Timothy R. Morse & associates

Bridger Centennial Bldgs

REAL ESTATE APPRAISERS AND CONSULTANTS

Timothy R. Morse, MAI
3140 South Rainbow Blvd., Suite 402
Las Vegas, Nevada 89146-6234
702/386-0068 • FAX 702/386-2616

$2,750,000
2-1-2016
Value date

APPRAISAL REPORT

Timothy R. Morse
& associates

REAL ESTATE APPRAISERS AND CONSULTANTS

AN APPRAISAL REPORT

of

The Bridger/Centennial Building Complex
(An Approximate 0.72 Net Acre Redevelopment Site)

CURRENTLY OWNED BY

County of Clark

LOCATED AT

225 E. Bridger Avenue/310 S. 3rd Street,
Las Vegas, Clark County, Nevada 89101

for the purpose of

DEVELOPING AN OPINION OF MARKET VALUE

as of
February 1, 2016

DATE OF REPORT

February 3, 2016

PREPARED FOR

Ms. Krynn Williams, Property Acquisition Administrator
Clark County
Department of Real Property Management – Property Management & Acquisition Division
500 S. Grand Central Parkway, 4th Floor
Box 551825
Las Vegas, Nevada 89155-1825

APPRAISAL COMPLETED BY

Timothy R. Morse, MAI and Scott D. Krueger, MAI
Timothy R. Morse & Associates
3140 S. Rainbow Boulevard, Suite 402
Las Vegas, Nevada 89146-6234

Timothy R. Morse
& associates

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702/386-0068 • FAX 702/386-2616

February 3, 2016

Ms. Krynn Williams, Property Acquisition Administrator
Clark County
Dept. of Real Property Mngmt – Property Mngmt. & Acquisition Division
500 S. Grand Central Parkway, 4th Floor
Box 551825
Las Vegas, Nevada 89155-1825

File No. 15-236

Re: The Bridger/Centennial Building complex (an approximate 0.72 net acre redevelopment site), located at 225 E. Bridger Avenue/310 S. 3rd Street, Las Vegas, Clark County, Nevada 89101

Dear Ms. Williams:

In compliance with your recent request and authorization, we have performed the inspection, investigation, and analysis necessary (as appropriate and typical of our profession) to appraise the above referenced property. In consideration of the appraisal problem to be solved, we have determined and performed the scope of work necessary to develop credible assignment results.

We have been engaged by Ms. Krynn Williams, Property Acquisition Administrator, on behalf of the Clark County Department of Real Property Management – Property Management & Acquisition Division which is both the client and the intended user of this appraisal. The intended use is for internal management decision making purposes particularly related to the potential sale of this property. The depth of discussion contained in the attached report is specific to your needs and for the above stated use. We are not responsible for its unauthorized use.

Attached to this letter of transmittal is an Appraisal Report (containing 95 pages with 31 additional pages of Addenda) which is intended to comply with the reporting requirements set forth in the Uniform Standards of Professional Appraisal Practice (USPAP-2016-2017) as promulgated by the Appraisal Standards Board of the Appraisal Foundation. It has been further prepared in compliance with the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

The subject of this appraisal is a 31,500 square foot (approx. 0.72 net acre) potential/future redevelopment site, currently improved with a two building complex (originally constructed in 1966 and concluded to be at/near the end of its economic life). The "Bridger Building" is an average quality, Class "B", 10-story masonry and steel "shell" building (previously built-out /utilized as a governmental office facility), inclusive of approximately 75,320 square feet of gross enclosed building area, with levels two through four consisting of an approximate 52,080 square foot, 98-space, parking garage. The "Centennial Building" is an average quality, Class "C", 3-story masonry office building, inclusive of approximately 15,600 square feet of gross building area. The remainder of the site is improved with a 30-space surface parking lot (15 of which are covered).

Enclosed within the following report are descriptions of the subject site, existing building/site improvements, and the comparable data which was utilized within the scope of work necessary to develop credible appraisal assignment results. The purpose of this appraisal is to develop an opinion of the market value of the fee simple estate interest in the subject property, current as of February 1, 2016.

Therefore, as a result of the analysis of and conclusions made from the available market data, based on the general assumptions and limiting conditions set forth in the attached report (i.e. Pages 3-5), we have developed an opinion of the market value (as defined in the attached report on Pages 8-9) of the fee simple estate interest in the subject property, current as of February 1, 2016, to be:

TWO MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS
($2,750,000)

Finally, the previously indicated market value opinion is predicated on a reasonable exposure time of 6 months or less. This is a retrospective estimate of the length of time the property would have been offered on the market prior to a hypothetical sale at market value on the effective date of the appraisal. The exposure time is based upon actual sales in the market, as well as discussions with local real estate brokers and individuals active in the market.

THIS LETTER MUST REMAIN ATTACHED TO THE REPORT IN ORDER FOR THE PREVIOUSLY INDICATED MARKET VALUE OPINION TO BE CONSIDERED VALID.

Thank you for giving us the opportunity of appraising this property for you. If you have any questions or comments pertaining to the report or the valuations, please contact our office.

Sincerely,

Timothy R. Morse, MAI
Certified General Appraiser
State of Nevada License No. A.0000005-CG

Scott D. Krueger, MAI
Certified General Appraiser
State of Nevada License No. A.0001529-CG

SDK:mde

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ADDENDA:

Preliminary Title Report
Qualifications of Appraisers

CERTIFICATION

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions and conclusions.

3. We have no present or prospective interest (financial, ownership, or otherwise) in the property that is the subject of this report and no personal interest with respect to the parties involved. It is noted that although we own an interest in several properties in the Las Vegas Valley, it has not influenced our impartiality.

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 reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice (USPAP-2016-2017), with specific compliance with the reporting requirements set forth under Standard Rule 2 as adopted by the Appraisal Standards Board of the Appraisal Foundation.

8. We have made a personal inspection of the property that is the subject of this report. We have both further inspected the exterior only (as is typical) of the sale comparables identified, utilized, and analyzed herein.

9. No one provided significant real property appraisal assistance to the persons signing this certification.

10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

11. As of the date of this report, Timothy R. Morse, MAI and Scott D. Krueger, MAI, have completed the continuing education program for Designated Members of the Appraisal Institute.

12. The appraisal assignment (with specific consideration given to current/future employment/compensation prospects) was not based on a requested minimum valuation, a specific valuation, a value within a given range, or the approval of a loan.

13. We have performed a previous appraisal service, as appraisers, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Appraiser _____ Date February 3, 2016

Timothy R. Morse, MAI
Certified General Appraiser
State of Nevada License No. A.0000005-CG

Appraiser _____ Date February 3, 2016

Scott D. Krueger, MAI
Certified General Appraiser
State of Nevada License No. A.0001529-CG

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report has been made with the following general assumptions:

1. No responsibility is assumed for the legal description provided or for matters pertaining to 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 and encumbrances unless otherwise stated.

3. Responsible ownership and competent property management are assumed unless otherwise stated.

4. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

5. All engineering studies are assumed to be correct. Any 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. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated, described, and considered.

8. It is assumed that the property conforms to all applicable zoning and use regulations and restrictions unless a nonconformity has been identified, described, and considered.

9. It is assumed that all required licenses, certificates of occupancy, consent, and 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.

10. It is assumed that the utilization of the land and improvements is confined within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated.

11. We have not observed the existence of hazardous materials, which may or may not be present on the property, unless otherwise stated. Although we are not qualified to detect the existence of such materials on or in the property, we have no knowledge of such existence. The presence of substances such as asbestos, urea-formaldehyde foam insulation, and other potentially hazardous materials may affect the value of the property. Our value opinions are 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 such conditions or for any expertise or engineering knowledge required to discover them. The intended user is urged to retain an expert in this field, if desired.

12. Although the subject is not known to be located in an area prone to earthquake activity or accumulations of toxic waste material or large scale storage, it is assumed that no such adverse condition affects the property.

13. It is assumed that the site area as included in this report is accurate.

14. It is assumed that the building area(s), as indicated in this report, is/are accurate.

15. It is assumed that all currently existing offsite improvements have been installed and completed in accordance with the local jurisdictional building code requirements and per submitted plans, specifications, and building information.

16. It is assumed that there are no drainage problems associated with this site and we have further assumed that upon re-development, adequate engineering and site planning will allow for proper drainage and/or retention.

17. Based on a physical inspection of the site, as well as examining the information provided, we have not discovered any significant adverse easements or encroachments affecting the subject property. In addition, the subject property appears to be encumbered by typical easements for roadways, access, utilities, and drainage, which are not considered to have a detrimental impact on value. It is also noted that the subject property is encumbered by a "Pedestrian Walkway Easement" upon, over, under and across an approximate 10' x 21' area at the northeast-most portion of the site, but this is not considered to have any significant/measurable impact on its overall functional/economic utility. This appraisal assumes that the subject property is free of all defects, liens, encumbrances, adverse claims, or other matters undisclosed to the appraisers. It is also assumed that there are no clouded title issues which would delay any future transactions or redevelopment involving this property.

18. The Americans with Disabilities Act (ADA) became effective January 22, 1992. We have not made a specific compliance survey or analysis of the property to determine whether or not it will be in conformity with the various detailed requirements of ADA. It is possible that a compliance survey of the property and a detailed analysis of the requirements of the ADA would reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have an impact upon the value of the property. Since we have no direct evidence relating to this issue, possible non-compliance with the requirements of ADA was not considered in developing an opinion of the market value of the property.

19. It is assumed that all property identifying characteristics, costs, income, expense, and other pertinent information supplied by property ownership/management is accurate. We assume no responsibility for independently verifying this information. If the client of this report has any questions regarding this information, it is their responsibility to seek whatever independent verification is deemed necessary.

This appraisal report has been made with the following general limiting conditions:

1. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.

2. Any allocation of the total value opinion(s) concluded/indicated in this report between the land and improvements applies only under the stated program of utilization. Any such separate value allocated to the land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

3. 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 appraisers, and in any event, only with proper written qualification and only in its entirety.

4 We, by reason of this appraisal, are not required to give further consultation or testimony or to be in attendance in court with reference to the property in question unless arrangements have been previously been made.

5. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or the firm with which the appraisers are connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without my prior written consent and approval.

6. The subject of this appraisal is based on the real estate only, without consideration given to the value of any personal property.

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

Our concluded market value opinion developed/rendered herein is not based on any extraordinary assumptions or hypothetical conditions.

The appraiser(s) reserves the right to alter statements, analyses, conclusions, or any opinions of value in the appraisal if any new facts pertinent to the valuation process are discovered which were unknown when the appraisal report was prepared.

THE ACCEPTANCE AND/OR USE OF THE APPRAISAL REPORT BY THE CLIENT OR ANY THIRD PARTY CONSTITUTES ACCEPTANCE OF THE ASSUMPTIONS AND LIMITING CONDITIONS SET FORTH IN THE PRECEDING PARAGRAPHS. THE APPRAISERS' LIABILITY EXTENDS ONLY TO THE SPECIFIED CLIENT, NOT TO SUBSEQUENT PARTIES OR USERS. THE APPRAISERS' LIABILITY IS LIMITED TO THE AMOUNT OF THE FEE RECEIVED FOR THE SERVICES RENDERED.

SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

APPRAISERS:	Timothy R. Morse, MAI and Scott D. Krueger, MAI Timothy R. Morse & Associates 3140 S. Rainbow Boulevard, Suite 402 Las Vegas, NV 89146-6234
PROPERTY NAME:	Bridger/Centennial Building complex
PROPERTY TYPE:	An existing shell/office building complex (a potential/future redevelopment site).
PROPERTY LOCATION:	Southwest corner of Bridger Avenue and 3rd Street, within the Downtown portion of the Las Vegas Metropolitan area.
COMMON STREET ADDRESS:	225 E. Bridger Avenue/310 S. 3rd Street, Las Vegas, Clark County, Nevada 89101
TAX ASSESSOR'S PARCEL NO.:	139-34-210-061
OWNER OF RECORD:	County of Clark
SITE SIZE:	31,500 sq. ft. (approx. 0.72 net acres)
ZONING:	C-2 (General Commercial District), City of Las Vegas
PLANNED LAND USE/OVERLAY:	Public Facilities (PF), City of Las Vegas Future Land Use General Plan; Office Core, Las Vegas Downtown Centennial Redevelopment Area Plan/Live Work and Airport Overlay Districts
FLOOD ZONE:	Zone "X" ("unshaded"), National Flood Insurance Program, Flood Insurance Rate Map No. 32003C2170 F, (map revised November 16, 2011).
EXISTING IMPROVEMENTS: *Type:*	**Bridger Building:** Average quality Class "B" 10-story masonry and steel frame shell office building with both bearing and curtain walls. Rough plumbing including fire sprinklers is in place; however, no interior finish or fire proofing for the structural members exists. Levels two through four are a 98-space parking garage. **Centennial Building:** Average quality Class "C" three-story masonry office building with interior finished as both general and specialized office areas. The remainder of the site has been improved with a 30-space surface parking lot.

Building Area:	**Bridger Building:** 75,320 square feet enclosed, plus 52,080 square feet which are in parking levels for a total gross building of 127,400 square feet. Of the total gross square feet, 71,176 square feet are leasable. **Centennial Building:** 15,600 gross square feet with 14,800 square feet leasable.
Year Constructed:	Both buildings were constructed in 1966.
HIGHEST AND BEST USE	
As Though Vacant:	Assemblage and/or speculation for a wide range of potential mixed use development.
As Improved:	Assemblage and/or speculation for a wide range of potential mixed use redevelopment.
PROPERTY RIGHTS APPRAISED:	Fee simple estate interest
DATE OF INSPECTION:	December 30, 2015
EFFECTIVE DATE OF OPINION OF VALUE:	February 1, 2016
DATE OF REPORT:	February 3, 2016
CONCLUDED MARKET VALUE OPINION:	$2,750,000
OPINION OF REASONABLE EXPOSURE TIME:	Less than 6 months.

APPRAISAL REPORTING COMPLIANCE

This is an Appraisal Report which is intended to comply with the Uniform Standards of Professional Appraisal Practice (USPAP-2016-2017) as promulgated by the Appraisal Standards Board of the Appraisal Foundation. It has further been prepared in compliance with the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

APPRAISAL PROBLEM

Identification and consideration of the appraisal problem to be solved is the first step in determining, performing, and disclosing the scope of work necessary to develop credible assignment results. The problem to be solved is based on an identification of the client and intended users of the appraisal, its intended use of the appraisal, its purpose of the appraisal (including the definition of value), the effective date of opinion of value, the characteristics of the subject of this assignment (including its location, property rights to be valued, and other features), and any assignment conditions (i.e. general/extraordinary assumptions, limiting/hypothetical conditions, supplemental standards, jurisdictional exceptions, and other conditions that affect the scope of work), described as follows:

CLIENT/INTENDED USER/USE OF THE APPRAISAL

We have been engaged by Ms. Krynn Williams, Property Acquisition Administrator, on behalf of the Clark County Department of Real Property Management – Property Management & Acquisition Division which is both the client and the intended user of this appraisal. The intended use is for internal management decision making purposes particularly related to the potential sale of this property. The depth of discussion contained herein is specific to your needs and for the above stated use. We are not responsible for its unauthorized use.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to develop an opinion of the market value of the fee simple estate interest in the subject property, current as of February 1, 2016.

MARKET VALUE DEFINED

Market value is the major focus of most real property appraisal assignments and may be defined as ... "The most probable price that the specified property interest should sell for in a competitive market after a reasonable exposure time, as of a specified date, in cash, or in terms equivalent to cash, under all

conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, for self-interest, and assuming that neither is under duress."

The Dictionary of Real Estate Appraisal, Fifth Edition (Chicago: Appraisal Institute, 2010)

EXPOSURE TIME DEFINED

One of the implicit conditions of market value is that a reasonable time is allowed for exposure in the open market. This is always assumed to precede the effective date of the appraisal. Specifically, exposure time is defined as ..."The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal."

(Uniform Standards of Professional Appraisal Practice (USPAP), as promulgated by the Appraisal Standards Board of the Appraisal Foundation, 2016-2017 Edition).

EFFECTIVE DATE OF VALUATION

The effective date of value is current as of February 1, 2016.

PROPERTY IDENTIFICATION/LOCATION/LEGAL DESCRIPTION

The subject of this appraisal is the existing "Bridger/Centennial Building" complex, located at 225 E. Bridger Avenue/310 S. 3rd Street, Las Vegas, Clark County, Nevada 89101. This is a location at the southwest corner of Bridger Avenue and 3rd Street, within the Downtown portion of the Las Vegas Metropolitan area. It may be further identified as Clark County Tax Assessor's Parcel No. 139-34-210-061. Its legal description, as included within a Preliminary Title Report provided, has been retained in the Addenda of this report for the reader's review.

The subject of this appraisal is a 31,500 square foot (approx. 0.72 net acre) potential/future redevelopment site, currently improved with a two building complex (originally constructed in 1966 and concluded to be at/near the end of its economic life). The "Bridger Building" is an average quality, Class "B", 10-story masonry and steel "shell" building (previously built-out/utilized as a governmental office facility), inclusive of approximately 75,320 square feet of gross enclosed building area, with levels two through four consisting of an approximate 52,080 square foot, 98-space, parking garage. The "Centennial Building" is an average quality, Class "C", 3-story masonry office building, inclusive of approximately 15,600 square feet of gross building area. The remainder of the site is improved with a 30-space surface parking lot (15 of which are covered).

PROPERTY RIGHTS APPRAISED/DEFINED

This property is appraised in fee simple estate interest ownership. Fee simple estate ownership may be defined as . . . "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat."

The Dictionary of Real Estate Appraisal, Fifth Edition (Chicago: Appraisal Institute, 2010)

OTHER ASSIGNMENT CONDITIONS

With the exception of the general assumptions and limiting conditions previously identified on Pages 3-5, there are no other assignment conditions (i.e. extraordinary assumptions, hypothetical conditions, supplemental standards, jurisdictional exceptions, or other conditions) that affect the scope of work necessary to develop credible assignment results.

DISCLOSURE OF SCOPE OF WORK

In consideration of the appraisal problem to be solved, we have determined and performed the scope of work necessary to develop credible assignment results. The scope of work is comprehensive in that all relevant property and market data is considered. Specifically and on December 30, 2015, we inspected the subject property, as well as the general market area. In accordance with this assignment, various sources were sought in order to complete an analysis of the property. Area data was compiled from publications, including the Las Vegas Perspective, and from data published by the local Chamber of Commerce and the Center for Business and Economic Research at the University of Nevada Las Vegas. Market area data was collected by a physical inspection of the area as well as from the previously described sources.

Information pertaining to the subject property has been obtained from the client, the current owner, Assessor's records, the public offices of the City of Las Vegas and County of Clark, and from a physical inspection of the property.

Information regarding zoning, flood areas, utilities, and other relevant information was obtained from the appropriate agencies as considered necessary. Personal knowledge of the appropriate market area and information contained in supporting files for similar type properties was also considered. In preparing this appraisal, we have investigated numerous vacant site sales in the Las Vegas Metropolitan area and more specifically in the subject's market area. Surveys with participants active

in the market about market conditions were also conducted. Data pertaining to market research was obtained through both public and private sources. This data was verified with buyers, sellers, brokers, and property developers and other individuals active in the market. Additionally, consideration has been given to the general economy of the area as well as the specifics of the immediate market area.

In order to develop an opinion of the market value of the fee simple estate interest in the subject property, we have completed a highest and best use analysis, subsequently applying the Sales Comparison Approach to Value (one of the three traditional appraisal approaches).

Finally and upon completion of our analysis, we have prepared this Appraisal Report.

OWNER OF RECORD/THREE YEAR SALE HISTORY

According to Clark County Public Records, ownership of the subject property is currently vested in the name of:

County of Clark

Based on a further review of public records, the ownership entity indicated above acquired title to the subject property in 1980, with no known arm's length transactions occurring during the past three years. Further, the property is not known to have been listed for sale, nor involved in any escrow transactions at any time during the past three years. Although we have not been provided with any specific proposals, it is our understanding that the current owner of the property intends to sell the property (via auction).

DATE OF REPORT

The date of this report is February 3, 2016. The majority of the market data was collected, verified, and analyzed prior to this date.

AREA/CITY MAP

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Certain mapping and direction data © 2012 NAVTEQ. All rights reserved. The Data for areas of Canada includes information taken with permission from Canadian authorities, including: © Her Majesty the Queen in Right of Canada, © Queen's Printer for Ontario. NAVTEQ and NAVTEQ ON BOARD are trademarks of NAVTEQ. © 2012 Tele Atlas North America, Inc. All rights reserved. Tele Atlas and Tele Atlas North America are trademarks of Tele Atlas, Inc. © 2012 by Applied Geographic Solutions. All rights reserved. Portions © Copyright 2012 by Woodall Publications Corp. All rights reserved.

GENERAL AREA/CITY DESCRIPTION

The Las Vegas Valley is situated in the southern portion of the State of Nevada and is the county seat for Clark County. Clark County is bounded by California to the southwest and Arizona to the southeast, separated by the Colorado River. The Las Vegas Valley may be defined as that portion of southern Nevada that includes the metropolitan area of the cities of Las Vegas, North Las Vegas, Henderson, Boulder City and unincorporated areas, excluding outlying portions.

The legalization of gaming has created a tourism industry which is currently the number one industry in Las Vegas. In the past several years, it has earned the number one position in tourism, a multi-billion dollar industry with the 15 largest hotels in the United States and with more hotel/motel rooms than any U.S. city; and a leading vacation and convention destination with over 41.1M visitors during 2014. It is one of the lowest taxed metropolitan areas for businesses and families. Its warmer weather has attracted approximately 3.3M visitors per month over the past three years. The current economic outlook for the immediate future is a stabilization of conditions with a slow recovery. The recovery has started with increased visitor volume and improvement in the unemployment rate. Household income and population are expected to continue to grow; however, at a more modest rate than in the past, as part of the recovery.

The table below sets forth some important statistics regarding the Clark County/Las Vegas Metropolitan Statistical Area (MSA). Other sources of data include The Las Vegas Perspective, McCarran International Airport, Nevada Department of Motor Vehicles and Public Safety and the Nevada Apartment Association.

PERTINENT STATISTICS

	2009	2010	2011	2012	2013	2014
TOTAL POPULATION (1)	2,006,347	2,036,358	1,966,630	2,008,655	2,062,254	2,069,450
Employment* (2)	864,353	853,969	856,174	864,704	895,670	913,700
Unemployment Rate* (2)	12.7%	14.1%	13.6%	11.7%	10.1%	7.8%
# of Hotel/Motel Rooms (3)	148,941	148,935	150,161	150,481	150,593	150,544
Occupancy Rate (3)	81.5%	80.4%	83.8%	84.4%	84.3%	86.8%
Visitor Volume (3)	36,351,469	37,335,436	38,928,708	39,727,022	39,668,221	41,126,512
Convention Attendance (3)	4,492,275	4,473,134	4,865,272	4,944,014	5,107,416	5,169,054
Clark County Gaming Revenues (3)	$8,838,261,000	$8,908,574,000	$9,222,677,000	$9,399,845,000	$9,674,404,000	$9,554,002,000
Taxable Sales (4)	$31,378,241,926	$27,969,288,365	$29,046,719,719	$31,080,880,557	$32,566,664,630	$35,040,891,695
McCarran Passengers (3)	40,469,012	39,757,359	41,481,204	41,667,596	41,857,059	42,869,517
New Drivers Licenses (5)	55,048	51,148	59,234	64,535	65,773	63,884
Building Permits-Units						
Single Family (5)	3,808	4,650	3,873	6,112	N/A	6,752
Multi-Family (5)	1,921	927	1,243	1,267	N/A	3,427
Total	5,729	5,677	5,116	7,379	8,574	10,179
Apartment Vacancy (5)	11.0%	10.6%	9.38%	9.8%	8.7%	8.3%

Sources:
(1) Nevada State Demographer
(2) State of Nevada Department of Employment, Training, and Rehabilitation
(3) Las Vegas Convention and Visitors' Authority
(4) Nevada Department of Taxation, fiscal years, ended June 30
(5) The Center for Business & Economic Research – University of Nevada Las Vegas (UNLV)

The total population within the Clark County area increased 21.4% from 2004 to 2008, representing a compounded annual increase of approximately 3.0% per year. The previous attraction to Las Vegas was due to the availability of jobs, the favorable climate and new housing. From 2008 to 2011, however, people were leaving the area due to job layoffs at the hotel/casinos as well as within the construction trade industry. The population had increased in 2009 by 20,201 (1%), increased by 30,011 (1.5%) in 2010, declined by 69,728 (-3.4%) in 2011, increased by 42,025 (2.1%) in 2012, increased by 53,599 (2.7%) in 2013 and increased by 7,196 (0.4%) in 2014. The number of new licenses showed a decline to 55,048 and 51,148 for 2009 and 2010, respectively. There was an increase of 15.8% in 2011 over 2010 to 59,234. By the end of 2012, new drivers' licenses reached 64,535 which is an increase of 5,301 over the total for 2011. In 2013, the increase was 65,773 but decreased to 63,884 in 2014.

As of year-end 2014, the economy was favorably affected with a decrease of the unemployment rate from 14.1% in 2010 to 7.8% in 2014. The unemployment rate has decreased each year since 2010. Job growth has increased 3.6% in 2013 and 2.0% in 2014.

Currently, the Las Vegas housing market appears to have stopped the severe decline that has affected the area for the past five years and is in a state of stabilization. This is due to a reduction in the number of current listings and foreclosures. Prices appear to have also stabilized with a slight increase in 2014; however, the unemployment in Clark County will continue to affect the housing market. Applications

for new home permits in Henderson, North Las Vegas, Las Vegas and Clark County have increased 18.7% from last year. New home builders are reporting an increase in demand due to low inventory of existing homes, as well as possibly some pent up demand for new housing. Some industry experts have predicted that new home sales could reach 500 closings a month by the end of 2015. Realtors are reporting that there are multiple offers on existing homes and list prices have become minimums. Most existing homes are selling in excess of list price.

The 2014 year-end indicator for visitor volume was reported at 41.13M, up slightly from year-end 2013 reported at 39.67M. The Citywide total hotel/motel occupancy level for 2012 increased to 84.4% from the 83.8% reported for 2011 but declined slightly to 84.3% in 2013, but increased to 86.8% in 2014. The average room rate increased 5.4% in 2014 to $116.73 from 2013's ADR of $110.72. Convention attendance rose to 5.17M visitors in 2014 from approximately 4.94M visitors annually during 2012. The traffic at McCarran International Airport has increased 2.4% during 2014 to 42.9M compared to 2013 at 41.8M, while the average daily traffic count along the I-15 interchange at the Nevada/California border has decreased -0.4%. All major highways report an overall increase of 0.6% during 2014 compared to 2013.

Gaming revenues in the overall Clark County area decreased 1.2% to approximately $9.55B in 2014. Most of the Clark County gaming areas experienced a decrease in revenue for calendar year 2014 over 2013. The casinos along the Strip reported revenues of approximately $6.37B, a decrease of 2.1% compared with $6.5B in 2013. Downtown Las Vegas gaming revenues increased 2.1% to $511M, the Boulder Strip was down 1.8%.

Since tourism and construction are integral in the economy of Southern Nevada, we have identified some of the larger resorts and major projects which will likely continue to drive the economy in the future.

PROJECT	ESTIMATED COST	ESTIMATED COMPLETION	STATUS	DESCRIPTION OF PROPERTY
Lake Mead Intake #3 Project	$817M	2015	Under Construction	Components include an intake tunnel, underground pumping forebay, pumping station, electrical power connections and a discharge pipeline to the Alford Merritt Smith Water Treatment Facility. Maintains SNWA's ability to draw Colorado River water at an elevation as low as 1,000' above sea level.
Hoover Dam Bypass Project	$240M	Late 2010	Bridge was Completed October 2010	Hoover Dam Bypass Project is a 3.5 mile corridor beginning in Clark County and crossing the Colorado River, approximately 1,500' downstream of the Hoover Dam, then terminating in Mohave County, AZ.
McCarran International Airport Terminal 3 New Air Traffic Control Tower	$3.5B $2.4B $99M	Through 2015 June 27, 2012 Early 2015	Under Construction Complete Under Construction	Several major expansion/ construction projects: construct new terminal, parking structure & office bldg., close "A" gates, connect concourse "D" to Terminal 3 with a short tram, install electronic roadway signage & close Terminal 2 next year. A 352' high tower.
Las Vegas Convention Center Global Business District	$2.3B Total $150M Phase 1	Phases over 5 to 8 yrs.	Planning Stages	Refurbish existing center & create a convention district campus. Addition of 1.8M sq. ft. & at completion, will have 5.7 sq. ft. Expansion to include demolition of Riviera Hotel & Casino on the Las Vegas "Strip".
New City Hall – Las Vegas	$150M	2012	Opened February 21, 2012	251,000 sq. ft. building on 2.8 acre site located on City block bound by Main Street, Lewis Ave., 1st St. and Clark Ave.
Smith Center for the Performing Arts	$245M	2012	Complete – Opened March 10, 2012	The center includes 2,050 seat multi-purpose main hall, 300 seat cabaret theater and a 200 seat flexible studio theater for rehearsals, children's theater, and community events.
Tivoli Village at Queensridge	$850M	1st Phase –Opened 2nd Phase –Spring, 2015	April 28, 2011 Under Construction	1st phase included 225,000 sq. ft. of retail and 145,000 sq. ft. of office. 2nd phase will include 275,000 sq. ft. of retail and 100,000 sq. ft. of office.
Veterans Affairs Medical Center	$600M	August, 2012	Complete	1M sq. ft. medical building with 90 inpatient beds, 120-bed skilled nursing home care & ambulatory care center.
Project Linq (Caesar's Entertainment Corporation)	$550M	2014	Complete – Opened March 31, 2014	A 200,000 sq. ft. entertainment, retail, and dining corridor. The Las Vegas High Roller is the tallest observation wheel in the world at 550' with 28 cabins that can accommodate up to 40 people. The project will bring upgrades to Harrah's, Imperial Palace, O'Shea's, and Flamingo.
Downtown Grand (Former Lady Luck)	$100M	November, 2013	Complete – Opened November 12, 2013	This is the former 743 room Lady Luck that closed in Feb. 2006 and reopened after extensive remodel. The hotel/casino is owned by CIM Group and will be managed by Fifth Street Gaming. The theme will be "Urban Hospitality Experience".
The Cromwell (Former Bill's Gamblin' Hall & Saloon)	$185M	May 2014	Closed Feb. 4, 2013; Opened April 2014	Renovate 188-room property into a "lifestyle" gaming hotel and casino with a 65,000 sq. ft. rooftop pool and dayclub/nightclub. Remodel of guest rooms, casino floor, common areas, & the addition of a 2nd floor restaurant.
SLS Las Vegas (remodel of former Sahara)	$415M	August 23, 2014	Complete – Opened August 23, 2014	1,600 room "true boutique resort"; will feature nightlife & restaurant business, including The Bazaar by Jose Andres and Katsuya by Starck.

PROJECT	ESTIMATED COST	ESTIMATED COMPLETION	STATUS	DESCRIPTION OF PROPERTY
Downtown Summerlin	$1B	December 2014	Complete – Opened October 8, 2014	106-acre, 1.4M sq. ft. mall, anchored by Macy's 2-story 180,000 sq. ft. store, 125 stores and restaurants and a 200,000 sq. ft., 9-story office building.
World Market Center (Repurpose-Bldg. C)	$1,000M	Spring 2015	Planned	250,000 sq. ft. of permanent showrooms and temporary exhibit space in Building C on the Market campus.
Las Vegas Renaissance (3rd Phase of Tivoli Village)	$350M	Fall 2015	Planned	A 700,000 sq. ft. shopping center. Planned national department stores as anchor & remainder will be boutiques, restaurants, & stores.
The Shops at the New Tropicana Las Vegas	$100M	Fall 2015	Planned	311,000 sq. ft. of shopping and dining, 3-levels, 30 stores with a South Beach architectural theme.
Union Village	$1.5B	1st Phase – 2016	Under Construction – Groundbreaking October 8, 2014	Union Village will be a network of free-standing hospitals, medical offices, rehabilitation centers & nursing homes with retail and restaurant space, hotels and residences, including senior housing and assisted living. 1st Phase to include 536 hospital beds, 400 residential units, & approx. 250,000 sq. ft. retail.
Resorts World Las Vegas (Genting Group)	$4B	1st Phase – Mid 2018	Under Construction-Groundbreaking scheduled for May 5, 2015	This project will contain 3,000 rooms, live Panda habitat, replica of the Great Wall of China, a 7.5 ac. indoor water amusement park, tea gardens, outdoor red pagodas, a 4,000 seat theatre, 30 food and beverage outlets, and other family friendly attractions. The casino will contain 175,000 sq. ft. with 3,500 slot machines and table games in its initial phase. This is the site of the former Echelon Hotel and the Stardust. The Nevada Gaming Commission recommended approval of Genting's Gaming application on May 7, 2014.
MGM Resorts International and AEG (a joint venture) Las Vegas Arena	$375M	Spring, 2016	Under Construction-Groundbreaking May 1, 2014	This is a 20,000 seat Las Vegas Strip indoor arena that will be a centerpiece for the renovation of the area from Las Vegas Blvd. to Frank Sinatra Dr. betw. the New York-New York and Monte Carlo resorts. The arena will have premium seating and hospitality areas for entertainment and sporting events.
MGM Resorts International	>$100M	2014 throughout 2016	Under Construction	The Park will be an 8-acre outdoor destination on the Strip connecting the New York-New York and Monte Carlo with a pedestrian-friendly environment consisting of landscaped areas including matures trees and desert plants, a s well as water features and water walls, casual eateries, bars, restaurants, and retail attractions. This will be the gateway to the 20,000 seat indoor area also planned for the Las Vegas Strip.
Lucky Dragon Hotel & Casino (adjacent to Allure)	$373M	2016	Under Construction	The Lucky Dragon is an Asian themed, 201-room boutique hotel and 18,900 sq. ft. casino with 478 slot machines featuring baccarat and other games. Also planned are a pool and three restaurants.
Thomas & Mack Center renovation	$47M	Spring, 2016	Under Construction	$20-22M of the $47M will be spent on mechanical upgrades. 8,000 new lower-bowl seats will be added, while there will be an increase in the number of seats for physically disabled to 101 from 26.
All Net Resort & Arena	$1.4B	2017	Proposed	The 860,000 sq. ft. multi-purpose arena will have a retractable roof and be built to the specifications of the NBA. There are also plans for a shopping plaza, hotel & spa.
Crown Resorts Limited (Site of former Frontier Hotel & Casino)	Unknown at this time	2018	Planned	Crown Resorts Limited has acquired rights in the former Frontier Hotel & Casino site on the "Strip". The project is under design and will be situated on 35 acres at the north end of the "Strip".

The above table identifies the larger developments, most of which are located along the resort corridor that will continue to attract visitors to the Las Vegas area.

The recent announcement by Genting Group, a Malaysian multi-national company to spend $4B to build a 3,000 room Asian themed resort on the "Strip", is a major economic factor in the coming years. This was not expected and some analysts worry that Southern Nevada hasn't recovered enough from the great recession to expand room capacity by more than 2%. There is fear that it could cannibalize an already fragile high-end market. Southern Nevada gaming industry executives believe they are confident about the future, in large part because of several projects that recently have been announced or broken ground – Caesar's Entertainments Linq Project; the Cosmopolitan's 3,000 seat auditorium; the Las Vegas Convention Authority's revamp Convention Center; and MGM Resorts International 20,000 seat indoor arena.

The Palazzo Resort, Encore at Wynn, Aliante Station, The M Resort, and MGM Resorts Project City Center were completed during the past several years. Two new towers and additional casino space have opened at Hard Rock Hotel, bringing the property's casino space to 70,000 sq. ft., supported by 1,506 rooms. The PH Tower opened at Planet Hollywood which brings the room count to 3,697 rooms. The Cosmopolitan opened December 15, 2010 and became part of the Marriott International's Autograph Collection, a collection of independent hotels with access to Marriott's enormous reservation and rewards system.

SPORTS AND ENTERTAINMENT VENUES

There are currently two projects that would be significant in terms of the benefits of a large construction project and jobs it would create as well as permanent jobs and other economic activity it would generate. The arena projects could be a catalyst to landing a professional sports team. The following is a summary of the proposed projects.

MGM/AEG RESORTS INTERNATIONAL ARENA – MGM Resorts International and AEG, a Los Angeles based entertainment and arena company, recently announced a partnership in developing a 20,000 seat "Strip" venue at an estimated cost of $375M. This project broke ground on May 1, 2014, with a projected opening in Spring 2016. The arena will feature premium seating, suite and club offerings on different levels, and host at least 100 concerts,

boxing, mixed martial arts, sports, award shows, and other events each year. The arena is designed to accommodate both NBA and NHL games and will be paid for by the development partners with equity contributions and private third party debt financing. The arena will be located between the New York-New York and Monte Carlo Resorts and will anchor a $100M under construction, open air entertainment promenade that links the two "Strip" properties between Las Vegas Boulevard to Frank Sinatra Drive. The promenade, which will include a retail and restaurant complex, is scheduled to begin opening to the public during 2014 and continue throughout 2015.

UNLV STADIUM PROJECT – The UNLV Stadium Project was formerly known as UNLV NOW and was to be situated on 150 acres and include a 60,000 seat domed football stadium, at a cost between $800M and $900M. UNLV NOW failed after the resort industry publicly questioned the size and cost of the stadium. The UNLV Campus Improvement Authority Board hired a project manager to help guide the 11 member Stadium Authority Panel that is studying and recommending a cost, scope, and financing plan for a UNLV stadium that will host several major events per year. The Stadium Authority Board has conducted several meetings in which they have reviewed existing studies and began a discussion on the next steps needed to be taken to create a stadium project that has the backing of both the University and the resort industry. The prior options were:

- A stadium capacity for 45,000 spectators at $342M for hard construction costs; $80.9M for soft costs such as architectural expenses; and $100M for site and infrastructure.

- An open-air facility with a capacity of 50,000-55,000 at $655.2M; $449M for hard construction; $106.2M for soft costs; and $100M for site and infrastructure.

- A domed stadium with a capacity of 50,000-55,000 at $592.5M for construction; $140.1M for soft costs; and $100M for site and infrastructure.

On August 28, 2014, the project was put on hold for two years. More recently, however, the UNLV Foundation has acquired a 42-acre site along Tropicana Avenue, between Paradise Road and Koval Lane. The purchase price was $50M and the site is for a potential football stadium or other uses. An additional $5M is to be paid if a collegiate or higher level stadium is approved and construction is started within 10 years.

An 11-member stadium panel concluded in September, 2014 that a 45,000-seat, open-air campus stadium is needed and that it could cost $523M (including $100M for site and infrastructure costs).

Most recently, Las Vegas Sands Corp. (as a consortium leader, involving Majestic Realty and UNLV) has announced conceptual plans for a $1.2B, 65,000 seat, domed stadium on this site, to be utilized by the UNLV football team and possibly an NFL franchise. Reportedly, the developers would seek $780M in public financing for the project, which could provide $600M to $800M in total annual economic benefit, including $200M in direct construction wages and $300M annually for the Las Vegas resort and retail sector.

PROJECT NEON DESIGN-BUILD

Project Neon Design-Build is a Nevada Department of Transportation project which includes proposed improvements to the I-15 Corridor, between the "Spaghetti Bowl" and Desert Inn Road. The Nevada Department of Transportation website includes the following "Project Overview":

> **Overview, Purpose, and Need:**
>
> **Growing congestion levels on I-15 and Las Vegas call for an immediate need for Project Neon. Overcapacity on the freeway contributes to traffic issues including high-frequency accidents, air pollution, noise pollution, travel delay, and decreased quality of life.**
>
> **Project Neon will improve traffic by separating mainstream freeway travel from local traffic. It will enhance safety by making freeway entrance and exits easily accessible. Increasing I-15 capacity will simultaneously increase mobility and improve access to Downtown Las Vegas. Project Neon is essential to the progression of Las Vegas transportation and quality of life.**
>
> **Project Area:**
>
> **Project Neon extends 3.7 miles along I-15 from Sahara to the US 95/I-15 interchange. It will consist of a High Occupancy Vehicle (HOV) connector between US 95 and I-15, direct HOV access ramps at Wall Street, reconstruction of the Charleston Boulevard interchange, and Grand Central Parkway connector over Charleston Boulevard.**
>
> **Project Benefits:**
>
> - **Safety: The I-15 corridor between the Spaghetti Bowl and Sahara Avenue averages four accidents each day. With Project Neon, system**

modifications including traffic weaving reduction will improve safety and help reduce congestion-related crashes.

- **Capacity: Projected traffic numbers show more than a half million vehicles per day are expected to travel the Project Neon corridor by 2030. The progressive solutions included in Project Neon will expand capacity and improve area traffic movement.**
- **Jobs: As a 20-year program of improvements, Project Neon is expected to create hundreds of planning and engineering jobs and thousands of local construction jobs over its lifetime.**
- **Access: Innovative expansion in the Downtown area will be easily accessible with improved access through Project Neon. Medical facilities, commercial centers, and arts and entertainment venues will be readily available to motorists heading Downtown.**
- **High-Occupancy Vehicles (HOV): The connection planned between the HOV lanes on U.S. 95 and the Express Lanes on I-15 will create a complete corridor for express travel. With direct access to and from the HOV Lanes at Wall Street, carpoolers and rapid transit will have expanded options to the south, northwest, and into Downtown.**
- **Connections: While the Project Neon Corridor is located in the Downtown area, the project runs through the heart of Las Vegas and will positively affect travelers valley-wide. Expanded HOV connections, an entire system of traffic improvements, and easy Downtown access will benefit commuters, visitors, and private and commercial property owners.**
- **Communities and Businesses: The area within one mile of the project corridor includes more than 1,500 residential properties and more than 600 commercial properties. Represented in those numbers are distinct, cohesive communities and major commercial centers including the International Market Center, Las Vegas Premium Outlet Mall, University Medical Center Campus, Metropolitan Police Department Headquarters, and Symphony Park.**

In consideration of the most current/updated information regarding the project, the State of Nevada Department of Transportation "Quarterly Report for Major Projects" (for the quarter ending March 31, 2015) includes a "Project Status Sheet" for "Project Neon Design-Build" which contains the following items of information:

Project Description:

- **HOV Direct Connector from US 95 to I-15 and I-15 widening improvements from Spaghetti Bowl to south of Sahara; add/drop lanes at Oakey/Wyoming**
- **Local access improvements to Las Vegas Downtown Redevelopment;**
- **New access to Alta**
- **I-15/Charleston Interchange reconstruction**
- **Project length: 4.83 miles**
- ***This project now includes what was previously Phases 1-4.**

Project Benefits:

- **Will accommodate anticipated traffic increases**
- **New access to Downtown Redevelopment**
- **Reduce congestion along local streets and I-15**
- **Extends HOV system**

Project Risks:

- **Complex construction in a high volume dense urban area**
- **Complexity in maintaining traffic, staging, relocating utilities, and reducing impacts**
- **Complex right-of-way issues may impact schedule and costs**

Schedule:

Planning: Complete
Environmental: Complete
Release Final RFP: Spring 2015
Selection of Design-Builder: Fall 2015
Construction: Spring 2016

Project Cost Range:

Engineering: $34M-$36M
Right-of-Way and Utilities: $285M-295M
Construction: $500M-$550M
Total Project Cost: To be determined

The board approved spending up to $1.5M for unsuccessful proposals; since the State will take ownership of all the proposals submitted and will have the ability to pay for any intellectual property that may be submitted from an unsuccessful bidder. It's a measure to get the best solutions for the project, regardless if they are submitted from the winning bidder.

As of March 2015, the Nevada Department of Transportation has acquired 60 land parcels needed for the project. The State has ownership, legal occupancy, or condemnation authority on 53 of the 60 properties. Of the seven remaining parcels, six are City of Las Vegas parcels and one has a private owner. There are multiple occupants on the seven parcels, which makes relocation necessary for one residential occupant, five small businesses, one large business, and three billboard sites. The Nevada Department of Transportation has spent $97.4M on acquisitions and legal costs.

HOTELS

The largest local hotels based on 2014 room count are as follows:

LOCATION	NO. OF ROOMS
MGM Grand	5,044
Luxor	4,400
Venetian Resort	4,027
Aria Resort	4,004
Excalibur	3,991
Bellagio	3,933
Caesars Palace	3,776
Circus Circus	3,767

FUTURE PROJECTS			
NAME	*LOCATION*	*COMPLETION DATE*	*NO. OF ROOMS*
Silverton Hotel Room Expansion	8280 Dean Martin Dr.	2016	390
Fairfield Inn & Suites	Las Vegas Blvd. & Robindale Rd.	2017	86
Fairfield Marriott	I-95 & Sky Pointe Dr.	2017	87
Residence Inn Marriott	St. Rose Pkwy. & Maryland Pkwy.	2017	100
Spring Hill Suites Marriott	Mesa Verde & Robindale Rd.	2017	160
Resorts World Las Vegas (Phase 1)	3000 Las Vegas Blvd. So.	2018	3,000

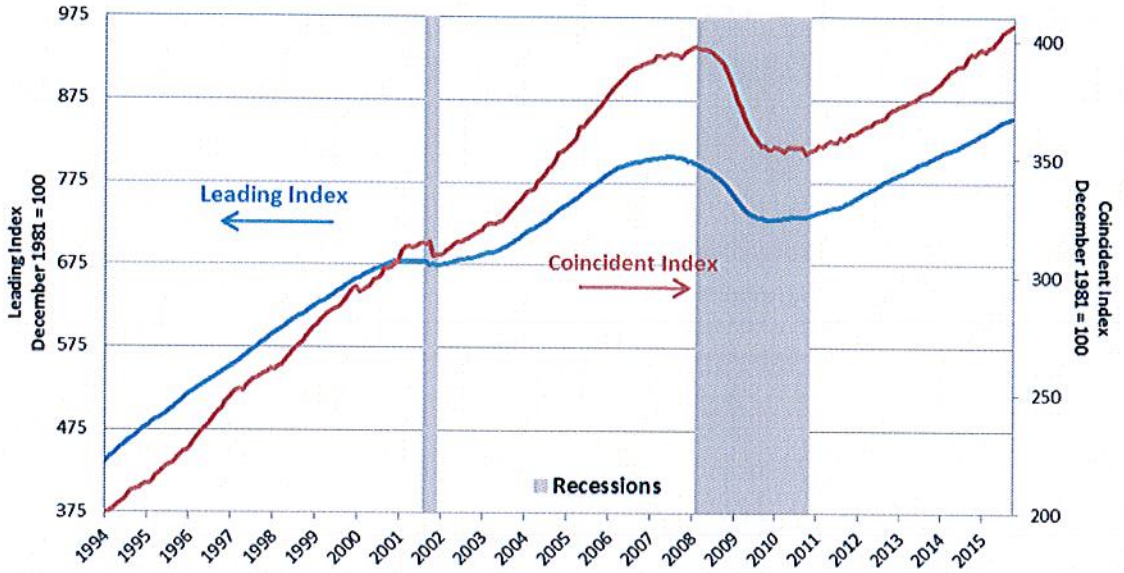
Source: Las Vegas Convention & Visitors Authority – Future Projects

ECONOMIC DATA FROM LIED INSTITUTE OF REAL ESTATE STUDIES

The Center for Business and Economic Research (CBER) at the University of Nevada, Las Vegas, analyzes economic and demographic impacts on events and policy initiatives in Nevada and the Clark County economy. The Center has developed the Southern Nevada Index of Economic Indicators which is comprised of economic conditions in the neighboring states of California and Arizona, McCarran Airport passenger data and the S&P 500 Index. The Coincident Index analyzes two measurements of employment in the valley to forecast growth.

The following sets forth the most recent graph of the Southern Nevada Index of Economic Indicators:

CBER Southern Nevada Economic Indicators



Leading Index

Series	Date	Latest Period	Change Previous Period	Change Year Ago
Arizona Index	Sep-15	916.7	0.1%	2.8%
California Index	Sep-15	721.2	0.3%	4.2%
S&P 500 Index	Sep-15	1959.6	-4.3%	-2.4%
McCarran Total Passengers	Sep-15	3,813,233	-0.6%	6.0%
Overall Index Change		852.8	0.1%	3.1%

Sources: Philadelphia Federal Reserve, McCarran International Airport, St. Louis Federal Reserve (FRED)

Coincident Index

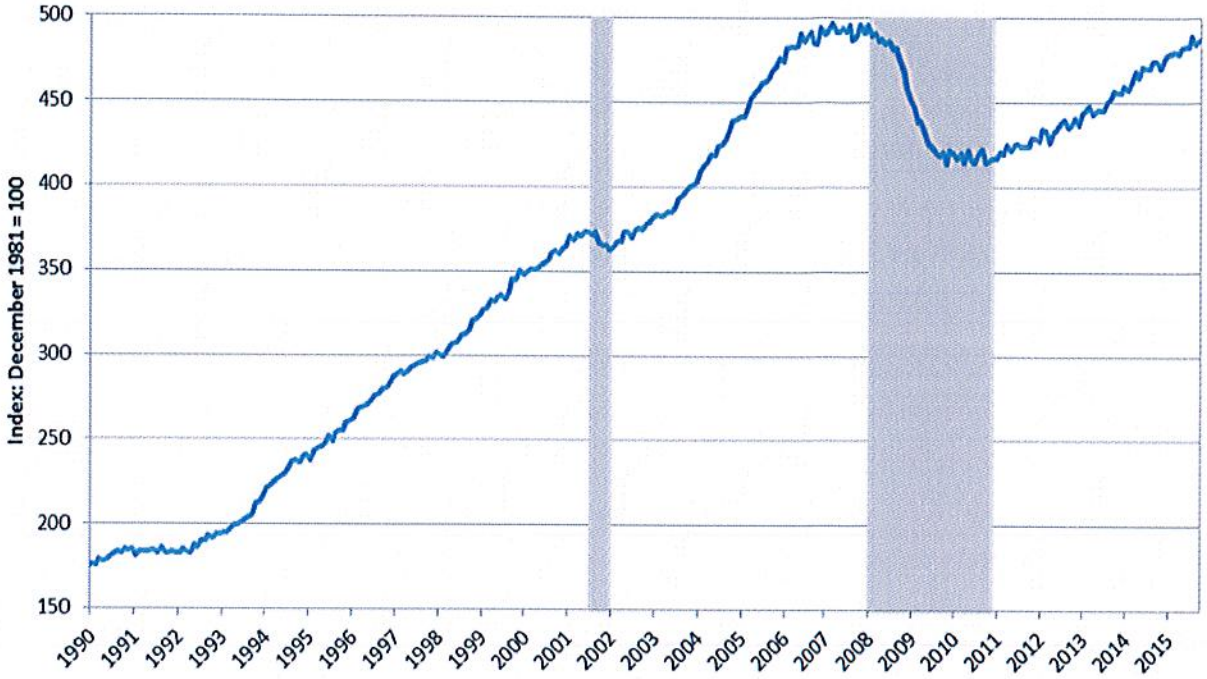
Series	Date	Latest Period	Change Previous Period	Change Year Ago
Las Vegas MSA Nonfarm Employment	Sep-15	915,583	0.3%	2.4%
Las Vegas MSA Household Employment	Sep-15	981,580	0.2%	3.5%
Overall Index Change		406.5	0.2%	2.9%

Sources: Current Employment Statistics, Local Area Unemployment Statistics

For CBER's Southern Nevada Leading Index, both Las Vegas MSA nonfarm employment and Las Vegas MSA household employment rose in September 2015 relative to last month and last year. Two components of CBER's Southern Nevada Leading Index – the Arizona and California Indexes – increased in September 2015 relative to last month and last year. The other two components – the S&P 500 Index and the number of total passengers going through McCarran Airport – fell by 4.3 percent and 0.6 percent, respectively, for the month. While McCarran total passengers experienced the largest yearly gain among the components, the S&P 500 Index declined by 2.4 percent compared to a year earlier due to turbulent global economies.

The following sets forth the most recent graph of the Clark County Business Activity Index:

CBER Clark County Business Activity Index

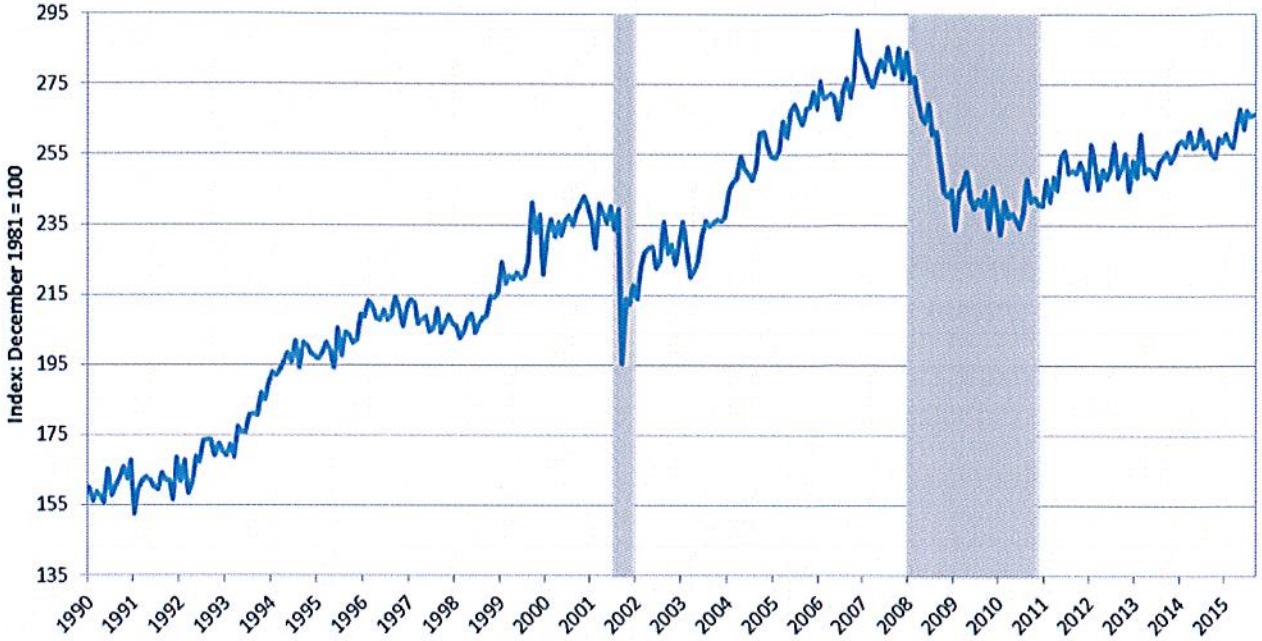


Date	Index	Change Previous Period	Change Year Ago
Sep-14	474.5	0.04%	3.9%
Oct-14	470.4	-0.9%	3.2%
Nov-14	475.7	1.1%	4.3%
Dec-14	478.4	0.6%	3.9%
Jan-15	478.8	0.1%	4.6%
Feb-15	480.0	0.3%	3.8%
Mar-15	478.9	-0.2%	2.2%
Apr-15	482.6	0.8%	3.8%
May-15	482.9	0.1%	2.5%
Jun-15	483.0	0.01%	2.7%
Jul-15	489.1	1.3%	4.0%
Aug-15	485.1	-0.8%	2.3%
Sep-15	486.9	0.4%	2.6%

CBER's Clark County Business Activity Index increased by 0.4 percent in September 2015 on a month-over-month basis and by 2.6 percent on a year-over-year basis. Among the three components of the business index, only seasonally adjusted Clark County gaming revenue experienced a loss. As seen in the coincident index, Las Vegas nonfarm employment rose by 0.3 percent from the previous month, and seasonally adjusted Clark County taxable sales climbed by 1.5 percent during the same period. Seasonally adjusted gaming revenues fell by 0.8 percent from August to September.

The following sets forth the most recent graph of the Clark County Tourism Index:

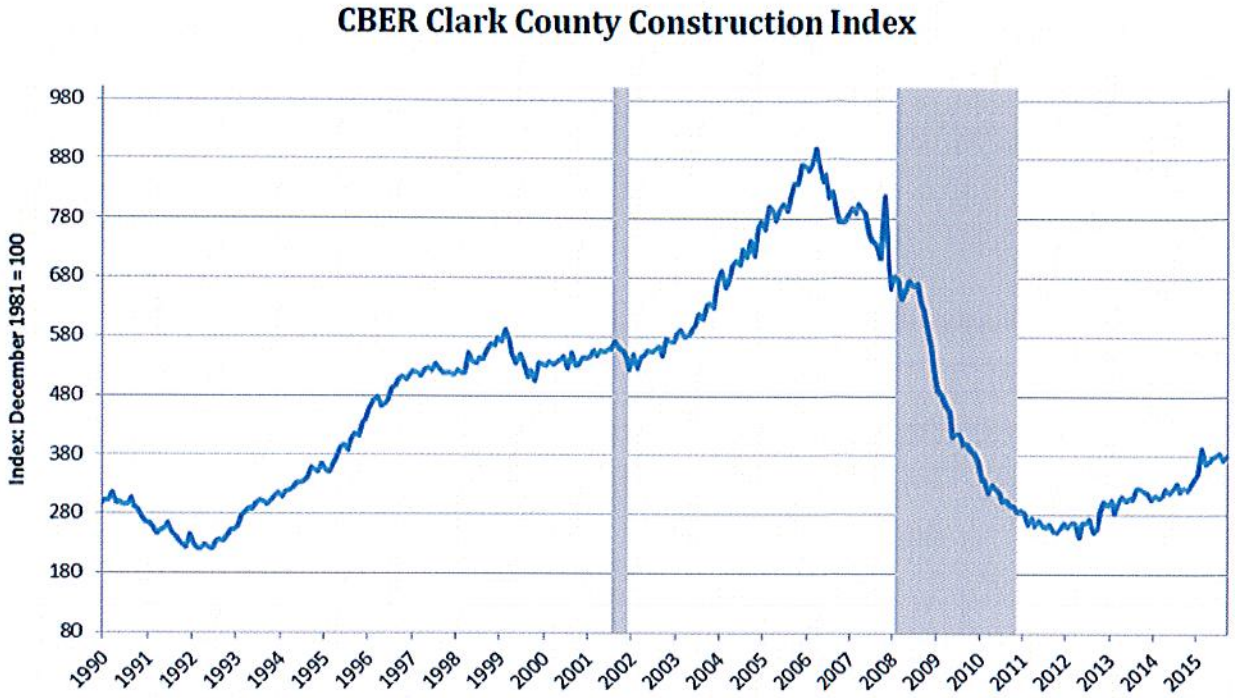
CBER Clark County Tourism Index



Date	Index	Change Previous Period	Change Year Ago
Sep-14	255.2	-1.4%	-0.2%
Oct-14	254.3	-0.4%	0.5%
Nov-14	259.8	2.2%	1.7%
Dec-14	258.7	-0.4%	0.1%
Jan-15	261.1	0.9%	0.8%
Feb-15	258.3	-1.1%	0.4%
Mar-15	257.3	-0.4%	-1.6%
Apr-15	262.9	2.2%	2.3%
May-15	267.8	1.9%	3.9%
Jun-15	262.4	-2.0%	0.1%
Jul-15	267.4	1.9%	4.0%
Aug-15	266.2	-0.4%	2.8%
Sep-15	266.4	0.1%	4.4%

The activity in the tourism sector, as measured by CBER's Clark County Tourism Index, increased by 0.1 percent in September 2015 on a month-over-month basis and rose by 4.4 percent on a year-over-year basis. Two components of the tourism index experienced losses from last month. Seasonally adjusted gaming revenue and the number of total passengers enplaned/deplaned at McCarran Airport fell by 0.8 and 0.6 percent, respectively, from the previous month. A gain in the Las Vegas hotel/motel occupancy rates offset losses from the other components and contributed to a monthly increase in the tourism index, up by 1.0 percent.

The following sets forth the most recent graph of the Clark County Construction Index:



Date	Index	Change Previous Period	Change Year Ago
Sep-14	325.3	1.9%	0.5%
Oct-14	320.9	-1.4%	0.07%
Nov-14	333.5	3.9%	5.1%
Dec-14	343.2	2.9%	11.9%
Jan-15	349.9	2.0%	11.7%
Feb-15	391.5	11.9%	27.0%
Mar-15	367.3	-6.2%	17.0%
Apr-15	371.6	1.2%	14.5%
May-15	377.7	1.6%	18.6%
Jun-15	378.6	0.2%	16.8%
Jul-15	383.0	1.2%	15.2%
Aug-15	372.4	-2.8%	16.7%
Sep-15	379.3	1.9%	16.6%

CBER's Clark County Construction Index rose by 1.9 percent in September 2015 on a month-over-month basis and gained 16.6 percent on a year-over-year basis. Residential building permits decreased by 12.2 percent in September 2015. Commercial permits increased by 2.1 percent for the month, however, commercial permits still remain low and continue to experience significant volatility. Las Vegas construction employment increased by 3.1 percent from last month.

In regard to environmental forces, several years after near record snow levels that sent four trillion gallons of water into Lake Mead, the winter of 2012 and year to date 2016 have seen conditions far below that of 2011. The U.S. Bureau of Reclamation has predicted the water supply will be reduced by 2.45 million acre feet. The level of Lake Mead is based upon water flow from Lake Powell. The Bureau has forecast approximately 5 million acre feet of water will flow into Lake Powell. After shrinking to a record low level in November 2010, the surface of Lake Mead has risen more than 50' from the 2011 snowfall. This increased the level of Lake Powell to the highest it has been in 10 years and returned Lake Mead to where it was in the Spring of 2006. The Las Vegas Valley currently relies upon Lake Mead to supply approximately 90% of the water from the Colorado River.

EFFECT OF GENERAL AREA ON SUBJECT

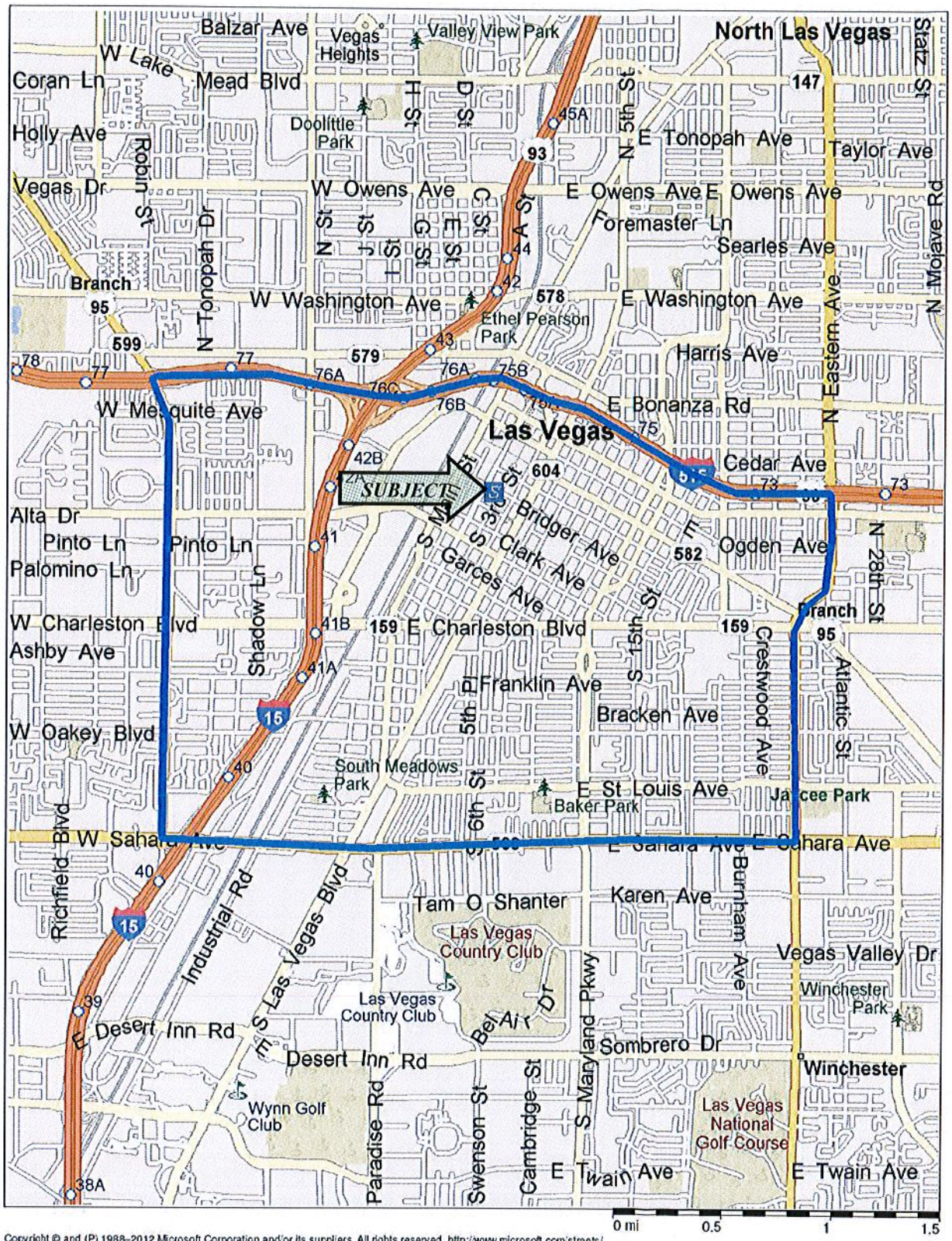
The current economic outlook for the immediate future is more positive than the past five years and the overall market has stabilized. Over the long term, however, it is generally favorable. Household income and population are expected to continue to grow, however at a more modest rate than in the past.

Overall, it is anticipated that the Las Vegas Valley will continue to attract visitors as well as new residents; however, at a slower rate. Moderate growth is anticipated due to the warm climate and the continued expansion of major resorts. Accessibility to the area has continued to improve with expansions at McCarran International Airport as well as improvements to the major highways serving the area. The anticipated trend is generally favorable and Las Vegas is recognized throughout the world as the Entertainment Capital. Recreation is also a major draw to the area as it is within close proximity to Lake Mead Recreational Area, Toiyabe National Forest, and the Red Rock Canyon Conservation Area. There is an abundance of golf courses throughout the valley as well as operated in conjunction with several major resorts that attract visitors to the area. The proximity to major California urban centers continues to feed population and business opportunities; however, the downturn in the California economy coupled with high unemployment, have affected the Las Vegas economy.

In conclusion, Las Vegas will continue to depend on the tourism and construction industries for continued growth. The most recent statistics reflect an increase in the valley's primary industry in terms of visitor volume and the improvement in the unemployment rate. Major resorts have reported favorable results in terms of revenue categories with increases in occupancies and average daily room rates which have increased EBITDA. The tourism sector of the economy is anticipated to continue to

improve in 2016. It is anticipated there will be an increase in the number of single-family housing units constructed during 2016. Threatening the Valley's long-term housing stability is the current high rate of foreclosures and those that have been postponed by past legislative action. On the positive side, housing is more affordable and the most recent data suggests the economic outlook is improving.

MARKET AREA MAP



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MARKET AREA DESCRIPTION

LOCATION

The subject market area is located in the central section of the Las Vegas Valley commonly referred to as "Downtown" Las Vegas. The general periphery is considered to be Interstate 515 (U.S. Highway 93/95) on the north, Eastern Avenue on the east, Sahara Avenue on the south, and Rancho Drive on the west.

ACCESSIBILITY

The subject market area is considered to have excellent accessibility from all sections of the Las Vegas area. The major north/south thoroughfares consist of Las Vegas Boulevard, Main Street, Maryland Parkway, and Eastern Avenue. The major east/west travel routes are Fremont Street, Charleston Boulevard, and Sahara Avenue.

Access to the subject market area from outlying areas of Las Vegas is generally by freeway with interchanges located at Las Vegas Boulevard, Casino Center, Charleston Boulevard, Eastern Avenue, and Sahara Avenue. Las Vegas Boulevard extends north/south through the major portions of the Las Vegas Valley. Maryland Parkway extends approximately one mile north of the market area, and south six miles to McCarran Airport. Main Street splits off of Las Vegas Boulevard, from Louis Avenue to north of Owens Avenue, providing additional access to the downtown area. Fremont Street extends from Downtown Las Vegas to the Boulder Highway, which extends approximately 25 miles southeast to Boulder City. Both Charleston Boulevard and Sahara Avenue in the southern portion of the market area extend east and west throughout the Las Vegas Valley.

Underpasses along Interstate 15 at Bonneville Avenue and near Ogden Avenue also provide additional access to the market area from the west. Fourth Street is a northbound, one-way street that extends from Las Vegas Boulevard at Oakey Boulevard to Interstate 515 where it terminates. This street has been designated as the main entrance corridor to the Fremont Street Experience from the east. The City has completed a beautification project that includes landscaping along both 4th Street and 5th Street.

The 21,000 square foot Bonneville Transit Center (a state of the art, $20.4M terminal constructed in 2010) is the central hub for the Regional Transportation Commission's ACE Bus Services. It provides

a convenient option for both residents and tourists between the resort corridor and downtown Las Vegas while also providing service to the Fremont Street Experience, World Market Center, Clark County Government Center, and the Las Vegas Premium Outlet Mall. A portion of the route within the described subject market area will include 3rd Street, Casino Center, Ogden, and Grand Central Parkway and consists of a dedicated lane for the system.

The main tourist activity area for the Downtown area is located along Fremont Street between Las Vegas Boulevard (5th Street) and Main Street. Fremont Street is historically known as "Glitter Gulch." This portion of Fremont Street was closed to vehicular traffic and converted to a pedestrian mall in September 1994; now the Fremont Street Experience. Casino Center Boulevard and 4th Street provide vehicular traffic between the pedestrian areas; however, are closed during special events.

Overall, access to and throughout the market area is considered good.

SURROUNDING LAND USES

Downtown Las Vegas includes a mixture of major land uses; Tourist (Hotel/Gaming), Office, Industrial, and Residential uses. The Las Vegas Downtown Centennial Plan identifies the following ten Districts within the market area: Office Core, Downtown Gateway, Downtown South, Las Vegas Arts District, Parkway Center, Central Casino Core, Northern Strip Gateway, East Village, The Fremont East District, and Symphony Park.

Office Core

The Las Vegas Downtown Centennial Plan generally identifies the boundaries for the Office Core as Bridger Avenue to the north and Garces Avenue, and east of the U.P.R.R. Mainline to Las Vegas Boulevard (5th Street). The area also includes portions along Las Vegas Boulevard between Interstate 515 and Charleston Boulevard.

A number of government offices are located within the subject's market area; most within the above boundaries. The continuing growth of the City in terms of population requires an expansion of services. There has been nothing to suggest the City Offices will relocate from the Downtown area. In fact, the new Las Vegas City Hall, which includes approximately 251,000 square feet, and was completed at a

cost of approximately $146M, opened to the public in February 2012. As such, it is expected that the employment by the City in the Downtown area will not only remain at its current level, but increase as growth continues.

The Federal Courthouse located on Las Vegas Boulevard is expected to contribute to the development and growth of Downtown Las Vegas. The Courthouse is designed to accommodate growth of the U.S. Courts of the District of Nevada to the year 2022. Approximately 370 people are employed in the 407,000 square foot building. There are 10 court rooms and judicial chambers for the U.S. District Court and the U.S. Magistrate, along with a Ceremonial Proceeding court room, library, conference room and jury assembly area, which can also be utilized for community events.

The Regional Justice Center housing the District Courts and related facilities opened in November 2005 and is located one block south of the existing courthouse facilities on Lewis Avenue. The concept of the Regional Justice Center is to house major area justice system components in the Las Vegas Valley in one central location; thus bringing District Court, Justice Court, District Attorney, County Clerk, Las Vegas Municipal Court and the City Attorney's Criminal Division all under one roof. The 18-story Justice Center houses approximately 770,000 square feet of courtroom and office space. Additionally, a $58M expansion of the Clark County Detention facility has been completed, adjacent to the Regional Justice Center. This is a 7-story building, which houses 1,200 beds. The building is connected through a tunnel under Casino Center Drive to the Justice Center in order to allow inmates going to and from court appointments to utilize the tunnel.

The County Offices that were in the past located in several County buildings throughout the downtown area, as well as in private sector buildings, have relocated west of the Central Business District. The new County offices are located on the former Union Pacific rail yard site (Parkway Center), which is included within the Las Vegas Downtown Centennial Plan.

Completed at the northwest corner of Alta Drive and Martin L. King Boulevard is the new Las Vegas Metropolitan Police facility. This 14-acre campus consists of three buildings totaling 390,000 square feet and a multi-level parking structure. The facility was constructed to help Metropolitan Police centralize and consolidate its administrative staff. It opened with 1,400 employees. The property was developed by Mark L. Fine & Associates on a lease purchase agreement.

The 11-story, 140,000 square foot, Federal Justice Tower is under construction "Downtown" at the southwest corner of Las Vegas Boulevard and Clark Avenue. Upon completion, this Class "A" building will include mixed retail space on the ground floor. The building will also house 300 employees with the Department of Homeland Security U.S. Immigration, U.S. Attorney's Office for the District of Nevada, the Department of Labor Office of Inspector General and the Federal Protective Services.

Although not located within the Office Core, the State Office Building was relocated to the northeast corner of Washington Avenue and Las Vegas Boulevard North, approximately one mile north of the downtown district. The facility opened in early 1995.

The office market is separated into three categories, those being; services relating to government, financial services, and general Central Business District support services.

The Central Business District has captured the majority of government related services. The notable exceptions are government services which have located outside of the Central Business District due to a lack of available office space. With the relocation of the County and State offices, several suburban government related services have relocated to the Central Business District in close proximity to their host government offices.

The Central Business District was originally the major financial center for the Las Vegas Valley. The growth and expansion, which has occurred in the past decade, has resulted in a number of the major financial institutions relocating to suburban offices. The migration was largely the result of a supply constraint of land in the Downtown area. Bank of America and Nevada State Bank have retained large offices in the Central Business District. All of the other major financial institutions have branch offices within the downtown area.

The general Central Business District supports offices which are largely professional or service oriented. Offices range in size from entire floors of high-rise buildings to converted single-family residences of less than 2,000 square feet.

Private sector offices can be categorized into three sizes, those in excess of 5,000 square feet; those less than 5,000 square feet, and older residences, which have been converted to small professional offices.

The Downtown office market continues to have one of the lowest vacancy rates in the valley, primarily due to the established legal corridor that services the downtown legal centers. According to the 4th Quarter 2014 Applied Analysis Office Market Report, there were 80 properties located within the Downtown submarket area that include approximately 4.1M square feet or approximately 8% of the total Las Vegas office market. As of the 4th Quarter 2014, the Downtown submarket reflected an average vacancy of 10.5% and continues to outperform the Las Vegas market as a whole, which has a reported average vacancy of 23.6%. As of the 4th Quarter 2014, there was 129,000 square feet of new office development under construction, dedicated to the Federal Justice tower and the EVAPS Law Office.

There are no studies relating to either the less than 5,000 square foot offices, or the converted residences. General observations suggest that there is a demand for these properties. Currently there are few vacancies in small buildings. However and at this time, conversion of older homes to professional offices appears to have halted.

The overall indicated trend is that employment within private sector offices has stabilized within the Central Business District.

Downtown Gateway

This district is the entryway into Downtown from the north and U.S. 93/95. It is intended to be developed as an intense tourist commercial district with hotel/casinos acting as the anchor for the area. This district is bounded by U.S. 93/95 on the north, the properties on the east side of 7th Street on the east, Ogden Avenue on the south, and Casino Center Boulevard on the west.

Downtown South

The 18b Arts District is a mixed-use area containing a wide variety of land uses and density of existing utilitarian buildings. It is bound by the eastern edge of the Union Pacific Railroad right-of-way on the

west, the center line of Garces Avenue on the north, the western property line of the properties on the western side of Las Vegas Boulevard to Wyoming Avenue on the east, and the centerline of Wyoming Avenue on the south. It also includes the two-block area bounded by Garces Avenue and Hoover Avenue on the west side of 6th Street.

The Las Vegas Arts District

The Las Vegas Arts District is a city designated neighborhood with a live/work ordinance, emerging in a 16-block area with businesses, galleries, shops, and studios. The Arts District originally included the area bound by Charleston and Oakey Boulevards, Commerce Street, and 3rd Street; however, was reduced to the boundaries of Main Street to the west, Colorado Street to the south, Hoover Street to the north, and 4th Street/Las Vegas Boulevard to the east. The area is planned to include a variety of businesses, restaurants, shops, and residential uses. This is a city designed neighborhood with a live/work ordinance, emerging with businesses, galleries, shops, restaurants, studios, and residential uses.

Parkway Center

The Parkway Center is a redevelopment of the old Union Pacific Railroad rail yards. The site encompasses a total area of 284.39 acres. The Las Vegas Downtown Centennial Plan generally identifies the boundaries for Parkway Center as the area north of Charleston Boulevard, between the U.P.R.R. Mainline, Interstate 15 and Interstate 515. There are currently four major developments within the Parkway Center. They include the Clark County Government Center, the Las Vegas Premium Outlets, the World Market Center, and the Symphony Park project.

The Clark County Government Center is located at the southeast corner of Grand Central Parkway and Bonneville Avenue on a 38.8 acre parcel of land. The building centralizes 1,100 employees who comprise 29 county departments, divisions, and agencies, previously situated in 12 different locations. The facility is six stories in height and totals 385,000 square feet.

The Las Vegas Premium Outlet Mall North is located at the southwest corner of Grand Central Parkway and Bonneville Avenue on a site of 38.94 acres. This is a 435,000 square foot outlet center

featuring 150 designer and name brand outlet stores. The mall opened in August, 2003 and has an expansion under construction.

The World Market Center is located at the northwest corner of Grand Central Parkway and Bonneville Avenue on a site totaling 56.45 acres. The first phase of this state of the art home furnishing building was a 10-story venue comprised of 1.3M square feet and 230 showrooms. With the completion of Phases 2 and 3 (including Building C), this facility now includes more than 5M square feet of space and exceeds the largest size of any trade merchandise mart in the United States. The original concept called for 7.5M square feet; however, 12M square feet is currently planned. The initial phases have produced more than 1,500 permanent full-time jobs. If all eight phases are completed, it is projected that this facility will generate 35,000 direct and indirect jobs.

Also located within the Parkway Center is the new Internal Revenue Service building. The most recent addition is the Molasky Corporate Center consisting of a 285,000 square foot, 16-story Class "A" office building. Approximately 80% is occupied by the Southern Nevada Water Authority.

Central Casino Core

According to the Las Vegas Downtown Centennial Plan, the Central Casino Core is generally located north of Bridger Avenue and west of 4th Street extending north to Interstate 515 and west to the U.P.R.R. Mainline. Portions of this district encroach on the Office Core to the east of 4th Street.

Major hotels located along Fremont Street include the Four Queens Hotel & Casino; the Fremont Hotel & Casino; the Plaza Hotel; the Las Vegas Club; the Golden Gate; the Golden Nugget, the D Las Vegas (former Fitzgerald's Hotel and Casino), and Binion's Gambling Hall. Also included within these boundaries are the California Hotel on Casino Center Boulevard; Downtown Grand on Ogden Street; and the Main Street Station located on Main Street at Stewart. Notably, the Golden Nugget opened its new Rush Tower, adding nearly 500 rooms at a cost of $150M. The Plaza Hotel & Casino reopened September, 2011 after a $35M renovation. The Golden Gate Casino, which was constructed in 1906, completed its $15M renovation, inclusive of a new lobby, an updated casino, and 106 refurbished rooms. On October 27, 2013 the Downtown Grand, which is the former Lady Luck, reopened to the

public. The facility underwent a $100M renovation and features 634 rooms, approximately 600 slot machines and 30 table games.

There are 12 major hotel/casino properties within the subject's market area with a total of 10,178 rooms. This includes the Stratosphere Hotel & Casino at the south end of the market area and the El Cortez on East Fremont. This is up from the year 2000 total by approximately 1,500 rooms, as a result of the additional construction at the Stratosphere Tower and the Golden Nugget, as well as the opening of the Downtown Grand.

It is also noted that the Sahara Hotel & Casino, located adjacent to the southern boundary of the previously defined market area, closed on May 16, 2011, due to its lack of economic viability for the operation. The remodel of the former Sahara Hotel & Casino features a 1,600 room "true boutique resort", including nightlife and restaurant business and reopened as SLS Las Vegas on August 23, 2014.

Northern Strip Gateway

The Northern Strip Gateway is centered by the Stratosphere Tower Hotel & Casino. The boundaries of this core area include Wyoming Avenue to the north, Las Vegas Boulevard to the east, Sahara Avenue to the south, and the Union Pacific Railroad to the west.

East Village

This district is the traditional area of downtown, bounded by the center line of Las Vegas Boulevard on the west, Ogden Avenue to 15th Street, then the properties on the north side of Fremont Street for the north, the center line of Eastern Avenue on the east, and the properties on the south side of Fremont Street to 15th Street and then the center line of Carson Avenue to Las Vegas Boulevard on the south.

The Fremont East District

This district anchors the western section of the East Village district and is bound by the center line of Las Vegas Boulevard on the west, the center line of Ogden Avenue on the north, the center line of 7th

Street on the east, and the center line of Carson Avenue on the south. The Fremont East District continues to see the majority of development activity in the market area with the recent openings of Park on Fremont, Back Stage Bar & Billiards, the Fremont Country Club, Commonwealth Las Vegas, Radio City Pizza, and La Comida Mexican Restaurant. The Downtown Container Park, which is located at the southeast corner of 7th Street and Fremont Street, opened in November 2013.

Symphony Park

The City of Las Vegas and Newland Communities are currently developing Symphony Park, a 61 acre mixed use urban community. The master plan for Symphony Park identifies four districts organized in a series of small urban blocks with pedestrian friendly accessibility. The four districts are: the Pacific District (includes the Smith's Center for the Performing Arts and the park); the Specialty District (plans for a wide range of hospitality, specialty retail, hotel/casino); the Residential District (true urban neighborhoods with a mix of high-rise, town homes, live/work condominiums and mid- and low-rise residences), and the Medical Office District (anchored by the Cleveland Clinic Lou Ruvo Center for Brain Health with other office and clinic space).

The first phase of infrastructure improvements was completed in 2009. The Cleveland Clinic Lou Ruvo Center for Brain Health celebrated its completion of construction with a grand opening of their event space on May 21, 2010. The $470M Smith's Center for the Performing Arts, which includes a 2,050 seat auditorium, as well as a 17-story Carillon Bell Tower, opened to the public in July 2012. In March, 2013, the Donald W. Reynolds Discovery Center at Symphony Park opened to the public. This facility is a state-of-the-art 58,000 square foot, three-story children's museum containing nine themed exhibition halls, inclusive of all-new exhibits that demonstrate the museum's core educational values of science, arts, and culture. It will also provide a larger traveling exhibition gallery, and programming and workshop spaces.

LAS VEGAS MEDICAL DISTRICT

The predominant feature of the western portion of the market area is the University Medical Center and Valley Hospital within an area known as the "Las Vegas Medical District" which includes a plan adopted by City Council on June 19, 2002. This plan created a special medical district. Within this district there are several new zoning classifications that only apply to this locale. They are major

medical, medical support, professional office, high density residential, and service commercial. The district is bounded by Rancho Road on the west, Alta Drive on the north, Martin Luther King Boulevard on the east and Charleston Boulevard on the south. Major medical and medical related facilities in this district include the University Medical Center, Valley Hospital, the Jean Hanna Clark Health Center, and the Clark County Health Department facilities. Numerous specialized clinics and health centers are also located in this special district.

The influence of this special district extends beyond its boundaries to the market area in general. A significant portion of the office space developed along the market area arterials of Charleston Boulevard and Rancho Drive is classified as "medical offices." Located within the market area are several high-end residential communities which cater to doctors and other professionals.

RESIDENTIAL/HIGH-RISE CONDOMINIUM PROJECTS

Residential development within the downtown area includes multi-family apartments, weekly hotel/apartments, and single-family residences, as well as the current trend of high-rise condominium projects.

The majority of multi-family apartments are generally older facilities that have a high concentration of studio and one-bedroom units. Low income tenants typically occupy these facilities.

The daily/weekly motels/apartments within the market area are generally in excess of 25 years old, and are rented on a weekly basis. A number of these properties are older motels that no longer cater to tourists. Primary tenancy for these properties is typically the hotel/casino service employees. The trend in the apartment and weekly hotel/apartment segments of the market indicates stabilization at a higher occupancy rate than typical for the valley. Rental rates combined with land values have discouraged new development in this area. At the current time, several medium density and high density weekly apartment complexes exist within this market area.

The single-family residences located within the market area are among the oldest in the Valley. The majority of these residences have been converted to small professional offices; however, there remain some owner-occupied and rental units. Older single-family residences are continuing to be converted to professional offices. These conversions may slow with the anticipated temporary increase in the supply of office space.

A considerable amount of high-rise and mid-rise residential development has been recently completed within the downtown area. The Soho Lofts, completed in 2005, is a 14-story tower that includes 120 lofts ranging from 1,336 square feet to 1,855 square feet. This property is located at the southwest corner of Hoover Avenue and Las Vegas Boulevard. Units are both sold and rented.

The Newport Lofts, which was completed in 2007, is a similar property with ground floor retail, six parking levels, and 14 floors of high-end lofts. The property includes lofts ranging from 900 to 1,600 square feet and penthouse units ranging in size from 1,700 square feet to 2,900 square feet. This development is located at the northeast corner of Casino Center Boulevard and Hoover Avenue. Units are both sold and rented. The last unit was reported sold in April, 2010 and the project has an active rental program.

The Ogden, formerly known as Streamline Tower along Las Vegas Boulevard between Ogden Avenue and Stewart Avenue, was completed in 2007. This property includes 14,000 square feet of ground level retail space and 275 total units in a 21-story building. There are 13 floor plans. This "failed" "for sale" condominium project is now renting all remaining units.

Juhl, located along the south side of Bonneville Avenue between Third and Fourth Streets, was completed in 2008. This 6 to 15-story project will include 341 lofts, ranging in size from 600 square feet to 2,500 square feet. Included on the first floor will be 10,000 square feet of retail space. Units within the property are currently being marketed for lease.

The newer residential condominium projects provide additional housing needed for the downtown area, replacing some of the older residential properties approaching the end of their economic life. Most are now renting units.

RETAIL

Retail development within the subject market area includes tourist oriented facilities, food service facilities, and conventional retail outlets. The tourist-oriented facilities consist primarily of souvenir shops along Fremont Street. The Downtown area does not currently have the upscale retail associated with "Strip" resorts.

Food service outlets range from small, local sandwich shops, to fast food chains to quality restaurants. The majority caters to the Central Business District lunch patrons.

Conventional retail is limited within the downtown area to the Las Vegas Premium Outlet Mall, as discussed previously. The trend for retail within the subject market area has been for a decline in the number of facilities. The Fremont Street Experience was intended to revitalize the retail market, as well as the gaming market. The project was not as successful as originally anticipated; however, it has shown signs of improvement recently. Since its original construction, the Fremont Street Experience expanded north on 1st and 3rd Streets at a cost of approximately $1.25M to add lights, palm trees, park benches, and pedestrian walkways, two additional blocks between Fremont Street and Ogden Avenue.

The Downtown Container Park, which consists of approximately 14,200 square feet of retail space, is considered a major element of the Downtown Project which is a $350M urban renewal program backed by Zappo's CEO Tony Hsieh. The retail and entertainment development located at the southeast corner of Fremont Street and 7th Street opened to the public in late November 2013 and includes a variety of shops and restaurants housed within prefabricated shipping containers.

ECONOMIC CONDITIONS

The primary employment centers within the market area include major hotel/casinos, government offices, public facilities and private sector offices. The overall employment trend for the Downtown area is for present levels of employment to increase as a result of the new developments and/or the expansion of existing facilities, both in the government and private sector.

The Fremont Street Experience includes a 100' tall 3½-acre mesh canopy which covers the entire street and a parking garage. The project utilizes a high-tech light and sound show that highlights sky parades with three-dimensional floats in the backdrop for aerial projections. The canopy additionally offers shade and a water mist system to lower temperatures along Fremont Street. The area underneath the canopy has been developed as a pedestrian mall known as Neonopolis and consists of 300,000 square feet with various tenants. Slotzilla opened in April, 2014. It is an $11.5M attraction with four zip lines, the longest at 1,750'.

The most significant development related to Downtown Las Vegas was the move of Zappos.com (a Las Vegas based on-line shoe and clothing retailer owned by Amazon.com), to the former City Hall building located at the northwest corner of Las Vegas Boulevard and Stewart Avenue. The move added approximately 1,000 new jobs, has been described as a "tipping point", "watershed", and a "game changer" by Las Vegas City Council members. Demolition on the property began in May 2012, and it opened to the public in September 2013.

The Plaza Hotel closed its 1,037-room hotel in September, 2010. It has completed the $35M renovation that includes brand new guestrooms and suites, an entirely remodeled casino floor and lobby, and all new restaurants and entertainment options. The guestrooms and suites included the materials and furnishings that were originally to be utilized in the now-suspended Fontainebleau Resort. The property reopened September 1, 2011.

The Downtown Grand, which is managed by Fifth Street Gaming, opened to the public on October 27, 2013. The opening came approximately 6½ years after the closure of the Lady Luck, which was remodeled/renamed by investor CIM Group and converted into the Downtown Grand. The renovation cost approximately $100M and when fully operational, the resort will employ 800 employees. The Downtown Grand features 634 rooms, approximately 600 slot machines, and 30 table games. The resort anchors the 10 acre, four block district known as Downtown Third. Currently, the resort operates the Triple George Grill, Hogs & Heifers Saloon, Pizza Rock, Red Mansion, and Stuart & Ogden and when complete will offer 17 different bars and restaurants.

The former Fitzgerald Casino has been renamed the "D Vegas" and has 624 remodeled rooms with 14 deluxe suites in addition to several new eating establishments. In addition, most recently, Derek Stevens the CEO of the "D Vegas" purchased the Clark County former courthouse at 200 S. 3rd Street for $10M. The facility, which consisted of 315,180 square feet of building area, sits on a 2.76 net acre parcel. The existing improvements have since been demolished and the site is now utilized as the "Downtown Las Vegas Events Center".

The City Council approved an ordinance establishing the Downtown Entertainment Overlay District in March, 2004. This has been an effort to revitalize the surrounding downtown areas. The ordinance waives distance requirements between taverns and relaxes other zoning and licensing restrictions to

encourage night clubs, comedy clubs, and other musical entertainment venues. The District is centered on East Fremont Street between Las Vegas Boulevard and 8th Street.

PUBLIC SERVICES AND AMENITIES

The subject market area is considered to be located within close proximity to major services. The main Metropolitan Police Station, the Clark County Detention Center, a fire station, post office, library, and other inner city facilities are all located within the subject market area. Also within the market area is located the Clark County Courthouse, the U. S. Federal Building, several banks and financial institutions, as well as numerous office buildings which support the downtown business district.

Medical services are located approximately ½ mile west of the subject market area at University Medical Center on Charleston Boulevard.

The University of Nevada Las Vegas, Las Vegas Convention Center and McCarran International Airport are located south of the market area, approximately four to six miles. Additional secondary education includes the College of Southern Nevada with locations throughout the valley; and the Nevada State College in Henderson.

The following public schools are reported to be zoned for the subject market area:

Grades 1-5	**Grades 6-8**	**Grades 9-12**
Howard E. Hollingsworth	John C. Fremont	Rancho High School
John S. Park Edison		Valley High School
Crestwood		Clark High School

The High School of Performing Arts is located in the center of the market area. It is classified as a "magnet" school, offering concentrations in visual arts, performing arts and language arts. The area is also serviced by a variety of private schools.

All necessary utilities for development are available within the area.

DEMOGRAPHICS

The 2015 Las Vegas Perspective powered by Las Vegas Global Economic Alliance, is an informational publication with survey data and demographics on the Las Vegas Metropolitan area sponsored by 8 News Now, Applied Analysis, Cox Communications, Nevada State Bank, and Wells Fargo Bank. This

publication identifies 66 survey areas by zip code. The subject market area is primarily encompassed by zip codes 89101, 89102, 89104, and 89106 or portions thereof. The following provides a demographic profile:

	Zip Code 89101	*Zip Code 89102*	*Zip Code 89104*	*Zip Code 89106*	*Clark County*
No. of Housing Units	17,764	15,726	13,899	11,073	774,540
Population	41,677	36,084	35,824	26,847	2,102,238
Age					
Under 18	25.4%	25.6%	23.8%	28.5%	24.1%
18-24	10.9%	8.8%	9.3%	10.1%	9.2%
25-34	15.8%	15.0%	13.1%	14.3%	14.6%
35-44	14.4%	13.5%	12.8%	13.2%	14.2%
45-54	14.0%	11.9%	13.8%	12.7%	13.4%
55-64	10.7%	10.6%	12.6%	10.4%	11.5%
65+	8.8%	14.5%	14.5%	10.8%	13.0%
Median Age	34.2	35.8	38.1	33.2	36.8
Education of Adults					
Less than 9th Grade	21.2%	13.9%	15.1%	12.5%	6.5%
Some High School	20.3%	15.5%	16.4%	19.0%	9.4%
High School Degree	30.0%	31.5%	32.3%	34.6%	29.3%
Some College	18.2%	19.5%	21.0%	21.5%	25.4%
Associate Degree	3.6%	6.1%	5.3%	4.8%	7.3%
Bachelor's Degree	4.8%	9.6%	6.9%	5.0%	14.9%
Graduate Degree	1.9%	3.8%	3.1%	2.5%	7.3%
Type of Dwelling					
Single Family	24.4%	28.0%	52.4%	45.1%	59.0%
Condominiums	6.4%	5.0%	1.7%	4.3%	9.4%
Townhouses	1.3%	4.8%	0.0%	1.4%	5.1%
Plexes (2-4 Units)	15.4%	1.1%	6.3%	11.0%	2.2%
Mobile Homes	0.1%	2.8%	15.4%	0.4%	2.9%
Apartments	52.3%	58.4%	24.1%	37.8%	21.4%
Household Income					
Under $15,000	33.2%	21.7%	18.9%	29.2%	11.8%
$15,000 - $24,999	20.6%	20.0%	19.6%	16.5%	11.3%
$25,000 - $34,999	15.6%	14.2%	15.2%	15.3%	11.8%
$35,000 - $49,999	12.3%	15.5%	14.3%	13.9%	15.4%
$50,000 - $74,999	11.1%	15.1%	17.5%	13.6%	20.1%
$75,000 - $99,999	4.1%	5.8%	7.4%	5.7%	12.1%
$100,000 - $149,999	2.2%	4.7%	4.8%	3.6%	10.9%
$150,000 - $199,999	0.3%	1.8%	1.3%	1.0%	3.5%
$200,000 and Over	0.7%	1.4%	1.0%	1.0%	3.1%
Median	$22,892	$30,552	$32,485	$27,496	$50,274
Occupancy					
Owner	19.3%	30.0%	52.0%	35.5%	N/A
Renter	80.7%	70.0%	48.0%	64.5%	N/A

Source: 2015 Las Vegas Perspective

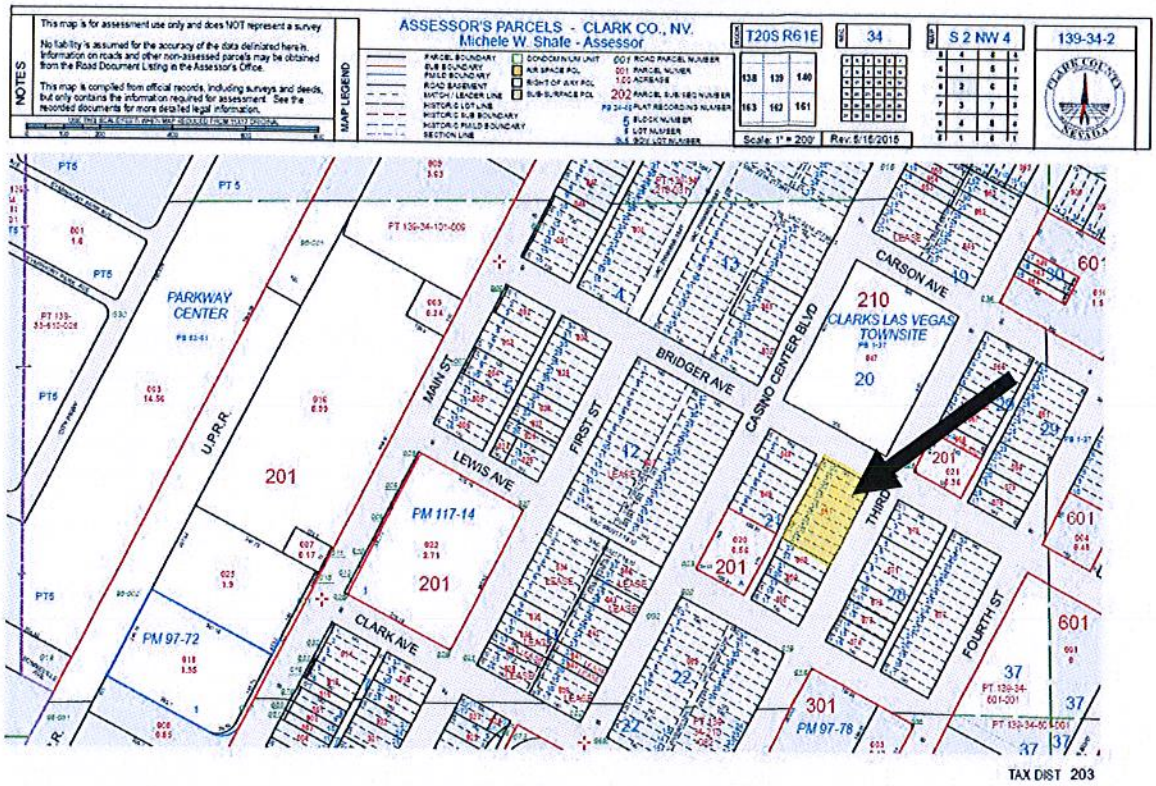
MARKET AREA SUMMARY

The subject market area includes the Downtown Las Vegas area and contains a major employment base of the hotel/casinos, financial institutions and government offices.

EFFECT OF THE MARKET AREA ON SUBJECT

The subject's market area represents the first portion of the metropolitan area to be developed and, as such, activity in the area is in the form of redevelopment. Recently occurring economic conditions that include elevated unemployment and foreclosure levels had a negative impact on private development. However, development activity has increased significantly in the Downtown area as evidenced by the completion of several major public projects that include the City Hall building, the Smith Center for the Performing Arts, and the Lied Discovery Museum. As previously noted, there are several new entertainment venues and retail projects under construction in the Fremont East Entertainment District. Several renovated hotels have reopened that include the Plaza Hotel, Golden Gate Casino, and the "D Las Vegas". The Downtown Grand redevelopment opened in November, 2013. Also, Zappos.com relocated its corporate headquarters to the former City Hall building. The facility, and its staff of 1,000 workers, has had a positive impact on the Downtown area. As the economy continues its recovery, it is anticipated that redevelopment will accelerate.

ASSESSOR'S PARCEL MAP



AERIAL PHOTOGRAPH

Aerial Flight Date: 03/25/15

SITE DESCRIPTION

ASSESSOR'S PARCEL NO:	139-34-210-061
LOCATION:	Southwest corner of Bridger Avenue and 3rd Street, within the Downtown portion of the Las Vegas Metropolitan area.
COMMON STREET ADDRESS:	225 E. Bridger Avenue/310 S. 3rd Street, Las Vegas, Clark County, Nevada 89101
SHAPE:	Rectangular
DIMENSIONS/SITE AREA:	
Northeasterly Boundary (Bridger Avenue):	140'
Northwesterly Boundary (Alleyway):	225'
Southwesterly Boundary:	140'
Southeasterly Boundary (3rd Street):	225'
Total Net Land Area:	31,500 sq. ft. or approx. 0.72 acres
TOPOGRAPHY AND DRAINAGE:	Generally level/adequate.
FLOOD ZONE DESIGNATION:	Zone "X" (unshaded), National Flood Insurance Program, Flood Insurance Rate Map No. 32003C2170 F (map revised November 16, 2011).
SOILS CONDITIONS:	Assumed adequate, with no known adverse surface or sub-surface conditions noted.
NUISANCES/HAZARDS:	None noted.
UTILITIES:	Available/adequate
Electricity:	NV Energy
Water:	Las Vegas Valley Water District
Sanitation:	City of Las Vegas
Telephone:	CenturyLink Communications
Natural Gas:	Southwest Gas Corporation
Trash Collection:	Republic Services
Cable:	Cox Communications

STREET IMPROVEMENTS AND ACCESSIBILITY:

Bridger Avenue and 3rd Street, as well as public alleyway (complete/adequate).

ACCESS/INGRESS/EGRESS:

Typical/adequate

ZONING:

C-2 (General Commercial District), City of Las Vegas.

This district is designed to provide the broadest scope of compatible services for both the general and traveling public. It allows retail, service, automotive, wholesale, office, and other general business uses of an intense character, as well as mixed-use developments. This district should be located away from low and medium density residential development and may be used as a buffer between retail and industrial uses; it is also appropriate along commercial corridors and is consistent with the General Commercial category of the General Plan.

PLANNED LAND USE/ OVERLAY:

Public Facilities (PF), City of Las Vegas Future Land Use General Plan; Office Core, Las Vegas Downtown Centennial Redevelopment Area Plan/Live Work and Airport Overlay Districts.

The Public Facilities (PF) category of the Las Vegas 2020 Master Plan (Future Land Use General Plan) allows large governmental building sites and complexes, police and fire facilities, non-commercial hospitals and rehabilitation sites, sewage treatment and storm water control facilities, and other uses considered public or semi-public such as libraries and public utility facilities.

Downtown Las Vegas remains the government and office core for the region despite the enormous growth of the outer suburbs. The "Office Core" area, as designated by the Las Vegas Downtown Centennial Redevelopment Area Plan, consists primarily of offices uses with the majority of large-scale, Class "A" office space centered in the northern half of the district. This is considered the central business district of the valley. It is home to both government and corporate office uses and supports retail, restaurant, and other service uses necessary to complete an active Office Core. The southern half of the district has smaller scaled office uses with predominantly single users in renovated structures or small office buildings. High-density residential development is also expected within the portion of the Office Core.

The purpose of the Live/Work Overlay District is to allow owners and operators of businesses to occupy joint living and work quarters in commercial and industrial areas where other types of

residential uses are inappropriate. Allowing live/work units will contribute to the vitality of commercial and industrial areas, assist in reducing vehicular traffic, and allow for a greater spectrum of housing types within the city.

As part of the Airport Overlay District, all development within the air space above the height of 35' is subject to the height standards established on the Airport Overlay Maps which, in this case, is limited to 200'.

EASEMENTS AND ENCROACHMENTS:

Typical, albeit with the exception of a recorded "Pedestrian Walkway Easement" upon, over, under and across an approximate 10' x 21' area at the northeast-most portion of the site, which is not considered to have any significant/measurable impact on its overall functional/economic utility.

SURROUNDING PROPERTY USES:

North (across Bridger Avenue):	The "Downtown Las Vegas Events Center" (formerly the Clark County Courthouse Complex).
East (across 3rd Street):	Bank of America office tower complex and Clark County Law Library.
South:	Las Vegas Wedding Bureau and Vegas Chapel Civil Marriages facility.
West (across public alleyway):	Vacant land parcel and St. Joan of Arc Roman Catholic Church.

FUNCTIONAL UTILITY: Adequate

DESCRIPTION OF IMPROVEMENTS

As currently development, the subject consists of a 10-story office complex ("Bridger"/"Centennial" buildings) with a leasable area of 85,976 square feet and a parking garage of 52,080 square feet. Although previously built-out/utilized as a governmental office facility, the 10-story Bridger building has essentially been stripped to a "shell" state, while the 3-story Centennial building includes its original office build-out.

GENERAL DATA

Construction Type:	**Bridger Building:** Class "B" 10-story masonry and steel frame shell with both bearing and curtain walls. Rough plumbing including fire sprinklers is in place; however, no interior finish or fire proofing for the structural members exists. Levels two through four are a 98-space parking garage. **Centennial Building:** Class "C" office building with interior finished as both general and specialized office areas. The remainder of the site has been improved with a 30-space surface parking lot.
Quality:	Average
Year Built:	1966
Condition:	Poor (with an actual/effective age at/near 49/50 years) and at/near the end of its economic life (albeit with the potential to utilize the basic structural foundation/components as an incorporation with potential redevelopment.
Number of Buildings:	Two
Number of Stories:	10 (including a 3-story parking garage) and 3.
Building Area:	The Bridger Building's footprint is approximately 17,360 square feet whereas the Centennial Building's footprint is approximately 5,200 square feet. The Bridger Building includes 75,320 gross square feet of enclosed area plus 52,080 square feet of parking garage for a total gross building area of 127,400 square feet. Of the total gross square footage only 71,176 square feet are leasable. The Centennial Building has 15,600 gross square feet with 14,800 square feet of leasable area. Thus, the total leasable area is 85,976 square feet.

CONSTRUCTION DETAIL

Foundation: The foundations for the buildings consist of a monolithically poured concrete slab and footings over an appropriate base. It should be noted that the surface elevation for the Centennial Building is above that of the Bridger Building by approximately 18"-24". Further, a portion of the Bridger Building, formerly utilized as the County Commission Chambers, has a surface slab which extends below grade to accommodate auditorium-type seating.

Structural System: The Bridger Building's first four levels are constructed with reinforced concrete floor slabs, beams, and columns. Levels five through ten utilize reinforced concrete walls (east and west) and curtain walls (north and south) with central steel beams. The Centennial Building is constructed with steel deck and concrete floors which are supported with open web steel beams. These beams bear on exterior reinforced concrete masonry unit walls. The structural systems of both buildings appear to be in average condition.

Exterior Wall: The Bridger and Centennial Buildings are clad with polished granite at the first level. The second through fourth levels are clad with decorative concrete panels and concrete masonry unit walls. Above the fourth level, the Bridger Building's east and west facades are poured in place concrete. The north and south faces are covered with glazed curtain wall systems which are equipped with single pane glass.

Insulation: The walls and ceilings of the Centennial Building are assumed to have insulation with R ratings appropriate for their use. It should be noted, however, that the improvements are not energy code compliant.

Windows: The windows, many of which are damaged, for both buildings are single pane in curtain walls.

Exterior Doors: The exterior doors are commercial grade plate glass in anodized aluminum frames. There are also standard metal fire doors.

Roof Cover: The roof cover is a built-up asphalt system equipped with a cap sheet.

INTERIOR DETAIL – Centennial Building only

Floor Covering: The floors consist of smooth concrete slabs which have been covered with materials appropriate for the individual uses. The office areas and common areas have commercial grade carpeting. Vinyl tile systems are used where appropriate. The

exception to this is in the main public entrances where specialty tile flooring is utilized.

Interior Walls: The interior walls and demising walls are constructed of 2" x 4" wood or metal studs, and are covered with gypsum board, textured, and painted.

Doors: The interior doors for the individual office suites are a combination of hollow core and solid core wood with varying heights from standard to 9'. Some interior suites also utilize commercial grade glass doors in anodized aluminum frames.

Ceilings: The ceiling treatment varies from section to section of the building. In most areas the ceilings have a suspended T-bar system with recessed fluorescent lighting. In the first floor the ceilings are dropped ceilings (suspended panels). In the Bridger Building, the first to second floor-to-floor dimension is 18'8" with the remaining tower floor-to-floor dimensions at 13'6". Within the Centennial Building, the floor-to-floor dimensions are 10'8".

Lighting: The interior lighting varies from section to section of the improvements. A substantial portion of the lighting consists of fluorescent fixtures recessed in the ceiling system.

Plumbing: The building's plumbing system consists of cast iron waste lines, copper water lines, piping and older style fixtures. The restrooms do not strictly comply with ADA requirements or current UBC fixture count requirements. The restrooms have, however, been partially upgraded to meet ADA requirements.

MECHANICAL DETAIL

H.V.A.C.: The Bridger Building is served by chilled and hot water systems that are piped to air handlers located on the roof and third floor. The boilers and chillers, which provide the hot and cold water to the building, are mounted in a rooftop penthouse. There are two chillers, both of which are R/11 refrigerant machines with no recovery equipment. The heating water boilers appear to be in average condition. The associated cooling towers are also roof mounted. The air handlers have been removed. Notably, the systems are not known to have been operable during the past 20 years. A detailed analysis by qualified personnel would be necessary to determine if the chillers and boilers remain serviceable today. The first floor of the Centennial Building is served by a split system with air handling units located at grade and condensers/compressors located on the roof. The Centennial Building second and third floors are served by air cooled direct

expansion-type systems mounted on the roof. The existing HVA system is composed of only one temperature control zone.

Electrical Service:

The Bridger Building is served at 480/277Y volts, three-phase, four-wire from transformers owned by Nevada Power. The system is located in the alley adjacent to the building. The service entrance switchboard is rated at 1,200 amps and feeds panel boards located on the upper floors. The electrical distribution equipment appears to be the original. In addition to the public power service, there are two 85 kilowatt emergency generators located in a room at parking level 3B. The generators are natural gas fired and provide power for the emergency lighting, elevators, fire pump and stair pressurization fans. The Centennial Building is served at 120/240 volts, three-phase, four-wire from a transformer owned by Nevada Power. The electrical service equipment appears to be at the end of its serviceable life.

Fire System:

The buildings are constructed with fire resistant materials. Both buildings are provided with complete automatic sprinkler protection which is fed from a 4" riser in the east stairway. The fire hose cabinet and floor control assembly are located in the open air vestibule on the east stairway. Hydraulic calculation signs indicate a flow of 350 gallons per minute at a pressure of 7 pounds per square inch. The building has a Class 11 occupant use hose system with two fire cabinets provided in the emergency generator room fed by a 500 gallon per minute pump rated at 100 pounds per square inch. The fire pump is a Peerless Model 3ABF9. The fire alarm system is a Grinwell flex alarm with a flex alert notification system. Smoke detectors have been provided throughout the entire building. Heat detectors are provided in some mechanical spaces and also in the parking garage in lieu of smoke detectors. A firefighter telephone system is provided with outlets in each stair level landing. The Bridger Building contains two fire rated exit stair towers.

Elevators:

The Bridger and Centennial Buildings are served by separate public/service elevator systems. The Bridger Building is equipped with two electric elevators. These each have cars with interior dimensions of 6'7" wide and 4'2" deep which do not meet ADA minimum size requirements. Although not utilized on a regular basis during the past 20 years, they reportedly remain operable. The Centennial Building is served by one hydraulic elevator. It is located at the east end of the building and is 5'8" wide and 4'3" deep. This elevator also does not meet ADA size requirements.

SITE IMPROVEMENTS

Parking:

In addition to the parking garage (second through fourth floors of the Bridger Building with 98 spaces), surface parking is provided south of the Centennial Building. Surface parking is designed to accommodate two rows (one of which is covered) of 15 cars each and a central access way. A metal canopy has been provided for 15 spaces located abutting the Centennial Building (north side of parking lot).

Per the City of Las Vegas Municipal Code, current parking requirements for office uses are a minimum of one space for every 300 square feet of building area. Therefore and in consideration of a total leasable area of 85,976 square feet, a total of 287 parking spaces are required. Therefore and in consideration of the 128 spaces provided, the subject property, as currently developed, is a "parking impaired" development.

Landscaping:

None.

COMMENTS

A portion of the first floor of the Bridger Building had been improved for Commission Chambers, which include auditorium-style seating (sloping floor) and a platform area. As such, there are some unique interior floor characteristics. Further, the building contains a vault, which is of steel panel construction and could possibly be removed.

INTERIOR UTILIZATION

Again, the Bridger building has been stripped and is now a structural "shell". The Centennial building remains as originally designed, with general office space, but it is in poor overall condition.

FUNCTIONAL UTILITY

Within the Bridger Building, the base bay spacing is 28' x 32' or 28' x 36'. The first to second floor floor-to-floor dimension is 18'8" with the tower floor-to-floor dimensions being 13'6". These spans and floor-to-floor dimensions do accommodate open planning, allowing for average functional utility. The Centennial Building, however, has a floor-to-floor dimension of 10'8". This dimension limits the functionality of the building as the standard dimension for office structures is 13'. Further, it is recalled

that the subject property is a "parking impaired" development, with its existing parking concluded to substantially impact its overall functional utility. Overall, the functional utility can be rated as poor.

IMPROVEMENT CONCLUSION

In conclusion and although at/near the end of its economic life, the structural foundation/components of the existing building improvements could possibly be utilized in conjunction with potential redevelopment, but are concluded to contribute little, if any, to the overall value of the property (in consideration of its underlying site).

REAL ESTATE TAXES AND ASSESSMENTS

Property taxes are based upon an appraisal of the property performed by the Clark County Tax Assessor's Office. An appraisal is conducted every year on all properties located within Clark County. According to information provided by the Assessor's Office, property values are appraised for the taxable value based upon the Cost Approach. This approach to value is performed by estimating the replacement cost new for property less depreciation of 1.5% per year of the effective age up to a maximum of 75%. State Statute 361.227 indicates that the taxable value of the property must not exceed current market value. Since the Cost Approach in some instances may provide an indication higher than the current market value, the Sales Comparison Approach and/or Income Approach may be used to establish the taxable value of the property.

The subject property is located within the Las Vegas City Redevelopment Tax District #203 which has a current/prior 2015/2016 tax year rate of $3.2782/$100 of assessed value. Although currently exempt from real estate taxes due to its ownership by a municipal entity of the Clark County Government, it is identified as Clark County Tax Assessor's Parcel No. 139-34-210-061 which is assessed for both the prior and upcoming 2015/2016 and 2016/2017 tax years as follows:

Tax Year:	2015/2016	2016/2017
Tax Assessor's Parcel No.:	139-34-210-061	139-34-210-061
Assessed Valuation:		
Land:	$ 278,241	$ 278,241
Improvements:	$1,534,405	$1,488,672
Total Assessed Valuation:	$1,812,646	$1,766,913
Tax Rate:	x $3.2782/$100	x N/A**
Total Real Estate Taxes:	$59,422.16*	N/A**

** Exempt*

*** The tax rate for the upcoming 2016/2017 tax year will not be available until June, 2016.*

In consideration of the indicated total assessed valuation of $1,766,913 for the upcoming 2016/2017 tax year and an assessment ratio of 35% (as mandated by state law), this reflects a taxable (appraised) value by the Assessor at $5,048,323. As will be shown later in this report, this is substantially above our concluded market value opinion. In that regard, it is noted that the assessment includes the "depreciated cost" of the improvements and does not recognize the associated lack of economic utility impacting "market value". However and in consideration of the indicated total assessed "land" valuation of $278,241 for the upcoming 2016/2017 tax year, this reflects a taxable value of $794,974. This is substantially below our concluded market value opinion.

HIGHEST AND BEST USE

The term "Highest and Best Use" as used in this appraisal report is defined as follows:

> The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property-specific with respect to the user and timing of the use-that is adequately supported and results in the highest present value."
>
> *The Dictionary of Real Estate Appraisal, Fifth Edition (Chicago, Illinois: Appraisal Institute, 2010).*

The procedure of the highest and best use analysis involves the following three major steps:

1. Develop an opinion of the highest and best use of the site as though vacant, considering the four criteria identified in the preceding definition;
2. Develop an opinion of the ideal improvement (if opinion as if vacant is to improve the site); and,

3. Develop an opinion of the highest and best use as improved/proposed, also utilizing the four criteria identified in the definition, and compare to the ideal improvements. A determination must then be made whether it should be maintained/developed as it is or proposed, or to modify (for example, renovate, expand, partially/completely demolish, re-develop, etc.).

HIGHEST AND BEST USE "AS THOUGH VACANT"

As previously indicated, the subject property is presently zoned C-2 (General Commercial) under the jurisdiction of the City of Las Vegas, with additional planned use/overall designations of "Public Facilities" (as part of the City of Las Vegas Future Land Use General Plan), "Office Core" (as part of the Las Vegas Downtown Centennial Redevelopment Area Plan), and Live/Work/Airport Overlays. Essentially, the site is zoned to allow for a wide range of mixed use developments.

The size, shape, and topographical features are considered sufficient to develop the land into the uses allowed under the current zoning and with readily marketable improvements. With direct frontage along both Bridger Avenue and 3rd Street, this site benefits from adequate overall ingress/egress. There is a sufficient amount of site depth and width to accommodate numerous types of improvements. All public utilities are available and there is sufficient capacity to accommodate potential development. The soils conditions appear adequate. Therefore, the subject site is physically adaptable and readily developable with a number of possible uses, and there do not appear to be any constraints, with the exception of its size, on development to its highest and best use.

The determination of the financially feasible uses of the site requires an analysis of the use which would have the greatest potential and is both physically possible and legally permissible. As previously indicated, the physical and legally permissible uses are primarily toward a wide range of mixed use development.

The property is located in an area that has historically experienced substantial economic strength and growth. However, the collapse of the market in 2008 and subsequent recession had severely impacted the local economy. In fact and in consideration of the primary catalyst for development in the area (tourist commercial development within the Las Vegas Strip) impacting the subject's market area and due to the economic downturn/recession, construction of both the $2.9B Fontainebleau and $4.8B Echelon Las Vegas projects had been halted (with uncertain future) and several other previously proposed projects (including the $5B Plaza on the Strip) had been put on hold. Nonetheless and more

recently, there have been several signs of improvement, with the completion, ongoing construction, and pending nature of several projects. The most significant of these were discussed previously in this appraisal report and include, but are not limited to, the recent completions/remodelings of "Project Linq", "Downtown Grand", "The Cromwell", and "SLS Las Vegas", as well as the MGM Resorts International and AEG Las Vegas Arena which is currently under construction, and the proposed (with a ground breaking scheduled for May 5, 2015) $4B "Resorts World Las Vegas" development of the former proposed Echelon Hotel site. Significant additional potential future development projects include the pending expansion of the Las Vegas Convention Center with the "Las Vegas Global Business District" project, as well as a possible new stadium or other uses on a 42-acre site which is now owned by UNLV.

More specific to the subject and in consideration of the potential for new and/or redevelopment, market conditions within the Downtown Central Business District have also since begun to stabilized/improve. This is evidenced by a number of projects previously identified including, but not limited to, the new Las Vegas City Hall, the Smith Center for the Performing Arts, the remodel of the former Lady Luck as the Downtown Grand, the Bonneville Transit Center, the Federal Justice Tower, Las Vegas Premium Outlet Mall North expansion, the "Downtown Las Vegas Event Center" (the site of the former Clark County Courthouse facility), and, most significantly, the $350M Urban Renewal Program identified as "Downtown Project" (backed by Zappo's CEO Tony Hsieh) and which includes the Zappo's headquarters within the former City Hall building and the Downtown Container Park. Also considered as a positive impact on the future of this area is the pending "Project Neon".

Despite the historic, most recent, and potentially pending development/redevelopment activity within "Downtown", however, the extent of a demand for additional development and the current and long-term economic outlook for additional mixed-use properties in this area remains somewhat uncertain.

Based on the attitudes of buyers and sellers of properties in this market area, as well as the above statistics, we have concluded that the financially feasible use for the subject "as though vacant" would be to hold in speculation of future assemblage and/or development at such time as the market warrants the addition of a specific use.

Overall and given the current market conditions (as outlined previously) and the nature of redevelopment in the subject's immediate market area, it appears that a financially feasible use of the

subject site would best be satisfied by holding in speculation of a wide range of future mixed use development.

The maximally productive use is that use among the possible competing alternatives which would yield the greatest return to the land. Generally, this would be determined by the economic rents that could be produced by competing uses. The maximally productive use is selected among the remaining financially feasible uses. In consideration of maximum productivity, assembling and/or holding the parcel in speculation of a wide range of potential mixed-use development is considered, but a specific maximally productive use cannot be determined at this time and current development/redevelopment (by a specific user) is not necessarily precluded.

Therefore, assembling and/or holding the subject in speculation, with anticipation of future assemblage/mixed-use development (albeit with the potential for immediate development/redevelopment, depending on the specific user/use) is concluded to be its highest and best use, as though vacant. With this conclusion, we are unable to develop an opinion of the specific ideal improvement, as such an improvement is concluded to include a substantially wide range of potential uses, particularly following its potential assemblage. Nonetheless, any such use should be new with a high intensity, as well as being functionally designed and of good quality (similar to the wide range of development projects which have occurred, are ongoing, or could potentially occur, within the immediate market area).

HIGHEST AND BEST USE "AS IMPROVED"

The final step in the highest and best use analysis compares the existing improvements with the ideal improvement, utilizing the same four tests to determine what (if anything) should be done with the improvement. The existing improvement is compared to the previously identified ideal improvement (i.e. maximally productive use) as follows:

	IDEAL IMPROVEMENT	EXISTING IMPROVEMENTS
Use	Undetermined but with the potential for a wide range of future potential mixed uses, particularly/ potentially as part of assemblage.	A 10-story office/"shell" building complex.
Building Size	Uncertain	85,026 sq. ft. (with an additional 52,080 sq. ft. parking garage)
Effective Age	New	± 50 years
Quality	Good	Average
Parking	Uncertain	Impaired

Although presently developed as a "parking impaired" development, the existing improvements do reflect a legal use of the property (assumed to have been in conformance with those regulations in place at the time of its original development or with a variance originally granted). Further and in consideration of future potential redevelopment of this site, particularly following potential assemblage, with its ideal improvement, there are no known prohibiting legal constraints.

As evidenced by its existence, the building/site improvements are physically possible. However and in consideration of its parking impairment, the existing improvements are concluded to lack the functional utility necessary to allow for an interior build-out that could adequately compete in the market. Nonetheless and in consideration of potential redevelopment, there are no known physical constraints, with the possible exception of size, if not assembled, on potential uses.

In consideration of the financial feasibility of the continued use of the existing improvements, it is recalled that, in consideration of the overall age and condition, the existing improvements are concluded to be at/near the end of its economic life and these are further concluded to lack the functional utility necessary to compete within the market.

Further and in consideration of the financial feasibility of the potential for the redevelopment of this site (particularly considering the potential for assemblage), our preceding analysis of the highest and best use of the site "as though vacant" suggests that a wide range of potential future uses could potentially be feasible, but current feasibility may be somewhat uncertain. Therefore, consideration of such potential redevelopment is concluded to remain speculative at this time.

In consideration of maximum productivity and the previous comparison of the existing improvements to the ideal improvement, further recognizing an apparent legal permissibility, physical possibility, and financial feasibility, holding the property in speculation until such a time that assemblage and/or redevelopment to a wide range of potential commercial tourist uses may be feasible, appears to be maximally productive.

Although the existing improvements are considered to be at/near the end of their economic life, it is our opinion that the basic structural foundation/components could potentially be utilized in conjunction with potential development/redevelopment. Nonetheless and with this consideration, it is our opinion that any contributory value associated with the existing improvements would be offset by the similar potential for a necessity of demolition and associated costs.

MOST PROBABLE BUYER

Based on the preceding discussion and conclusion of highest and best use, it is our opinion that the most probable buyer is an investor/developer.

METHOD OF ANALYSIS AND VALUATION

There are three approaches which may be used to value the property; the Cost Approach, Income Capitalization Approach and Sales Comparison Approach. The approaches selected depend upon the purpose of the appraisal, the type of property being appraised and the availability/reliability of the market data. Each of the three approaches use market derived data. The appraisers analyze this data to develop an indication of value for the property. The final opinion is the result of reconciling the value indicators, placing the greatest emphasis on those approaches found to be most relevant in the valuation process.

Typically, all three approaches to value can be applied to the analysis of data to derive a well-supported value conclusion. Although the approaches are inter-related, the property type and use will determine which approach or approaches are most appropriate. The final reconciliation considers the applicability of each approach.

In developing an opinion of the market value of the fee simple estate interest in the property and after assembling the basic research, it has been concluded that there is sufficient information within the marketplace to employ one of the three traditional approaches to value in order to develop credible assignment results. This includes the Sales Comparison Approach to Value, which is considered to be the only pertinent approach in the valuation of this type of potential assemblage/redevelopment property.

The Sales Comparison Approach, or the market approach, involves the gathering of data pertinent to sale of properties similar to the subject. The data is analyzed with consideration made for significant physical and economic differences. From the unit of comparison, an indication of value is applied to the subject property and an opinion of value is derived.

This approach is based upon the principle of substitution which implies that a property's value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution.

In the Sales Comparison Approach, an indication/opinion of market value is developed by comparing the subject property to similar properties which have sold recently or for which offers to purchase have

been made. The major premise of the Sales Comparison Approach is that the market value of a property is directly related to the prices of competitive properties. The comparative analysis in the Sales Comparison Approach focuses on differences in physical, locational, and economic characteristics of similar properties, and on differences in real property rights conveyed, the dates of sale, the motivations of buyers and sellers, and the financing arrangements for each sales transactions, which can account for variations in prices. In this market, the price per square foot unit of comparison is most typically employed in applying the Sales Comparison Approach as part of the valuation of properties similar to the subject.

The sales data used in this appraisal was gathered through a search of public records, confirmation with title companies, interviews with brokers, developers and other appraisers. The specific terms, conditions and motivation of sales of real property are not a matter of public record. Comparable sales in this report have been verified when possible with either the buyer, seller, broker or other source considered reliable.

In analyzing the following sales, we have considered the property rights conveyed, terms of sale, conditions of sale, buyer expenditures, market conditions, locational characteristics, improvement quality and other physical characteristics. Consideration is given to the differences between the comparables and the subject property.

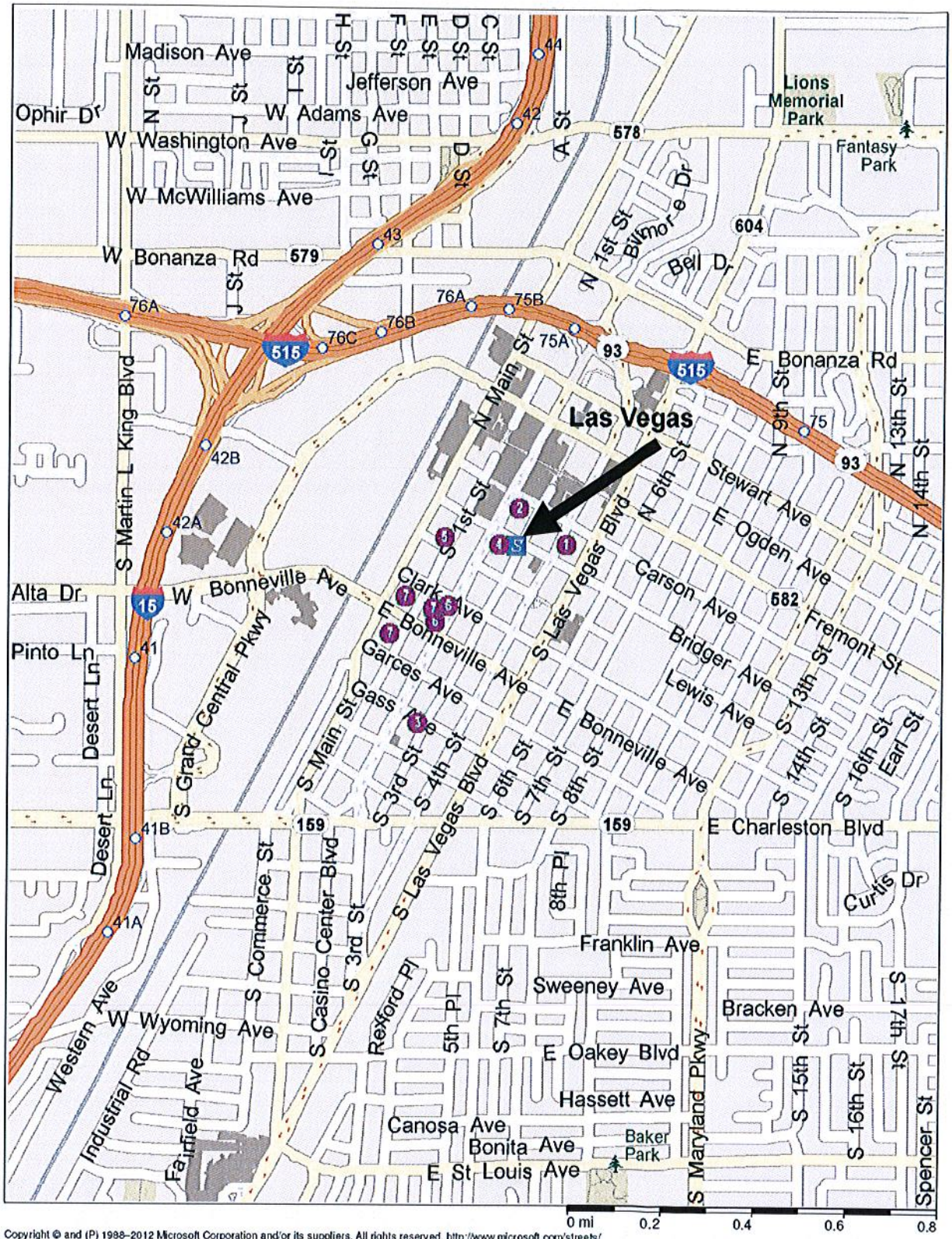
Sales of vacant/redevelopment sites considered most similar and pertinent to the valuation of the subject property have been included in this analysis.

The selection of the sale comparables involves careful consideration of their property rights conveyed, terms of sale, conditions of sale, buyer expenditures (made immediately after purchase), market conditions, geographic location/exposure, shape, size, availability of utilities/offsite improvements, topography, legally permissible uses, and other physical/economic characteristics. Specifically, those transactions most similar and comparable to the subject property in terms of their characteristics and components have been incorporated into this analysis. The sales found are compared to the subject property and adjusted for various differences and subsequently reconciled for an indication of market value.

Since no two properties are exactly alike, it is necessary to develop some common unit of comparison. Depending on the type of land being valued and the information available to us, these units of comparison may be the price per square foot, the price per acre, price per lot, price per unit, etc. Considering the specific characteristics of the subject and the information available from the comparable sales, it is our opinion that a price per square foot of site area comparison would be the most meaningful unit of comparison.

Overall and although comparative data is limited, we have included the most comparable sales which we feel provide adequate value indicators in comparison to the subject. Detailed data sheets of these comparable sales are included on the following pages. We have first included a Site Sales Comparable Map relative to location for the reader's reference, followed by a chart summarizing the transactional/comparative characteristics of each, and a presentation of the detailed data sheets. This is followed by an analysis/comparison of the data and reconciliation into a single value conclusion for the site.

SITE SALES COMPARABLE MAP



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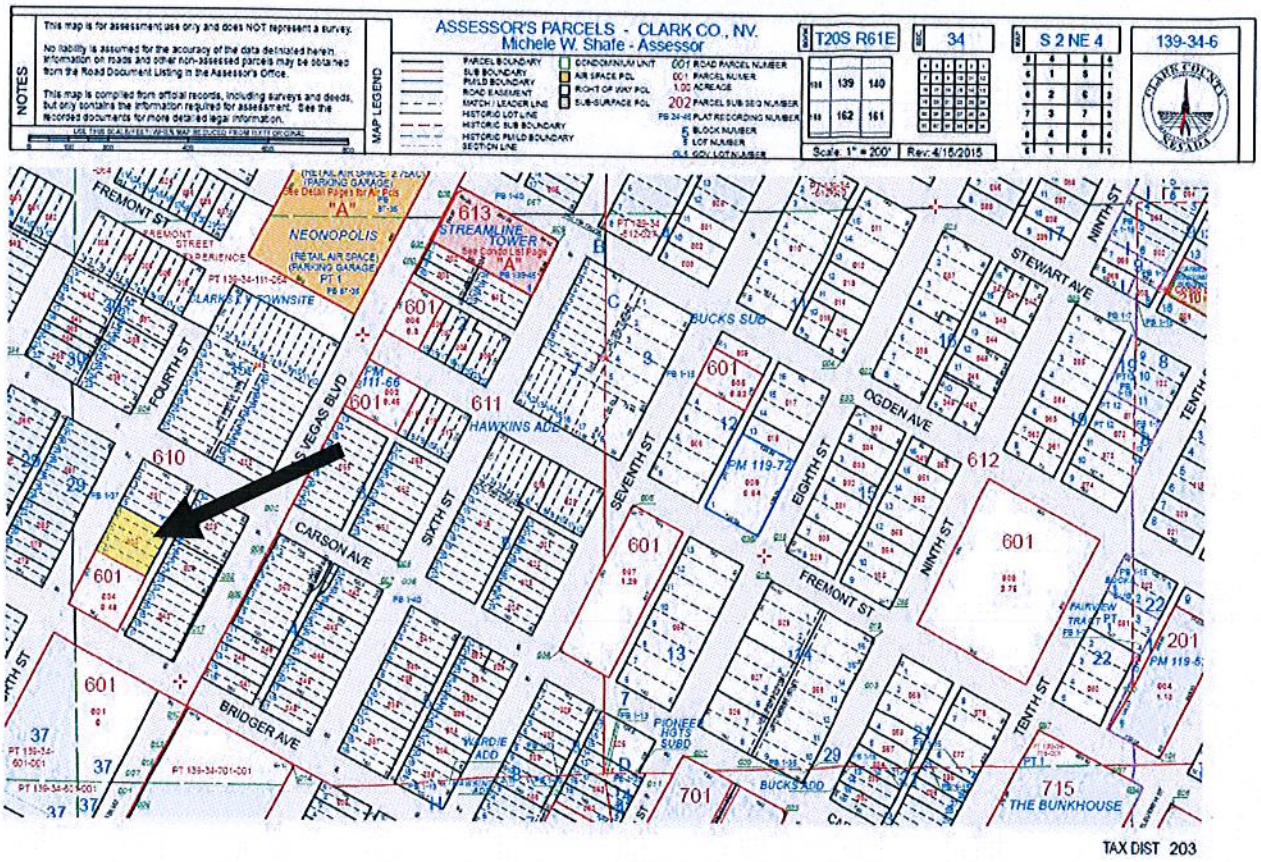
SITE SALES SUMMARY CHART

SALE NO./ LOCATION/APN/ RECORDING DATA	DATE OF SALE	SALE PRICE	SIZE (SQ. FT.)	UNIT INDICATOR (SALE PRICE/ SQ. FT.)	PERTINENT COMPARATIVE CHARACTERISTICS
1. 217 S. 4th St. APN: 139-34-610-030 GTOR: Timothy Patrick Heher & Patricia Ann Heher Slavin GTEE: API Nevada Properties, Inc. Doc. No.: 20131018:01028	10/13	$1,600,000	17,500	$91.43	Property Rights Conveyed: Fee Simple Estate Financing Terms: Cash to seller Conditions of Sale: Typical Utilities/Offsites: Available/Complete Zoning/Master Plan: C-2/Commercial Existing Improvements: Yes (surface parking) Assemblage Potential: Yes
2. 200 S. 3rd St. APNs: 139-34-210-047 GTOR: County of Clark GTEE: DROCK 3rd Street, LLC Doc. No.: 20131122:02425	11/13	$10,000,000	120,000	$83.33	Property Rights Conveyed: Fee Simple Estate Financing Terms: Cash to seller Conditions of Sale: Typical Utilities/Offsites: Available/Complete Zoning/Master Plan: C-2/Commercial Existing Improvements: Yes Assemblage Potential: Yes
3. 814 S. 3rd St. APN: 139-34-401-014 GTOR: Sharet Davidyan GTEE: Eclipse Theater LV, LLC Doc. No.: 20140306:01519	03/14	$3,000,000	35,000	$85.71	Property Rights Conveyed: Fee Simple Estate Financing Terms: Seller financing Conditions of Sale: Typical Utilities/Offsites: Available/Complete Zoning/Master Plan: C-2/Mixed-Use Existing Improvements: No Assemblage Potential: Yes
4. 201 E. Bridger Ave. APN: 139-34-210-048 GTOR: 205 Bridger, LLC GTEE: DROCK 3rd St., LLC Doc. No.: 20140516:01867	05/14	$ 800,000	10,500	$76.19	Property Rights Conveyed: Fee Simple Estate Financing Terms: Cash to seller Conditions of Sale: Typical Utilities/Offsites: Available/complete Zoning/Master Plan: C-2/Office Existing Improvements: Yes Assemblage Potential: Yes
5. 326 S. 1st St. APN: 139-34-210-026 GTOR: Tamares Las Vegas Properties, LLC GTEE: The Milco Living Trust/Plon Holdings, LLC Doc. No.: 20151008:02337	10/15	$ 280,000	5,250	$53.33	Property Rights Conveyed: Fee Simple Estate Financing Terms: Cash to seller Conditions of Sale: Atypical Buyer Motivation Utilities/Offsites: Available/complete Zoning/Master Plan: C-2/Office Existing Improvements: No Assemblage Potential: Yes
6. 122 E. Clark Ave. & 526 S. Casino Center Blvd. APNs: 139-34-302-009 & 139-34-311-049 GTOR: FC/LW Vegas, LLC GTEE: Downtown CAC, LLC Doc. No.: 20151124:01666	11/15	$ 776,250	28.750	$27.00	Property Rights Conveyed: Fee Simple Estate Financing Terms: Cash to seller Conditions of Sale: Atypical Seller Motivation Utilities/Offsites: Available/complete Zoning/Master Plan: C-2/Office Existing Improvements: No Assemblage Potential: Yes
7. Generally between Clark Ave. on the & Garces Ave. on the SW, as well as Transit Station on the SE and Main St. on the NW APNs: 139-34-210-014, 015, 017 & 018; and 139-34-311-001 thru 003, and 007 thru 031 GTOR: FC/LW Vegas, LLC GTEE: Oakwood Plaza, LLC, et al Doc. No.: 20151230:01556	12/15	$7,779,816	233,482	$33.32	Property Rights Conveyed: Fee Simple Estate Financing Terms: Cash to seller Conditions of Sale: Atypical Seller Motivation Utilities/Offsites: Available/complete Zoning/Master Plan: C-2/Office Existing Improvements: Yes Assemblage Potential: Yes

SITE SALE DATA SHEETS

SITE SALE DATA SHEET			*SALE 1*
LOCATION:	217 S. 4th Street, Las Vegas, Clark County, Nevada 89101		
APNs:	139-34-610-030	**PHYSICAL CHARACTERISTICS:**	
GRANTOR:	Timothy Patrick Heher & Patricia Ann Heher Slavin	**Site Size:**	17,500 Sq. Ft. (Approx. 0.40 net ac.)
GRANTEE:	API Nevada Properties, Inc.	**Topography:**	Level
SALE DATE:	October 18, 2013	**Shape:**	Rectangular
DOCUMENT NO.:	20131018:01028	**Zoning:**	C-2 (General Commercial District), City of Las Vegas
SALE PRICE:	$1,600,000, cash to seller	**Master Plan:**	Commercial
CASH EQUIV.	$1,600,000	**Utilities/Offsites:**	All utilities/offsites were available/complete at the time of sale.
PROPERTY RIGHTS CONVEYED:	Fee simple estate	**INDICATED UNIT OF COMPARISON:**	$91.43/Sq. Ft.
VERIFICATION:	Public Records (including State of Nevada Declaration of Value)		
COMMENTS:	This site was improved with surface parking and was purchased by the owner of the property adjacent to the south.		

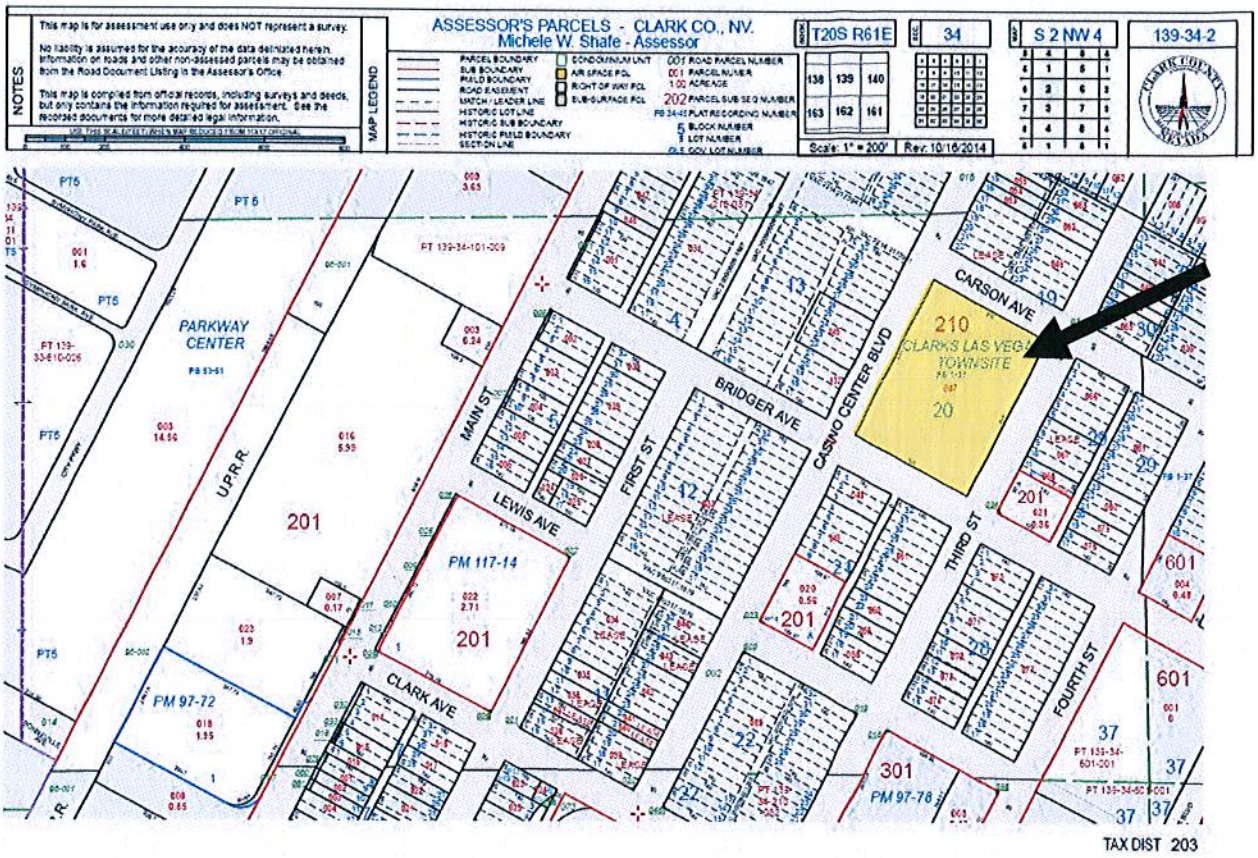
PARCEL MAP OF COMPARABLE SALE 1



AERIAL PHOTOGRAPH OF COMPARABLE SALE 1

SITE SALE DATA SHEET			*SALE 2*
LOCATION:	200 S. 3rd Street, Las Vegas, Clark County, Nevada 89101		
APN:	139-34-210-047	**PHYSICAL CHARACTERISTICS:**	
GRANTOR:	County of Clark	**Site Size:**	120,000 sq. ft. (Approx. 2.75 Net Ac.)
		Topography:	Level
GRANTEE:	DROCK 3rd Street, LLC	**Shape:**	Rectangular
		Zoning:	C-2 (General Commercial District), City of Las Vegas
SALE DATE:	November 22, 2013		
		Master Plan:	Commercial
DOCUMENT NO.:	20131122:02425	**Utilities/Offsites:**	All utilities and offsites were in place at the time of sale
SALE PRICE:	$10,000,000, cash to seller		
CASH EQUIV.	$10,000,000	**INDICATED UNIT OF COMPARISON:**	$83.33/Sq. Ft.
PROPERTY RIGHTS CONVEYED:	Fee simple estate		
VERIFICATION:	Public Records (including State of Nevada Declaration of Value) and various public sources		
COMMENTS:	This 2.75 net acre site was improved with the former Clark County Courthouse, consisting of 315,180 sq. ft. of building area. The site was purchased by the owner of the adjacent D Las Vegas Hotel & Casino. Since purchasing the property, the owner has demolished the existing improvements and the site is now used as the "Downtown Las Vegas Events Center". No arm's length transactions were noted in public records during the past three years.		

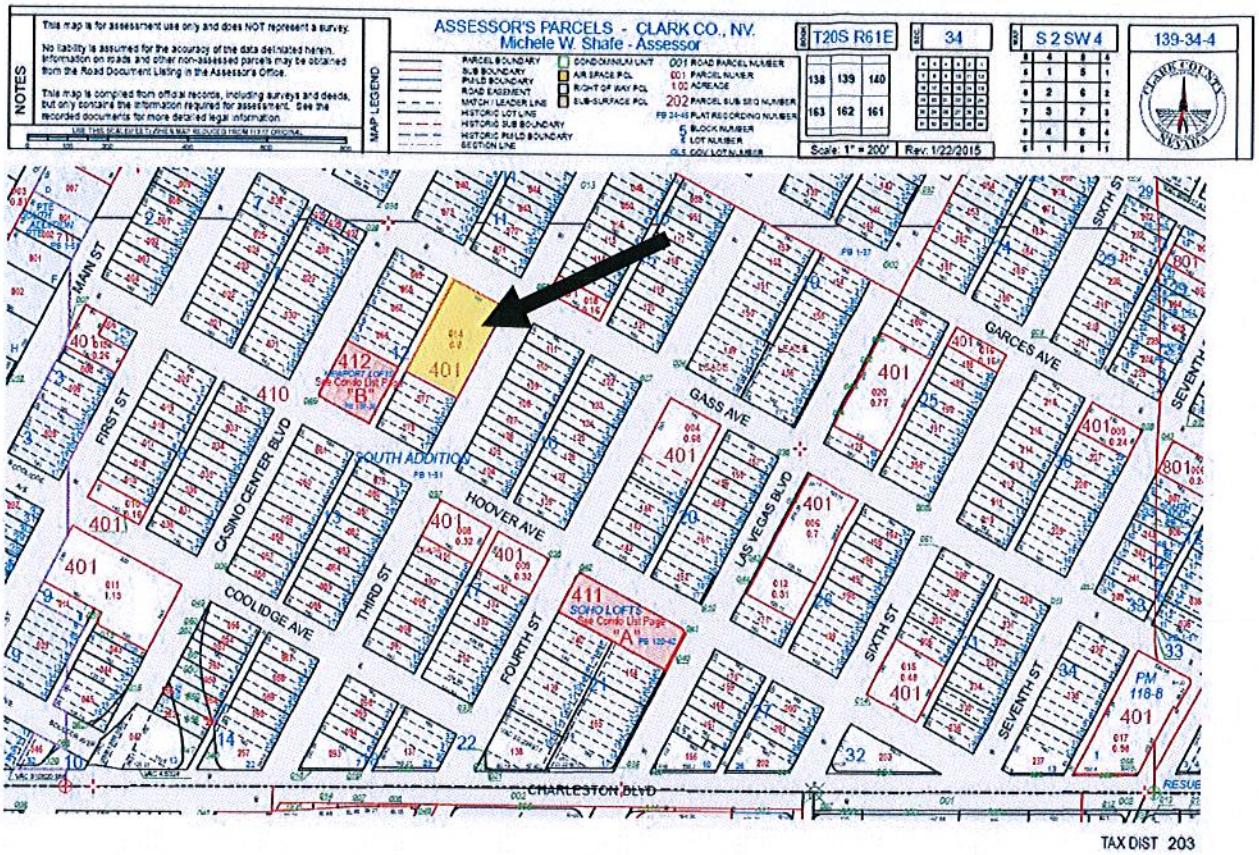
PARCEL MAP OF COMPARABLE SALE 2



AERIAL PHOTOGRAPH OF COMPARABLE SALE 2

SITE SALE DATA SHEET			*SALE 3*
LOCATION:	814 S. 3rd Street, Las Vegas, Clark County, Nevada 89101		
APN:	139-34-401-014	**PHYSICAL CHARACTERISTICS:**	
GRANTOR:	Sharet Davidyan	**Site Size:**	35,000 sq. ft. (Approx. 0.80 Net Ac.)
		Topography:	Level
GRANTEE:	Eclipse Theater LV, LLC	**Shape:**	Rectangular
		Zoning:	C-2 (General Commercial District), Clark County
SALE DATE:	March 6, 2014		
		Master Plan:	Mixed-Use Development
DOCUMENT NO.:	20140306:01519	**Utilities/Offsites:**	All utilities and offsites were in place at the time of sale
SALE PRICE:	$3,000,000; 50% cash down; balance carried by seller for 1 yr. at 10% interest only.	**INDICATED UNIT OF COMPARISON:**	$85.71/Sq. Ft.
CASH EQUIV.	$3,000,000		
PROPERTY RIGHTS CONVEYED:	Fee simple estate		
VERIFICATION:	Public Records (including State of Nevada Declaration of Value), CoStar Comps, Inc. ID#2976215, and Nic Steele, member of ownership entity (678-596-9548)		
COMMENTS:	This vacant parcel is generally located at the southwest corner of 3rd St. & Gass Ave. Offsites consisting of curbs, gutters, and sidewalks were in place at the time of sale. This site was reportedly purchased by a user who intends to develop the property with an 8-movie screen complex called "Eclipse Theaters", which will reportedly include a 72,000 sq. ft. complex consisting of three floors of retail, dining, and movies. Prior to this sale, the seller purchased the property for a total consideration of $810,000 in May, 2010. No other arm's length transactions were noted in public records during the past three years.		

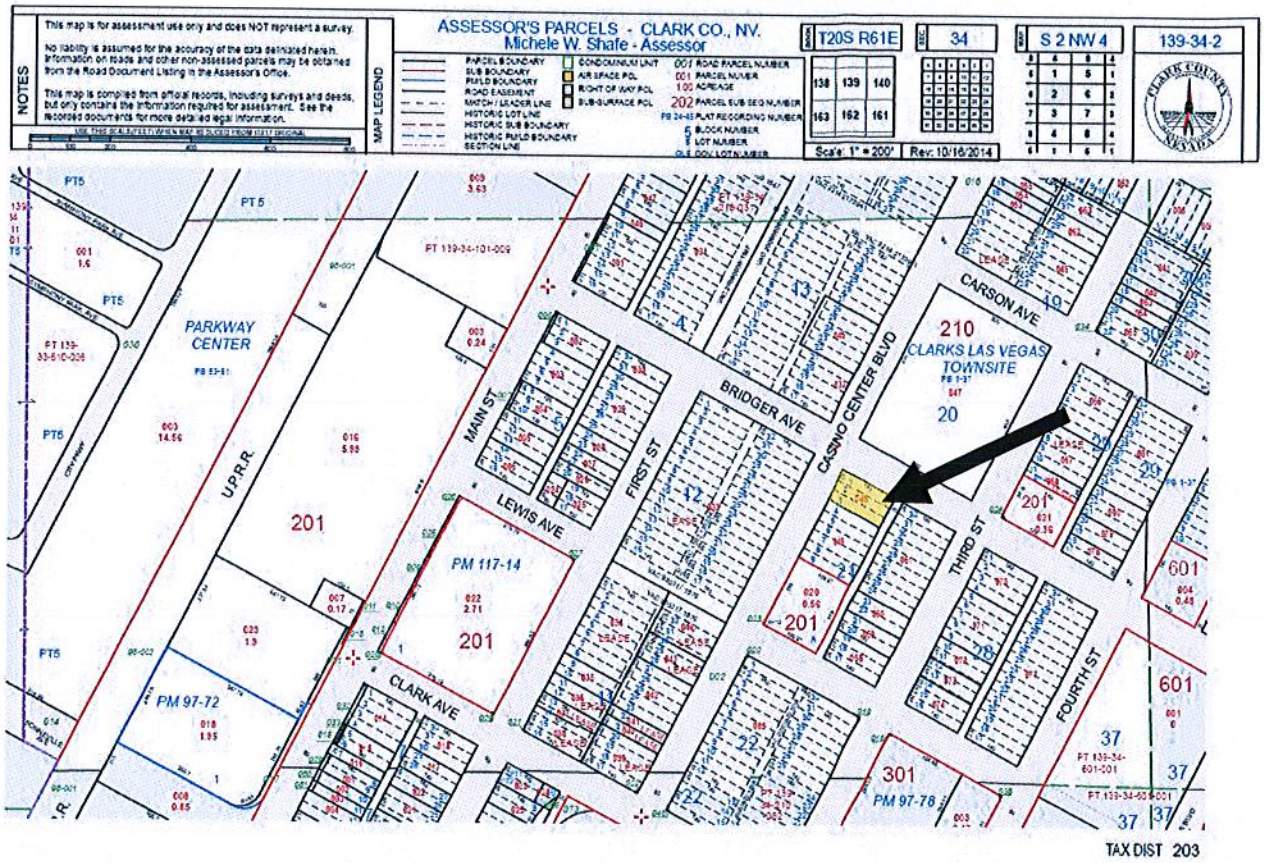
PARCEL MAP OF COMPARABLE SALE 3



AERIAL PHOTOGRAPH OF COMPARABLE SALE 3

SITE SALE DATA SHEET			*SALE 4*
LOCATION:	201 E. Bridger Avenue, Las Vegas, Clark County, Nevada 89101		
APN:	139-34-210-048	**PHYSICAL CHARACTERISTICS:**	
GRANTOR:	205 Bridger, LLC	**Site Size:**	10,500 sq. ft. (Approx. 0.24 Net Ac.)
		Topography:	Level
GRANTEE:	DROCK 3rd Street, LLC	**Shape:**	Rectangular
		Zoning:	C-2 (General Commercial District), City of Las Vegas
SALE DATE:	May 16, 2014		
		Master Plan:	Office
DOCUMENT NO.:	20140516:01867	**Utilities/Offsites:**	All offsites and utilities were available/in place at the time of sale.
SALE PRICE:	$800,000, cash to seller		
CASH EQUIV.	$800,000	**INDICATED UNIT OF COMPARISON:**	$76.19/Sq. Ft.
PROPERTY RIGHTS CONVEYED:	Fee simple estate		
VERIFICATION:	Public Records (including State of Nevada Declaration of Value)		
COMMENTS:	This vacant site was purchased by the owner of the site located adjacent to the north and the proximate D Las Vegas Hotel & Casino. The specific plans for this site are not known. No other arm's length transactions involving this property have occurred during the past three years.		

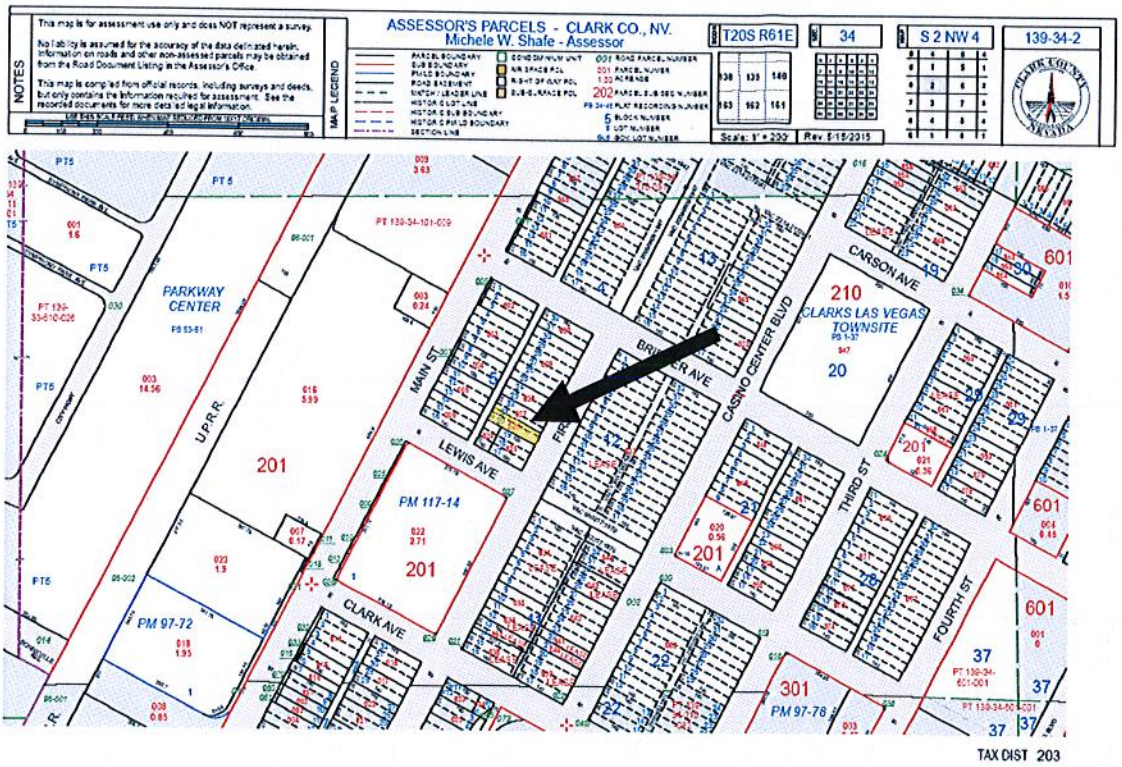
PARCEL MAP OF COMPARABLE SALE 4



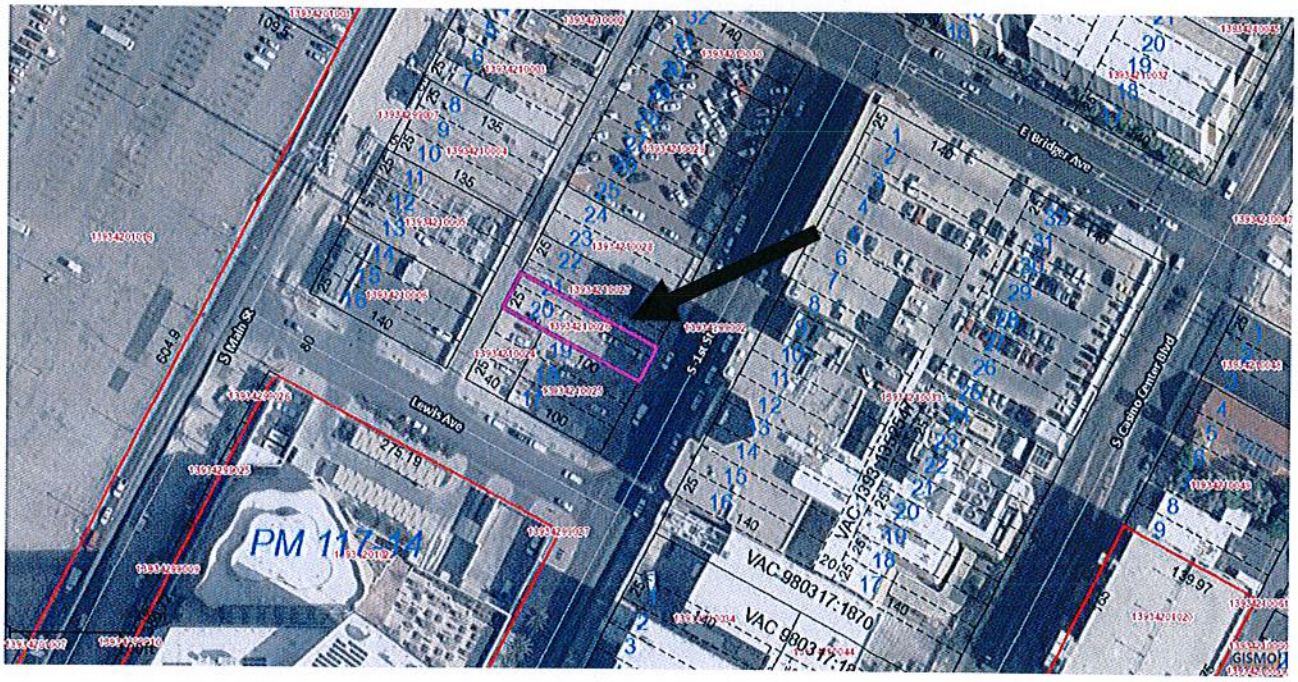
AERIAL PHOTOGRAPH OF COMPARABLE SALE 4

SITE SALE DATA SHEET			*SALE 5*
LOCATION:	326 S. 1st Street, Las Vegas, Clark County, Nevada 89101		
APN:	139-34-210-026	**PHYSICAL CHARACTERISTICS:**	
GRANTOR:	Tamares Las Vegas Properties, LLC	**Site Size:**	5,250 sq. ft. (Approx. 0.12 Net Ac.)
		Topography:	Level
		Shape:	Rectangular
GRANTEE:	The Milco Living Trust/Plon Holdings, LLC	**Zoning:**	C-2 (General Commercial District), City of Las Vegas
		Master Plan:	Office
SALE DATE:	October 8, 2015	**Utilities/Offsites:**	All offsites and utilities were available/in place at the time of sale.
DOCUMENT NO.:	20151008:02337		
SALE PRICE:	$280,000, cash to seller	**INDICATED UNIT OF COMPARISON:**	$53.33/Sq. Ft.
CASH EQUIV.	$280,000		
PROPERTY RIGHTS CONVEYED:	Fee simple estate		
VERIFICATION:	Public Records (including State of Nevada Declaration of Value)		
COMMENTS:	This generally vacant site was purchased by the owner of the site located adjacent to the south. The specific plans are unknown. No other arm's length transactions involving this property have occurred during the past three years.		

PARCEL MAP OF COMPARABLE SALE 5

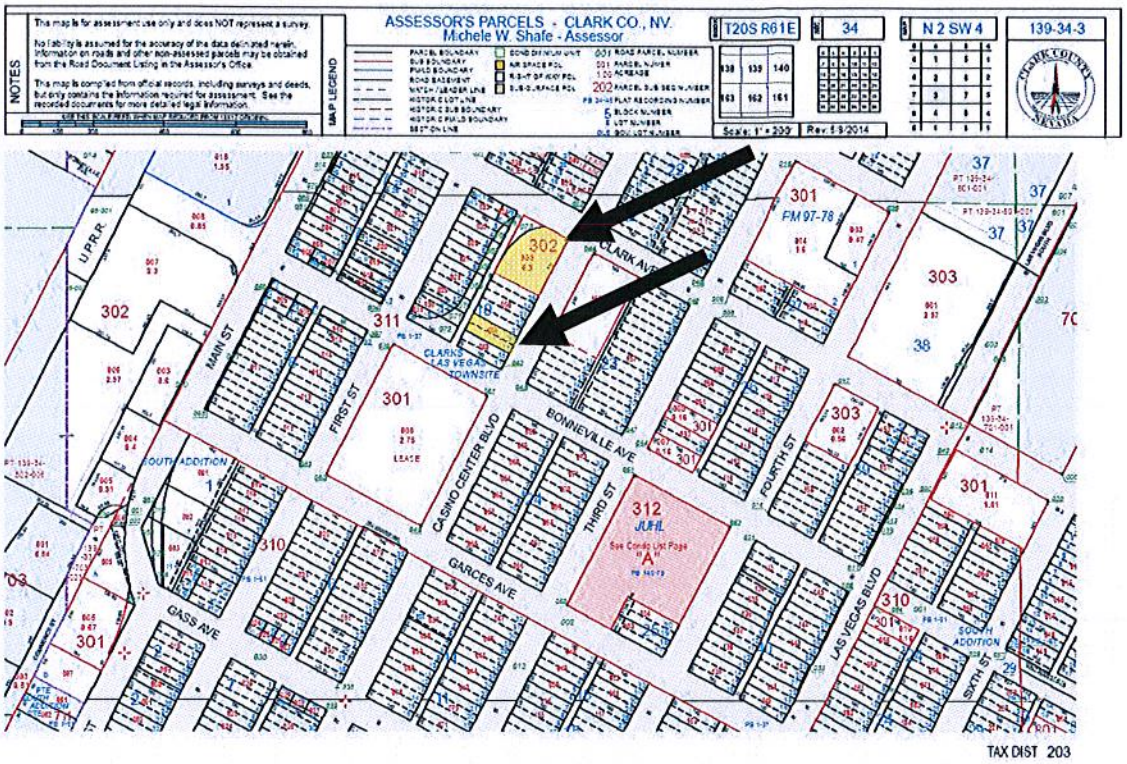


AERIAL PHOTOGRAPH OF COMPARABLE SALE 5



SITE SALE DATA SHEET			*SALE 6*
LOCATION:	122 E. Clark Avenue and 526 S. Casino Center Boulevard, Las Vegas, Clark County, Nevada 89101		
APNs:	139-34-302-009 & 139-34-311-049	**PHYSICAL CHARACTERISTICS:**	
		Site Size:	28,750 sq. ft. (Approx. 0.66 Net Ac.)
GRANTOR:	FC/LW Vegas, LLC	**Topography:**	Level
		Shape:	Irregular (Non-Contiguous)
GRANTEE:	Downtown CAC, LLC	**Zoning:**	C-2 (General Commercial District), City of Las Vegas
SALE DATE:	November 24, 2015	**Master Plan:**	Office
		Utilities/Offsites:	All offsites and utilities were available/in place at the time of sale.
DOCUMENT NO.:	20151124:01666		
SALE PRICE:	$776,250, cash to seller	**INDICATED UNIT OF COMPARISON:**	$27.00/Sq. Ft.
CASH EQUIV.	$776,250		
PROPERTY RIGHTS CONVEYED:	Fee simple estate		
VERIFICATION:	Public Records (including State of Nevada Declaration of Value)		
COMMENTS:	This transaction represents the sale of two separate (non-contiguous) but proximate vacant land parcels and reportedly was based on atypical seller motivation. The specific plans for these sites are not known.		

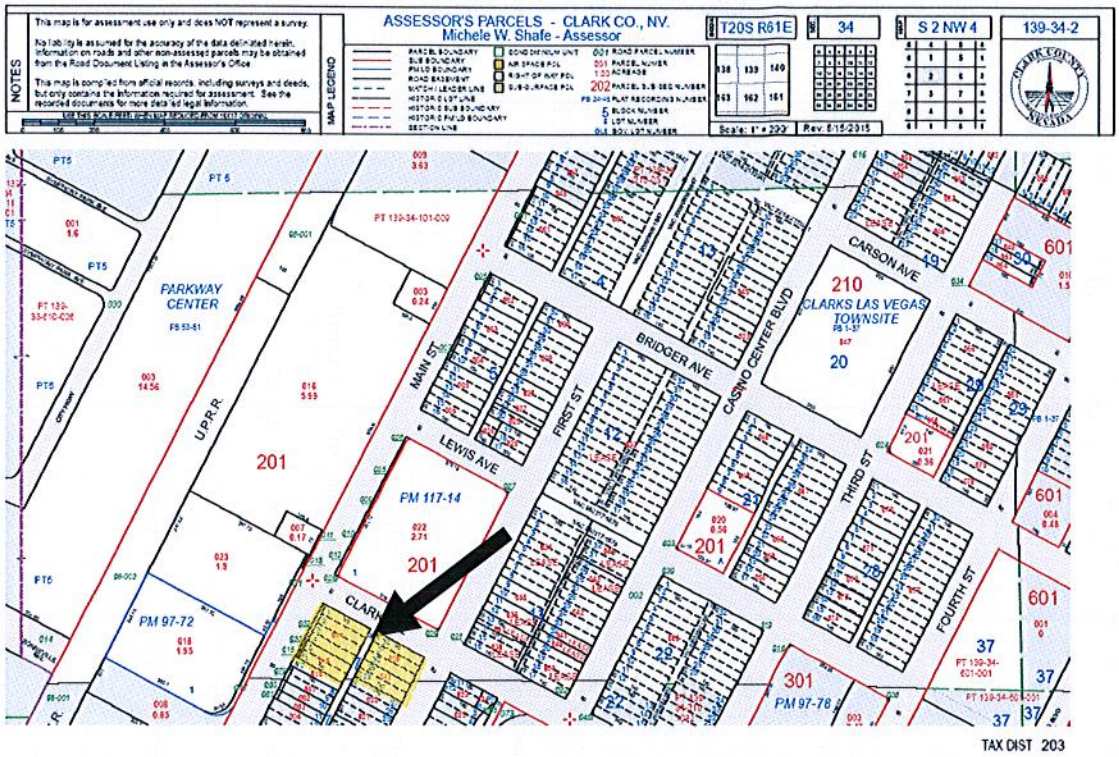
PARCEL MAP OF COMPARABLE SALE 6



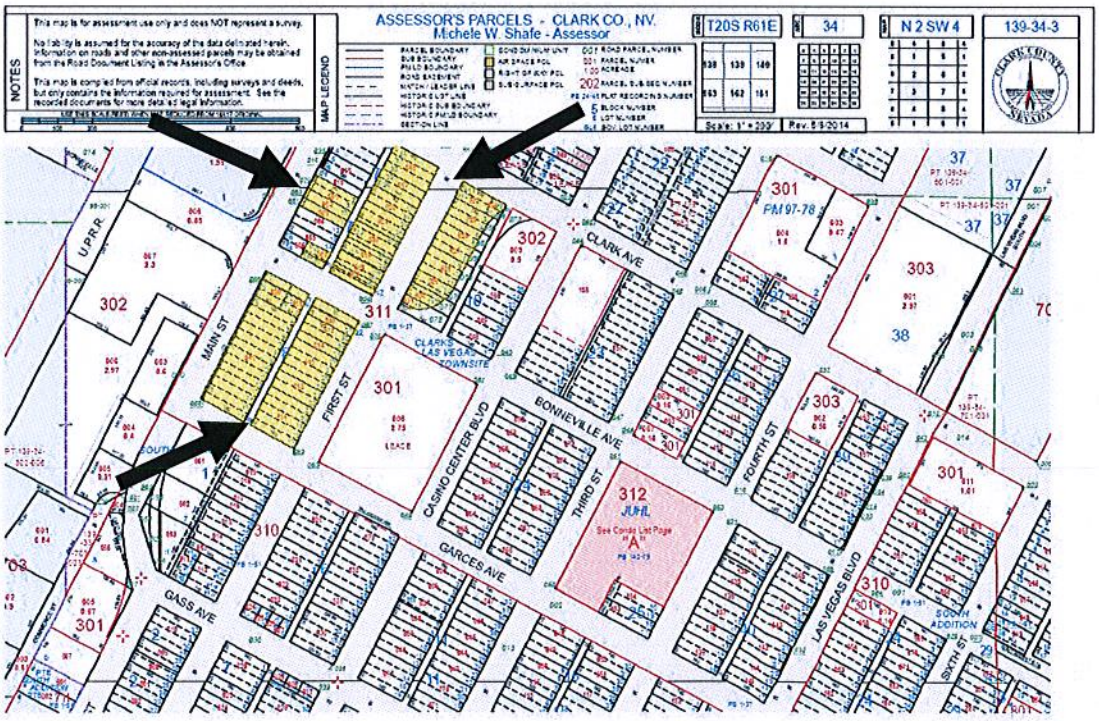
AERIAL PHOTOGRAPH OF COMPARABLE SALE 6

SITE SALE DATA SHEET			*SALE 7*
LOCATION:	Multiple Common Street Addresses (Generally between Clark Avenue on the northeast and Garces Avenue on the southwest, as well as Transit Station on the southeast and Main Street on the northwest), Las Vegas, Clark County, Nevada 89101		
APNs:	139-34-210-014, 015, 017, & 018; and 139-34-311-001 thru 003, and 007 thru 031	**PHYSICAL CHARACTERISTICS:**	
		Site Size:	Approx. 5.36 Net Ac. (Approx. 233,482 sq. ft.)
GRANTOR:	FC/LW Vegas, LLC	**Topography:**	Level
		Shape:	Irregular (Non-Contiguous)
GRANTEE:	Oakwood Plaza, LLC, et al	**Zoning:**	C-2 (General Commercial District), City of Las Vegas
SALE DATE:	December 30, 2015	**Master Plan:**	Office
DOCUMENT NO.:	20151230:01556	**Utilities/Offsites:**	All offsites and utilities were available/in place at the time of sale.
SALE PRICE:	$7,779,816, cash to seller	**INDICATED UNIT OF COMPARISON:**	$33.32/Sq. Ft.
CASH EQUIV.	$7,779,816		
PROPERTY RIGHTS CONVEYED:	Fee simple estate and Leased fee estate		
VERIFICATION:	Public Records (including State of Nevada Declaration of Value), and Mr. Evan Ranes with Newmark Grubb Knight Frank (702-733-7500)		
COMMENTS:	This represents the transfer of an assemblage of multiple parcels over several city blocks. Repeated attempts to verify with the seller broker (Mr. David Scherer with Newmark Grubb Knight Frank) were unsuccessful but reported verification was relayed by a colleague (as identified above). It was reported that this transaction was based on atypical seller motivation. The specific plans by the purchaser are not known.		

PARCEL MAP OF COMPARABLE SALE 7

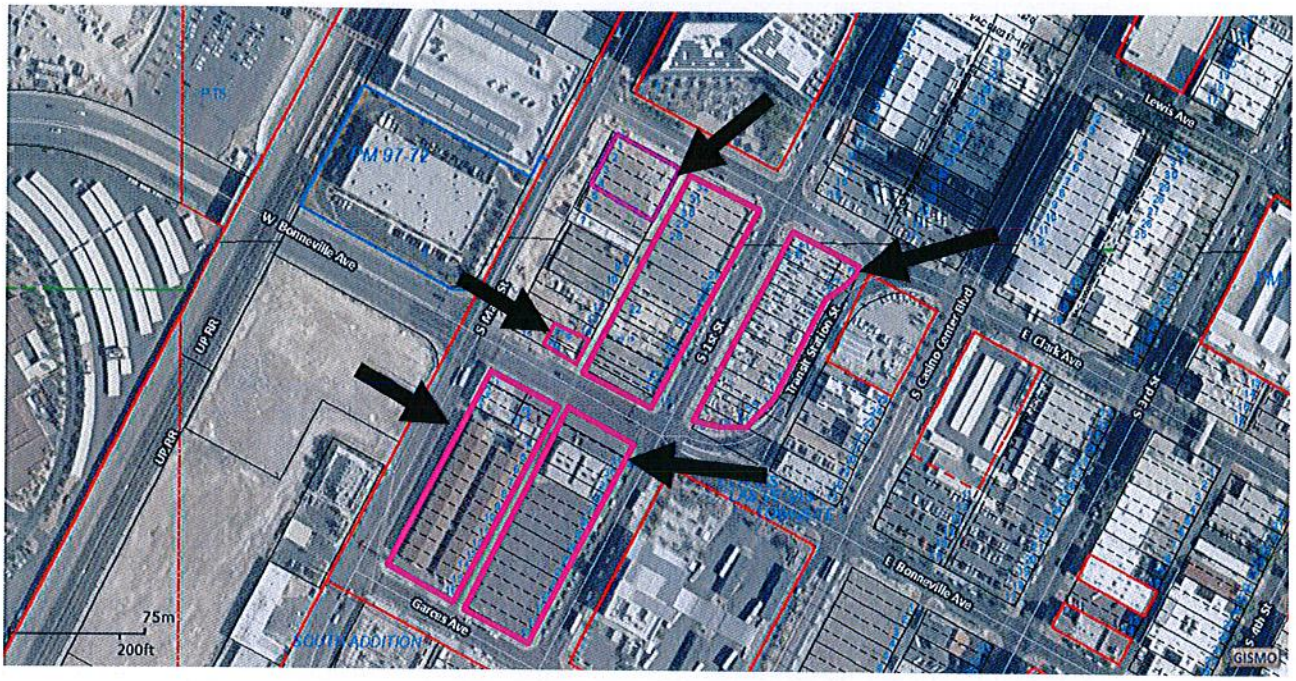


TAX DIST 203



TAX DIST 203

AERIAL PHOTOGRAPH OF COMPARABLE SALE 7



Analysis of Comparable Site Sales

Again, to develop an opinion of the market value of the subject site, as though vacant and available for development to its highest and best use, a search of public records and a field investigation of pertinent transactions involving similar land sales has been conducted, with an analysis made of each comparable land transaction. Unless otherwise noted, each of these transactions occurred on an all cash basis or at terms equivalent to cash. The following is a discussion of our analysis/comparison of the site sales investigated.

We have concluded the most pertinent unit of comparison to be reflective of a price/value per square foot of net site area. In that regard and prior to comparative adjustments, the comparable sales indicated a price per square foot range from $27.00 to $91.43. These comparables range in size from approximately 5,250 square feet (approx. 0.12 net acres) to 233,482 square feet (approx. 5.36 net acres). All of the sales are considered to be the most recent and comparable; they have occurred from October, 2013 through December, 2015.

The comparables identified differ somewhat from the subject property; however, they are considered to be the best sales available for analysis. In our analysis, we have considered the potential adjustment factors of property rights conveyed, terms of sale, conditions of sale, buyer expenditures, market conditions, location, and overall physical characteristics. In making the adjustments and whenever possible, we have attempted to extract appropriate adjustments based on the available market data and these adjustments have been made in our analysis of the magnitude of difference between the comparables and the subject.

In this analysis and although quantitative (either dollar or percentage amount) adjustments may be preferred, an adequacy of reasonably supportable market data is not available. More specifically and in this highly volatile real estate market, no adjustments could be quantified from any paired sale analysis due to apparent influence by multiple impacting factors, all or most of which could not be quantified. As a result, the indications of any so-called paired sales can and most typically vary so significantly as to render them unreliable. Finally, our experience (with discussions) with typical purchasers indicates that a direct comparison on an overall basis is more typically employed. Accordingly and in an attempt to gain a better understanding of the market, we have not utilized quantitative adjustments, rather we

have relied on a qualitative (i.e. similar, inferior, or superior comparison) adjustment analysis based on the market data presented and our professional judgment.

In comparison, no adjustments are necessary to any of the comparable sales for property rights conveyed, financing terms, nor conditions of sale. Although Sale 3 included seller financing, the terms are not considered to be favorable and are not known to have had any measurable impact on the negotiated sale price. As such, no adjustment is necessary. Further, none of the comparable sales occurred with any known necessary buyer expenditures (made immediately after purchase). As such, no adjustments have been applied for these four elements of comparison.

The sales are compared for market conditions (i.e. inflation, deflation, and changes in supply/demand) which may change between the dates of a comparable sale and the effective date of the appraisal of the subject property. Under most circumstances, the price of a comparable property could be different at a later time and an adjustment would have to be made to the actual transaction price. In that regard, and although all of the sales represent the most recent comparable transactions available, market conditions within the market area have been improving. Therefore, some varying upward adjustment consideration has been considered when analyzing each of the comparable sales.

In consideration of overall locational characteristics and although all of the sales are similarly located within the Downtown Redevelopment area, varying adjustments are necessary when comparing specific proximities within individual districts and to the Fremont Street and/or Las Vegas Boulevard corridors. Specifically and although Sales 4 and 5 are concluded to be similar to the subject, Sales 1 and 2 are concluded to be superior. Conversely, Sales 3, 6, and 7 are concluded to be inferior. As a result and although adjustments cannot be reasonably quantified, we have applied respective qualitative adjustment consideration for these factors.

In consideration of physical/legal characteristics and although the sales are reasonably similar to the subject, varying adjustments are nonetheless necessary, primarily when comparing shape, size, utilities/offsite improvement status, topography, zoning/legal use potential, assemblage potential, and on-site improvements. In our analysis, a number of subjective adjustments have been applied based on our professional judgment.

Specifically and although no adjustment consideration is necessary when comparing the utilities/offsite improvement status, topography, and assemblage potential (as all of the sales are concluded to be reasonably similar to the subject in consideration of these factors), Sales 6 and 7 represent transactions involving irregular (non-contiguous) sites. Therefore, upward adjustments are necessary. Sales 1, 4, and 5 represent smaller sites, while Sales 2 and 7 represent much larger sites. Therefore and in consideration of size and when considering that, for redevelopment, larger sites provide for greater development/economic utility, varying respective adjustments are necessary. Again and although such adjustments cannot be reasonably quantified, subjective qualitative adjustment consideration is applied.

Other remaining physical/economic characteristics of the comparable sales are concluded to be reasonably similar to the subject, warranting little, if any, additional adjustment consideration. Although we recognize variances in the existence of onsite improvements, this does not appear to measurably impact the sale price of properties within this "redevelopment" area. In that regard, it is further recalled that, in consideration of the subject's existing improvements, we have concluded that these similarly exclude any measurable impact on value.

The following chart reflects the previously discussed adjustments, as specifically compared to the subject:

COMPARABLE SALES ADJUSTMENT CHART

	Subject	SALE 1	SALE 2	SALE 3	SALE 4
LOCATION	225 E. Bridger Ave./ 310 S. 3rd St.	217 S. 4th St.	200 S. 3rd St.	814 S. 3rd St.	201 E. Bridger Ave.
DATE OF SALE		Oct-13	Nov-13	Mar-14	May-14
PROPERTY RIGHTS CONVEYED	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
SALE PRICE		$1,600,000	$10,000,000	$3,000,000	$800,000
SITE AREA (Sq. ft.)	31,500	17,500	120,000	35,000	10,500
SALE PRICE/SQ. FT.		$91.43	$83.33	$85.71	$76.19
MARKET ADJUSTMENT CONSIDERATIONS					
PROPERTY RIGHTS CONVEYED	Fee Simple	Similar	Similar	Similar	Similar
FINANCING TERMS	Cash	Similar	Similar	Similar	Similar
CONDITIONS OF SALE	Typical	Similar	Similar	Similar	Similar
BUYER EXPENDITURES	None	Similar	Similar	Similar	Similar
MARKET CONDITIONS	Current	Inferior	Inferior	Inferior	Inferior
LOCATIONAL/PHYSICAL ADJUSTMENT CONSIDERATIONS					
LOCATION	Typical	Superior	Superior	Inferior	Similar
FRONTAGE/EXPOSURE	Typical	Similar	Similar	Similar	Similar
SHAPE	Irregular	Similar	Similar	Similar	Similar
SIZE	31,500 Sq. Ft. (.72 Ac.)	Inferior	Superior	Similar	Inferior
UTILITIES/OFFSITE IMPS.	Available/Complete	Similar	Similar	Similar	Similar
TOPOGRAPHY	Level	Similar	Similar	Similar	Similar
LEGAL USES	Mixed	Similar	Similar	Similar	Similar
ASSEMBLAGE POTENTIAL	Yes	Similar	Similar	Similar	Similar
MISCELLANEOUS	Existing Improvements	Similar	Similar	Similar	Similar
OVERALL LOCATIONAL/PHYSICAL COMPARISON		**Similar**	**Superior**	**Inferior**	**Inferior**
OVERALL COMPARISON		**Inferior**	**Inferior**	**Inferior**	**Inferior**

	Subject	SALE 5	SALE 6	SALE 7
LOCATION	225 E. Bridger Ave./ 310 S. 3rd St.	326 S. 1st St.	122 E Clark Ave./ 526 S. Casino Ctr.	Multiple
DATE OF SALE		Oct-15	Nov-15	Dec-15
PROPERTY RIGHTS CONVEYED	Fee Simple	Fee Simple	Fee Simple	Fee Simple/Leased Fee
SALE PRICE		$280,000	$776,250	$7,779,816
SITE AREA (Sq. ft.)	31,500	5,250	28,750	233,482
SALE PRICE/SQ. FT.		$53.33	$27.00	$33.32
MARKET ADJUSTMENT CONSIDERATIONS				
PROPERTY RIGHTS CONVEYED	Fee Simple	Similar	Similar	Similar
FINANCING TERMS	Cash	Similar	Similar	Similar
CONDITIONS OF SALE	Typical	Superior	Inferior	Inferior
BUYER EXPENDITURES	None	Similar	Similar	Similar
MARKET CONDITIONS	Current	Inferior	Inferior	Inferior
LOCATIONAL/PHYSICAL ADJUSTMENT CONSIDERATIONS				
LOCATION	Typical	Similar	Inferior	Inferior
FRONTAGE/EXPOSURE	Typical	Similar	Similar	Similar
SHAPE	Irregular	Similar	Inferior	Inferior
SIZE	31,500 Sq. Ft. (.72 Ac.)	Inferior	Similar	Superior
UTILITIES/OFFSITE IMPS.	Available/Complete	Similar	Similar	Similar
TOPOGRAPHY	Level	Similar	Similar	Similar
LEGAL USES	Mixed	Similar	Similar	Similar
ASSEMBLAGE POTENTIAL	Yes	Similar	Similar	Similar
MISCELLANEOUS	Existing Improvements	Similar	Similar	Similar
OVERALL LOCATIONAL/PHYSICAL COMPARISON		**Inferior**	**Inferior**	**Inferior**
OVERALL COMPARISON		**Inferior**	**Inferior**	**Inferior**

All of the comparables utilized are considered to be the best available at this time to develop an opinion of the market value for the subject site, as though vacant. However and following comparative adjustments, all of the sales are concluded to require upward overall net adjustment consideration, albeit in varying degrees. With these considerations, we have developed an opinion of an appropriate unit value for the subject property to be best supported near/above the upper portion of the unadjusted range of the comparables.

Finally, in addition to the preceding analysis of closed sale transactions and as additional support for a reasonably supportable market value indication/opinion, we have given consideration to the availability of alternative/competing/comparable sites in the market area and/or the opinions of market participants, as follows:

- A 35,000 sq. ft. site located at the southeast corner of 1st Street and Garces Avenue is currently available and listed for sale with Mr. Miguel Ortega with United Realty Group (702-806-8677), based on an asking price of $4,500,000 ($128.57/sq. ft.). It was indicated that an offer of $3,100,000 (approximately $88.57/sq. ft.) was reported to have been previously received from the purchaser indicated for Sale 3, but such offer was declined.
- A 31,500 sq. ft. potential/future redevelopment site located at the northwest corner of Las Vegas Boulevard South and Garces Avenue is presently available and listed for sale with Ms. Phyllis Hanley with Cambridge Group (702-795-7900), based on an asking price of $5,999,999 (approximately $190.48/sq. ft.).
- A 17,500 sq. ft. site located at the northeast corner of Las Vegas Boulevard South and Bonneville Avenue is presently available and listed for sale with Ms. Glenda Shaw with Northcap Commercial (702-232-6000). According to Ms. Shaw, it is the intent of the owner of this property for it to be sold/assembled with adjoining properties. This particular site (again consisting of 17,500 sq. ft. with Las Vegas Boulevard frontage) is marketed based on an asking price at/near $200.00/sq. ft., with an overall assembled blended price hopeful to command an amount at/near $135.00/sq. ft. It was further reported that an offer of $2,500,000 (approximately $142.86/sq. ft.) has been recently received for this 17,500 sq. ft. site and is presently being negotiated.

  Ms. Shaw indicated that the Downtown Redevelopment area is challenging with substantially varying prices and that any potential purchases would likely be based on a specific intended use and what a developer can therefore incur in land acquisition costs. Ms. Shaw also expressed an opinion that as assembled properties, which reflect sizes over ½ acre, are most desirable and would likely command higher premiums. Finally, Ms. Shaw expressed an opinion that the subject site could possible command a price near $100.00/sq. ft., again depending on the specific user/use.

Following our discussed with several brokers (including those indicated in the preceding paragraphs), it appears that, although there has been an increase in sale activity and investor/developer interest, a spread or gap between buyer and seller expectations remains predominant in the immediate area.

In conclusion and based on the preponderance of all available market data, we have developed an opinion of the market value (as defined herein on Pages 8-9) of the fee simple estate interest in the subject property, based on the general assumptions and limiting conditions contained herein (i.e. Pages 3-5), as of February 1, 2016, to be best supported within the range of $85 to $90 per square foot, reconciled as follows:

CONCLUDED MARKET VALUE OPINION

Site Area:	31,500 Sq. Ft.
Concluded Unit Value Range:	x $85-$90/Sq. Ft.
Indicated Market Value Range:	$2,677,500-$2,835,000
Final Reconciled/Concluded Market Value Opinion:	$2,750,000

REASONABLE EXPOSURE TIME

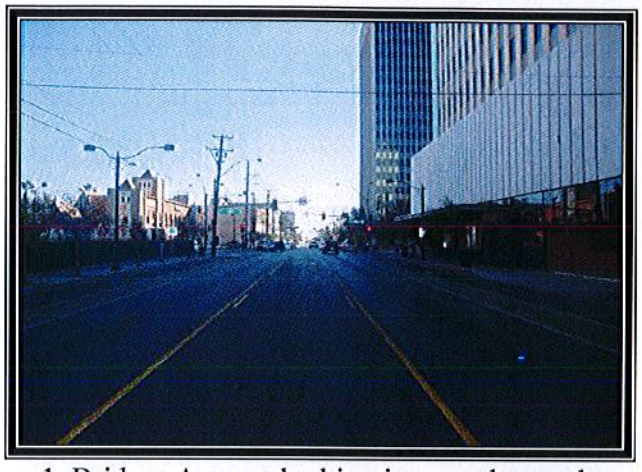
The definition of exposure time has been included previously in this report. Since exposure time is a "retrospective marketing period," it is necessary to examine past market conditions, prior to the effective date of value. Support for this opinion can be obtained by an analysis of the exposure time associated with comparable properties, sales which have occurred prior to the effective date of this appraisal and broker interviews.

In an attempt to support an opinion of the appropriate exposure time for the subject, we have reviewed the sale comparables utilized herein to support the opinion of value. In examining the sales, exposure time was not available for several of the comparables; however, the remaining comparables indicated exposure times of less than 6 months. Since all of the sales occurred prior to the effective date of value rendered herein and the opinion of market value is largely based on these sales, this source of support for a reasonable exposure time is considered to be fairly reliable.

The second source of support for my opinion of a reasonable exposure time for the subject is information from brokers knowledgeable in the subject's submarket. While each individual was reluctant to specifically quote an exact length of time, all brokers indicated that a time frame of no more than 6 months would have been reasonable to achieve a market based sale price as of the effective date of this appraisal.

Therefore, based on an analysis of the sales as reported herein, and a broker's survey, it is our opinion that an appropriate exposure time that would have been associated with the subject property is no more than 6 months.

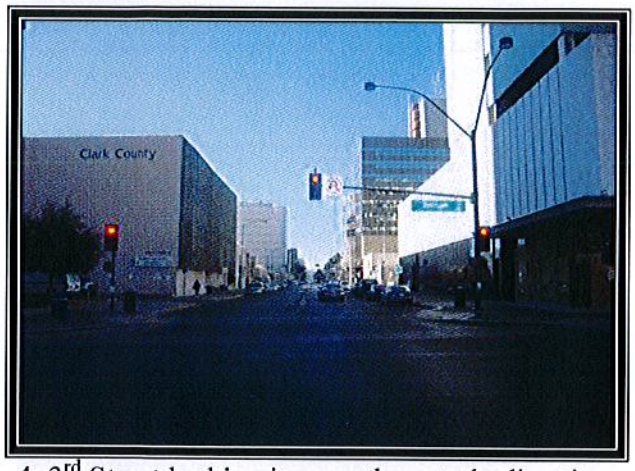
SUBJECT PHOTOGRAPHS



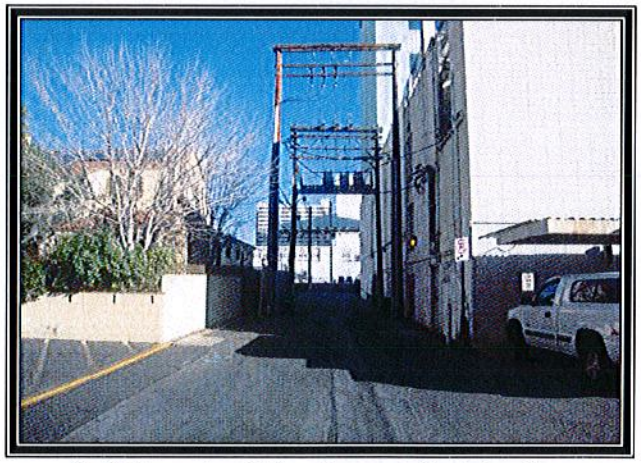
1. Bridger Avenue looking in a southeasterly direction, subject property at right.

2. Bridger Avenue looking in a northwesterly direction, subject property at left.

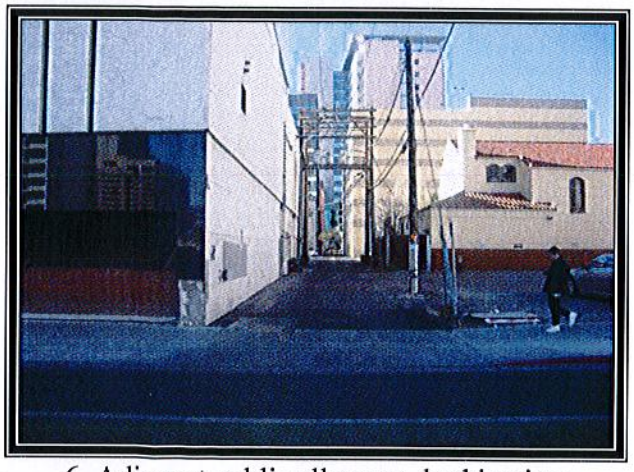
3. 3rd Street looking in a northeasterly direction, subject property at left.



4. 3rd Street looking in a southwesterly direction, subject property at right.



5. Adjacent public alleyway looking in a northeasterly direction, subject property at right.

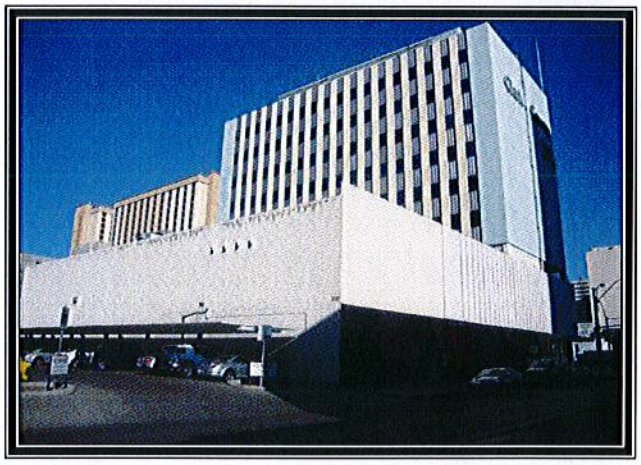


6. Adjacent public alleyway, looking in a southwesterly direction, subject property at left.

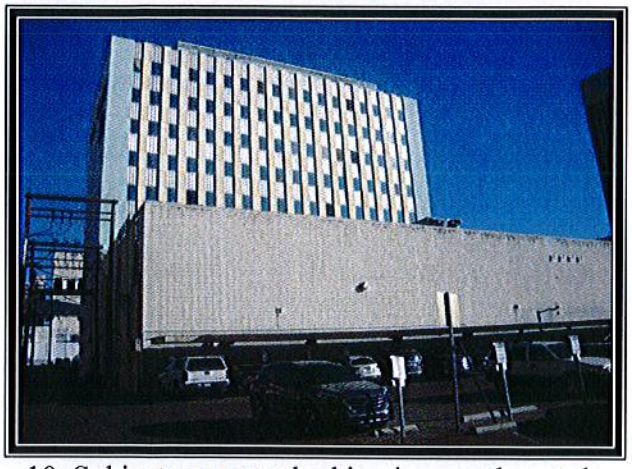
SUBJECT PHOTOGRAPHS

7. Subject property, looking in a southwesterly direction from 3rd St. (north of Bridger Ave.).

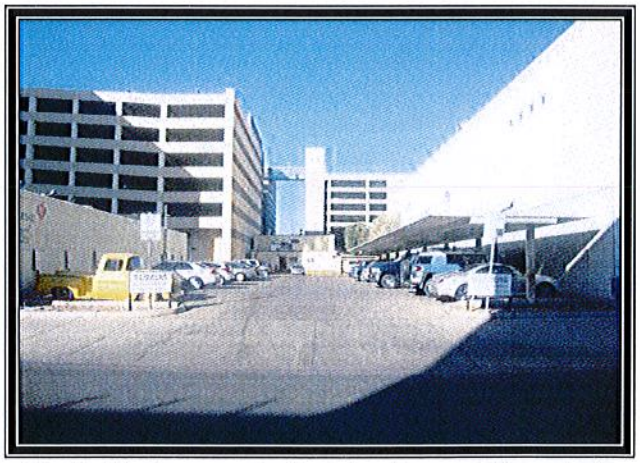
8. Subject property, looking in a southeasterly direction from Bridger Ave.



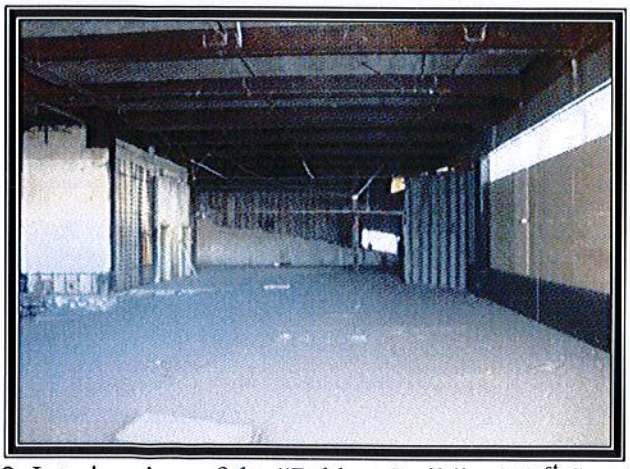
9. Subject property, looking in a northerly direction from 3rd St.



10. Subject property, looking in a northeasterly direction from adjacent public alley.

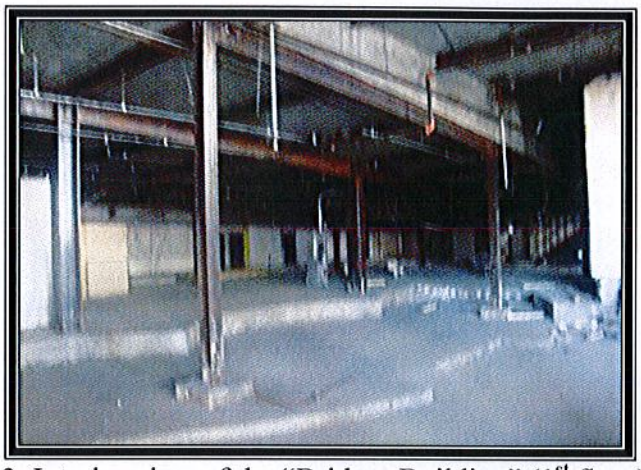


11. Subject property, looking in a northwesterly direction at surface parking lot located along the southwestmost portion of the property abutting the "Centennial Building" to the right.

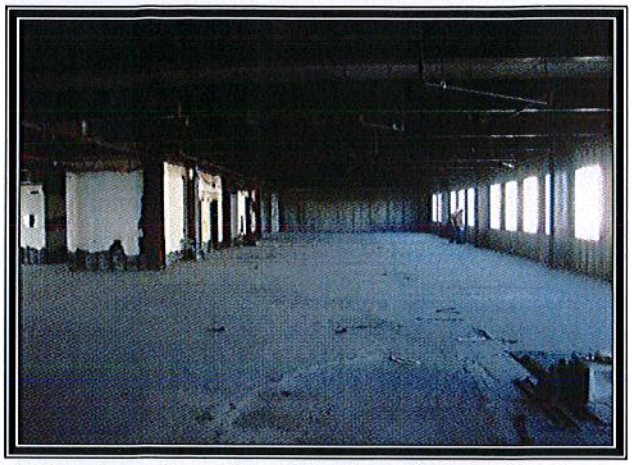


12. Interior view of the "Bridger Building" (1st floor).

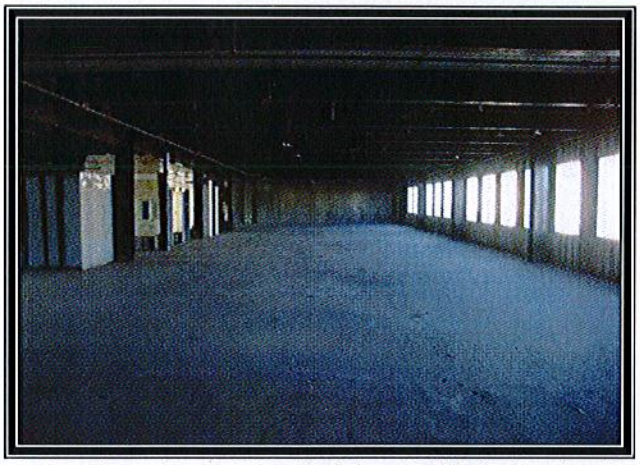
SUBJECT PHOTOGRAPHS



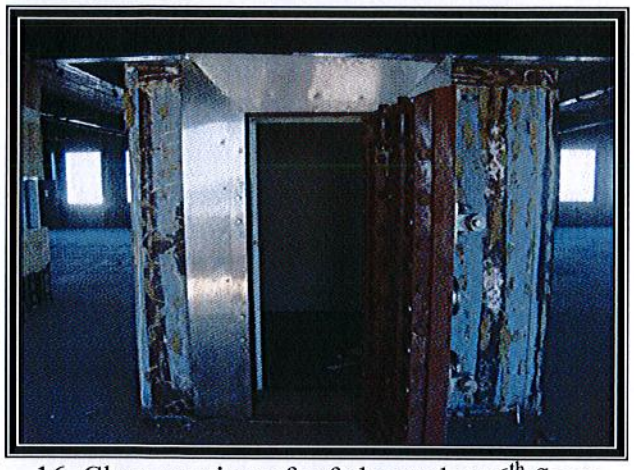
13. Interior view of the "Bridger Building" (1st floor).



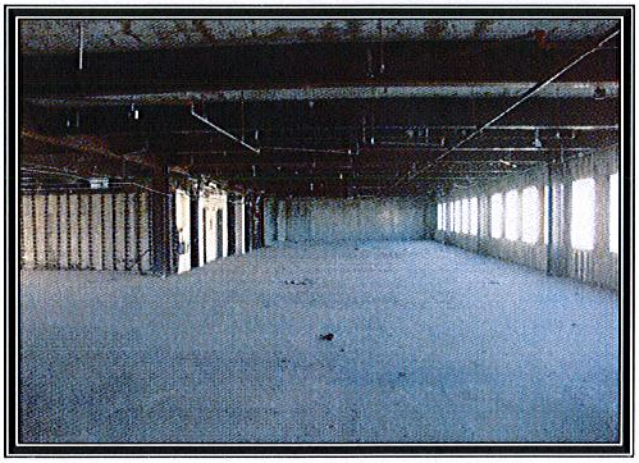
14. Interior view of the "Bridger Building", viewing typical upper floor area (5th floor).



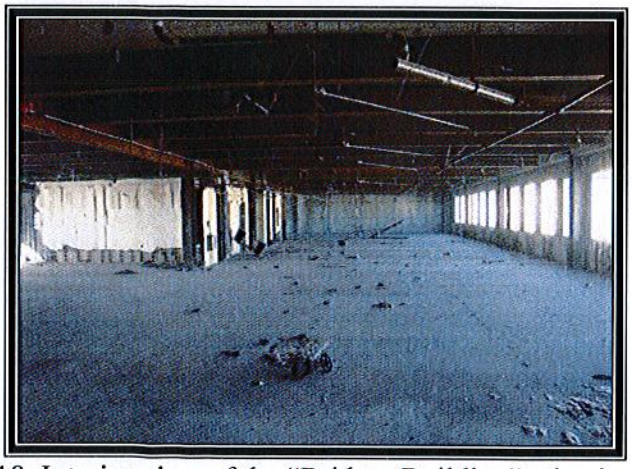
15. Interior view of the "Bridger Building", viewing typical upper floor area (6th floor).



16. Close-up view of safe located on 6th floor.

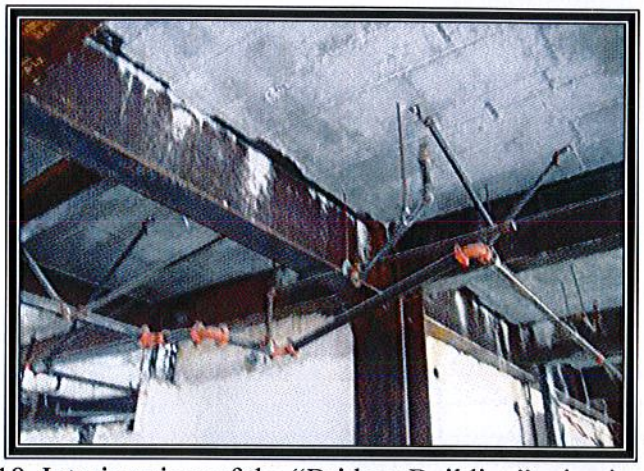


17. Interior view of the "Bridger Building", viewing typical upper floor area (8th floor).

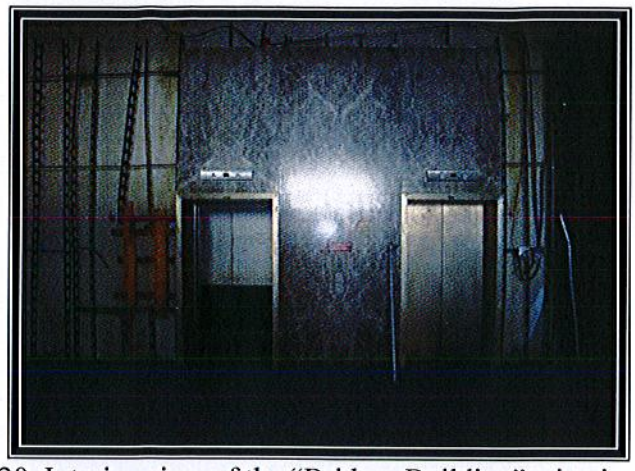


18. Interior view of the "Bridger Building", viewing typical upper floor area (10th floor).

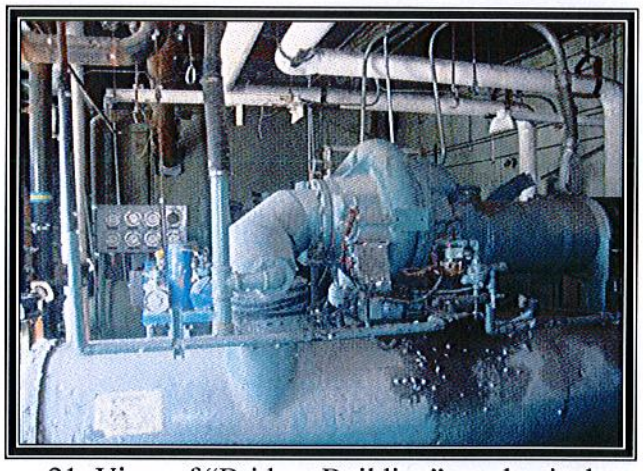
SUBJECT PHOTOGRAPHS



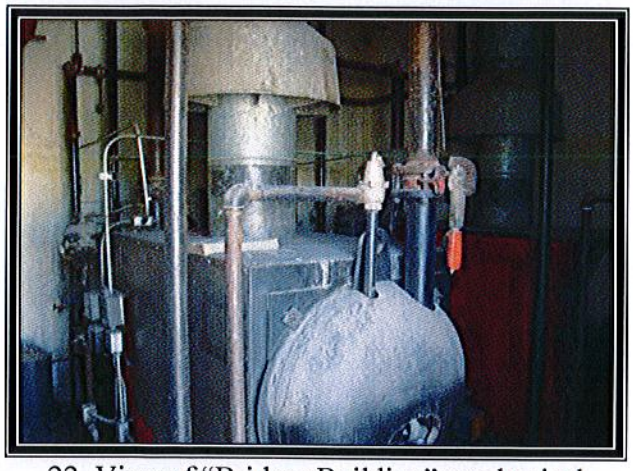
19. Interior view of the "Bridger Building", viewing structural components (photo taken on 5th floor).



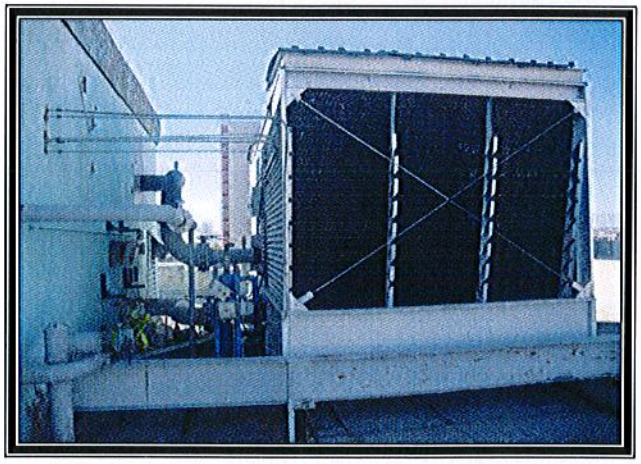
20. Interior view of the "Bridger Building", viewing front of elevator shaft on 1st floor.



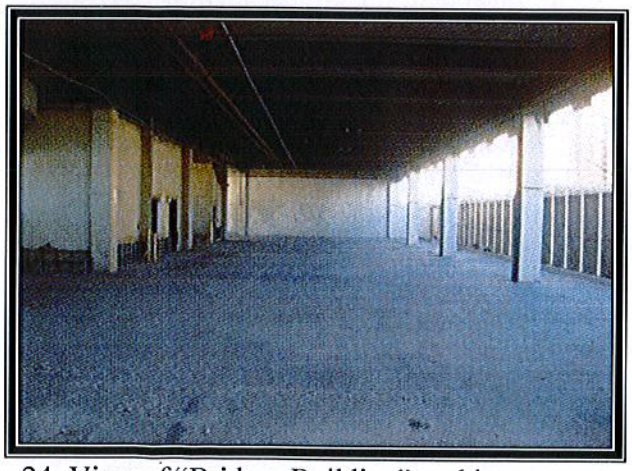
21. View of "Bridger Building" mechanical equipment (located on roof).



22. View of "Bridger Building" mechanical equipment (located on roof).

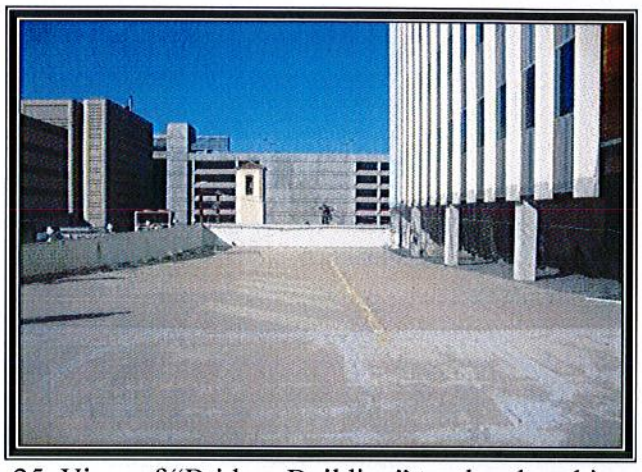


23. View of "Bridger Building" mechanical equipment (located on roof).

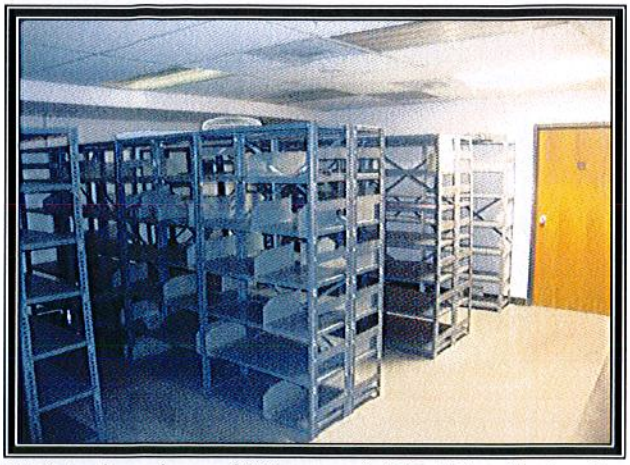


24. View of "Bridger Building" parking garage.

SUBJECT PHOTOGRAPHS



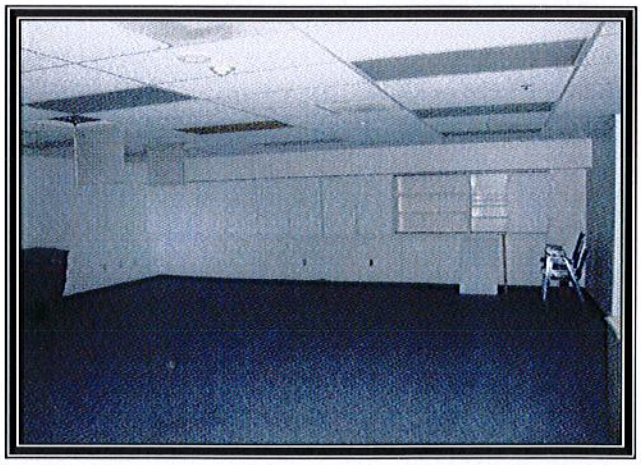
25. View of "Bridger Building" top level parking area.



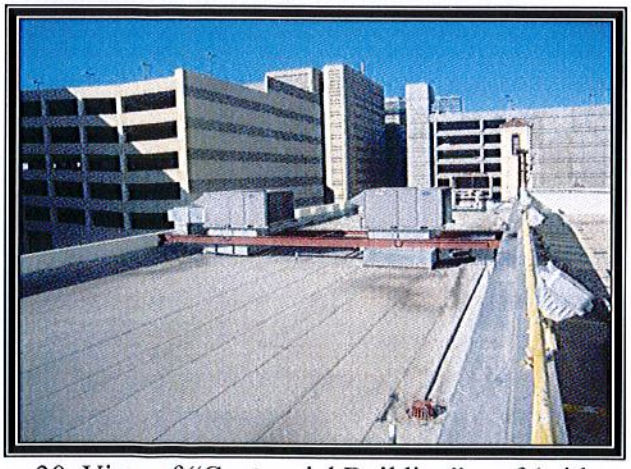
26. Interior view of "Centennial Building", viewing 1st floor area.

27. Interior view of "Centennial Building", viewing 2nd floor hallway.

28. Interior view of "Centennial Building", viewing typical 3rd floor office area.



29. Interior view of "Centennial Building", viewing typical 2nd floor office area.



30. View of "Centennial Building" roof (with mechanical equipment).

PRELIMINARY TITLE REPORT

Chicago Title of Nevada, Inc.

Chicago Title of Nevada, Inc.
9075 W. Diablo Drive, Ste. 100
Las Vegas, NV 89148
Phone: (702) 836-8000

Order #: **15017999**

Escrow Officer: **Jennifer Reinink**
9075 W. Diablo Drive, #100
Las Vegas, NV 89148
Phone: **(702) 836-8000**
Fax: **(702) 836-8160**
Email: **Jennifer.Reinink@ctt.com**

Title Officer: **Bonnie L. Blackburn**
Proposed Buyer(s): **PRELIM ONLY FOR CLARK COUNTY**
Sales Price: **$**
Proposed Lender:
Loan Amount: **$0.00**
Short Term Rate: N/A

Property Address: **225 E. Bridger Las Vegas, NEVADA**

PRELIMINARY REPORT

Effective Date: November 12, 2015 at 7:30 a.m.

In response to the application for a policy of title insurance referenced herein, **Chicago Title of Nevada, Inc.** hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies 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 herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions of said policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitation on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

The policy(s) of title insurance to be issued hereunder will be policy(s) of **Chicago Title Insurance Company.**

Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered. It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

Countersigned:

By: _____
Authorized Signature

By _____
Randy Quirk, President

Attest _____
Michael Gravelle, Secretary

SCHEDULE A

The form of policy of title insurance contemplated by this report is:

TBD

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 herein is situated in the County of **Clark**, State of **Nevada**, and is described as follows:

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF.

EXHIBIT A

THE LAND REFERRED TO HEREIN BELOW IS SITUATED VegasIN THE COUNTY OF CLARK, STATE OF NEVADA, AND IS DESCRIBED AS FOLLOWS:

Parcel 1:

Lots Twenty Four (24) and Twenty Five (25) and the South Half (S ½) of Lot Twenty Six (26) in Block Twenty One (21) of CLARK'S LAS VEGAS TOWNSITE as shown on map thereof on file in Book 1 of Plats, page 37, in the Office of the County Recorder of Clark County, Nevada.

Parcel 2:

Lot Twenty Seven (27) and the North Half (N ½) of Lot Twenty Six (26) in Block Twenty One (21) of CLARK'S LAS VEGAS TOWNSITE as shown by map thereof on file in Book 1 of Plats, Page 37, in the Office of the County Recorder of Clark County, Nevada.

Parcel 3:

Lots Twenty Eight (28), Twenty Nine (29), Thirty (30), Thirty One (31), and Thirty Two (32) in Block Twenty One (21) of CLARK'S LAS VEGAS TOWNSITE as shown by map thereof on file in Book 1 of Plats, Page 37, in the Office of the County Recorder of Clark County, Nevada.

Assessor's Parcel Number: 139-34-210-061

SCHEDULE B – Section A

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

1. (a) Taxes or assessments 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 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 of the Land.

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.

SCHEDULE B – Section B

At the date hereof Exceptions to coverage in addition to the printed exceptions to said policy form would be as follows:

1. General and special State, County and/or City property taxes, including any personal property taxes and any assessments collected with taxes, are exempt. However, upon the conveyance to a non-exempt entity, taxes for the remainder of the fiscal year will become due.
   Assessor's Parcel No. 139-34-210-061

2. 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.

3. Water rights, claims or title to water, whether or not shown by the public record.

4. Mineral rights, reservations, easements and exclusions in patent from the State of Nevada.
   Recorded : June 13, 1904 in Book F of Miscellaneous, Page 497 Lincoln County, Nevada.

5. Dedication(s) and easement(s) and rights incidental thereto as indicated or delineated on the Plat Map:
   Recording No.: Book 1, Plat No. 37, of Official Records

6. The terms, covenants, conditions and provisions as contained in an instrument, entitled "Grant, Bargain, Sale Deed"
   Recorded : May 10, 1980 in Book 1221
   Document No. : 1180815, Official Records.

7. The Land described herein is included within a project area of the Redevelopment Agency shown below, and that proceedings for the redevelopment of said project have been instituted under the Redevelopment Law (such redevelopment to proceed only after the adoption of the Redevelopment Plan) as disclosed by a document.
   Redevelopment Agency: Las Vegas Downtown Redevelopment Area
   Recorded: March 11, 1986, in Book 860311
   Document No: 0000777, Official Records

   Modification(s) of said document
   Recorded: February 11, 1988, in Book 880211
   Document No: 00382, Official Records

   Modification(s) of said document
   Recorded: November 22, 1996, in Book 961122
   Document No: 00847, Official Records

   And amended by an instrument
   Recorded : November 22, 1996 in Book 961122
   Document No. : 00848, Official Records.
   And Re-recorded : November 25, 1996 in Book 961125
   Document No. : 00566, Official Records.

   And as shown by map
   File : LG, of Surveys at Page 78
   Recorded : November 22, 1996 in Book 961122
   Document No. : 00849, Official Records.

   And amended and restated by an instrument
   Recorded :June 2, 2006 in Book 20060602
   Document No. :0001395, Official Records

8. The terms, covenants, conditions and provisions as contained in an instrument, entitled "City of Las Vegas Notice of Zoning Action"
   Recorded :March 5, 2008 in Book 20080305
   Document No. :01398, Official Records.

9. Any rights, interest, or claims which may exist or arise by reason of a Record of Survey
   File : 185, of Surveys, Page 61, Official Records.

10. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
    In Favor of : City of Las Vegas, a municipal corporation of the State of Nevada
    For :pedestrian walkway
    Recorded :January 23, 2014 as Instrument No. 20140123-0003964, Official Records.

11. **Our search in the public record did not disclose any open Deed of Trust on the herein described property. Please confirm with your seller/borrower that there are no liens or encumbrances affecting the herein described property other than those shown on the Preliminary Report.**

12. 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.

13. 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.

14. 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.

15. If Extended Owners Coverage is requested, the Company will require an ALTA/ACSM LAND TITLE SURVEY. If the owner of the Land the subject of this transaction is in possession of a current ALTA/ACSM LAND TITLE SURVEY, the Company will require that said survey be submitted for review and approval; otherwise, a new survey, satisfactory to the Company, must be prepared by a licensed land surveyor and supplied to the Company prior to the close of escrow.

    A Zoning Report will be required if a Zoning Endorsement is requested.

    The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

16. If Extended Coverage is requested, an inspection of said Land will be ordered; upon its completion the Company reserves the right to except additional items and/or make additional requirements.

17. The transaction contemplated in connection with this Report is subject to the review and approval of the Company's Corporate Underwriting Department. The Company reserves the right to add additional items or make further requirements after such review.

18. 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.

END OF SCHEDULE B EXCEPTIONS

PLEASE REFER TO THE "NOTES" WHICH FOLLOWS FOR INFORMATION NECESSARY TO COMPLETE THIS TRANSACTION

NOTES

1. EFFECTIVE JULY 1, 2003, ALL DOCUMENTS, EXCEPT MAPS, SUBMITTED FOR RECORDING WITH THE OFFICE OF THE CLARK/NYE COUNTY RECORDER, MUST COMPLY WITH NRS 247.110, AS FOLLOWS:

   (a) Be on 20# paper that is 8 ½ inches by 11 inches in size;
   (b) Have a margin of 1 inch on the left and right sides and at the top and bottom of each page;
   (c) Have a space of 3 inches by 3 inches at the upper right corner of the first page and have a margin of 1 inch at the top of each succeeding page;
   (d) Not contain printed material on more than one side of each page;
   (e) Print that is NO smaller than 10 point Times New Roman font and contains no more than 9 lines of text per vertical inch; and
   (f) MUST NOT be printed in any ink other than black.

   ANY DOCUMENT NOT COMPLYING WITH THESE GUIDELINES WILL BE SUBJECT TO AN ADDITIONAL, MINIMUM COUNTY NON-CONFORMING RECORDING CHARGE OF $25.00 PER DOCUMENT.

2. The information on the attached plat is provided for your convenience as a guide to the general location of the subject property. The accuracy of this plat is not guaranteed, nor is it a part of any policy, report or guarantee to which it may be attached.

3. PLEASE CONTACT THE ESCROW OFFICE FOR WIRING INSTRUCTIONS.

   Escrow No.: 15017999-086-JR
   Escrow Branch Address: 9075 W. Diablo Drive, #100, Las Vegas, NV 89148
   Escrow Branch Phone: (702) 836-8000

4. Any documents being executed in conjunction with this transaction must be signed in the presence of an authorized Company employee, an authorized employee of an agent, an authorized employee of the insured lender, or by using Bancserv or other approved third-party service. If the above requirement cannot be met, please call the Company at the number provided in this report.

5. Your application for title insurance was placed by reference to only a street address or tax identification number. Based on our records, we believe that the legal description in this report covers the parcel(s) of Land that you requested. If the legal description is incorrect, the seller/borrower must notify the Company and/or the settlement company in order to prevent errors and to be certain that the correct parcel(s) of Land will appear on any documents to be recorded in connection with this transaction and on the policy of title insurance.

6. Due to the Nevada Supreme Court's interpretation of N.R.S. §116.3116 (2)(c) in SFR Investments Pool 1, LLC v. U.S. Bank, N.A. 334 P. 3d 408 (2014), the Company is unwilling to issue the ALTA 9-06 Endorsement, but instead will issue the ALTA 9.10-06 Endorsement. This does not apply to common interest communities that are not subject to N.R.S. §116.3116 (i.e. apartment complexes, commercial condominiums that are exempt or other commercial properties).

7. Note: The last Document(s) purporting to transfer Title:
   Recorded :May 1, 1980 in Book 122
   Document No. :1180815, Official Records.

   225 E Bridger Avenue
   Las Vegas, NV

Typist: **bs**
Date Typed: **December 11, 2015**

END OF NOTES

Note: Notice of Available Title Insurance and Escrow Discounts

Your transaction may qualify for one of the discounts shown below. In order to receive these discounts, you will need to contact your escrow officer or a company representative to determine if you qualify and to request the discount. Your escrow officer or company representative will provide a full description of the terms, conditions and requirements associated with each discount.

Available Title Insurance Discounts (These discounts will apply to all transactions where the company is issuing a policy of title insurance, including such transactions where the company is not providing escrow closing services.

CREDIT FOR PRELIMINARY TITLE REPORTS AND/OR COMMITMENT CANCELLATION CHARGES ON SUBSEQUENT POLICIES
Where an order was cancelled and no major change in the title has occurred since the issuance of the original report or commitment, and the order is reopened within 24 - 36 months, all or a portion of the charge previously paid upon the cancellation of the report or commitment may be credited on a subsequent policy charge.

SHORT TERM RATE
The Short Term Rate is a reduction of the applicable insurance rate which is allowable only when the current order is placed within 60 months from the date of issuance of a prior policy of title insurance to the vested owner or an assignee of the interest insured. The short term rate is 80% of the Basic Rate. Unless otherwise stated, the reduction only applies to policies priced at 80% or greater of the basic rate. This reduction does not apply to Short Sale transactions or to any surcharge calculated on the basic rate.

PRIOR POLICY DISCOUNT (APPLICABLE TO ZONE 2, DIRECT OPERATIONS ONLY)
The Prior Policy Discount will apply when a seller or borrower provides a copy of their owner's policy upon opening escrow. The prior policy rate is 70% of the applicable owner's title premium. This discount may not be used in combination with any other discount and can only be used in transactions involving property located in Zone 2 (Zone 2 includes all Nevada counties except Clark, Lincoln and Nye) that are handled by a direct operation of the FNF Family of Companies.

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS
On properties used as a church or for charitable purposes within the scope of the normal activities of such entities the charge for a policy shall be 50% to 70% of the appropriate title insurance rate, depending on the type of coverage selected. This discount shall not apply to charges for loan policies issued concurrently with an owner's policy.

EMPLOYEE RATE
No charge shall be made to employees of the Company, its subsidiary or affiliated companies (including employees on approved retirement) for policies issued in connection with financing, refinancing, sale or purchase of the employee's bonafide home property. Waiver of such charges is authorized only in connection with those costs which the employee would be obligated to pay, by established custom, as a party to the transaction.

INVESTOR RATE
This rate is available for individuals, groups of individuals or entities customarily engaged in real estate investments. The parties must provide reasonable proof that they currently hold title to or have transferred title to three (3) or more investment properties in the State of Nevada within the past twelve (12) months to qualify for this rate. On a sale transaction, the investor rate is 70% of the basic rate. This reduction does not apply to any surcharge calculated on the basic rate. On a refinance transaction or where the investor is obtaining a loan subsequent to a purchase, the rate shall be 85% of the applicable rate with a minimum charge of $385.00. The loan discount shall only apply to transactions priced under Section 5.1 B (1b) of the title insurance rate manual. This rate is available upon request only.

Available Escrow Discounts These discounts will apply only to the escrow fee portion of your settlement charges, and the discounts will apply only if the company is issuing a policy of title insurance in conjunction with providing escrow services.

SENIOR CITIZEN RATE
If a valid identification is provided, principals to a given transaction who qualify as Senior Citizens (55 year of age and over) shall be charged 70% of their portion of the escrow fee wherein a valid identification is provided. This discount shall only apply on residential resale transactions wherein the principal resides in the subject property. This discount may not be used in combination with any other escrow rate discount. This rate is available upon request only.

MILITARY DISCOUNT
Any person on active military duty or a Veteran of the U.S. Armed Forces shall be charged 80% of their portion of the escrow fee. A copy of a current military identification card or a copy of the DD-214 (Certificate of Release or Discharge

from Active Duty) must be provided. This discount may not be used in combination with any other discount. This rate is for sale transaction and it is available upon request only.

FIRST TIME HOMEBUYER RATE (APPLICABLE TO ZONE 2 ONLY)
A first time homebuyer of an owner-occupied residential property shall be charged 75% of their portion of the escrow fee, provided reasonable evidence is presented that this is their first home. Applies to all counties **except** Clark, Lincoln and Nye. This discount may not be used in combination with any other discount. This rate is for sale transactions and it is available upon request only.

EMPLOYEE RATES
An employee will not be charged an escrow fee for the purchase, sale or refinance of the employee's primary residence. The employee must be a principal to the transaction and the request for waiver of fees must be submitted to Management prior to approval.

INVESTOR RATE
This rate is available for individuals, groups of individuals or entities customarily engaged in real estate transactions. The parties must provide reasonable proof that they currently hold title to or have transferred title to three (3) or more investment properties within the State of Nevada within the past twelve (12) months to qualify for this rate. The charge is 70% of their portion of the escrow fee. This discount may not be used in combination with any other discount. This rate is for sale transactions and it is available upon request, only.

FIDELITY NATIONAL FINANCIAL
PRIVACY NOTICE

Fidelity National Financial, Inc. and its majority-owned subsidiary companies providing real estate- and loan-related services (collectively, "FNF", "our" or "we") respect and are committed to protecting your privacy. This Privacy Notice lets you know how and for what purposes your Personal Information (as defined herein) is being collected, processed and used by FNF. We pledge that we will take reasonable steps to ensure that your Personal Information will only be used in ways that are in compliance with this Privacy Notice. The provision of this Privacy Notice to you does not create any express or implied relationship, or create any express or implied duty or other obligation, between Fidelity National Financial, Inc. and you. See also **No Representations or Warranties** below.

This Privacy Notice is only in effect for any generic information and Personal Information collected and/or owned by FNF, including collection through any FNF website and any online features, services and/or programs offered by FNF (collectively, the "Website"). This Privacy Notice is not applicable to any other web pages, mobile applications, social media sites, email lists, generic information or Personal Information collected and/or owned by any entity other than FNF.

How Information is Collected

The types of personal information FNF collects may include, among other things (collectively, "Personal Information"): (1) contact information (*e.g.*, name, address, phone number, email address); (2) demographic information (*e.g.*, date of birth, gender marital status); (3) Internet protocol (or IP) address or device ID/UDID; (4) social security number (SSN), student ID (SIN), driver's license, passport, and other government ID numbers; (5) financial account information; and (6) information related to offenses or criminal convictions.

In the course of our business, we may collect Personal Information about you from the following sources:

- Applications or other forms we receive from you or your authorized representative;
- Information we receive from you through the Website;
- Information about your transactions with or services performed by us, our affiliates, or others; and
- From consumer or other reporting agencies and public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others.

Additional Ways Information is Collected Through the Website

Browser Log Files. Our servers automatically log each visitor to the Website and collect and record certain information about each visitor. This information may include IP address, browser language, browser type, operating system, domain names, browsing history (including time spent at a domain, time and date of your visit), referring/exit web pages and URLs, and number of clicks. The domain name and IP address reveal nothing personal about the user other than the IP address from which the user has accessed the Website.

Cookies. From time to time, FNF or other third parties may send a "cookie" to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer's hard drive and that can be re-sent to the serving website on subsequent visits. A cookie, by itself, cannot read other data from your hard disk or read other cookie files already on your computer. A cookie, by itself, does not damage your system. We, our advertisers and other third parties may use cookies to identify and keep track of, among other things, those areas of the Website and third party websites that you have visited in the past in order to enhance your next visit to the Website. You can choose whether or not to accept cookies by changing the settings of your Internet browser, but some functionality of the Website may be impaired or not function as intended. See the Third Party Opt Out section below.

Web Beacons. Some of our web pages and electronic communications may contain images, which may or may not be visible to you, known as Web Beacons (sometimes referred to as "clear gifs"). Web Beacons collect only limited information that includes a cookie number; time and date of a page view; and a description of the page on which the Web Beacon resides. We may also carry Web Beacons placed by third party advertisers. These Web Beacons do not carry any Personal Information and are only used to track usage of the Website and activities associated with the Website. See the Third Party Opt Out section below.

Unique Identifier. We may assign you a unique internal identifier to help keep track of your future visits. We may use this information to gather aggregate demographic information about our visitors, and we may use it to personalize the information you see on the Website and some of the electronic communications you receive from us. We keep this information for our internal use, and this information is not shared with others.

Third Party Opt Out. Although we do not presently, in the future we may allow third-party companies to serve advertisements and/or collect certain anonymous information when you visit the Website. These companies may use non-personally identifiable information (*e.g.*, click stream information, browser type, time and date, subject of advertisements clicked or scrolled over) during your visits to the Website in order to provide advertisements about products and services likely to be of greater interest to you. These companies typically use a cookie or third party Web Beacon to collect this information, as further described above. Through these technologies, the third party may have access to and use non-personalized information about your online usage activity.

You can opt-out of certain online behavioral services through any one of the ways described below. After you opt-out, you may continue to receive advertisements, but those advertisements will no longer be as relevant to you.

- You can opt-out via the Network Advertising Initiative industry opt-out at http://www.networkadvertising.org/.
- You can opt-out via the Consumer Choice Page at http://www.aboutads.info.
- For those in the U.K., you can opt-out via the IAB UK's industry opt-out at http://www.youronlinechoices.com.
- You can configure your web browser (Chrome, Firefox, Internet Explorer, Safari, etc.) to delete and/or control the use of cookies.

More information can be found in the Help system of your browser. Note: If you opt-out as described above, you should not delete your cookies. If you delete your cookies, you will need to opt-out again.

Use of Personal Information

Information collected by FNF is used for three main purposes:

- To provide products and services to you or one or more third party service providers (collectively, "Third Parties") who are obtaining services on your behalf or in connection with a transaction involving you.
- To improve our products and services that we perform for you or for Third Parties.
- To communicate with you and to inform you about FNF's, FNF's affiliates and third parties' products and services.

When Information Is Disclosed By FNF

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

- To agents, brokers, representatives, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers who provide services or perform marketing services or other functions on our behalf;
- To law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders; and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

In addition to the other times when we might disclose information about you, we might also disclose information when required by law or in the good-faith belief that such disclosure is necessary to: (1) comply with a legal process or applicable laws; (2) enforce this Privacy Notice; (3) respond to claims that any materials, documents, images, graphics, logos, designs, audio, video and any other information provided by you violates the rights of third parties; or (4) protect the rights, property or personal safety of FNF, its users or the public.

We maintain reasonable safeguards to keep the Personal Information that is disclosed to us secure. We provide Personal Information and non-Personal Information to our subsidiaries, affiliated companies, and other businesses or persons for the purposes of processing such information on our behalf and promoting the services of our trusted business partners, some or all of which may store your information on servers outside of the United States. We require that these parties agree to process such information in compliance with our Privacy Notice or in a similar, industry-standard manner, and we use reasonable efforts to limit their use of such information and to use other appropriate confidentiality and security measures. The use of your information by one of our trusted business partners may be subject to that party's own Privacy Notice. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

We also reserve the right to disclose Personal Information and/or non-Personal Information to take precautions against liability, investigate and defend against any third-party claims or allegations, assist government enforcement agencies, protect the security or integrity of the Website, and protect the rights, property, or personal safety of FNF, our users or others.

We reserve the right to transfer your Personal Information, as well as any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets. We also cannot make any representations regarding the use or transfer of your Personal Information or other information that we may have in the event of our bankruptcy, reorganization, insolvency, receivership or an assignment for the benefit of creditors, and you expressly agree and consent to the use and/or transfer of your Personal Information or other information in connection with a sale or transfer of some or all of our assets in any of the above described proceedings. Furthermore, we cannot and will not be responsible for any breach of security by any third parties or for any actions of any third parties that receive any of the information that is disclosed to us.

Information From Children

We do not collect Personal Information from any person that we know to be under the age of thirteen (13). Specifically, the Website is not intended or designed to attract children under the age of thirteen (13). You affirm that you are either more than 18 years of age, or an emancipated minor, or possess legal parental or guardian consent, and are fully able and competent to enter into the terms, conditions, obligations, affirmations, representations, and warranties set forth in this Privacy Notice, and to abide by and comply with this Privacy Notice. In any case, you affirm that you are over the age of 13, as **THE WEBSITE IS NOT INTENDED FOR CHILDREN UNDER 13 THAT ARE UNACCOMPANIED BY HIS OR HER PARENT OR LEGAL GUARDIAN.**

Parents should be aware that FNF's Privacy Notice will govern our use of Personal Information, but also that information that is voluntarily given by children – or others – in email exchanges, bulletin boards or the like may be used by other parties to generate unsolicited communications. FNF encourages all parents to instruct their children in the safe and responsible use of their Personal Information while using the Internet.

Privacy Outside the Website

The Website may contain various links to other websites, including links to various third party service providers. FNF is not and cannot be responsible for the privacy practices or the content of any of those other websites. Other than under agreements with certain reputable organizations and companies, and except for third party service providers whose services either we use or you voluntarily elect to utilize, we do not share any of the Personal Information that you provide to us with any of the websites to which the Website links, although we may share aggregate, non-Personal Information with those other third parties. Please check with those websites in order to determine their privacy policies and your rights under them.

European Union Users

If you are a citizen of the European Union, please note that we may transfer your Personal Information outside the European Union for use for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information, you consent to both our collection and such transfer of your Personal Information in accordance with this Privacy Notice.

Choices With Your Personal Information

Whether you submit Personal Information to FNF is entirely up to you. You may decide not to submit Personal Information, in which case FNF may not be able to provide certain services or products to you.

You may choose to prevent FNF from disclosing or using your Personal Information under certain circumstances ("opt out"). You may opt out of any disclosure or use of your Personal Information for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization by notifying us by one of the methods at the end of this Privacy Notice. Furthermore, even where your Personal Information is to be disclosed and used in accordance with the stated purposes in this Privacy Notice, you may elect to opt out of such disclosure to and use by a third party that is not acting as an agent of FNF. As described above, there are some uses from which you cannot opt-out.

Please note that opting out of the disclosure and use of your Personal Information as a prospective employee may prevent you from being hired as an employee by FNF to the extent that provision of your Personal Information is required to apply for an open position.

If FNF collects Personal Information from you, such information will not be disclosed or used by FNF for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization unless you affirmatively consent to such disclosure and use.

You may opt out of online behavioral advertising by following the instructions set forth above under the above section "Additional Ways That Information Is Collected Through the Website," subsection "Third Party Opt Out."

Access and Correction

To access your Personal Information in the possession of FNF and correct inaccuracies of that information in our records, please contact us in the manner specified at the end of this Privacy Notice. We ask individuals to identify themselves and the information requested to be accessed and amended before processing such requests, and we may decline to process requests in limited circumstances as permitted by applicable privacy legislation.

Your California Privacy Rights

Under California's "Shine the Light" law, California residents who provide certain personally identifiable information in connection with obtaining products or services for personal, family or household use are entitled to request and obtain from us once a calendar year information about the customer information we shared, if any, with other businesses for their own direct marketing uses. If applicable, this information would include the categories of customer information and the names and addresses of those businesses with which we shared customer information for the immediately prior calendar year (*e.g.*, requests made in 2015 will receive information regarding 2014 sharing activities).

To obtain this information on behalf of FNF, please send an email message to privacy@fnf.com with "Request for California Privacy Information" in the subject line and in the body of your message. We will provide the requested information to you at your email address in response.

Please be aware that not all information sharing is covered by the "Shine the Light" requirements and only information on covered sharing will be included in our response.

Additionally, because we may collect your Personal Information from time to time, California's Online Privacy Protection Act requires us to disclose how we respond to "do not track" requests and other similar mechanisms. Currently, our policy is that we do not recognize "do not track" requests from Internet browsers and similar devices.

FNF Compliance with California Online Privacy Protection Act

For some websites which FNF or one of its companies owns, such as the Customer CareNet ("CCN"), FNF is acting as a third party service provider to a mortgage loan servicer. In those instances, we may collect certain information on behalf of that mortgage loan servicer for fulfilling a service to that mortgage loan servicer. For example, you may access CCN to complete a transaction with your mortgage loan servicer. During this transaction, the information which we may collect on behalf of the mortgage loan servicer is as follows:

- First and Last Name
- Property Address
- User Name
- Password
- Loan Number
- Social Security Number - masked upon entry
- Email Address
- Three Security Questions and Answers
- IP Address

The information you submit is then transferred to your mortgage loan servicer by way of CCN.

The mortgage loan servicer is responsible for taking action or making changes to any consumer information submitted through this website. For example, if you believe that your payment or user information is incorrect, you must contact your mortgage loan servicer.

CCN does not share consumer information with third parties, other than those with which the mortgage loan servicer has contracted to interface with the CCN application.

All sections of the FNF Privacy Notice apply to your interaction with CCN, except for the sections titled Choices with Your Personal Information and Access and Correction. If you have questions regarding the choices you have with regard to your personal information or how to access or correct your personal information, you should contact your mortgage loan servicer.

No Representations or Warranties

By providing this Privacy Notice, Fidelity National Financial, Inc. does not make any representations or warranties whatsoever concerning any products or services provided to you by its majority-owned subsidiaries. In addition, you also expressly agree that your use of the Website is at your own risk. Any services provided to you by Fidelity National Financial, Inc. and/or the Website are provided "as is" and "as available" for your use, without representations or warranties of any kind, either express or implied, unless such warranties are legally incapable of exclusion. Fidelity National Financial, Inc. makes no representations or warranties that any services provided to you by it or the Website, or any services offered in connection with the Website are or will remain uninterrupted or error-free, that defects will be corrected, or that the web pages on or accessed through the Website, or the servers used in connection with the Website, are or will remain free from any viruses, worms, time bombs, drop dead devices, Trojan horses or other harmful components. Any liability of Fidelity National Financial, Inc. and your exclusive remedy with respect to the use of any product or service provided by Fidelity National Financial, Inc. including on or accessed through the Website, will be the re-performance of such service found to be inadequate.

Your Consent To This Privacy Notice

By submitting Personal Information to FNF, you consent to the collection and use of information by us as specified above or as we otherwise see fit, in compliance with this Privacy Notice, unless you inform us otherwise by means of the procedure identified below. If we decide to change this Privacy Notice, we will make an effort to post those changes on the Website. Each time we collect information from you following any amendment of this Privacy Notice will signify your assent to and acceptance of its revised terms for all previously collected information and information collected from you in the future. We may use comments, information or feedback that you may submit in any manner that we may choose without notice or compensation to you.

If you have additional questions or comments, please let us know by sending your comments or requests to:

Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204
Attn: Chief Privacy Officer
(888) 934-3354
privacy@fnf.com

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EFFECTIVE AS OF: MAY 1, 2015

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 (12-02-13)
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.
8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

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:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1.00% % of Policy Amount Shown in Schedule A or $2,500.00 (whichever is less)	$ 10,000.00
Covered Risk 18:	1.00% % of Policy Amount Shown in Schedule A or $5,000.00 (whichever is less)	$ 25,000.00
Covered Risk 19:	1.00% of Policy Amount Shown in Schedule A or $5,000.00 (whichever is less)	$ 25,000.00
Covered Risk 21:	1.00% of Policy Amount Shown in Schedule A or $2,500.00 (whichever is less)	$ 5,000.00

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

(Except as provided in Schedule B - Part II,(t(or T)his policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

(PART I

(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:

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.

PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:)

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:

(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:

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.
7. (Variable exceptions such as taxes, easements, CC&R's, etc. shown here.)

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (04-02-15)

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.
10. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
11. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

Order No.: **15017999-086-JR**

EXHIBIT A

Parcel 1:

Lots Twenty Four (24) and Twenty Five (25) and the South Half (S ½) of Lot Twenty Six (26) in Block Twenty One (21) of CLARK'S LAS VEGAS TOWNSITE as shown on map thereof on file in Book 1 of Plats, page 37, in the Office of the County Recorder of Clark County, Nevada.

Parcel 2:

Lot Twenty Seven (27) and the North Half (N ½) of Lot Twenty Six (26) in Block Twenty One (21) of CLARK'S LAS VEGAS TOWNSITE as shown by map thereof on file in Book 1 of Plats, Page 37, in the Office of the County Recorder of Clark County, Nevada.

Parcel 3:

Lots Twenty Eight (28), Twenty Nine (29), Thirty (30), Thirty One (31), and Thirty Two (32) in Block Twenty One (21) of CLARK'S LAS VEGAS TOWNSITE as shown by map thereof on file in Book 1 of Plats, Page 37, in the Office of the County Recorder of Clark County, Nevada.

Assessor's Parcel Number: 139-34-210-061

QUALIFICATIONS OF APPRAISERS

QUALIFICATIONS OF APPRAISER

Timothy R. Morse, MAI
3140 South Rainbow Boulevard, Suite 402
Las Vegas, Nevada 89146

PROFESSIONAL DESIGNATIONS

MAI, Designated Member of the Appraisal Institute, No. 7241 (November 11, 1985)
SRPA - (Former) Society of Real Estate Appraisers (1986)

PROFESSIONAL AFFILIATION AND OFFICES HELD

Certified General Appraiser, State of Nevada, License No. A.0000005-CG (Originally Certified April 3, 1989)

Nevada Commission of Appraisers of Real Estate, Member, 1989-1995
Vice President 1990-1991;
President 1991-1992; 1994-1995

Appraisal Institute, Las Vegas Chapter, President, 1991

Appraisal Institute, Region 7 Representative, 1992

Society of Real Estate Appraisers - Chapter 187:
Vice President 1979-1980; 1980-1981; 1981-1982; 1989-1990

Clark County Board of Equalization 1981-2001, Chairman 1987-1999

Appraisal Institute, Southern California Chapter 5, Member,
Admissions Committee 1986-1988

Young Advisory Council, Society of Real Estate Appraisers

Las Vegas Board of Realtors (Member since 1976)

APPRAISAL EXPERIENCE

Independent Fee Appraiser and Real Estate Consultant - September 1979 to present.

PriMerit Bank (formerly Nevada Savings and Loan Association)
Assistant Vice President
March 1977 to September 1979

Staff Residential and Senior Real Estate Appraiser,
Appraisal Department
March 1974 to March 1977

EDUCATION

University of Nevada, Reno, Bachelor of Science in Business Administration

Appraisal Institute:

Course 1-A	Appraisal Principles and Basic Valuation Procedures
Course VIII	Residential Valuations
Course 201	Capitalization Theory and Technique
Course II	Valuation Analysis
Course VI	Real Estate Investment Analysis Narrative Report Seminar and R-2 Examination
Course 2-1	Case Studies in Real Estate Valuation
Course 202	Applied Income Property Valuation, Challenged Exam
Course 2-3	Standards of Professional Practice
Course 2-3	Standards of Professional Practice (Update)
Course 410	Standards of Professional Practice
Course 420	Standards of Professional Practice
Course 430	Standards of Professional Practice
Course 705	Litigation Appraising
Course 430	Standards of Professional Practice

COURT EXPERIENCE AND EXPERT WITNESS

Clark County District Court
Nye County District Court
Federal Bankruptcy Court
District of Nevada and Central District of California,
United States District Court

TYPE OF PROPERTIES APPRAISED

Improved and Proposed Properties

Apartments
Motels
Hotels
Hotels-Casinos as "Going Concern"
Time Share Properties
Commercial and Industrial
Automobile Dealerships
Raw Land and Finished Lots
Residential
Retail
Taverns
Leasehold Estates
Leased Fee Estates
Professional Office Buildings

EDUCATIONAL ACTIVITIES

Clark County Community College, Instructor,
Real Estate Appraisal - 1976 through 1982

CLIENTS

FINANCIAL

AMI Capital, Inc.
Amresco Capital Corporation
BB&T (Branch Banking & Trust Co.)
Bank of America, NT&SA
Bank of Camden
Bank of Commerce
Bank of East Asia (USA)
Bank of George
Bank of Hemet
Bank of Las Vegas
Bank Midwest
Bank One Arizona
Bank West
Bank of New York Mellon
Bankers Mutual
Berkshire Financial Corp.
Bonneville Realty Capital
Builders Realty Capital
Business Loan Express
Canada Life Assurance Co.
Cathay Bank
Chase Manhattan Banking Corp.
Chase Commercial Banking
Citibank (Arizona)
Citibank (Nevada)
Collateral Mortgage
Collier's International Valuation & Advisory Services
Colonial Bank
Commercial Bank
Community Bank of Nevada
Comerica Bank
Comstock Bank
Const. Lending Corp. of America
Continental National Bank
Corus Bank
Deloitte Financial
Desert Community Bank
EastWest Bank
Fannie Mae
First Bank of Beverly Hills
First Bank of Highland Park
First Colony Life Insurance Co.
First Independent Bank of NV
First Nationwide Bank
First National Bank of Nevada
First Network Savings Bank
First Republic Bank
First Savings Bank
First Security Bank
GE Capital Group
GBRE Cap
Glendale Federal Bank
Goldwater Capital Nevada
Heller Financial
Home Savings Bank
Independence Bank
InterWest Bank
JP Morgan Chase Bank
John Hancock Life Insurance Co.
Kaybank National
LaSalle Bank
Las Vegas Business Bank
Merchants Bank of California
Mutual of Omaha Bank
National Bank of Arizona
National Westminster Bank
Nevada Commerce Bank
Nevada First Bank
Nevada State Bank
Northern Trust Bank
Oakbrook Bank
Old Standard Life Insurance Co.
Pacific Premier Bank
Pinnacle Lending Group, Inc.
Pioneer Citizens Bank
PW Funding, Inc.
Preferred Bank
Redrock Community Bank
Rialto Capital
San Diego National Bank
Security Capital Credit
Service 1st Bank
Silver State Bank
Southwest USA Bank
Sun West Bank
Timcor Financial Corp.
Tomato Bank
Town & Country Bank
U.S. Bankcorp
Union Bank
United Savings Bank
Voyager Boulevard Investments
Washington Federal Bank
Wells Fargo Bank
Zions Trust

MORTGAGE COMPANIES

Arbor National Commercial Mtg.
Berkshire Mortgage Co.
CW Capital
Clayton Mortgage & Investment
Consolidated Mortgage
Collateral Mortgage Capital
First Denver Mortgage
First Interstate Mortgage
First Republic Mortgage
First Foundation
Genworth North America Corp
Gonzo Financial
Grandbridge Real Estate Capital
Great American Capital
Investment Mortgage Co., Inc.
Metropolitan Mtg. & Securities
Newport Mortgage Co.
Pacific First Mortgage Co.
Premier Trust of Nevada, Inc.
Prudential Multifamily Mtg. Inc.
Seattle Mortgage Co.
StanCorp Mortgage Investors
The Money Store
Vestin Mortgage
Washington Capital
Washington Mortgage
Western Mortgage Corp.

PRIVATE

AIM Broadcasting
ARCO
A & J Investments
Acquisition Sciences
Ahmen, Ashraf
Allstate Life Insurance Co.
Arizona Charlie's, Inc.
Ascent Automotive Group
Atkins
Atlantic Richfield Co.
BNU Corporation
Becker Enterprises
Becker Realty Corp.
Binion's Horseshoe
Bilbray, Robert
Bishop Gorman High School
Bivens Construction Co.
Black & Veatch
Blasco Development Co.
Bonneville Realty
Borchers, Chris
Bradshaw, Smith & Co.
Brizendine Engineering
CH2M Hill
CM Properties, Inc.
Caesars Palace Realty Corp.
Calmark Financial Corp.
Carl's Jr.
Cashman Equipment Co.
Centennial Hyundai
Chevron U.S.A. Inc.
Chrysler Realty Corp.
Clark, Michelle
Clark & Sullivan Constructors
Colliers International
Columbia/HCA Healthcare Corp.
Con-Way Transportation Services
Corstan
Cragin & Pike, Inc.
Custom Asphalt Paving
DSK Development Company
Daiwa Securities of America, Inc.
Daly Homes of Nevada, Inc.
Del Webb Communities, Inc.
Deluca Liquor & Wine, Ltd.
Desert Chrysler-Plymouth
Diamond Resorts
Diversified Realty
Dunn Properties, Inc.
Dynex Commercial, Inc.
Falcon Development Corp.
Farallon Decatur Meadows
Fletcher Jones Management Group
Flamingo Realty
Focus 2000
GIT Group
GMAC Commercial Bldg. Capital
Garth Frehner
General American Life Ins. Co.
Greystone Servicing
Laura Hokett, DVM
Icon Real Estate Co.
Joe Scala
Kern River Gas
Landry's
Las Vegas Motor Speedway
Las Vegas Paving
LHN, Inc.
Las Vegas Conv. & Visitors Auth.
Links@ Spanish Trails Assoc.
Longford Properties
Louis Berger Group
Low, Dana M.
McDonald's USA
MGM Mirage Corp.
Martin Property Advisors, Inc.
Majestic Realty Co.
Mandalay Resorts, Inc.
Maury Abrams Co.
Mesquite Gaming Corp.
Metropolitan Life Insurance Co.
Mikohn Gaming, Inc.
Monierlifetile, LLC
Nevada Beverage Co.
Nevada Development Realty
Nevada Power Company
New World, LLC
Old Republic Title
Olympia Group
Overland Pacific & Cutler
Pacific Properties
Pacific Southwest Development
Pageantry Communities
Palm Mortuaries
Paparone, Stillwagon & McGill
Park Place Entertainment
Peccole Nevada Corp.
Pitchford & Assoc. Ltd.
Pizza Hut, Inc.
Plaster Development Co.
Players International, Inc.
Post Buckley Schuh & Jernigan
Property Specialists, Inc.
Penn National Gaming, Inc.
Public Storage, Inc.
Retail Valuation Services
Rhodes Homes
Richmond American Homes
Robb Evans & Assoc., LLC
Samara, Coke
Sandia National Laboratories
Sanwa Business Credit Corp.
Sault Ste. Marie Tribe of Chippewa Indians
Sierra Capital Companies
Siefert Family Partnership
Sky River Holdings
Snow Management Services, LLC
Southern Nevada Water Authority
Southwest California Edison Co.
Standard Wholesale Supply
Sunrise Hospital
Stratos Group
Tate Snyder Kimsey Architects
Teachers Health Trust
Ted Wiens
Templeton Development Corp.
Thompson National Properties
Thomas & Mack Co.
Tropicana Hotel/Casino
Tru-West Development, Inc.
Valley Hospital
Venetian Resort Hotel/Casino
Vista Group
Walters Group
U.S.F. & G. Realty Advisors, Inc.
US Sprint/Centel Telephone Co.
Union Central Life Insurance Co.
Unlimited Holdings, Inc.
Valley Supply, Inc.
Virgin Mountain Enterprises
WMF Group
JW Zunino & Assoc.

ATTORNEYS

Daryl S. Alterwitz
Andrews & Kurth
Armstrong Teasdale

Balius Cook & Kelesis
Ballard Spahr
Paul D. Bancroft
Beckley Singleton
Berding & Weil
Callister & Reynolds
Cohen, Johnson & Day

Michael Chapman
Denton & Denton
Driggs Walch Santoro Kearney Johnson & Thompson
Ecker & Standish

Fennemore Craig
Edwards & Winterton

Fine Law Offices
Foley, John & Elizabeth
Neil Galatz
Gerrard Cox & Larsen
Goold Patterson
Gordon Silver
Haney Woloson & Mullins

Hartman & Armstrong, Ltd.
Hunterton & Associates
Jimmerson Davis & Hansen

John Peter Lee
Johnson Jacobson & Wilcox
Jolley Urga Wirth & Woodbury
Jones Vargas
Kemp, Jones & Coulthard
Kolesar & Leatham
Kaempfer Crowell Renshaw Gronauer & Fiorentino
Kruchek, Joseph
Kurz & Dick
Leavitt Sully & Rivers

Lewis Brisbois Bisgaard & Smith
Lionel Sawyer & Collins
Lubbers Law Group

M. Val Miller
Meier & Fine, LLC
Michael K. Mansfield
John F. Marchiano
Lee Molof
John Momot
Steven G. Nordhoff

O'Reilly Law Firm
Pearson, Patton, Shea, Foley & Kurtz
Rawlings Olson Cannon Gormley & Desruisseaux
Robert E. Slavin
James M. Susa
Jeffrey Roberts, Esq.
Jeffrey Ian Shaner, Esq.
Steven Scheinthal
Shirinian & Roitman
Simmons Ritchie & Segal

Smith Larson & Wixon
Snell & Wilmer
Swanson Law Firm, LLC

Walsh & Friedman

Watt, Tieder, Hoffar & Fitzgerald, LLP
Wilson Elser Moskowitz Edelman & Dicker
Wiczer & Zelmar
Sklar Williams, PLLC
Woods & Erickson
Watt, Tieder, Hoffar & Fitzgerald LLP
Weinstein, Boldt, Halfhide & Camel

GOVERNMENT AND GOVERNMENT SPONSORED AGENCIES

City of Las Vegas
City Attorneys Office
Dept. of Operations & Maintenance Right-of-Way
Downtown Redevelopment Agency
Neighborhood Services

Clark County
Department of Aviation
Department of Finance
Department of Public Works
District Attorney
General Services
Housing Authority
Public Administration
Sanitation District
Las Vegas Valley Water District
Las Vegas Convention and Visitors Authority
School District
University Medical Center (UMC)

City of Henderson
Public Works

City of North Las Vegas
Public Works Department – Real Property Services

City of Mesquite

State of Nevada
Attorney General
Department of Transportation
Consumer Advocate
University of Nevada, Las Vegas

Federal
FDIC

Hotel/Casino Facilities appraised or reviewed by Timothy Morse, MAI:

Nevada

Boulder City

Gold Strike Inn & Casino

Henderson

Rainbow Club
The Reserve
Tom's Sunset Casino
Skyline Restaurant & Casino

Jean

Gold Strike Hotel & Gambling Hall

Pahrump

McCaw's Mountain View Casino

Las Vegas

Aladdin Hotel & Casino
Aria
Arizona Charlie's Hotel/Casino (Proposed Exp.)
Arizona Charlie's East
Beano's Casino
Binion's Horseshoe
Binion's Gambling Hall & Hotel
Casino Royale
Emerald Island Casino
Encore at Wynn Las Vegas
Four Queens Hotel & Casino
Gold Spike Hotel & Casino
Jackie Gaughan's Plaza Hotel & Casino
King 8 Hotel & Casino
M Resort
Mandalay Bay Hotel & Casino
Maxim Hotel/Casino
Mardi Gras Inn & Casino
MGM Grand Hotel & Casino
Nevada Palace
New York New York (Land Only)
PH Towers by Westgate
Palace Station Hotel/Casino
Palms Place (Hotel Component)
Pioneer Club
Polynesian Hotel/Casino
Quality Inn & Key Largo Casino
Railroad Pass Hotel & Casino
Rio Suites Hotel/Casino (Phases I, II & Final)
Sahara Hotel/Casino
Silverton Hotel & Casino
Skyline Casino
Stratosphere Hotel & Casino
Sundance Hotel/Casino
The Regent Grand Palms
Terrible's Hotel/Casino
Texas Gambling Hall & Hotel

Carson City

Carson Station Hotel & Casino
Pinion Plaza Hotel & Casino

Jackpot

Cactus Pete's Hotel & Casino
Horseshu Hotel & Casino

Lake Tahoe

Cal-Neva Lodge Spa and Casino
Harvey's Hotel and Casino
Hyatt Regency Incline Village
Lake Tahoe Horizon Casino Resort

Laughlin

Crystal Palace Hotel & Casino
Harrah's Hotel/Casino
Regency Casino
Riverside Hotel and Casino
Golden Nugget Hotel & Casino

North Las Vegas

The Cannery

Elko

Commercial Casino
Gold Country Inn
High Desert Inn & Casino
Red Lion Hotel & Casino
Stockman's Hotel & Casino
Thunderbird Motel

Hawthorne

El Capitan Resort & Casino

Spring Creek

Scoreboard Casino

Tonopah

Station House Hotel, Casino, R.V. Park & Shopping Center

Reno

Bonanza Casino
Club Cal-Neva Casino
Clarion Hotel & Casino
Colonial Motor Inn & Casino

Las Vegas (Con't)
Tropicana Hotel/Casino
Trump Tower (Hotel Component)
Tuscany Hotel & Casino
Vacation Village Hotel & Casino
Vdara Hotel & Spa Las Vegas

Mesquite
Peppermill Hotel & Casino
Si Redd's Oasis Hotel & Casino
Virgin River Hotel & Casino

Wells
Fourway Bar Café & Casino

Wendover
Mac's Nevada Crossing Hotel & Casino
Nevada Crossing Casino & Truck Stop
Peppermill Inn & Casino
Rainbow Club
Red Garter Casino
Stateline Hotel & Casino
Silver Smith Casino

Reno (Con't)
Lakeside Inn & Casino
Nevada Club Casino
Peppermill Hotel & Casino (Phase I & Proposed 2nd Tower)
Sands Regency Hotel & Casino
Silver Legacy Hotel & Casino
Sundowner Hotel & Casino

Sparks
Western Village

Primm
Buffalo Bill's Hotel & Casino
Primm Valley Resort Hotel & Casino
Whiskey Pete's Hotel & Casino

Verdi
Boomtown
Gold Ranch Casino

Winnemucca
Model T Casino/Motel

OTHER STATES

Colorado
Riviera Casino, Black Hawk
Proposed Colorado Mint Casino, Black Hawk
Johnny Nolon's Casino, Cripple Creek

Mississippi
Biloxi Belle Casino, Biloxi
Copa Casino, Gulfport
Hollywood Casino, Tunica
Jubilee Casino, Greenville
Sam's Town Tunica Hotel and Gambling Hall, Tunica
Southern Belle, Tunica
Imperial Palace, Biloxi

Missouri
Sam's Town, Kansas City
Casino Aztar

Michigan

Greektown, Detroit

New York
Seneca Niagara Falls Casino Site

Hotel/Casino Facilities appraised with Gary H. Kent, Inc.:

Las Vegas, Nevada

Landmark Hotel/Casino
Lady Luck Hotel/Casino
Continental Hotel/Casino
Nevada Palace
Sam's Town
Silver Nugget Hotel/Casino/RV Park
Showboat Hotel/Casino
Gold Spike Hotel/Casino
Viscount Hotel
Holiday Hotel/Casino, Downtown
Holiday Casino
Palace Station (Bingo Palace)
Bourbon Street Hotel/Casino
Golden Gate Hotel/Casino
Stardust Hotel/Casino
Fremont Hotel/Casino

Las Vegas, Nevada - Proposed

Hotel/Casino, Tompkins & Industrial
Wild, Wild West Hotel/Gambling Hall, Boulder Highway
Thunderbird Inn/Casino
Cattle Baron Hotel/Casino
Arizona Charlie's Hotel/Casino

Laughlin, Nevada

Riverside Hotel/Casino

QUALIFICATIONS OF APPRAISER

Scott D. Krueger, MAI
3140 South Rainbow Boulevard, Suite 402
Las Vegas, Nevada 89146

Professional Certification and Affiliation

Certified General Appraiser, State of Nevada, License No. A.0001529-CG

MAI Designated Member (No. 12476), Appraisal Institute
Las Vegas Chapter President, 2008
Las Vegas Chapter Second Vice President, 2006-2007
Las Vegas Chapter Director, 2005
Las Vegas Chapter Secretary, 2004

Education

Bachelor of Science - Real Estate, Arizona State University, 1989

Appraisal Institute Courses:
Fundamentals of Separating Real Property, Personal Property, & Intangible Assets, 2012
7-Hour National USPAP Update Course, 2014
Business Practices and Ethics, 2012
Litigation Appraising: Specialized Topics and Applications, 2010
Spotlight on Common Errors & Confidentiality USPAP Issues, 2008
Office Building Valuation: A Contemporary Perspective, 2008
Maintaining Control: Dealing with Client Pressure, Appraiser Identity Theft & Appraisal Report Tampering, 2008
Report Writing and Valuation Analysis, 2004
15-Hour National USPAP Course, 2004
Condemnation Appraising: Basic Principals and Applications, 2003
Standards of Professional Practice, Part B, 1996
Standards of Professional Practice, Part A, 1992
Real Estate Appraisal Principles, 1991
Basic Valuation Procedures, 1991

Appraisal Institute Seminars:
Las Vegas Market Symposium, 2013
What Commercial Clients Would Like Appraisers to Know, 2010
Analyzing Operating Expenses, 2008
Maintaining Control: Dealing with Client Pressure, 2008
Spotlight on Common Errors & Confidentiality USPAP Issues, 2008
General Demonstration Report Writing Seminar, 2006
Partial Interest Valuation Divided, 2000
Subdivision Analysis, 2000

Appraisal Experience

1994 – Present	Independent Fee Appraiser and Real Estate Consultant Timothy R. Morse & Associates, Las Vegas, Nevada
1993	Appraisal Associate Sun West Appraisal Group, Inc., Phoenix, Arizona
1992	Associate Appraiser Gladstone & Company, Inc., Phoenix, Arizona
1989 – 1992	Associate Appraiser McFadden & Associates, Inc., Scottsdale, Arizona
1987 – 1989	Research Assistant COMPS of Arizona, Phoenix, Arizona

Types of Properties Appraised

Appraisal work experience includes the analysis and valuation of interest (fee simple estate, leased fee estate or leasehold estate) in the following existing or proposed property types:

Airplane Hangers
Apartment Complexes
Automobile Dealerships
Automobile Repair Facilities
Bar/Nightclub Buildings
Children's Day Care Facilities
Condominium Development Projects
Convenience Store Buildings
Golf Courses
Hotel/Casino & Motel Facilities
Industrial Facilities
Master Planned Communities
Mixed Use Development Projects
Mobile Home Parks
Office (Professional and Medical) Buildings/Complexes
Office/Warehouse Facilities
Restaurant Buildings
Retail Buildings
Schools
Self-Storage Facilities
Shopping Centers
Single Family Residential
Vacant Land Parcels

Expert Witness Testimony

United States Bankruptcy Court (Chapter 11):	Boulder Highway Holdings Co., LLC/Boulder Highway & Gibson Investments, LLC v. Brisco Holding, LP, et al