

BOARD OF REGENTS
BRIEFING PAPER

1. Agenda Item Title: Powerline Easement on Nevada State College Campus

Meeting Date: March 3, 2016

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

Nevada State College was approached by LS Power, L.P in May 2015 to seek the possibility of having an easement granted to them upon which they would install a 500 kilovolt transmission line. The overall transmission line project would connect the Harry Allen Substation, near the I-15 and US93 interchange, to the Eldorado Substation, south of the Sloan Canyon National Conservation Area off of US95. This project is consistent with Federal and State energy policies and initiatives and has the support of key government leaders. In addition, the project was determined by the California Independent System Operator to have economic benefits that outweigh the project's costs.

The proposed easement, consisting of approximately 35 acres, would be a 250 foot strip along the southeast edge of campus, adjacent to other transmission lines that are present in the Bureau of Land Management (BLM) designated utility corridor. The Grantee would be DesertLink, L.L.P which is a wholly owned subsidiary of LS Power. The project would require approvals and rights-of-way from other entities, primarily BLM.

Consideration for the college-granted easement would be in three phases. An initial payment in the amount of \$200,000 to Nevada State College would occur within 15 days after DesertLink secures a) land use approval for the transmission line on the easement, in accordance with the City of Henderson's entitlement process, and b) BLM right-of-way grant and Bureau of Reclamation right-of-use license for the transmission alignment leading up to and away from the easement. There would be a second payment in the amount of \$1,000,000 eighteen months following the initial payment or upon the closing and initial disbursement of project financing, whichever occurs first. Finally, there would be an annual payment in the amount of \$50,000 for every year of the easement until its termination.

These payment streams, using a 2% discount rate that is consistent with the investment pool allocations from NSHE to the college, will yield a net present value of just over \$3,256,000, considering a 99 year easement. The college recently received an appraisal which values the lands at \$100,000 per acre, or \$3,500,000 for the 35 acre easement. The appraisal contemplates some compatible uses for the College within the easement, but assumes an 80% loss of use. Note that the appraisal was performed on an initial need of 28 acres. Due to set-back issues with the existing transmissions lines, the easement is expanded from 200' to 250', which increases the easement size to approximately 35 acres.

Documents to follow are the electrical transmission easement agreement and Exhibit B to that agreement showing the location and size of the easement. Exhibit A to the agreement is the legal description which will be provided as a result of a survey to be performed following Board approval of this item. The above referenced appraisal is also including in the packet for this agenda item.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

President Bart Patterson requests approval of the following documents:

1. Electrical Transmission Easement Agreement

4. IMPETUS (WHY NOW?):

There is a demand for the project to be completed by 2020 and possibly earlier. The initial project timeline has construction of the transmission lines to begin in the 3rd quarter of 2016.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- There are existing power lines in the vicinity.

Revised: June 2010

- The college has negotiated consideration for the easement that approximates the value of the land.
- The college could use the proceeds from the easement to invest in much needed space or other capital needs.
- The easement property is on some of the more gradient campus lands that would be less desirable for vertical construction.
- Although there are limited compatible uses, the college could construct a ring-road within the easement that would be consistent with the Campus Master Plan.
- The transmission line would create positive economic value to the region.

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

- The College should use its property for something more beneficial than a power line.

7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

- The college does not enter into the easement and does not benefit from the consideration.

8. COMPLIANCE WITH BOARD POLICY:

- Consistent With Current Board Policy: Title # 4 Chapter # 10 Section # 1
- Amends Current Board Policy: Title # _____ Chapter # _____ Section # _____
- Amends Current Procedures & Guidelines Manual: Chapter # _____ Section # _____
- Other: _____
- X Fiscal Impact: Yes _____ No X
- Explain:

RESTRICTED USE NARRATIVE APPRAISAL REPORT OF:

Estimated 28.00 Acres of Vacant Land
Proposed for a Utility Easement
South of Paradise Hills Drive, Southwest of US Highway 95
Southern Border and a Portion of APN 189-03-110-002
Las Vegas, Nevada 89002



BY:

Petra Latch, MAI
Criterion Group
3265 North Fort Apache Road, Suite 160
Las Vegas, Nevada 89129

PREPARED FOR CLIENT:

Kevin Butler, VP for Finance and Business Operations
On Behalf Of:
Board of Regents for the Nevada System of Higher Education
On Behalf Of:
Nevada State College
Rogers Student Center #372
1125 Nevada State Drive
Henderson, Nevada 89002

EFFECTIVE DATE:

January 4, 2016

REPORT DATE:

February 1, 2016

File Number: 5555



3265 North Fort Apache Road, Suite 160

LAS VEGAS, NEVADA 89129

(702) 386-1886

(702) 386-0163 FAX

Petra Latch, MAI

www.cgrouplv.com

February 1, 2016

Kevin Butler, VP for Finance and Business Operations

On Behalf Of:

Board of Regents for the Nevada System of Higher Education

On Behalf Of:

Nevada State College

Rogers Student Center #372

1125 Nevada State Drive

Henderson, Nevada 89002

Subject: Estimated 28.00 Acres of Vacant Land
 Proposed for a Utility Easement
 South of Paradise Hills Drive, Southwest of US Highway 95
 Southern Border and a Portion of APN 189-03-110-002
 Las Vegas, Nevada 89002

Dear Mr. Butler:

At your request, as the client, I have prepared a limited restricted use appraisal of the above-referenced property. The intended use of the appraisal is to determine the Market Value as a matter of record in conjunction with a proposed long term ground lease of the site to an unrelated third party. The intended user and client of this report is Kevin Butler on behalf of the Board of Regents for the Nevada System of Higher Education on behalf of Nevada State College. According to your instructions, I have provided my opinion of value for the subject property under the following scenario:

- Market Value As Is of 28 Acre Site - Proposed for a Utility Easement (Just Compensation)

According to the Clark County Assessor, the subject is identified as a portion of a larger parcel identified as APN 189-03-110-002. The entire parcel contains 503.42 acres (net of Paradise Hills Drive, but including a railroad easement in the NEC) and is owned by the Board of Regents of the Nevada System of Higher Education on behalf of the Nevada State College. Other than some vertical improvements in the norther portion of this parcel, the parcel is primarily vacant land,

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relatively level but with an upward slope from north to south consistent with the surrounding area. The parcels south of the subject parcel increase in slope into a minor mountain range. A portion of this area, directly south of the subject parcel's southern border, is an existing Nevada Power Transmission line. ***For the purpose of valuing the underlying land, the existing vertical improvements located on the subject parcel have been excluded from this analysis.***

According to data provided by the client, the subject of this analysis consists of an area estimated to be approximately 28.00 acres, based on a dimension of approximately 6,000 linear feet by approximately 200 feet in width. The area has not yet been surveyed, so no documents are available for review. The subject site is represented on a rendering as a strip of vacant land running along the southern border of the larger parcel. The proposed use is for a utility easement to an unrelated third party under a long term triple net lease agreement. A power line is proposed to be installed that will run within this easement, generally parallel to the existing transmission lines to the south. The power line is not a public utility but rather a private entity.

As of the date of this assignment, a lease document is not available for review and the precise terms of the lease have not been finalized. I requested information about the proposed lease rate but was informed that this has not yet been negotiated. Some summary information has been provided by the client regarding some of the lease terms anticipated.

This is not a forced sale or act of condemnation but given the highest and best use, consideration is made for the subject value as a part of the whole and any potential residual affect on the larger parcel that would impact value due to the easement area being conveyed as proposed. The value conclusion is reported as market value but the methodology used is similar to what is used for condemnation. The market value conclusion is similar to the value identified as "just compensation", which is term more typically used in condemnation matters and is defined as "...the amount of loss for which a property owner is compensated when his or her property is taken; should put the owner in as good a position pecuniarily as he or she would be if the property had not been taken. This is generally held to be market value, but courts have refused to rule that it is always equivalent to market value." (Source: *Real Estate Valuation in Litigation, Second Edition* [Chicago: Appraisal Institute, 1995] page 17.)

The value conclusion in this report is based on the assumption that the size and location of the easement will be as reported and that the terms of the lease as reported are accurate. In addition, based on the references in the patent document, it is assumed that the proposed lease for a utility easement meets the requirements of the patent conditions. Lastly, because there appears to be an area where the proposed utility line/easement meets the existing railroad easement, it is assumed that this is allowed and that the line can be constructed over the railroad easement area. The use of these assumptions may have had an affect on the value conclusion.

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This report is a limited restricted format. The data presented herein is intended to be compliant with the requirements set forth in USPAP for a restricted use report and to provide the client with sufficient data to identify the property and provide a value conclusion. This report is intended for use by the client only and only for the intended use identified in this report. More detailed data is retained within the appraiser's work file. The opinions and conclusions in this report may not be understood properly by another user without additional information in the appraiser's work file.

Based on the analysis presented in the following report, it is my opinion that the Market Value As Is of 28 Acre Site - Proposed for a Utility Easement (Just Compensation), in Fee Simple Interest, as of January 4, 2016 is:

TWO MILLION EIGHT HUNDRED THOUSAND DOLLARS
(\$2,800,000)

The report has been prepared in conformity with the current requirements of the Appraisal Foundation as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) and with the requirements of the federal bank regulating agencies including 12 CFR Part 34 (FIRREA). The following report sets forth the data and analyses upon which my conclusions are based. I have met the education and license requirements of the Appraisal Institute and the State of Nevada. I have included a list of clients and projects at the end of this report and have experience appraising properties similar to the subject property. I have met the proficiency requirements set forth in USPAP and are competent to appraise the subject property.

Sincerely,



Petra Latch, MAI
petra@cgrouplv.com
State of Nevada Certified General Appraiser #A.0004239-CG
Expires June 30, 2016

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 Appraisers Certification

 Clark County Assessor and Treasurer Data

 Patent Document

 Comparable Sales Plat Maps

 Comparable Land Listings



Subject Area Looking West



Subject Area Looking Northwest



Subject Area Looking West



Subject Area Looking North



Subject Area Looking West



Subject Area Looking North



Subject Area Looking Northeast

Criterion Group**SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS**

Date of Report	February 1, 2016		
Report Type	Single Approach - Restricted Use Report in a Summary Narrative Format that is compliant with USPAP, meets the clients requested scope of work and includes the amount of research and reporting necessary to provide a credible analysis and reported opinion of value.		
Project Name	Strip of land with a reported approximate area of 28.00 acres, proposed for use as a power line utility easement under a long term lease		
Location	South of Paradise Hills Drive, Southwest of US Highway 95 Henderson, Nevada 89113		
Thomas Guide Map	987 B/C4	Census Tract	5711
Assessor's Parcel Number	Southern portion of 189-03-110-002		
Owner of Record	Board of Regents of the Nevada System of Higher Education on behalf of Nevada State College		
Site Area	Entire Parcel - 503.42 acres (net of Paradise Hills Drive but including railroad easement); will be used for a variety of proposed improvements that will occupy smaller clusters of area that are not yet determined Estimated Easement Area/Subject Area - 28.00 acres (<i>Source: Client Estimate</i>)		
Assessments (<i>entire parcel</i>)	Assessment: \$4,184,679; Annual Tax: \$121,259.44 entire parcel; taxes are exempt as a school and reportedly will be exempt on the subject area even after the easement and utility line improvements.		
Zoning	PS, Public and Semipublic, City of Henderson		
Current Use	The larger parcel is predominantly vacant land with some vertical improvements in the norther portion(not included in this appraisal). The proposed easement area is vacant land.		
Highest and Best Use	Of Site As Vacant: Public or Semipublic		
Intended Use/Intended User/ Client	The intended use of the appraisal is to determine the Market Value as a matter of record in conjunction with a proposed long term ground lease of the site to an unrelated third party. The intended user and client of this report is Kevin Butler on behalf of the Board of Regents for the Nevada System of Higher Education on behalf of Nevada State College		
Interest Appraised	Fee Simple Estate		
Improvements	Not Applicable for the easement area; not included in the consideration for the underlying land value for the larger parcel.		
Year Built/Remaining Life	Not Applicable		
Property Condition	N/A - vertical improvements not included; vacant land		
Environmental Information	None noted		
Flood Hazard Information	The subject property is not located within a flood hazard zone.		

VALUE CONCLUSIONS

Scenario	Estimated Value	Effective Date
Market Value As Is of 28 Acre Site - Proposed for a Utility Easement (Just Compensation)	\$2,800,000*	January 4, 2016
<p>Estimated Exposure Time: This is the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.</p> <p>Projected Marketing Time: According to the definition of market value, the property must be allowed a reasonable time to be exposed to the open market to achieve the appraised value. This is a forward looking time period from the date of appraisal necessary to facilitate a sale of the property at the estimated value.</p>	<p>8 Closed Land Sales - 01/14 to 10/15; reported marketing times from 1 to 4 years.</p> <p><i>PWC Real Estate Investor Survey</i>, 4th Quarter, 2015 reports marketing periods for various property types:</p> <ul style="list-style-type: none"> • National Net Lease - 4.4 months average • Secondary Office - 5.8 months average • Suburban Office - 6.3 months average • Central Business Office - 6.4 months average <p>Conclusion: Estimated exposure time 12 months Projected marketing time 12 months</p>	
<p>The subject is capable of achieving a market level price. The appraised value assumes responsible ownership and active management.</p>		

**The value conclusion in this report is based on the assumption that the size and location of the easement will be as reported and that the terms of the lease as reported are accurate. In addition, based on the references in the patent document, it is assumed that the proposed lease for a utility easement meets the requirements of the patent conditions. Lastly, because there appears to be an area where the proposed utility line/easement meets the existing railroad easement, it is assumed that this is allowed and that the line can be constructed over the railroad easement area. The use of these assumptions may have had an affect on the value conclusion.*

CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and I have no personal interest or bias with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- The Appraisal Assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value, a minimum valuation, or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, the approval of a loan, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the current requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this report.
- As of the date of this report, I, Petra Latch, have completed the requirements of the continuing education program for Designated Members of the Appraisal Institute.
- The appraiser's state certification has not been revoked, suspended, canceled, or restricted.
- I have performed no services, as an appraiser or in any other capacity; regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have the knowledge, the experience, and the geographic competency to complete this appraisal assignment and have appraised this property type before.
- Neither myself, or my current employer, have ever been sued by a regulatory agency or financial institution for fraud or negligence involving appraisal services.



Petra E. Latch, MAI
State of Nevada Certified General Appraiser #A.0004239-CG
February 1, 2016

NATURE OF THE ASSIGNMENT

Purpose of the Appraisal: The purpose of this appraisal is to estimate the Market Value As Is of 28 Acre Site - Proposed for a Utility Easement (Just Compensation), as of January 4, 2016. The site is proposed for long term lease to an unrelated third party for the purpose of installing power lines, however, this value estimate is for the fee simple value of this area of land.

Scope of Work:

Extent to Which the Property is Identified:

- **Legal Characteristics:** The subject is identified via the Assessor's parcel number obtained from Clark County Assessor public records, deed and patent provided by the client;
- **Economic Characteristics:** A title report was not provided for review.
- **Physical Characteristics:** The location of the subject identified through public records is consistent with what is observed at the time of inspection and how it is identified by the client.

Extent to Which the Property is Inspected:

- The property was visited on January 4, 2016 with the client representative Rick Smith. The area was driven along the existing power easement access road, which is just south of the subject border. This provided an adequate view north and west of the subject area. The site was observed for onsite improvements, topography, presence of utility markers and consideration for any potential onsite issues that would limit development. The surrounding uses were observed as well as access and indicators for existing utilities and infrastructure in the area. Photographs were taken of the subject from various directions. Due to the lack of improvements onsite, the subject was visible from distances at various places on the parcel.

Data Research:

- A search of municipal records was done to ascertain current and historical assessments, taxes and ownership.
- The subject's market area was examined to determine existing and proposed inventory, demand, and marketability of properties within the subject's classification.
- Sales have been researched, confirmed, and analyzed.
- I have also considered listings and had conversations with brokers and buyers regarding trends in the market and feasible purchase prices.
- Zoning information from Clark County, the City of Henderson and the surrounding communities.
- Information on comparable sales developed by the appraiser retained in the appraiser's office, including use of *Comps*, public records, and confirmation with parties knowledgeable of the transaction.
- Survey of listings through *Propertyline*;
- Review of existing deed and patent provided by the client;
- Review of the site plan rendering for the entire campus area provided by the client;
- Review of the proposed easement area based on a rendering provided by the client;
- Interviews with various brokers of listings and pending sales in this area;
- Consulted *Las Vegas Perspective* (2015); Various data sources related to the education market, residential market and commercial markets in Las Vegas; Korpacz quarterly report 4th Qtr 2015

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EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS: The underlying land value as if vacant of the larger parcel includes the hypothetical condition that the site does not contain any vertical improvements. The market value as is of the easement area (the subject of this appraisal) does not include any hypothetical conditions.

However, due to the lack of a survey, extraordinary assumptions are made for the proposed easement site area and location. Due to the lack of a lease, extraordinary assumptions are made about the nature of the lease terms as it relates to what is conveyed to the tenant/user and how it may affect the property value. In addition, based on the references in the patent document, it is assumed that the proposed lease for a utility easement meets the requirements of the patent conditions. Lastly, because there appears to be an area where the proposed utility line/easement meets the existing railroad easement, it is assumed that this is allowed and that the line can be constructed over the railroad easement area. The use of these assumptions and conditions may have had an affect on the value conclusions.

PROPERTY RIGHTS: The interest in the property that is the subject of the Market Value As Is consists of the fee simple estate.

Fee Simple Estate is 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*, 5th ed. (Chicago: Appraisal Institute, 2010).

DEFINITIONS: Following are definitions that are provided for reference and clarification. Utility easements are often the result of condemnation where the property is not marketed and the seller is not willing. In the case of the subject, both parties are willing and acting in their best interest but the property is not a typical one that would be marketed, and the buyer pool is limited. The value of the easement area is related to its use as a part of the whole.

In determining value, the property sought to be conveyed for use through the easement must be valued at its highest and best use without considering any future dedication requirements imposed by the entity that will be using the property under the lease agreement. Given the proposed use and the nature of the site, the most probable buyer in fee simple of this kind of site would have similar needs as an entity that takes a site through condemnation and a seller would want similar considerations for value when conveying the site to a third party. Therefore, the methodology for valuing the subject is similar to what is used in condemnation and some consideration is made for

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issues that arise during the condemnation/taking process such as value as part of a whole, special benefits and damages.

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

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

Office of the Comptroller of the Currency under 12 CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions [g].

Market Value As Is: The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date (Proposed Interagency Appraisal and Evaluation Guidelines, OCC-4810-33-P 20%). *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute, 2010).

Easement is defined as ...“The right to use another’s land for a stated purpose.” (Source: *The Dictionary of Real Estate Appraisal*, 5th ed. [Chicago: Appraisal Institute, 2010] page 63.)

Just Compensation as used in condemnation/taking scenarios is defined as “...the amount of loss for which a property owner is compensated when his or her property is taken; should put the owner in as good a position pecuniarily as he or she would be if the property had not been taken; generally held to be market value, but courts have refused to rule that it is always equivalent to market value.” (Source: *Real Estate Valuation in Litigation, Second Edition* [Chicago: Appraisal Institute, 1995] page 17.) ***Although the subject easement area is not being taken, the loss of the land requires just compensation and the potential for other losses in value to the remainder have been considered as it relates to the market value of the easement site area.***

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Special Benefit as it relates to condemnation is defined as, “In eminent domain valuation, the benefits that arise from the peculiar relation of the land in question to the public improvement, usually resulting from a change in its highest and best use. Special benefits may accrue to multiple parcels (such as all four quadrants of a newly constructed freeway interchange) because the parcels are directly benefitted in a similar manner, if not to the same degree.” (Source: *The Dictionary of Real Estate Appraisal, 5th ed. [Chicago: Appraisal Institute, 2010] page 183*) ***Although the subject easement area is not being taken through condemnation, some consideration is made for potential special benefits related to the proposed easement use.***

Damages as it relates to condemnation is defined as, “In condemnation, the loss, in value to the remainder in a partial taking of property. Generally, the difference between the value of the whole property before the taking and the value of the remainder after the taking is the measure of the value of the part taken and the damages to the remainder. Note that different regions of the country and different courts may use terms such as consequential damages and severance damages differently.” (Source: *The Dictionary of Real Estate Appraisal, 5th ed. [Chicago: Appraisal Institute, 2010] page 52*) ***Although the subject easement area is not being taken through condemnation, some consideration is made for potential damages to the remaining site due to the loss of the land area as well as the proposed easement use.***

PROPERTY IDENTIFICATION: The subject property is located on the southern border of a parcel located south of Paradise Hills Drive, southwest of US Highway 95, in the City of Henderson, Clark County, Nevada. The subject is further identified as a portion of Assessor’s Parcel Number 189-03-110-002. The larger parcel is legally described by the Clark County Assessor as:

*Nevada State College
Plat Book 135, Page 84, Portion Lot 1
Section 03, Township 23, Range 63
1081 East Paradise Hills Drive
Henderson, Clark County, Nevada*

A full metes and bounds description, reported in the deed, is provided as follows:

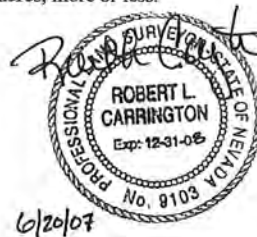
Exhibit "A"
Nevada State College

A portion of Lot 1 of the "Nevada State College Commercial Subdivision" recorded in Book 135 of Plats, Page 84, official records, Clark County, Nevada. Lying in the of Sections 3 and 4, Township 23 South, Range 63 East, M.D.M., City of Henderson, Clark County, Nevada, more particularly described as follows:

Beginning at the northwest corner of said Lot 1; Thence North 89°24'48" East, a distance of 659.35 feet; Thence North 89°25'52" East, a distance of 659.99 feet; Thence North 89°22'45" East, a distance of 660.51 feet; Thence North 89°24'34" East, a distance of 660.27 feet; Thence North 89°23'23" East, a distance of 882.89 feet to a point on a 1,050.00 foot radius curve, concave northeasterly, to which point a radial line bears South 17°08'33" West; Thence easterly along said curve to the left, an arc length of 325.34 feet through a central angle of 17°45'10"; Thence North 89°23'23" East, a distance of 117.90 feet; Thence North 89°23'50" East, a distance of 333.68 feet; Thence South 00°36'10" East, a distance of 350.00 feet; Thence North 89°23'03" East, a distance of 621.98 feet; Thence North 00°36'10" West, a distance of 350.00 feet; Thence North 89°22'11" East, a distance of 364.95 feet; Thence North 89°23'35" East, a distance of 660.67 feet; Thence North 89°22'34" East, a distance of 170.38 feet to the beginning of a 1,050.00 foot radius curve, concave northwesterly; Thence easterly along said curve to the left, an arc length of 325.33 feet, through a central angle of 17°45'10"; Thence North 89°22'34" East, a distance of 169.86 feet; Thence North 89°22'00" East, a distance of 661.03 feet; Thence North 89°22'02" East, a distance of 660.83 feet; Thence North 89°26'33" East, a distance of 660.92 feet; Thence North 89°21'28" East, a distance of 659.97 feet to the northeast corner of said Section 3; Thence South 00°30'08" East, a distance of 80.55 feet; Thence South 54°03'49" West, a distance of 4,957.67 feet; Thence South 69°03'45" West, a distance of 1,055.51 feet; Thence South 89°34'39" West, a distance of 250.81 feet; Thence South 89°22'01" West, a distance of 1,320.76 feet; Thence South 89°21'55" West, a distance of 1,320.76 feet; Thence South 89°21'52" West, a distance of 660.13 feet; Thence North 00°35'38" West, a distance of 666.16 feet; Thence North 00°34'52" West, a distance of 665.74 feet; Thence South 89°21'22" West, a distance of 660.04 feet; Thence North 00°34'14" West, a distance of 665.59 feet; Thence North 00°34'14" West, a distance of 1317.65 feet to the **Point of Beginning**.

The above-described area containing 503.772 acres, more or less.

Prepared by:
Robert L. Carrington, PLS
City of Henderson
240 Water Street
PO Box 95050
Henderson, Nevada
89009-5050
(702) 267-1300



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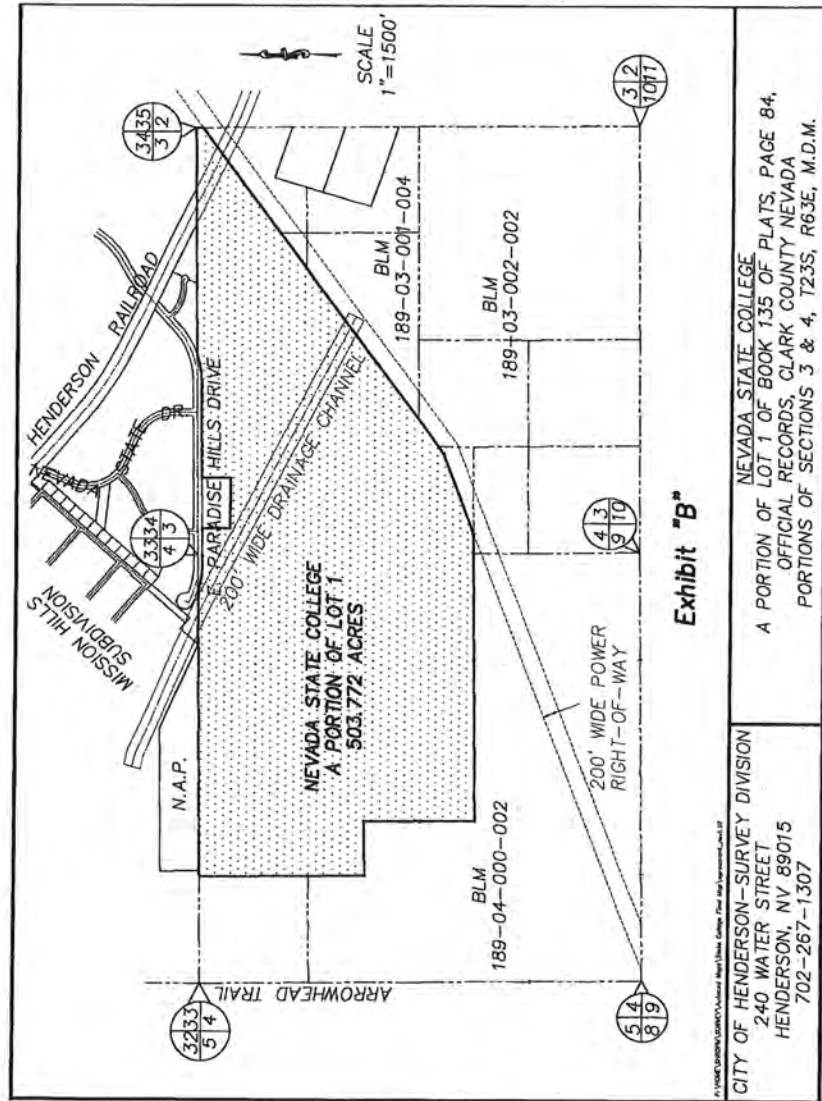


Exhibit "B"

CITY OF HENDERSON—SURVEY DIVISION
240 WATER STREET
HENDERSON, NV 89015
702-267-1307

NEVADA STATE COLLEGE
A PORTION OF LOT 1 OF BOOK 135 OF PLATS, PAGE 84,
OFFICIAL RECORDS, CLARK COUNTY NEVADA
PORTIONS OF SECTIONS 3 & 4, T23S, R63E, M.D.M.

PROPERTY OWNERSHIP AND HISTORY: According to public records, the owner of record of the fee simple interest in the subject property, as of the date of valuation, is:

Board of Regents of the Nevada System of Higher Education
on behalf fo the Nevada State College

According to public records, the subject site was acquired by the current owner August 30, 2007 as a transfer to Nevada System of Higher Education with no monetary consideration. This transaction is recorded in document 20070830:01402. A patent document, dated January, 1988 (included in the addenda) indicates that the City of Henderson was entitled to a land patent that conveyed use of the site from the Federal Government (subject to some existing easements and rights) but for a specific purpose and permitted uses consistent with the NSC development plan. The City of Henderson did then convey the site to the current owner with the same development conditions and restrictions. These specific uses will be discussed further in the zoning and highest and best use section but what is important to note is that the continued ownership and use of the site by the current owner is dependent on adherence to the conditions set forth in this patent document. If at any time, the current owner departs from the allowed uses, the patent document indicates that ownership will revert to the United States.

Public records do not indicate that there have been other transfers of the subject property within the past three years. The subject is not currently listed or under contract for sale. According to the client and, implied by the patent document as well which states the site can be “used”, the current owner is not permitted to sell any portion of the site. However, the patent document stated they are permitted to lease (with or without consideration) to entities in keeping with the permitted uses and for the benefit of the College, City or any community in Las Vegas. It is assumed that this reference would allow for the utility easement lease.

Criterion Group

PROPERTY DESCRIPTION

Site Data (Overall Larger Parcel)		
Site Area	503.42 Acres; Net of Paradise Hills Drive, but including the railroad easement area (Source: Clark County Assessor)	
Frontage (overall parcel)	Roadway	Side
	Paradise Hills Drive	South
Accessibility - Subject improved areas and larger vacant land	Roadway	Access
	Paradise Hills Drive	Curb Cuts and Open Land
Visibility - due to undeveloped nature of the area the site is visible from various distances and roadways	Dawson Avenue	Open Land via Power Line Access Dirt Road
	Roadway	Roadway Type
	Paradise Hills Drive	2 lanes; access route
	Dawson Avenue	2 lanes; residential route
	Nevada State Drive	2 lanes; access route
Shape	Conestoga Way	2 lanes; commercial route
	US Highway 95	
Shape	Irregular but developable	
Topography and Drainage	The site is generally level but slopes upward from north to south toward the southern border in the vicinity of where the power easement area is proposed.	
Easements	No atypical easements were noted at the time of inspection. The existing power line in the area is on a separate parcel to the south. <i>There is a railroad track running north/south in the far eastern corner of the larger parcel that is approximately 690 linear feet. This area has an easement that reduces the overall usable area of the site. The proposed easement/power line appears to travel over this area. It is assumed that this is permitted and that the appropriate measures are taken to install the lines in concordance with the terms of this existing railroad easement agreement.</i> On the perimeter there are roadway and utility easements typical in the market. Other than these easements, there are no obvious onsite or adjacent factors that would result in atypical easements or restrictions. Please see #1 of assumptions and limiting conditions.	
Use/Deed Restrictions	As mentioned, the utility and allowed development on the subject parcel are dictated by a deed limiting use for the College and uses beneficial to the college. The deed is in the addenda and is further discussed in the zoning and HBU.	
Utilities - In Vicinity of northern portion of the site	Electricity - NV Power	Water - City of Henderson Water and Sewer
	Gas - Southwest Gas	Sewer - City of Henderson Water and Sewer
	Telephone - CenturyLink	

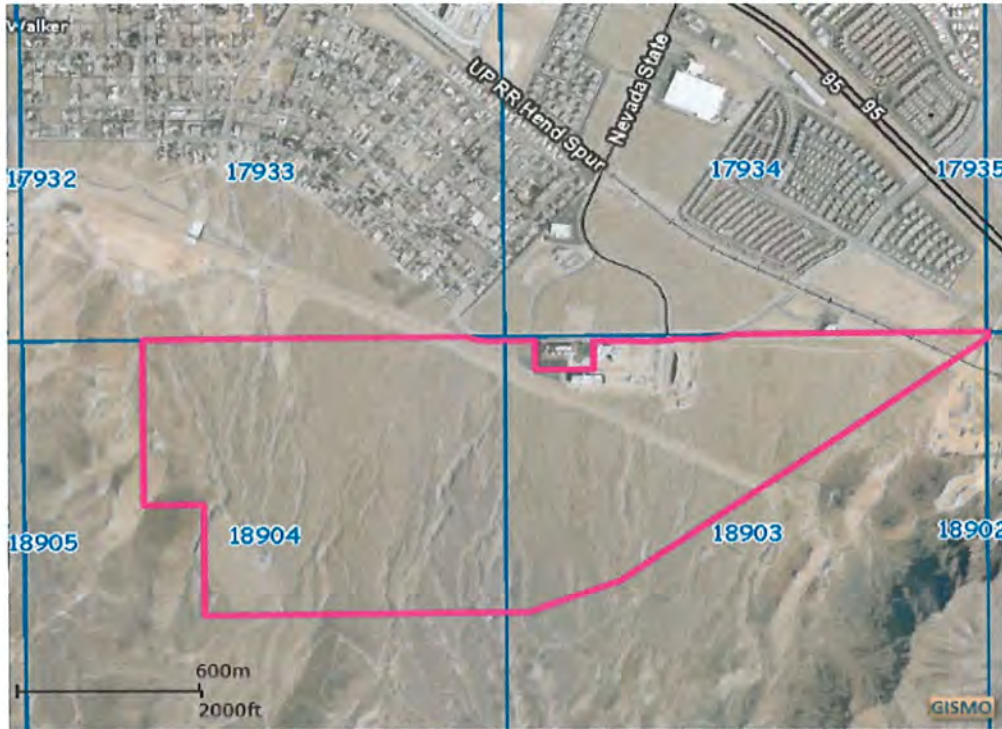
Criterion Group

Site Data (Overall Larger Parcel)	
Environmental Issues	No evidence of hazardous waste and/or toxic materials was visible; the appraiser has no other knowledge of the existence of these substances. In addition, the appraiser is not qualified to detect hazardous waste and/or toxic materials. See paragraph number 12 of the Assumptions and Limiting Conditions.
Flood Zone	The subject property is not located in a flood plain area according to the flood rate map for Clark County, Community Panels 32003C 2955 F and 32003C 2975 F both dated November, 16, 2011. The property is located in Zone X. Zone X is classified as areas of 0.2% annual chance of flood, areas of 1% annual chance of flood with average depths of less than one foot or with drainage less than one square mile. The Regional Flood Control Website states that the subject property IS NOT within the 100-year flood zone.
Earthquake Zone	<p>According to The Nevada Bureau of Mines and Geology and the Nevada Seismological Laboratory, the State of Nevada lies within the Basin and Range Province, one of the most seismically active regions in the United States. California, Alaska and Nevada rank in the top three states subject to the most large earthquakes over the last 150 years. Magnitude 3 and 4 earthquakes are commonly felt, but rarely cause damage. Although earthquakes do not occur at regular intervals, the average frequency of earthquakes of magnitude 6 or greater in Nevada has been about one every ten years, while magnitude 7 and greater earthquakes average once every 27 years. ¹</p> <p>Nevada has no regulations for determining earthquake hazard/risk for a specific site, although Southern Nevada has adopted the American Society of Civil Engineers (ASCE/SEI 7-10) requirements which include minimum design loads for buildings and other structures.</p>
Soil Conditions	Based on surrounding property uses, the soil conditions at the subject property appear suitable for development. The property has no obvious on site uses that would result in soil contamination.
Soil Type	Standard geotechnical consideration area - Mixed alluvial sand and gravel
Soil Expansive Type	Special geotechnical consideration area - Portion of the site appears to have a steeper slope (greater than 15%) <i>See the Expansive Soil Guideline Map in the Addenda.</i> The site visit revealed a change in topography from north to south but no steep or significantly imposing topography that would prevent development of the site with appropriate site work.

¹ *Earthquakes in Nevada*; Craig dePolo, Alan Ramelli and Diane dePolo, January 2010, Nevada Bureau of Mines & Geology and Nevada Seismological Laboratory.

AERIAL VIEW

Southern Nevada GIS ~ OpenWeb Info Mapper



The MAPS and DATA are provided without warranty of any kind, expressed or implied.
Date Created: 12/28/2015

Property Information

Parcel:	189-03-110-002
Owner Name(s):	BOARD OF REGENTS NEVADA SYSTEM
Site Address:	1081 E PARADISE HILLS DR
Jurisdiction:	Henderson - 89002
Zoning Classification:	Public and Semipublic (PS)

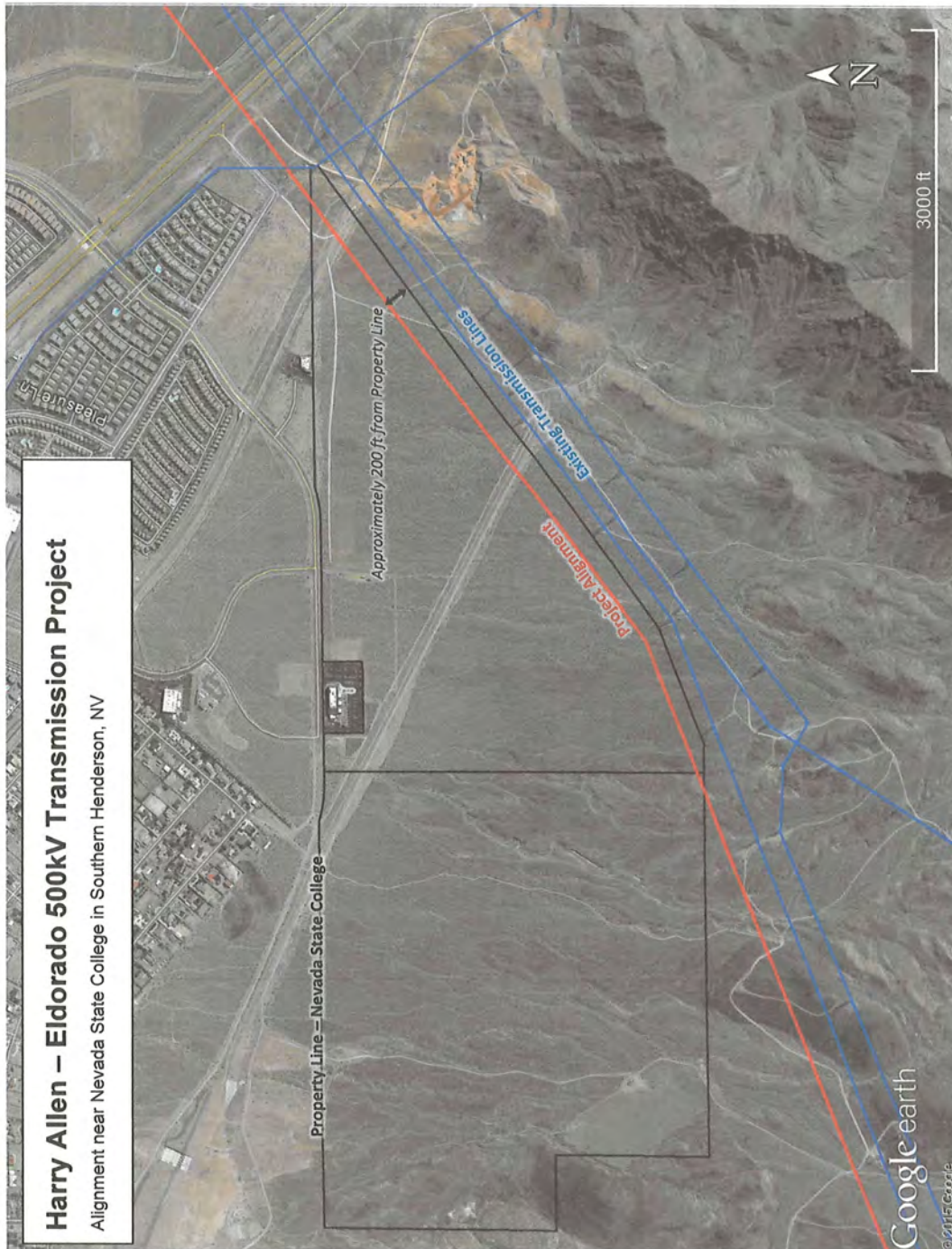
Misc Information

Subdivision Name:	NEVADA STATE COLLEGE		
Lot Block:	Lot:1 Block:	Construction Year:	Construction Year:
Sale Date:	Not Available	T-R-S:	23-63-3
Sale Price:	Not Available	Census Tract:	5711
Recorded Doc Number:	20070830 00001402	Estimated Lot Size:	Estimated Lot Size: 503.42
Flight Date:	Aerial Flight Date: 03/28/2015		

Elected Officials

Commission District:	G - MARY BETH SCOW (D)	City Ward:	1 - GERRI SCHRODER
US Senate:	Dean Heller, Harry Reid	US Congress:	3 - JOE HECK (R)
State Senate:	12 - JOE HARDY (R)	State Assembly:	

RENDERING OF TRANSMISSION PROJECT ALIGNMENT



NSC MASTER PLAN RENDERING AND LEGEND

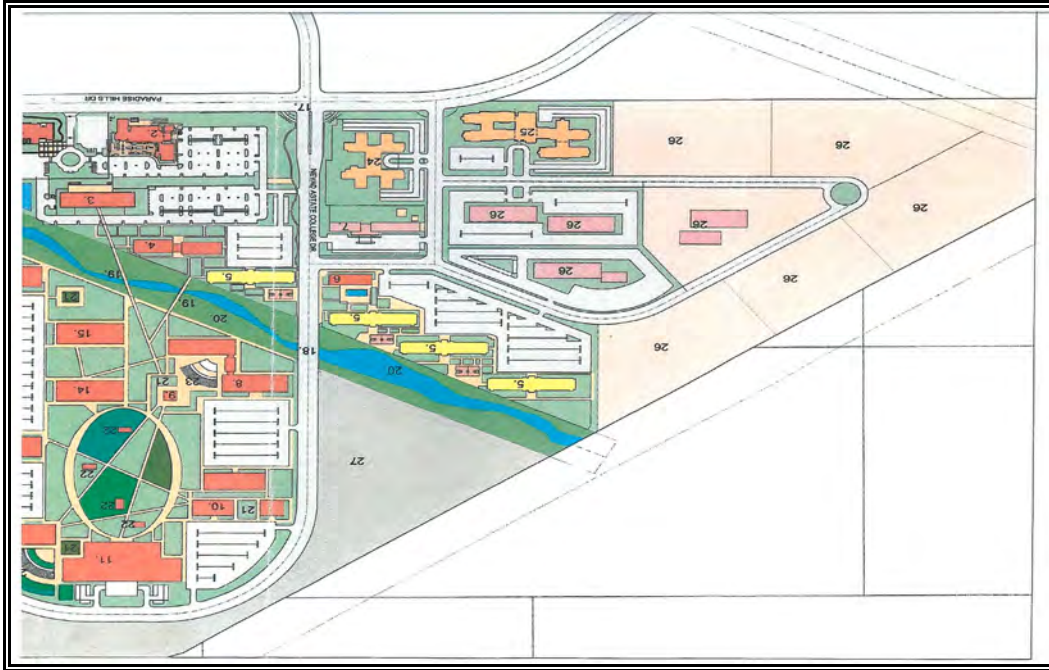
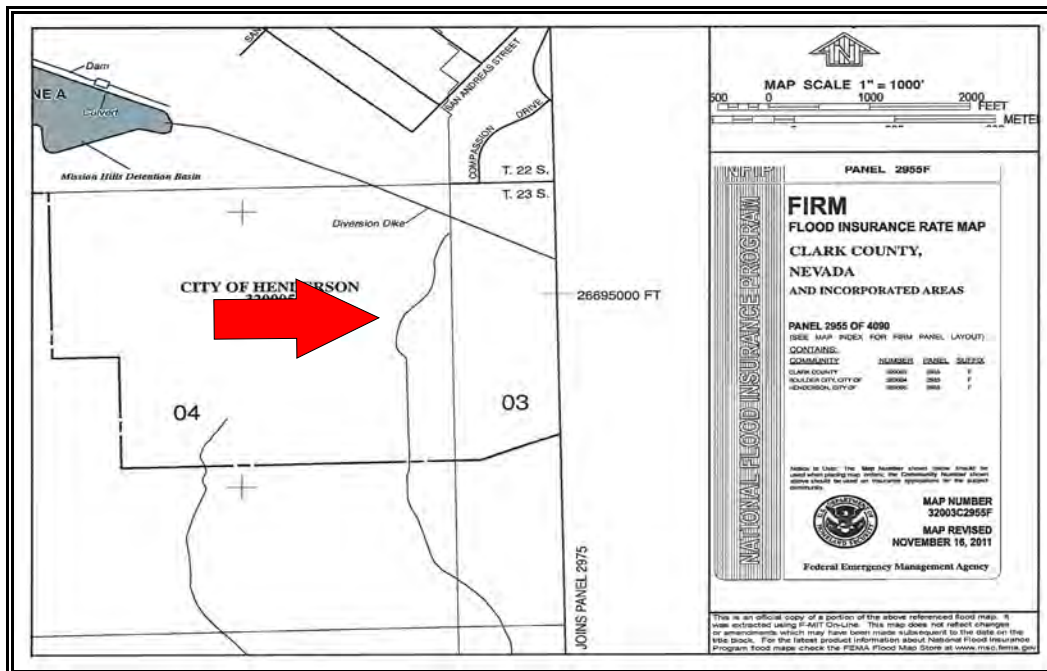
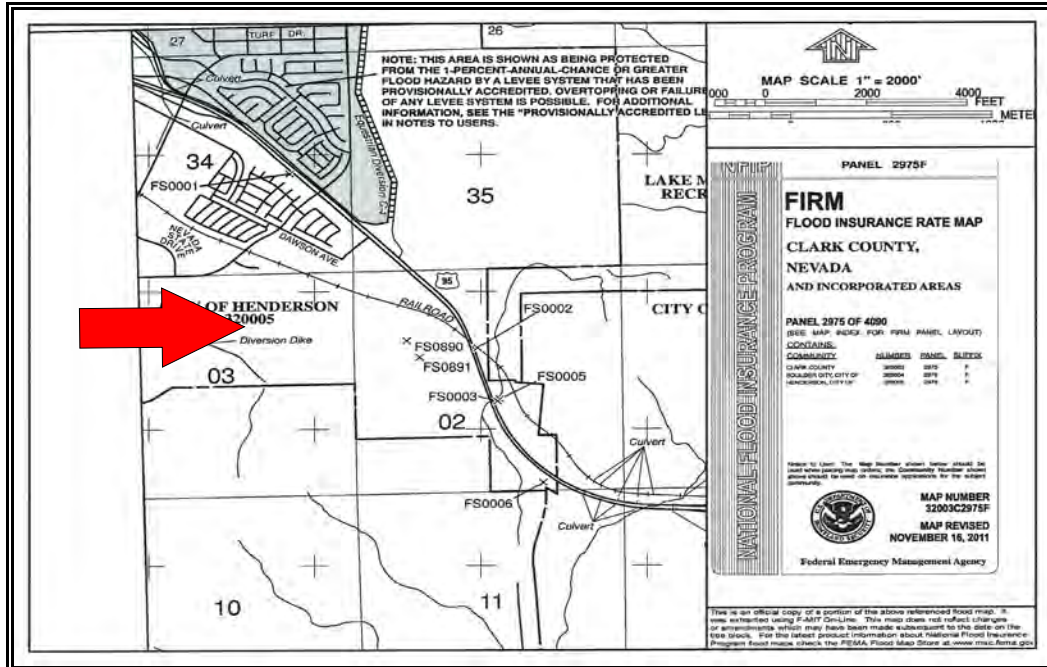


TABLE OF LEGEND

1. SCHOOL OF LIBERAL ART
2. SCHOOL OF NURSING
3. STUDENT UNION
4. SCHOOL OF EDUCATION
5. STUDENT HOUSING / HUOSING
6. CLUB HOUSE
7. DAY CARE CENTER
8. BUSINESS ADMINISTRATION
9. BELL / CLOCK TOWER
10. SCHOOL PROGRAM A
11. COLLEGE LIBRARY
12. SCHOOL PROGRAM B
13. SCHOOL PROGRAM C
14. SCHOOL PROGRAM D
15. SCHOOL PROGRAM E
16. SCHOOL PROGRAM F
17. GATE WAY ENTRANCE
18. BRIDGE
19. PEDESTRIAN BRIDGE
20. WASH W/ LANDSCAPING
21. GARDEN
22. PUBLIC KIOSK
23. AMPHITHEATER
24. ASSISTED LIVING
25. NURSING HOME
26. MEDICAL RESEARCH PARK
27. FUTURE COLLEGE EXPANSION

FEMA FLOOD PLAIN MAPS



REGIONAL FLOOD CONTROL DISTRICT MAP

Regional Flood Control District
Clark County, NV

Home | I Want To... | Table of Contents | About the District | Contact Us | Search

(quick lookup) [v]

FloodZone

- Rainfall and Weather
Rainfall Maps
- History of Flooding
- Projects
Drainage Study
- Agendas
Stormwater Quality
- Document Library
- GIS
- FloodView Advanced
- Meeting Dates
- Public Information
- Kid's Page
- Links

Visit the LV Stormwater Web Site

Legend

- 100-Year Flood Zone
- LOMRs
 - Added
 - Removed
 - Structure
- Selected Parcel
- Parcel

Parcel Information:

<i>Parcel</i>	18903110002
<i>Owner</i>	BOARD OF REGENTS NEVADA SYSTEM
<i>Address</i>	1081 PARADISE HILLS
<i>Entity</i>	Henderson
<i>Contact</i>	702-267-3696
<i>Flood Zone</i>	This parcel IS NOT in a 100-year flood zone.
<i>FIRM Panel</i>	View FIRM Panel (2975)
<i>LOMR</i>	This parcel is not affected by a LOMR

View Printer-Friendly Map

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

This parcel IS NOT in a 100-year flood zone.

Enter a different address or parcel number

Criterion Group

Zoning/Approval Status: The subject property is zoned PS, Public and Semipublic by the City of Henderson. The Public and Semipublic district is established to:

- Allow consideration of public or semipublic use separately from regulations for an underlying base zoning that may or may not be appropriate in combination with the public or semipublic use.
- Permit consideration of establishment or expansion of a large public or semipublic use at rezoning hearings rather than at conditional use permit hearings only and give notice to all of the extent of a site approved for a large public or semipublic use by delineating it on the zoning map; and
- Allow the Planning commission and City Council to consider the most appropriate use of a site following discontinuance of a large park or recreation facility without the encumbrance of a base zoning district that may or may not provide appropriate regulations for reuse of the site.

The PS district allows for public and semi public uses which include, but are not limited to:

- Cemetery, convalescent facility, parks, schools, public safety, minor utilities, hospitals, cultural institutions and government offices.
- In addition, there are a variety of uses which are allowed with additional regulations and special use permits. These uses include, but are not limited to: daycare, school - public or private, religious assembly and assisted and independent living facilities.

The Patent document indicates the following permitted uses as a condition of continued ownership:

- Any purpose relating to the establishment, operation, growth and maintenance of the College
- Any uses relating to such purposes, including residential and commercial development that would generally be associated with an institution of higher education
- College and City may lease or otherwise provide property or space at the college, with or without consideration, to religious, public interest, community, or other groups for services and events that are of interest to the college, the City or any community located in the Las Vegas Valley
- Allow the City or any other community in the Las Vegas Valley to use facilities of the college for educational and recreational programs of the City or community
- In conjunction with the City, plan, finance (including the provision of cost-share assistance), construct and operate facilities for the City on the Federal land conveyed for educational or recreational purposes

Currently, there is no known neighborhood resistance to the zoning of the subject property. A wide variety of uses are permitted on the site that are directly related to the college or uses that are beneficial to the college or community, including housing, commercial and recreational. The PS zoning is similar to the CV zoning in Clark County with similar limits. The number of sites with this

Criterion Group

zoning are very limited so it is typical for these type of users to also occupy sites that are zoned commercial, office, mixed use, industrial and residential. This will be further discussed in the highest and best use and the valuation discussion.

Special Bonds/Assessments and Assessed Values and Taxes: There are no bonds or special improvement districts. The site is located in Tax Rate Area 505 with a tax rate of 2.8977 per \$100 of assessed value. This tax rate during the 2013-2014 tax year was 2.8968 and in the 2014-2015 tax year the rate was 2.8976. The assessment ratio used to determine taxable value is 35% as defined in NRS 361.225. However, the appraisal methodology used for taxation purposes are mass appraisals that utilize a wider range of data and statistical conclusions versus what is performed in an appraisal done on a property specific basis. The taxable values indicated by the subject assessments are below a market supported level.

Land	Improvements	Total	Taxes As Assessed	Tax Cap Reduction	Tax Cap Amount	Total Taxable Value
Assessed Values Fiscal Year 2015-2016 (current fiscal year taxes)						
\$4,184,679	\$0	\$4,184,679	\$121,259.44	\$0	\$98,859.82	\$11,956,226
Assessed Values Fiscal Year 2016-2017						
\$4,184,679	\$0	\$4,184,679	N/Av	N/Av	N/Av	\$11,956,226

The subject property is listed as tax exempt based on the use as a school property. The client reports that this will not change due to the future utility easement/use. The Treasurer's page is included in the addenda in the Clark County Data section and provides further information about installments due and historical payments.

Criterion Group

ANALYSIS AND VALUATION: There are three approaches to value; the cost approach, the sales comparison approach, and the income approach. The resulting indications of value from the three approaches are correlated into a final estimate of value for the subject property. The data chosen for consideration in each approach is adjusted to the subject property as follows:

Transactional Adjustments: These are above the line, are applied cumulatively and in this order.

- Property Rights Conveyed
- Financing Terms
- Conditions of Sale
- Capital Expenditures Made Immediately After Purchase
- Market Conditions (Time)

Property Adjustments: These are below the line, and are applied in no particular order on a lump sum basis.

These are generally physical characteristics of the property such as:

- Location/Submarket/Neighborhood/Surrounding Development
- Access/Frontage/Traffic/Visibility
- Shape and Topography
- Degree of Site Improvements or Existing Infrastructure
- Size
- Age/Condition/Quality of Improvements
- Zoning/Land Use/Development Potential
- Non Realty Components - FF&E, Personal Property, Business Value

Conclusion: The Sales Comparison Approach will be used to estimate the Market Value As Is of the larger property as a whole. The easement area site will be valued based on this concluded value/acre with consideration for discount related to the subject site being a part of a whole. Special benefits and damages were also considered to determine the market value/just compensation for the subject property in fee simple.

As it relates to the property as a whole, the entire site contains 503.42 acres (net of Paradise Hills Drive but including the railroad easement) but is a master plan which will be developed in phases in smaller portions that are not yet determined. The subject easement area is a part of the whole and contains 28 acres when considering the estimated length and width. The difference in size between 28 and 503 acres is a consideration in value as well as location on the site. The subject easement area will be in the far southern portion of the site in an area that would reasonably be developed later in the project time line. This area is predominantly identified on the site plan rendering as areas 26 and 27, proposed for medical research park and future college expansion. Portions of what appears

Criterion Group

to be athletic fields is also located in the southern portions of the property. These areas are smaller than 503 acres; possibly in the 10, to 20 to 50 or 100 acre pieces, either separate or combined. Further, there are no sales directly similar in size and utility as the subject site. Therefore, the sales data utilized in this analysis includes sites with a variety of sizes, chosen more for location and utility than overall size.

HIGHEST AND BEST USE ANALYSIS: (PROPERTY AS A WHOLE)

Definition: The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. *The Appraisal of Real Estate*, 13th ed. (Chicago: Appraisal Institute, 2008)

Indirectly, highest and best use analysis addresses the following questions: Who would be the most probable buyer of the subject property and what would be the most probable marketing scenario. An appraisal involving proposed improvements must properly develop highest and best use conclusions from two perspectives: as if the site were vacant, and as improved. *As it relates to the subject, the property as a whole is considered first. The easement area is a long narrow strip of land whose highest and best use is as part of the whole, either as the proposed use for a utility easement or as part of the overall development plan which could accommodate buildings, open area, landscaping, parking and driveways. The extent to which the easement affects the subject site when conveyed through a lease will be considered in the conclusion for the value of the easement area only.*

Highest and Best Use of the Site As Vacant: The questions to be answered in this analysis are: If the site is or were vacant, what use should be made of it? What type of building or other improvements, if any, should be constructed on the site, and when? Highest and best use as if vacant requires the application of the following test: Of those uses that are physically possible, legally permissible, and financially feasible, which use is maximally productive?

Physically Possible:

- The entire property is 503+ acres
- The topography is sloping from north to south but not steep in topography
- The subject appears to be located outside of a flood zone
- The shape of the parcel is irregular and developable in its entirety and as subdivided
- Adjacent use consists primarily of vacant land with some limited SFR and an existing transmission power line to the south and a minor mountain range.

Criterion Group

Legally Permissible:

- Zoned PS, Public and Semipublic by City of Henderson
- Allows for a wide variety of education, recreation and public service uses as well as uses complimentary to these uses and some potential for mixed uses upon approval
- The subject was sold with a patent that requires the site be used for the college and complimentary supporting uses such as residential, commercial and recreation facilities. The site can also be used by religious or community service organizations for space or events, with or without consideration.

Under this zoning, the subject site can only be developed with a college campus but with a large variety of buildings consistent with this type of use that would include student housing, office/research, recreation and commercial uses that support the overall campus/education use.

What is important to note is that this zoning designation is not prevalent so this type of user is often forced to utilize sites that are zoned residential or higher intensity commercial/retail. Many community service, recreation and education facilities are built on residential zoned sites as part of surrounding communities.

Further, uses that could be considered consistent with the larger campus might include food service, or light intensity retail or quasi retail such as day care centers and low intensity commercial uses such as general and medical office. This is somewhat similar to the BDRP master plan designation that is in an around the Beltway 215 area in the southwest. This master plan is the overlay that provides guidelines for the Harry Reid Business and Research Park (a project associated with UNLV) that is designated to contain education and research buildings but will also have office and retail uses to serve the park inhabitants.

Financially Feasible and Maximally Productive: Based upon the legally permissible and physically possible uses at the subject site, an education complex consistent with the master plan proposed in the rendering is feasible and productive when built in phases.

Criterion Group

Most Probable Buyer: The most probable buyer, who would command a higher range price, is an end user who purchases the site for a comprehensive education complex built in phases with a variety of education, recreation, housing and commercial/office support buildings. The size of the site and price point would attract a smaller pool of users. The zoning would only allow for a public service use such as a college or community/government complex. The subject is restricted by a deed which prevents sale of the site, but the original owner was the federal government who could have sold the site to the highest bidder at an auction. If this had occurred it may have been possible to alter zoning to allow for mixed use that would have made the site more marketable. Public facility zoned sites are often incorporated into master plans for the intent of dedicating an area for community, education and utility services to support the surrounding residents. This is the case with several larger parcels in the Summerlin master plan, where sites that could have been used for any use, were specifically and intentionally dedicated for public service/community use.

The current owner of the site represents the most probable buyer type. Therefore, I have attempted to find comparable sales of sites that were purchased for similar utility with buyers who would have had the most similar site selection criteria as the subject.

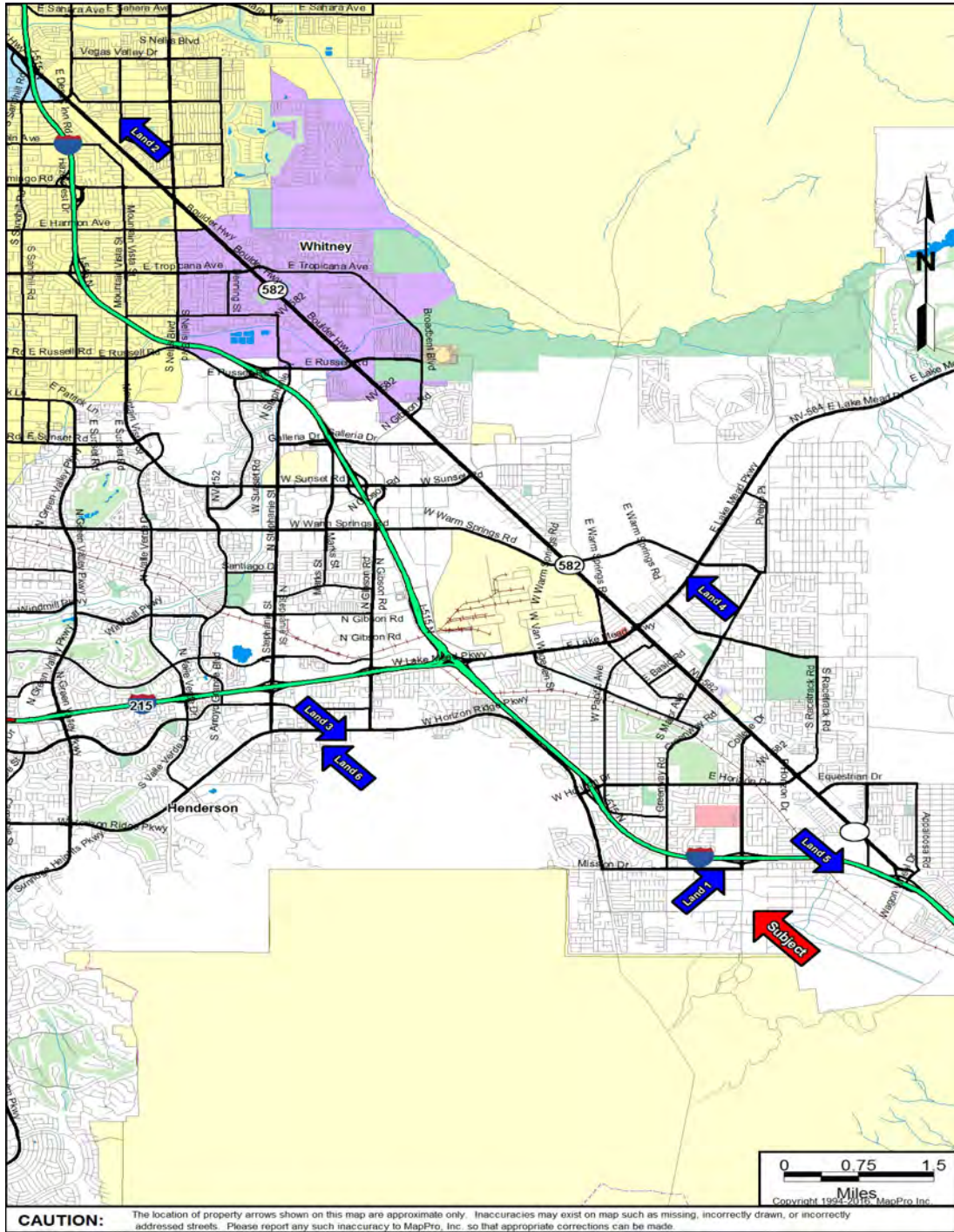
LAND VALUATION

Methodology: Applying the principle of substitution, the sales comparison approach is based on the premise that an informed, prudent and rational purchaser would pay no more for a property than the cost to acquire a similar, competitive property with the same utility as of the date of valuation.

Summarized on the following pages are eight sales that were utilized in estimating the Market Value As Is of the subject easement area based on a value of the whole and a consideration for just compensation. I have considered the net site size for the comparables in comparison to what is currently the net size of the subject site (excluding perimeter road easements). Although the subject's larger original parcel will be used for smaller projects, it will not be subdivided and sold off separately, so future interior roadways would not net the site area. Although residential development is based on gross site size, the subject is not a residential site alone (other than student housing), so the net area is more appropriate.

The following map shows the location of the comparisons in relation to the subject. More details concerning the summarized data are located on the following pages. I have included aerial views of each comparable. The plat maps are also included in the addenda, but in some cases reflect subdivisions that have occurred since the purchase with different parcel numbers than what were in place at the time of sale.

COMPARABLE LAND SALES MAP



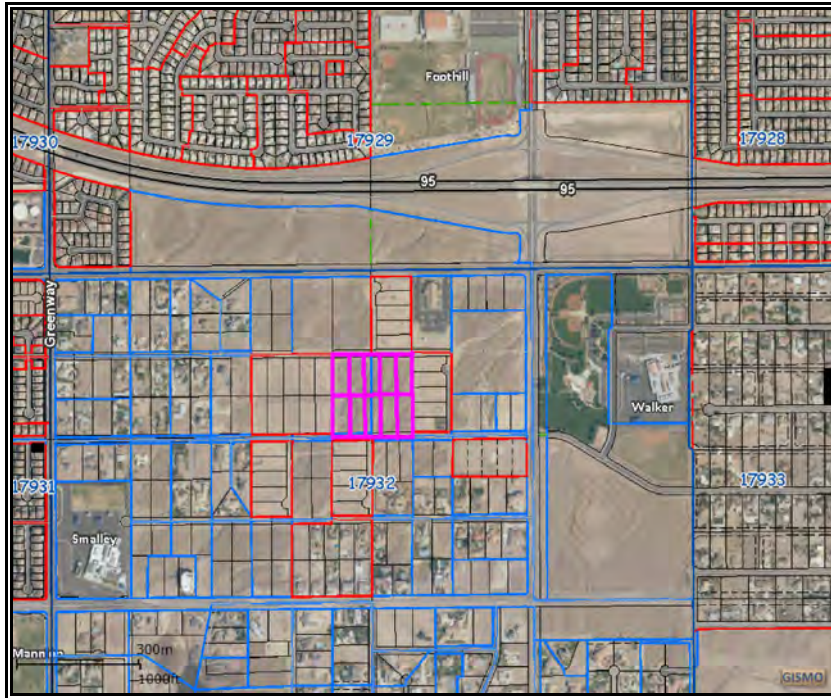
Criterion Group

Land Sales Summary Table - 1				
	Sale One	Sale Two	Sale Three	Sale Four
Date of Sale	10/15	07/15	06/15	06/15
Sale Price	\$1,400,000	\$860,740	\$1,200,000	\$2,300,000
Asking Sales	asking N/Av	asking N/Av	asking \$1,599,000	asking N/Av
Days on Market	N/Av	N/Av	19 months	N/Av
Document Number	20151001:02248	20150713:01370	20150602:03121	20150603:03870
Site Size/Acres (Net)	9.11	5.00	9.75	14.14
Sale Price/Acre	\$153,677	\$172,148	\$123,077	\$162,659
Zoning	RS-1, SFR (1 unit/acre) City of Henderson	ROI for U-V, Urban Village MUD-3, MP - CG Clark County	RS-6, SFR (6 units/acre) City of Henderson	PC, Planned Community City of Henderson Deed Restriction for Private Middle or High School Use
Topography/Shape	Level/Rectangle	Level/Rectangular	Sloping/Slightly Irregular	Level/Slightly Irregular
Utilities/Offsites	In Vicinity; Improved Roads	Former RV Park; Utilities To Site; Improved Roads	Present in the Area	In Vicinity; Improved Roads
Site Condition	Vacant Land	Former KOA Campground	Vacant Land Hillside	Vacant Land
Seller	Milco Living Trust	HAND Property Holding Company	Paul and Teresa Petrone	Basic Environmental Co. LLC
Buyer	D.R. Horton Inc.	CA Las Vegas 4315 BH LLC	McCam Las Vegas-2 LLC	Lake Mead Christian Ministries Development Inc.
Proposed Use	Residential Development	Charter School	Residential Development	Private High School
Condition of Sale	Includes tentative map for subdivision	None	None	Gifted with restricted use
Surrounding Development	Vacant Land, Church, SFR	Mobile Home Trailer Park, SFR, MFR, Commercial	Vacant Land, SFR	Mobile Home Trailer Park, Age Restricted MFR, Vacant Land
Verification	Matt Stark; Seller Broker COMPS; Public Records	Brian Sorrentino; Buyer Broker; COMPS; Public Records	Sam Gladstein; Seller Broker; COMPS; Public Records	Purchase Agreement
Location/APN	Between Trenier Drive and Patti Ann Woods Drive Henderson, 89015 Former APN 179-32-501-008 and 179-32-101-032, 033, 044, 045	West Side of Mountain Vista Street, South of Desert Inn Road Las Vegas, 89121 161-17-101-022	South of Horizon Ridge Pkwy., East of Viento Puntero Drive Henderson, 89012 178-22-701-010, 011, 012, 013	North Side of Lake Mead Parkway, East of Boulder Highway and South of Warm Springs Road Henderson, 89015 179-08-201-019

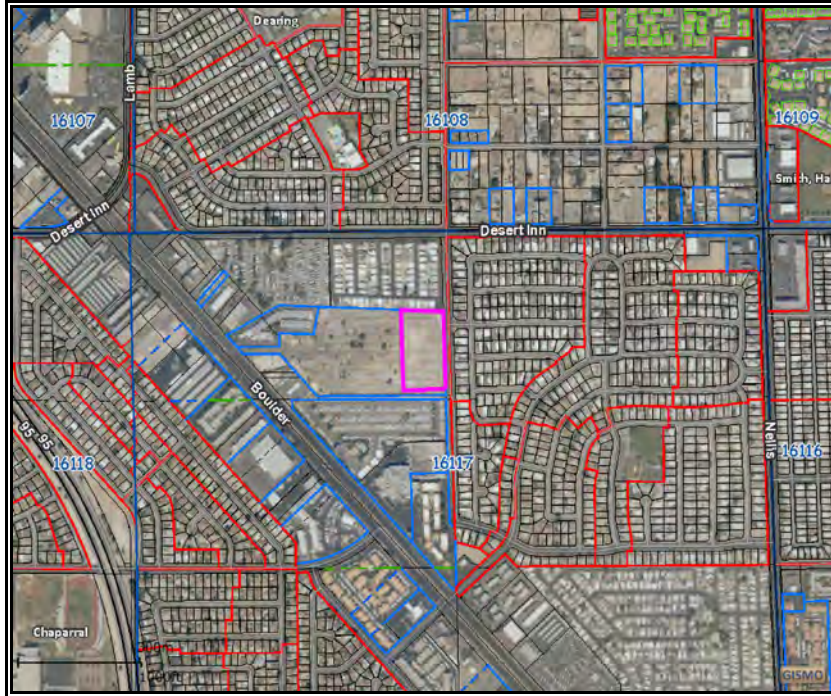
Criterion Group

Land Sales Summary Table - 2				
	Sale Five	Sale Six	Sale Seven	Sale Eight
Date of Sale	05/15	04/15	12/14	01/14
Sale Price	\$1,650,000 asking	\$4,195,000 asking	\$2,200,000 asking	\$13,713,636 asking
Asking Sales	\$1,825,000	N/A	\$3,500,000	N/Av
Days on Market	4 years	Less than 12 months	13 months	3 year escrow
Document Number	20150526:01512	20150424:0003686	20141204:02047	20140122:01467
Site Size/Acres (Net)	13.38	21.87	32.05	150.00
Sale Price/Acre	\$123,318	\$191,815	\$68,643	\$91,424
Zoning	IP, Industrial Park City of Henderson	UV, Urban Village MUD-3 overlay MP - CG, Commercial Clark County	RS-1, SFR (1 unit/acre) 11.45 acres - PS, Public and Semipublic City of Henderson	PC - Planned Community City of Henderson
Topography/Shape	Level/Irregular	Level/Rectangular	Sloping/Irregular	Level/Irregular
Utilities/Offsites	In Vicinity; Improved Roads	Former No active water/sewer hookups	Need Utility Extension and Roadways	In Vicinity; Improved Roads
Site Condition	Vacant Land	Former RV Park/Carwash; Utilities To Site; Improved Roads	Vacant Land	Vacant Land
Seller	Las Vegas Sunset Properties	Investors Commercial Capital LLC	CB 101 LLC	City of Henderson
Buyer	Cambridge Industrial Pak LLC	HAND Property Holding Company	RHA Capital Group Series 1 LLC	Union Village, LLC
Proposed Use	Industrial Development	Charter School - (Sale Two is this 5 acre portion) 280 Unit Affordable Housing Units	Low Density View Lots Residential Development	Mixed Use Hospital, Healthcare, Assisted Living, Senior Housing, Retail and Office
Condition of Sale	REO Sale	None	None	Long Escrow; City Sale that did not go to Auction
Surrounding Development	SFR, Vacant Land, Industrial Properties	Mobile Home Trailer Park, SFR, MFR, Commercial	SFR, Vacant Land, City Park	SFR, Industrial, Commercial
Verification	J Mario Sanchez; Listing Broker; COMPS; Public Records	Chris Funai Seller (purchased entire 21.85 acre site in 2014 for \$153,006/acre)	Rick Hildreth; Listing Broker COMPS; Public Records	Costar; COMPS 30.17 acres resold in 01/14 for \$328,956/acre and 9.99 acres resold in 03/15 for \$500,405/acre
Location/APN	South Side of US Highway 95, East of College Drive Henderson, 89002 179-28-803-002	East Side of Boulder Highway, South of Desert Inn Road Las Vegas, 89121 161-17-101-015, 016, 017, 021	South of Horizon Ridge Pkwy, East of Unicorn Hills Drive, Henderson, 89012; 178-22-801-001, 002, 003, 004, 005, 007	East of US Highway 95, North of Galleria Drive, Henderson, 89015 Former 161-34-710-001 and 161-35-410-001

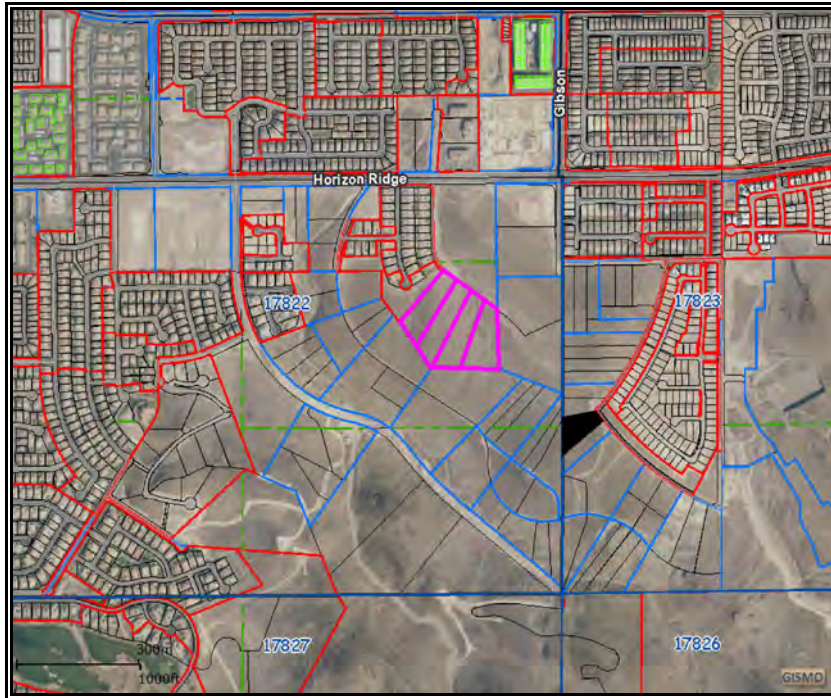
LAND SALE ONE AERIAL VIEW



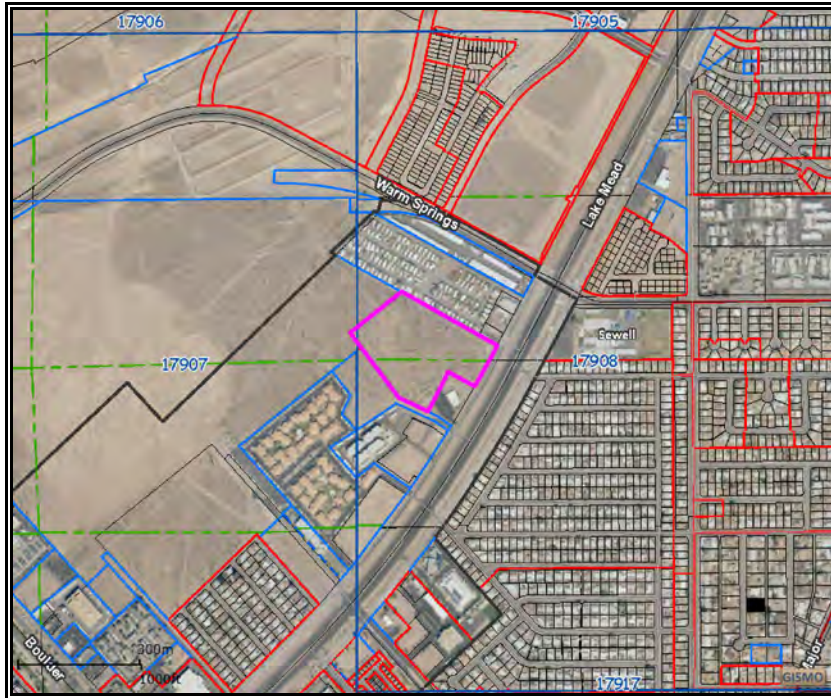
LAND SALE TWO AERIAL VIEW



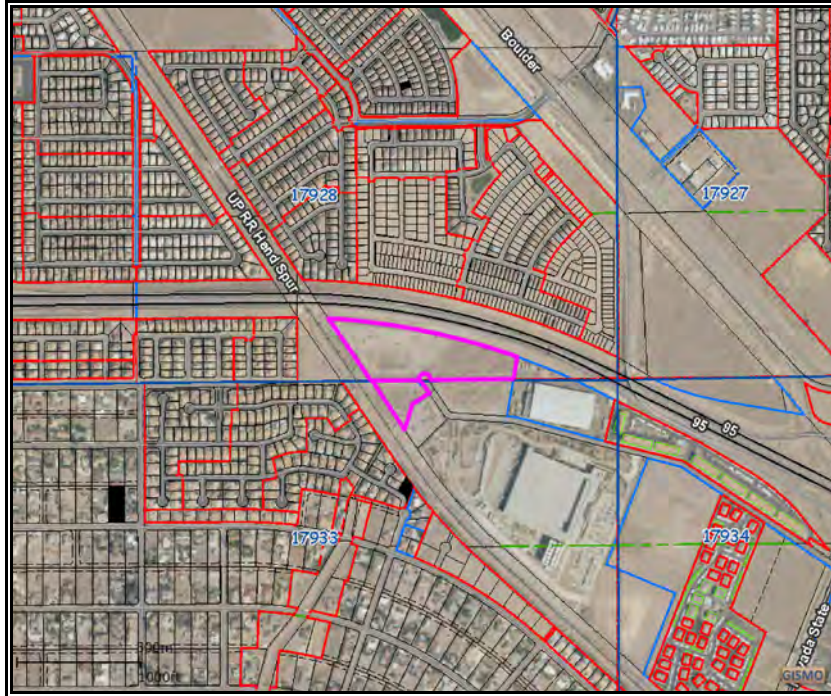
LAND SALE THREE AERIAL VIEW



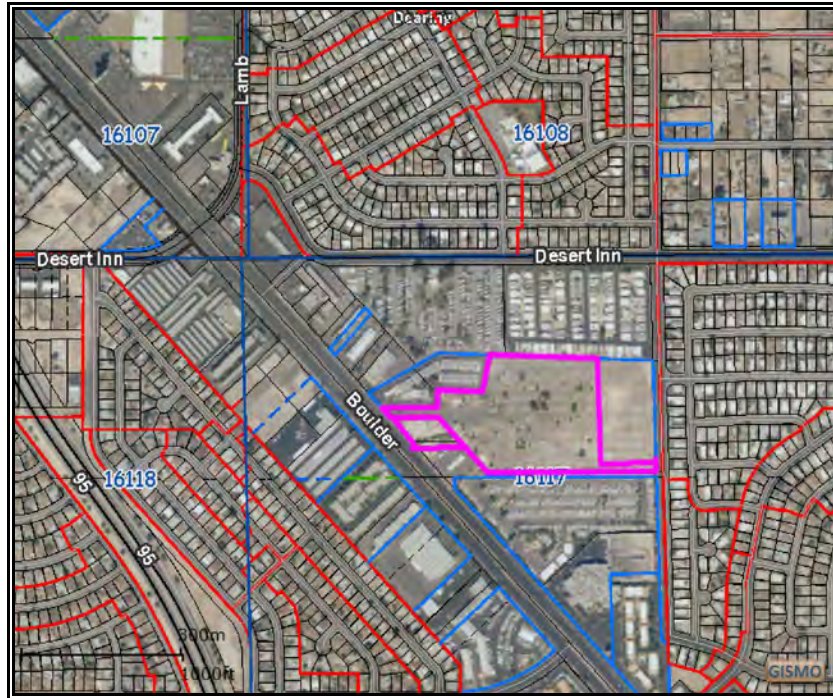
LAND SALE FOUR AERIAL VIEW



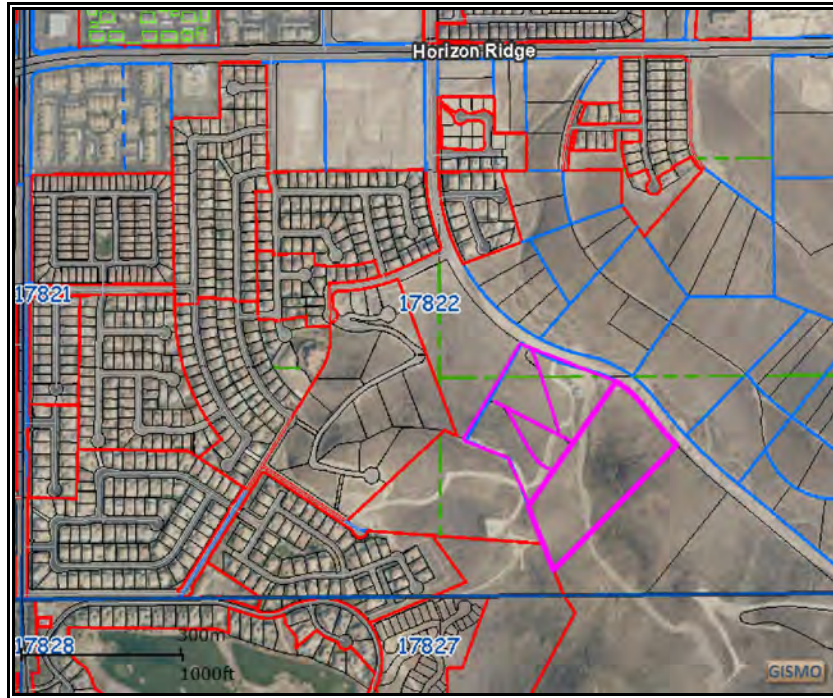
LAND SALE FIVE AERIAL VIEW



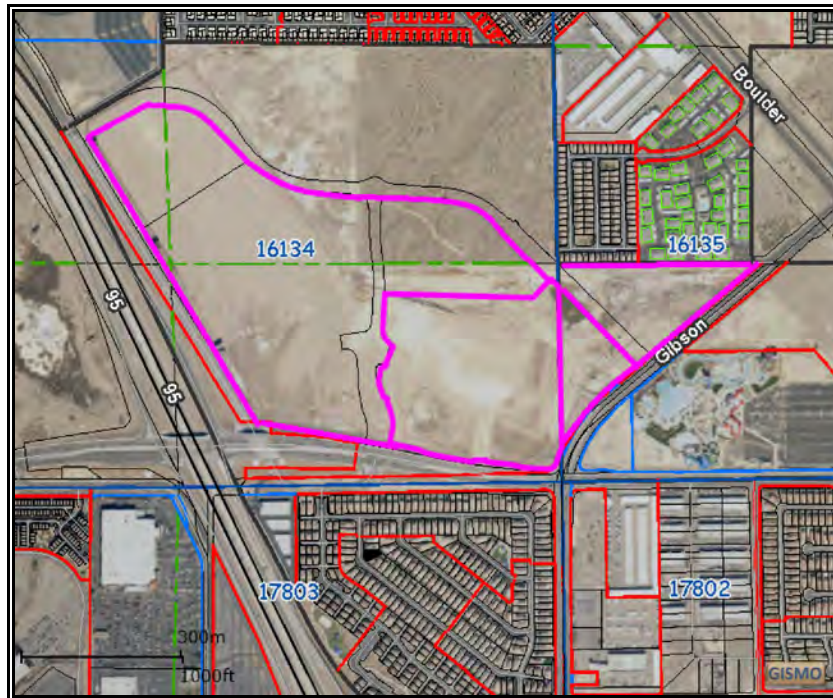
LAND SALE SIX AERIAL VIEW



LAND SALE SEVEN AERIAL VIEW



LAND SALE EIGHT AERIAL VIEW



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Adjustment Analysis: The comparables in this analysis indicate an unadjusted range of value from \$68,643 to \$191,815/acre.

Transactional Adjustments

Property Rights Conveyed: All of the transactions were of fee simple interest similar to the subject. No adjustments are necessary.

Terms of Sale: All sales were considered cash or its equivalence. No adjustments are necessary.

Conditions of Sale: Anything other than a typically motivated buyer and seller requires consideration for a conditions of sale adjustment. All sales were between unrelated entities. No adjustments are necessary.

Sale Four was a gift from Landwell (the developer of Cadence Master Plan) for the purpose of developing a private middle/high school. The sale was contingent on a deed that restricts the use for anything other than this use. This sale was included due to the deed restriction and the utility being similar to the subject. The value that was placed on this land was based on market data. No adjustments are necessary for this factor.

Sale Five was a lender sale, but was actively marketed and brokered with a market based sale price. A parcel adjacent to this one was purchased by the same entity, with no lender, at a similar price of \$127,479/acre. No adjustment is necessary for condition of sale.

Sale Eight was a sale by the City of Henderson for the development of Union Village. This is a master plan that will include uses that are in some way a community benefit with a hospital, senior housing and medical office/research. Typically a municipality is required to expose sites to the market and auction, but in the case of this sale, this was bypassed because the intended use was proven to be beneficial to the community with an estimated 17,000 jobs and \$10 billion in tax revenue over a 25 year period. The more relevant issue related to this sale is the long escrow period which will be discussed in the market condition adjustment.

Capital Expenditures Made Immediately After Purchase: The comparable properties are vacant land. There are no reported issues requiring this type of expenditure.

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Market Conditions (time): The next factor to consider is market conditions, or the date of sale. The comparisons utilized within this report range in date from January, 2014 to October, 2015. Market conditions are improving.

Sale Seven closed in December, 2014 for \$68,643/acre. It is a hillside parcel with view potential for low density residential development of one unit/acre and no improved roads or utilities in the area. In August, 2015 Pardee Homes purchased 41.08 acres of vacant land with sloping topography north of Sunridge Heights Parkway. The purchase price was \$225,170/acre for a vacant sloping site that is in a more developed area and higher density of 6 units/acre. In the same area Greystone Homes bought 23.46 acres of RS-6 land in September, 2014 for \$426,257/acre and then 8.25 acres one year later in the same area for \$466,66/acre, or an increase of 10 percent over the last year. Based on this, I will adjust Sale Seven upward 10 percent for changes in market conditions.

Sale Eight closed in January, 2014 but was reportedly 3 years in the works before the transaction could close, which would suggest 2011 market conditions influencing this purchase price. Following is a summary of sales for larger parcels (over 20 acres) between 2010 and 2013 to illustrate activity and price trends. I chose sales that are actual transactions versus deeds in lieu of foreclosure, partial interest transfers or exchange transactions with no consideration. The sales are primarily residential zoned but range in density. This illustrates the lack of sales activity for larger parcels during this time period.

	2010	2011	2012	2013
Number of Sales	3	2	6	2
Median Acres	44.58	84.46	35.96	41.31
Median Price/Acre	\$199,870	\$49,830	\$250,713	\$400,919
Condition of Sale	All 3 sales are REO or distressed; all 3 in the SW or Mountains Edge Master Plan	Both REO	2 REO sales; 3 sales in the Henderson area, 2 in the SW and one in the Central West	None - both in the SW submarket

The low price in 2011 is related to the one sale that contained 141 acres of steep land at a low price of \$9,924/acre. The other sale in 2011 sold for \$89,734 for 27.86 acres of CP/Office land along Blue Diamond Road. When comparing the sales in 2010 with 2013, an increase in value of 100 percent

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is indicated. Between 2012 and 2013 the increase is 60 percent. This illustrates the significant and irregular change in values during the recession/recovery period. Based on a comparison between the sales in 2010 and 2013 and 2012 and 2013, an increase of 75 percent is reasonable for Sale Eight due to changes in market conditions. I will adjust Sale Eight upward 75 percent.

Property Characteristics

Location: The subject site is located in the far southeast portion of the valley, south of Paradise Hills Drive and southwest of US Highway 95. This location is at the boundaries of development in this area. The area is primarily undeveloped vacant land.

Sales Two and Six are located in the central eastern portion of the valley, where there is more established development and fewer vacant parcels. This site was a former campground and carwash that was vacated. When comparing Sale Six with Sale Four, I will adjust Sales Two and Six downward 15 percent for location.

Sales One, Three, Four, Five, Seven and Eight are more similar to the subject in location as it relates to surrounding development and demand factors. No adjustments for location are necessary for these sales for location.

Topography/Shape: The subject site has a developable shape. All of the comparables are similar in this regard. The subject site is sloping; in particular the area that contains the proposed easement. Sales Three is sloping and most similar in topography in comparison to the subject. Sale Seven is sloping as well but more significantly than the subject site, with a lower range price/acre. Based on a comparison between Sale Three and Sale One, I will adjust Sales One, Two, Four, Five, Six and Eight downward 20 percent for topography. Based on a comparison with Sale Three, I will adjust Sale Seven upward 60 percent for topography.

Zoning: The subject is zoned PS, Public and Semipublic use. The patent document indicates that the site can be developed with a variety of office, residential, recreational and commercial uses that are beneficial to the community and the college. This type of zoning designation is not prevalent so users who need land for these kind of uses often use residential or commercial land.

Sales One, Three and Seven are zoned for residential development which when compared with Sales Two, Four, Six and Eight did not result in a lower price/acre. In fact, just over 11 acres of Sale

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Seven is zoned PS, but the site will be used for residential development. Sales Two, Four, Six and Eight have similar zoning as it relates to development potential. For instance, Sale Four is zoned PC, but has a deed restriction for private school use and Sale Two was purchased for development of a charter school. Sale Eight is a mixed use site that will contain community service projects such as a hospital and affordable senior housing, assisted living and medical office.

Sale Five is zoned for industrial use, which although in demand has a lower range end user value with lower range land values in comparison to commercial or residential zoned sites. Based in part on a comparison with Sale Four, I will adjust Sale Five upward 20 percent for zoning.

Off-Sites and Utilities: The subject has utilities in the northern portion and an improved roadway on the northern border, but is otherwise vacant land with no utilities or improved roads. The vertical improvements on a portion of the site are not being considered in this analysis of the site as if vacant. The comparable sales are vacant sites. This is a function of location which has already been considered for Sales Two and Six. No adjustments will be made for this factor.

Size: The parcels range in size from 5.00 to 150 acres. The entire subject parcel contains approximately 503 acres (net of Paradise Hills Drive but including the railroad easement area). The proposed easement area (subject of this appraisal) contains approximately 28 acres. Below, the sales have been ranked according to size, from smaller to larger, after adjustment for the various influences previously discussed.

Size Comparison

Sale	Size (Acre)	Price (Acre)
2	5.00	\$111,896
1	9.11	\$122,942
3	9.75	\$123,077
5	13.38	\$123,318
4	14.14	\$130,127
6	21.87	\$124,680
Subject Easement Area	28.00	
7	32.05	\$120,811
8	150.00	\$127,994
Larger Subject Parcel	503.42	

There is no definite trend indicated by this data set. The subject's larger parcel contains over 500 acres. No recent sales were found in this size range. I have researched the market in Las Vegas, with no time frame specified, and found 4 sales containing between 400 and 700 acres since 1998. These are summarized as follows:

1998 - 663 acres in the Summerlin area - zoned PC - \$47,500/acre

2000 - 488 acres in SE Henderson area - zoned IG with zone change intent to residential and PS - \$61,518/acre

2003 - 485 acres BLM Auction NW Providence area - zoned PD - \$234,021/acre

2004 - 482 acres BLM Auction Anthem Area - zoned Mixed use Residential and PS - \$137,898/acre

Other larger sites that have sold include outlying areas such as Moapa and Apex and are not similar in location, utility or development potential. As it relates to the subject, this will be considered qualitatively in the value conclusion.

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Comparison and Adjustment Grid - 1				
Element	Sale 1	Sale 2	Sale 3	Sale 4
Size/Acres	9.11	5.00	9.75	14.14
Sale Price/Acre	\$153,677	\$172,148	\$123,077	\$162,659
Property Rights	-0-	-0-	-0-	-0-
Financing	-0-	-0-	-0-	-0-
Conditions of Sale	-0-	-0-	-0-	-0-
Capital Expenditures	-0-	-0-	-0-	-0-
Market Conditions (time)	-0-	-0-	-0-	-0-
Adjusted Price/Acre	\$153,677	\$172,148	\$123,077	\$162,659
Location	similar	-15%	similar	similar
Zoning	similar	similar	similar	similar
Shape/Topography	-20%	-20%	similar	-20%
Site Improvements	similar	similar	similar	similar
Size	smaller	smaller	smaller	smaller
Net Adjustment	-20%	-35%	-0-	-20%
Adjusted Price/Acre	\$122,942	\$111,896	\$123,077	\$130,127

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Comparison and Adjustment Grid - 2				
Element	Sale 5	Sale 6	Sale 7	Sale 8
Size/Acres	13.38	21.87	32.05	150.00
Sale Price/Acre	\$123,318	\$191,815	\$68,643	\$91,424
Property Rights	-0-	-0-	-0-	-0-
Financing	-0-	-0-	-0-	-0-
Conditions of Sale	-0-	-0-	-0-	-0-
Capital Expenditures	-0-	-0-	-0-	-0-
Market Conditions (time)	-0-	-0-	+10%	+75%
Adjusted Price/Acre	\$123,318	\$191,815	\$75,507	\$159,992
Location	similar	-15%	similar	similar
Zoning	+20%	similar	similar	similar
Shape/Topography	-20%	-20%	+60%	-20%
Site Improvements	similar	similar	similar	similar
Size	smaller	similar	similar	similar
Net Adjustment	-0-	-35%	+60%	-20%
Adjusted Price/Acre	\$123,318	\$124,680	\$120,811	\$127,994

Land Value Conclusion: Eight comparable land sales have been presented and analyzed in order to estimate the value of the subject site. After adjustments, the sales indicate a range of \$111,896 to \$130,127/acre.

I have also researched listings for parcels larger than 100 acres and found none comparable to the subject. The only listings found were large industrial sites, generally outside of the city limits or one listing for 234 acres of remote land in the Mount Potosi area. A site with 110 acres, near the airport, is listed for sale but with no asking price. I also researched sales for sites between 20 and 100 acres. Again, most were larger industrial sites and/or remote vacant sites outside of the Las Vegas Valley. Three listings were found in the Henderson area in the 20 to 30 acre range with asking prices in the \$179K to \$320K/acre range.

Significant emphasis is placed on Sale Eight as the largest sale and Sale Three as requiring no adjustments. Sale Four was purchased for construction of a private school with a deed restriction

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for this use. When considering the historical supplemental sales of larger sites (summarized in the size discussion) a value of \$125,000/acre is reasonable for the larger parcel area (the whole).

The utility easement area is a long strip of land, approximately 200 feet in width and a linear distance of 6,000 feet. This acquisition area is along the southern border of the parcel in an area that is vacant land and designated for future phases of the college campus.

Although the 200 foot depth could support some building area, the long narrow strip of land, even at this depth, would not be a desirable economic unit on its own. The need for set backs and driveways and parking around buildings would generally require a site with more depth than this. At best, this type of site could be built with a row-like group of structures which is generally not how a 28 acre site is developed. Therefore, the easement site is most reasonably valued as a pro rata portion of the land value opinion of the whole property. The easement area is smaller in size than the entire parcel, but it is also located in the back of the site, farther removed from existing roads and infrastructure.

This easement area would be used for a power line (details not yet available on height or voltage). It is assumed that the easement agreement will allow for the tenant to have access to underground and above ground facilities for the maintenance and monitoring of the proposed power poles and lines. Although the agreement has not yet been drafted, the client reports that no permanent improvements can be developed within the easement area. The easement area will reportedly allow for a landscape buffer area, parking and driveway routes.

However, once in place, the aerial voltage lines and poles, as well as the proposed long term lease, will in essence 'lock' the use and utility of the easement area to the proposed use as a power line. Therefore, this proposed easement area is in essence a permanent take of most of the land owner's ability to utilize this land area in perpetuity. Therefore the permanent easement is projected to acquire most of the base land value as estimated.

Published in the Federal Register, 43 CFR Parts 2800, 2880 and 2920 which discusses a Final Rule update of the linear Right-of-Way Schedule, is a discussion of 'Encumbrance Factor', a term used by the federal government to describe the diminution of value to property by the placement of roads, energy related pipelines, telephone and electrical transmission lines. The established encumbrance factor for roads and energy related uses was 80 percent and for telephone and electrical transmission

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lines was 70 percent. The new updated schedule establishes a 50 percent encumbrance factor. The encumbrance factor is a measure of the degree that a particular type of facility encumbers the right-of-way/easement area or excludes other types of uses. For transmission lines of 138kV or greater, a 100 percent encumbrance factor is warranted. In essence, the federal government after extensive research has concluded that the construction of high voltage transmission lines reduce the 'use' of the affected tract by at least 50 percent. It should be noted that most of the federal land the Bureau of Land Management oversees is in areas removed from urban land. The inference here is that in areas that are urban, it would be logical that the encumbrance factor would be at the upper end of the scale.

In conclusion, it is my opinion that the proposed easement area will not allow the property owner any use other than landscaping, parking and vehicular access. Therefore, this easement acquisition is projected to acquire 80 percent of the base land value of \$125,000/acre. This equates to \$100,000 per acre (\$125,000 per acre x 0.80). This land value should be used in order to provide the opinion of the value of the easement area.

The following calculation is for the opinion of the Market Value/Just Compensation of the 28 Acre Utility Easement Area:

$$28 \text{ acres} \times \$100,000 \text{ Per Acre} = \$2,800,000^*$$

**The value conclusion in this report is based on the assumption that the size and location of the easement will be as reported and that the terms of the lease as reported are accurate. In addition, based on the references in the patent document, it is assumed that the proposed lease for a utility easement meets the requirements of the patent conditions. Lastly, because there appears to be an area where the proposed utility line/easement meets the existing railroad easement, it is assumed that this is allowed and that the line can be constructed over the railroad easement area. The use of these assumptions may have had an affect on the value conclusion.*

Consideration for Special Benefits:

The remainder of the site (the site as a whole) will not receive any special benefits due to the presence of the power line easement and the power lines/poles erected on the site. The power lines are not for the sole use or benefit of the existing or future proposed buildings on the site. Although the easement area is proposed to be leased, which will generate income, the scope of this assignment is not to estimate a value of the leased fee interest, but rather a fee simple value for the easement area.

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Therefore, there are no special benefits for the easement that would alter the above concluded market value/just compensation.

Consideration for Damages:

The remainder of the subject property is a very large parcel that is not significantly different from the parcel in the before easement condition, other than the loss of site area for building construction. The location of the easement is in the far southern border, running parallel to existing power lines just south of the subject parcel. It does not alter the developable shape other than shaving off a strip of land area running along the southern border. Further, the additional lines do not change the already affected aesthetical view south toward the mountains.

The lines will not currently block access to the site from improved roads and given the location, will not block access to the site from alternate points south in the future. Since the easement will occupy the back edge of the larger proposed campus, the power lines will not affect north bound views toward the city.

This portion of the site would reasonably be utilized later in the development of the campus, which could be 10, 20 or 30 years in the future. Further the negative perception of power lines or potential safety issues are less of an issue in the case of the subject based on the proposed use in this area for medical research and education buildings. The student housing portion of the campus is not designated for this area. It is assumed that any buildings constructed in the vicinity of the southern border would be compatible with power line easement.

Therefore, there are no damages to the remainder that would require an additional consideration for just compensation in the fee simple market value conclusion of the easement area.

ASSUMPTIONS AND LIMITING CONDITIONS

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

1. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report.
2. The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.
3. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
4. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
5. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.
9. It is assumed that all required licenses, certificates of occupancy consents, or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.
10. 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.

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11. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
12. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the **possibility** of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment.
13. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report.
14. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.
15. Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
16. Proposed improvements are assumed to be completed in a good workmanlike manner in accordance with the submitted plans and specifications.

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

1. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
2. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.
3. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media without prior written consent and approval of the appraiser.

QUALIFICATIONS

Petra E. Latch, MAI is the owner of Criterion Group. She has been in the commercial real estate appraisal field since 1999. The function of the company is to produce appraisals of commercial and industrial real estate.

Ms. Latch's experience is in the appraisal of commercial, industrial, and investment grade properties to determine the Market Value for financing, possible sale or purchase, allocation of purchase price, ad valorem purposes, and internal planning purposes. Typical properties have included vacant land, regional malls, strip and neighborhood shopping centers, garden-style and major office projects, light and heavy industrial facilities, hotels, apartment projects, subdivision, mixed used developments, and research/development projects.

Education

University of St. Francis, Joliet, Illinois
Bachelor of Science, 1999

University of Nevada Las Vegas
Associates Degree, 1986

Appraisal and special education courses (summary – not inclusive of all education)

Appraisal Principles and Procedures
Standards of Professional Practice - Part A and B
Basic and Advanced Income Capitalization
General and Advanced Applications
Valuation Analysis and Report Writing
Market Analysis and Highest and Best Use
Advanced Sales Comparison and Cost Approaches
Report Writing and Valuation Analysis
Nevada State Law
Fundamentals of Separating Real, Personal Property, and Intangible Assets
Analyzing Distressed Real Estate
Appraising Convenience Stores
Appraising Small Hotel Properties

Professional Affiliations

State of Nevada Certified General Appraiser - #A.0004239-CG
MAI Designation, Appraisal Institute - Certificate - #12438
Adviser in Appraisal Institute Candidate Adviser Program
Past Vice President, Las Vegas Chapter of Appraisal Institute
Past President, Las Vegas Chapter of Appraisal Institute
Instructor RE-333, Real Estate Valuation, UNLV Lee Business School
Member of Commercial Alliance of Las Vegas

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Client List**Financial Institutions**

1st Commerce Bank	Borrego Springs Bank	Plaza Bank
1 st National Bank of Nevada	City National Bank	RBC Builders Finance
1 st Savings Bank	Clearing House CDFI	Red Rock Community Bank
1 st Security Bank	Comerica Bank	Royal Business Bank
American Sterling Bank	Consolidated Mortgage	Service 1 st Bank of Nevada
Alliance Bank of AZ	Credit Suisse Bank	TD Bank
Mutual of Omaha	Desert Community Bank	Torrey Pines Bank
Bank of America	Deutsche Bank	Town and Country Bank
Bank of Las Vegas	First Asian Bank	US Bank
Bank of Nevada	G E Capital Corporation	Wachovia Corporation
Bank of George	Great Western Bank	Wells Fargo Bank
Bank of the West	Housing Capital Bank	Zions Bank
Branch Banking and Trust Co	Key Bank	
Bonneville Capital	Meadows Bank	
	Nevada State Bank	

Legal/Attorneys

Ballard Spahr	Holland & Hart	McDonald Carano
Curran & Parry	Jones Day	Ray, Quinney & Nebeker
Good, Wildman, Hegness & Walley	Lewis & Roca	Shey Carlyon
	Lionel Sawyer Collins	Snell & Wilner

Portfolio/Commercial

Advanced Valuation Systems	Paradise Development Co.	Star Nursery
Decatur Shopping Center Assoc	Peccole Nevada	Tate, Snyder, Kimsey Architects
Findlay Management Group	RDS Inc. of Nevada	Triple 5
Malek Building Materials	Realty Holdings Group	Wal-Mart, Inc.
Mission Industries	Rhodes Homes	
	Siegel Properties	

Government / Civic

American Legion	Las Vegas Valley Water District	Thrivent Financial for Lutherans
Bureau of Land Management	Nevada Cancer Institute	Small Business Administration
City of Henderson	Nevada Department of Transportation	VA Government
Fannie Mae	Nevada State AFL-CIO	University California, San Diego
FDIC	Roseman University	University Nevada, Las Vegas
Laborers Union, Local 872		

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Recent Projects: (Details available upon request)**Office: (existing and proposed)**

- Small and large single tenant office buildings – owner occupied and tenant occupied
- Multi-tenant office buildings – single and multi-story
- Multi building office parks – single and multi-story
- Medical offices
- Surgery centers
- Dental offices
- Veterinarian offices
- Assisted living facilities
- Leased Fee and Fee Simple - local and national tenants

Retail: (existing and proposed)

- Fast food restaurant buildings – fee simple, leased fee and ground leases
- Retail pad buildings – banks, single tenant, multi-tenant
- Convenience store/gas stations and Carwash facilities - real estate only and going concern
- Small and large single tenant retail buildings – owner occupied and tenant occupied
- Anchored and un-anchored multi-tenant retail strip buildings
- Anchored and un-anchored multi-tenant retail centers with inline and pad buildings
- Big Box national tenant buildings
- Mixed use Retail, Office and Multi Family Residential projects

Industrial: (existing and proposed)

- Small and Large single tenant office/warehouse building - owner occupied and tenant occupied
- Multi-tenant office/warehouse flex buildings
- Distribution centers
- Manufacturing buildings
- Lumber yards
- Research and Development buildings
- Auto Collision
- Build to Suit Specialty

Residential: (existing and proposed)

- Vacant land proposed to be developed with single family lots, models and homes
- Partially completed single family lots
- Finished vacant lots
- Partially completed homes
- Floor plan valuation – new and resale, for sale and lease
- Apartment Complexes (existing and proposed)
- Broken condominium projects – completed, renovated, and partially completed
- Condominium conversion projects
- Age Restricted communities
- Mobile home parks

Mixed Use: (existing and proposed)

- Mixed office and retail projects – SW – 7 multi story office buildings and 2 retail buildings
- Downtown residential hotel with retail component
- Convenience Store, Gas Station, Pad Buildings, Strip Retail Buildings, Private School – NLV
- Mid rise luxury condominiums with office and retail space – LV

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Day Care Centers: (existing and proposed)

Real estate only and going concern
Fee Simple and Leased Fee

Private Schools: (existing and proposed)

Fee Simple and Leased Fee

Auto Service (existing and proposed)

Fee Simple and Leased Fee

Equestrian center

Pet boarding, grooming, retail and training center

Sport center

Hotels/Motels (existing and proposed)

Short Term Stay
Tourist/Business
Redevelopment properties

Restaurant/Taverns: (existing and proposed)

Fast Food
Gaming
Night Clubs
Fee Simple and Leased Fee
Real Estate Only and Going Concern

Auto Dealerships: (existing and proposed)

Former auto dealerships converted to other uses

Houses of Worship: (existing and proposed)

Vacant Land:

Retail	Gaming
Pad site - finished and vacant	Mixed use
Industrial	Ground leases
Single Family	Public uses
Multi Family	Excess and surplus land

ADDENDA

ENGAGEMENT INFORMATION

DATE OF AGREEMENT: 23/December/2015

PARTIES TO AGREEMENT:

Client:

Kevin Butler, VP For Finance and Business Operations

On Behalf of:

Board of Regents for the Nevada System of Higher Education

On Behalf of

Nevada State College

Rogers Student Center #372

1125 Nevada State Drive

Henderson, Nevada 89002

Phone: 702-992-2312

Fax: 702-992-2351

Mobile: 520-255-4240

E-mail: kevin.butler@nsc.edu

Appraiser:

Petra Latch, MAI

Criterion Group

3265 North Fort Apache Road, Ste 160

Las Vegas, Nevada 89129

Phone: 702-386-1886

Fax: 702-386-0163

E-mail: petra@cgrouplv.com

Client hereby engages Appraiser to complete an appraisal assignment as follows:

PROPERTY IDENTIFICATION

A Portion of APN 189-03-110-002

South Side of Paradise Hills Drive and Southwest of US Highway 95

A parcel with a total site area of approximately 503 gross acres total

Identified as the Nevada State College Campus

1081 East Paradise Hills Drive

Henderson, Nevada 89002

PROPERTY TYPE

An Approximate 28 acre portion of the larger parcel

Intended for use as a power line easement

Generally located along the southern boundary of the property

INTEREST VALUED

Proposed for ground lease but this valuation is for the Fee Simple Market Value

CLIENT/ INTENDED USERS

The client and intended user of this report is Kevin Butler on behalf of the Board of Regents for the Nevada System of Higher Education on Behalf of Nevada State College.

Note: No other users are intended by the Appraiser. I have considered the intended users when determining the level of detail to be provided in the Appraisal Report.

INTENDED USE

To determine a Market Value as a matter of record in conjunction with a proposed long term ground lease of the site to an unrelated third party. .

Note: No other use is intended by the Appraiser. The intended use as stated shall be used by the Appraiser in determining the appropriate Scope of Work for the assignment.

TYPE OF VALUE

Market value As Is as defined by the appraisal requirements pursuant to FIRREA

DATE OF VALUE

As of the date of inspection

ADDITIONAL PROPERTY TO BE VALUED

None

HYPOTHETICAL CONDITIONS, EXTRAORDINARY ASSUMPTIONS

None anticipated. Potential assumption about zoning

APPLICABLE REQUIREMENTS OTHER THAN THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP)

The Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute

ANTICIPATED SCOPE OF WORK**Site/Property visit:**

On site visit with views toward the site from various vantage points. Given the size, topography and lack of improved roadways, degree to which the site can be toured will be determined at the time of visit. Reliance on aerial pictures and exhibits are probable.

Valuation approaches:

Sales Comparison approach

Note: Appraiser shall use all approaches necessary to develop a credible opinion of value.

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APPRAISAL REPORT

Report option and format:

Restricted Narrative report compliant with USPAP. Cannot be used for lending by a federally regulated lending institution and/or any other intended use or intended user.

CONTACT FOR PROPERTY ACCESS, IF APPLICABLE

Kevin Butler – Office: 702-992-2312, Mobile: 520-255-4240

PROPOSED IMPROVEMENTS

N/A as part of this assignment; is proposed for a power line with easement

PROPERTIES UNDER CONTRACT FOR SALE

No pending purchase agreement; lease not yet been negotiated

ADDITIONAL DOCUMENTATION

A Title report if available

Soil or environmental reports if available

Any other relevant documents that the property owner may know of that would be relevant for consideration as it relates to value.

DELIVERY DATE

January 11, 2016

DELIVERY METHOD

Email PDF

NUMBER OF COPIES: One PDF email copy – client to determine if hard copies are needed

PAYMENT TO APPRAISER

Does not include follow up consultation, report reviews, depositions, or court appearances – please see addenda pages with pricing following the engagement contract

INVOICE DUE DATE

Appraiser shall invoice Client for services rendered pursuant to this Agreement based upon the fees specified in this Agreement. Appraiser's invoices are considered due upon receipt by Client and shall be deemed delinquent if not paid within 30 days of the date of Appraiser's invoice.

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WHEN APPRAISER'S OBLIGATIONS ARE COMPLETE

Appraiser's obligations pursuant to this Agreement are complete when the Appraisal Report in the form specified in this Agreement is delivered to Client pursuant to this Agreement. Appraiser agrees to be responsive to Client's legitimate inquiries regarding the contents of the report after delivery.

CONFIDENTIALITY

Appraiser shall not provide a copy of the written Appraisal Report to, or disclose the results of the appraisal prepared in accordance with this Agreement to, any party other than Client, unless Client authorizes, except as stipulated in the Confidentiality Section of the Ethics Rule of the Uniform Standards of Professional Appraisal Practice (USPAP).

USE OF EMPLOYEES OR INDEPENDENT CONTRACTORS

Appraiser may use employees or independent contractors at Appraiser's discretion to complete the assignment, unless otherwise agreed by the parties. Notwithstanding, Appraiser shall sign the written Appraisal Report and take full responsibility for the services provided as a result of this Agreement.

SERVICES NOT PROVIDED

The fees set forth in this Agreement apply to the appraisal services rendered by Appraiser as set forth in this Agreement. Unless otherwise specified herein, Appraiser's services for which the fees in this Agreement apply shall not include meetings with persons other than Client or Client's agents or professional advisors; Appraiser's deposition(s) or testimony before judicial, arbitration or administrative tribunals; or any preparation associated with such depositions or testimony. Any additional services performed by Appraiser not set forth in this Agreement will be performed on terms and conditions set forth in an amendment to this Agreement, or in a separate agreement.

TESTIMONY AT COURT OR OTHER PROCEEDINGS

Unless otherwise stated in this Agreement, Client agrees that Appraiser's assignment pursuant to this Agreement shall not include Appraiser's participation in or preparation for, whether voluntarily or pursuant to subpoena, any oral or written discovery; sworn testimony in a judicial, arbitration or administrative proceeding; or attendance at any judicial, arbitration or administrative proceeding relating to this assignment.

CHANGES TO AGREEMENT

Any changes to the assignment as outlined in this Agreement shall necessitate a new Agreement. The identity of the Client, intended users, or intended use; the date of value; type of value; or property appraised cannot be changed without a new Agreement.

CANCELLATION

Client may cancel this Agreement at any time prior to Appraiser's delivery of the Appraisal Report upon written notification to Appraiser. Client shall pay Appraiser for work completed on assignment prior to Appraiser's receipt of written cancellation notice, unless otherwise agreed upon by Appraiser and Client in writing.

GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by the law of the state in which Appraiser's office as specified in this Agreement is located, exclusive of that state's choice of law rules. The parties agree that any legal proceeding brought by either party to interpret or enforce this Agreement, or to enforce an arbitration award entered pursuant to this Agreement, shall be brought in a state or federal court having jurisdiction over the location of Appraiser's office as specified in this Agreement, and the parties hereby waive any objections to the personal jurisdiction of said court.

APPRAISER INDEPENDENCE

Appraiser cannot agree to provide a value opinion that is contingent on a predetermined amount. Appraiser cannot guarantee the outcome of the assignment in advance. Appraiser cannot ensure that the opinion of value developed as a result of this Assignment will serve to facilitate any specific objective of Client or others or advance any particular cause. Appraiser's opinion of value will be developed competently and with independence, impartiality and objectivity.

NOTICES

Any notice or request required or permitted to be given to any party shall be given in writing and shall be delivered to the receiving party by: a) registered or certified mail, postage prepaid; (b) overnight courier, such as Federal Express, United Parcel Service or equivalent; or (c) hand delivery. The address for delivery of any notice shall be the address for the party as specified in this Agreement, or at such other address as party may designate by written notice to the other party in conformance with this paragraph. Unless otherwise specified herein, notice shall be effective the date it is postmarked or given to a third party for delivery to the receiving party, whether or not the receiving party signs for or accepts delivery of such notice.

NO THIRD-PARTY BENEFICIARIES

Nothing in this Agreement shall create a contractual relationship between Appraiser or Client and any third party, or any cause of action in favor of any third party. This Agreement shall not be construed to render any person or entity a third party beneficiary of this Agreement, including, but not limited to, any third parties identified herein.

SPECIAL OR CONSEQUENTIAL DAMAGES

Neither party shall under any circumstances be liable to the other party for special, exemplary, punitive or consequential damages, including, without limitation, loss of profits or damages proximately caused by loss of use of any property, whether arising from either party's negligence, breach of the Agreement or otherwise, whether or not a party was advised, or knew, of the possibility of such damages, or such possibility was foreseeable by that party. In no event shall Appraiser be liable to Client for any amounts that exceed the fees and costs paid by Client to Appraiser pursuant to this Agreement.

ASSIGNMENT

Neither party may assign this Agreement to a third party without the express written consent of the other party, which the non-assigning party may withhold in its sole discretion. In the event this Agreement is assigned by mutual consent of the parties, it shall become binding on the assigning party's permitted assigns.

SEVERABILITY

In the event any provision of this Agreement shall be determined to be void or unenforceable by any court of competent jurisdiction, then such determination shall not affect any other provision of this Agreement and all such other provisions shall remain in full force and effect.

CLIENT'S DUTY TO INDEMNIFY APPRAISER

To the extent limited in accordance with NRS 41.0305 to NRS 41.039, client agrees to defend, indemnify and hold harmless Appraiser from any damages, losses or expenses, including attorneys' fees and litigation expenses at trial or on appeal, arising from allegations asserted against Appraiser by any third party that if proven to be true would constitute a breach by Client of any of Client's obligations, representations or warranties made in this Agreement, or any violation by Client of any federal, state or local law, ordinance or regulation, or common law (a "Claim"). In the event of a Claim, Appraiser shall promptly notify Client of such Claim, and shall cooperate with Client in the defense or settlement of any Claim. Client shall have the right to select legal counsel to defend any Claim, provided that Appraiser shall have the right to engage independent counsel at Appraiser's expense to monitor the defense or settlement of any Claim. Client shall have the right to settle any Claim, provided that Appraiser shall have the right to approve any settlement that results in any modification of Appraiser's rights under this Agreement, which approval will not be unreasonably withheld, delayed or conditioned.

CLIENT'S REPRESENTATIONS AND WARRANTIES

Client represents and warrants to Appraiser that (1) Client has all right, power and authority to enter into this Agreement; (2) Client's duties and obligations under this Agreement do not conflict with any other duties or obligations assumed by Client under any agreement between Client and any other party; and (3) Client has not engaged Appraiser, nor will Client use Appraiser's Appraisal Report, for any purposes that violate any federal, state or local law, regulation or ordinance or common law.

EXTENT OF AGREEMENT

This Agreement represents the entire and integrated agreement between the Client and Appraiser and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both Client and Appraiser. This Agreement includes no current Appendices.

EXPIRATION OF AGREEMENT

This Agreement is valid only if signed by both Appraiser and Client within 2 days of the Date of Agreement specified.

By Appraiser:

Petra Latch
(Signature)

Petra Latch
(Printed name)

12-23-15
(date)

By Client:

Kevin Burton
(Signature)

Kevin Burton
(Printed name)

12/23/2015
(date)

Criterion Group

APPRAISERS CERTIFICATION

APPRAISER CERTIFICATE

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE

REAL ESTATE DIVISION

NOT TRANSFERABLE

This is to Certify That : PETRA E LATCH

Certificate Number: A.0004239-CG

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

Issue Date: July 8, 2014

Expire Date: June 30, 2016

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

FOR: CRITERION GROUP
5697 S JONES BLVD STE 140
LAS VEGAS, NV 89118

REAL ESTATE DIVISION

GAIL J ANDERSON
Administrator



Criterion Group

CLARK COUNTY ASSESSOR AND TREASURER DATA

GENERAL INFORMATION	
PARCEL NO.	189-03-110-002
OWNER AND MAILING ADDRESS	BOARD OF REGENTS NEVADA SYSTEM 2601 ENTERPRISE RD RENO NV 89512-1666
LOCATION ADDRESS CITY/UNINCORPORATED TOWN	1081 E PARADISE HILLS DR HENDERSON
ASSESSOR DESCRIPTION	NEVADA STATE COLLEGE PLAT BOOK 135 PAGE 84 PT LOT 1
RECORDED DOCUMENT NO.	* 20070830:01402
RECORDED DATE	Aug 30 2007
VESTING	NS
COMMENTS	SF 168-7

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

ASSESSMENT INFORMATION AND SUPPLEMENTAL VALUE	
TAX DISTRICT	505
APPRAISAL YEAR	2015
FISCAL YEAR	2016-17
SUPPLEMENTAL IMPROVEMENT VALUE	0
SUPPLEMENTAL IMPROVEMENT ACCOUNT NUMBER	N/A

REAL PROPERTY ASSESSED VALUE		
FISCAL YEAR	2015-16	2016-17
LAND	4184679	4184679
IMPROVEMENTS	0	0
PERSONAL PROPERTY	0	0
EXEMPT	4184679	4184679
GROSS ASSESSED (SUBTOTAL)	4184679	4184679
TAXABLE LAND+IMP (SUBTOTAL)	11956226	11956226
COMMON ELEMENT ALLOCATION ASSD	0	0
TOTAL ASSESSED VALUE	4184679	4184679
TOTAL TAXABLE VALUE	11956226	11956226

ESTIMATED LOT SIZE AND APPRAISAL INFORMATION	
ESTIMATED SIZE	503.42 Acres
ORIGINAL CONST. YEAR	0
LAST SALE PRICE MONTH/YEAR	0
LAND USE	000 - Vacant
DWELLING UNITS	0

PRIMARY RESIDENTIAL STRUCTURE

1ST FLOOR SQ. FT.	0	CASITA SQ. FT.	0	ADDN/CONV	
2ND FLOOR SQ. FT.	0	CARPORT SQ. FT.	0	POOL	NO
3RD FLOOR SQ. FT.	0	STYLE		SPA	NO
UNFINISHED BASEMENT SQ. FT.	0	BEDROOMS	0	TYPE OF CONSTRUCTION	
FINISHED BASEMENT SQ. FT.	0	BATHROOMS	0	ROOF TYPE	
BASEMENT GARAGE SQ. FT.	0	FIREPLACE	0		
TOTAL GARAGE SQ. FT.	0				

Michele W. Shafe, Assessor

PARCEL OWNERSHIP HISTORY

ASSESSOR DESCRIPTION
NEVADA STATE COLLEGE PLAT BOOK 135 PAGE 84 PT LOT 1

CURRENT PARCEL NO.	CURRENT OWNER	%	RECORDED DOCUMENT NO.	RECORDED DATE	VESTING	TAX DIST	EST SIZE	COMMENTS
189-03-110-002	BOARD OF REGENTS NEVADA SYSTEM	100	20070830:01402	8/30/2007	NS	505	503.42 AC	SF 168-7

PARCEL NO.	PRIOR OWNER(S)	%	RECORDED DOCUMENT NO.	RECORDED DATE	VESTING	TAX DIST	EST SIZE	COMMENTS
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Note: Only documents from September 15, 1999 through present are available for viewing.

NOTE: THIS RECORD IS FOR ASSESSMENT USE ONLY. NO LIABILITY IS ASSUMED AS TO THE ACCURACY OF THE DATA DELINEATED HEREON.

20070830-0001402

APN: Portion of 179-33-411-002

Fee: \$17.00 RPTT: EX#002
N/C Fee: \$0.00

WHEN RECORDED MAIL AND SEND TAX STATEMENTS TO:

Board of Regents
2601 Enterprise Road
Reno, NV 89512

5 - /

08/30/2007 09:54:38
T20070156220

Requestor:
HENDERSON CITY

Debbie Conway KGP
Clark County Recorder Pgs: 5

U:\HOME\MEB\WORD\Projects\COLLEGE\msc.gbs2.doc

For Recorder Use Only

GRANT, BARGAIN, SALE DEED

THIS INDENTURE WITNESSETH: That **CITY OF HENDERSON, Clark County, Nevada, a Municipal Corporation** for a valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby Grant, Bargain, Sell and Convey to **BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION** on behalf of the **NEVADA STATE COLLEGE**, all that real property situated in the City of Henderson, County of Clark, State of Nevada, bounded and described as follows:

**(SEE EXHIBIT "A" AND EXHIBIT "B" ATTACHED
HERETO AND BY REFERENCE MADE A PART HEREOF)**

SUBJECT TO:

1. Valid existing rights;
2. To all conditions and limitations as set forth in Section 704 of Public Law 107-282.
 - a. If the real property ceases to be used as set forth therein, the land shall revert to the City of Henderson for purposes of enforcing compliance with said law.
 - b. If the City of Henderson does not enforce compliance with the provisions of said law, the land shall, at the discretion of the Secretary, revert to the United States as set forth in Section 704(b)(4) of Public Law 107-282.

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining.

Witness me hand(s) this 30th day of August, 2007.


JAMES B. GIBSON, MAYOR

ATTEST:

MONICA M. SIMMONS, CMC,
CITY CLERK

APN: Portion of 179-33-411-002
Grant, Bargain, Sale Deed
Page 2

STATE OF NEVADA)
COUNTY OF CLARK)

This instrument was acknowledged before me on August 28, 2007 by JAMES B. GIBSON as MAYOR of the CITY OF HENDERSON.



Kimberly O. Carlson
Notary Public in and for said County and State.
My commission expires: July 7, 2009

STATE OF NEVADA)
COUNTY OF CLARK)

This instrument was acknowledged before me on August 28, 2007 by MONICA M. SIMMONS as CITY CLERK of the CITY OF HENDERSON.



Stacey Brownfield
Notary Public in and for said County and State.
My commission expires: 10-30-2010

Record of Survey recorded in Surveys, File 168, Page 07,
Clark County, Nevada Records

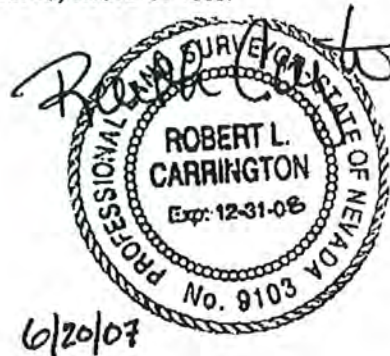
Exhibit "A"
Nevada State College

A portion of Lot 1 of the "Nevada State College Commercial Subdivision" recorded in Book 135 of Plats, Page 84, official records, Clark County, Nevada. Lying in the of Sections 3 and 4, Township 23 South, Range 63 East, M.D.M., City of Henderson, Clark County, Nevada, more particularly described as follows:

Beginning at the northwest corner of said Lot 1; Thence North 89°24'48" East, a distance of 659.35 feet; Thence North 89°25'52" East, a distance of 659.99 feet; Thence North 89°22'45" East, a distance of 660.51 feet; Thence North 89°24'34" East, a distance of 660.27 feet; Thence North 89°23'23" East, a distance of 882.89 feet to a point on a 1,050.00 foot radius curve, concave northeasterly, to which point a radial line bears South 17°08'33" West; Thence easterly along said curve to the left, an arc length of 325.34 feet through a central angle of 17°45'10"; Thence North 89°23'23" East, a distance of 117.90 feet; Thence North 89°23'50" East, a distance of 333.68 feet; Thence South 00°36'10" East, a distance of 350.00 feet; Thence North 89°23'03" East, a distance of 621.98 feet; Thence North 00°36'10" West, a distance of 350.00 feet; Thence North 89°22'11" East, a distance of 364.95 feet; Thence North 89°23'35" East, a distance of 660.67 feet; Thence North 89°22'34" East, a distance of 170.38 feet to the beginning of a 1,050.00 foot radius curve, concave northwesterly; Thence easterly along said curve to the left, an arc length of 325.33 feet, through a central angle of 17°45'10"; Thence North 89°22'34" East, a distance of 169.86 feet; Thence North 89°22'00" East, a distance of 661.03 feet; Thence North 89°22'02" East, a distance of 660.83 feet; Thence North 89°26'33" East, a distance of 660.92 feet; Thence North 89°21'28" East, a distance of 659.97 feet to the northeast corner of said Section 3; Thence South 00°30'08" East, a distance of 80.55 feet; Thence South 54°03'49" West, a distance of 4,957.67 feet; Thence South 69°03'45" West, a distance of 1,055.51 feet; Thence South 89°34'39" West, a distance of 250.81 feet; Thence South 89°22'01" West, a distance of 1,320.76 feet; Thence South 89°21'55" West, a distance of 1,320.76 feet; Thence South 89°21'52" West, a distance of 660.13 feet; Thence North 00°35'38" West, a distance of 666.16 feet; Thence North 00°34'52" West, a distance of 665.74 feet; Thence South 89°21'22" West, a distance of 660.04 feet; Thence North 00°34'14" West, a distance of 665.59 feet; Thence North 00°34'14" West, a distance of 1317.65 feet to the **Point of Beginning**.

The above-described area containing 503.772 acres, more or less.

Prepared by:
Robert L. Carrington, PLS
City of Henderson
240 Water Street
PO Box 95050
Henderson, Nevada
89009-5050
(702) 267-1300



U:\HOMESHDRPMSURVEY\LEGAL DESCRIPTIONS\Nevada State College\503.doc

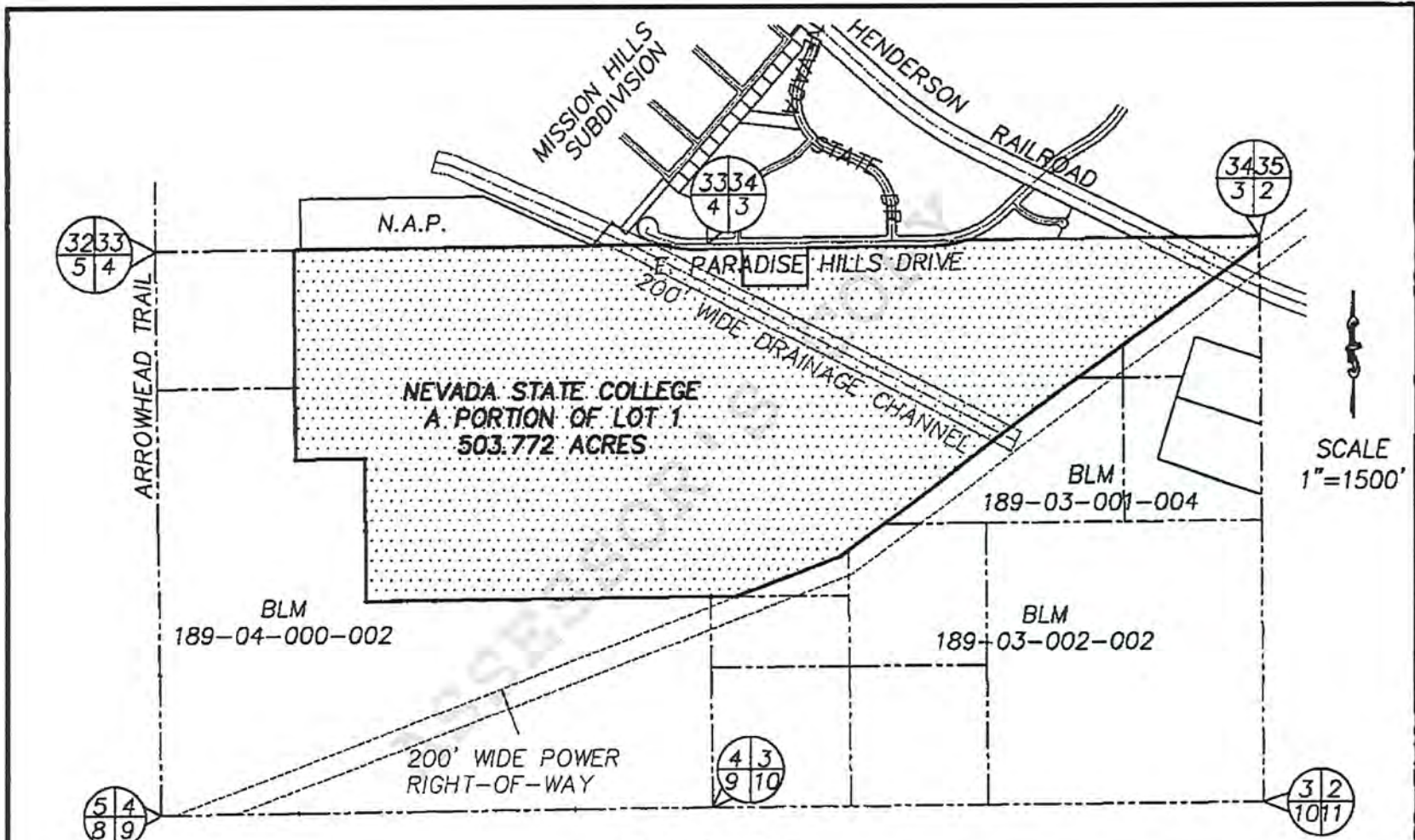


Exhibit "B"

CITY OF HENDERSON—SURVEY DIVISION
 240 WATER STREET
 HENDERSON, NV 89015
 702-267-1307

NEVADA STATE COLLEGE
 A PORTION OF LOT 1 OF BOOK 135 OF PLATS, PAGE 84,
 OFFICIAL RECORDS, CLARK COUNTY NEVADA
 PORTIONS OF SECTIONS 3 & 4, T23S, R63E, M.D.M.

**STATE OF NEVADA
DECLARATION OF VALUE FORM**

1. Assessor Parcel Number(s)
 a) Portion of 179-33-411-002
 b) _____
 c) _____
 d) _____

2. Type of Property:
 a) Vacant Land b) Single Fam. Res.
 c) Condo/Twnhse d) 2-4 Plex
 e) Apt. Bldg f) Comm'/Ind'l
 g) Agricultural h) Mobile Home
 Other _____

FOR RECORDER'S OPTIONAL USE ONLY	
Book: _____	Page: _____
Date of Recording: _____	
Notes: _____	

3. Total Value/Sales Price of Property \$ 0
 Deed in Lieu of Foreclosure Only (value of property) (_____)
 Transfer Tax Value: \$ 0
 Real Property Transfer Tax Due \$ 0

4. **If Exemption Claimed:**
 a. Transfer Tax Exemption per NRS 375.090, Section 2
 b. Explain Reason for Exemption: Transfer to Nevada System of Higher Education

5. Partial Interest: Percentage being transferred: _____ %
 The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month. Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature Mary E Baer Capacity Real Property Agent
 Signature _____ Capacity _____

SELLER (GRANTOR) INFORMATION (REQUIRED)
 Print Name: City of Henderson
 Address: PO Box 95050
 City: Henderson
 State: NV Zip: 89009-5050

BUYER (GRANTEE) INFORMATION (REQUIRED)
 Print Name: NV Sys. of Higher Education
 Address: 5550 W. Flamingo Rd C-1
 City: Las Vegas
 State: NV Zip: 89103

COMPANY/PERSON REQUESTING RECORDING (required if not seller or buyer)
 Print Name: _____ Escrow #: _____
 Address: _____
 City: _____ State: _____ Zip: _____

AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED

1402

Property Account Inquiry - Summary Screen

[New Search](#)
 [Recorder](#)
 [Treasurer](#)
 [Assessor](#)
 [Clark County Home](#)

Parcel ID	189-03-110-002	Tax Year	2016	District	505	Rate	2.8977
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Situs Address:	1081 PARADISE HILLS DR HENDERSON
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Legal Description:	ASSESSOR DESCRIPTION:NEVADA STATE COLLEGE PLAT BOOK 135 PAGE 84 PT LOT 1
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Status:	Property Characteristics	Property Values	Property Documents
Active	Tax Cap Increase Pct. 3.2	Land 4184679	2007083001402 8/30/2007
Taxable	Tax Cap Limit Amount 98859.82	Total Assessed Value 4184679	2007083001402 8/30/2007
Delinquent	Land Use 0-00 Vacant	Net Assessed Value 4184679	
	Exemption Percentage 100.00	Exemption Value New Construction 0	
	Cap Type OTHER	New Construction - Supp Value 0	
	Acreage 503.4200	Tax % Exemption Value 4184679	
	Exemption Amount 121259.44		
	Exemption Type I : Schools Exempt		
	Abatement used for tax calc only 22399.62		
	Supplemental Tax 0.00		

Role	Name	Address	Since	To
Owner	BOARD OF REGENTS NEVADA SYSTEM	2601 ENTERPRISE RD , RENO, NV 89512-1666 UNITED STATES	9/27/2014	Current

Summary	
Item	Amount
Taxes as Assessed	\$121,259.44
Less Cap Reduction	\$0.00
Net Taxes	\$121,259.44

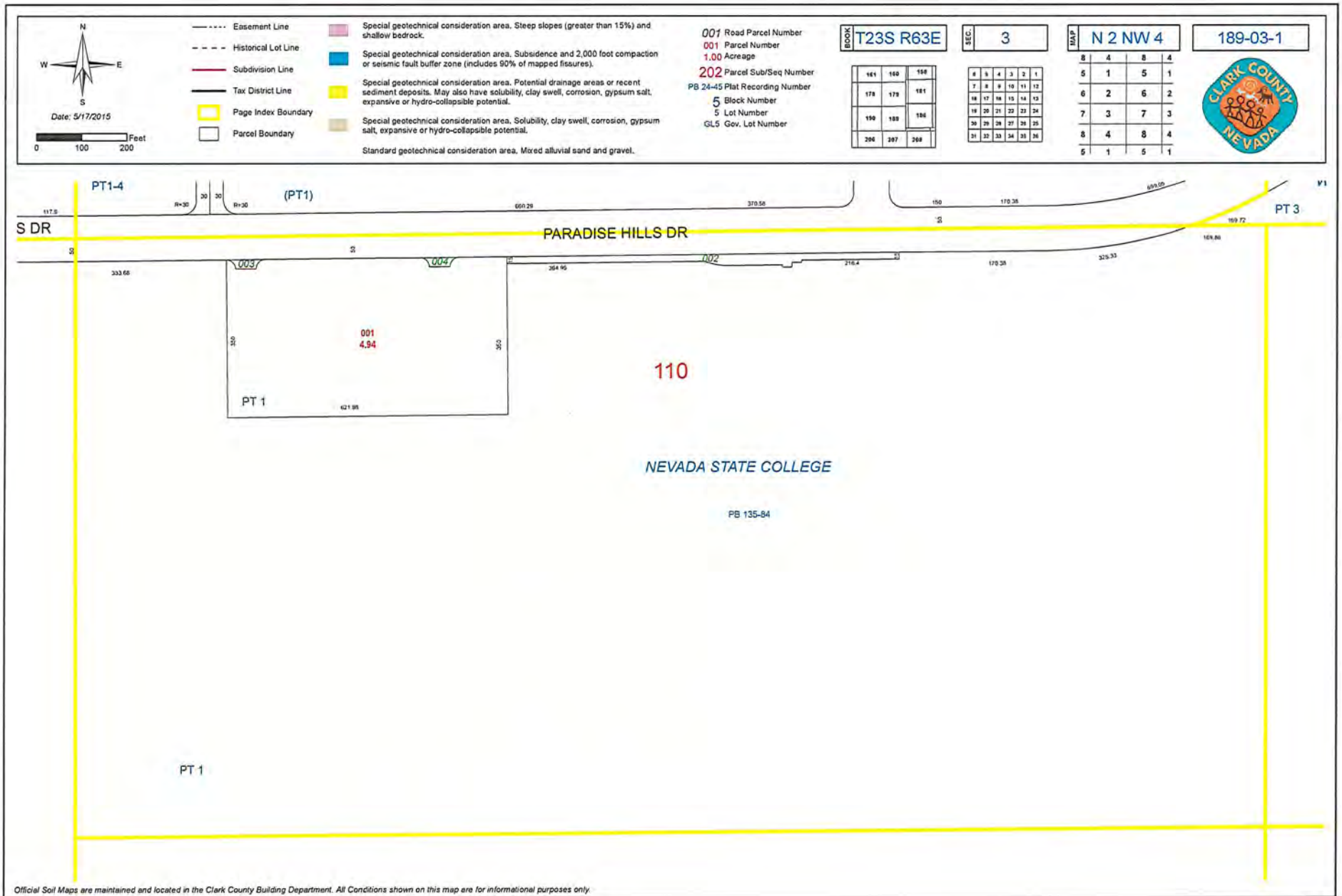
PAST AND CURRENT CHARGES DUE TODAY		
Tax Year	Charge Category	Amount Due Today
2016	Las Vegas Artesian Basin	\$74.70
2016	Property Tax Penalty	\$6.73
2015	Las Vegas Artesian Basin	\$56.63
2015	Property Tax Penalty	\$12.46
2015	Property Tax Interest	\$8.02
CURRENT AMOUNTS DUE as of 12/28/2015		\$158.54

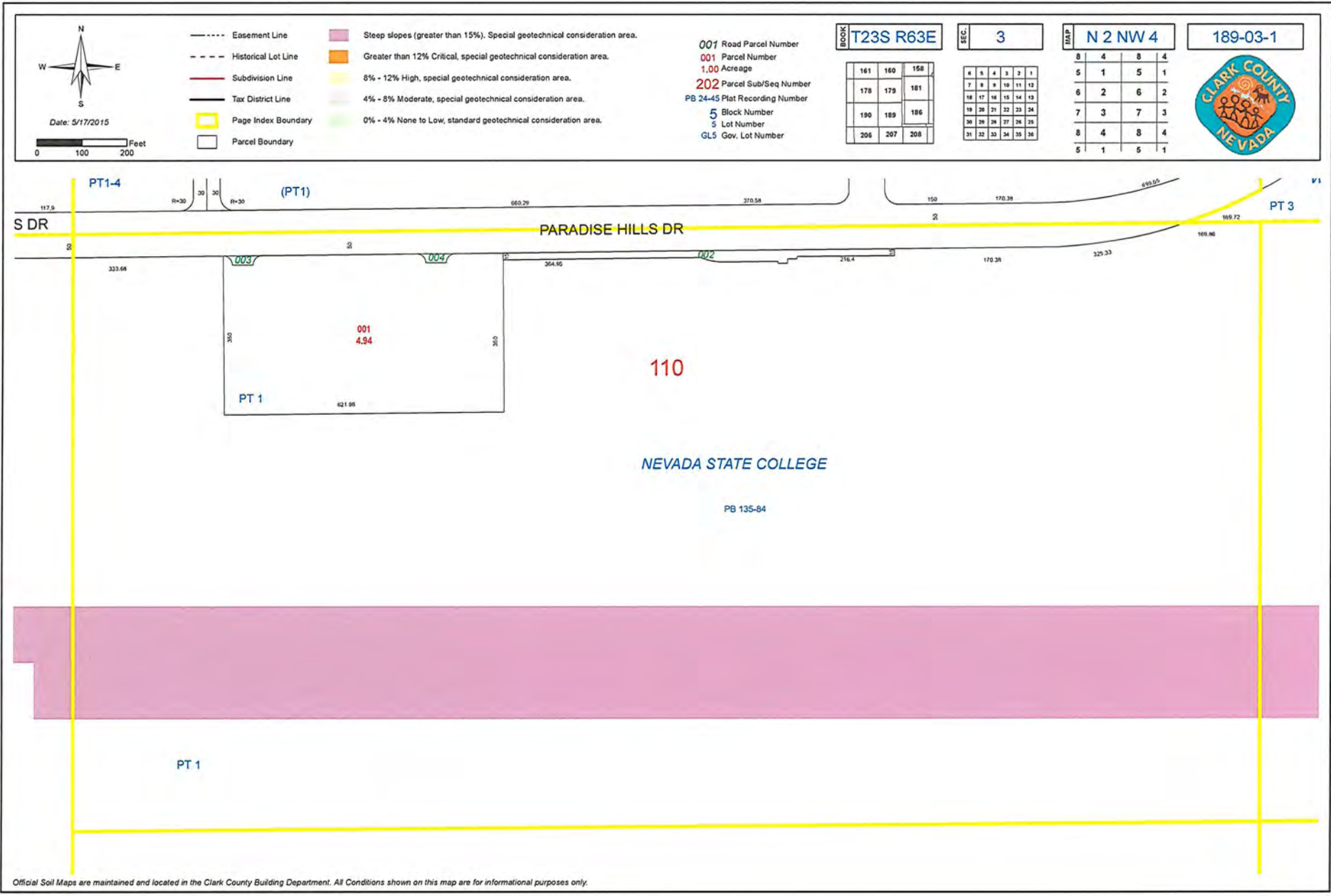
NEXT INSTALLMENT AMOUNTS		
Tax Year	Charge Category	Installment Amount Due
THERE IS NO NEXT INSTALLMENT AMOUNT DUE as of 12/28/2015		

TOTAL AMOUNTS DUE FOR ENTIRE TAX YEAR		
Tax Year	Charge Category	Remaining Balance Due

2016	Property Tax Principal	\$0.00
2016	Las Vegas Artesian Basin	\$74.70
2016	Property Tax Penalty	\$6.73
2015	Las Vegas Artesian Basin	\$56.63
2015	Property Tax Penalty	\$12.46
2015	Property Tax Interest	\$8.02
TAX YEAR TOTAL AMOUNTS DUE as of 12/28/2015		\$158.54

PAYMENT HISTORY	
Last Payment Amount	\$82.63
Last Payment Date	9/3/2013
Fiscal Tax Year Payments	\$0.00
Prior Calendar Year Payments	\$0.00
Current Calendar Year Payments	\$0.00





Official Soil Maps are maintained and located in the Clark County Building Department. All Conditions shown on this map are for informational purposes only.

PATENT DOCUMENT

Form 1860-9
(January 1988)

APN 189-03-001-001, 189-05-000-001

RP-014-03
cc accepted
9/2/03

The United States of America

To all to whom these presents shall come, Greeting:

Patent

N-77142

WHEREAS

City of Henderson, Nevada

is entitled to a land patent pursuant to Section 704 of the Clark County Conservation of Public Land and Natural Resources Act of 2002, Public Law 107-282, 116 Stat. 1994, *et seq.* for the following described land:

Mount Diablo Meridian, Nevada

T. 23 S., R. 63 E.,
sec. 3, lots 7, 9, 11, 12, 13, 14, 16, 20, 21;
sec. 4, lots 1, 2, 3, S $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$,
SE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$,
N $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$.

Containing 509.13 acres, more or less.

NOW KNOW YE, that there is, therefore, granted by the UNITED STATES OF AMERICA, unto the City of Henderson, Nevada, the land described above; TO HAVE AND TO HOLD the said land with all the rights, privileges, immunities, and appurtenances, of whatsoever nature, thereunto belonging, unto the City of Henderson, Nevada, its successors and assigns, forever; and

SUBJECT TO:

1. Valid existing rights;
2. Those rights for railroad purposes granted to San Pedro, Los Angeles, and Salt Lake Railroad, its successors or assigns, by rights-of-way No. CC-017399 and CC-017409, pursuant to the Act of March 3, 1875 (43 U.S.C. 934-939);
3. Those rights for communication site and access road purposes granted to Hispanic Broadcasting Corporation, its successors or assigns, by right-of-way No. N-42416, pursuant to the Act of October 21, 1976 (43 U.S.C. 1761);

Patent Number 27 - 2003 - 0099

4. Those rights for fiber optic line and regeneration facility purposes granted to AT&T, its successors or assigns, by right-of-way No. N-52050, pursuant to the Act of October 21, 1976 (43 U.S.C. 1761);
5. Those rights for fiber optic cable purposes granted to Central Telephone Company, its successors or assigns, by right-of-way No. N-52985, pursuant to the Act of October 21, 1976 (43 U.S.C. 1761);
6. Those rights for fiber optic line and regeneration site purposes granted to Electric Lightwave, Inc., its successors or assigns, by right-of-way No. N-58566, pursuant to the Act of October 21, 1976 (43 U.S.C. 1761); and
7. Those rights for power line purposes granted to the Bureau of Reclamation, its successors or assigns, by right-of-way No. Nev-001462, pursuant to the Act of December 5, 1924 (043 Stat. 0672).


If the Federal land or any portion of the Federal land conveyed under this patent ceases to be used for the College, the Federal land or any portion of the Federal land shall, at the discretion of the Secretary, revert to the United States.

By accepting this patent, the patentee, the City of Henderson, Nevada, agrees to use the Federal land conveyed for educational and recreational purposes consistent with the Act and to release and indemnify the United States from any claims or liabilities which may arise from uses that are carried out on the Federal land on or before the date of enactment of this Act by the United States or any person.

IN TESTIMONY WHEREOF, the undersigned authorized officer of the Bureau of Land Management, in accordance with the provisions of the Act of June 17, 1948 (62 Stat. 476), has, in the name of the United States, caused these letters to be made Patent, and the Seal of the Bureau to be hereunto affixed.

GIVEN under my hand, in RENO, NEVADA, the EIGHTH day of AUGUST in the year of our Lord TWO THOUSAND and THREE and of the Independence of the United States the two hundred and TWENTY-EIGHTH.

[SEAL]

By 
 Margaret L. Jensen
 Deputy State Director
 Natural Resources, Lands, and Planning

Patent Number 27 - 2003 - 0099

(B) VALID EXISTING RIGHTS.—The conveyance under paragraph (1) shall be subject to all valid existing rights.

(3) USE OF FEDERAL LAND.—

(A) IN GENERAL.—The College and the City may use the land conveyed under paragraph (1) for—

(i) any purpose relating to the establishment, operation, growth, and maintenance of the College; and

(ii) any uses relating to such purposes, including residential and commercial development that would generally be associated with an institution of higher education.

(B) OTHER ENTITIES.—The College and the City may—

(i) consistent with Federal and State law, lease or otherwise provide property or space at the College, with or without consideration, to religious, public interest, community, or other groups for services and events that are of interest to the College, the City, or any community located in the Las Vegas Valley;

(ii) allow the City or any other community in the Las Vegas Valley to use facilities of the College for educational and recreational programs of the City or community; and

(iii) in conjunction with the City, plan, finance, (including the provision of cost-share assistance), construct, and operate facilities for the City on the Federal land conveyed for educational or recreational purposes consistent with this section.

(4) REVERSION.—If the Federal land or any portion of the Federal land conveyed under paragraph (1) ceases to be used for the College, the Federal land or any portion of the Federal land shall, at the discretion of the Secretary, revert to the United States.

SEC. 705. CONVEYANCE TO THE CITY OF LAS VEGAS, NEVADA.

(a) DEFINITIONS.—In this section:

(1) CITY.—The term “City” means the city of Las Vegas, Nevada.

(2) SECRETARY.—The term “Secretary” means the Secretary of the Interior, acting through the Director of the Bureau of Land Management.

(b) CONVEYANCE.—The Secretary shall convey to the City, without consideration, all right, title, and interest of the United States in and to the parcels of land identified as “Tract C” and “Tract D” on the map.

(c) REVERSION.—If a parcel of land conveyed to the City under subsection (b) ceases to be used for affordable housing or for a purpose related to affordable housing, the parcel shall, at the discretion of the Secretary, revert to the United States.

SEC. 706. SALE OF FEDERAL PARCEL.

(a) IN GENERAL.—Notwithstanding sections 202 and 203 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712, 1713) and subject to valid existing rights, the Secretary shall convey as a single parcel to the highest qualified bidder all right, title, and interest of the United States in and to approximately 360 acres that is identified as the North Half (N½) of Section 7, Township 23 South, Range 61 East, M.D.B.&M., Clark County, Nevada and the Northeast Quarter (NE¼) of the Southeast

H.R.5200

Clark County Conservation of Public Land and Natural Resources Act of 2002 (Enrolled as Agreed to or Passed by Both House and Senate)

SEC. 704. CONVEYANCE TO THE CITY OF HENDERSON FOR THE NEVADA STATE COLLEGE AT HENDERSON.

(a) DEFINITIONS- In this section:

(1) CHANCELLOR- The term 'Chancellor' means the Chancellor of the University system.

(2) CITY- The term 'City' means the city of Henderson, Nevada.

(3) COLLEGE- The term 'College' means the Nevada State College at Henderson.

(4) SURVEY- The term 'survey' means the land survey required under Federal law to define the official metes and bounds of the parcel of Federal land identified as 'Tract H' on the map.

(5) UNIVERSITY SYSTEM- The term 'University system' means the University and Community College System of Nevada.

(b) CONVEYANCE-

(1) IN GENERAL- Notwithstanding the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) and section 1(c) of the Act of June 14, 1926 (commonly known as the 'Recreation and Public Purposes Act') (43 U.S.C. 869(c)), not later than 180 days after the date on which the survey is approved, the Secretary shall convey to the City, without consideration, all right, title, and interest of the United States in and to the parcel of Federal land identified as 'Tract H' on the map for use as a campus for the College.

(2) CONDITIONS-

(A) IN GENERAL- As a condition of the conveyance under paragraph (1), the Chancellor and the City shall agree in writing--

(i) to pay any administrative costs associated with the conveyance, including the costs of any environmental, wildlife, cultural, or historical resources studies;

(ii) to use the Federal land conveyed for educational and recreational purposes;

(iii) to release and indemnify the United States from any claims or liabilities which may arise from uses that are carried out on the Federal land on or before the date of enactment of this Act by the United States or any person;

(iv) as soon as practicable after the date of the conveyance under paragraph (1), to erect at the College an appropriate and centrally located monument that acknowledges the conveyance of the Federal land by the United States for the

purpose of furthering the higher education of citizens in the State; and

(v) to assist the Bureau of Land Management in providing information to the students of the College and the citizens of the State on--

(I) public land in the State; and

(II) the role of the Bureau of Land Management in managing, preserving, and protecting the public land.

(B) VALID EXISTING RIGHTS- The conveyance under paragraph (1) shall be subject to all valid existing rights.

(3) USE OF FEDERAL LAND-

(A) IN GENERAL- The College and the City may use the land conveyed under paragraph (1) for--

(i) any purpose relating to the establishment, operation, growth, and maintenance of the College; and

(ii) any uses relating to such purposes, including residential and commercial development that would generally be associated with an institution of higher education.

(B) OTHER ENTITIES- The College and the City may--

(i) consistent with Federal and State law, lease or otherwise provide property or space at the College, with or without consideration, to religious, public interest, community, or other groups for services and events that are of interest to the College, the City, or any community located in the Las Vegas Valley;

(ii) allow the City or any other community in the Las Vegas Valley to use facilities of the College for educational and recreational programs of the City or community; and

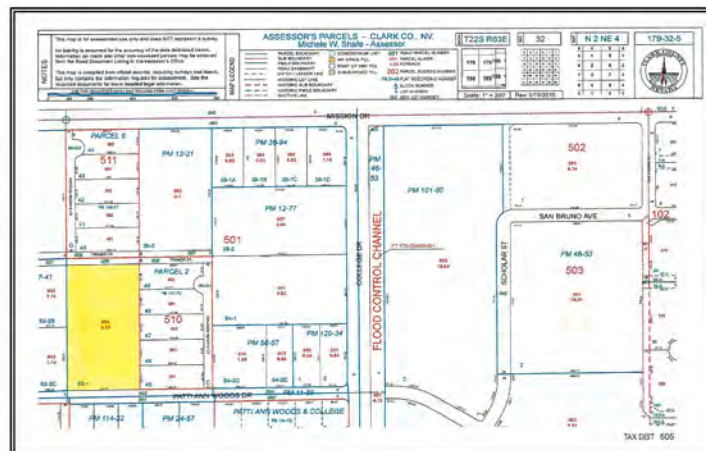
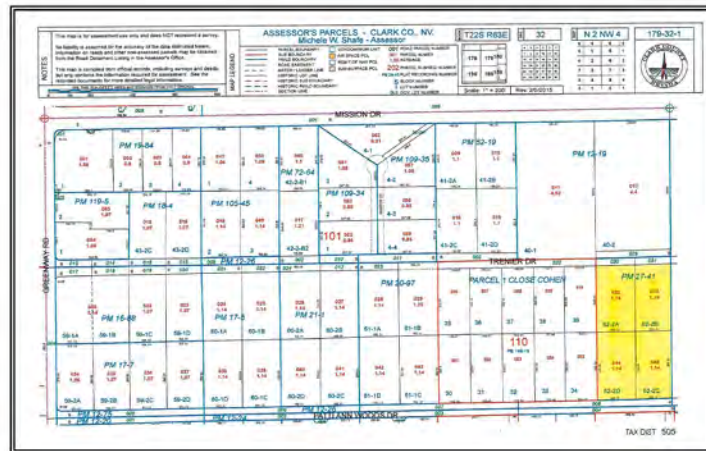
(iii) in conjunction with the City, plan, finance, (including the provision of cost-share assistance), construct, and operate facilities for the City on the Federal land conveyed for educational or recreational purposes consistent with this section.

(4) REVERSION- If the Federal land or any portion of the Federal land conveyed under paragraph (1) ceases to be used for the College, the Federal land or any portion of the Federal land shall, at the discretion of the Secretary, revert to the United States.

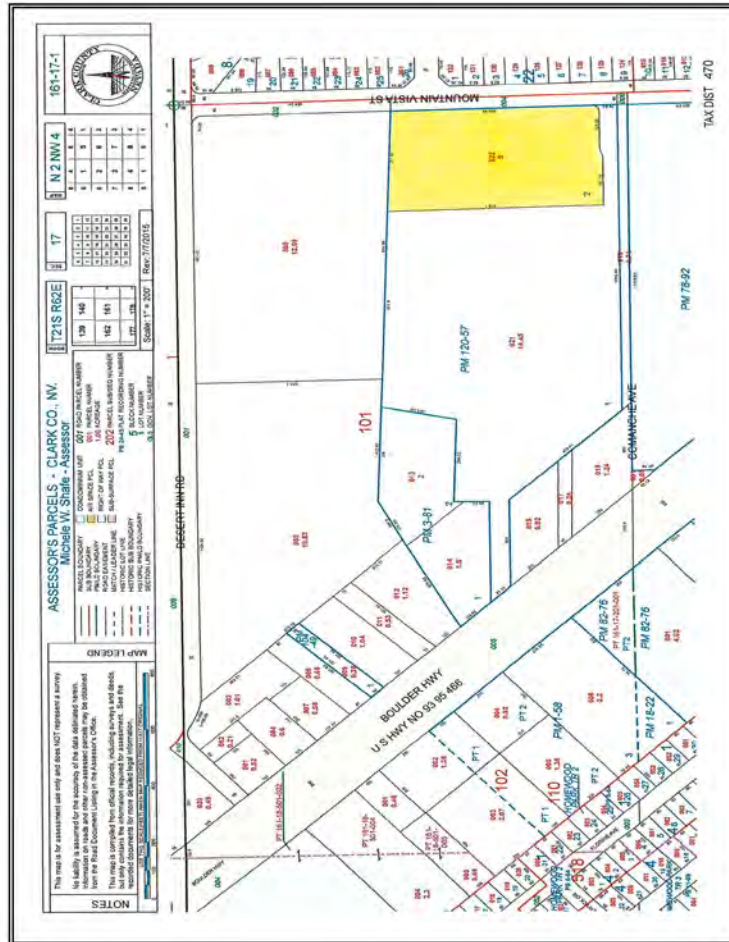
COMPARABLE SALES PLAT MAPS

LAND SALE ONE

Criterion Group



LAND SALE TWO

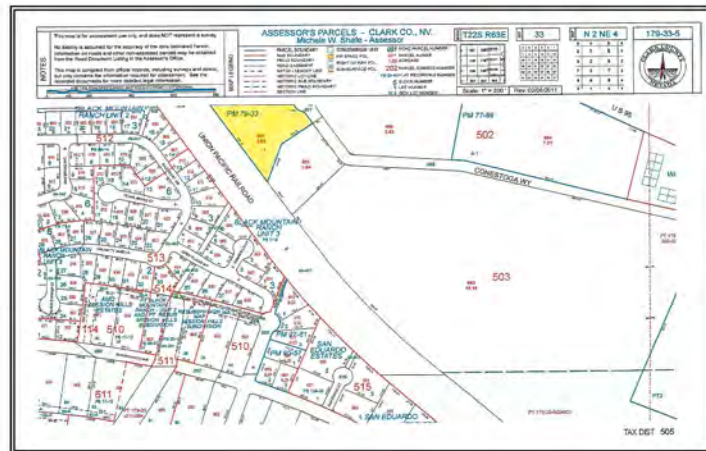
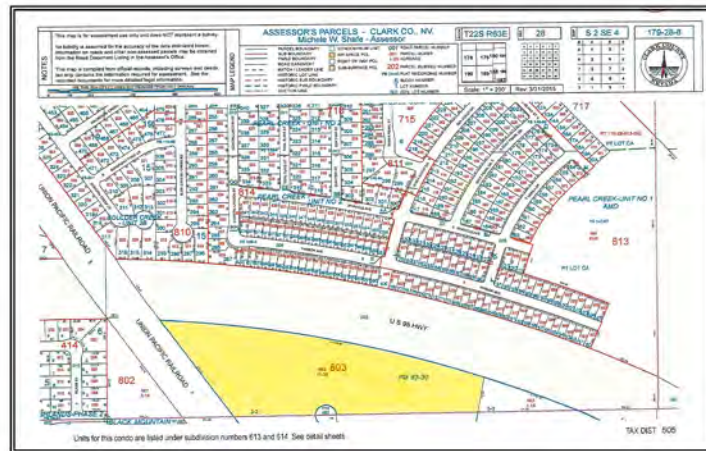


LAND SALE THREE

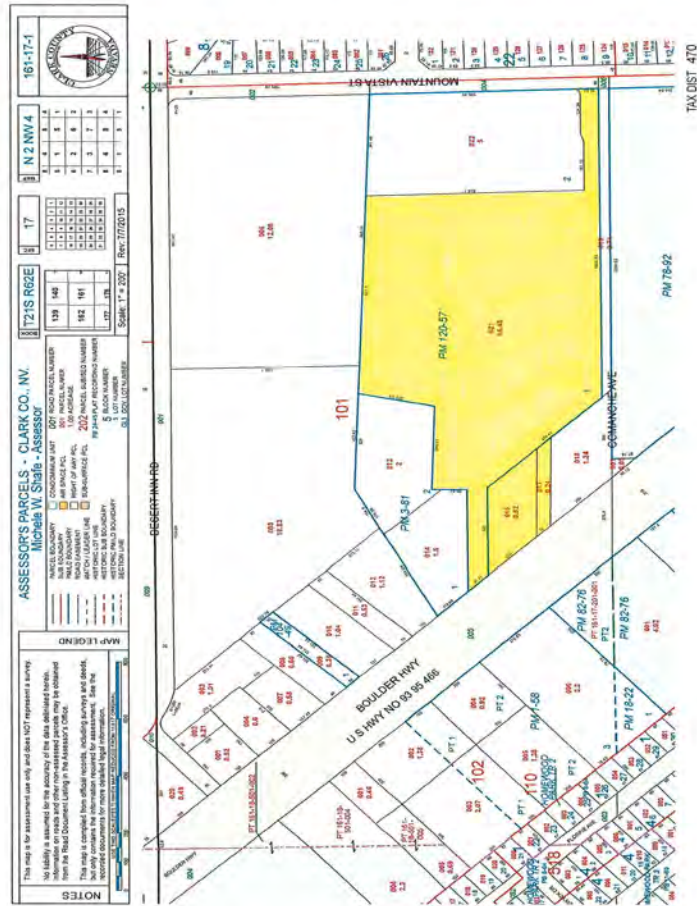
LAND SALE FOUR

LAND SALE FIVE

Criterion Group

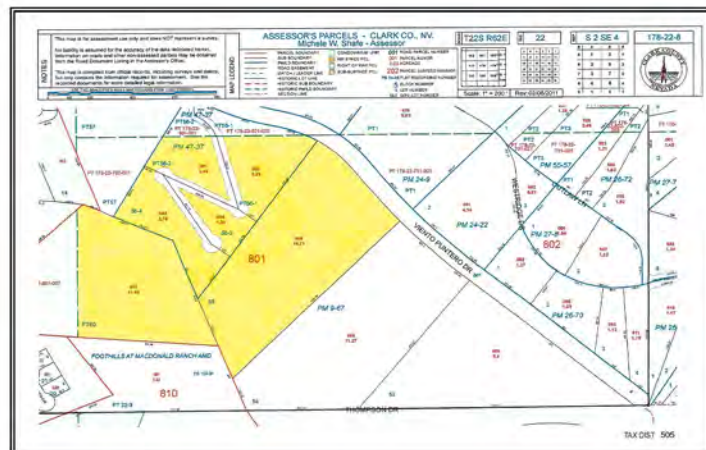
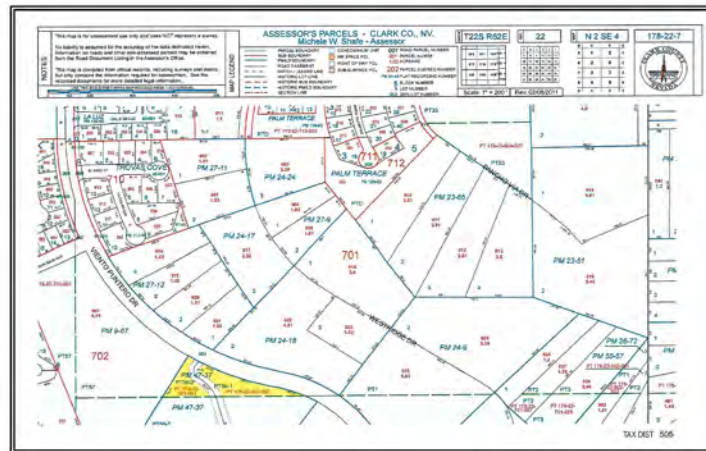


LAND SALE SIX

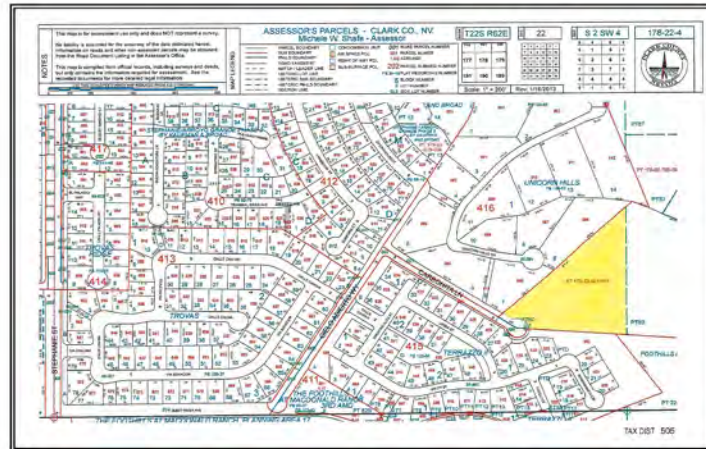


LAND SALE SEVEN

Criterion Group

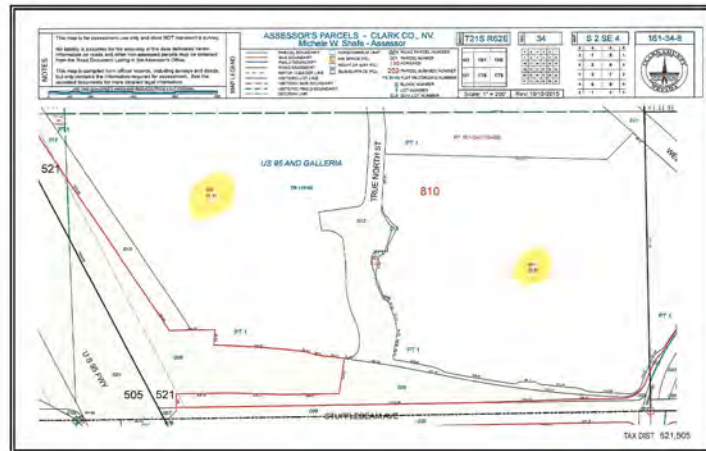
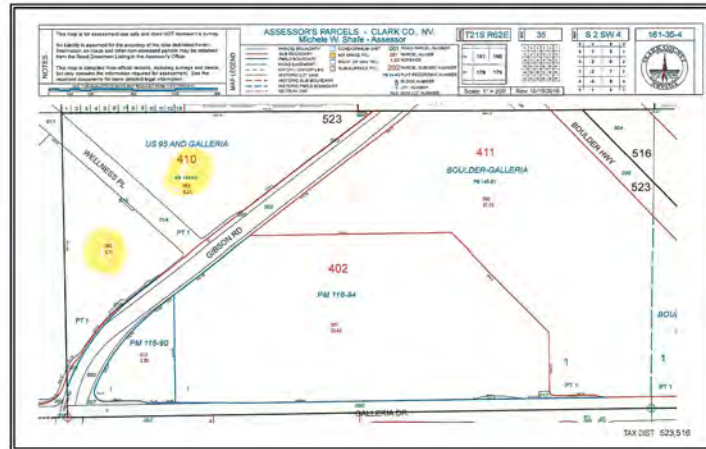


Criterion Group

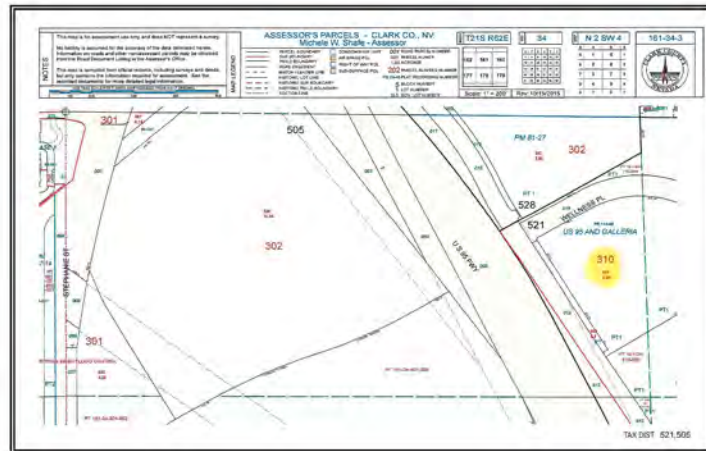
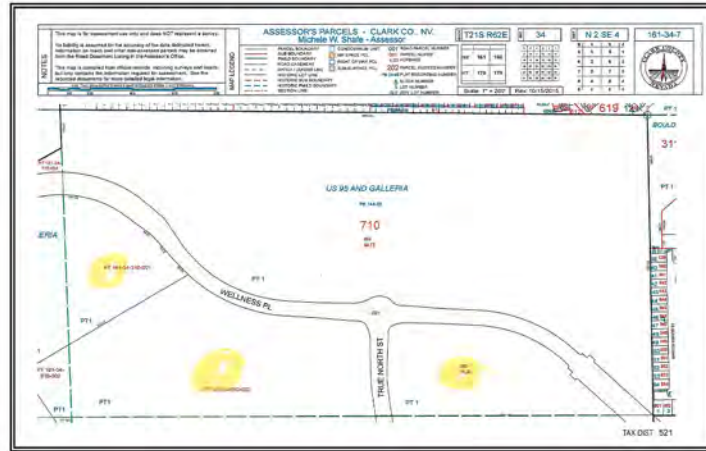


LAND SALE EIGHT

Criterion Group



Criterion Group



COMPARABLE LAND LISTINGS

Henderson 30

South side of the alignment of Texas Avenue, East...
Henderson, NV 89015

\$9,600,000
CURRENT

Land SF/\$ Per	1,306,800 / \$7.35	Land Size	30.000 acres
Acres/\$ Per	30.00 / \$320,000.00	Cap Rate	-
Property Use	Any	Vacancy	-
Zoning	Corridor/Community Mixed-Use (MC)		
Parcel Number	179-17-102-004, 179-17-201-012, 179-18-502-012, 17		
T, R, S	- , - , -		



Property Description

This is a unique assemblage of acreage located in Henderson proper, located directly behind a newly built Walmart, with access off of Texas Avenue (Fully signalized Intersection). This piece is prime for development into a large Multi-Family project, or as a mixed use project with possible storage/residential component/office and retail component. The site boasts several points of access, with the most prominent being of the intersection of Texas Avenue & Boulder Highway.

Area Description

The site is located along the South side of the alignment of Texas Avenue, East of Boulder Highway, South of East Lake Mead Pkwy., Henderson, Clark County, Nevada. 89015.

Property Features

- Located directly behind a newly built Walmart
- Easy Egress and Ingress to the Property at a Signaled Intersection
- Minutes from Four Master Planned Communities
- Motivated Seller. All Offers Considered

Kris Templeton
Ken Templeton Realty & Investment, Inc. (Las Vegas, NV)
+1 (702) 873-6700 kt@ktri.biz

Financial Overview

List Price	\$9,600,000.00
Down Payment	-
Cap Rate	-
Cash on Cash	-
Financial Terms	-
Consider Exchange	-

Cash Flow

CF Type	-
Year	-
Scheduled Gross	-
Reimbursement	-
Vacancy	-
Effective Gross	-
Operating Expenses	-
Operating Income	-
Debt Service	-
Capital Costs	-
Cash Flow (pre-tax)	-

Debt Information

Debt Type	-
Debt Service	-
Principal	-
Interest Rate	-
Amortization	-
Due	-
Loan Description	-

General Property Information

Property Use	Any	Gas	-
Land SF	1,306,800.000 sf	Water	-
Land Acres	30.000 acres	Electric	-
Zoning	Corridor/Community Mixed-Use (MC)		
Parcel Number	179-17-102-004, 179-17-201-012, 179-18-502-012, 17		

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FOR SALE

SEC of Galleria Drive (Hacienda Avenue) and Highest...
SEC of Galleria Drive (Hacienda Avenue) and Highest Wolf Lane, Henderson, NV 89011

Listing ID: 888095
Prepared by Petra Latch
Created On: January 10, 2016

SEC of Galleria Drive (Hacienda Avenue) and Highest...

\$5,500,000
CURRENT

SEC of Galleria Drive (Hacienda Avenue) and Highest...
Henderson, NV 89011



Land SF/\$ Per	1,336,421 / \$4.12	Land Size	30.680 acres
Acres/\$ Per	30.68 / \$179,269.88	Cap Rate	-
Property Use	Any	Vacancy	-
Zoning	CM-H-PUD		
Parcel Number	160-28-302-014 and 015; 160-28-303-009		
T, R, S	-, -, -		

Property Description

CBRE is pleased to represent 30.68 gross acres of land located on the SEC of the recently completed Galleria Drive (Hacienda Avenue) and Highest Wolf Lane in Henderson, Nevada. It is a unique privately-owned property overlooking the Las Vegas Wash Trail and Wetlands Park, just west of Lake Las Vegas while at the east edge of the metro area. The subject property is approximately 17 miles to the famous Las Vegas Strip and McCarran International Airport, minutes from the new Cowabunga Bay Las Vegas Water Park and about an hour drive to Hoover Dam, Mt. Charleston, Valley of Fire and Red Rock Canyon.

Area Description

The property is situated along the recently completed Galleria Drive which will provide direct access to the subject property (by way of the U.S. 95), Lake Las Vegas, the upcoming Union Village (a 171-acre master-planned health village complete with three hospitals, medical office buildings and residential, cultural, retail and entertainment space), the Galleria Mall and surrounding retail centers, and the 13,250-home, 2,200-acre Cadence Master-Planned Community (which will showcase homes built by Lennar, Woodside Homes and Ryland Homes). Due to its topography, the subject property is zoned CM-H-PUD (Mixed-Use Commercial with Hillside and Planned Unit Development Overlays) which would allow for a variety of commercial uses such as hotel, office, residential and retail.

Property Features

- Zoned CM-H-PUD (Mixed-Use Commercial with Hillside and Planned Unit Development Overlays) which would allow for a variety of commercial uses such as hotel, office, residential and retail
- Unique privately-owned property overlooking the Las Vegas Wash Trail and Wetlands Park, just west of Lake Las Vegas while at the east edge of the metro area
- Near upcoming 171-acre Union Village and the Cadence residential development (a 13,250-home, 2,200-acre master-planned community)
- Minutes from the new Cowabunga Bay Las Vegas Water Park
- Approximately 17 miles to the famous Las Vegas Strip and McCarran International Airport
- About an hour drive to Hoover Dam, Mt. Charleston, Valley of Fire and Red Rock Canyon
- Easily accessible via U.S. 95

Keith Spencer
CBRE (Las Vegas, NV)
+1 (702) 369-4810 keith.spencer@cbre.com

Derek Rafie
CBRE (Las Vegas, NV)
+1 (702) 369-4838 derek.rafie@cbre.com

FOR SALE

SEC of Galleria Drive (Hacienda Avenue) and Highest...
SEC of Galleria Drive (Hacienda Avenue) and Highest Wolf Lane, Henderson, NV 89011

Listing ID: 888095
Prepared by Petra Latch
Created On: January 10, 2016

Financial Overview

List Price **\$5,500,000.00**
Down Payment -
Cap Rate -
Cash on Cash -
Financial Terms -
Consider Exchange -

Cash Flow

CF Type -
Year -
Scheduled Gross -
Reimbursement -
Vacancy -
Effective Gross -
Operating Expenses -
Operating Income -
Debt Service -
Capital Costs -
Cash Flow (pre-tax) -

Debt Information

- Debt Type -
- Debt Service -
- Principal -
- Interest Rate -
- Amortization -
- Due -
- Loan Description -

General Property Information

Property Use **Any** Gas -
Land SF **1,336,420.800 sf** Water -
Land Acres **30.680 acres** Electric -
Zoning **CM-H-PUD**
Parcel Number **160-28-302-014 and 015; 160-28-303-009**

Keith Spencer
CBRE (Las Vegas, NV)
+1 (702) 369-4810 keith.spencer@cbre.com

Derek Rafie
CBRE (Las Vegas, NV)
+1 (702) 369-4838 derek.rafie@cbre.com

FOR SALE

21.44+/- Acres on Horizon Ridge Parkway
21.44 Acres on Horizon Ridge Parkway, Henderson, NV 89012

Listing ID: 772065
Prepared by Petra Latch
Created On: January 10, 2016

21.44+/- Acres on Horizon Ridge Parkway

\$5,400,000

21.44 Acres on Horizon Ridge Parkway
Henderson, NV 89012

CURRENT

Land SF/\$ Per	933,926 / \$5.78	Land Size	21.440 acres
Acres/\$ Per	21.44 / \$251,865.67	Cap Rate	-
Property Use	Any	Vacancy	-
Zoning	RM-10		
Parcel Number	178-24-712-002		
T, R, S	22, 62, 4		



Property Description

21.44 Acres fronting on Horizon Ridge north of the Horizon Drive exit off of US 95. Beautiful multi family property high on Black Mountain, incredible views of the valley. Zoned RM-10, allowing for 10 dwelling units per acre.

Area Description

None Available

Property Features

- None Available

Mark Anthony Rua
Realty Executives (Henderson, NV) Of Nevada
+1 (702) 992-7534 markarua@aol.com

FOR SALE

21.44+/- Acres on Horizon Ridge Parkway
21.44 Acres on Horizon Ridge Parkway, Henderson, NV 89012

Listing ID: 772065
Prepared by Petra Latch
Created On: January 10, 2016

Financial Overview

List Price **\$5,400,000.00**
Down Payment -
Cap Rate -
Cash on Cash -
Financial Terms -
Consider Exchange -

Cash Flow

CF Type -
Year -
Scheduled Gross -
Reimbursement -
Vacancy -
Effective Gross -
Operating Expenses -
Operating Income -
Debt Service -
Capital Costs -
Cash Flow (pre-tax) -

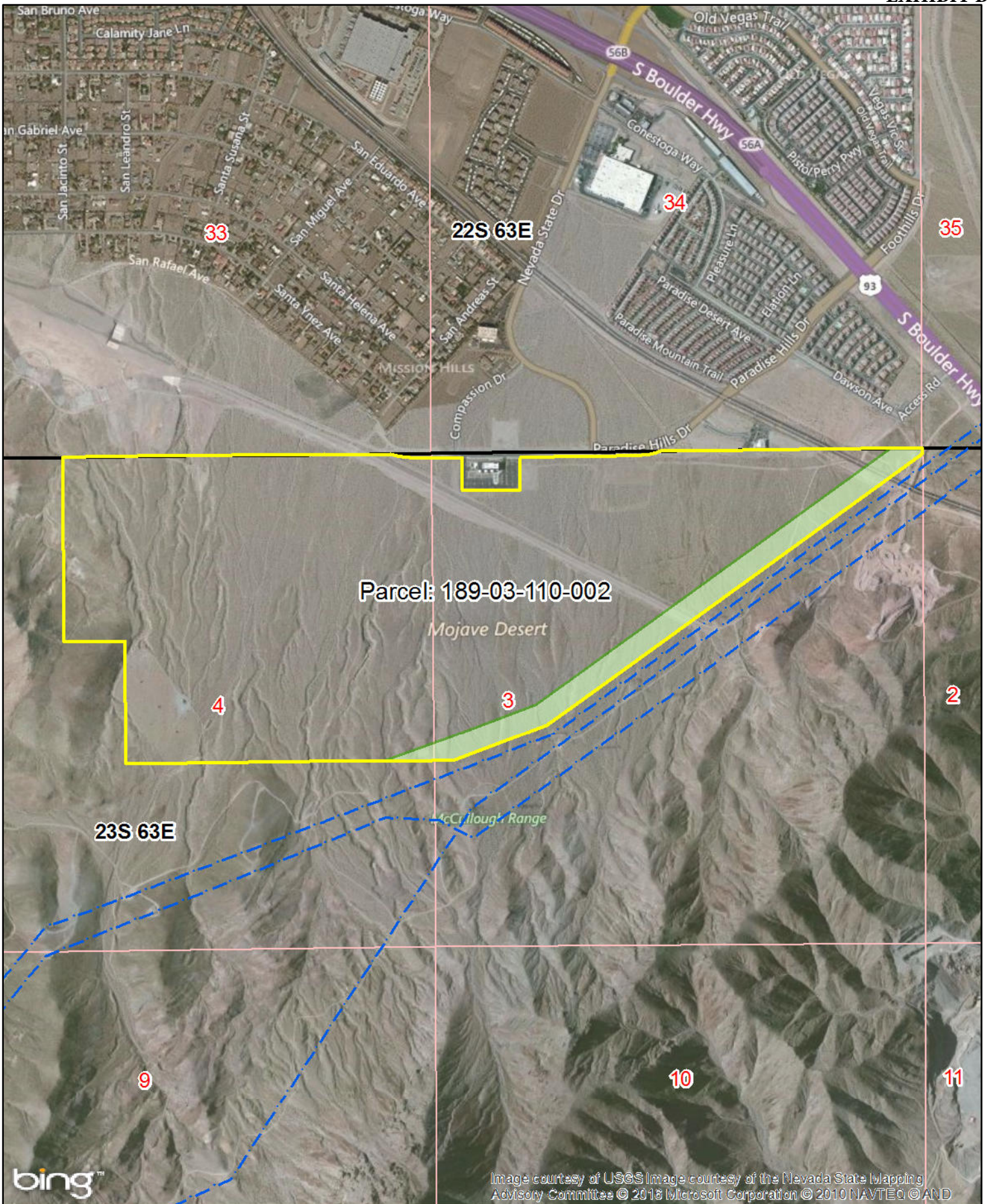
Debt Information

Debt Type -
Debt Service -
Principal -
Interest Rate -
Amortization -
Due -
Loan Description -

General Property Information

Property Use **Any** Gas -
Land SF **933,926.400 sf** Water -
Land Acres **21.440 acres** Electric -
Zoning **RM-10**
Parcel Number **178-24-712-002**

Mark Anthony Rua
Realty Executives (Henderson, NV) Of Nevada
+1 (702) 992-7534 markarua@aol.com



Legend

- Grantor's Property
- Easement Property
- Existing Transmission

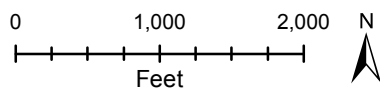


Exhibit B
 Grantor's Property
 DesertLink LLC

bing™

Image courtesy of USGS Image courtesy of the Nevada State Mapping
 Advisory Committee © 2013 Microsoft Corporation © 2010 NAVTEQ © AND

ELECTRIC TRANSMISSION EASEMENT AGREEMENT

Effective Date: _____, 2016

Grantor: The Board of Regents of the Nevada System of Higher Education (“NSHE”), a constitutional entity of the State of Nevada, on behalf of Nevada State College (“NSC”)

Grantor’s Mailing Address: 1125 Nevada State Drive, Henderson, Nevada 89002

Grantee: DesertLink, LLC, a Delaware limited liability company

Grantee’s Mailing Address: 400 Chesterfield Center, Suite 110, Chesterfield, Missouri 63017

Easement Property: The “*Easement Property*” is a two hundred fifty (250) foot wide strip of land described in Exhibit A.

Easement Purpose and Facilities: The “*Easement Purpose*” is the right and easement to access, construct, reconstruct, erect, install, improve, replace, relocate, and remove from time to time, and to use maintain, store, repair upgrade, operate and monitor the following (collectively, the “*Facilities*”): (a) electric transmission facilities, including overhead transmission, distribution and collector lines, wires and cables to be installed along support towers, together with all related conduit, footings, foundations, cross-arms, guy lines, anchors, circuit breakers, transformers and other necessary or desirable appurtenances, and (b) overhead and underground control, communications and radio relay systems and telecommunications equipment, including fiber, wires, cables, conduit, and poles.

Easement Payment: This Easement is granted by Grantor to Grantee for good and valuable consideration, the receipt and sufficiency of which is hereby confirmed, including Grantee’s agreement to make payments to Grantor in accordance with the following schedule:

- 1) **“First Payment”:** Unless this Easement has been terminated prior thereto, Grantee shall pay Grantor two hundred thousand dollars (\$200,000) within fifteen (15) days after the date on which Grantee has received both (a) a final, non-appealable Henderson land use approval for the transmission alignment described herein, and (b) the applicable BLM right-of-way grant and Bureau of Reclamation right-of-use license for the transmission alignment leading up to and away from the Easement Property. The date on which Grantee has received both (a) and (b) shall be known as the “*Development Milestone Date*”.
- 2) **“Second Payment”:** Unless this Easement has been terminated prior thereto, Grantee shall pay Grantor one million dollars (\$1,000,000) upon the earlier to occur of (y) the closing and initial disbursement of Grantee’s construction financing for the Facilities, or (z) eighteen (18) months following the First Payment.
- 3) **“Annual Payment”:** Grantee shall pay Grantor fifty thousand dollars (\$50,000) annually, on or before each anniversary of the Second Payment, until this Easement has been terminated in accordance with Section 4 below.

All payments made to Grantor hereunder shall be delivered to Grantor's mailing address identified above or such other address as Grantor may designate in writing to Grantee upon at least ten (10) days' prior notice. For the avoidance of doubt, following any termination of this Agreement, Grantee shall have no obligation to make any further payments pursuant to this paragraph.

Grant of Easement: For good and valuable consideration, the receipt and sufficiency of which are acknowledged, and subject to Grantor's reservation of rights in Section 3 below, Grantor grants and conveys to Grantee and Grantee's successors and assigns an easement over, on, and across the Easement Property for the Easement Purpose, together with all and singular the rights and appurtenances thereto in any way belonging (collectively, the "***Easement***"), to have and to hold the Easement to Grantee and Grantee's successors, and assigns forever. Grantor binds Grantor and Grantor's heirs, successors and assigns to warrant and forever defend the title to the Easement in Grantee and Grantee's successors and assigns against every person whomsoever lawfully claiming or to claim the Easement or any part of the Easement.

Terms and Conditions. The following terms and conditions apply to the Easement granted by this Agreement:

1) **Precondition to Recordation and Construction.** This Agreement may not be recorded against the Easement Property in the official records of Clark County, Nevada until i) the Development Milestone Date has occurred, and (ii) Grantee has obtained the permits and approvals, at Grantee's sole cost, reasonably necessary to use the Easement Property for the purposes set forth in this Agreement from the City of Henderson or any other governmental entity having or claiming authority over the Easement Property.

2) **Easement in Gross.** Subject only to Grantor's reservation of rights in Section 3, Grantee shall have the exclusive use of the Easement Property. The Easement granted herein is an "easement in gross", which means that the Easement is not an appurtenant easement that is granted for the benefit of a particular tract of land, but is granted for the benefit of Grantee and its successors and assigns for the Easement Purpose. The Easement can be assigned by Grantee without Grantor's consent. All references to Grantee herein shall be understood to also mean Grantee's successors and assigns.

3) **Reservation of Grantor's Rights.** Grantor reserves the right to use all or part of the Easement Property so long as such use by Grantor does not (i) interfere with the use of the Easement Property by Grantee for the Easement Purpose; (ii) affect the lateral support or structural soundness of the Facilities; (iii) create an unsafe condition; or (iv) disrupt in any manner the use of the Facilities by Grantee for the transmission of electric power.

4) **Termination of Easement.** The only circumstances in which the Easement may be terminated are (1) by Grantee delivering to Grantor a written notice of termination that expressly identifies this Agreement (a "***Notice of Termination***"), which Notice of Termination may be given by Grantee at any time in Grantee's sole discretion, or (2) Grantee's abandonment of the Easement. In the event of such a termination pursuant to a Notice of Termination, Grantee's execution and recording of a notice of termination in the Official Public Records of the county or counties in which the Easement Property is located shall constitute conclusive evidence of the termination of the Easement granted herein, and the Easement Property shall no longer be encumbered by the Easement, except for the right of entry to remove any Facilities and restore the Easement Property. For purposes of this Agreement, the Easement shall be considered abandoned only if (i) Grantee does not commence the construction of the Facilities on the Easement Property on or before the tenth anniversary of the Effective Date hereof; or (ii)

the Development Milestone Date is not achieved within thirty-six (36) months of the Effective Date; or (iii) Grantee is issued a final, non-appealable denial of a Henderson land use permit for the transmission alignment described herein; or (iv) Grantee is issued a final, non-appealable denial for a BLM right-of-way grant or Bureau of Reclamation right-of-use license for the transmission alignment leading up to and away from the Easement Property; or (v) after the completion of construction, the Facilities are unused by Grantee for the Easement Purpose for a continuous period of five (5) years, excluding periods of non-use as a result of force majeure. In the event of such a termination for abandonment, Grantor's execution and recording of a notice of termination in the Official Public Records of the county or counties in which the Easement Property is located shall constitute presumptive evidence of the termination of the Easement granted herein, and the Easement Property shall no longer be encumbered by the Easement, except for the right of entry to remove any Facilities and restore the Easement Property as described herein. No later than twelve (12) months after the termination of the Easement pursuant to the terms of this Agreement, Grantee shall remove from the Easement Property any Facilities, including transmission lines, and leave the surface of the Easement Property free from debris. With regard to any Facilities located beneath the surface of the land (including footings and foundations), Grantee shall only be required to remove the same to the greater of (i) twenty-four (24) inches below the surface of the land, or (ii) the depth required by applicable law. Grantee shall have a continuing easement to enter and access the Easement Property for such purpose during such twelve (12) month period. If the Facilities, including transmission lines, are not removed within this period of time, at Grantor's option, (a) the Facilities will automatically become the property of Grantor, (b) Grantor may have the Facilities removed and Grantor may charge Grantee the actual cost of removal, or (c) Grantor may seek specific performance of removal of the Facilities, including transmission lines.

5) **Access.** Grantee and its employees, contractors, subcontractors and agents shall have the right of vehicular and pedestrian access over, across and upon the Easement Property and over the lands identified in Exhibit B (including the right to construct new roads or to improve existing roads, as approved by the Grantor) for the Easement Purpose. If access to, from or across the Easement Property is obstructed by fences, Grantee shall have the right to install gates in such fences, which shall remain closed and locked when not being used. Before Grantee cuts any fence, the fence so cut must be braced adequately and reasonably on both sides of the cut to prevent slackening of the fence. Grantee must construct the gates in a manner approved by Grantor, which approval will not be unreasonably withheld. With respect to any such gates installed by Grantee, or any other gates installed by Grantor through which Grantee is required to pass for access to and from the Easement Property, Grantee or Grantor, as applicable, shall provide the other party with keys or combinations for the locks to such gates. In addition, after the Effective Date Grantee is hereby granted the right to enter onto the Easement Parcel and existing roads and trails providing access to the Easement Parcel from time to time to conduct soil borings, soil testings, subsurface drillings, subsurface condition evaluations, environmental surveys, and such other site condition and suitability investigations, samplings, testings, and evaluation as Grantee may deem necessary. All such investigations, testings and evaluations shall be undertaken only after Grantee has provided reasonable notice of such to Grantor and shall be performed by Grantee or its consultants at Grantee's sole cost and expense.

6) **Estoppel Certificates.** Within ten (10) days after written request by Grantee or any current or proposed Lender (defined below), Grantor shall execute and deliver an "***Estoppel Certificate***" (a) certifying that this Easement is in full force and effect and has not been modified (or if modified stating with particularity the nature thereof), (b) certifying that to the best of Grantor's knowledge there are no uncured events of default hereunder (or, if any uncured events of default exist, stating with particularity the nature thereof); and (c) containing any other certifications that may be reasonably requested. Any such certificates may be conclusively relied upon by Grantee and Grantee's lender, assignee or other interested party. If Grantor fails to deliver any such certificate within such time, then Grantee may reasonably conclude and rely on the following: (i) this Easement is in full force and effect

and has not been modified, (ii) there are no uncured events of default by the Grantee hereunder, and (iii) the other certifications so requested are in fact true and correct. Grantee must reimburse Grantor for reasonable attorney's fees incurred as a result of the request for an estoppel certificate. Grantor acknowledges that any such Estoppel Certificate delivered pursuant to this Section may be relied upon by Grantee, any prospective purchaser, Lender, or other like encumbrancer thereof or any assignee of any such encumbrancer upon the Easement Property.

7) **Lender Protection.** Grantor acknowledges that Grantee may grant one or more liens and security interests in this Agreement to certain financial institutions (each a "**Lender**" and collectively the "**Lenders**") in connection with a loan, or loans or other financing arrangements (each, a "**Loan**" and collectively the "**Loans**") made from time to time by the Lenders to Grantee relating to the Facilities in order to secure certain obligations of Grantee. Grantor agrees that, prior to enforcing any remedies in connection with a Grantee default hereunder, Grantor shall deliver written notice of such default together with the requested cure to both the Grantee and to the Lenders (at addresses to be provided by Grantee or the Lenders in the future). Grantor further acknowledges and agrees that both Grantee and/or any Lender shall have the right (but, as to a Lender, not the obligation), within a reasonable period of time, but not less than sixty (60) days, to cure such default.

8) **Ad Valorem Taxes.** Grantor shall be responsible for paying all ad valorem taxes assessed against the Easement Property and the remainder of Grantor's property to the appropriate taxing authority prior to delinquency; provided, however, any portion of the ad valorem taxes that is separately assessed against or attributable to the Facilities or other improvements constructed and owned by Grantee shall be paid by Grantee to the appropriate taxing authority prior to delinquency, or Grantee shall reimburse Grantor if such portion is paid by Grantor.

9) **Title.** Grantee acknowledges title to the Easement Property is subject to the possibility of reversion pursuant to Section 704 of the Clark County Conservation of Public Land and Natural Resources Act of 2002, Public Law 107-282, 116 Stat. 1994, *et seq.* (the "**Act**"). Grantor covenants that it will use the Easement Property and the remainder of Grantor's property in a manner consistent with Section 704 of the Act to avoid any reversion of the Easement Property.

10) **Eminent Domain.** If all or any portion of the Easement Property is taken by, or conveyed to, any entity as a result of an eminent domain proceeding, then nothing herein shall affect the right of Grantee to receive compensation or damages for any losses that it suffers as a result thereof, including the loss of Facilities or electric transmission capacity as a result of that eminent domain proceeding, so long as any such award to Grantee does not diminish any award to Grantor. Both Grantor and Grantee shall have the right to pursue their respective claims for damages in connection with any eminent domain proceeding.

11) **Binding Effect.** This Agreement shall run with the land and bind and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

12) **Counterparts.** This Agreement and any other documents referenced herein may be executed in any number of counterparts with the same effect as if all signatory parties had signed the same document. All counterparts will be construed together and will constitute one and the same document.

13) **Governing Law.** This Agreement shall be subject to, governed by, and construed in accordance with the Laws of the State of Nevada and applicable federal Law.

14) **Further Assurances and Cooperation.** Each party agrees to execute and deliver any additional documents and instruments and to perform any additional acts necessary or appropriate to perform the terms, provisions, and conditions of this Agreement and all transactions contemplated by this Agreement. Grantor agrees to fully support and cooperate with Grantee in giving full force and effect to the Easement, including Grantee's efforts to obtain from any governmental authority or any other person or entity any environmental impact review, permit, entitlement, approval, authorization or other rights necessary or convenient in connection with Easement Purpose. Grantor shall, without demanding additional consideration therefor, (a) execute, and, if appropriate, cause to be acknowledged, any map, application, document or instrument (including any document or instrument intended to correct an error in this Agreement or to amend the legal description attached hereto) that is reasonably requested by Grantee in connection herewith or therewith and (b) return the same (as executed) to Grantee within ten (10) days after Grantor's receipt thereof. Without limiting the generality of the foregoing, in connection with any application by Grantee for a governmental permit, approval, authorization, entitlement or other consent. Grantor agrees (i) if requested by Grantee, to support such application by filing a letter with the appropriate governmental authority in a form satisfactory to Grantee; (ii) to support Grantee's position in regard to any requirement or condition of such permit, approval, authorization, entitlement or consent, including, in regard to bonding or security requirements or amount, mitigation, environmental impacts or monitoring, and (iii) not to oppose, in any way, whether directly or indirectly, any such application or approval at any administrative, judicial, legislative or other level. Grantee agrees to pay Grantor's actual reasonable attorneys' fees associated with its cooperation under this Section.

15) **Encumbrances.** To the best of Grantor's knowledge, there are no unrecorded liens, encumbrances, covenants, conditions, reservations, restrictions, easements, leases, subleases, occupancies, tenancies, mineral rights, water rights, options, rights of first refusal or other matters affecting, relating to or encumbering the Easement Property or any portion thereof (each, an "***Encumbrance***"), the existence, use or exercise of which could reasonably be expected to delay, interfere with or impair the use of the Easement Property for the Easement Purpose or the exercise of any of Grantee's other rights under this Agreement, or the financing relating to the Facilities. Grantor represents and warrants that the Grantor and the Easement Property are in full compliance with all such Encumbrances. If at any time an Encumbrance is found or claimed to exist against the Easement Property or any portion thereof (regardless whether the same existed as of the Effective Date or was created thereafter), and the existence, use, operation, implementation or exercise of such Encumbrance could reasonably be expected to delay, interfere with or impair the exercise of any of Grantee's rights under this Agreement, or the financing relating to the Facilities, then Grantee shall be entitled to obtain a subordination, non-disturbance agreement, consent or other agreement (in a form and containing provisions reasonably requested by Grantee) from the holder of such Encumbrance that will eliminate some or all of such risks; and Grantor shall reasonably cooperate with Grantee's efforts to obtain such subordination, non-disturbance agreement, consent or other agreement.

16) **Indemnity.** Grantee hereby binds itself, its successors and assigns, to indemnify and hold Grantor, and Grantor's heirs, personal representatives and assigns, harmless from any and all claims, demands and causes of action of any kind or character ("***Claims***") asserted against Grantor, and Grantor's officers, employees, agents, contractors, representatives, heirs, , and assigns to the extent that any such Claim is caused by or is the result of (i) the willful misconduct or negligent acts and/or omissions of Grantee and Grantee's officers, employees, agents, contractors, representatives, heir, and assigns s, in connection with (A) the installation of the Facilities or (B) the exercise of any right or privilege granted by this Agreement; and (ii) any condition created, maintained or suffered to exist on or about the Easement Property to the extent same is due to the willful misconduct or negligent acts or omissions of Grantee and Grantee's officers, employees, agents, contractors, representatives, heirs, and assigns. This indemnity shall survive termination of this Agreement. In no event shall Grantee be responsible for defending, indemnifying or holding harmless Grantor to the extent of any Claim caused by, arising from

or contributed to by the negligence or willful misconduct of Grantor or Grantor's officer, employees,, agents, contractors or representatives.

17) **Insurance.** Grantee shall, at its expense, maintain a commercial general liability policy with a limit of not less than \$5,000,000.00 for each occurrence and a general aggregate limit of \$5,000,000.00 annually, which coverage may be provided in combination with an umbrella or excess liability policy. Upon request by Grantor, Grantee shall promptly deliver a certificate evidencing such insurance to Grantor.

18) **Ownership and Maintenance.** All Facilities or other improvements constructed or installed by Grantee within the Easement Property, shall be maintained in good working order, shall be the property of Grantee, and the responsibility for the operation, maintenance, repair, replacement or upgrade of the Facilities shall be the obligation and responsibility of Grantee.

19) **Integration.** This Agreement contains the complete agreement of the parties and cannot be varied except by written agreement of the parties. The parties agree that there are no oral agreements, representations, or warranties that are not expressly set forth in this Agreement.

20) **Legal Construction.** If any provision in this Agreement is for any reason unenforceable, to the extent the unenforceability does not destroy the basis of the bargain among the parties, the unenforceability will not affect any other provision hereof, and this Agreement will be construed as if the unenforceable provision had never been a part of the Agreement. Whenever context requires, the singular will include the plural and neuter include the masculine or feminine gender, and vice versa. Section headings in this Agreement are for reference only and are not intended to restrict or define the text of any section. This Agreement will not be construed more or less favorably between the parties by reason of authorship or origin of language.

21) **Notices.** Any notice required or permitted under this Agreement must be in writing. Any notice required by this agreement will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this Agreement. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein.

22) **Exhibits.** The following Exhibits are hereby incorporated as part of this Agreement:

A – Easement Property

B – Grantor’s Property

[Signature Pages Follow]

GRANTEE:

DESERTLINK, LLC, a Delaware limited liability company

By: _____

Name: _____

Title: _____

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2016 by _____, _____ of DesertLink, LLC, a Delaware limited liability company, on behalf of said limited liability company.

Notary Public, State of _____

EXHIBIT A

EASEMENT PROPERTY

EXHIBIT B

GRANTOR'S PROPERTY