OF THE WEST BANK OF THE COLORADO RIVER;

SECTION 15, LOTS 3, 4, 5, 6, 7, SOUTHWEST QUARTER (SW 1/4) OF THE NORTHEAST QUARTER (NE 1/4), WEST HALF (W 1/2), WEST HALF (W 1/2) OF THE SOUTHEAST QUARTER (SE 1/4), TOGETHER WITH THAT AREA OF SECTION 15 BETWEEN LOTS 3, 4, 5, 6, 7, AND THE ORDINARY AND PERMANENT HIGH WATER MARK OF THE WEST BANK OF THE COLORADO RIVER;

SECTION 16, EAST HALF (E 1/2), EAST HALF (E 1/2) OF THE WEST HALF (W 1/2), WEST HALF (W 1/2) OF THE SOUTHWEST QUARTER (SW 1/4);

SECTION 17, LOTS 1, 2, 3, WEST HALF (W 1/2) OF THE NORTHEAST QUARTER (NE 1/4), NORTHWEST QUARTER (NW 1/4), NORTH HALF (N 1/2) OF THE SOUTH HALF (S 1/2), SOUTHWEST QUARTER (SW 1/4) OF THE SOUTHWEST QUARTER (SW 1/4);

SECTION 18, ALL;

SECTION 19, LOTS 1, 2, NORTH HALF (N 1/2), SOUTHWEST QUARTER (SW 1/4), WEST HALF (W 1/2) OF THE SOUTHEAST QUARTER (SE 1/4);

SECTION 20, LOTS 1, 2, 3, 4, NORTHWEST QUARTER (NW 1/4) OF THE NORTHWEST QUARTER (NW 1/4);

SECTION 21, LOTS 2, 3, 5, 6, EAST HALF (E 1/2) OF THE NORTHEAST QUARTER (NE 1/4), NORTHWEST QUARTER (NW 1/4) OF THE NORTHEAST QUARTER (NE 1/4);

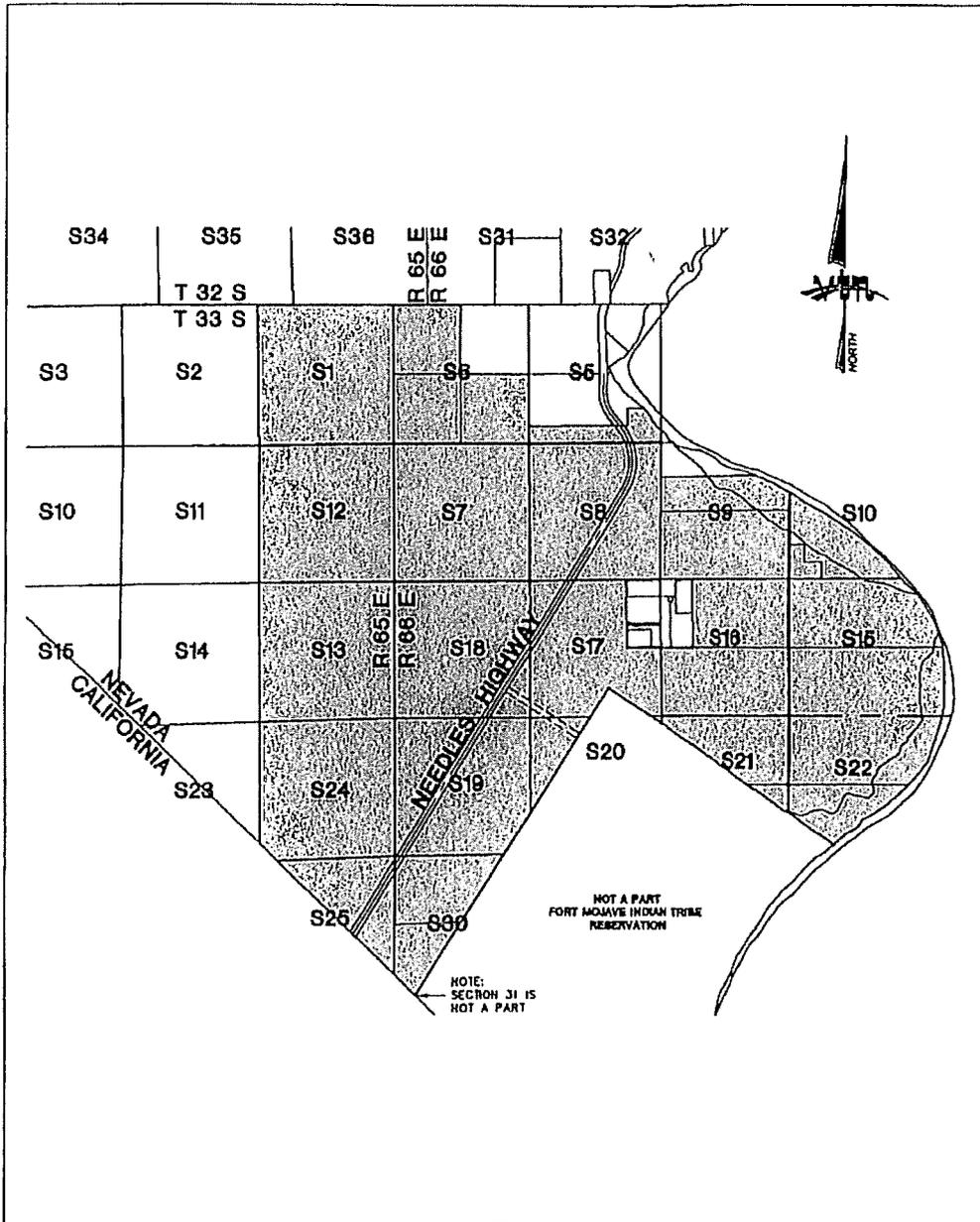
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DECEMBER 14, 2010  
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SECTION 22, LOTS 1, 2, 3, 4, 5, NORTHWEST QUARTER (NW 1/4) OF THE  
NORTHEAST QUARTER (NE 1/4), NORTHWEST QUARTER (NW 1/4), TOGETHER  
WITH THAT AREA OF SECTION 22 BETWEEN LOTS 1, 2, 3, 4, 5, AND THE  
ORDINARY AND PERMANENT HIGH WATER MARK OF THE WEST BANK OF THE  
COLORADO RIVER, LYING NORTHEASTERLY OF THE NORTHEAST BOUNDARY OF  
THE FORT MOJAVE INDIAN RESERVATION;

SECTION 30, LOTS 1, 2, 3, 4, 5, 6, NORTH HALF (N 1/2) OF THE  
NORTHWEST QUARTER (NW 1/4), SOUTHWEST QUARTER (SW 1/4) OF THE  
NORTHWEST QUARTER (NW 1/4).

CONTAINING 9,520 ACRES, AS SHOWN ON THE CURRENT OFFICIAL UNITED  
STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT  
PLATS OF THIS AREA, RECLAIMED LANDS ACREAGE WAS PROVIDED BY THE  
CLARK COUNTY ASSESSOR'S OFFICE.

END OF DESCRIPTION.



	<b>EXHIBIT 'A'</b>	SCALE	HORZ. NTS
			VERT.
2727 S. RAINBOW BOULEVARD LAS VEGAS, NEVADA 89146-5148	<b>SOUTHLAND OVERALL</b>	W.O. NO.	7180
		DRAWN BY:	TJ
		DATE:	12/10
		SHEET	OF



2727 SOUTH RAINBOW BOULEVARD \* LAS VEGAS, NEVADA 89146-5148  
PHONE 702-873-7550 \* FAX 702-362-2597

W.O. 7180-1  
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BY: VCL  
P.R. BY: TZ  
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EXHIBIT "B"

**EXPLANATION:**

THIS LEGAL DESCRIBES A PARCEL OF LAND GENERALLY LOCATED ALONG THE NEEDLES HIGHWAY, NORTHERLY OF THE NEVADA, CALIFORNIA STATE LINE FOR OPEN LANDS.

**LEGAL DESCRIPTION  
SOUTHLAND  
OPEN LANDS**

**T.33 S., R. 65 E., M.D.M., CLARK COUNTY, NEVADA:**

ALL OF THAT AREA DESCRIBED BELOW LYING WESTERLY OF A LINE LYING 1355 FEET WESTERLY OF THE CENTERLINE OF NEEDLES HIGHWAY RIGHT-OF-WAY:

SECTION 1, LOTS 1, 2, 3, 4, SOUTH HALF (S 1/2) OF THE NORTH HALF (N 1/2), SOUTH HALF (S 1/2);

SECTION 12, ALL;

SECTION 13, ALL;

SECTION 24, LOT 1, NORTH HALF (N 1/2), NORTH HALF (N 1/2) OF THE SOUTH HALF (S 1/2), SOUTHEAST QUARTER (SE 1/4) OF THE SOUTHWEST QUARTER (SW 1/4), SOUTH HALF (S 1/2) OF THE SOUTHEAST QUARTER (SE 1/4);

SECTION 25, LOTS 2, 3, 4, NORTH HALF (N 1/2) OF THE NORTHEAST QUARTER (NE 1/4), SOUTHEAST QUARTER (SE 1/4) OF THE NORTHEAST QUARTER (NE 1/4).

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PAGE 2 OF 2

T.33 S., R. 66 E., M.D.M., CLARK COUNTY, NEVADA:

ALL OF THAT AREA DESCRIBED BELOW LYING WESTERLY OF A LINE LYING  
1355 FEET WESTERLY OF THE CENTERLINE OF NEEDLES HIGHWAY RIGHT-OF-  
WAY:

SECTION 6, LOTS 3, 4, SOUTH HALF (S 1/2) OF THE NORTHWEST QUARTER  
(NW 1/4), SOUTH HALF (S 1/2);

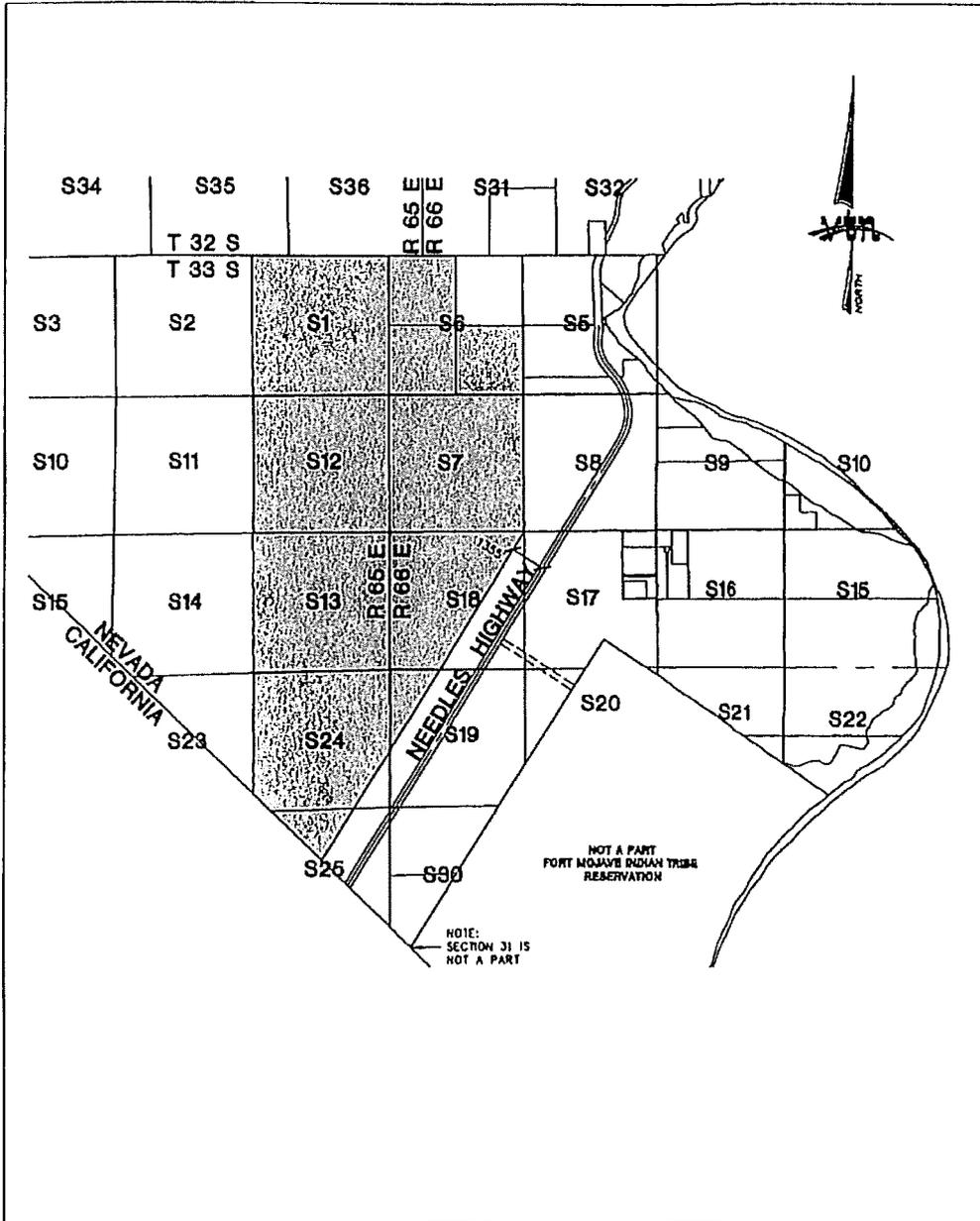
SECTION 7, ALL;

SECTION 18, ALL;

SECTION 19, LOTS 1, 2, NORTH HALF (N 1/2), SOUTHWEST QUARTER (SW  
1/4), WEST HALF (W 1/2) OF THE SOUTHEAST QUARTER (SE 1/4);

CONTAINING 4,240 ACRES, MORE OR LESS.

END OF DESCRIPTION.



  
 2727 S. RAINBOW BOULEVARD  
 LAS VEGAS, NEVADA 89148-5148

EXHIBIT 'B'  
 OPEN LANDS

SCALE	HORZ. NTS
	VERT.
W.O. NO.	7180
DRAWN BY:	TJ
DATE:	12/10
SHEET	OF



2727 SOUTH RAINBOW BOULEVARD \* LAS VEGAS, NEVADA 89146-5148  
PHONE 702-873-7550 \* FAX 702-362-2597

W.O. 7180-1  
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BY: VCL  
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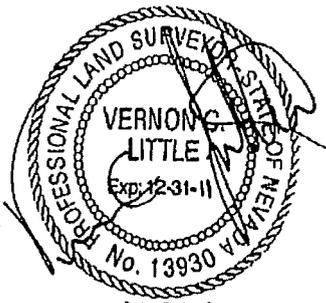


EXHIBIT "C"

**EXPLANATION:**

THIS LEGAL DESCRIBES A PARCEL OF LAND GENERALLY LOCATED ALONG THE NEEDLES HIGHWAY, NORTHERLY OF THE NEVADA, CALIFORNIA STATE LINE FOR BUSINESS AND DESIGN RESEARCH PARK LAND USE.

**LEGAL DESCRIPTION  
SOUTHLAND  
BUSINESS AND DESIGN RESEARCH PARK**

**T.33 S., R. 65 E., M.D.M., CLARK COUNTY, NEVADA:**

ALL OF THAT AREA DESCRIBED BELOW LYING EASTERLY OF A LINE LYING 1355 FEET WESTERLY OF THE CENTERLINE OF NEEDLES HIGHWAY RIGHT-OF-WAY:

SECTION 24, LOT 1, NORTH HALF (N 1/2), NORTH HALF (N 1/2) OF THE SOUTH HALF (S 1/2), SOUTHEAST QUARTER (SE 1/4) OF THE SOUTHWEST QUARTER (SW 1/4), SOUTH HALF (S 1/2) OF THE SOUTHEAST QUARTER (SE 1/4);

SECTION 25, LOTS 2, 3, 4, NORTH HALF (N 1/2) OF THE NORTHEAST QUARTER (NE 1/4), SOUTHEAST QUARTER (SE 1/4) OF THE NORTHEAST QUARTER (NE 1/4).

**T.33 S., R. 66 E., M.D.M., CLARK COUNTY, NEVADA:**

ALL OF THAT AREA DESCRIBED BELOW LYING EASTERLY OF A LINE LYING 1355 FEET WESTERLY OF THE CENTERLINE OF NEEDLES HIGHWAY RIGHT-OF-WAY:

SECTION 18, ALL;

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BUSINESS AND DESIGN RESEARCH PARK  
PAGE 2 OF 2

SECTION 19, LOTS 1, 2, NORTH HALF (N 1/2), SOUTHWEST QUARTER (SW 1/4), WEST HALF (W 1/2) OF THE SOUTHEAST QUARTER (SE 1/4);

SECTION 30, LOTS 1, 2, 3, 4, 5, 6, NORTH HALF (N 1/2) OF THE NORTHWEST QUARTER (NW 1/4), SOUTHWEST QUARTER (SW 1/4) OF THE NORTHWEST QUARTER (NW 1/4);

TOGETHER WITH ALL OF THAT AREA DESCRIBED BELOW LYING WESTERLY OF THE CENTERLINE OF NEEDLES HIGHWAY RIGHT-OF-WAY, AND SOUTHERLY OF THE PROLONGATION OF THE NORTHEASTERLY BOUNDARY OF THE FORT MOJAVE INDIAN RESERVATION:

SECTION 8, ALL;

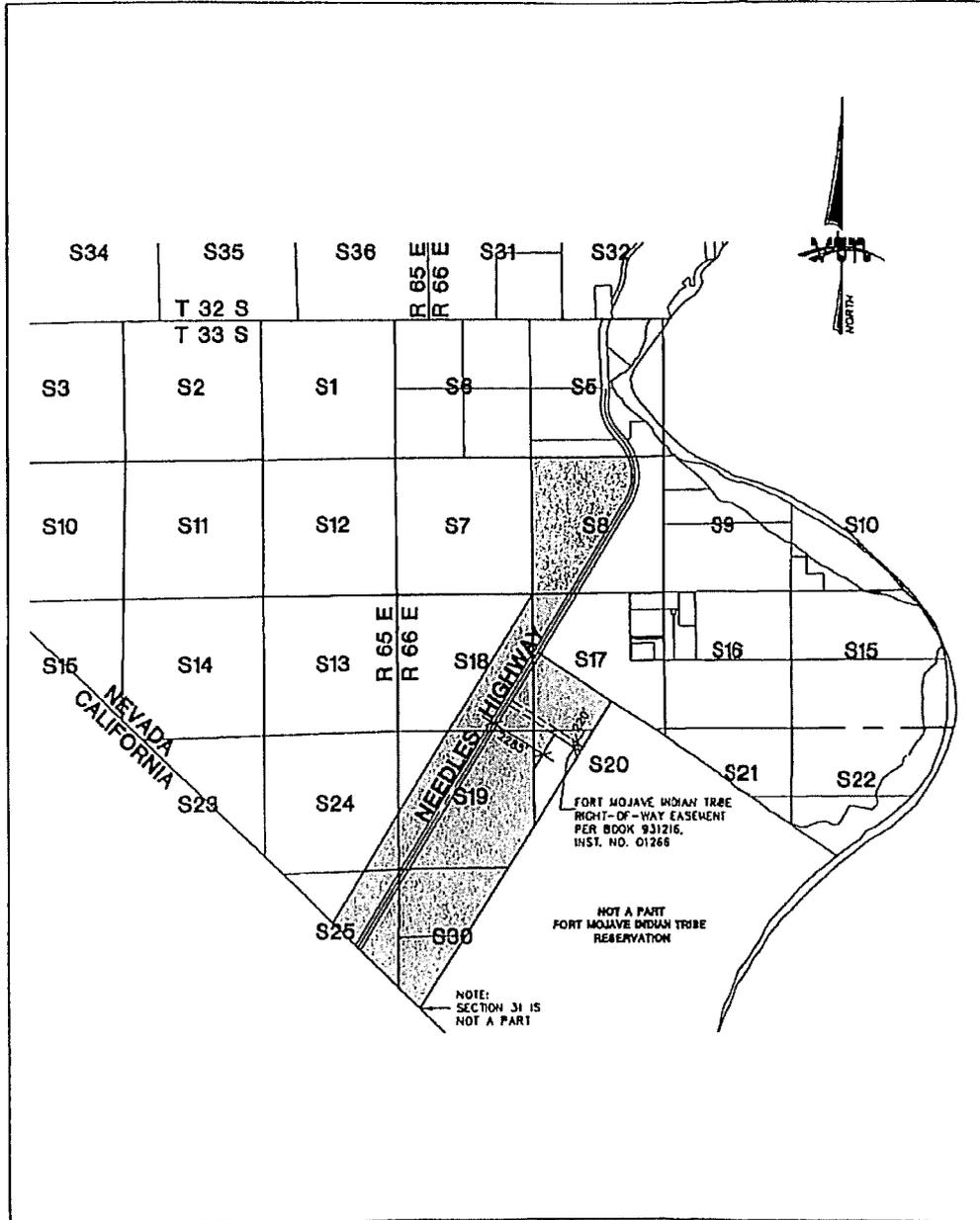
SECTION 17, LOTS 1, 2, 3, WEST HALF (W 1/2) OF THE NORTHEAST QUARTER (NE 1/4), NORTHWEST QUARTER (NW 1/4), NORTH HALF (N 1/2) OF THE SOUTH HALF (S 1/2), SOUTHWEST QUARTER (SW 1/4) OF THE SOUTHWEST QUARTER (SW 1/4);

TOGETHER WITH ALL OF THAT AREA DESCRIBED BELOW, LYING WESTERLY OF A LINE LYING 2285 FEET EASTERLY OF THE CENTERLINE OF NEEDLES HIGHWAY RIGHT-OF-WAY, AND ALL THAT AREA DESCRIBED BELOW, LYING NORTHERLY OF THE SOUTHWESTERLY BOUNDARY OF THE FORT MOJAVE INDIAN TRIBE RIGHT-OF-WAY EASEMENT 200 FEET WIDE, RECORDED IN BOOK 931216 OF OFFICIAL RECORDS, INSTRUMENT NUMBER 01266, CLARK COUNTY, NEVADA:

SECTION 20, LOTS 2, 3, 4, NORTHWEST QUARTER (NW 1/4) OF THE NORTHWEST QUARTER (NW 1/4);

CONTAINING 1,850 ACRES, MORE OR LESS.

END OF DESCRIPTION.



**WDM**

2727 S. RAINBOW BOULEVARD  
LAS VEGAS, NEVADA 89146-5148

EXHIBIT 'C'

BUSINESS AND DESIGN  
RESEARCH PARK

SCALE	HORZ.	NTS
	VERT.	
W.O. NO.	7180	
DRAWN BY:	TJ	
DATE:	12/10	
SHEET	OF	



2727 SOUTH RAINBOW BOULEVARD \* LAS VEGAS, NEVADA 89146-5148  
PHONE 702-873-7550 \* FAX 702-362-2597

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BY: VCL  
P.R. BY: TZ  
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EXHIBIT "D"

**EXPLANATION:**

THIS LEGAL DESCRIBES A PARCEL OF LAND GENERALLY LOCATED ALONG THE NEEDLES HIGHWAY, NORTHERLY OF THE NEVADA, CALIFORNIA STATE LINE FOR PUBLIC FACILITIES LAND USE.

**LEGAL DESCRIPTION  
SOUTHLAND  
PUBLIC FACILITIES**

**T.33 S., R. 66 E., M.D.M., CLARK COUNTY, NEVADA:**

SECTION 5, LOT 10, SOUTH HALF (S 1/2) OF THE SOUTH HALF (S 1/2) OF THE SOUTHWEST QUARTER (SW 1/4), SOUTH HALF (S 1/2) OF THE SOUTHWEST QUARTER (SW 1/4) OF THE SOUTHEAST QUARTER (SE 1/4);

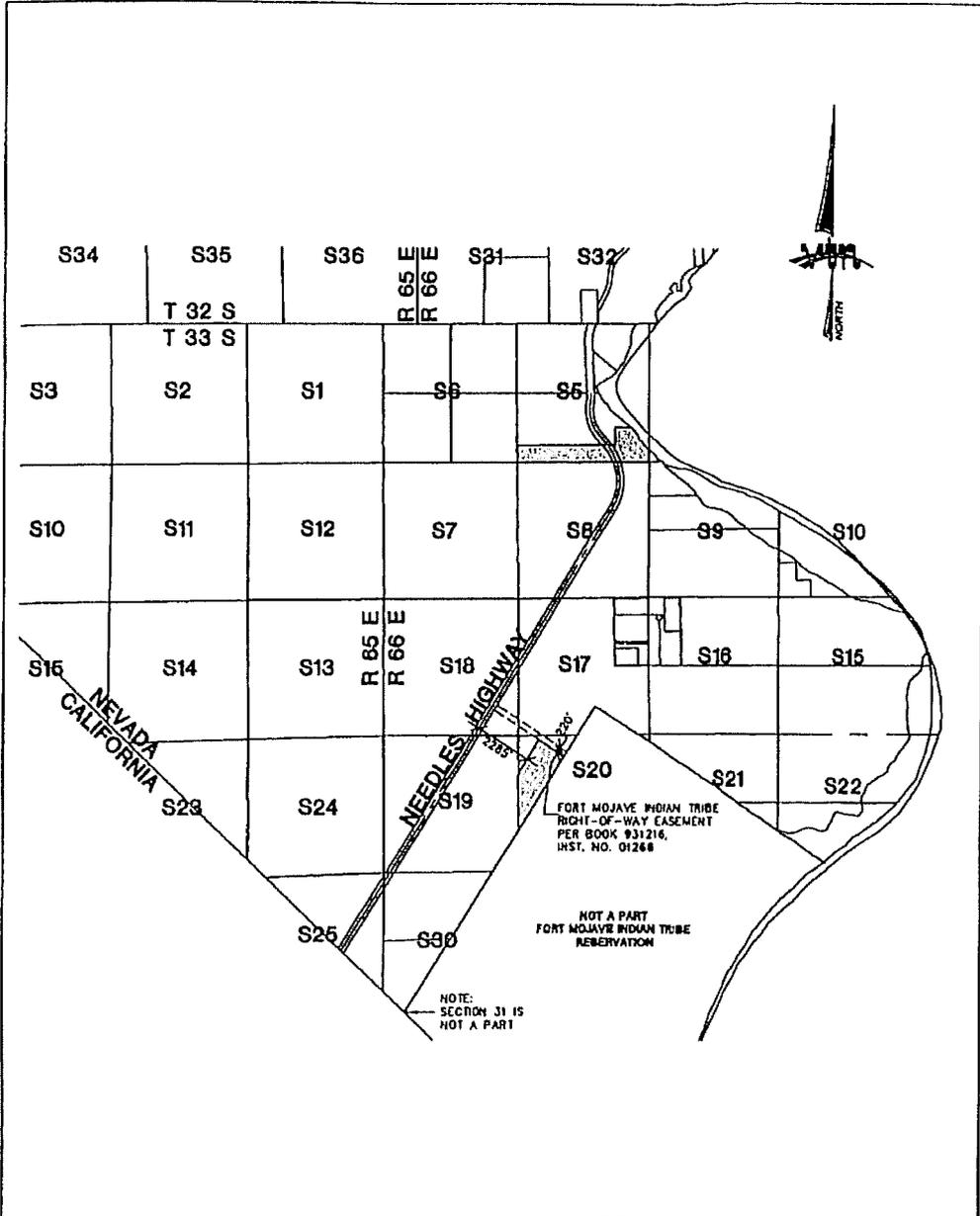
TOGETHER WITH ALL OF THAT AREA DESCRIBED BELOW LYING 2285 FEET EASTERLY OF THE CENTERLINE OF NEEDLES HIGHWAY RIGHT-OF-WAY, AND SOUTHERLY OF THE SOUTHWESTERLY BOUNDARY OF THE FORT MOJAVE INDIAN TRIBE RIGHT-OF-WAY EASEMENT 220 FEET WIDE, RECORDED IN BOOK 931216 OF OFFICIAL RECORDS, INSTRUMENT NUMBER 01266, CLARK COUNTY, NEVADA;

SECTION 17, LOTS 1, 2, 3, WEST HALF (W 1/2) OF THE NORTHEAST QUARTER (NE 1/4), NORTHWEST QUARTER (NW 1/4), NORTH HALF (N 1/2) OF THE SOUTH HALF (S 1/2), SOUTHWEST QUARTER (SW 1/4) OF THE SOUTHWEST QUARTER (SW 1/4);

SECTION 20, LOTS 2, 3, 4, NORTHWEST QUARTER (NW 1/4) OF THE NORTHWEST QUARTER (NW 1/4);

CONTAINING 160 ACRES, MORE OR LESS.

END OF DESCRIPTION.



	<p>EXHIBIT 'D'</p>	SCALE	HORZ. NTS
			VERT.
<p>2727 S. RAINBOW BOULEVARD LAS VEGAS, NEVADA 89148-5148</p>	<p>PUBLIC FACILITIES</p>	W.O. NO.	7180
		DRAWN BY:	TJ
		DATE:	12/10
		SHEET	OF



2727 SOUTH RAINBOW BOULEVARD \* LAS VEGAS, NEVADA 89146-5148  
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W.O. 7180-1  
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EXHIBIT "E"

12-29-2010

**EXPLANATION:**

THIS LEGAL DESCRIBES A PARCEL OF LAND GENERALLY LOCATED ALONG THE NEEDLES HIGHWAY, NORTHERLY OF THE NEVADA, CALIFORNIA STATE LINE, FOR MAJOR DEVELOPMENT PROJECTS LAND USE.

**LEGAL DESCRIPTION  
SOUTHLAND  
MAJOR DEVELOPMENT PROJECTS**

T.33 S., R. 66 E., M.D.M., CLARK COUNTY, NEVADA:

ALL OF THAT AREA DESCRIBED BELOW LYING EASTERLY OF THE CENTERLINE OF NEEDLES HIGHWAY RIGHT-OF-WAY, AND NORTHERLY OF THE NORTHEASTERLY BOUNDARY OF THE FORT MOJAVE INDIAN RESERVATION, AND NORTHERLY OF THE PROLONGATION OF IT'S NORTHEASTERLY BOUNDARY:

SECTION 8, ALL;

SECTION 9, LOTS 2, 3, 4, SOUTHWEST QUARTER (SW 1/4) OF THE NORTHWEST QUARTER (NW 1/4), SOUTHWEST QUARTER (SW 1/4), WEST HALF (W 1/2) OF THE SOUTHEAST QUARTER (SE 1/4), SOUTHEAST QUARTER (SE 1/4) OF THE SOUTHEAST QUARTER (SE 1/4), TOGETHER WITH THAT AREA OF SECTION 9 BETWEEN LOTS 2, 3, 4, AND THE ORDINARY AND PERMANENT HIGH WATER MARK OF THE WEST BANK OF THE COLORADO RIVER;

SECTION 10, LOTS 2, 3, TOGETHER WITH THAT AREA OF SECTION 10 BETWEEN LOTS 2, 3 AND THE ORDINARY AND PERMANENT HIGH WATER MARK OF THE WEST BANK OF THE COLORADO RIVER;

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MAJOR DEVELOPMENT PROJECTS  
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SECTION 15, LOTS 3, 4, 5, 6, 7, SOUTHWEST QUARTER (SW 1/4) OF THE NORTHEAST QUARTER (NE 1/4), WEST HALF (W 1/2), WEST HALF (W 1/2) OF THE SOUTHEAST QUARTER (SE 1/4), TOGETHER WITH THAT AREA OF SECTION 15 BETWEEN LOTS 3, 4, 5, 6, 7, AND THE ORDINARY AND PERMANENT HIGH WATER MARK OF THE WEST BANK OF THE COLORADO RIVER;

SECTION 16, EAST HALF (E 1/2), EAST HALF (E 1/2) OF THE WEST HALF (W 1/2), WEST HALF (W 1/2) OF THE SOUTHWEST QUARTER (SW 1/4);

SECTION 17, LOTS 1, 2, 3, WEST HALF (W 1/2) OF THE NORTHEAST QUARTER (NE 1/4), NORTHWEST QUARTER (NW 1/4), NORTH HALF (N 1/2) OF THE SOUTH HALF (S 1/2), SOUTHWEST QUARTER (SW 1/4) OF THE SOUTHWEST QUARTER (SW 1/4);

SECTION 20, LOT 1;

SECTION 21, LOTS 2, 3, 5, 6, EAST HALF (E 1/2) OF THE NORTHEAST QUARTER (NE 1/4), NORTHWEST QUARTER (NW 1/4) OF THE NORTHEAST QUARTER (NE 1/4);

SECTION 22, LOTS 1, 2, 3, 4, 5, NORTHWEST QUARTER (NW 1/4) OF THE NORTHEAST QUARTER (NE 1/4), NORTHWEST QUARTER (NW 1/4), TOGETHER WITH THAT AREA OF SECTION 22 BETWEEN LOTS 1, 2, 3, 4, 5, AND THE ORDINARY AND PERMANENT HIGH WATER MARK OF THE WEST BANK OF THE COLORADO RIVER, LYING NORTHEASTERLY OF THE NORTHEAST BOUNDARY OF THE FORT MOJAVE INDIAN RESERVATION.

CONTAINING 3,270 ACRES, MORE OR LESS.

END OF DESCRIPTION.



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PHONE 702-873-7550 \* FAX 702-362-2597

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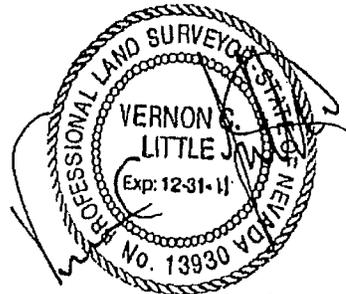


EXHIBIT "F"

12-28-2010

**EXPLANATION:**

THIS LEGAL DESCRIBES A PARCEL OF LAND GENERALLY LOCATED ALONG THE NEEDLES HIGHWAY, NORTHERLY OF THE NEVADA, CALIFORNIA STATE LINE FOR 1ST PHASE SOLAR AND RENEWABLE ENERGY USE AREA.

**LEGAL DESCRIPTION**

**SOUTHLAND**

**1ST PHASE SOLAR AND RENEWABLE ENERGY USE AREA**

**T.33 S., R. 65 E., M.D.M., CLARK COUNTY, NEVADA:**

ALL OF THAT AREA DESCRIBED BELOW LYING WESTERLY OF A LINE LYING 1355 FEET WESTERLY OF THE CENTERLINE OF NEEDLES HIGHWAY RIGHT-OF-WAY:

SECTION 1, LOTS 1, 2, 3, 4, SOUTH HALF (S 1/2) OF THE NORTH HALF (N 1/2), SOUTH HALF (S 1/2);

SECTION 12, ALL;

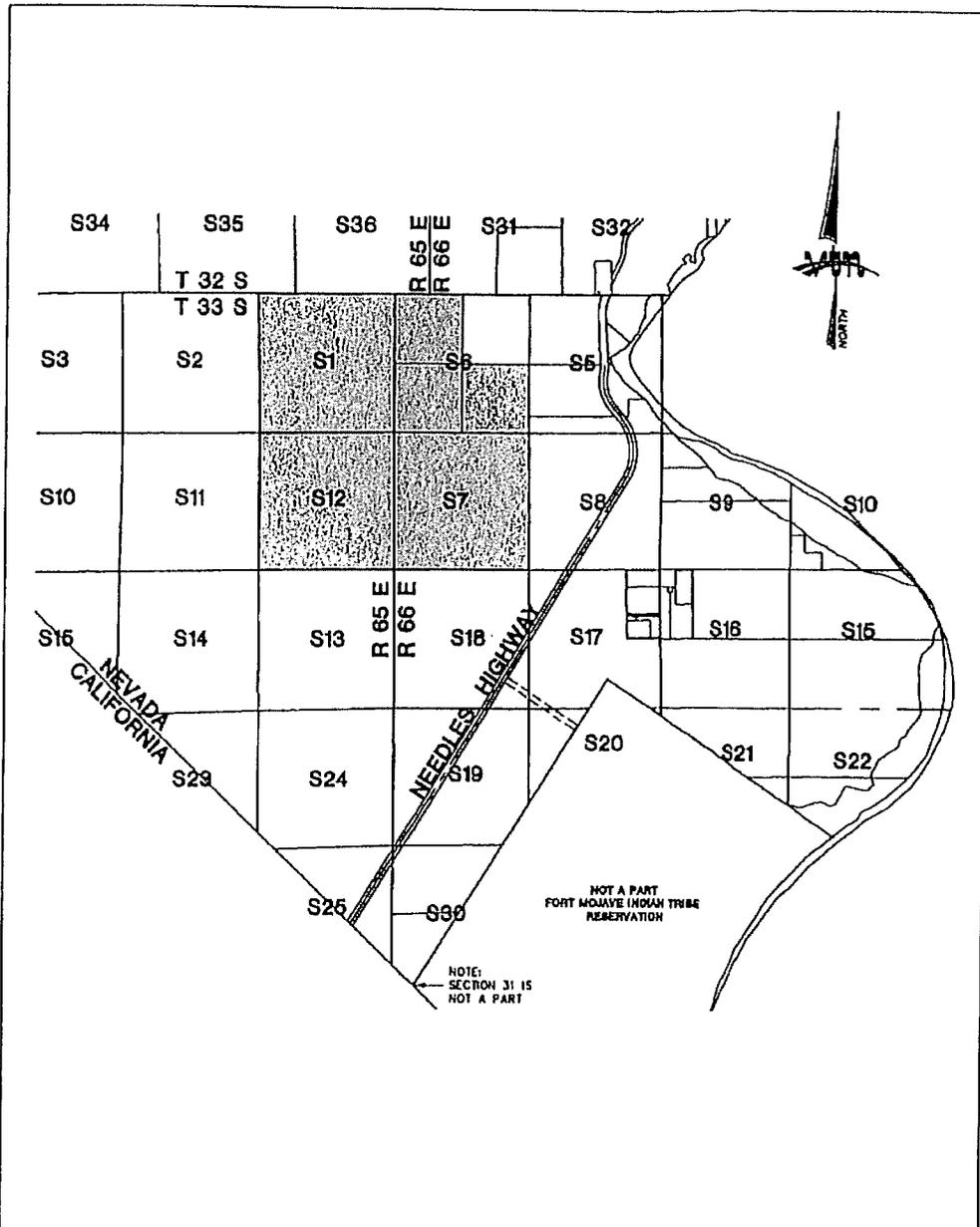
**T.33 S., R. 66 E., M.D.M., CLARK COUNTY, NEVADA:**

SECTION 6, LOTS 3, 4, SOUTH HALF (S 1/2) OF THE NORTHWEST QUARTER (NW 1/4), SOUTH HALF (S 1/2);

SECTION 7, ALL.

CONTAINING 2,280 ACRES, MORE OR LESS.

END OF DESCRIPTION.



	<b>EXHIBIT 'F'</b>	SCALE	HORZ. NTS
			VERT.
2727 S. RAINBOW BOULEVARD LAS VEGAS, NEVADA 89146-5148	1ST PHASE SOLAR AND RENEWABLE USE AREA	W.O. NO.	7180
		DRAWN BY:	TJ
		DATE:	12/10
		SHEET	OF



2727 SOUTH RAINBOW BOULEVARD \* LAS VEGAS, NEVADA 89146-5148  
PHONE 702-873-7550 \* FAX 702-362-2597

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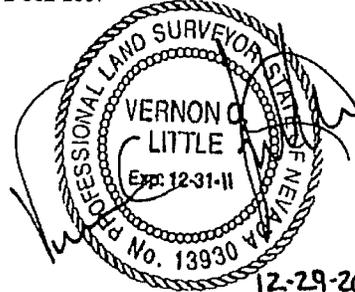


EXHIBIT "G"

**EXPLANATION:**

THIS LEGAL DESCRIBES A PARCEL OF LAND GENERALLY LOCATED ALONG THE NEEDLES HIGHWAY, NORTHERLY OF THE NEVADA, CALIFORNIA STATE LINE FOR FEASIBILITY LAND USE.

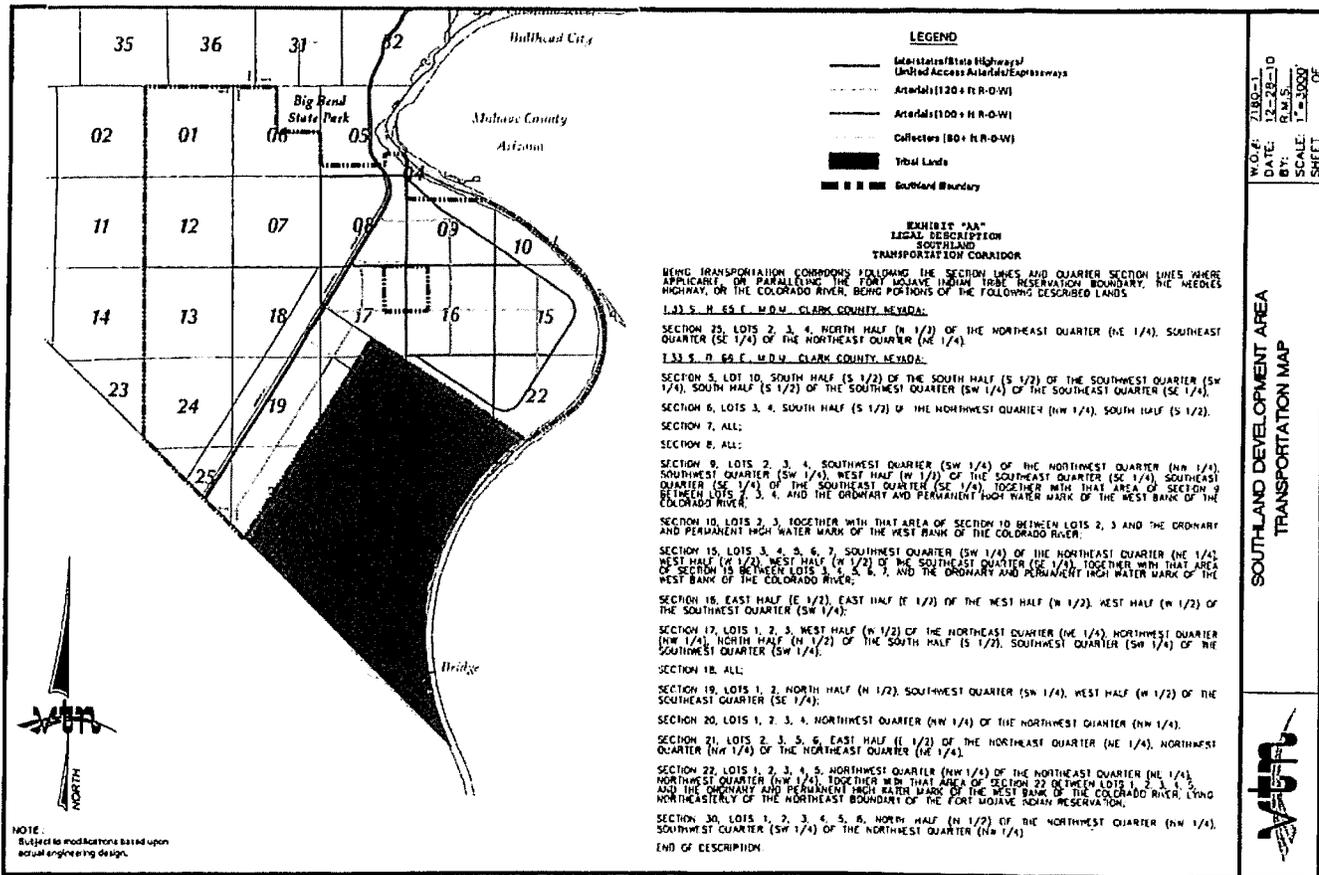
**LEGAL DESCRIPTION  
SOUTHLAND  
FEASIBILITY STUDY AREAS  
SOUTHLAND BUSINESS AND INDUSTRIAL PARK**

**FEASIBILITY AREA A:** (REFERENCE SOUTHLAND DEVELOPMENT AREA MAP) BEING THOSE PORTIONS OF SECTION 8, AND SECTION 17, TOWNSHIP 33 SOUTH, RANGE 66 EAST, M.D.M., CLARK COUNTY, NEVADA, LYING WESTERLY OF THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY (270 FEET WIDE).

**FEASIBILITY AREA B:** (REFERENCE VTN FEASIBILITY STUDY) BEING THOSE PORTIONS OF SECTION 17, AND SECTION 18, TOWNSHIP 33 SOUTH, RANGE 66 EAST, M.D.M., CLARK COUNTY, NEVADA, LYING WESTERLY OF THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY (270 FEET WIDE), AND EASTERLY OF A LINE LYING 2895.00 FEET WESTERLY OF THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY (270 FEET WIDE).

**FEASIBILITY AREA C:** (REFERENCE VTN FEASIBILITY STUDY) BEING THOSE PORTIONS OF SECTION 19, AND SECTION 30, TOWNSHIP 33 SOUTH, RANGE 66 EAST, AND SECTION 24, AND SECTION 25, TOWNSHIP 33 SOUTH, RANGE 65 EAST, M.D.M., CLARK COUNTY, NEVADA, LYING WESTERLY OF THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY (270 FEET WIDE), EASTERLY OF A LINE LYING 2895 FEET WESTERLY OF THE WESTERLY RIGHT-OF-WAY OF NEEDLES HIGHWAY (270 FEET WIDE), NORTHERLY OF THE CALIFORNIA / NEVADA STATE LINE, AND SOUTHERLY OF A LINE LYING 1990 FEET SOUTH OF THE NORTH SECTION LINE OF SAID SECTION 19 AND SAID SECTION 24.

END OF DESCRIPTION.



**RECORDER'S MEMO**  
POSSIBLE POOR IMAGE DUE TO  
QUALITY OF ORIGINAL DOCUMENT



2727 SOUTH RAINBOW BOULEVARD \* LAS VEGAS, NEVADA 89146-5148  
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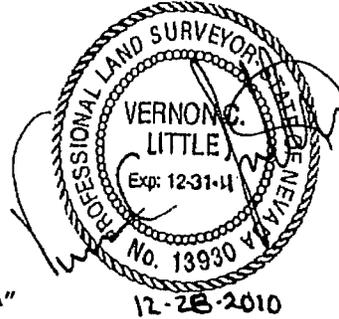


EXHIBIT "AA"

**EXPLANATION:**

THIS LEGAL DESCRIBES A PARCEL OF LAND GENERALLY LOCATED ALONG THE NEEDLES HIGHWAY, NORTHERLY OF THE NEVADA, CALIFORNIA STATE LINE FOR TRANSPORTATION CORRIDOR LOCATION.

**LEGAL DESCRIPTION  
SOUTHLAND  
TRANSPORTATION CORRIDOR**

BEING TRANSPORTATION CORRIDORS FOLLOWING THE SECTION LINES AND QUARTER SECTION LINES WHERE APPLICABLE, OR PARALLELING THE FORT MOJAVE INDIAN TRIBE RESERVATION BOUNDARY, THE NEEDLES HIGHWAY, OR THE COLORADO RIVER, AS SHOWN ON THE TRANSPORTATION BRIDGE EXHIBIT, BEING PORTIONS OF THE FOLLOWING DESCRIBED LANDS:

**T.33 S., R. 65 E., M.D.M., CLARK COUNTY, NEVADA:**

SECTION 25, LOTS 2, 3, 4, NORTH HALF (N 1/2) OF THE NORTHEAST QUARTER (NE 1/4), SOUTHEAST QUARTER (SE 1/4) OF THE NORTHEAST QUARTER (NE 1/4).

**T.33 S., R. 66 E., M.D.M., CLARK COUNTY, NEVADA:**

SECTION 5, LOT 10, SOUTH HALF (S 1/2) OF THE SOUTH HALF (S 1/2) OF THE SOUTHWEST QUARTER (SW 1/4), SOUTH HALF (S 1/2) OF THE SOUTHWEST QUARTER (SW 1/4) OF THE SOUTHEAST QUARTER (SE 1/4);

SECTION 6, LOTS 3, 4, SOUTH HALF (S 1/2) OF THE NORTHWEST QUARTER (NW 1/4), SOUTH HALF (S 1/2);

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DECEMBER 17, 2010  
TRANSPORTATION CORRIDOR  
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SECTION 7, ALL;

SECTION 8, ALL;

SECTION 9, LOTS 2, 3, 4, SOUTHWEST QUARTER (SW 1/4) OF THE NORTHWEST QUARTER (NW 1/4), SOUTHWEST QUARTER (SW 1/4), WEST HALF (W 1/2) OF THE SOUTHEAST QUARTER (SE 1/4), SOUTHEAST QUARTER (SE 1/4) OF THE SOUTHEAST QUARTER (SE 1/4), TOGETHER WITH THAT AREA OF SECTION 9 BETWEEN LOTS 2, 3, 4, AND THE ORDINARY AND PERMANENT HIGH WATER MARK OF THE WEST BANK OF THE COLORADO RIVER;

SECTION 10, LOTS 2, 3, TOGETHER WITH THAT AREA OF SECTION 10 BETWEEN LOTS 2, 3 AND THE ORDINARY AND PERMANENT HIGH WATER MARK OF THE WEST BANK OF THE COLORADO RIVER;

SECTION 15, LOTS 3, 4, 5, 6, 7, SOUTHWEST QUARTER (SW 1/4) OF THE NORTHEAST QUARTER (NE 1/4), WEST HALF (W 1/2), WEST HALF (W 1/2) OF THE SOUTHEAST QUARTER (SE 1/4), TOGETHER WITH THAT AREA OF SECTION 15 BETWEEN LOTS 3, 4, 5, 6, 7, AND THE ORDINARY AND PERMANENT HIGH WATER MARK OF THE WEST BANK OF THE COLORADO RIVER;

SECTION 16, EAST HALF (E 1/2), EAST HALF (E 1/2) OF THE WEST HALF (W 1/2), WEST HALF (W 1/2) OF THE SOUTHWEST QUARTER (SW 1/4);

SECTION 17, LOTS 1, 2, 3, WEST HALF (W 1/2) OF THE NORTHEAST QUARTER (NE 1/4), NORTHWEST QUARTER (NW 1/4), NORTH HALF (N 1/2) OF THE SOUTH HALF (S 1/2), SOUTHWEST QUARTER (SW 1/4) OF THE SOUTHWEST QUARTER (SW 1/4);

SECTION 18, ALL;

SECTION 19, LOTS 1, 2, NORTH HALF (N 1/2), SOUTHWEST QUARTER (SW 1/4), WEST HALF (W 1/2) OF THE SOUTHEAST QUARTER (SE 1/4);

SECTION 20, LOTS 1, 2, 3, 4, NORTHWEST QUARTER (NW 1/4) OF THE NORTHWEST QUARTER (NW 1/4);

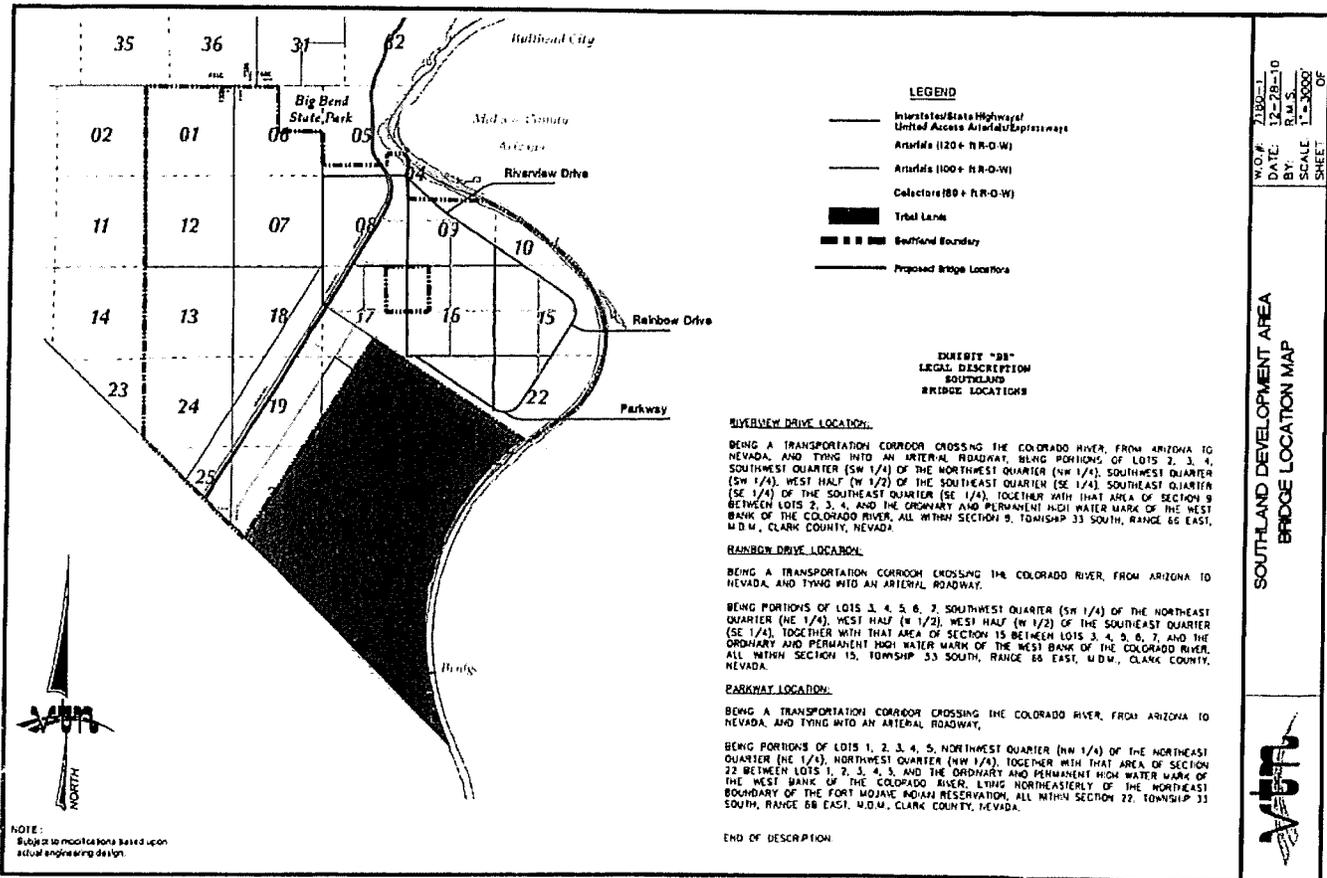
SECTION 21, LOTS 2, 3, 5, 6, EAST HALF (E 1/2) OF THE NORTHEAST QUARTER (NE 1/4), NORTHWEST QUARTER (NW 1/4) OF THE NORTHEAST QUARTER (NE 1/4);

W.O. 7180-1  
DECEMBER 17, 2010  
TRANSPORTATION CORRIDOR  
PAGE 3 OF 3

SECTION 22, LOTS 1, 2, 3, 4, 5, NORTHWEST QUARTER (NW 1/4) OF THE  
NORTHEAST QUARTER (NE 1/4), NORTHWEST QUARTER (NW 1/4), TOGETHER  
WITH THAT AREA OF SECTION 22 BETWEEN LOTS 1, 2, 3, 4, 5, AND THE  
ORDINARY AND PERMANENT HIGH WATER MARK OF THE WEST BANK OF THE  
COLORADO RIVER, LYING NORTHEASTERLY OF THE NORTHEAST BOUNDARY OF  
THE FORT MOJAVE INDIAN RESERVATION;

SECTION 30, LOTS 1, 2, 3, 4, 5, 6, NORTH HALF (N 1/2) OF THE  
NORTHWEST QUARTER (NW 1/4), SOUTHWEST QUARTER (SW 1/4) OF THE  
NORTHWEST QUARTER (NW 1/4).

END OF DESCRIPTION.



**RECORDER'S MEMO**  
 POSSIBLE POOR IMAGE DUE TO  
 QUALITY OF ORIGINAL DOCUMENT



2727 SOUTH RAINBOW BOULEVARD \* LAS VEGAS, NEVADA 89146-5148  
PHONE 702-873-7550 \* FAX 702-362-2597

W.O. 7180-1  
DECEMBER 17, 2010  
BY: VCL  
P.R. BY: TJ  
PAGE 1 OF 2



EXHIBIT "BB"

**EXPLANATION:**

THIS LEGAL DESCRIBES A PARCEL OF LAND GENERALLY LOCATED ALONG THE NEEDLES HIGHWAY, NORTHERLY OF THE NEVADA, CALIFORNIA STATE LINE FOR BRIDGE LOCATION PURPOSES.

**LEGAL DESCRIPTION  
SOUTHLAND  
BRIDGE LOCATIONS**

**RIVERVIEW DRIVE LOCATION:**

BEING A TRANSPORTATION CORRIDOR CROSSING THE COLORADO RIVER, FROM ARIZONA TO NEVADA, AND TYING INTO AN ARTERIAL ROADWAY, AS SHOWN ON THE TRANSPORTATION BRIDGE EXHIBIT MAP, BEING PORTIONS OF LOTS 2, 3, 4, SOUTHWEST QUARTER (SW 1/4) OF THE NORTHWEST QUARTER (NW 1/4), SOUTHWEST QUARTER (SW 1/4), WEST HALF (W 1/2) OF THE SOUTHEAST QUARTER (SE 1/4), SOUTHEAST QUARTER (SE 1/4) OF THE SOUTHEAST QUARTER (SE 1/4), TOGETHER WITH THAT AREA OF SECTION 9 BETWEEN LOTS 2, 3, 4, AND THE ORDINARY AND PERMANENT HIGH WATER MARK OF THE WEST BANK OF THE COLORADO RIVER, ALL WITHIN SECTION 9, TOWNSHIP 33 SOUTH, RANGE 66 EAST, M.D.M., CLARK COUNTY, NEVADA.

**RAINBOW DRIVE LOCATION:**

BEING A TRANSPORTATION CORRIDOR CROSSING THE COLORADO RIVER, FROM ARIZONA TO NEVADA, AND TYING INTO AN ARTERIAL ROADWAY, AS SHOWN ON THE TRANSPORTATION BRIDGE EXHIBIT MAP,

W.O. 7180-1  
DECEMBER 17, 2010  
BRIDGE LOCATIONS  
PAGE 2 OF 2

BEING PORTIONS OF LOTS 3, 4, 5, 6, 7, SOUTHWEST QUARTER (SW 1/4) OF THE NORTHEAST QUARTER (NE 1/4), WEST HALF (W 1/2), WEST HALF (W 1/2) OF THE SOUTHEAST QUARTER (SE 1/4), TOGETHER WITH THAT AREA OF SECTION 15 BETWEEN LOTS 3, 4, 5, 6, 7, AND THE ORDINARY AND PERMANENT HIGH WATER MARK OF THE WEST BANK OF THE COLORADO RIVER, ALL WITHIN SECTION 15, TOWNSHIP 33 SOUTH, RANGE 66 EAST, M.D.M., CLARK COUNTY, NEVADA.

PARKWAY LOCATION:

BEING A TRANSPORTATION CORRIDOR CROSSING THE COLORADO RIVER, FROM ARIZONA TO NEVADA, AND TYING INTO AN ARTERIAL ROADWAY, AS SHOWN ON THE TRANSPORTATION BRIDGE EXHIBIT MAP, BEING PORTIONS OF LOTS 1, 2, 3, 4, 5, NORTHWEST QUARTER (NW 1/4) OF THE NORTHEAST QUARTER (NE 1/4), NORTHWEST QUARTER (NW 1/4), TOGETHER WITH THAT AREA OF SECTION 22 BETWEEN LOTS 1, 2, 3, 4, 5, AND THE ORDINARY AND PERMANENT HIGH WATER MARK OF THE WEST BANK OF THE COLORADO RIVER, LYING NORTHEASTERLY OF THE NORTHEAST BOUNDARY OF THE FORT MOJAVE INDIAN RESERVATION, ALL WITHIN SECTION 22, TOWNSHIP 33 SOUTH, RANGE 66 EAST, M.D.M., CLARK COUNTY, NEVADA.

END OF DESCRIPTION.

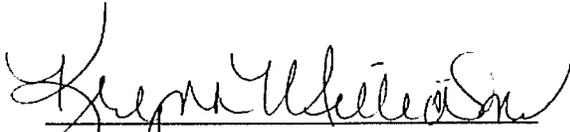


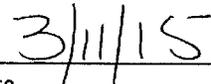
Office of the County Recorder  
**Debbie Conway**  
*Clark County Recorder*

## LEGIBILITY NOTICE

The Clark County Recorder's Office has determined that the attached document may not be suitable for recording by the method used by the Recorder to preserve the Recorder's records. The customer was advised that copies produced from the recorded document would not be legible and may affect legal rights and entitlements. However, the customer demanded that the document be recorded without delay, as the parties' rights may be adversely affected because of a delay in recording. Therefore, pursuant to NRS 247.120 (3), the County Recorder accepted the document conditionally. Subject to the undersigned's representation that, (1) a suitable copy will be submitted at a later date, or (2) it is impossible or impracticable to submit a more suitable copy. Standard recording fees will apply at the time of recording of the clarification.

By my signing below, I acknowledge that I have been advised that once the document has been microfilmed, it may not reproduce a legible copy and may therefore adversely affect legal rights and entitlements.

  
Signature

  
Date

  
Printed Name

# **CoStar Comps, Inc. Data Sheets**

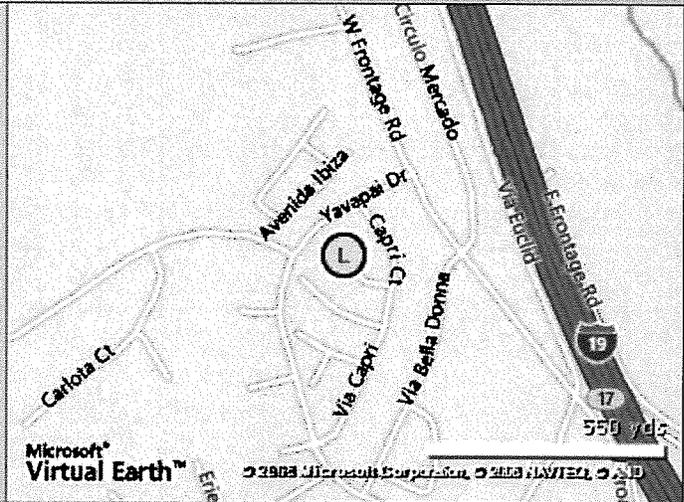
# Comps Detail Sheet

## W Frontage Rd

**SOLD**

Rio Rico, AZ 85648

Sale on 10/1/2013 for \$2,830,000 (\$0.05/SF) - Research Complete  
Residential Land of 1,199.63 AC (52,255,883 SF)



### Buyer & Seller Contact Info

Recorded Buyer: **Rio Rico Pacific Llc**  
True Buyer: **Pacific West Communities, Inc.**  
**Caleb Roope**  
430 E State St  
Eagle, ID 83616  
(208) 461-0022

Recorded Seller: **Rio Rico Properties, Inc.**  
True Seller: **AV Homes, Inc.**  
**Tina Johnston**  
8601 N Scottsdale Rd  
Scottsdale, AZ 85253  
(480) 214-7400  
**AV Homes Inc**  
**Hank Yunes**  
7777 Glades Rd  
Boca Raton, FL 33434  
(305) 442-7000

Buyer Type: **Developer/Owner-RGNL**

Seller Type: **Developer/Owner-RGNL**  
**Developer/Owner-NTL**

### Transaction Details

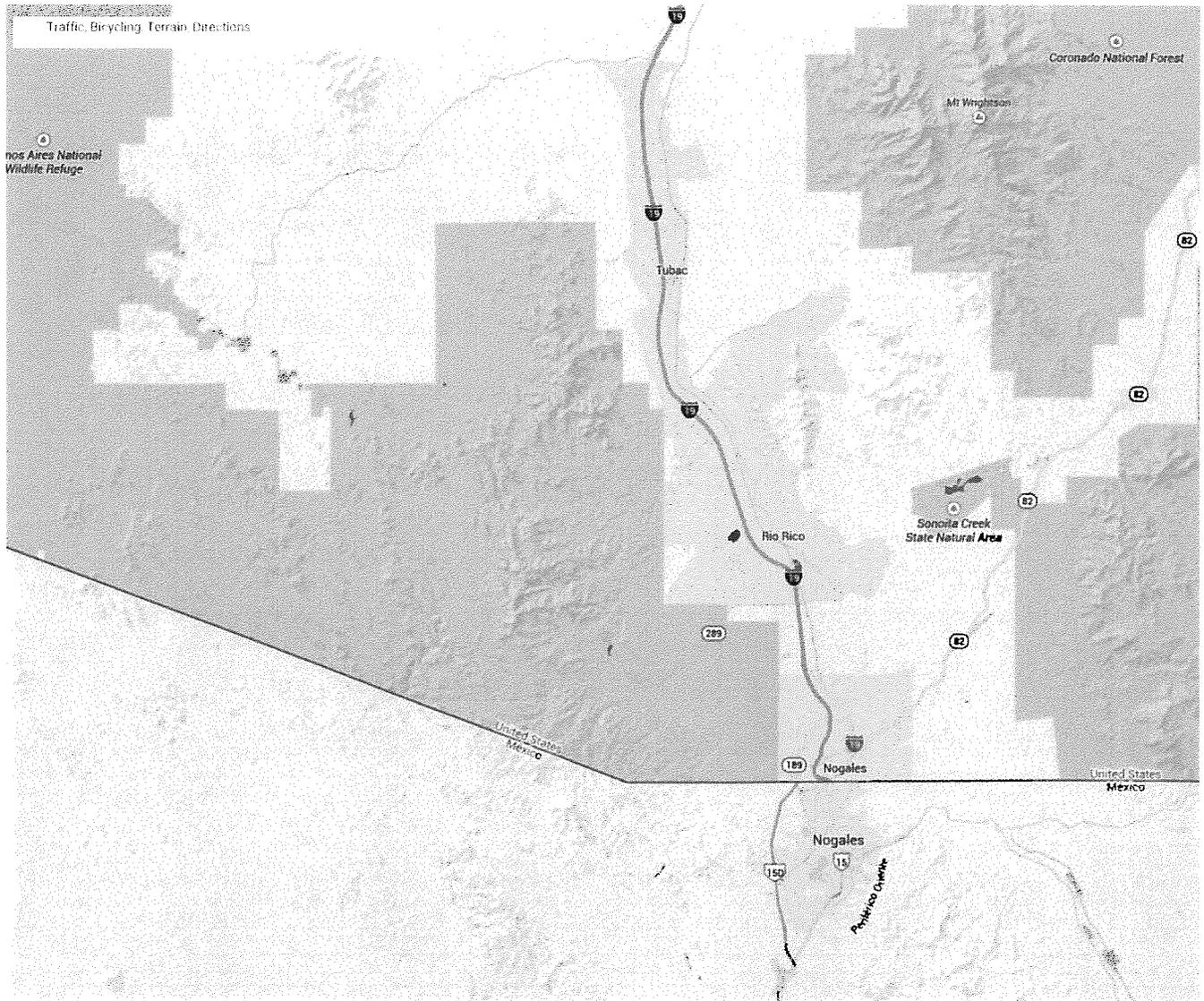
ID: 2873027

Sale Date: <b>10/01/2013</b>	Sale Type: <b>Investment</b>
Escrow Length: <b>-</b>	Land Area: <b>1,199.63 AC (52,255,883 SF)</b>
Sale Price: <b>\$2,830,000-Affidavit</b>	Proposed Use: <b>Single Family Development</b>
Price/SF Land Gross: <b>\$0.05 (\$2,359.06/AC)</b>	
Zoning: <b>RES</b>	Percent Improved: <b>5.4%</b>
	Total Value Assessed: <b>\$4,449,656 in 2014</b>
	Improved Value Assessed: <b>\$242,475</b>
	Land Value Assessed: <b>\$4,207,181</b>
	Land Assessed/SF: <b>\$0.00</b>

Legal Desc: **Rio Rico Villas Bk 2 Pg 222**

# Comps Detail Sheet

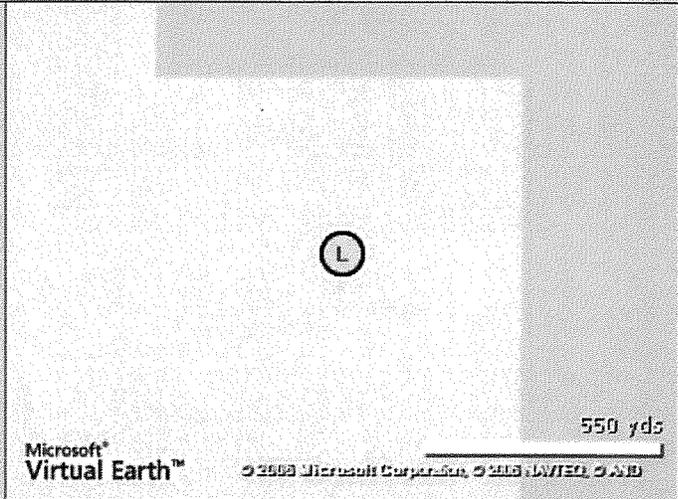
<b>W Frontage Rd</b>		<b>SOLD</b>
Residential Land of 1,199.63 AC (52,255,883 SF) (con't)		
Parcel No:	<b>140-03-001A, 114-52-109, 119-01-004, 114-57-062, 114-57-044, 114-57-045, 114-57-046, 114-53-002, 114-57-042, 114-57-065, 114-57-043, 114-57-050, 114-57-051, 114-57-052, 129-01-042, 114-57-037, 114-57-059, 114-57-060, 114-57-061, 114-57-049, 140-03-006A, 114-52-167, 115-13-462, 115-13-457, 114-57-063, 119-01-001, 114-57-057, 114-57-058, 114-52-126, 114-57-055, 114-57-039, 115-13-459, 114-52-206, 114-53-001A, 140-03-025, 114-52-216, 114-52-215, 114-52-214, 114-52-213, 114-52-212, 114-52-208, 115-13-455, 114-52-169, 119-01-003, 119-01-002, 114-52-198, 114-52-190, 115-07-166A, 117-98-001, 114-52-229, 114-52-128, 114-52-224, 115-13-460, 114-52-222, 114-52-187, 115-13-456, 114-52-186, 114-52-203, 114-52-202, 114-52-201, 114-52-200, 114-52-205, 114-52-189, 114-52-184A, 114-52-204, 129-01-043, 114-52-207, 114-52-015, 114-52-185, 115-13-461, 114-52-188, 114-52-136, 114-52-135, 114-52-168, 114-52-140, 140-03-001B, 114-52-139, 114-52-138, 140-03-007B, 114-52-223, 114-52-132, 114-52-129, 114-52-125, 114-52-137, 140-03-008, 114-52-170, 114-57-064, 114-52-171</b>	
Document No:	<b>000000007249</b>	
Transaction Notes		
<p>The following transaction included both residential and commercial land in Rio Rico, AZ, which sold for \$2,830,000.</p> <p>The 1,199-acres is based on Santa Cruz County assessor records and was not confirmed with the seller or buyer.</p>		
Income Expense Data		
<b>Expenses</b>	- Taxes - Operating Expenses Total Expenses	<b>\$526</b> <hr style="width: 100px; margin: 0 auto;"/> <b>\$526</b>
Current Land Information		ID: 9254843
Zoning: <b>RES</b> Density Allowed: - Number of Lots: - Max # of Units: - Units per Acre: - Improvements: -	Proposed Use: <b>Single Family Development</b> Land Area: <b>52,255,883 SF (1,199.63 AC)</b> On-Site Improv: - Lot Dimensions: - Owner Type: -	
Location Information		
County: <b>Santa Cruz</b> CBSA: <b>Nogales, AZ</b> DMA: <b>Tucson-Nogales, AZ</b>		





# Comps Detail Sheet

**Night Sky - Greater Arizona Farm** **SOLD**  
 Eloy, AZ 85231  
 Sale on 11/15/2013 for \$4,950,000 (\$0.07/SF) - Research Complete  
 Residential Land of 1,600 AC (69,696,000 SF)



**Buyer & Seller Contact Info**

Recorded Buyer: **Morning Doves LLC**  
 True Buyer: **Jonathon & Marci Householder**  
**Jonathon Householder**  
 2354 N Casa Grande Ave  
 Casa Grande, AZ 85222  
 (520) 705-0169  
 Buyer Type: **Individual**  
 Buyer Broker: **Three Rivers Ag Investments**  
**Jack Doughty**  
 (480) 802-2305

Recorded Seller: **James G & Zora R Bechtel**  
 True Seller: **James G & Zora R Bechtel**  
**James Bechtel**  
 18 N Riata St  
 Gilbert, AZ 85234  
 (480) 545-9609  
 Seller Type: **Individual**  
 Listing Broker: **Southwestern Ag Services LLC**  
**Mack Mckeeon**  
 (480) 777-9290

**Transaction Details**

ID: 2900775

Sale Date: <b>11/15/2013</b>	Sale Type: <b>Investment</b>
Escrow Length: <b>-</b>	Land Area: <b>1,600 AC (69,696,000 SF)</b>
Sale Price: <b>\$4,950,000-Confirmed</b>	Proposed Use: <b>Hold for Investment, Single Family Development</b>
Price/SF Land Gross: <b>\$0.07 (\$3,093.75/AC)</b>	
Zoning: <b>RH</b>	Percent Improved: <b>-</b>
	Total Value Assessed: <b>\$355,200 in 2013</b>
	Improved Value Assessed: <b>-</b>
	Land Value Assessed: <b>\$355,200</b>
	Land Assessed/SF: <b>\$0.00</b>
Topography: <b>Sloping</b>	
On-Site Improv: <b>Raw land</b>	
Off-Site Improv: <b>Curb/Gutter/Sidewalk, Electricity, Gas, Sewer, Streets, Water</b>	
Legal Desc: <b>Section 17, Section 21, South half of Section 9, All in Township 11 South, Range 6 East, Gila and Salt River Base and Meridian, Pima County, Arizona</b>	
Parcel No: <b>207-06-016, 207-06-008</b>	
Document No: <b>20133190760</b>	

# Comps Detail Sheet

**Night Sky - Greater Arizona Farm** **SOLD**  
 Residential Land of 1,600 AC (69,696,000 SF) (con't)

**Transaction Notes**

**Deeded Land**  
 Section 17, (Tax parcel number: 207-06-008 01), Section 21 (Tax parcel numbers: 207-06-015 01 & 207-06-016 04), South half of Section 9, (Tax parcel number: 207-06-005 02), All in Township 11 South, Range 6 East, Gila and Salt River Base and Meridian, Pima County, Arizona

**Leasehold Interest in State Land**  
 State Lease Number 01-1646. The lease began on February 15, 2001, and is to renew on February 14, 2011. Land that is subject to the lease is as follows: All of Section 22, (Tax parcel number: 207-06-003 03), The Southeast quarter of the Southeast quarter of Section 16, (Tax parcel number: 207-06-006 05) Township 11 South, Range 6 East, Gila and Salt River Base and Meridian, Pima County, Arizona.

Located approximately 23 miles south of Arizona City in Pima County, this 2280 acre farm consists of 1600 deeded acres and 680 acres that are an Arizona State Ag leasehold. There are 1,719.4 acres of cropland and 7 working irrigation pumps on the farm.

**Current Land Information** ID: 9280069

Zoning: <b>RH</b>	Proposed Use: <b>Hold for Investment/Single Family Development</b>
Density Allowed: -	Land Area: <b>69,696,000 SF (1,600 AC)</b>
Number of Lots: -	On-Site Improv: <b>Raw land</b>
Max # of Units: -	Lot Dimensions: -
Units per Acre: -	Owner Type: <b>Individual</b>
Improvements: -	
Topography: <b>Sloping</b>	
Off-Site Improv: <b>Curb/Gutter/Sidewalk, Electricity, Gas, Sewer, Streets, Water</b>	

**Location Information**

Metro Market: **Tucson**  
 Submarket: **Outlying Pima County/Ajo/W Outlying Pima Cnty**  
 County: **Pima**  
 CBSA: **Tucson, AZ**  
 DMA: **Tucson-Nogales, AZ**

# Comps Detail Sheet

## Night Sky - Greater Arizona Farm

**SOLD**

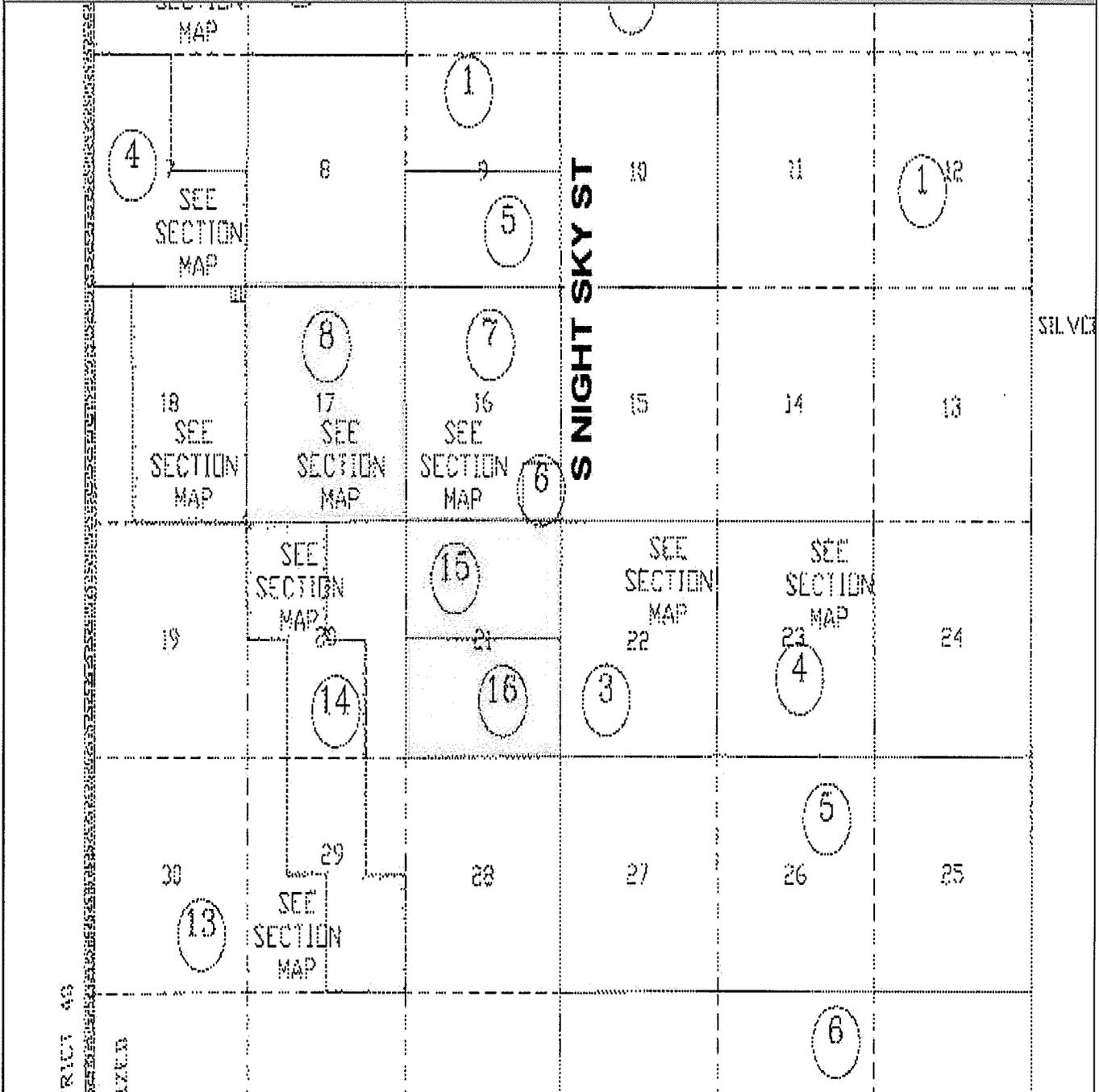
Residential Land of 1,600 AC (69,696,000 SF) (con't)

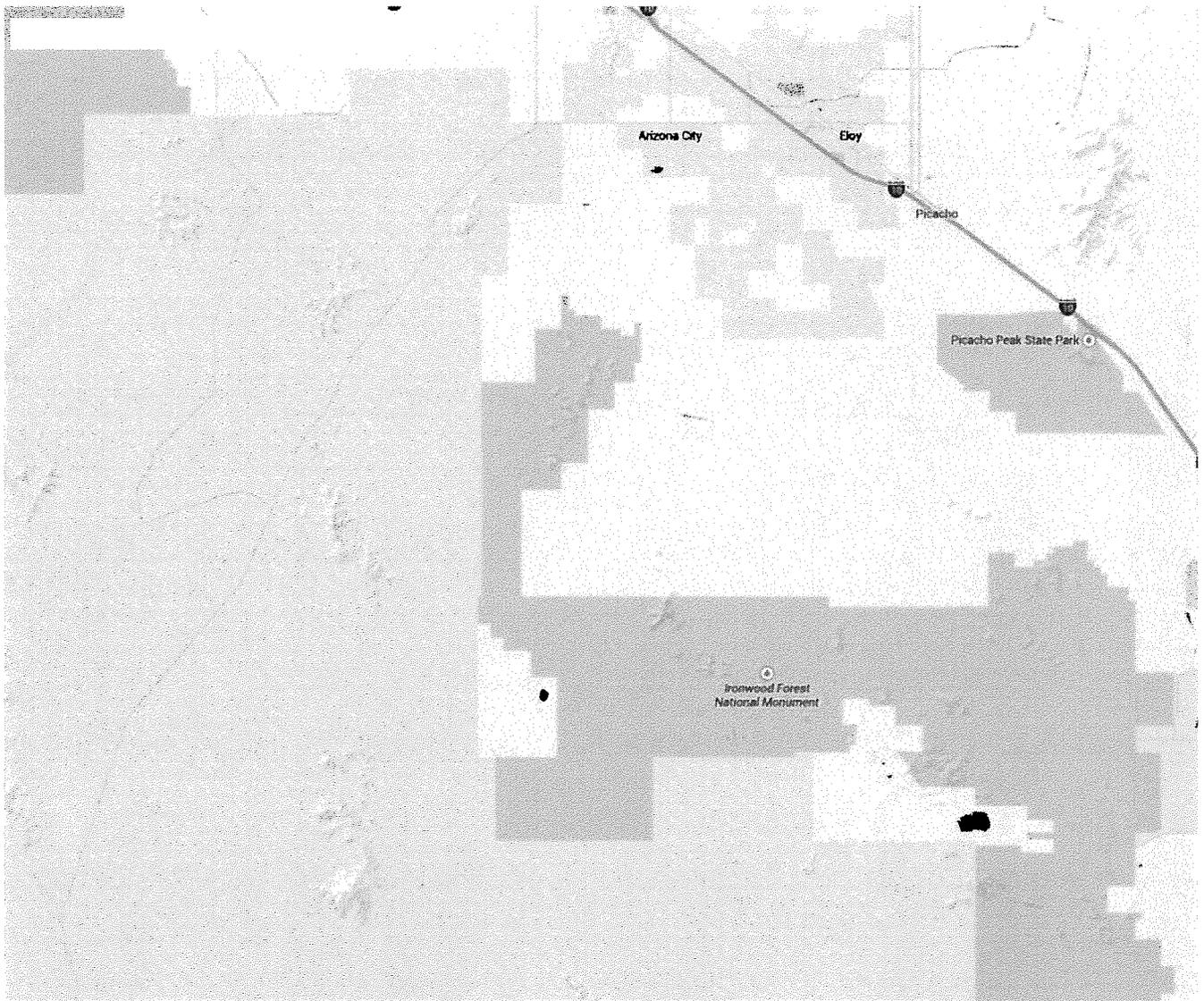
Parcel Number: 207-06-016, 207-06-008

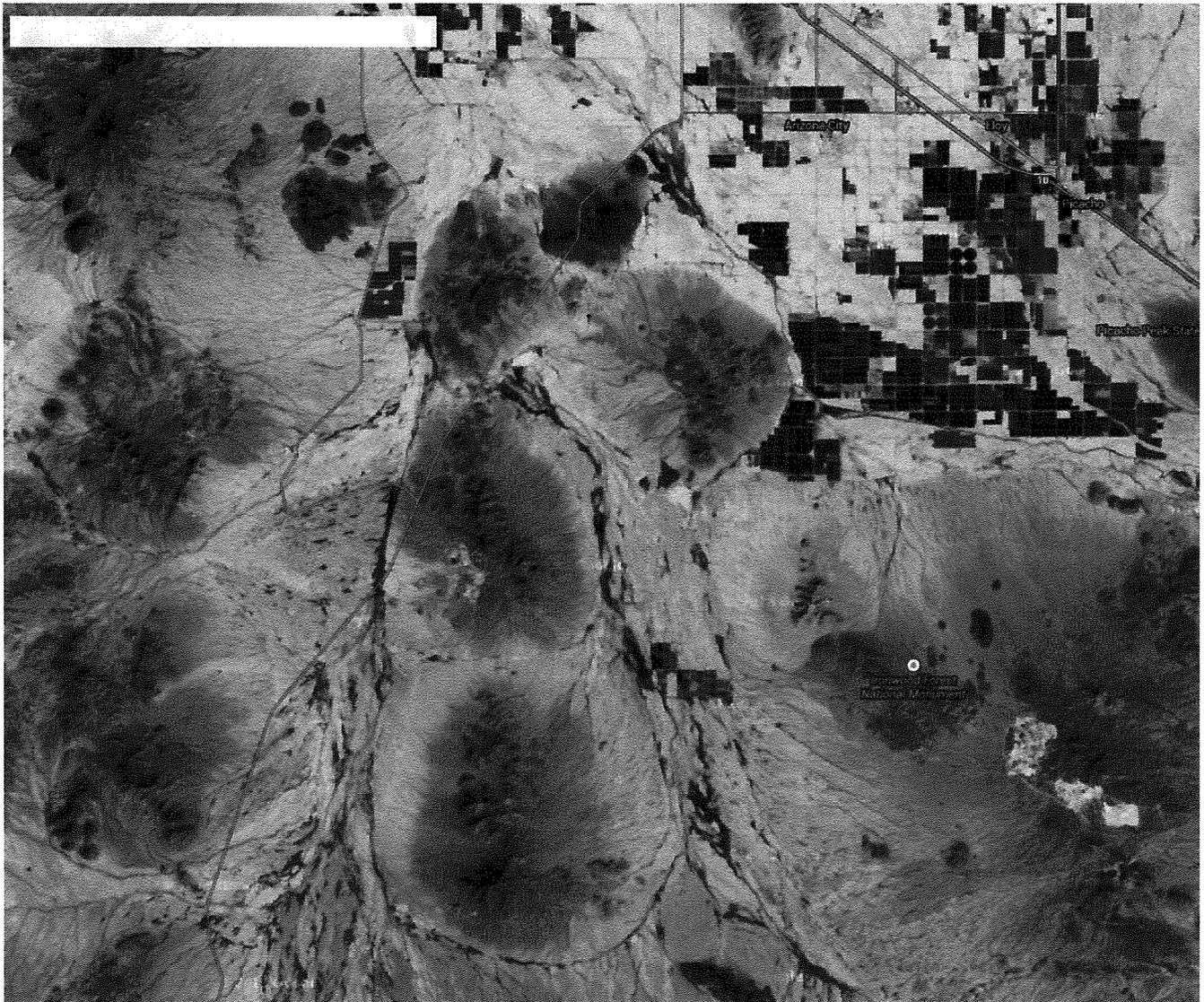
Legal Description: -

County: Pima

Plat Map: Night Sky







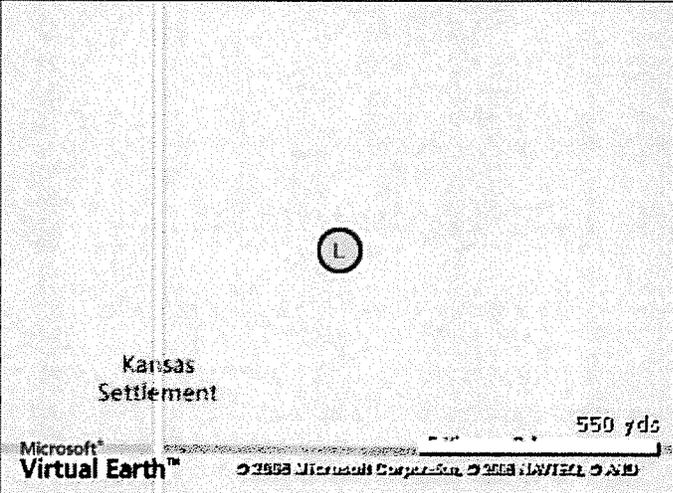
# Comps Detail Sheet

## 3620 E Kimzey Rd - Terry Brothers Farm

**SOLD**

Willcox, AZ 85643

Sale on 4/2/2014 for \$9,500,000 (\$0.10/SF) - Research Complete  
Residential Land of 2,200 AC (95,832,000 SF)



### Buyer & Seller Contact Info

Recorded Buyer: **Sebastiao & Maria F Faria**  
True Buyer: **Sebastiao & Maria F Faria**  
9252 S Kansas Settlement Rd  
Willcox, AZ 85643  
Buyer Type: **Individual**  
Buyer Broker: **No Buyer Broker on Deal**

Recorded Seller: **John J & Candy E Terry**  
True Seller: **John J & Candy E Terry**  
6405 Kansas Settlement Rd  
Willcox, AZ 85643  
Seller Type: **Individual**  
Listing Broker: **Three Rivers Ag Investments**  
**Jack Doughty**  
(480) 802-2305

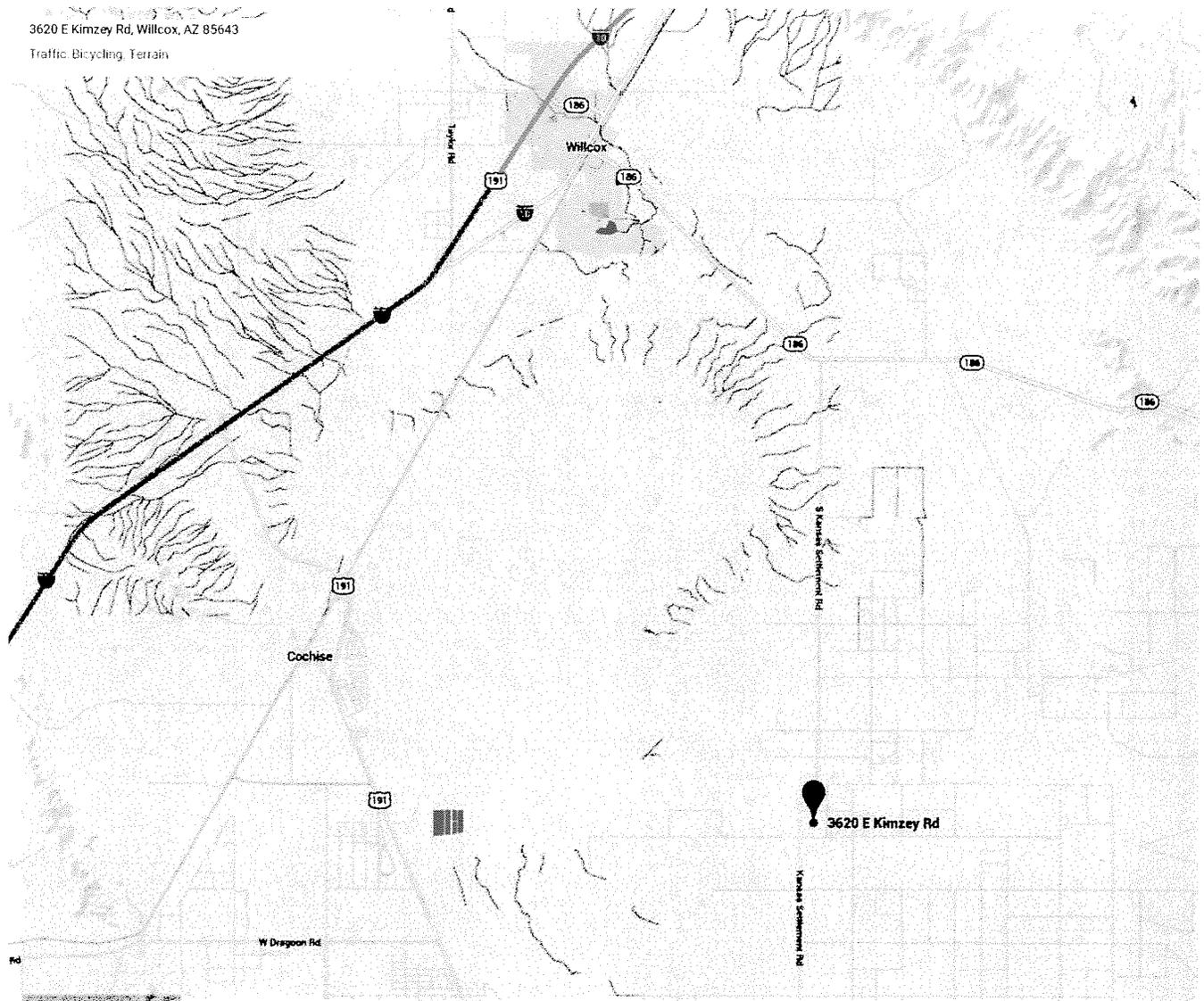
### Transaction Details

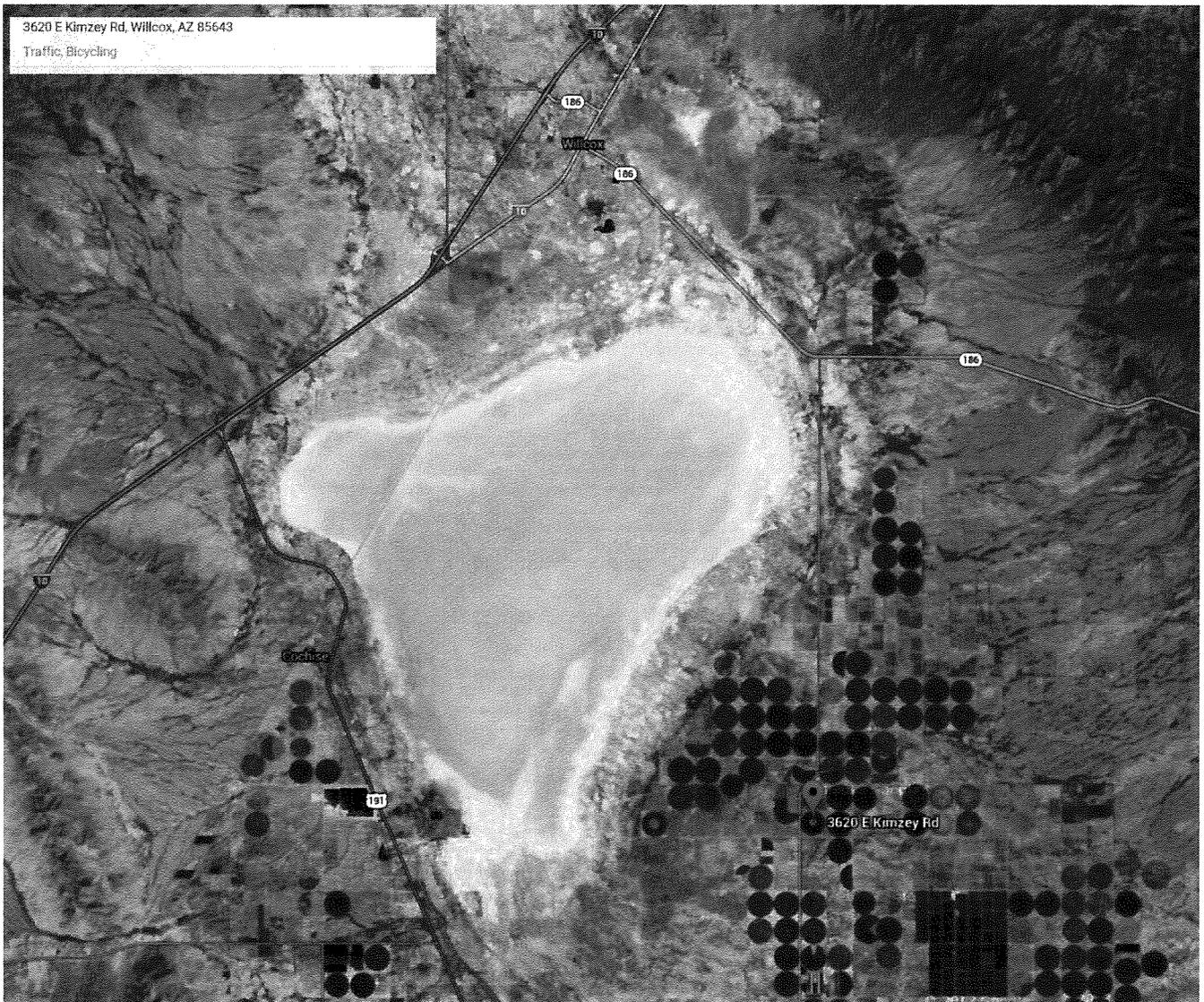
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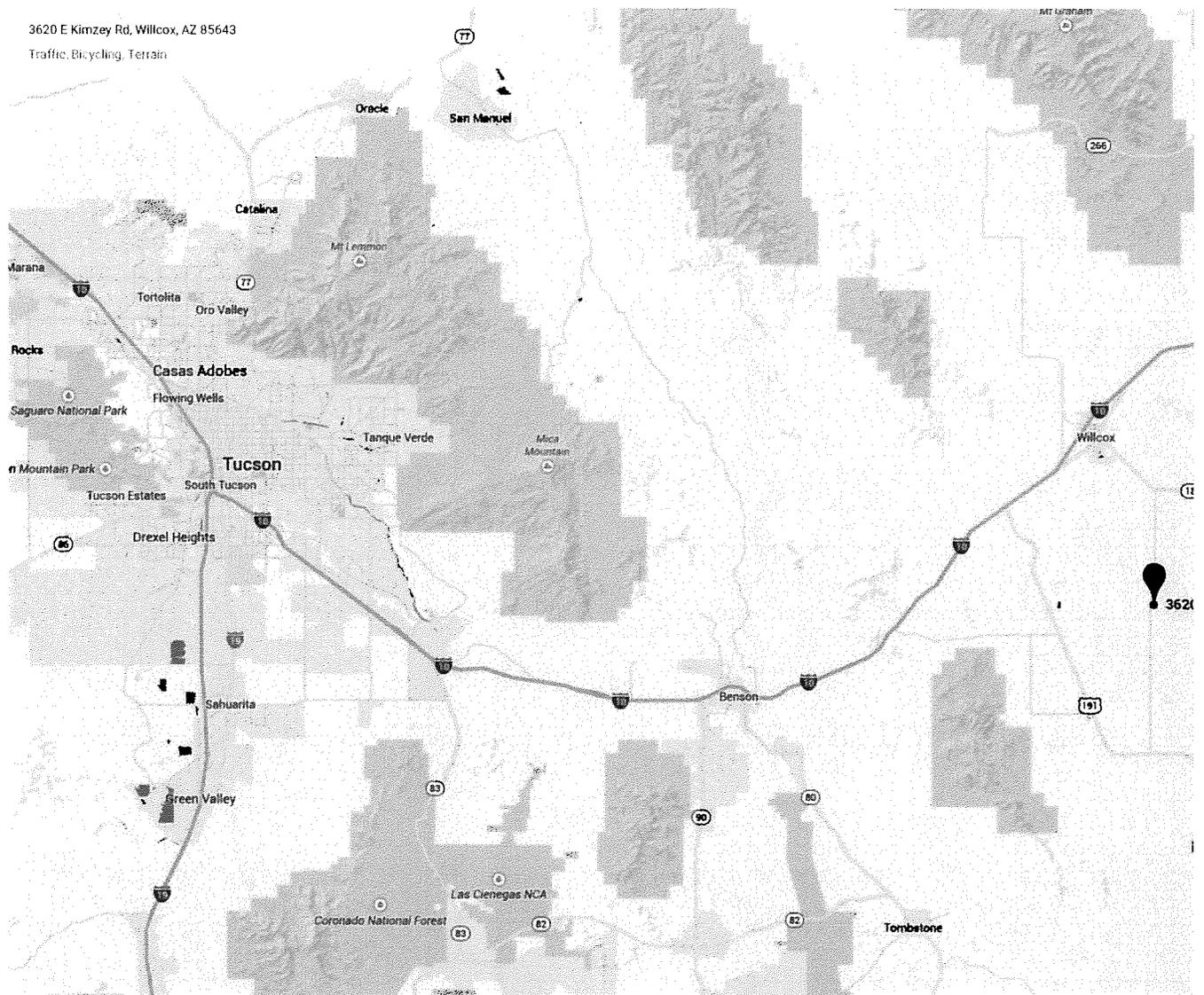
Sale Date: <b>04/02/2014</b>	Sale Type: <b>Investment</b>
Escrow Length: <b>-</b>	Land Area: <b>2,200 AC (95,832,000 SF)</b>
Sale Price: <b>\$9,500,000-Confirmed</b>	Proposed Use: <b>Hold for Development, Hold for Investment</b>
Price/SF Land Gross: <b>\$0.10 (\$4,318.18/AC)</b>	
Zoning: <b>RU-4</b>	Percent Improved: <b>65.8%</b>
	Total Value Assessed: <b>\$925,919 in 2014</b>
	Improved Value Assessed: <b>\$608,945</b>
	Land Value Assessed: <b>\$316,974</b>
	Land Assessed/SF: <b>\$0.00</b>
Financing: <b>Down payment of \$9,500,000.00 (100.0%)</b>	
Topography: <b>Level</b>	
On-Site Improv: <b>Raw land</b>	
Off-Site Improv: <b>Electricity, Gas, Sewer, Water</b>	
Legal Desc: <b>Por SE4 sec 24 &amp; NE4 sec 25 T15S R25E</b>	
Parcel No: <b>204-24-043B, 204-24-049, 204-24-062, 204-28-002, 205-22-002, 205-22-003A, 205-22-004, 205-35-001B, 205-47-003, 305-43-007B</b>	
Document No: <b>000000005762</b>	

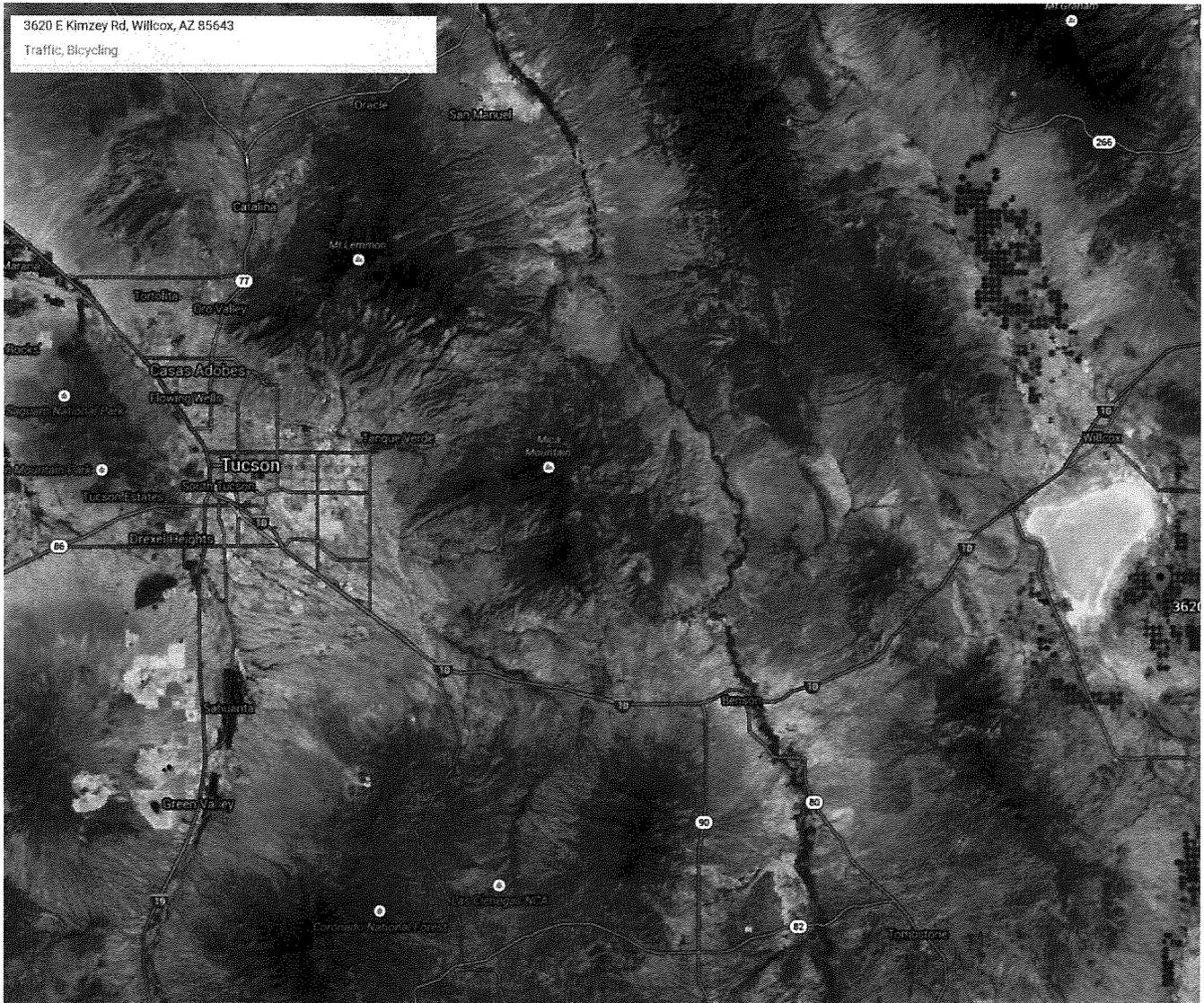
# Comps Detail Sheet

<b>3620 E Kimzey Rd - Terry Brothers Farm</b>		<b>SOLD</b>
Residential Land of 2,200 AC (95,832,000 SF) (con't)		
<b>Transaction Notes</b>		
2,200 deeded acres, 160 state ag lease acres, 16 center pivot sprinklers, four homes, shop, equipment storage and 250,000 bu. grain storage. Located 20 miles south of Willcox, Cochise County, Arizona.		
<b>Income Expense Data</b>		
<b>Expenses</b>	- Taxes	<b>\$22,505</b>
	- Operating Expenses	
	Total Expenses	<b>\$22,505</b>
<b>Current Land Information</b>		ID: 9392010
Zoning: <b>RU-4</b>	Proposed Use: <b>Hold for Development/Hold for Investment</b>	
Density Allowed: -	Land Area: <b>95,832,000 SF (2,200 AC)</b>	
Number of Lots: -	On-Site Improv: <b>Raw land</b>	
Max # of Units: -	Lot Dimensions: -	
Units per Acre: -	Owner Type: <b>Individual</b>	
Improvements: -		
Topography: <b>Level</b>		
Off-Site Improv: <b>Electricity, Gas, Sewer, Water</b>		
<b>Location Information</b>		
County: <b>Cochise</b>		
CBSA: <b>Sierra Vista-Douglas, AZ</b>		
DMA: <b>Tucson-Nogales, AZ</b>		



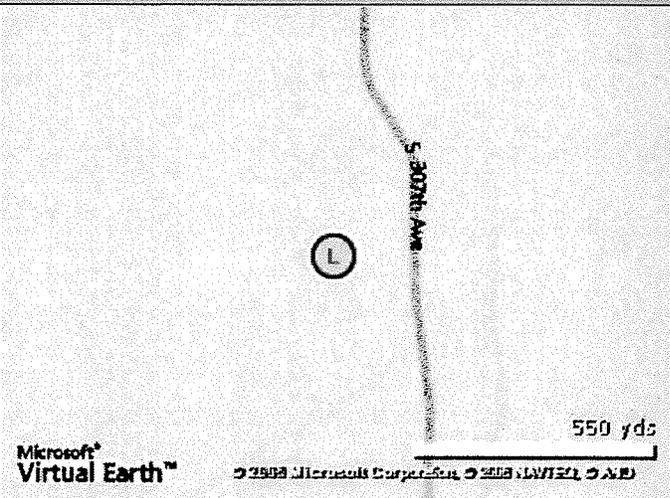






# Comps Detail Sheet

**W Indian Rd & W Watermelon Rd** **SOLD**  
**Gila Bend, AZ 85337**  
 Sale on 5/21/2014 for \$6,336,000 (\$0.18/SF) - Research Complete  
 Residential Land of 795.41 AC (34,648,060 SF)



**Buyer & Seller Contact Info**

<p>Recorded Buyer: <b>Tom &amp; Susan DeJong Family Trust</b></p> <p>True Buyer: <b>Tom &amp; Susan DeJong</b>  <b>Tom DeJong</b>          14400 S Airport Rd          Buckeye, AZ 85326          (623) 386-3558</p> <p>Buyer Type: <b>Individual</b></p>	<p>Recorded Seller: <b>Gila Bend Farms LLC</b>  <b>Rivera Family Trust</b></p> <p>True Seller: <b>Geraldine Rivera</b>  <b>Geraldine Rivera</b>          14400 S Airport Rd          Buckeye, AZ 85326</p> <p>Seller Type: <b>Individual</b></p>
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**Transaction Details** ID: 3034248

<p>Sale Date: <b>05/21/2014</b></p> <p>Escrow Length: <b>-</b></p> <p>Sale Price: <b>\$6,336,000-Affidavit</b></p> <p>Price/SF Land Gross: <b>\$0.18 (\$7,965.70/AC)</b></p> <p>Zoning: <b>M-M</b></p> <p>Topography: <b>Level</b></p> <p>On-Site Improv: <b>Raw land</b></p> <p>Off-Site Improv: <b>Curb/Gutter/Sidewalk, Electricity, Gas, Sewer, Streets, Water</b></p> <p>Legal Desc: <b>SE4 Sec 19 T5 R4W</b></p> <p>Parcel No: <b>402-06-005F, 403-14-017J, 402-05-015C, 402-05-017E, 403-14-017N, 403-14-017M, 402-05-019A, 402-06-005E, 403-14-017Q, 402-05-017C</b></p> <p>Document No: <b>0328539</b></p>	<p>Sale Type: <b>Investment</b></p> <p>Land Area: <b>795.41 AC (34,648,060 SF)</b></p> <p>Proposed Use: <b>Hold for Investment</b></p> <p>Percent Improved: <b>30.7%</b></p> <p>Total Value Assessed: <b>\$91,433 in 2013</b></p> <p>Improved Value Assessed: <b>\$28,113</b></p> <p>Land Value Assessed: <b>\$63,320</b></p> <p>Land Assessed/SF: <b>\$0.00</b></p>
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# Comps Detail Sheet

<b>W Indian Rd &amp; W Watermelon Rd</b>	<b>SOLD</b>
Residential Land of 795.41 AC (34,648,060 SF) (con't)	

**Transaction Notes**

Gila Bend Farms LLC and Rivera Family Trust sold 795.41 acres of raw land in Gila Bend, AZ to The Tom & Susan DeJong Family Trust for \$6,336,000.00 or \$7,966/per acre on May 27th, 2014.

The buyer will hold the land for investment. Total of 10 parcels sold.

Located on NEC Indian Rd & Watermelon Rd.

Zoning M-M

Unable to confirm if any brokers were involved in the sale transaction.

<b>Current Land Information</b>	ID: 9419489
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Zoning: <b>M-M</b> Density Allowed: - Number of Lots: - Max # of Units: - Units per Acre: - Improvements: -	Proposed Use: <b>Hold for Investment</b> Land Area: <b>34,648,060 SF (795.41 AC)</b> On-Site Improv: <b>Raw land</b> Lot Dimensions: - Owner Type: <b>Individual</b>
Topography: <b>Level</b> Off-Site Improv: <b>Curb/Gutter/Sidewalk, Electricity, Gas, Sewer, Streets, Water</b>	

**Location Information**

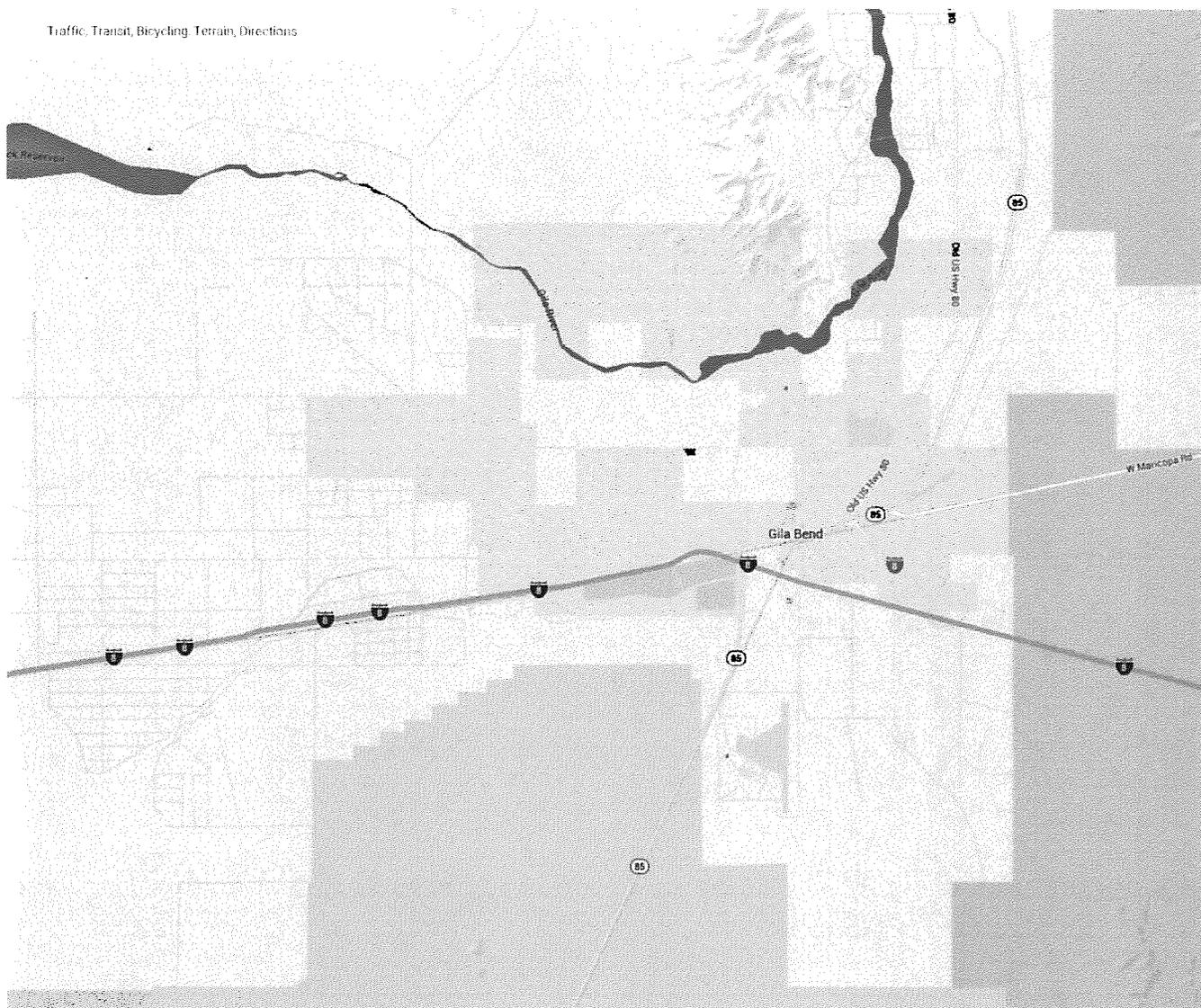
Located: <b>NEC Indian Bend Rd &amp; Watermelon Rd</b> Metro Market: <b>Phoenix</b> Submarket: <b>Southwest Outlying/Southwest Outlying</b> County: <b>Maricopa</b> CBSA: <b>Phoenix-Mesa-Glendale, AZ</b> DMA: <b>Phoenix, AZ</b>	
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Map data ©2015 Google, INEGI 5 mi



Traffic, Transit, Bicycling, Terrain, Directions



Map data ©2015 Google 2 mi



Imagery ©2015 TerraMetrics. Map data ©2015 Google 2 mi

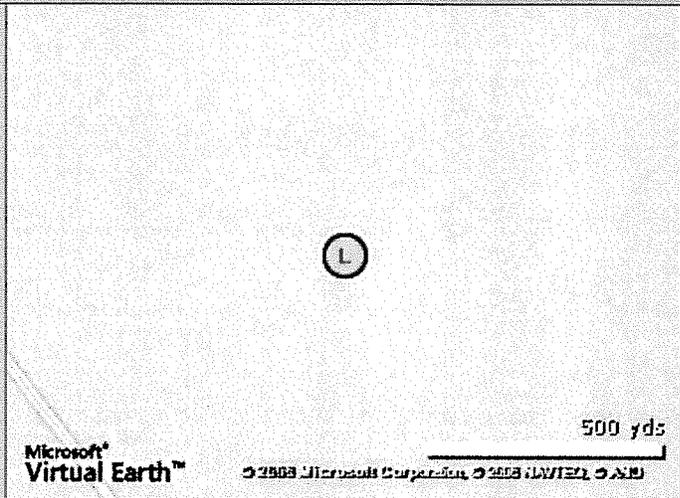
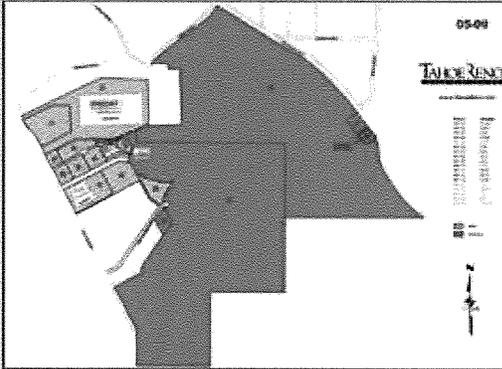
# Comps Detail Sheet

## 3220-3226 Portofino Dr - Tahoe Reno Industrial Center

**SOLD**

Sparks, NV 89434

Sale on 10/28/2014 for \$3,166,500 (\$0.07/SF) - Research Complete  
 Industrial Land of 987.74 AC (43,026,094 SF)



### Buyer & Seller Contact Info

Recorded Buyer: **Tesla Motors, Inc.**  
 True Buyer: **Tesla Motors, Inc.**  
 3500 Deer Creek Rd  
 Palo Alto, CA 94304  
 (650) 681-5000

Buyer Type: **Corporate/User**

Recorded Seller: **Tahoe-Reno Indl Center LLC**  
 True Seller: **Norman Properties, Inc**  
**Roger Norman**  
 PO Box 838  
 Poway, CA 92074  
 (858) 693-9053

Seller Type: **Individual**  
 Listing Broker: **L Lance Gilman Real Estate**  
**Lance Gilman**  
 (775) 343-1135  
**Amanda Pratt**  
 (775) 250-7110

### Transaction Details

ID: 3167637

Sale Date: **10/28/2014 (1,141 days on market)**  
 Escrow Length: **-**  
 Sale Price: **\$3,166,500-Full Value**  
 Price/SF Land Gross: **\$0.07 (\$3,205.79/AC)**

Sale Type: **Owner/User**  
 Land Area: **987.74 AC (43,026,094 SF)**  
 Proposed Use: **Industrial**

Zoning: **I-2**

Percent Improved: **-**  
 Total Value Assessed: **\$773,028 in 2014**  
 Improved Value Assessed: **-**  
 Land Value Assessed: **\$773,028**  
 Land Assessed/SF: **\$0.00**

Topography: **Level**  
 On-Site Improv: **Raw land**  
 Off-Site Improv: **Curb/Gutter/Sidewalk, Electricity, Gas, Sewer, Streets, Water**

Parcel No: **005-091-18, 005-091-29, 005-091-34, 005-011-22, 005-011-24, 005-091-17**  
 Document No: **000000121154**

# Comps Detail Sheet

**3220-3226 Portofino Dr - Tahoe Reno Industrial Center** **SOLD**  
 Industrial Land of 987.74 AC (43,026,094 SF) (con't)

**Transaction Notes**

Neither the buyer or sellers were able to disclose any details on this transaction. All information is based on county records.

**Income Expense Data**

	<b>Expenses</b>	- Taxes	<b>\$1,938</b>
		- Operating Expenses	_____
		Total Expenses	

**Current Land Information** ID: 8181647

Zoning: <b>I-2</b>	Proposed Use: <b>Industrial</b>
Density Allowed: -	Land Area: <b>43,026,094 SF (987.74 AC)</b>
Number of Lots: -	On-Site Improv: <b>Raw land</b>
Max # of Units: -	Lot Dimensions: -
Units per Acre: -	Owner Type: <b>Corporate/User</b>
Improvements: -	
Topography: <b>Level</b>	
Off-Site Improv: <b>Curb/Gutter/Sidewalk, Electricity, Gas, Sewer, Streets, Water</b>	

**Location Information**

Park Name: **Tahoe Reno Industrial Center**  
 Metro Market: **Reno/Sparks**  
 Submarket: **Storey County/Storey County**  
 County: **Storey**  
 CBSA: **Reno-Sparks, NV**  
 CSA: **Reno-Sparks-Fernley, NV**

05

10

06

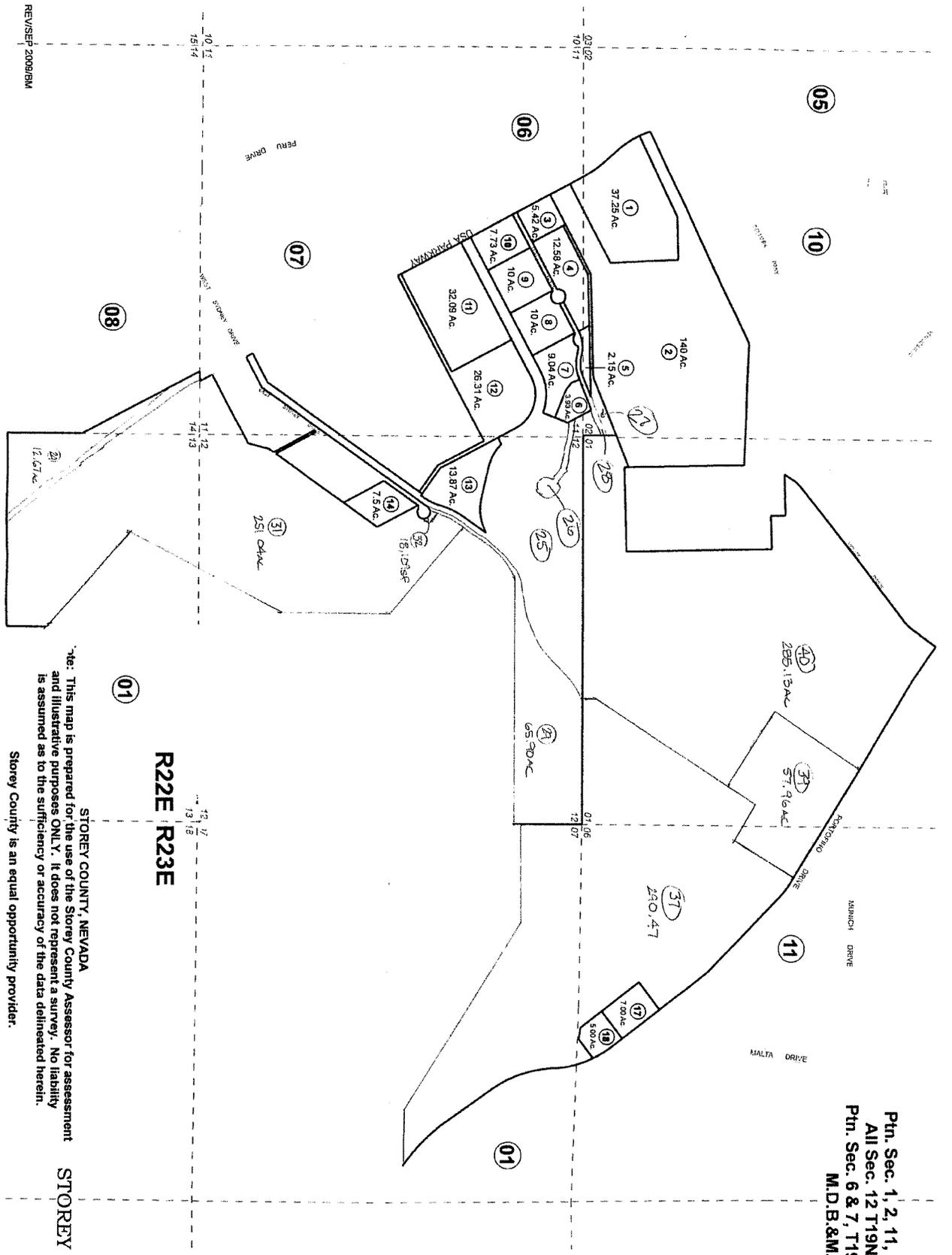
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Ptn. Sec. 1, 2, 11, 13, 14 &  
 All Sec. 12, T19N, R22E  
 Ptn. Sec. 6 & 7, T19N, R23E  
 M.D.B.&M.

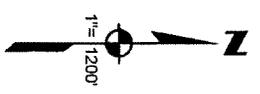
05-09

REVISED 2009/8M

NOTE: This map is prepared for the use of the Storey County Assessor for assessment and illustrative purposes ONLY. It does not represent a survey. No liability is assumed as to the sufficiency or accuracy of the data delineated herein.

Storey County is an equal opportunity provider.

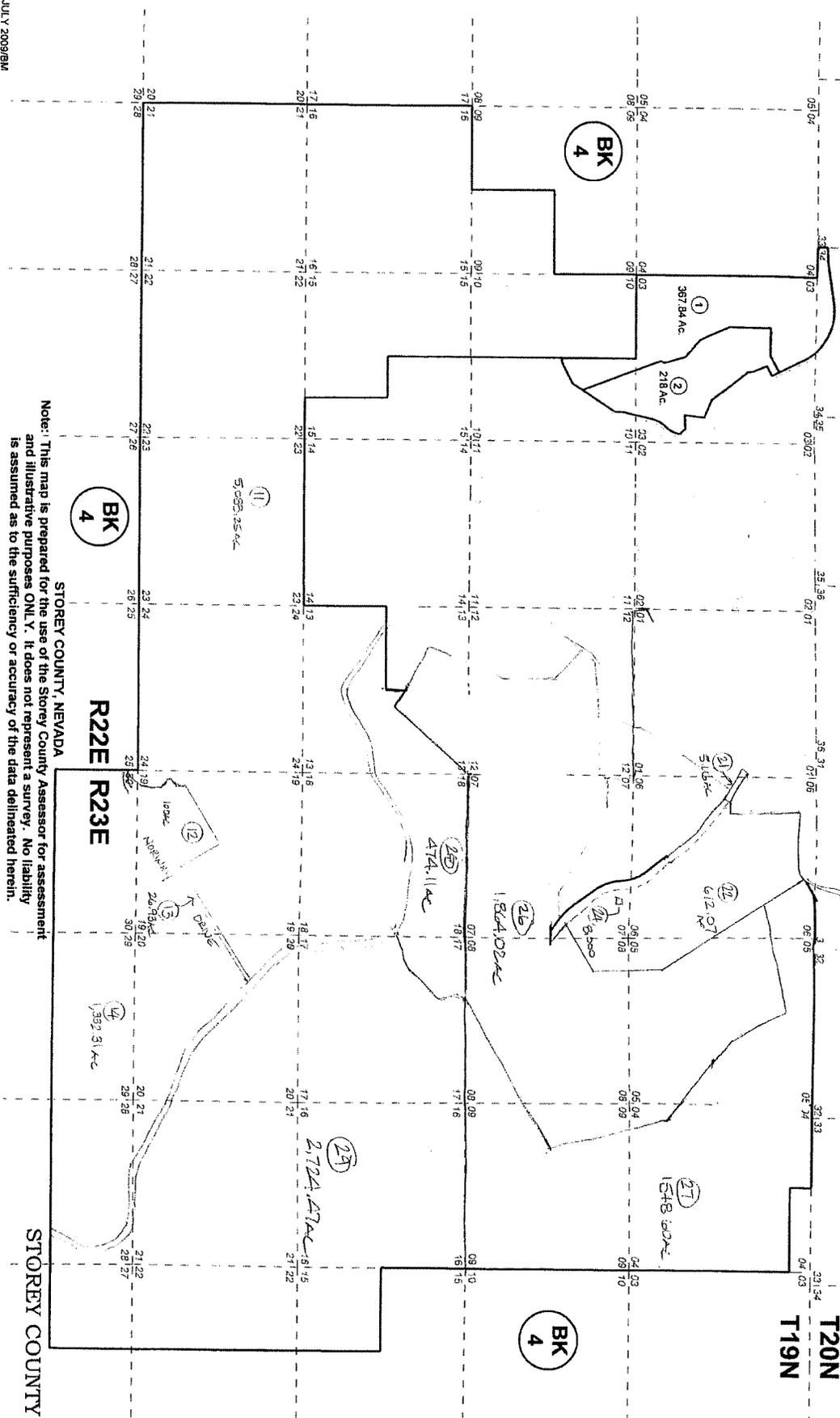
STOREY COUNTY



Ptn. Sec. 31, T20N, R23E; Ptn. Sec. 34, T20N, R22E  
Ptn. Sec. 3, 9, 10, 13, 15, & All of Sec. 16, 21-24, T19N, R22E  
Ptn. Sec. 4, 6, 7, 15, 22, 27-30, & All of Sec. 5, 8, 9, 16-21, T19N, R23E  
M.D.B.&M.

R22E R23E

T20N  
T19N

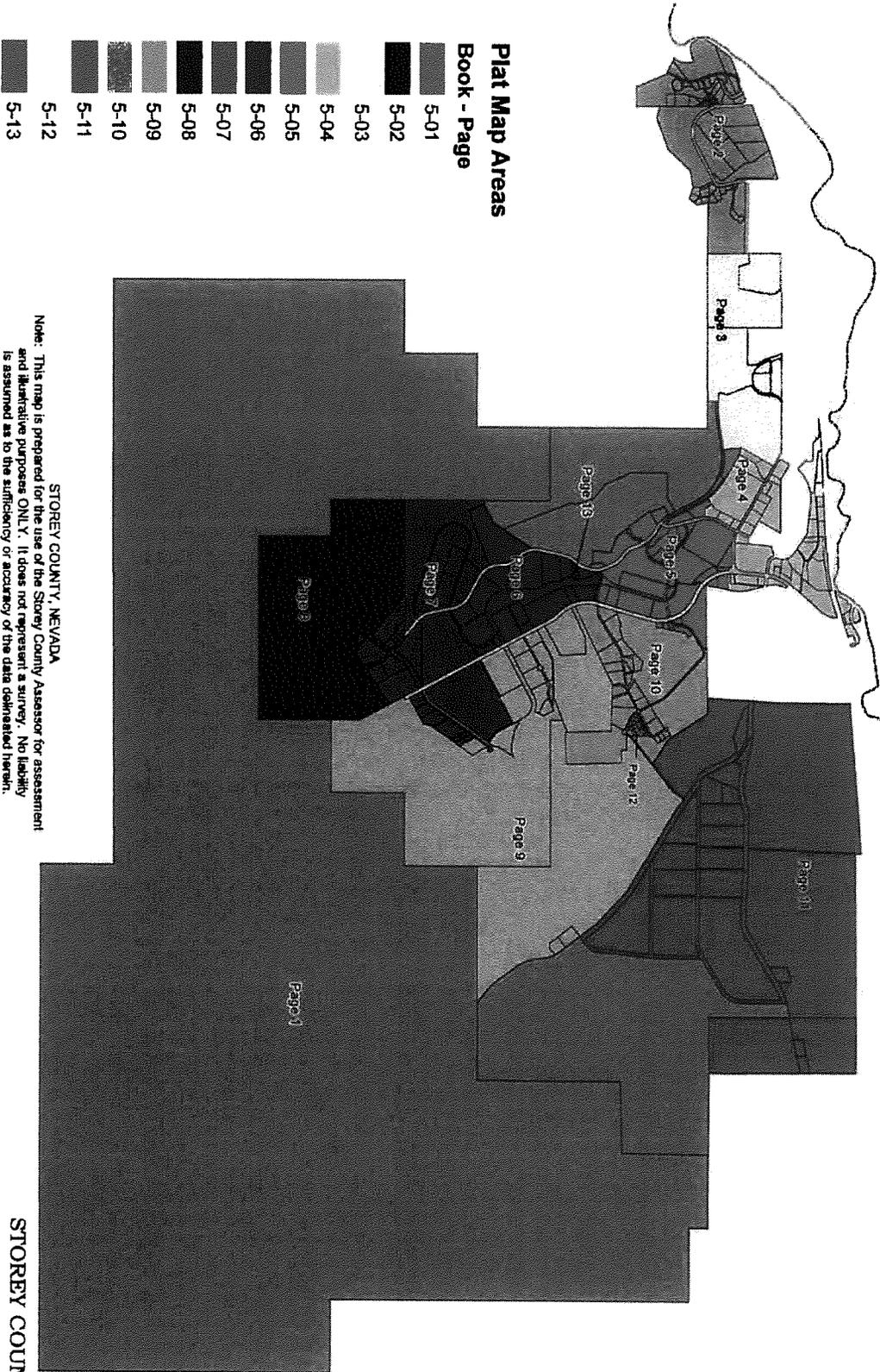


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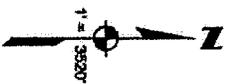
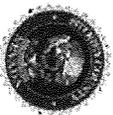
# BOOK 5 OVERVIEW



Note: This map is prepared for the use of the Storey County Assessor for assessment and illustrative purposes ONLY. It does not represent a survey. No liability is assumed as to the sufficiency or accuracy of the data delineated herein.

STOREY COUNTY, NEVADA  
Storey County is an equal opportunity provider.

STOREY COUNTY





# STOREY COUNTY NEVADA

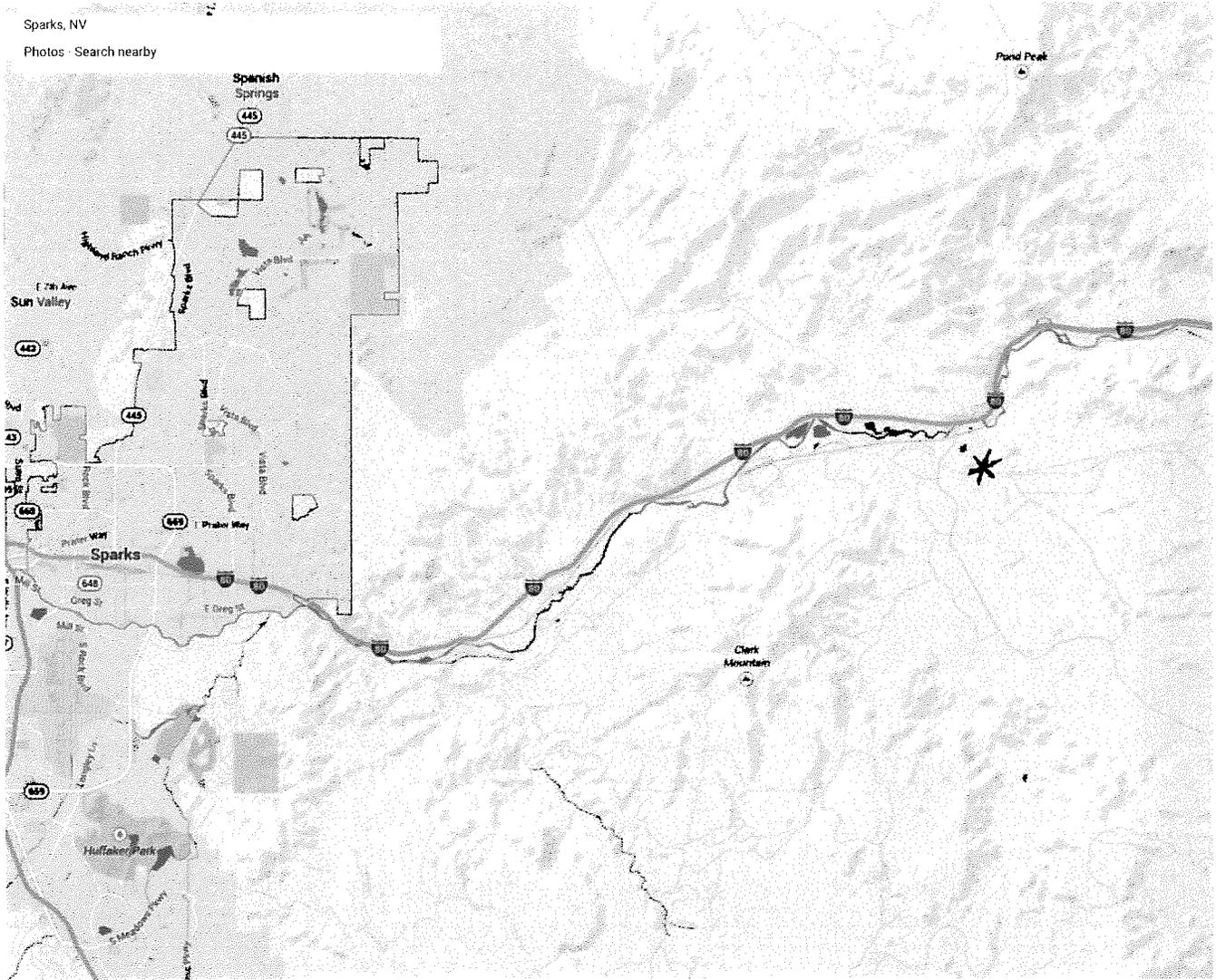


[Assessor Home](#)
[Personal Property](#)
[Sales Data](#)
[Secured Tax Inquiry](#)
[Recorder Search](#)

### Parcel Detail for Parcel # 005-011-22

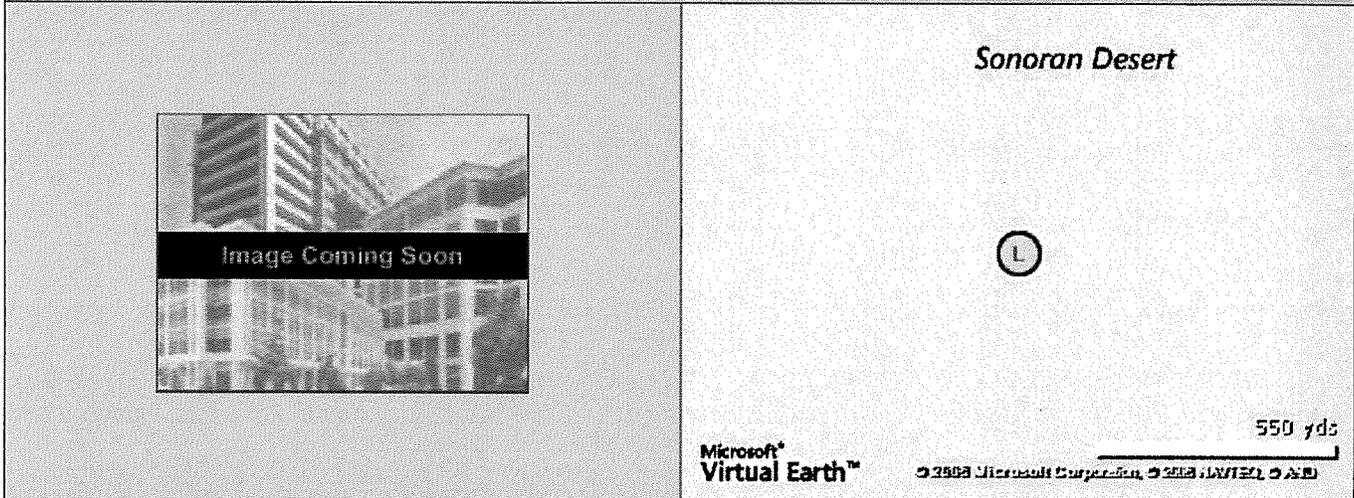
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[Back to Search List](#)



# Comps Detail Sheet

**I-8 - R-190 Zoned Acreage** **SOLD**  
 Gila Bend, AZ 85337  
 Sale on 12/4/2014 for \$5,774,179 (\$0.07/SF) - Research Complete  
 Residential Land of 1,920 AC (83,635,200 SF)



**Buyer & Seller Contact Info**

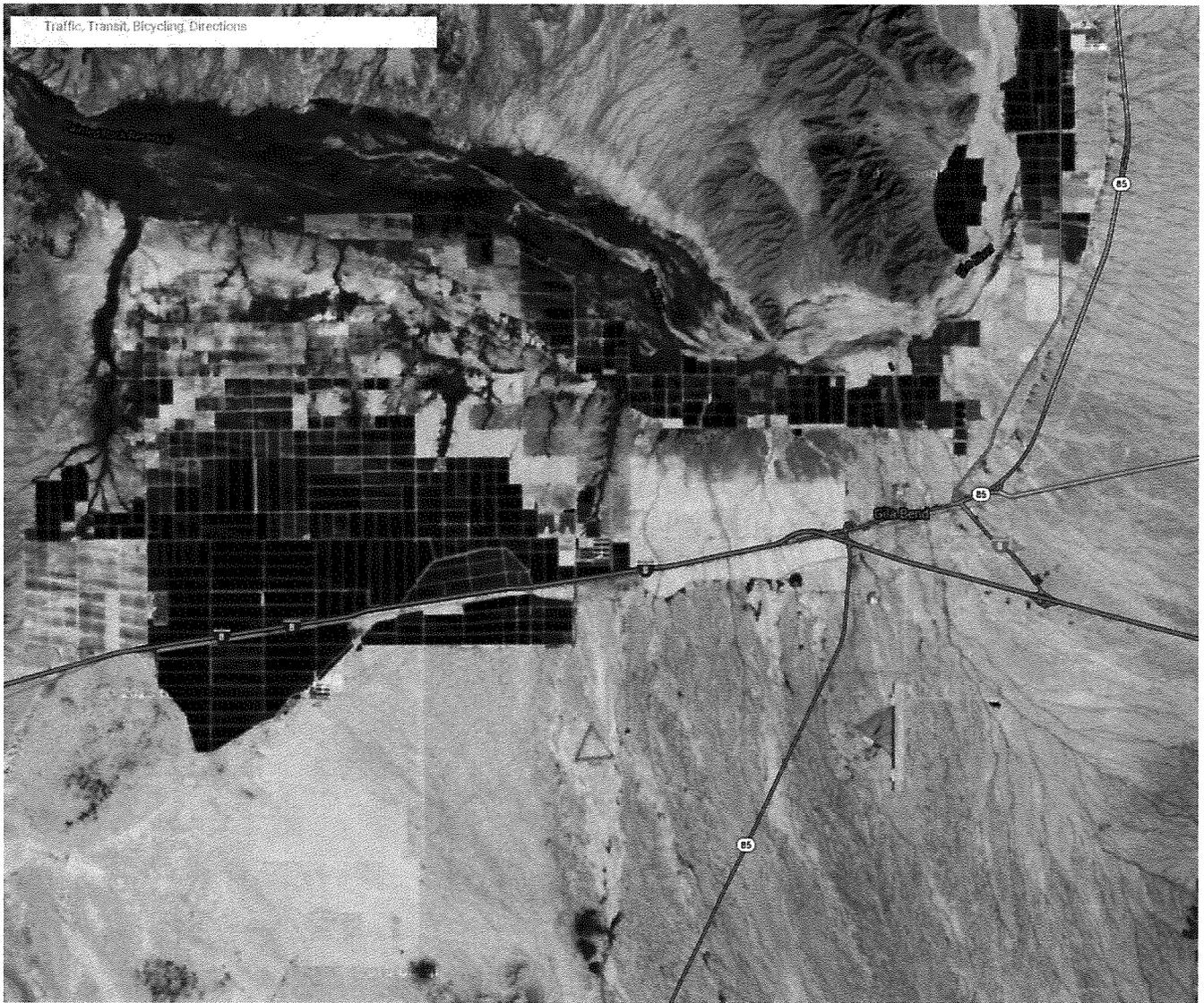
<p>Recorded Buyer: <b>Hettinga Revocable Trust</b>                  True Buyer: <b>Hein &amp; Ellen M Hettinga</b>  <b>Hein Hettinga</b>                  PO Box 51630                  Irvine, CA 92619                  (909) 606-6455</p> <p>Buyer Type: <b>Individual</b></p>	<p>Recorded Seller: <b>Sisson North LLC</b>                  True Seller: <b>Dobson Family Farms Inc</b>  <b>Dwayne Dobson</b>                  1100 W Queen Creek Rd                  Chandler, AZ 85248                  (480) 963-0330</p> <p>Seller Type: <b>Individual</b></p>
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**Transaction Details** ID: 3180875

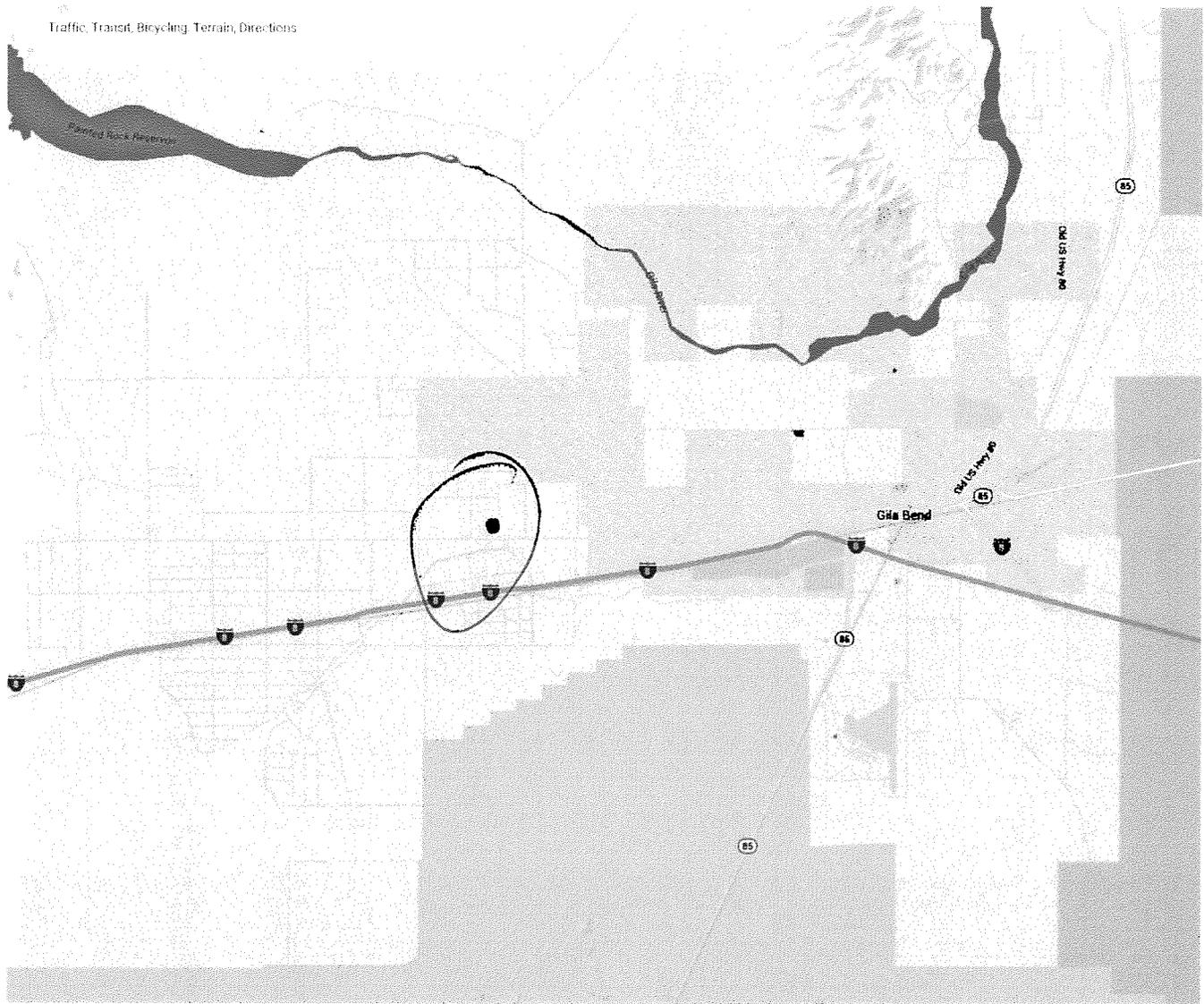
<p>Sale Date: <b>12/04/2014</b>                  Escrow Length: <b>-</b>                  Sale Price: <b>\$5,774,179-Affidavit</b>                  Price/SF Land Gross: <b>\$0.07 (\$3,007.38/AC)</b></p> <p>Zoning: <b>R-190</b></p> <p>Financing: <b>Down payment of \$5,774,179.00 (100.0%)</b></p> <p>Topography: <b>Level</b>                  On-Site Improv: <b>Raw land</b></p> <p>Legal Desc: <b>Par 1 sec 13 T5S R7W</b>                  Parcel No: <b>403-18-021, 403-19-010, 403-19-011</b>                  Document No: <b>0799283</b></p>	<p>Sale Type: <b>Investment</b>                  Land Area: <b>1,920 AC (83,635,200 SF)</b>                  Proposed Use: <b>Hold for Investment</b></p> <p>Percent Improved: <b>-</b>                  Total Value Assessed: <b>\$347,000 in 2013</b>                  Improved Value Assessed: <b>-</b>                  Land Value Assessed: <b>\$347,000</b>                  Land Assessed/SF: <b>\$0.00</b></p>
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# Comps Detail Sheet

<b>I-8 - R-190 Zoned Acreage</b>		<b>SOLD</b>
Residential Land of 1,920 AC (83,635,200 SF) (con't)		
Current Land Information		ID: 9556444
Zoning: <b>R-190</b>	Proposed Use: <b>Hold for Investment</b>	
Density Allowed: -	Land Area: <b>83,635,200 SF (1,920 AC)</b>	
Number of Lots: -	On-Site Improv: <b>Raw land</b>	
Max # of Units: -	Lot Dimensions: -	
Units per Acre: -	Owner Type: <b>Individual</b>	
Improvements: -		
Topography: <b>Level</b>		
Location Information		
Located: <b>NE of I-8 &amp; Painted Rock Rd</b>		
Metro Market: <b>Phoenix</b>		
Submarket: <b>Southwest Outlying/Southwest Outlying</b>		
County: <b>Maricopa</b>		
CBSA: <b>Phoenix-Mesa-Glendale, AZ</b>		
DMA: <b>Phoenix, AZ</b>		

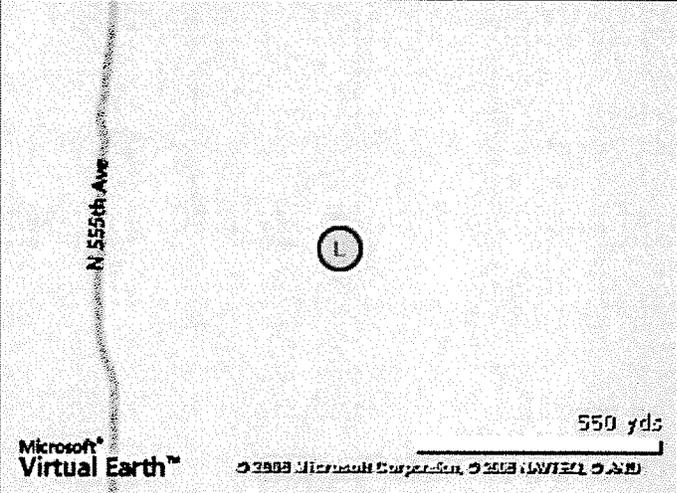


Imagery ©2015 TerraMetrics. Map data ©2015 Google 2 mi



# Comps Detail Sheet

**SE I-10 & 563rd Ave - former Allegheny Energy Supply** **SOLD**  
**Maricopa County, AZ 85326**  
 Sale on 1/9/2015 for \$10,000,000 (\$0.10/SF) - Research Complete  
 Residential Land of 2,415 AC (105,197,400 SF)



**Buyer & Seller Contact Info**

<p>Recorded Buyer: <b>Waydon Farms LLC</b></p> <p>True Buyer: <b>William K. Perry Farms</b>  <b>William Perry</b>                  14301 N 87th St                  Scottsdale, AZ 85260                  (480) 951-7702</p> <p>Buyer Type: <b>Developer/Owner-RGNL</b></p> <p>Buyer Broker: <b>Southwest Land Associates</b>  <b>Luke Schlosser</b>                  (623) 882-8880</p>	<p>Recorded Seller: <b>Allegheny Energy Supply Company, LLC</b></p> <p>True Seller: <b>FirstEnergy Corp.</b>  <b>Ketan Patel</b>                  76 S Main St                  Akron, OH 44308                  (330) 384-5500</p> <p>Seller Type: <b>Corporate/User</b></p> <p>Listing Broker: <b>Nathan &amp; Associates, Inc.</b>  <b>Nate Nathan</b>                  (480) 367-0700  <b>Courtney Buck</b>                  (480) 367-0700</p>
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**Transaction Details** ID: 3205490

<p>Sale Date: <b>01/09/2015 (3,646 days on market)</b></p> <p>Escrow Length: <b>90 days</b></p> <p>Sale Price: <b>\$10,000,000-Confirmed</b></p> <p>Asking Price: <b>14997150</b></p> <p>Price/SF Land Gross: <b>\$0.10 (\$4,140.79/AC)</b></p> <p>Zoning: <b>R-43 / R-190, County</b></p> <p>Lot Dimensions: <b>Irregular</b></p> <p>Financing: <b>\$7,524,000.00 from Wells Fargo Financial National Bank</b></p> <p>Topography: <b>Level</b></p> <p>On-Site Improv: <b>Raw land</b></p> <p>Legal Desc: <b>Par E1/2 Sec 6 T1N R9W Gila and Salt River B &amp; M</b></p>	<p>Sale Type: <b>Investment</b></p> <p>Land Area: <b>2,415 AC (105,197,400 SF)</b></p> <p>Land Area - Net: <b>1,900 AC (82,764,000 SF)</b></p> <p>Proposed Use: <b>Hold for Investment</b></p> <p>Percent Improved: <b>6.1%</b></p> <p>Total Value Assessed: <b>\$1,546,603 in 2014</b></p> <p>Improved Value Assessed: <b>\$94,900</b></p> <p>Land Value Assessed: <b>\$1,451,703</b></p> <p>Land Assessed/SF: <b>\$0.00</b></p>
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## Comps Detail Sheet

### SE I-10 & 563rd Ave - former Allegheny Energy Supply

**SOLD**

Residential Land of 2,415 AC (105,197,400 SF) (con't)

Parcel No: **506-25-001B, 506-25-001C, 506-25-009A, 506-25-014, 506-25-015E, 506-27-011, 506-27-010, 506-22-032, 506-22-027, 506-24-013**  
 Document No: **0014552**  
 Sale History: **Sold for \$10,000,000 on 1/9/2015**  
**Sold for \$9,090,100 on 3/19/2001**

#### Transaction Notes

A total of 2,415 acres of land sold for a confirmed price of \$10 million, or \$4,140 per gross acre. About 1,800 to 1,900 acres is farmable

The property had been acquired by Allegheny Energy in 2001 as part of the construction of a 1,080-megawatt energy plant. The project was cancelled in 2002 and brought to market within a few years of that. (Allegheny Energy merged with FirstEnergy in 2011.)

The land will be used as agricultural land, which it had been before the 2001 sale. Reportedly, no notable site work had been done by the seller for the power plant. The site is irrigated by pumped well water, which the buyer will need to re-open. All future site work for the agricultural reuse is at buyer's expense.

The deal was described as straightforward, in escrow 60-90 days.

#### Current Land Information

ID: 6467900

Zoning:	<b>R-43 / R-190, County</b>	Proposed Use:	<b>Hold for Investment</b>
Density Allowed:	-	Land Area:	<b>105,197,400 SF (2,415 AC)</b>
Number of Lots:	-	Land Area - Net:	<b>82,764,000 SF</b>
Max # of Units:	-	On-Site Improv:	<b>Raw land</b>
Units per Acre:	-	Lot Dimensions:	<b>Irregular</b>
Improvements:	-	Owner Type:	<b>Developer/Owner-RGNL</b>
Topography:	<b>Level</b>		

#### Location Information

Metro Market: **Phoenix**  
 Submarket: **Southwest Outlying/Southwest Outlying**  
 County: **Maricopa**  
 CBSA: **Phoenix-Mesa-Glendale, AZ**  
 DMA: **Phoenix, AZ**

**Comps Detail Sheet**

**SE I-10 & 563rd Ave - former Allegheny Energy Supply**

**SOLD**

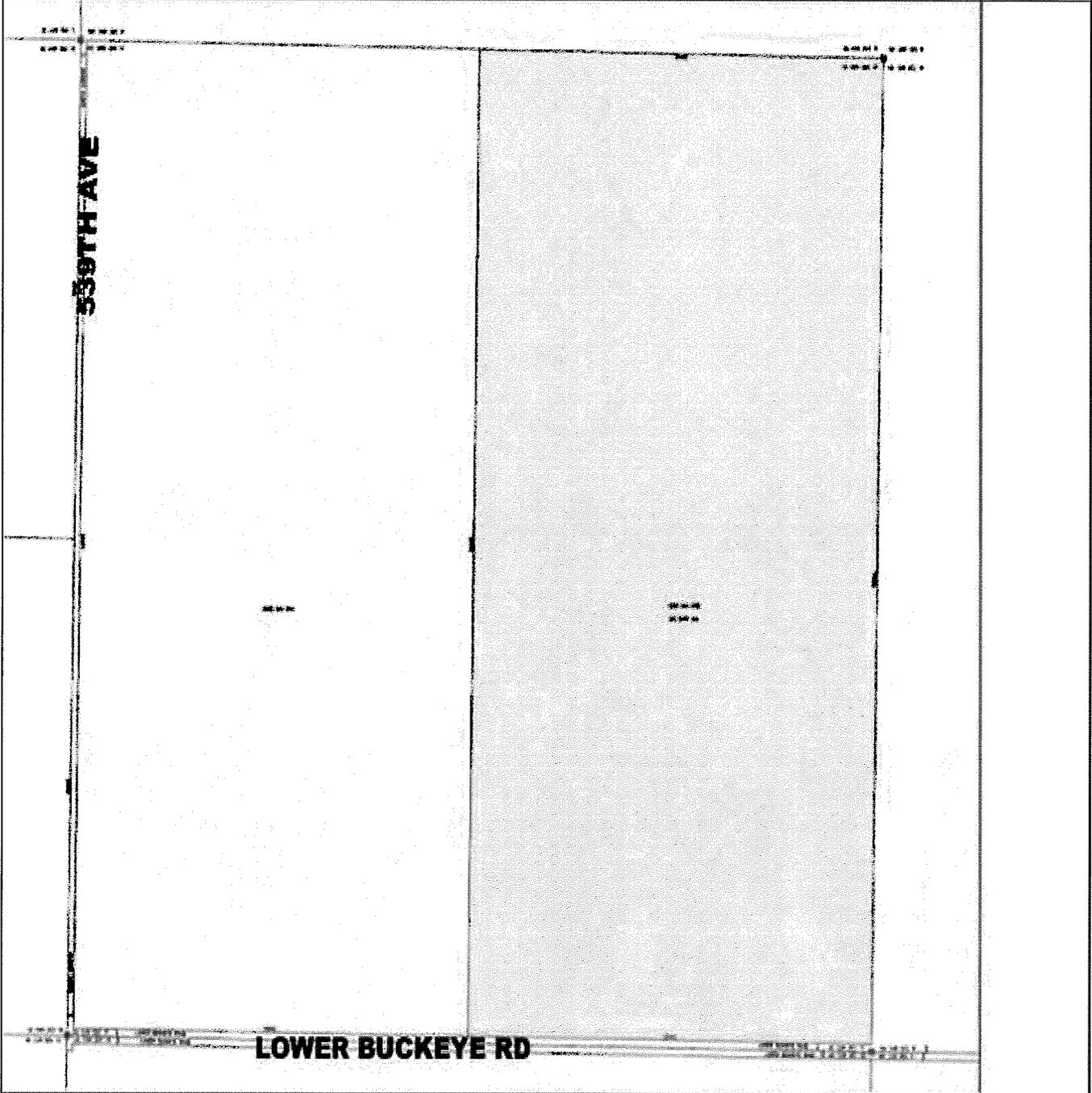
Residential Land of 2,415 AC (105,197,400 SF) (con't)

Parcel Number: **506-25-001B, 506-25-001C, 506-25-009A, 506-25-014, 506-25-015E, 506-27-011, 506-27-010, 506-22-032, 506-22-027, 506-24-013**

Legal Description: -

County: **Maricopa**

**Plat Map: SE I-10 & 563rd Ave**



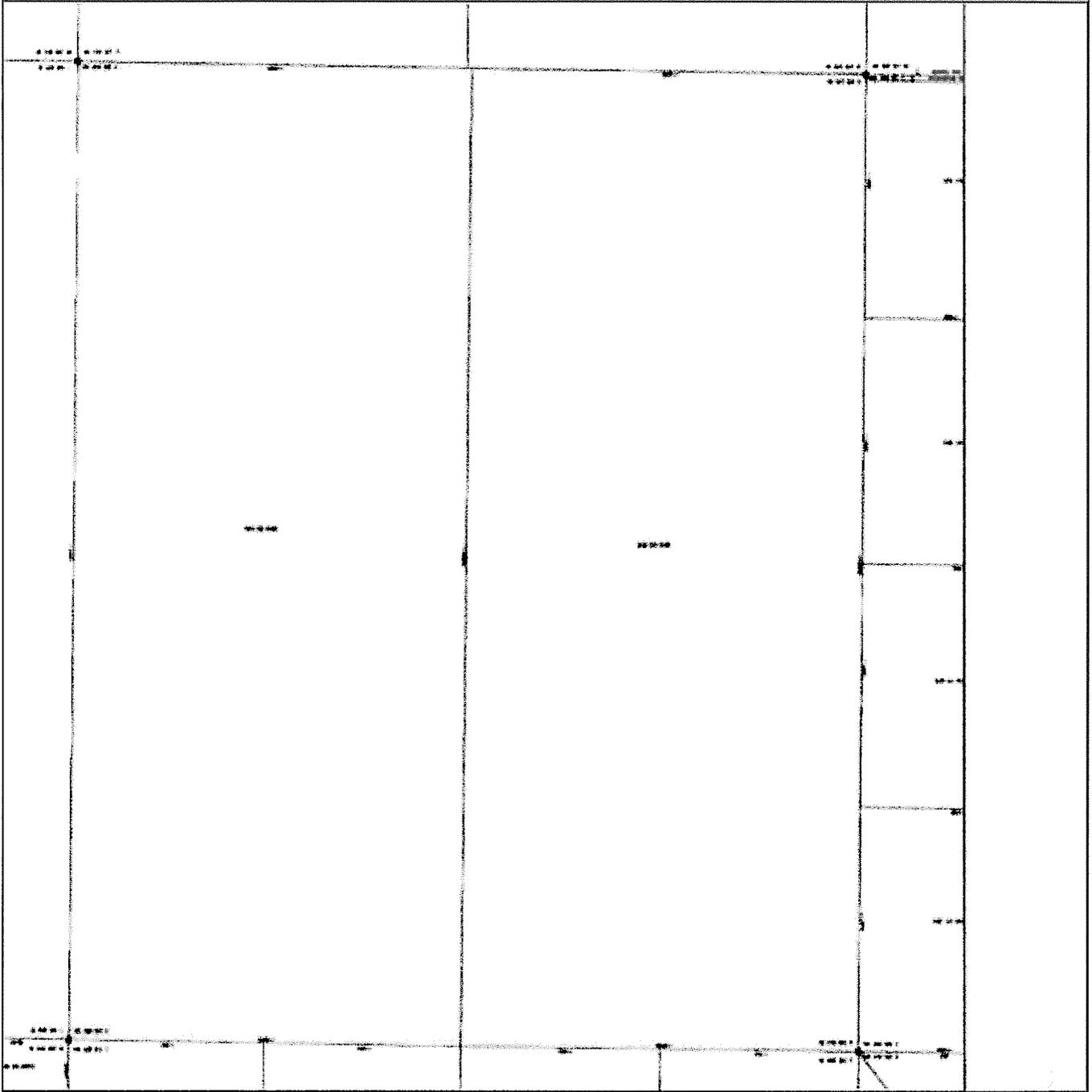
# Comps Detail Sheet

SE I-10 & 563rd Ave - former Allegheny Energy Supply

SOLD

Residential Land of 2,415 AC (105,197,400 SF) (con't)

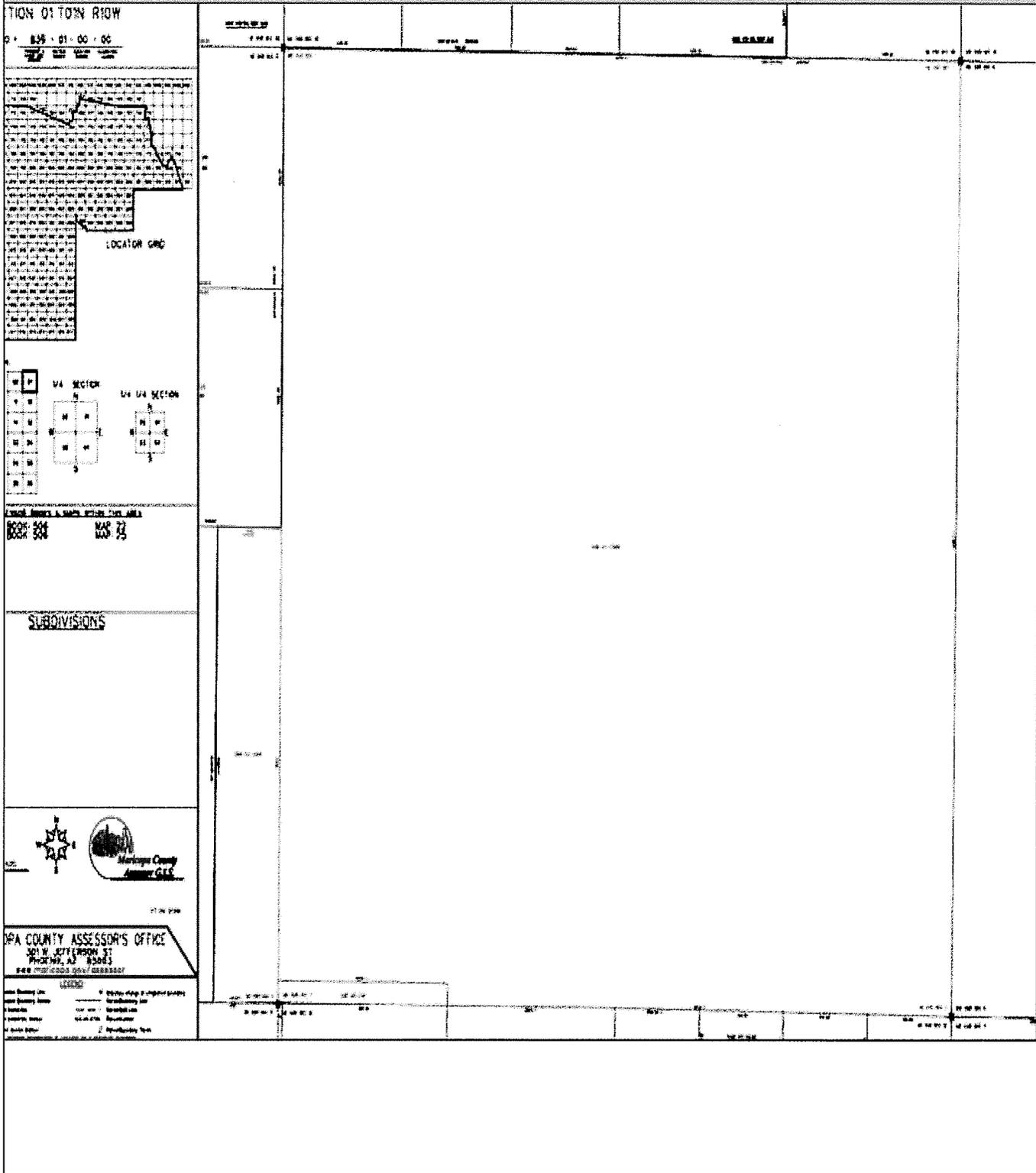
Plat Map: SE I-10 & 563rd Ave



# Comps Detail Sheet

**SE I-10 & 563rd Ave - former Allegheny Energy Supply** **SOLD**  
 Residential Land of 2,415 AC (105,197,400 SF) (con't)

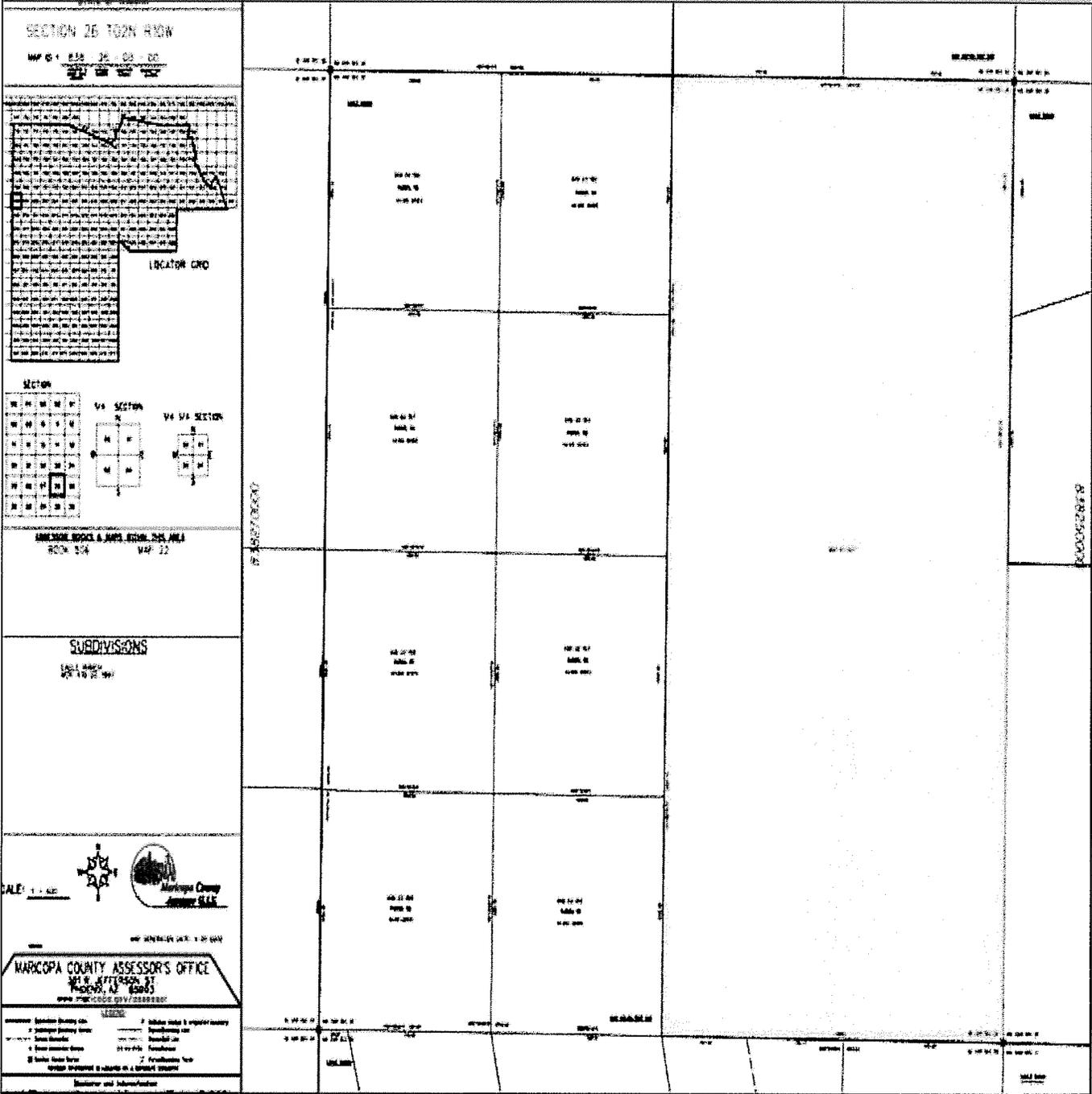
**Plat Map: SE I-10 & 563rd Ave**



**Comps Detail Sheet**

**SE I-10 & 563rd Ave - former Allegheny Energy Supply** **SOLD**  
 Residential Land of 2,415 AC (105,197,400 SF) (con't)

Plat Map: SE I-10 & 563rd Ave



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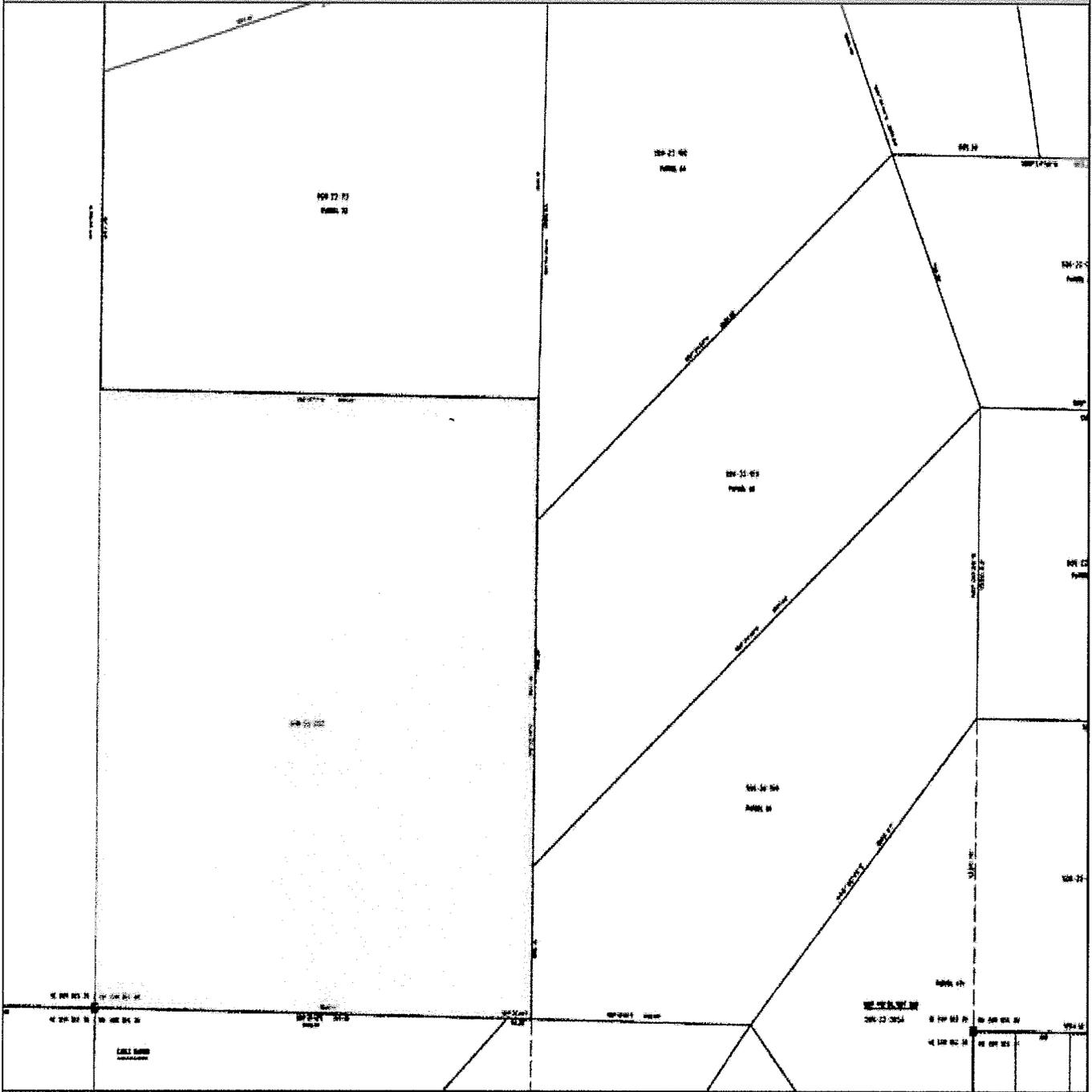
# Comps Detail Sheet

## SE I-10 & 563rd Ave - former Allegheny Energy Supply

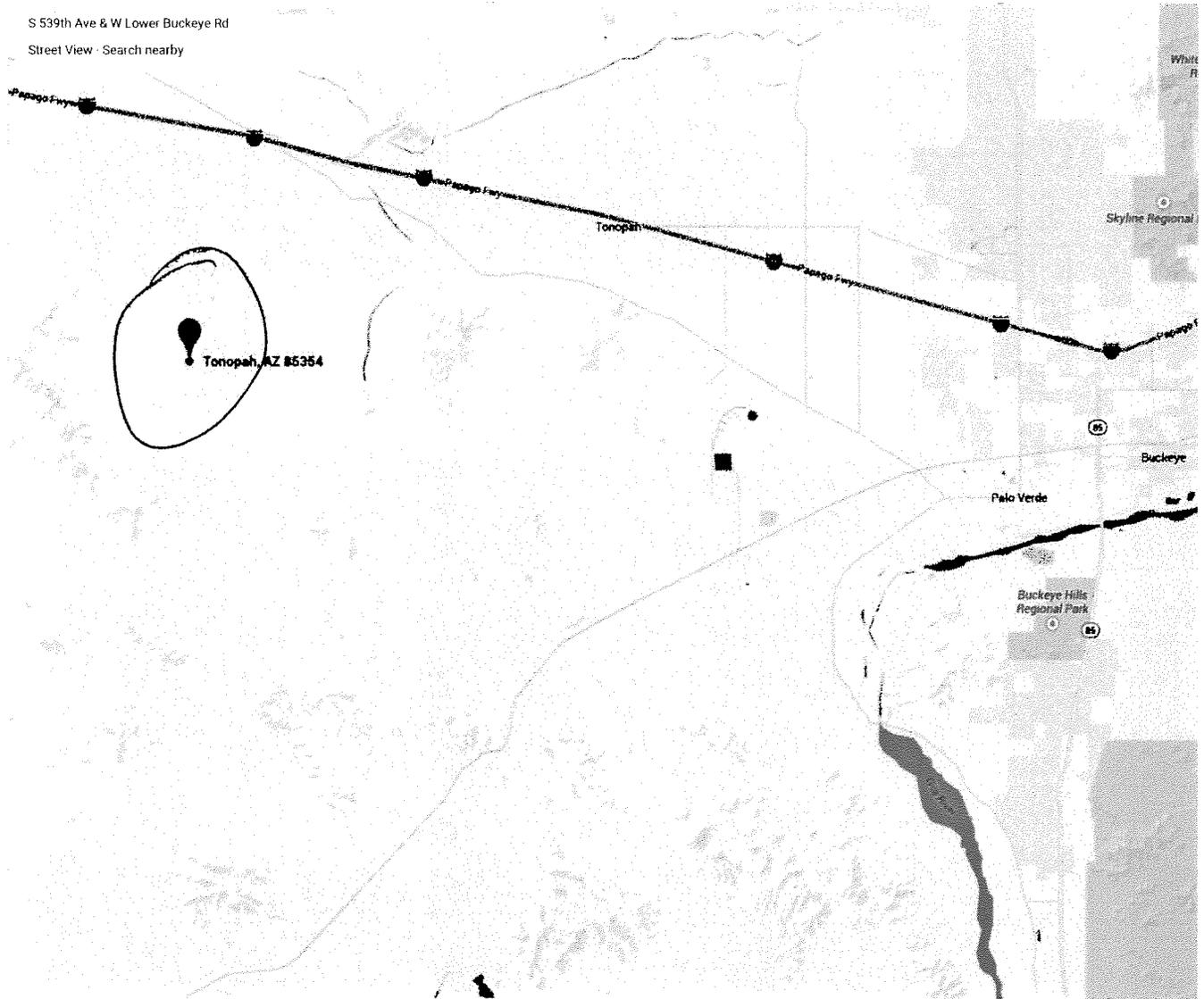
**SOLD**

Residential Land of 2,415 AC (105,197,400 SF) (con't)

### Plat Map: SE I-10 & 563rd Ave









# **BLM Solar Energy Ground Lease Policy**

U.S. DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

Print Page

UNITED STATES DEPARTMENT OF THE INTERIOR  
 BUREAU OF LAND MANAGEMENT  
 WASHINGTON, D.C. 20240  
<http://www.blm.gov>  
 June 10, 2010

In Reply Refer To:  
 2800 (350) P

EMS TRANSMISSION 06/10/2010  
 Instruction Memorandum No. 2010-141  
 Expires: 09/30/2011

To: All Field Officials  
 From: Director  
 Subject: Solar Energy Interim Rental Policy

**Program Area:** Right-of-Way Management, Solar Energy

**Purpose:** This Instruction Memorandum (IM) provides updated guidance on the rental provisions of right-of-way authorizations for solar energy projects on public lands administered by the Bureau of Land Management (BLM).

**Policy/Action:** Applications for solar energy projects are processed as right-of-way authorizations under Title V of the Federal Land Policy and Management Act (FLPMA) and require the payment of rent in accordance with the requirements of Section 504(g) of FLPMA and the provisions of 43 CFR 2806. This IM establishes an Interim Policy for a solar energy rental schedule for solar energy right-of-way authorizations and replaces the rental provisions of the Solar Energy Development Policy (IM 2007-097) issued April 4, 2007. This Interim Policy will remain in effect until updated by further guidance. Issuance of this IM ensures BLM-wide consistency for solar energy right-of-way rental fees.

**Rental Fees**

The BLM will calculate rents on all solar energy right-of-way authorizations in accordance with this IM and the provisions of 43 CFR 2806. Some holders or facilities may be exempt from rent pursuant to the Rural Electrification Act of 1936 (REA), as amended (43 CFR 2806.14(d)). Electric facilities that are financed or are eligible for REA financing, qualify for a rent exemption under the provisions of the Act.

The holder of a solar energy right-of-way authorization must pay an annual rent in conformance with the regulations (43 CFR 2806.10(a)). Consistent with 43 CFR 2806.50, the BLM has developed a schedule to calculate rental fees for solar energy right-of-way authorizations. This rental schedule includes a base rent for the acreage of public land included within the solar energy right-of-way authorization and an additional megawatt (MW) capacity fee based on the total authorized MW capacity for the approved solar energy project on the public land administered by the BLM.

As set forth below, the rental schedule for solar right-of-way authorizations will consist of two components: (1) a base rent to be paid upon issuance of the authorization, and (2) a MW capacity fee that will be implemented over a 5-year period once the facility begins generating electricity.

**Base Rent**

The BLM will calculate and bill the applicant a base rent to be paid upon the date of issuance of the right-of-way authorization consistent with the provisions of 43 CFR 2806.11. As calculated in conformance with the county rates set forth below, the base rent is a per-acre fee that will be charged, regardless of the stage of development or operations, on the entire public land acreage described in the right-of-way authorization.

The base rent will be paid on an annual basis, with no phase-in period. However, the BLM State Director may approve a rental payment plan for the first annual payment, consistent with the provisions of 43 CFR 2806.15(c). This payment plan for the first base rent payment is in response to the unique financing arrangements for some solar projects.

The BLM published regulations in 2008 that used land values published by the National Agricultural Statistics Service (NASS) to establish rental fees for linear right-of-way facilities on the public lands. Per-acre rental fees were established for every county in the U.S. based on the published NASS land values. The per-acre rental fees vary from county to county based on the different rural/agricultural land values in each county. The BLM used a 50 percent encumbrance factor of the land for linear types of rights-of-way to determine the annual rental fee. The BLM will use the same NASS data to establish the base rent for solar energy right-of-way authorizations; however, a 100 percent encumbrance factor will be used to reflect the high density land use common to solar energy projects. The encumbrance factor is a measure of the degree that a particular type of facility encumbers a right-of-way area or excludes other types of land uses. The 100 percent encumbrance factor for solar energy projects reflects the fact that a solar energy project is encumbering the entire right-of-way area to the exclusion of all other uses.

The BLM will adjust base rents for states and counties that are used for solar energy authorizations each year, based on the Implicit Price Deflator-Gross Domestic Product (IPD-GDP) Index. The IPD-GDP index is also used to adjust the linear right-of-way rental fee each year (43 CFR 2806.22(a)). The BLM also periodically updates the schedule of county land values as new NASS data is published. The following is a list of the current calendar year (CY) 2010 solar energy base rental fee rates by state and county:

Arizona	CY 2010 Base Rent Fees
La Paz County	\$ 62.78 per acre
Maricopa County	\$188.34 per acre
Mohave County	\$ 31.38 per acre
Pima County	\$ 15.70 per acre
Yuma County	\$313.88 per acre
Other counties	Double the linear right-of-way rental fee
California	CY 2010 Base Rent Fees
Imperial County	\$188.34 per acre
Kern County	\$ 94.16 per acre
Riverside County	\$313.88 per acre
San Bernardino County	\$125.56 per acre
Other counties	Double the linear right-of-way rental fee
Colorado	CY 2010 Base Rent Fees
Alamosa County	\$ 62.78 per acre
Conejos County	\$ 62.78 per acre
Saguache County	\$ 62.78 per acre
Other counties	Double the linear right-of-way rental fee
Nevada	CY 2010 Base Rent Fees

Clark County	\$188.34 per acre
Esmeralda County	\$ 62.78 per acre
Lincoln County	\$ 62.78 per acre
Mineral County	\$ 15.70 per acre
Nye County	\$ 62.78 per acre
Other counties	Double the linear right-of-way rental fee
New Mexico	CY 2010 Base Rent Fees
Dona Ana County	\$ 94.16 per acre
Hidalgo County	\$ 15.70 per acre
Luna County	\$ 15.70 per acre
Other counties	Double the linear right-of-way rental fee
Utah	CY 2010 Base Rent Fees
Beaver County	\$125.56 per acre
Iron County	\$ 62.78 per acre
Millard County	\$ 62.78 per acre
Other counties	Double the linear right-of-way rental fee

As an example, the base rent for a 4,000 acre solar energy right-of-way authorization in Clark County, Nevada, would be \$753,360 per year (4,000 acres x \$188.34 per acre).

**Megawatt Capacity Fee**

The BLM will charge a MW capacity fee in addition to the base rent for each solar energy right-of-way authorization. The MW capacity fee captures the increased industrial use value of the authorization, above the limited rural/agricultural land value captured by the base rent. The MW capacity fee will be calculated based on the total authorized MW capacity approved by the BLM authorized officer for the project, or an approved phase of development. This capacity fee will be charged on an annual basis upon the start of generation of electricity from the facility.

To allow for a reasonable and diligent testing and operational period, the BLM will provide for a 5-year implementation of the MW capacity fee after the start of generation operations (at the rates of 20 percent the first year, 40 percent the second year, 60 percent the third year, 80 percent the fourth year, and 100 percent the fifth and subsequent years of operations). If generation of electricity starts from Phase 1 of a project, the MW capacity fee will be charged for the authorized MW capacity approved for Phase 1 only. The MW capacity fee for subsequent phases of development will start at the time that generation of electricity begins for the subsequent phases of development. The 5-year implementation of the MW capacity fee will apply to each phase of development after the start of generation operations from each phase. In moving from one phase of a project to the next phase, only incremental (newly added) capacity will be subject to the phase-in of the capacity fee. The phase-in does not apply to capacity previously installed.

Some solar energy development projects may include separate right-of-way authorizations issued for support facilities only (administration building, groundwater wells, construction lay down and staging areas, surface water management and control structures, etc.). The rental fee for these right-of-way authorizations would only use the base rent and not a MW capacity fee. Any separate right-of-way authorizations issued for linear right-of-way facilities (pipelines, roads, power lines, etc.) would use the rental fees established for linear rights-of-way (43 CFR 2806.20).

The MW capacity fee established by this IM is: \$5,256 per MW for photovoltaic (PV) solar projects; \$6,570 per MW for concentrated PV and concentrated solar power (parabolic trough, power tower and solar dish/engine) projects without storage capacity; and \$7,884 per MW for concentrated solar power projects with storage capacity of 3 hours or more. The difference in the MW capacity fee for PV solar projects, concentrated PV, and concentrated solar power projects is dependent on the differences in the efficiency or capacity factor of each technology. These technologies include PV technologies (20 percent efficiency factor), concentrated PV and concentrated solar power without storage capacity (25 percent efficiency factor), and concentrated solar power technologies with storage capacity of 3 hours or more (30 percent efficiency factor). The BLM will periodically review the efficiency factors for the various solar technologies and update the MW capacity fee to reflect improvements in technology.

The MW capacity fee is calculated using a formula that includes an average electricity price of \$0.06 per kilowatt hour and an average Federal bond yield of 5.0 percent. The Federal bond yield reflects the rate of return the public would expect for the use of Federal resources. The Federal bond yield is based on the 10-year average of the 20-year Treasury bond yield (as of March 2010). The formula for the MW capacity fee is as follows:

Photovoltaic: The MW capacity fee is \$5,256 per year, calculated as (authorized capacity on public land in MWs) x (8,760 hours per year) x (20 percent capacity factor) x (5.0 percent Federal bond yield) x (\$0.06 average price per kilowatt hour) x (1,000 kilowatts per MW) = \$5,256 per year for each MW of capacity.

Concentrated PV and concentrated solar power without storage: The MW capacity fee is \$6,570 per year, calculated as (authorized capacity on public land in MWs) x (8,760 hours per year) x (25 percent capacity factor) x (5.0 percent Federal bond yield) x (\$0.06 average price per kilowatt hour) x (1,000 kilowatts per MW) = \$6,570 per year for each MW of capacity.

Concentrated solar power with storage capacity of 3 hours or more: The MW capacity fee is \$7,884 per year, calculated as (authorized capacity on public land in MWs) x (8,760 hours per year) x (30 percent capacity factor) x (5.0 percent Federal bond yield) x (\$0.06 average price per kilowatt hour) x (1,000 kilowatts per MW) = \$7,884 per year for each MW of capacity.

As an example, the MW capacity fee for a 400-MW photovoltaic solar energy right-of-way authorization would be \$2,102,400 per year (400 MW x \$5,256 per MW), implemented over a 5-year period after start of generation. The MW capacity fee for a 400-MW concentrated PV or concentrated solar power right-of-way authorization without storage capacity would be \$2,628,000 per year (400 MW x \$6,570 per MW), implemented over a 5-year period after start of generation. The MW capacity fee for a 400-MW concentrated solar power right-of-way authorization with storage capacity of 3 hours would be \$3,153,600 per year (400 MW x \$7,884 per MW), implemented over a 5-year period after start of generation.

The payment of the MW capacity fee is in addition to the annual base rent for the acreage of the right-of-way authorization. The full base rent would be paid upon the date of issuance of the right-of-way authorization, and the MW capacity fee would be implemented over a 5-year period after the start of electricity generation from the facility.

**Rent Language in Authorization**

The BLM has included standard terms in right-of-way grants to provide for adjustments to both the base rent and the MW capacity fee when necessary to reflect changes in the fair market value of right-of-way authorizations. The following revised standard language will be included in all solar energy right-of-way authorizations to additionally provide for rent adjustments consistent with regulatory changes or provisions of new or revised statutory authorities:

"For and in consideration of the rights granted, the holder agrees to pay the Bureau of Land Management fair market value rental, which includes both base rent and a megawatt capacity fee, as determined by the authorized officer unless specifically exempted from such payment by regulation. Provided, however, that the rental may be adjusted by the authorized officer, whenever necessary, to reflect changes in the fair market rental value as determined by the application of sound business management principles, and as far as practicable and feasible, in accordance with comparable commercial practices. The rental provisions of this authorization may also be modified consistent with the provisions of any regulatory changes or pursuant to the provisions of any new or revised statutory authorities."

**Timeframe:** This policy is effective immediately. Pending solar energy right-of-way applications will be processed consistent with the provisions of this IM. The rental policy will periodically be reviewed to ensure that the base rent and MW capacity fee represent a fair return to the public.

**Budget Impact:** The application of this policy will have minimal budget impact. The processing of solar energy right-of-way applications are subject to the cost recovery provisions of the regulations (43 CFR 2804.14).

**Background:** As part of an overall strategy to develop a diverse portfolio of domestic energy supplies for our future, the Energy Policy Act of 2005 (Public Law 109-58, August 8, 2005) encourages the development of renewable energy resources on the public lands, including solar energy. Section 211 of the Energy Policy Act encourages the approval of at least 10,000 MW of non-hydropower renewable energy projects on the public lands by 2015. Secretarial Order 3285, signed by the Secretary on March 11, 2009, established the development of renewable energy as a priority of the Department of the Interior.

There is significant potential for the development of solar energy on the public lands in the southwestern states. The BLM has identified some 23 million acres of public lands with utility-scale solar energy potential and over 200 right-of-way applications have been submitted to the BLM for processing. As the cost of producing solar energy declines and as additional transmission capacity is developed, there will be an even greater interest in locating utility-scale solar energy projects on the public lands. This policy IM is necessary to ensure BLM-wide consistency in calculating rental fees for solar energy right-of-way authorizations on the public lands.

**Manual/Handbook Sections Affected:** This IM transmits interim policy that will be incorporated into BLM Manual 2801, Right-of-Way Management, and Handbook H-2801-1 during the next revision.

**Coordination:** The BLM State Offices reviewed and provided input to this policy prior to its finalization.

**Contact:** Please direct any questions concerning the content of this IM to Mike Nedd or your staff may contact Ray Brady, Renewable Energy Policy Team, at 202-912-7312, or ray\_brady@blm.gov.

Signed by:  
Robert V. Abbey  
Director

Authenticated by:  
Robert M. Williams  
Division of IRM Governance,WO-560

Last updated: 06-10-2010

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**Solar 2010 – 2015 Per Acre Base Rent Schedule  
(Based on 100% Encumbrance Factor)**

County Zone and Per Acre Zone Value (Use County Zones as of CY 2010)	CY 2010 Per Acre Rent *	CY 2011 Per Acre Rent (1.9 percent IPD-GDP increase)	CY 2012 Per Acre Rent (1.9 percent IPD-GDP increase)	CY 2013 Per Acre Rent (1.9 percent IPD-GDP increase)	CY 2014 Per Acre Rent (1.9 percent IPD-GDP increase)	CY 2015 Per Acre Rent (1.9 percent IPD-GDP increase)
Zone 1 \$250	\$15.70	\$16.00	\$16.30	\$16.60	\$16.92	\$17.24
Zone 2 \$500	\$31.38	\$31.98	\$32.60	\$33.22	\$33.84	\$34.48
Zone 3 \$1,000	\$62.78	\$63.98	\$65.18	\$66.42	\$67.68	\$68.98
Zone 4 \$1,500	\$94.16	\$95.96	\$97.78	\$99.64	\$101.52	\$103.46
Zone 5 \$2,000	\$125.56	\$127.94	\$130.38	\$132.84	\$135.38	\$137.94
Zone 6 \$3,000	\$188.34	\$191.92	\$195.56	\$199.28	\$203.06	\$206.92
Zone 7 \$5,000	\$313.88	\$319.86	\$325.92	\$332.12	\$338.44	\$344.86
Zone 8 \$10,000	\$627.78	\$639.70	\$651.86	\$664.24	\$676.86	\$689.72
Zone 9 \$20,000	\$1,255.54	\$1,279.40	\$1,303.70	\$1,328.48	\$1,353.72	\$1,379.44
Zone 10 \$30,000	\$1,883.32	\$1,919.10	\$1,955.56	\$1,992.72	\$2,030.58	\$2,069.16
Zone 11 \$50,000	\$3,138.86	\$3,198.50	\$3,259.28	\$3,321.20	\$3,384.30	\$3,448.60
Zone 12 \$100,000	\$6,277.72	\$6,397.00	\$6,518.54	\$6,642.40	\$6,768.60	\$6,897.20

\*Counties are assigned to appropriate zones based on the Zone schedule for Calendar Year 2010, based upon the 2002 NASS Census Data (80% of average per acre land and building value). The Solar Base Rent schedule for CY 2010-2015 will continue to use the CY 2010 Zones as the base for the annual IPD-GDP inflation adjustments.

U.S. DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**  
NationalUNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
WASHINGTON, D.C. 20240  
<http://www.blm.gov>  
October 7, 2010In Reply Refer To:  
2800 (350) PEMS TRANSMISSION 10/13/2010  
Instruction Memorandum No. 2011-003  
Expires: 09/30/2012To: All Field Officials  
From: Director  
Subject: Solar Energy Development Policy**Program Area:** Right-of-Way Management, Solar Energy.**Purpose:** This Instruction Memorandum (IM) provides updated guidance on the processing of right-of-way applications and the administration of right-of-way authorizations for solar energy projects on public lands administered by the Bureau of Land Management (BLM).**Policy/Action:** This IM updates the Solar Energy Development Policy (IM 2007-097) issued April 4, 2007. The BLM's policy is to facilitate environmentally responsible development of solar energy projects on the public lands, consistent with the provisions of Secretarial Order 3285A1 dated March 11, 2009, as amended February 22, 2010.

Applications for solar energy projects will be processed and authorized as rights-of-way under Title V of the Federal Land Policy and Management Act (FLPMA) and Title 43, Part 2800, of the Code of Federal Regulations (CFR). Utility-scale concentrating solar power or photovoltaic electric generating facilities must comply with the BLM's planning, environmental, and right-of-way application requirements.

This IM provides policy guidance on early coordination with Federal land managers and stakeholders, the term of solar energy right-of-way authorizations, diligent development requirements, bond coverage, Best Management Practices (BMPs), and BLM access to records. Issuance of this IM ensures effective BLM-wide consistency in the processing of right-of-way applications and the management of authorizations for solar energy development on the public lands.

**Early Coordination with Land Managers and Stakeholders**

In order to enhance the consideration and protection of the resources and values associated with shared landscapes (including nearby county, state, tribal, or other Federal agency lands), state and field offices will coordinate and/or consult, as appropriate, with land managers and stakeholders that may be affected by the BLM's decision to grant a right-of-way authorization for a solar energy development project. Land managers and stakeholders include parties such as:

- Federal agencies (e.g., Bureau of Reclamation, Department of Defense, Fish and Wildlife Service, Forest Service, and National Park Service).
- Managers of adjacent or proximate BLM field offices and National Landscape Conservation System units.
- Tribal governments.
- State agencies (e.g., State Land Commission, State Parks, and State Fish and Game).
- County and local community stakeholders (e.g., county jurisdictions, managers of municipal watersheds and local parks).

Potentially affected Federal and state land managers will be provided the opportunity to participate in pre-application meetings with prospective project applicants.

#### Term of Authorization

In accordance with Title V of FLPMA and the BLM's right-of-way regulations, the term or length of a solar energy right-of-way authorization is limited to a reasonable term (43 U.S.C. 1764(b); 43 CFR 2805.11 (b)). The regulations further articulate a number of factors the BLM considers in determining a reasonable term, including the overall costs and useful life of the projects. Most major right-of-way authorizations also include provisions for renewal of the authorization consistent with the provisions of the regulations (43 CFR 2805.15(d) and 2807.22).

Due to the substantial investments required for typical solar energy projects and the projected life of these facilities, it is prudent and in the public interest to provide for a term of solar energy right-of-way authorizations that will provide a reasonable period of time for construction, development, and continued operations. In addition, many Power Purchase Agreements (PPAs) for the purchase of electricity generated from a solar energy facility are for terms of 20 years or longer. The BLM will therefore issue all solar energy right-of-way authorizations for a term not to exceed 30 years. Thirty years provides a reasonable period consistent with the expected needs of a solar energy facility; it also provides for operation periods that are consistent with typical PPAs. The BLM will also include in each solar energy right-of-way authorization a specific provision allowing for renewal, consistent with the regulations at 43 CFR 2807.22.

#### Diligent Development

The right-of-way regulations set forth the qualifications that an individual, business, or government entity must possess in order to hold a right-of-way grant, including the requirement that the potential grantee be technically and financially able to construct, operate, maintain, and terminate the use of the public lands covered by the grant (43 CFR 2803.10(b) and 2804.12(a)(5)). In carrying out its obligation to limit right-of-way authorizations to qualified individuals or entities and to prevent such individuals or entities from holding right-of-way authorizations merely for purposes of speculating, controlling, or hindering development on the public lands, the BLM will focus on ensuring the applicant meets the qualification requirements in the regulations. In addition, the BLM will include provisions requiring diligent development in each solar energy right-of-way authorization.

In ensuring that an applicant meets the regulatory requirement to demonstrate its technical and financial capability to construct, operate, maintain, and terminate the proposed solar energy facility (43 CFR 2803.10(b) and 43 CFR 2804.12(a)(5)), the BLM will consider whether the applicant has a history of successfully designing, constructing, or obtaining the funding for a project generating electrical energy. Actual ownership, development, or management of a successful similarly-sized project generating electrical energy within the last 5 years by the applicant would generally constitute evidence of financial capability. Absent such showing, the BLM will ask the applicant to estimate the capital investment necessary to bring the facility on-line and explain how the applicant intends to finance the project. The BLM may confer with the Department of Energy to determine whether the applicant's estimates and business plan appear viable. If the applicant cannot demonstrate adequate technical or financial ability to construct, operate, maintain, and terminate the specific solar energy facility, the BLM is authorized to deny the application (43 CFR 2804.26(a)(3) and (5)). The BLM may also deny an application if the applicant does not provide in a timely manner additional information requested by the BLM authorized officer to process an application (43 CFR 2804.26(a)(6)) or the processing fees required by 43 CFR 2804.14.

The right-of-way regulations specify that a right-of-way grant conveys to the holder only the rights that the grant expressly contains (43 CFR 2805.14) and that the holder must comply with all terms and conditions included in the grant (43 CFR 2805.12). All solar energy right-of-way grants will include a provision that specifies that ground disturbing activities cannot begin until the BLM authorized officer issues a Notice to Proceed (43 CFR 2807.10). In order to facilitate efficient development of solar energy on the public lands, the BLM will also include a requirement in each right-of-way grant that the holder begin construction of the initial phase of development within 12 months after issuance of the Notice to Proceed, but no later than 24 months after the effective date of the right-of-way authorization. Each grant will also specify that construction must be completed within the timeframes in the approved Plan of Development, but no later than 24 months after start of construction unless the project has been approved for phased development as described below. A Notice to Proceed will be issued for each phase of development.

The BLM will not authorize more than three development phases for any solar energy right-of-way authorization. If an approved Plan of Development provides for phased development, the right-of-way grant will include provisions specifying that construction of each phase (following the first) must begin within 3 years of the start of construction of the previous phase.

The BLM authorized officer may suspend or terminate the authorization when the holder fails to comply with the diligent development terms and conditions of the authorization (43 CFR 2807.17). The regulations provide that before suspending or terminating the authorization, the BLM will send the holder a written notice that gives the holder a reasonable opportunity to correct any noncompliance or to start or resume use of the right-of-way (43 CFR 2807.18). This notice may be satisfied by the BLM sending a Notice of Failure to Ensure Diligent Development.

To address a failure to comply with a grant's diligent development provisions, the holder must show good cause for any delays in construction, provide the anticipated date of completion of construction and evidence of progress toward the start or resumption of construction, and submit a written request for extension of the timelines in the approved Plan of Development. Good cause may be shown, for example, by delays in equipment delivery, legal challenges, and acts of God. This procedure will apply whether a project has multiple development phases or a single phase.

If, following receipt of a Notice of Failure to Ensure Diligent Development, the holder has satisfactorily complied with each of the requirements of the procedure described above, the authorized officer may grant the holder's request for an extension of the timelines in the approved Plan of Development. If, following receipt of such Notice, the holder does not satisfactorily comply with each of the requirements of this procedure, the authorized officer may elect to suspend or terminate the right-of-way grant pursuant to 43 CFR 2807.17 where such action is justified.

Each right-of-way grant authorizing solar energy development will include terms and conditions requiring the holder to maintain all onsite electrical generation equipment and facilities in accordance with the design standards in the approved Plan of Development. In addition, the grant will specify that any idle, improperly functioning, or abandoned equipment or facilities that have been inoperative for any continuous period of 3 months must be repaired, placed into service, or removed from the site within 30 days from receipt of a written Notice of Failure to Ensure Diligent Development, unless the holder is provided an extension of time by the BLM authorized officer. Upon receipt of such Notice from the BLM authorized officer, the holder must timely repair, place into service, or remove the equipment or facilities described in the Notice. Alternatively, the holder must show good cause for any delays in repairs, use, or removal, estimate when corrective action will be completed, provide evidence of diligent operation of the equipment and/or facilities, and submit a written request for an extension of the 30-day deadline. If the holder satisfies neither approach, the BLM authorized officer may elect to suspend or terminate the authorization in accordance with 43 CFR 2807.17 – 2807.19 where such action is justified. In addition, the BLM may use the posted Performance and Reclamation bond to cover the costs for removal of any idle or abandoned equipment and/or facilities.

All solar energy right-of-way authorizations must include the diligent development provisions of this IM in the terms and conditions of the authorization, consistent with the requirements of 43 U.S.C. 1765(b) and the right-of-way regulations at 43 CFR 2801.2.

#### Performance and Reclamation Bond

Title V of FLPMA and the right-of-way regulations authorize the BLM to require a right-of-way holder to provide a bond to secure the obligations imposed by the right-of-way grant (43 U.S.C. 1764(i) and 43 CFR 2805.12(g)). The BLM will require a Performance and Reclamation bond for all solar energy projects to ensure compliance with the terms and conditions of the right-of-way authorization.

Acceptable bond instruments include cash, cashier's or certified check, certificate or book entry deposits, negotiable U.S. Treasury securities equal in value to the bond amount, surety bonds from the approved list of sureties (U.S. Treasury Circular 570) payable to the BLM, irrevocable letters of credit payable to the BLM issued by financial institutions that have the authority to issue letters of credit and whose operations are regulated and examined by a federal agency, or a policy of insurance that provides BLM with acceptable rights as a beneficiary and is issued by an insurance carrier that has the authority to issue insurance policies in the applicable jurisdiction and whose insurance operations are regulated and examined by a federal or state agency. The BLM will not accept a corporate guarantee as an acceptable form of bond. If a state regulatory authority requires a bond to cover some portion of environmental liabilities, such as hazardous material damages or releases, reclamation, or other requirements for the

project, the BLM must be listed as an additionally named insured on the bond instrument. This inclusion would suffice to cover the BLM's exposure should a holder default in any environmental liability listed in the respective state bond. Each bond instrument will be reviewed by the appropriate Regional Solicitor for the Department of the Interior prior to its acceptance by the BLM.

The BLM authorized officer will review all bonds on an annual basis to ensure adequacy of the bond amount. The bond will also be reviewed at the time of any right-of-way assignment, amendment, or renewal. The BLM authorized officer may increase or decrease the bond amount at any time during the term of the right-of-way authorization, consistent with the regulations (43 CFR 2805.12(g)).

The BLM authorized officer will identify the total amount of the Performance and Reclamation bond in the decision that supports the issuance of the right-of-way authorization. The BLM will require the holder to post the portion of the bond associated with the activities to be approved by the Notice to Proceed prior to the issuance of that Notice. For example, if the Notice to Proceed is limited to an initial phase of development, the bond amount required to be posted before issuance of the Notice to Proceed will be limited to that phase. The bond amount required to be posted would increase with the issuance of a Notice to Proceed for future phases of the project.

The Performance and Reclamation bond will consist of three components for purposes of determining its amount. The first component will address environmental liabilities including hazardous materials liabilities, such as risks associated with hazardous waste and hazardous substances. This component may also account for herbicide use, petroleum-based fluids, and dust control or soil stabilization materials. If a holder uses herbicides extensively, this component of the bond amount may be significant. The second component will address the decommissioning, removal, and proper disposal, as appropriate, of improvements and facilities. All solar projects involve the construction of substantial surface facilities and the bond amount for this component could be substantial. The third component will address reclamation, revegetation, restoration, and soil stabilization. This component will be determined based on the amount of vegetation retained onsite and the potential for flood events and downstream sedimentation from the site that may result in offsite impacts, including Clean Water Act violations or other violations of law. The holder of the right-of-way authorization can potentially reduce the bond amount for this component by limiting the amount of vegetation removal as part of the project design and limiting the amount of grading required for project construction.

Ultimately, the Performance and Reclamation bond will be a single instrument to cover all potential liabilities. The entire bond amount could be used to address a single risk event such as hazardous materials release or groundwater contamination regardless of the fact that in calculating the total bond amount other risks were also considered. If the bond is used to address a particular risk, the holder would then be required to increase the bond amount to compensate for this use. This approach to establishing a bond is preferable to one allowing holders to maintain separate bonds for each contingency. If separate bonds are held, an underestimation of one type of liability may leave the BLM responsible for making up the difference, as the funds associated with one bond may not be applicable for the purposes of another. Requiring a single, larger bond will ensure that the holders are bonded with a surety that has the capacity to underwrite the entire amount associated with the grant.

The regulations authorize the BLM to require that applicants submit a Decommissioning and Site Reclamation Plan (DSRP) that defines the reclamation, revegetation, restoration, and soil stabilization requirements for the project area as a component of their Plan of Development (43 CFR 2804.25(b)). The DSRP shall require expeditious reclamation of construction areas and the revegetation of disturbed areas to reduce invasive weed infestation and erosion and must be approved by the BLM authorized officer prior to the grant of the right-of-way. The approved DSRP will be used as the basis for determining the standard for reclamation, revegetation, restoration, and soil stabilization of the project area and, ultimately, in determining the full bond amount.

The BLM has issued policy guidance for determining bonding requirements for 43 CFR 3809 mining operations on the public lands (IM 2009-153, dated June 19, 2009) that provides detailed information about the process for determining the appropriate financial guarantees for intensive land uses on the public lands. This guidance can also be used to assist in calculating the bond amount for utility-scale solar energy development projects on public lands. The guidance requires that mining operators submit a Reclamation Cost Estimate (RCE) to the BLM authorized officer for review to assist in determining the bond amount. Although the right-of-way regulations do not specifically require that a holder of a right-of-way submit a RCE to the BLM, the BLM can require a right-of-way applicant to submit a Plan of Development in accordance with 43 CFR 2804.25(b). Because a RCE is key to determining the bond amount, a figure that

is set forth in any decision authorizing a solar energy project on the public lands, BLM policy will be to require all solar energy right-of-way applicants to submit a RCE as part of the DSRP and the overall Plan of Development for a solar energy project. Attachment 1 to IM 2009-153 provides Guidelines for Reviewing Reclamation Cost Estimates and can be used as a guideline to assist in reviewing RCEs submitted for solar energy projects.

To assist in the consistent review of RCEs for solar energy projects and the establishment of bonding amounts for individual projects, the BLM will form a Solar Energy Bond Review Team to provide support to the BLM state and field offices. The Solar Energy Bond Review Team will consist of one representative each from California, Nevada, and Arizona and a BLM Washington Office Right-of-Way Project Manager. This Solar Energy Bond Review Team will assist the BLM state and field offices in the review of RCEs for solar energy projects and provide recommendations to the BLM authorized officer on the Performance and Reclamation bond for a solar energy project.

#### Best Management Practices

The BLM is currently preparing a Solar Energy Development Programmatic Environmental Impact Statement (PEIS) that will identify the impacts of solar energy development and potential BMPs that could mitigate or reduce adverse impacts from solar energy development on the public lands. A preliminary set of potential BMPs has been developed as part of the preparation of the PEIS and posted at <http://teamspace/sites/rmpnepadocs> for consideration by BLM field offices as they analyze individual projects. These potential BMPs are set forth in a document entitled BLM Draft Mitigation Measures (October 2009), which can be found at the above website under the Solar PEIS folder, BLM BMPs folder, and BLM Draft Mitigation Measures folder. This set of potential BMPs is not complete and will continue to be modified as comments are received and as relevant information is collected from the processing of site-specific solar energy projects. This collection of potential BMPs is intended to serve as an interim resource to BLM field offices until the PEIS is completed and a Record of Decision has been issued.

The BLM Draft Mitigation Measures (October 2009) document also identifies a preliminary list of project-specific plans that will be required for each solar energy project and provides a brief description of the components of each plan. Many of the mitigation measures required for a project would be addressed within these project-specific plans. Examples of some of these plans include the Decommissioning and Site Reclamation Plan; Grading, Drainage, Erosion and Sedimentation Control Plan; Vegetation Management Plan; Habitat Restoration and Management Plan; Hazardous Materials Management Plan; Cultural Resources Management and Mitigation Plan; and Visual Restoration Monitoring and Compliance Plan. These plans are an essential part of a Plan of Development, which the BLM will require of an applicant (43 CFR 2804.25(b)). The terms and conditions of each right-of-way grant shall require that these plans be included in a Plan of Development and that the holder will fully comply with the terms of the plans. It is anticipated that additional plans will be identified as comments are received and as information is collected from the processing of individual solar energy projects.

#### BLM Access to Records

The BLM may require the holder of a solar energy development right-of-way authorization to provide any pertinent environmental, technical, and financial records, reports, and other information, including Power Purchase and Interconnection Agreements, related to project construction, operation, maintenance, and decommissioning, including the production and sale of electricity generated from the approved facilities on public land (43 CFR 2805.12(p); 43 U.S.C. 1765(b); 43 U.S.C. 1764(g); 43 U.S.C. 1761(b)). The BLM may use this information for the purpose of monitoring the authorization and for periodic evaluation and adjustment of rental fees or other financial obligations under the authorization.

Upon the request of the BLM authorized officer, the appropriate records, reports, or information shall be made available for inspection and duplication by such officer. Any information marked confidential or proprietary will be kept confidential to the extent allowed by law. Failure to cooperate with such request, provide data, or grant access to information or records, may, at the discretion of the BLM authorized officer, result in suspension or termination of the right-of-way authorization. All solar energy right-of-way authorizations must include such disclosure provisions in the terms and conditions of the authorization in accordance with the regulations (43 CFR 2807.17).

**Timeframe:** This policy is effective immediately. Pending applications will be processed consistent with the provisions of this IM.

**Budget Impact:** The application of this policy will have minimal budget impact. The processing of solar energy right-of-way applications are subject to the processing fee provisions of the regulations (43 CFR 2804.14).

**Background:** As part of an overall strategy to develop a diverse portfolio of domestic energy supplies for our future, the Energy Policy Act of 2005 (Public Law 109-58, August 8, 2005) encourages the development of renewable energy resources on the public lands, including solar energy. Section 211 of the Energy Policy Act encourages approval of non-hydropower renewable energy projects of at least 10,000 megawatts on the public lands by 2015. Secretarial Order 3285A1, signed on March 11, 2009, and amended on February 22, 2010, established the development of renewable energy as a priority of the Department of the Interior.

There is significant potential for the development of solar energy on the public lands in the southwestern states. The BLM has identified some 23 million acres of the public lands with utility-scale solar energy potential, and over 200 right-of-way applications have been submitted to the BLM for processing. As the cost of producing solar energy declines in future years, and as additional transmission capacity is developed, there will be an even greater interest in locating utility-scale solar energy projects on the public lands. This policy IM helps ensure environmentally-responsible development of solar projects on public lands and provides for effective processing of the right-of-way applications.

**Manual/Handbook Sections Affected:** This IM transmits interim policy that will be incorporated into BLM Manual 2801, Right-of-Way Management, and Handbook H-2801-1 during the next revision.

**Coordination:** The BLM state offices reviewed and provided input to this policy prior to its finalization.

**Contact:** If you have questions, please contact Michael Nedd, Assistant Director for Minerals and Realty Management, at 202-208-4201, or your staff may contact Ray Brady, Renewable Energy Policy Team, at 202-912-7312, or ray\_brady@blm.gov.

Signed by:  
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Director

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Division of IRM Governance,WO-560