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**A Market Rent Study of
65 General Aviation
Hangars**



Owned by:
City of Boulder City

Located at:
**Boulder City Municipal
Airport, 1201 Airport
Road, Boulder City,
Clark County, Nevada
89005**

For the Purpose of:
**Developing an Opinion
of a Market Rental
Rate, as of September
14, 2022**

Date of Appraisal Report:
September 28, 2022

File Number:
173-22



September 28, 2022

Mr. Brok Armantrout
Contracts Real Estate Manager
City of Boulder, Nevada
401 California Avenue
Boulder City, NV 89005

Dear Mr. Armantrout:

In compliance with your request and authorization, we have inspected the 65 general aviation hangars located within the Boulder City Airport at 1201 Airport Road, Boulder City, Nevada. The purpose of this report is to provide an estimate of an annual and monthly market rental rate for each of the individual hangars on a per square foot basis. The subject property can be identified as a portion of Parcel Number 186-201-01-007. This is a location in Zip Code 89005 and Census Tract Number 5501.

Briefly, the general aviation hangars are located on Boulder City owned land and in a portion of the Boulder City Municipal Airport used primarily for private aircraft storage. Approximately 138 hangars have been constructed in this area and the location provides private aircraft with access and use of the main runways. The existing hangars are generally identified as pre-engineered metal buildings with sliding and bi-fold doors. Underground utilities have been extended to the units and the hangars are developed on reinforced concrete slabs.

The units being appraised as part of this appraisal assignment include 65 general aviation hangars which were constructed in or around 1989 and 1990. The units are center wall attached and consist of both box and T-hangar styles with unit sizes ranging from 697 square feet to 3,950 square feet. The hangars are generally identified as leasehold improvements which were constructed as part of long-term ground leases.

According to available information, the airport currently owns the individual hangars located on Hangar Pads 14 through 19, having taken ownership of the improvements several years ago. Hangar Pads 20 through 25 however are on airport leased land and currently owned by third parties. The ground leases for Hangar Pads 20 through 25 are set to expire in 2023 at which time the leasehold improvements will revert into the ownership of Boulder City along with the underlying land or site.

Mr. Brok Armantrout
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Upon transfer of the leasehold improvements, Boulder City proposes to lease the hangars for general aviation use with first priority given to the existing tenants. The proposed leases would include both the building improvements, underlying land, and perpetual access to taxiways and runways. The purpose of this valuation is to develop an opinion of market rent for the individual hangars on an annual and monthly basis.

The client and the intended user of this report is Brok Armantrout with the City of Boulder, and the intended use is to assist in leasing negotiations for the general aviation hangars. This report is intended to comply with the *Uniform Standards of Professional Appraisal Practice*, as well as the *Code of Professional Ethics of the Appraisal Institute*.

Data setting forth the analysis used and descriptive details are included in the body of this report. Based on an analysis of all the data used, we have developed an opinion of a current market rent for the individual hangars as of September 14, 2022, at:

Hangar Pad	Type	Annual Rate / psf		Monthly Rate / psf	
		Modified Gross	Triple Net*	Modified Gross	Triple Net*
Pads 14-19	Box Hangars	\$4.75	\$4.55	\$0.40	\$0.38
Pad 20	Executive Box Hangar	\$4.50	\$4.30	\$0.38	\$0.36
Pads 21-22	Small T-Hangars	\$4.75	\$4.55	\$0.40	\$0.38
Pad 23	Box Hangars	\$4.85	\$4.65	\$0.40	\$0.39
Pad 24-25	Large T-Hangars	\$4.75	\$4.55	\$0.40	\$0.38

**plus \$25/mo utility & CAM reimbursement*

Our opinion of the lease rate would be inclusive of the hangar and underlying land. We have forecasted a market rent based on a modified gross scenario in which all utilities, structural maintenance, and taxes would be paid by the landlord and included as part of the base rent. This is the most typical leasing scenario based on market comparables. Additionally, we have also estimated a market rent based on triple net expenses in which the tenant would be responsible for individual utilities and maintenance expenses. Based on the current configuration of the utility systems at the subject, it would be our expectation the expenses would be reimbursed to the landlord as additional rent. We have estimated the reimbursement for the utility and CAM charge at \$25.00 per month in addition to the base rental rate. This generally equates to \$0.20 per square foot annually. Under both scenarios it would be our understanding the tenants would be responsible for general upkeep and janitorial of the hangars.

Mr. Brok Armantrout
City of Boulder City
September 28, 2022
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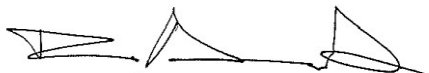
Our opinion of the lease rate assumes annual escalations concurrent with the Consumer Price Index. The units would be leased *as is* with no additional tenant improvement allowances estimated.

Our forecasted rental rate assumes professional management of the project either through the airport or by way of a third-party management company. Typically, outside management companies charge a fee of between 3% and 6% of the gross income depending upon the complexity of the project. Considering the unique characteristics of the installation along with the large number of hangars, we would estimate a management fee of approximately 6% of the gross income. This would represent an allocation of approximately \$0.29 per square foot annually of the total rental income. The forecasted market rent is inclusive of the management fee.


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

Thank you for giving us the opportunity of appraising this property for you.

Sincerely,
Anderson Valuation Group, LLC



Eric J. Anderson, MAI
Certified General Appraiser
Nevada License N^o A.0007691-CG
Expiration Date: January 31, 2022



Glenn M. Anderson, MAI, SRA, AI-GRS
Certified General Appraiser
Nevada License N^o A.0000555-CG
Expiration Date: January 31, 2022

EJA/GMA/kd

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Addenda

Appraisers' Qualifications
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Summary of Salient Facts

Property Location:

The 65 general aviation hangars included within this report are located within the Boulder City Municipal Airport which has a physical address of 1201 Airport Road, Boulder City, Clark County, Nevada. Specifically, the subject hangars are located on taxiways 1, 2 and 3, and are specifically identified as hangars:

1-02	1-04	1-06	1-08	1-10	1-12	1-14
2-01	2-02	2-03	2-04	2-05	2-06	2-07
2-08	2-09	2-10	2-11	2-12	2-13	2-14
3-01	3-02	3-03	3-04	3-05	3-06	3-07
3-08	3-09	3-10	3-11	3-12	3-13	3-14
3-16	3-18	3-20	3-22	3-24	3-26	3-28
3-30	3-32	3-34	3-36	3-38	4-03	4-05
4-07	4-09	4-11	4-13	4-15	4-17	4-19
4-21	4-23	4-25	4-27	4-29	4-31	4-33
4-35	4-37					

Clark County Assessor's Parcel Number:

The subject hangars are located on a portion of Parcel Number 186-20-101-007.

Zip Code:

89005

Census Tract:

5501

Property Owner:

Ground lessor (fee simple ownership), City of Boulder City

Current Occupant:

Current leasehold improvement ownerships vary with ground leases set to expire in 2023 at which time leasehold improvements will revert into the ownership of Boulder City.

Zoning:

The subject property is currently zoned S, which is an Interim Study Zone under the jurisdiction of Boulder City. The purpose of this zoning classification is to permit some control in those areas which are at present premature for urban development and where the future land uses are undeterminable at the present time. The S zone is intended primarily as a holding zone and further intended to permit those controls which would prevent any changes in the existing land uses which may be inconsistent with the comprehensive plan. The uses in the S zone shall be limited to temporary open air type uses which require no permanent structures or buildings. All proposed uses shall be treated as conditional uses and shall be subject to review by the Planning Commission in accordance with the provisions of Chapter 30, Conditional Uses.

The subject property is located within the confines of the Boulder City Municipal Airport and is overlaid with a future land use plan for airport use. The subject improvements and utility as an aircraft hangar is considered to be a legal and conforming use under the current zoning classifications.

Site Size:

The subject is identified as 65 general aviation hangars within the Boulder City Municipal Airport. The buildings were originally constructed as leasehold improvements on ground leased areas consistent with the building footprint areas. This would indicate that the individual units generally include site areas ranging from 697 square feet to 3,950 square feet. Cross-access/cross-parking and undivided interest in other common areas also exists within the larger Boulder City Airport. The subject is afforded access to taxiways and the main runways of this larger air terminal.

Subject Improvements:

The subject property includes 65 general aviation hangars which range in size from 697 square feet to 3,950 square feet. The building improvements were constructed in or around 1989 to 1990 and include pre-engineered metal hangars with steel frame and corrugated metal siding. The buildings are constructed upon concrete slab poured on-grade, and the roof is modestly pitched with a center peak and corrugated metal covering. Units are generally center wall attached and each include either a sliding or bifold aluminum/metal constructed hangar door with clear heights of approximately 12 to 14 feet. The following table summarizes the individual hangar types, sizes, and amenities.

Hangar Pad	Type	Count	Size (sf)	Ammenities
Pads 14-19	Box Hangars	28	1470-1840	Manual doors, fire alarm
Pad 20	Executive Box Hangar	1	3950	Electric Bi-Fold, fire monitoring
Pads 21-22	Small T-Hangars	14	697-756	Nested, Manual doors
Pad 23	Box Hangars	6	1452-1575	Electric Bi-Fold
Pad 24-25	Large T-Hangars	16	903-1419	Nested, Manual doors, fire alarm

A more comprehensive description of the subject improvements is included later in the body of this report.

Highest and Best Use:

It is our opinion that the existing use and development of the subject property as general aviation hangars does represent the highest and best use of the property from an improved perspective. If vacant, future aviation related use would be expected.

Effective Date of Report:

September 28, 2022

Last Date of Inspection:

September 14, 2022

Effective Date of Rent Estimate:

September 14, 2022

Hypothetical Condition/Extraordinary Assumptions:

None

Opinion of Market Rental Rate:

Hangar Pad	Type	Annual Rate / psf		Monthly Rate / psf	
		Modified Gross	Triple Net*	Modified Gross	Triple Net*
Pads 14-19	Box Hangars	\$4.75	\$4.55	\$0.40	\$0.38
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Pad 24-25	Large T-Hangars	\$4.75	\$4.55	\$0.40	\$0.38

*plus \$25/mo utility & CAM reimbursement

Lease Term Assumptions:

The preceding lease rate assumes the land and hangar buildings are leased as a single unit and include common area access to taxiways and main runways. The lease rate has been forecasted both on a modified gross scenario as well as a triple net leasing scenario. Under the modified gross terms, all utilities, structural maintenance, and taxes would be paid by the landlord and included as part of the base rent. Under the triple net terms, the tenant would either pay expenses separately or reimburse the landlord for a proportionate share of the expenses. Our forecasted rental rate based on net terms generally assume a \$25.00 per month utility and CAM reimbursement to be paid as additional rent by the tenant. This generally equates to an annual expense of \$0.20 per square foot.

The tenant would then be responsible for general upkeep and janitorial of the interior of the buildings. Furthermore, the lease rate assumes annual rental increases generally concurrent with the Consumer Price Index.

Purpose and Use of the Appraisal

The purpose of this appraisal report is to develop an opinion a market rental rate for the 65 general aviation hangars. Rental rates have been opined for the subject in their *as is* condition and include both the land and hangar building as a singular unit.

We have prepared this market rent appraisal report for the City of Boulder, which is identified both as the client and intended user. The function of this appraisal is to assist the client in potential lease negotiations for the subject facility. We do not intend nor authorize any other use or users of this appraisal.

Definitions

Assignment, Defined:

A valuation service that is provided by an appraiser as a consequence of an agreement with a client.¹

Client, Defined:

The party or parties (i.e., individual, group or entity) who engage an appraiser by employment or contract in a specific assignment, whether directly or through an agent.²

Exposure Time, Defined:

An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.³

Fee Simple Ownership, Defined:

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

¹ *Uniform Standards of Professional Appraisal Practice (2020-22 Edition) Page 3*

² *Uniform Standards of Professional Appraisal Practice (2020-22 Edition) Page 4*

³ *Uniform Standards of Professional Appraisal Practice (2020-22 Edition) Page 4*

Definitions, continued,

Highest and Best Use, Defined:

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

Intended Use, Defined:

The use(s) of an appraiser's reported appraisal or appraisal review assignment results, as identified by the appraiser based on communication with the client at the time of the assignment.⁴

Intended User, Defined:

The client and any other party as identified by name or type, as users of the appraisal or appraisal review report by the appraiser, based on communication with the client at the time of the assignment.⁵

Leasehold Improvements, Defined:

Improvements or additions to leased property that have been made by the lessee.

Leasehold Interest, Defined:

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

Market Rent, Defined:

The most probable rent that a property should bring in a competitive and open market, reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, terms, concessions, renewal and purchase options, and tenant improvements (TIs).⁶

Market Value, Defined:

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

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

⁴ *Uniform Standards of Professional Appraisal Practice (2020-22 Edition) Page 4*

⁵ *Uniform Standards of Professional Appraisal Practice (2020-22 Edition) Page 4*

⁶ *The Appraisal of Real Estate 14th Edition, Appraisal Institute (2013 edition, Page 447)*

Definitions, continued,

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.⁷

Marketing Time, Defined:

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value or at a benchmark price during the period immediately after the effective date of the appraisal.⁸

Scope of Work, Defined:

The type and extent of research and analyses in an appraisal or appraisal review assignment.⁹

⁷12 C.F.R., Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994

⁸ Uniform Standards of Professional Appraisal Practice (2018-22 edition, Advisory Opinion 7)

⁹ Uniform Standards of Professional Appraisal Practice (2020-22 Edition) Page 5

Owner of Record and Three-Year Sales History

According to Clark County of Records, the current owner of record for the underlying site area and municipal airport is Boulder City. According to available information and discussions with the client, the hangar space has historically been leased to a variety of tenants for 30-year terms which are set to expire in the near future. The individual tenants constructed the aircraft hangars which were considered leasehold improvements. The existing ground leases are set to expire in 2023 at which time all existing leasehold improvements, which include the aircraft hangars, are to revert to the ownership of Boulder City. This would give Boulder City full fee ownership of both the underlying site as well as the existing building improvements. Boulder City then proposes to lease the land and buildings, inclusive of access to the taxiways and runways, to third parties for aviation uses.

We did not identify any arm's-length transactions on the property over the course of the past three years from the valuation date. Furthermore, we are unaware of any pending sales, listings, or offerings at the present time.

Method of Valuation and Scope of Work

The purpose of this appraisal is to develop an opinion of the market rental rate of the subject property which is currently improved with 65 general aviation hangars. In order to develop an opinion of a market rental rate, we have first conducted research regarding the subject property to determine its overlying zoning code, date of construction, factors related to its location as well as building characteristics. We conducted an inspection of the property and referenced information provided for review by the client.

In order to establish a market rent for the subject property, we have employed two methods of valuation which include a direct comparison approach as well as a return on cost method.

In the direct comparison approach we have referenced asking and known contract lease rates of similar type hangar facilities located within similar municipal airports located throughout both the Southern Nevada area and adjoining states. The comparable properties included similar private hangar space within municipal airports of similar size and activity. The comparable hangars were generally publicly owned facilities and leased inclusive of both the land and building as well as perpetual access to taxiways and runways.

For additional support, we also referenced a return on cost method of valuation and applied a market derived rate of return against the depreciated cost of the improvements and underlying land. In developing an estimate of the depreciated cost of the improvements, we have referenced the *Marshall Valuation Cost Service* which is a nationally recognized cost calculator handbook. Deductions were made for various forms of depreciation which provided an indication of the depreciated cost of the improvements. A market derived rate of return was then factored against the depreciated cost, resulting in an indication of a market rent for the leasehold improvements. The rate of return is based on known local transactions as well as expected return rates by other government municipalities throughout the region. The lease rate for the underlying land or site was concluded based on ground lease rates for competing municipal airports throughout the Southwest Region. The underlying ground lease rate was combined with the rate for the leasehold improvements to provide an overall rate for the hangar facilities.

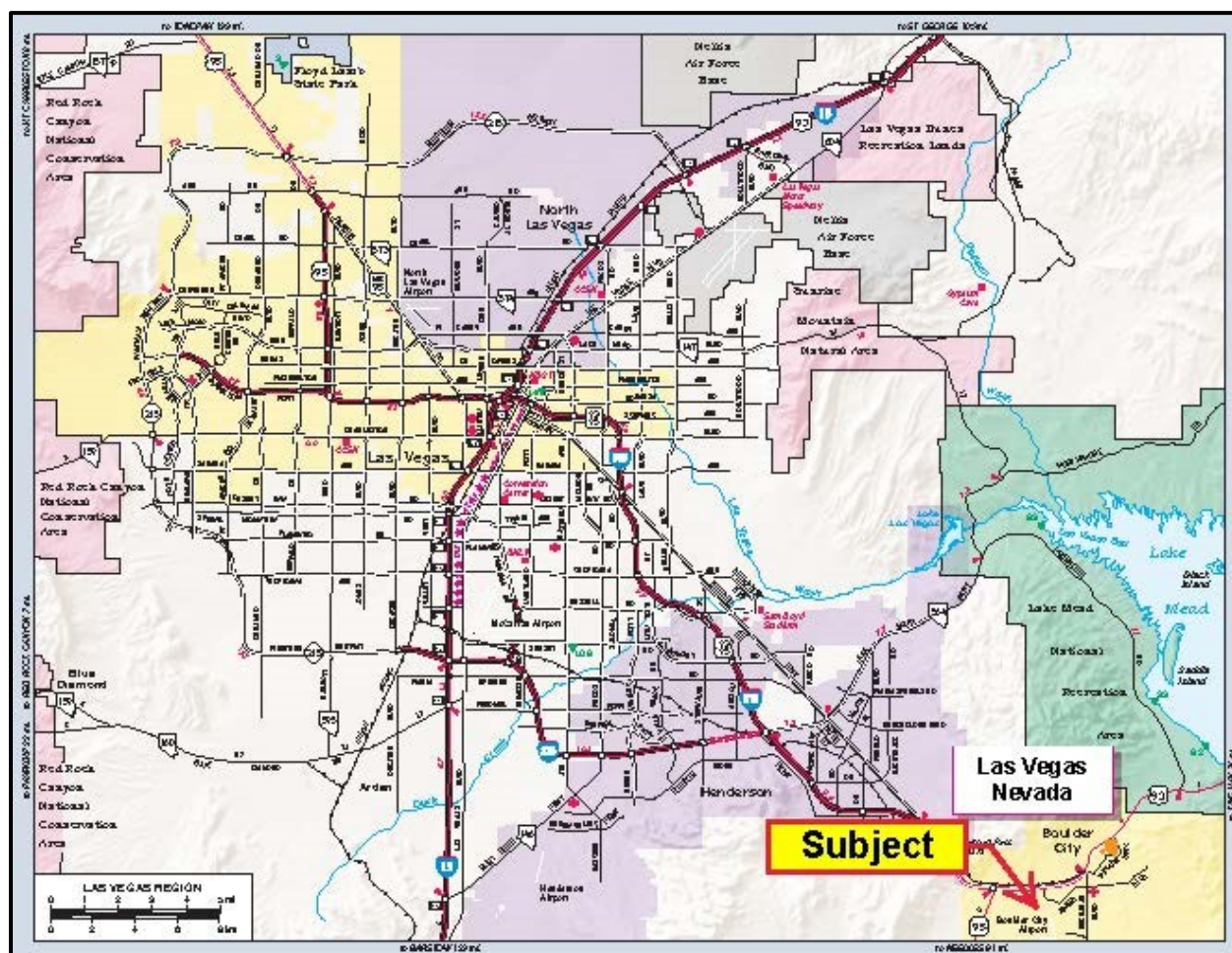
In the final analysis, primary consideration was given to the direct comparison approach, with support provided from the return on cost method. The forecasted market rent is based on a modified gross scenario in which the landlord, or in this case Boulder City, would be responsible for utility expenses, structural maintenance and any taxes associated with the building improvements. The expenses would be included as part of the base rental rate. The tenant would then be responsible for general light maintenance and janitorial of the buildings. The rate reflects an annual basis and assumes annual rental increases concurrent with the Consumer Price Index.

Per the request of the client, we have also forecasted a market rent based on triple net terms in which the tenant would be directly responsible for ongoing expenses. Based on the utility characteristics at the subject, we have concluded that these ongoing expenses would most likely be reimbursed to the landlord as additional rent on a monthly basis. This scenario would also find the tenant responsible for general light maintenance and janitorial of the interior of the buildings and assume a rental increase concurrent with the Consumer Price Index.

This appraisal report is intended to comply with the *Uniform Standards of Professional Appraisal Practice* (USPAP), as adopted by the Appraisal Foundation. This report is also intended to comply with the *Code of Professional Ethics* of the *Appraisal Institute*. The intended user and client of this report is Boulder City, and the intended use is to determine an *as is* market rental rate for potential lease negotiations. No other use or users are intended nor authorized by these appraisers.

The information contained in this report was obtained through sources purchased by this office, a review of publicly available information, as well as primary research. This information has been confirmed with knowledgeable parties in the marketplace including buyers, sellers, sales agents, leasing agents, and other knowledgeable individuals. We have also relied on public record information, including review of airport operations and leasing schedules of comparable airports, in the confirmation process. We inspected the property on September 14, 2022, which corresponds with our valuation date.

Greater Las Vegas Area Location Map



Las Vegas Area and City - General Information

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

During the last two decades, the Las Vegas valley has emerged as one of the fastest growing metropolitan areas in the nation experiencing a population growth from about 400,000 residents in 1980 to 2,376,683 in 2020. While the larger valley is generally referred to as Las Vegas, the area is actually comprised of four different municipalities. They are the cities of Las Vegas, Henderson, North Las Vegas, and unincorporated portions of Clark County. Each of these entities provides similar levels of services, land use planning, ordinances, and taxation. The majority of outlying land within Clark County is owned by the Bureau of Land Management (BLM), as well as large portions within the Las Vegas valley. However, the BLM has auctioned off parcels throughout the valley to private investors. Additional lands surrounding the Las Vegas valley are owned by the other government branches including the National Forest Service, National Park Service, and the Department of Defense.

History

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

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

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

Climate

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

Population

The Las Vegas/Clark County area has historically grown at a rapid rate. From 2000 when the population was 1,360,496 to present day, this area has seen an approximate 71.40% increase in total population. The 2021, Clark County population is 2,333,092, a 1.83% decrease from the 2020 population of 2,376,683.

The slight decline in population between 2020 and 2021 is the first population decrease measured for numerous years. During the Covid-19 pandemic, mandatory closures, then reduced capacity operations were instituted, which resulted in significant temporary job loss. The result was a temporary migration of residents to other regions seeking employment. All restrictions due to the pandemic have since been lifted and full employment has returned. The 2021 population statistics are based on the August publication by the Clark County demographer. All available data indicates that typical population growth has resumed statewide.

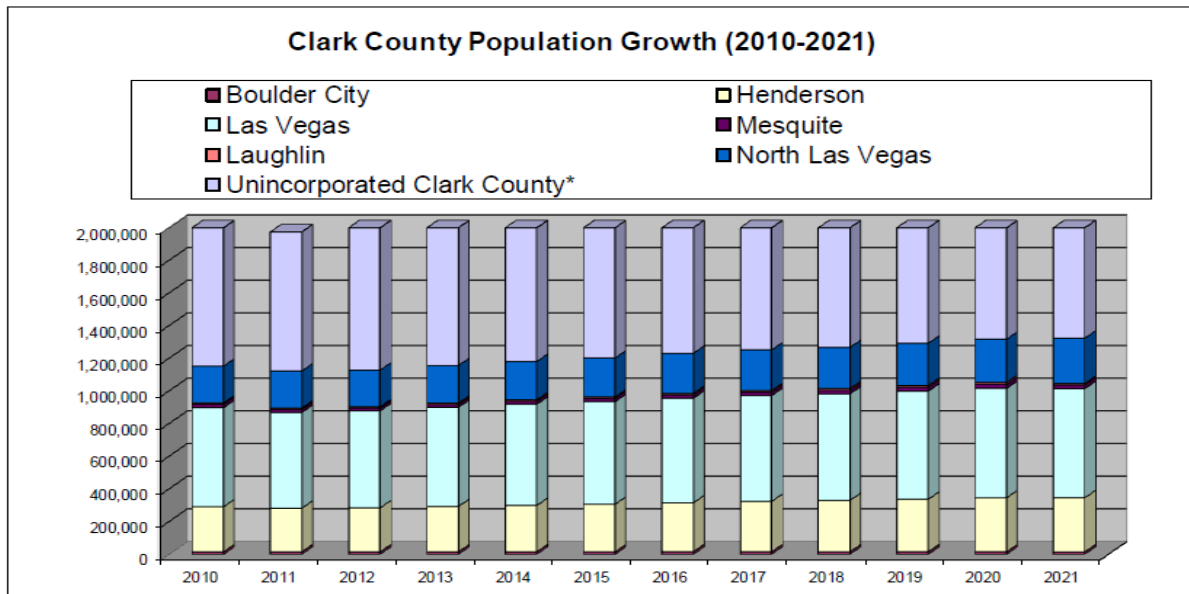
Population Distribution (2021)

City/Area	Population
Henderson	331,913
Las Vegas	667,679
North Las Vegas	276,862
Unincorporated Clark County *	1,008,964
Boulder City	15,250
Laughlin	9,350
Mesquite	23,074
Total Clark County Population 2021	2,333,092

Source: Clark County Comprehensive Planning

Clark County Population 2010 - 2021												
City	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Boulder City	15,886	15,502	15,901	15,850	15,852	16,011	16,570	16,508	16,104	16,398	16,505	15,250
Henderson	276,428	267,088	269,243	278,047	284,468	291,432	299,279	307,928	314,486	321,781	330,367	331,913
Las Vegas	606,656	586,356	594,294	606,762	619,419	628,611	640,174	648,224	652,101	661,824	670,701	667,679
Mesquite	21,142	19,139	16,900	17,718	18,525	19,299	20,325	21,338	22,865	24,136	25,556	23,074
Laughlin	8,136	8,136	8,130	8,957	9,092	9,301	9,537	9,600	10,154	10,131	10,547	9,350
North Las Vegas	224,940	227,155	224,003	229,314	233,806	238,342	244,793	249,180	252,101	258,638	264,828	276,862
Unincorporated Clark County*	857,925	851,390	888,313	905,606	920,577	944,645	974,529	1,005,213	1,015,988	1,032,890	1,058,180	1,008,964

Source: Nevada State Demographer



Demographics (Las Vegas Valley):**Source: 2020 Las Vegas Perspective****POPULATION DISTRIBUTION****Gender**

Male	49.9%
Female	50.1%

Education

Less than 9th Grade	5.6%
Some High School, No Diploma	8.1%
High School Graduate (or GED)	29.3%
Some College, No Degree	24.7%
Associate Degree	7.8%
Bachelor's Degree	16.6%
Graduate Degree	8.1%

Housing Unit Types

Single Family	60.3%
Condominiums	9.0%
Townhouses	4.8%
Plexes (2-4 Units)	2.0%
Mobile Homes	2.7%
Apartments	21.3%

Marital Status

Never Married	34.8%
Married, Spouse Present	40.7%
Married, Spouse Absent	5.8%
Widowed	5.0%
Divorced	13.7%

Age

Under 18	23.1%
18 to 24	8.6%
25 to 34	14.7%
35 to 44	13.9%
45 to 54	12.9%
55 to 64	11.8%
65 and Over	15.0%

Average Age**38.8****Median Age****38.1****Household Income**

Income Less than \$15,000	9.7%
Income \$15,000 - \$24,999	8.0%
Income \$25,000 - \$34,999	9.1%
Income \$35,000 - \$49,999	13.8%
Income \$50,000 - \$74,999	19.0%
Income \$75,000 - \$99,999	13.6%
Income \$100,000 - \$149,999	15.3%
Income \$150,000 - \$199,999	5.7%
Income \$200,000 and Over	5.8%

Average Household Income**\$82,235****Median Household Income****\$61,835**

Demographics (Las Vegas Valley):**Source: 2020 Las Vegas Perspective****POPULATION DISTRIBUTION****Persons per Household**

1	25.1%
2	31.2%
3	16.5%
4	12.9%
5	7.6%
6	3.8%
7 or More	2.9%

Average Persons per Household	2.75
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HOUSING***2019 Home Sales Price**

Median New Home	\$387,018
Median Resale Home	\$273,206

2019 Recorded Homes Sales

New Homes	9,816
Resale Homes	45,841
Total	55,657

Type of Home Purchased

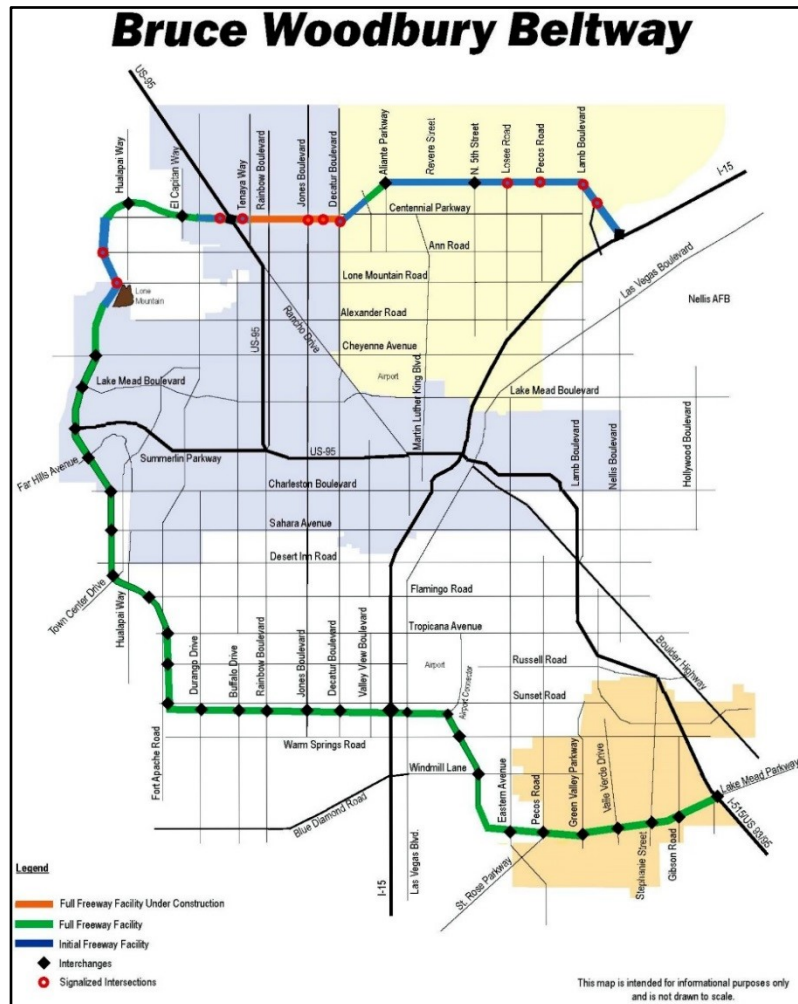
New Homes	17.6%
Resale Homes	82.4%

*Source: *Sales Traq*

Transportation

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

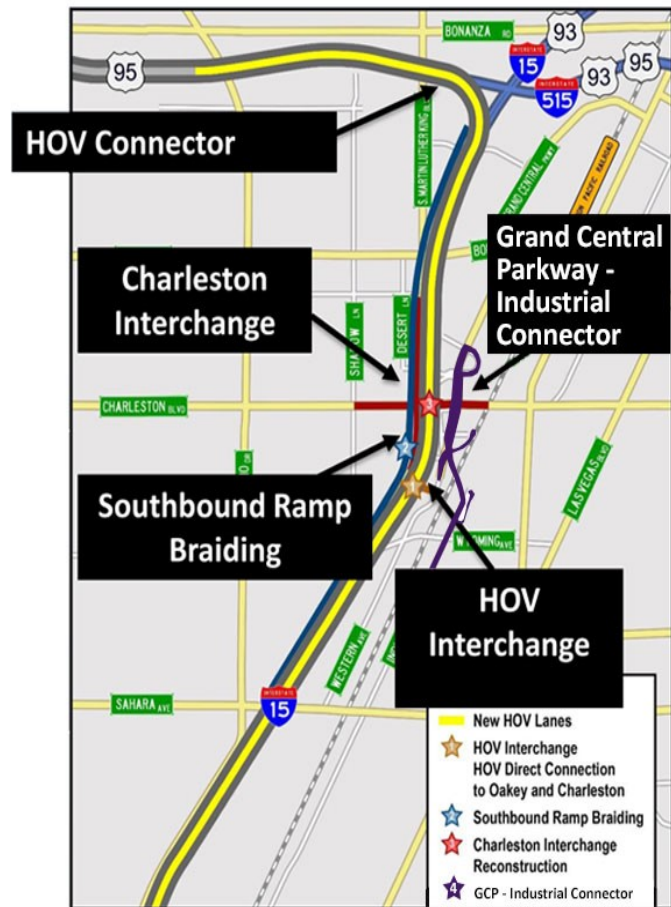
Clark County Highway 215 (or the Bruce Woodbury Beltway) is an outer loop expressway which generally encircles the city, originating in the Henderson area at U.S. Highway 95 and terminating at Interstate 15 in the northeast quadrant of the city. This 53-mile stretch of roadway encircles three-quarters of the Las Vegas valley. A significant portion of this project was built out in early 2009. Generally, this expressway is complete to freeway status with the exception of the 95/215 interchange in the northwest valley. This interchange is under construction. In addition, work has begun on the new freeway interchange between I-15 and the 215 in the northeast valley. These two last projects should be complete by 2022.



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

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

Generally, the RTC has 38 transit routes with 3,354 bus stops. RTC owns and operates five transit centers and three Park and Ride Lots. The most popular transit route is Deuce on the Strip, and revenues from the Las Vegas Boulevard route helps fund other transit routes throughout the Las Vegas valley. According to the National Transit Database, the RTC is ranked Number 2 in the amount of operating costs recouped through fair revenues.



*Project Neon, Source: NDOT website

According to the RTC website, in 2020 RTC had 56 million fixed route passenger rides on 38 bus routes, with a total of 3,354 fixed route transit stops. Nevada voted to extend the fuel revenue indexing program and over the next ten years, the RTC predicts it will generate up to \$3 billion in available revenue for roadway projects and the RTC systems in Clark County over the next ten years.

An ambitious upgrade by NDOT expanding Interstate 15 between the interchange with U.S. 95 (the Spaghetti Bowl), south to approximately Sahara Avenue has been completed. This was one of the largest highway construction projects to date in Nevada with regard to scope and cost. Additional lanes of travel have been incorporated into this segment of Interstate 15, plus the addition of high occupancy vehicle (HOV) lanes. Dedicated access points for these HOV lanes have been created at the Neon Gateway interchange. The Charleston Boulevard interchange has been fully reconstructed and new connector ramps have been installed throughout the area for high-occupancy vehicle lanes, added lanes of travel, and other upgraded features to alleviate traffic congestion through this busy highway segment. The Grand Central Parkway Connector has also been constructed, which should enhance accessibility on the east side of the freeway in the vicinity of Charleston Boulevard. Martin Luther King Boulevard has likewise been reconfigured, again, to accommodate added north/south travel through the area. This project was completed in 2019. The preceding graphic illustrated the upgrades.

Harry Reid International Airport is a primary point of entry for most visitors and tourists to the Las Vegas metropolitan area. Expansion has occurred in this facility over the years to accommodate the rapid growth in passenger traffic which has occurred through approximately 2007. Passenger traffic declined 2008, 2009 and 2010 due to the recession. In 2011, this declining trend reversed with the first increase in passenger traffic since 2007. Air passenger traffic was 51,537,638 passengers in 2019. This level surpassed pre-recession traffic. In 2020, passenger traffic through Harry Reid Airport declined 58.9%, to 21,201,479 passengers. This was a direct result of the COVID-19 pandemic which severely curtailed business and leisure travel worldwide. During 2021, the passenger traffic through Harry Reid International Airport increased significantly from 2020 as business and leisure travel continued to rebound as the pandemic continues to wane. The positive trend in passenger traffic through Harry Reid International Airport is anticipated to continue through 2022 as normal tourism activities in the Las Vegas metropolitan area return.

Harry Reid International Airport Air Passenger Traffic		
Year	Passengers	% Change
2000	36,865,866	9.3%
2001	35,203,808	-4.5%
2002	35,009,011	-0.5%
2003	36,265,932	3.6%
2004	41,441,531	14.3%
2005	44,267,362	6.8%
2006	46,193,329	4.4%
2007	47,728,414	3.3%
2008	44,074,707	-7.7%
2009	40,469,012	-8.2%
2010	39,757,359	-1.8%
2011	41,479,814	4.3%
2012	41,667,596	0.4%
2013	41,857,059	0.5%
2014	42,869,517	2.42%
2015	45,389,074	5.88%
2016	47,435,640	4.51%
2017	48,500,194	2.2%
2018	49,716,584	2.51%
2019	51,528,524	3.60%
2020	21,201,479	-58.9%
2021	39,710,493	87.3%

Source: Las Vegas Convention & Visitors Authority

Terminal 3 opened in 2012, over 9 years ago. This terminal is nearly one-half mile in length and includes a 6,000 space 8-story parking garage, essential utility plant and 14 new gates; including six gates reserved for international air service with updated

customs processing service areas. The total cost of Terminal 3 was approximately \$2.4 billion. In 2017 a complete renovation of Terminal 1 was completed at a cost of \$30 million. This included new ticket counters, new flooring, new pillars and lighting, upgrade in belt systems for baggage screening, upgraded digital boards, and a wide range of other improvements and technology upgrades.

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

The Las Vegas Monorail began operating in 2004 and is a state-of-the-art driverless rail system that extends approximately 3.9 miles on the east of the Las Vegas "Strip." The monorail includes seven stations, completes the total route within 15 minutes, is capable of reaching speeds of up to 50 miles per hour, and operates 365 days a year.

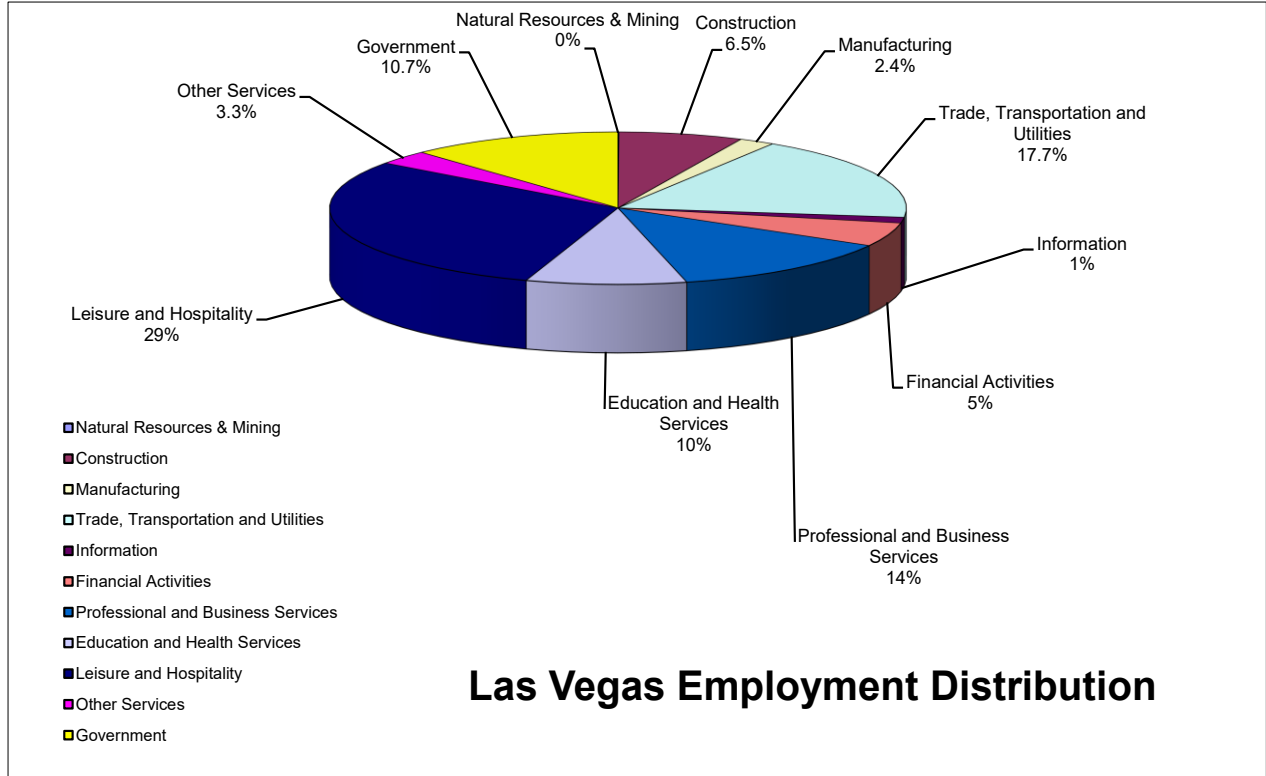
The current monorail route exists to the east side of Las Vegas "Strip" properties, with numerous stations strategically located to provide ease of access to different points along Las Vegas Boulevard, and importantly, to the Las Vegas Convention Center. The following illustrates the current monorail route.



At the end of 2020, the Las Vegas Convention and Visitor's Authority acquired the assets of the Las Vegas Monorail Company, preserving an important transportation option in Las Vegas. This ensured that it could continue to operate in the coming years as the Monorail was in bankruptcy prior to this acquisition. This also allowed the Las Vegas Convention and Visitor's Authority to eliminate the non-compete area around the monorail system. This paves the way for the Boring Company to continue its underground transportation network throughout the Las Vegas area. Currently, Boring has developed an underground transportation system around the Las Vegas Convention Center designed to move conventioners between halls, which are up to a mile between the east and west parts of the Convention Center. Boring has agreed to continue its tunneling system to other hotel casinos on The Strip including the Wynn and the Encore, as well as the new Resorts World. They are also in negotiation to continue this tunnel system up and down the Las Vegas Strip, eventually connecting to Raider's Stadium to the south and the Downtown area to the north, with multiple stops along The Strip Corridor. With the recent acquisition by the Las Vegas Convention and Visitor's Authority, this may also pave the way for future extensions of the Monorail System to provide closer access to Raiders Stadium and possible extensions to Harry Reid Airport and/or the Downtown District.

Economy

The economic base of the Las Vegas area is dominated by the tourist/service industries, trade industries, professional services, construction industry, and governmental/municipal agencies, including substantial military base employment. The total Clark County labor force reported for the end of 2019 is 1,136,500, a 2.75% increase from 2018 of 1,105,200. The largest employment sector is the leisure and hospitality industry which includes the most tourism related employment. This sector includes jobs related to arts and entertainment, hotel/gaming and recreation, food service and accounts for 29% of the total employment in Las Vegas. Las Vegas-Paradise MSA unemployment at the end of 2019 was approximately 3.4%. Employment distribution is illustrated in the following chart.



Source: Nevada Workforce Informer, NV Dept. of Employment

At the height of the shutdown during the COVID-19 crisis of 2020, the overall unemployment rate in Nevada rose to 30%. This was due to massive layoffs and furloughs of casino workers and others connected with tourism, gaming, convention business, etc. Currently, the unemployment rate has fallen below 10% and as operation restrictions continue to ease, the unemployment rate would be expected to decline. Due to the recent introduction of vaccines, it is predicted that business and leisure travel will begin to increase, which should have a positive impact on the Las Vegas gaming and tourism markets. As visitors begin to return to Las Vegas, the unemployment rate would be expected to again approach 5% or lower in the next year.

Tourism

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

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

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

The acquisition of the Desert Inn Hotel and its golf course (encompassing 200± acres) by Steve Wynn, former Mirage CEO, occurred in 2000 and was subsequently demolished for a planned 2,716 room resort hotel/casino. This hotel/casino, simply named Wynn Las Vegas opened in April 2005, on the 55th anniversary of the opening of the original Desert Inn. The cost of Wynn Casino was estimated at approximately \$2.6 billion. Since the opening of Wynn, Encore has been completed and opened December 22, 2008. The Encore was completed at a cost of approximately \$2.3 billion and includes 2,034 rooms, a 72,000-square foot casino, 11 retail outlets, showroom, multiple restaurants, and other facilities. Encore and Wynn are operated in conjunction with one another directly across from the Fashion Show Mall.



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

The largest hotel/casino project opened in recent times is the new CityCenter development. Opened in December 2009, this was the completion of one of the largest privately-funded construction projects in the nation. CityCenter includes multiple properties such as the ARIA Resort and Casino, the Mandarin Oriental, Vdara Hotel and Spa, the Cosmopolitan as well as Veer Towers. The ARIA Resort and Casino is the main facility, which includes a full-service resort and casino. The Mandarin Oriental, as well as Vdara, are boutique-type properties which include a full complement of services such as restaurants and spas. Veer Towers is primarily a condominium-type complex. CityCenter also boasts Crystals, a retail and entertainment complex similar to other upscale Las Vegas Boulevard Malls such as Caesar's Forum Shops, the Canal Shoppes at the Venetian, and the Miracle Mile Shops at Planet Hollywood. This project was highly anticipated due to the amount of permanent employment represented by this project and the anticipation that the CityCenter Development by MGM Mirage would boost tourism in Las Vegas. Upwards to 12,000 permanent employment positions exist in the CityCenter Complex. The most recent opening on the Las Vegas "Strip" was the Cosmopolitan, a hotel/casino in CityCenter that opened in December 2010. This hotel has a 100,000-square foot casino, 1,198 hotel rooms, 968 hotel/ condominium style units, multiple restaurants, convention space, showroom, and 60,000 square feet of retail space, among other amenities. The former Sahara Hotel/Casino which has been completely renovated and has been reopened with 1,600 guest rooms and suites, 30,000 square feet of meeting space, full service hotel/casino, as well as restaurant and lounges. The renovated hotel opened Labor Day 2014.

The newest hotel casino is the Resorts World project. The former Stardust Hotel/Casino site was acquired by Boyd Gaming with the intention of developing the Echelon project. Boyd Gaming ceased development on this project in 2008 and more recently, sold this property to Genting Group. This is an international gaming company, which recently completed Resorts World Las Vegas, a \$2 billion Asian themed mega resort to include 3,500 rooms, a 175,000-square foot casino, 500,000 square feet of retail space, 500,000 square feet of convention space and a 4,000-seat theater. Resorts World opened in June 2021.

The High Roller was opened in recent years. This is a 550-foot observation wheel (Ferris wheel) and is the featured centerpiece of The Linq. The LINQ project includes a large retail complex connecting Las Vegas Boulevard and the observation wheel, featuring numerous new tenants such as Starbucks, Ghirardelli Ice Cream and Chocolate, the Tilted Kilt Pub and Eatery, In-N-Out Burger, Yard House, and many more. Various high-profile type nightclubs, including the Brooklyn Bowl and O'Shea's also occupies the LINQ development.

Other development occurring along the Las Vegas "Strip" includes the addition of various retail shops to many hotels/casinos. Retail shops have recently been developed along the frontage of major hotel/casinos including Treasure Island, New York-New York, and Bally's, among others. Plans exist for a major retail complex in front of the Tropicana Hotel/Casino. The City of Rock project by MGM Grand, has been developed at the intersection of Las Vegas Boulevard and Sahara Avenue. The first event held at this facility was the Rock in Rio concert, which drew upwards to 80,000 patrons. This is an outdoor venue; however, will also include permanent developments which will be accessible as a tourist attraction. A wide range of other events are also intended to be held at this facility.

Hotel & Motel City-Wide Occupancy Levels	
Year	Combined %
2000	89.1%
2001	84.7%
2002	84.0%
2003	85.0%
2004	88.6%
2005	89.2%
2006	89.7%
2007	90.4%
2008	86.0%
2009	81.5%
2010	80.4%
2011	83.8%
2012	84.4%
2013	84.3%
2014	86.8%
2015	87.7%
2016	89.1%
2017	88.7%
2018	88.2%
2019	88.9%
2020	42.1%
2021	66.8%

Source: Las Vegas Convention & Visitors Authority

Recently, the new T-Mobile Arena opened behind the New York-New-York. This is a world-class arena which is home to the new Las Vegas Golden Knights NHL Hockey Team. This expansion team began their inaugural season in 2017. The T-Mobile Arena is likewise hosting numerous concerts, and a wide range of other events. Adjacent to the T-Mobile Arena is the new Park Auditorium, which is a smaller venue that can be used for concerts, plays and a wide range of other entertainment. Various restaurants and bars also opened in conjunction with the new T-Mobile Arena and its adjacent venue. As part of this complex, the Monte Carlo has been renovated and rebranded as the Park MGM.

UNLV purchased 42 acres on the north side of Tropicana Avenue, east of Koval Lane. Specific plans for the use of this area are unknown at the present; however, it has been announced that this area may be used for mixed-use development that will accommodate graduate housing and related uses. Private sector retail will likely be incorporated into the project along the Tropicana Avenue frontage. Recently, Caesar's Entertainment announced that Bally's will be rebranded as the iconic Horseshoe. This rebranding will include a large scale renovation of the property.

The Raiders NFL team has relocated to Las Vegas. A new state-of-the-art stadium has been constructed on the north side of Russell Road, just west of Interstate 15. This was an approximate \$2 billion project to construct this 65,000 seat enclosed state-of-the-art complex. The Raiders played their inaugural season in the stadium in the fall of 2020 albeit there were no fans in attendance as a result of the pandemic. The Raiders have also constructed the Intermountain Training Facility in Henderson as well as their corporate offices. This new stadium and the

new presence of an NFL team in Las Vegas is anticipated to result in significantly increased visitors during football season when fans are invited into the stadium. The stadium also provides a convenient venue for large events that were not possible in Las Vegas due to the lack of this large stadium venue. Below is a rendering illustrating the recently built stadium.

Clark County Visitor Volume		
Year	Total Visitors	% Change
2001	35,017,317	-2.3%
2002	35,071,504	0.2%
2003	35,540,126	1.3%
2004	37,388,781	5.2%
2005	38,566,717	3.2%
2006	38,914,889	0.9%
2007	39,197,000	0.7%
2008	37,481,552	-4.4%
2009	36,351,461	-2.68%
2010	37,335,436	2.71%
2011	38,928,708	4.3%
2012	39,727,022	2.1%
2013	39,668,221	-0.1%
2014	41,126,512	3.68%
2015	42,312,216	2.88%
2016	42,936,109	1.47%
2017	42,208,200	-1.7%
2018	42,116,800	-0.22%
2019	42,523,900	.97%
2020	19,031,100	-55.2%
2021	32,230,600	69.36%

Source: Las Vegas Convention & Visitors Authority

Rendering, Allegiant (Raider's) Stadium



The Fremont Street Experience was developed in 1994 at a cost of \$70 million in the Downtown Central Business District. The experience includes a computer-controlled, 12.5 million LED Module color light display which forms a nearly ½-mile long canopy over Fremont Street. The LED display recently underwent a \$30 million upgrade. As part of a comprehensive pedestrian mall (closing vehicular traffic) along what has historically been called "Glitter Gulch," this project revitalized the older downtown casino district. In August 2007, Fremont East was completed for a reported \$5.5 million. Workers widened sidewalks, improved the landscaping, and created an arched gateway that is lighted. The downtown area has been improved with the construction of various neon signs from the Neon Museum along the Fremont east area, as well as the north part of Las Vegas Boulevard. The Golden Nugget Hotel/Casino has recently been expanded with the introduction of a new hotel tower and additional public spaces. The Golden Gate was also renovated and expanded. The Plaza Hotel reopened in 2012 after a full interior renovation. Recently, Fitzgerald's was also renovated and has been rebranded as The "D." Finally, the former Lady Luck (which closed in past years) has been renovated, expanded, and reopened as the Downtown Grand. A new hotel tower has been recently added to the Downtown Grand.

In 2016, the owner of The "D," in addition to other acquisitions, acquired the former Las Vegas Club Casino which is at Main Street and Fremont Street. This hotel/casino has been demolished. The same buyer acquired the balance of this same block, including the Glitter Gulch and Mermaids, which have also been demolished. This site has been developed with the new Circa hotel casino. This is an approximate 777 room

high rise hotel casino, some of the first ground-up hotel casino construction in the downtown area in nearly 30 years. This property features a multi-deck outdoor pool space with large video screen to view sporting events. The property also has a multi-level indoor sports book, full-service casino and a wide range of other amenities.

The Fremont East area has also been expanding in the form of new restaurants, bars, concert venues, and other facilities. A large apartment complex was recently completed at 9th Street and Fremont Street, which illustrates that the permanent residential population in the downtown area continues to grow, which will further encourage additional development of services in the downtown area. For example, the Eclipse Theater, a multiplex movie theater and entertainment venue, was built in the downtown area on South 3rd Street.

Historically, tourism has increased consistently as measured by total visitor volume, gaming, revenues, and other indicators. The introduction of new hotel rooms in Las Vegas historically has resulted in increases in visitor volume; however, the downturn in the national economy had resulted in a reduction of total visitors in Las Vegas between 2008 and 2010. Beginning in 2011, this trend has reversed. As illustrated over the past pages, primary indicators in Las Vegas declined significantly in 2020 as a result of the global pandemic. The Las Vegas market had been one of the most affected markets in the nation due to its dependence on gaming and tourism. Due to the severe reduction in business and leisure travel, significant declines in gaming revenues, hotel occupancies, convention attendance, general retail and other spending as part of the tourist industry has impacted the tax base, general employment and the economic condition of Las Vegas. Since the introductions of vaccines, Las Vegas returned to full operations and the economic trends have been positive. Development continues on some key projects such as The Sphere behind The Palazzo, among other smaller projects. During the pandemic, projects completed included the expansion of the Las Vegas Convention Center, Resorts World, the Circa hotel casino in the Downtown District and Raider's Stadium. As tourism continues to return to the Las Vegas metropolitan area, these new venues are playing an important part, attracting a new group of tourists attending large scale events. This includes large scale concerts, other sporting events, and large scale conventions in the new Raider's Stadium and the various new convention facilities and expanded convention facilities which have been built and completed over recent years. All of the entertainment venues along the Las Vegas Strip have reopened after the pandemic and all of the shows, concerts and sporting events have been well attended. This trend is expected to remain positive into the foreseeable future.

Another important aspect of the Las Vegas economy and tourism industry is convention attendance. Las Vegas has a large convention facility known as the Las Vegas Convention Center, which has recently been expanded with the new West Hall, a 650,000 square foot hall on the north side of Convention Center Drive, west of Paradise Road, on the former Riviera site. A wide range of other upgrades and renovations have occurred on the main convention facility, and this is one of the largest convention properties in the country. In addition to the recently built

convention hall, is an innovative underground transportation system being constructed by Boring, an affiliate of Tesla. This will be an underground tunnel system moving convention goers between halls in autonomous vehicles. Recently, the Clark County Commission and the Las Vegas Convention Authority has approved the expansion of this system to the Las Vegas "Strip" and the downtown area. Therefore, Boring will construct additional tunnel systems connecting the "Strip" with the downtown area, the convention center, and eventually, Raiders Stadium. There are other large convention facilities in the city, including the Sands Convention Center, an approximate 1.6 million square foot convention facility at Mandalay Bay, large convention facilities at the MGM, a recently constructed convention facility behind the Flamingo by Caesar's Entertainment, and a considerable amount of other convention space in many of the hotel casinos. Recently, Cashman Center, which provided convention space in the downtown district, has ceased convention operations as the Triple A baseball team that once used the Cashman Field has relocated to a new Summerlin ballpark. The Lights soccer team still occupies the field however no other convention activities occur at the Cashman Center. As such, the World Market Center is in the process of constructing a new 350,000 square foot convention facility which will service the downtown district.

The economic downturn had resulted in significant decline in overall convention attendance through 2009. Stabilization was noted in 2010, and through 2019 more conventions returned to Las Vegas. Convention attendance is a significant contributor to the Las Vegas economy. As indicated by the adjacent chart, convention attendance has not yet reached pre-pandemic levels. However, with the introduction of the new West Hall and upgrades to the existing convention facility, convention bookings continue to increase and are anticipated to return to pre-pandemic levels in the coming one to two years. Large scale events are returning to the Convention Center like the CES (Consumer Electronics Show) and others which had virtual conventions in 2021 now returning to in-person events which are much preferred, according to most conventioners. Las Vegas is somewhat unique with regard to its ability to host large scale conventions. This is due to a significant amount of convention space around the city, with the centerpiece being the Las Vegas Convention Center, having well over 3 million square feet with the recent expansion. Other large scale convention facilities include the Sands Center,

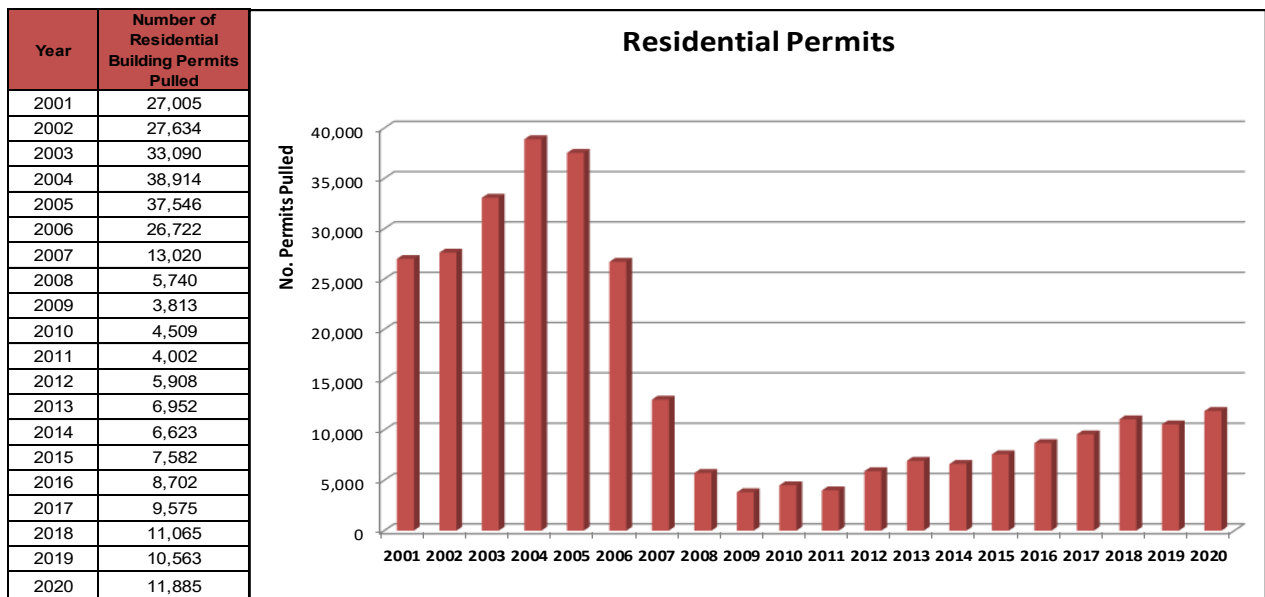
Convention Attendance		
Year	Volume	Change
1997	3,519,424	6.47%
1998	3,301,705	-6.19%
1999	3,772,726	14.27%
2000	3,853,363	2.14%
2001	5,014,240	30.13%
2002	5,105,450	1.82%
2003	5,657,796	10.82%
2004	5,724,864	1.19%
2005	6,166,194	7.71%
2006	6,307,961	2.30%
2007	6,209,253	-1.56%
2008	5,899,725	-5.00%
2009	4,492,275	-23.09%
2010	4,473,134	-0.43%
2011	4,865,272	8.8%
2012	4,944,014	1.6%
2013	5,107,416	3.3%
2014	5,169,054	1.21%
2015	5,891,151	13.9%
2016	6,310,616	7.12%
2017	6,639,100	5.2%
2018	6,501,800	-2.07%
2019	6,649,100	2.28%
2020	1,727,200	-74.0%
2021	2,206,400	27.74%

Source: Las Vegas Convention & Visitors Authority

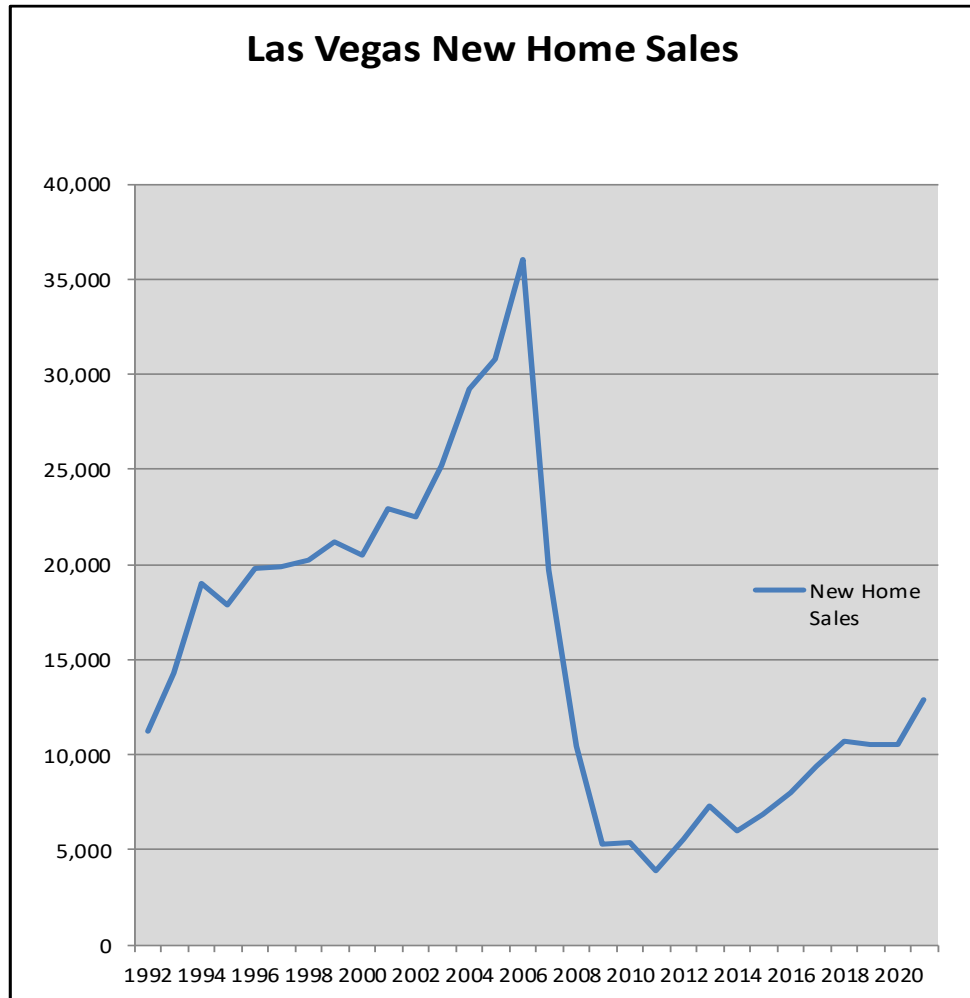
Mandalay Place, convention facilities at the MGM Grand, the recently constructed Caesar's Entertainment Convention Center behind the Flamingo, and convention space available in most Strip facilities. Furthermore, there is a high concentration of hotel rooms around these convention facilities, a wide range of entertainment amenities such as showrooms, world class restaurants, retail, gaming and other amenities. Finally, the Harry Reid Airport is located in close proximity to all of these facilities and within an approximate 15 minute drive time between Harry Reid Airport and the Las Vegas Convention Center. Therefore, conventioners can attend conventions in the same day due to the proximity to the airport and likewise, spend less time in travel between the Airport, the various hotel rooms, and convention facilities. Therefore, it is difficult to predict when a full complement of conventions will return however, it is reported that there are strong bookings for late 2021 and a relatively normal scheduled expected in 2022.

Housing

During 2020, 10,485 new homes were sold, according to Home Builders Research. This number of new home sales remained nearly unchanged from 2019 over the preceding year. The most active homebuilders, as measured by the number of new homes closed, in descending order: KB Homes, Lennar, DR Horton, Pulte Group, Richmond American, and Century Communities, representing the top six. During 2020, 11,885 new home permits were issued, which is an 12.52% increase over the preceding year. At the end of 2020, the median price of new home sold was \$366,775, a year-over-year change of +1%. The following graphics provide a summation of trends in single-family home permits issued year-over-year, and the corresponding graphic which illustrates new home closings.



Year	New Home Sales
1992	11,255
1993	14,287
1994	18,975
1995	17,903
1996	19,785
1997	19,839
1998	20,259
1999	21,162
2000	20,520
2001	22,940
2002	22,502
2003	25,230
2004	29,248
2005	30,750
2006	36,051
2007	19,670
2008	10,464
2009	5,271
2010	5,341
2011	3,894
2012	5,544
2013	7,303
2014	6,007
2015	6,840
2016	7,984
2017	9,401
2018	10,669
2019	10,492
2020	10,485
2021	12,902

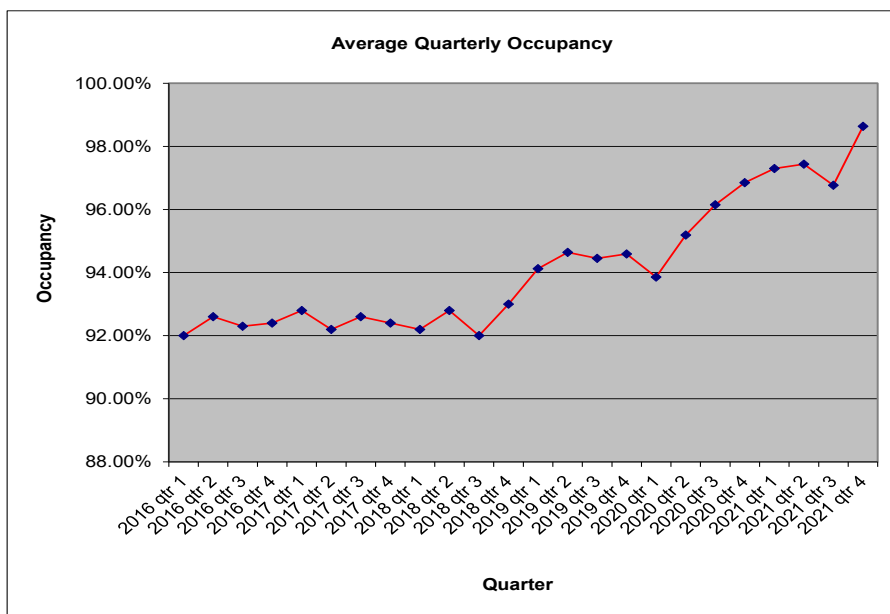


Source: Home Builders Research Inc.

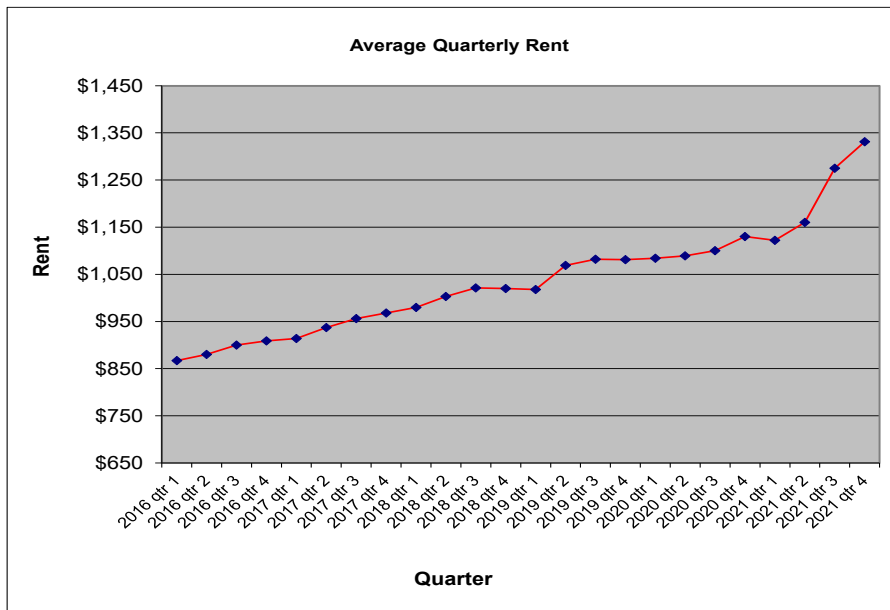
During 2021, 50,010 existing home sales were closed, which is a 12.76% increase over the preceding year. The median resale price has increased 35.57% during 2021 to \$425,000. Overall, the housing market has realized significant improvement during 2021. Based on the increase in price levels and the increase in the number of new home permits pulled during 2021, increasing trends in the housing market are expected during 2022.

Apartment Market

Quarter	Avg Occ.
2016 qtr 1	92.00%
2016 qtr 2	92.60%
2016 qtr 3	92.30%
2016 qtr 4	92.40%
2017 qtr 1	92.80%
2017 qtr 2	92.20%
2017 qtr 3	92.60%
2017 qtr 4	92.40%
2018 qtr 1	92.20%
2018 qtr 2	92.80%
2018 qtr 3	92.00%
2018 qtr 4	93.00%
2019 qtr 1	94.12%
2019 qtr 2	94.64%
2019 qtr 3	94.45%
2019 qtr 4	94.59%
2020 qtr 1	93.86%
2020 qtr 2	95.19%
2020 qtr 3	96.15%
2020 qtr 4	96.85%
2021 qtr 1	97.30%
2021 qtr 2	97.44%
2021 qtr 3	96.77%
2021 qtr 4	98.64%



Quarter	Avg Rent
2016 qtr 1	\$867
2016 qtr 2	\$880
2016 qtr 3	\$900
2016 qtr 4	\$909
2017 qtr 1	\$914
2017 qtr 2	\$937
2017 qtr 3	\$956
2017 qtr 4	\$968
2018 qtr 1	\$980
2018 qtr 2	\$1,003
2018 qtr 3	\$1,021
2018 qtr 4	\$1,020
2019 qtr 1	\$1,018
2019 qtr 2	\$1,069
2019 qtr 3	\$1,082
2019 qtr 4	\$1,081
2020 qtr 1	\$1,084
2020 qtr 2	\$1,089
2020 qtr 3	\$1,100
2020 qtr 4	\$1,130
2021 qtr 1	\$1,122
2021 qtr 2	\$1,160
2021 qtr 3	\$1,275
2021 qtr 4	\$1,331



* **Source: UNLV Lied Center for Real Estate, Apartment Market Trends Report**

The apartment market has improved over the course of the last three years after several years of declines and/or stagnation. Occupancies in the apartment segment of the Las Vegas real estate market have improved during 2021 and apartment developers are actively building luxury Class A type properties in the suburban market areas. Absorption of these luxury units has been relatively rapid, and occupants appear willing to pay premiums for high-end amenities and interior finishes. A strong buyer pool exists which has driven capitalization rates on good

quality apartments to low levels. Class B and C type apartments likewise have a relatively strong buyer pool; however, higher capitalization rates are being paid for these properties.

The most marketable of the Class B and C properties are those that have good locations. Buyers are willing to renovate where necessary to improve occupancy and rental rates. The trend in apartment rental rates on average has been upward in 2021 and according to UNLV, averaged \$1,331 per month in 4th Quarter 2021. This is a 17.79% increase from 4th Quarter 2020. Occupancy rates also continue to improve, and most experts expect these positive trends in the apartment segment of the market to continue through 2022.

Office Market

The office market remained over-supplied in 2021. However, the rate of overall office occupancy has remained relatively unchanged over the course of the past two to three years, despite the recent Covid-19 pandemic. There was a migration of many workers to remote settings, temporarily rendering some office space vacant. However, as the pandemic begins to recede, office workers are returning to professional settings. There has been a relatively limited amount of new inventory added to the office sector of the market over the past two to three years and although some negative net absorption has occurred, the predicted significant spike in vacancy rates has not materialized. As general economic conditions continue to improve in the Las Vegas Metropolitan area, as measured by positive indicators in the tourism sector, the primary economic driver in Las Vegas resulting in employment and population growth, the office sector of the marketplace should remain stable to improving, due to the limited amount of new speculative office space constructed in recent years.

Average Annual Occupancy Levels – Greater Las Vegas Area			
Year	Office Occupancy	Industrial Occupancy	Retail Occupancy
2000	89.5%	92.4%	96.9%
2001	87.8%	89.3%	95.9%
2002	86.1%	88.6%	96.9%
2003	89.4%	89.4%	96.5%
2004	89.7%	91.3%	96.2%
2005	91.6%	97.0%	97.6%
2006	89.5%	96.9%	97.5%
2007	87.6%	94.0%	96.8%
2008	82.7%	91.1%	92.6%
2009	77.0%	86.3%	90.0%
2010	75.8%	83.1%	89.8%
2011	74.7%	81.5%	89.4%
2012	74.7%	81.7%	90.1%
2013	74.3%	86.2%	90.8%
2014	76.4%	91.9%	90.6%
2015	76.9%	93.1%	90.9%
2016	79.9%	93.5%	91.5%
2017	81.3%	92.6%	91.9%
2018	83.0%	93.1%	92.4%
2019	85.5%	93.1%	92.9%
2020	83.7%	92.7%	92.8%
2021	84.0%	95.1%	93.2%

Most of the new office inventories added to the Las Vegas market over recent years has been class “A” type office buildings that have been built to suit or developed specifically for tenants seeking largescale, well-located quality office space. Single occupant office buildings have also been in relatively high demand, particularly in the

medical sector where single occupants requiring buildings using Small Business Administration (SBA) funds, which have been widely available. Low interest rates are also fueling this single occupant acquisition trend, which is expected to continue into the foreseeable future. At the end of 2020, the average full service gross office lease rate was \$2.06 per square foot per month which remained relatively unchanged from the previous year when it averaged \$2.03 per square foot per month. In summary, we would anticipate the office sector of the market to remain over-supplied in 2021 but also expect market trends to stabilize as a limited amount of new speculative inventory will likely be developed.

Industrial Market

The industrial sector of the marketplace has expanded rapidly over the course of the past three to four years, as measured by significant additions to overall inventory, as well as strong rates of absorption. In 2021, Applied Analysis reported 8,864,506 square feet of industrial space absorbed, more than any year, over the course of the past 21 years. The vacancy rate improved, as did the average net lease rate. At the end of 2020, the average net lease rate in Las Vegas was \$0.67 per square foot, per month, and at the end of 2021, this improved to \$0.73 per square foot, per month, a nearly 9% increase in the average net lease rate. The type of industrial space developed over the last two to three years has been principally large distribution type warehousing, fueled by the significant increase in the e-commerce market during the pandemic. This trend is anticipated to continue into the foreseeable future, as more on-line commerce is expected. Furthermore, Las Vegas is considered a convenient distribution location, catering to large users, seeking distribution space due to the relatively inexpensive rates, when compared to other market areas, such as Southern California. The inventory of land suitable for this type of industrial development is dwindling in the southwest submarket. Therefore, the most active areas for industrial development are currently the northeast segments of the market, where some land remains available in the West Henderson area. However, land inventories continue to dwindle in these markets, and as such, developers will likely seek new industrial development areas further south, along the 15 corridor and areas like Sloan or Jean, and begin more concentrated development in the Apex industrial subdivision, north of North Las Vegas. Overall, it would be expected that positive trends will continue in the industrial sector of the marketplace.

Strong demand also remains for single occupant industrial buildings, few of which have recently been constructed. This has resulted in price increases in this product type driven by available SBA financing and low interest rates. A migration of businesses from neighboring states, such as California, has also resulted in higher demand for industrial space where businesses moved to Nevada to take advantage of no income tax, lower housing prices, lower wage rates and other tax advantages. We would anticipate continued absorption of industrial space in the metropolitan area in 2022, with increasing lease rates as demand is evident.

Retail Market

The retail sector of the marketplace has experienced a very modest increase in overall rates of vacancy. The expected increase in retail vacancies and decline in lease rates did not materialize in 2021, as a result of the pandemic. Much of the new retail space being developed throughout the metropolitan area, are build-to-suit properties for a variety of tenants. Many of the retail centers being constructed are developed in a series of inline type retail buildings specifically for confirmed tenants seeking new space in growth areas. Few largescale speculative retail complexes have been constructed in the metropolitan area over the recent past. Some of the newest largescale retail complexes are in new development areas such as West Henderson, the southwest submarket as well as the northwest valley, in the Skye Canyon area. For example, a new Costco-anchored retail complex has emerged along St. Rose Parkway with a significant amount of surrounding retail pad development. This new development pattern includes build-to-suit pad buildings for fast food operators, restaurants and other inline retail users. A new Smith's anchored retail complex was developed in the Skye Canyon complex. Much like the Costco development, this included the development of the main anchor store as a freestanding building with surrounding retail pad development on a build-to-suit basis for specific committed tenants. Smith's grocery also opened a large scale retail complex in the Cadence Master Plan on East Lake Mead Parkway, in the Henderson area. Much like Skye Canyon and Costco as discussed earlier, this will be a large scale anchored retail complex with satellite development in the form of retail pads and inline space, serving the new Cadence community in the East Henderson area.

There has been some negative net absorption in larger retail complexes in mature locations. However, the overall net trends are positive due to consistent absorption of new space in the rapid development areas such as West Henderson, Southwest and Northwest market areas. The "sticks and bricks" retail market faces competition from the e-commerce market however, service providers including fast food outlets, restaurants, service providers and convenience retail continues to dominate the new development marketplace.

The average net lease rate has also remained relatively unchanged over the course of the past year, as it was \$1.79 per square foot per month at the end of 2021, nearly unchanged from 4th quarter 2020, when the rate was \$1.78 per square foot per month. Therefore, we anticipate stable retail market conditions during 2022.

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

Inventory and Absorption (Leased/For Lease Space, Only, in Square Feet)									
Year	Office			Industrial			Retail*		
	Total Inventory	New Inventory	Net Absorption	Total Inventory	New Inventory	Net Absorption	Total Inventory	New Inventory	Net Absorption
2000	22,159,446	1,453,327	1,503,497	60,364,888	3,110,444	5,573,774	26,341,956	1,692,744	1,850,291
2001	23,551,042	1,499,048	988,208	65,325,586	4,718,675	2,050,507	28,305,307	2,257,664	1,909,018
2002	25,181,209	1,119,495	794,443	68,548,229	3,166,078	3,547,628	28,164,315	794,592	937,057
2003	30,985,552	1,188,150	1,399,782	76,718,263	2,599,531	2,714,855	38,170,422	2,630,089	2,692,629
2004	33,366,011	1,860,204	1,748,179	78,916,350	2,264,505	3,269,831	40,848,840	3,184,019	3,021,872
2005	37,398,389	4,032,378	3,238,186	82,435,938	3,519,588	5,555,282	42,184,810	1,335,970	1,076,906
2006	41,003,968	3,605,579	2,549,857	87,901,081	5,465,143	5,147,197	44,316,060	2,131,250	1,743,043
2007	44,681,664	3,677,696	2,354,913	96,413,819	8,512,738	4,809,905	48,728,503	4,412,443	4,102,143
2008	48,551,573	2,741,062	425,745	102,421,433	3,215,779	2,905,094	50,471,090	1,900,053	383,869
2009	49,505,158	956,880	-1,946,066	103,559,187	1,043,890	-3,538,935	51,811,333	1,329,176	49,988
2010	49,739,251	105,814	-557,878	103,621,757	350,905	-2,213,770	51,196,016	164,584	228,807
2011	51,550,199	781,316	-44,965	104,405,551	142,000	-1,526,985	51,464,427	260,000	244,572
2012	52,513,816	544,938	248,766	105,061,148	65,000	-536,942	51,722,483	201,000	563,262
2013	52,753,068	80,660	208,270	107,473,956	934,149	2,961,731	51,991,343	41,136	434,459
2014	52,837,096	506,000	536,702	107,886,404	689,539	3,928,693	54,360,822	2,015,000	2,085,048
2015	53,489,921	120,253	466,340	110,979,128	2,932,165	4,298,386	52,593,405	182,013	189,226
2016	54,234,075	297,438	1,346,213	113,911,097	2,998,144	3,170,845	53,577,903	745,858	1,031,383
2017	55,297,107	705,085	1,403,366	120,975,241	7,180,486	6,205,377	53,978,032	386,116	648,772
2018	55,949,634	671,921	859,129	125,261,027	3,670,440	4,150,863	54,448,762	514,400	796,642
2019	56,214,080	275,572	1,096,618	131,910,061	6,809,888	5,386,361	54,773,229	310,639	690,352
2020	56,533,148	369,227	-739,960	137,695,027	5,816,920	4,451,474	55,046,401	273,172	131,002
2021	56,481,748	168,000	-126,096	144,546,136	5,133,852	8,864,506	55,296,202	238,018	563,780

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

Source: Applied Analysis

Utilities

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

Schools

As of the 2021 school year, the Clark County School District operates approximately 370 schools. To operate the 370 schools, the district employs an estimated 39,400 people, including 18,593 teachers. There are approximately 304,782 students enrolled in the Clark County School District, ranking it 5th largest in the nation. The

Clark County School District has a current budget of \$3 billion dollars. In addition to the Clark County School District, the Las Vegas Metropolitan Area also features numerous private schools, and a growing number of charter schools which are affiliated with the school district.

Higher education in Las Vegas includes University of Nevada Las Vegas. The total enrollment is approximately 29,702 which includes 4,288 graduate students. The university offers a wide range of undergraduate curriculum including business, community health sciences, education, engineering, hospitality, liberal arts, nursing, sciences, as well as urban affairs. Professional and graduate schools include dental medicine, law and medicine. Another large upper level education facility in Southern Nevada is the College of Southern Nevada with approximately 36,000 students, the vast majority of which are part time. CSN has 1,881 faculty members and offers courses in business management, marketing, communications, computer and information sciences, construction trades, education, engineering, health professions, foreign languages, liberal arts, mathematics, social sciences among other undergraduate studies.

Community Services

There are 16 full service hospitals licensed for 3,957 beds. In addition, Las Vegas has 27 specialty hospitals providing for services including long term acute care, spinal cord, and brain injury. The Las Vegas area employs nearly 4,555 police officers, with departments in Las Vegas, Henderson, Boulder City, North Las Vegas, and the Nevada Highway Patrol. Over 1,800 firefighting personnel are on staff in the area, manning 42 stations. Two ambulance companies serve the southern Nevada area, providing emergency and non-emergency transportation.

The Cashman Field complex offers a 10,000-seat soccer stadium for the Las Vegas Lights soccer team. The Thomas & Mack Center and Sam Boyd Stadium are home to UNLV sports teams, as well hosting a wide variety concerts, sporting, and other events. The National Finals Rodeo is held annually at the Thomas & Mack center and provides a substantial contribution to the area's economy with more than 175,000 fans, of which an estimated 90 percent are out of town visitors. Numerous concerts and shows are available for local residents and tourist alike, including a variety of long-running shows in the various hotel/casinos and special appearances by numerous celebrities, bands, and other showmen in the numerous, varied, venues throughout the area. Some of the largest venues include the Thomas & Mack Center, the MGM Grand Garden, the Mandalay Bay Events Center among others. The newest arena has been built by MGM behind the New York New York. The T-Mobile Arena is an approximate 20,000-seat arena that is now home to the latest NHL expansion team, the Las Vegas Golden Knights. Recently, the Summerlin ballpark opened adjacent to the Summerlin Town Center Mall and Redrock Station hotel casino. This approximately 10,000 seat baseball stadium is home to the Aviators, Triple A baseball team.

The Las Vegas Motor Speedway (LVMS) is a motor sports entertainment complex encompassing over 1,000 acres just northwest of Nellis AFB. LVMS has 24 different racing venues, including a 1.5-mile super-speedway, 2.5-mile road course, 4,000-foot drag strip, paved and dirt short tracks, motor-cross circuits, stadium truck racing facilities, go-carts, BMX, etc. The main facility seats approximately 107,000 people along the 1.5-mile superspeedway, has a 40,000-car parking area, and 100-space RV park.

Host to an annual NASCAR race, this \$200 million facility opened in September 1996 for the Indy Racing League's Las Vegas 500, breaking all previous attendance records for a Nevada sporting event, with over 60,000 race fans in attendance. Speedway Industrial Park, an adjacent part of the LVMS facility, completed 1.4 million square feet of industrial/flex space in 1997/98.

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

Taxes

Nevada does not have state taxes, personal or corporate income taxes, admissions taxes, inheritance or gift taxes, or franchise tax on income. Property tax rate in Nevada is limited to a total of \$3.64 per \$100 of assessed value. Assessment is at 35% of taxable value. The state sales tax is 8.25% for Clark County and does not apply to food products for home use. Nevada's Freeport Law, which exempts goods in transit and not to be delivered within the State from taxation, has caused a great influx of warehousing to the State. Primarily because of the state gaming taxes, Nevada has an individual tax load well below most states. However, state gaming tax is substantially below that of other states with any legal form of gaming, giving Nevada casinos a substantial edge over competing out-of-state gaming markets.

Government

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

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

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

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

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

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

Recreation Areas

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

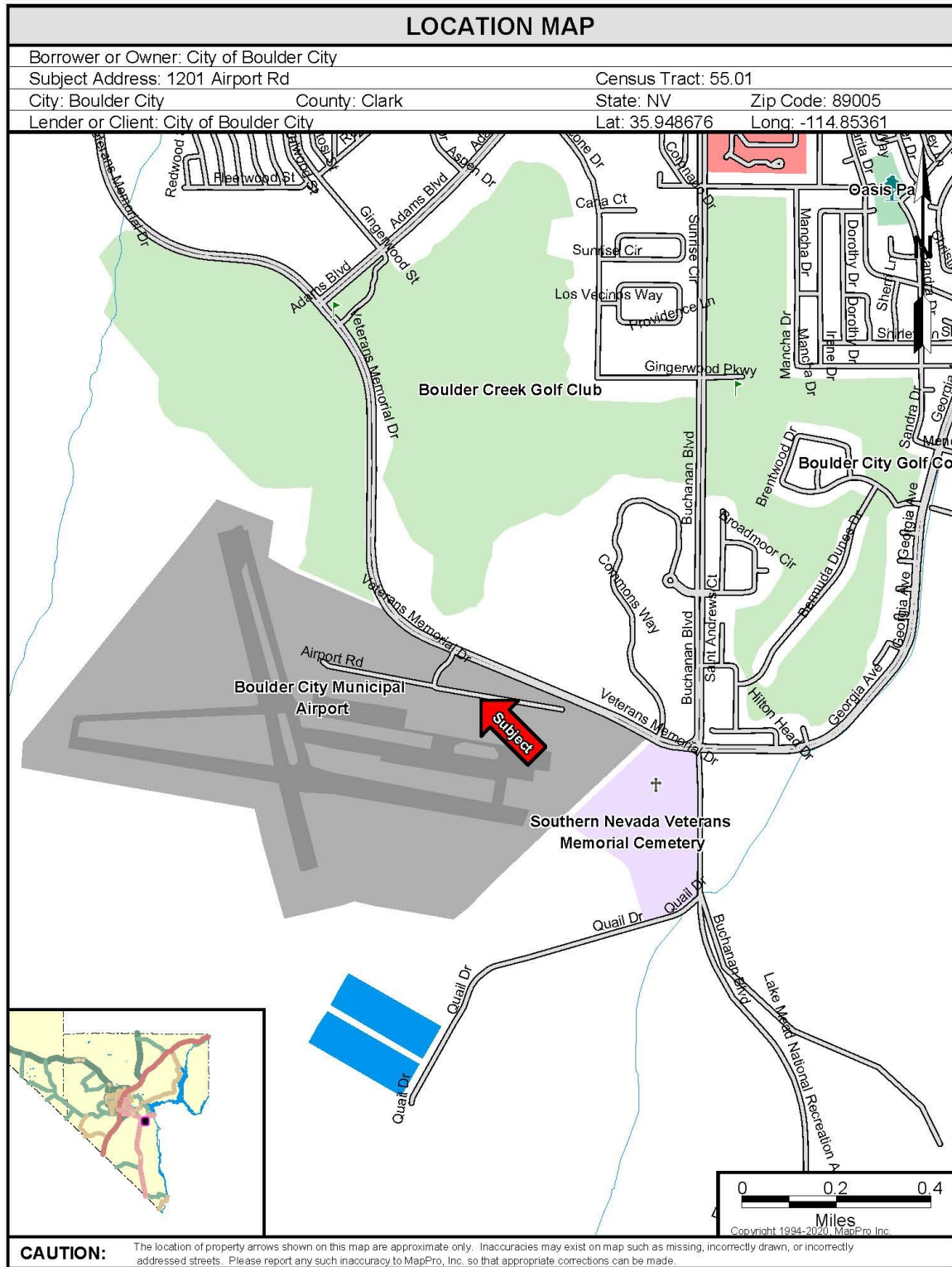
Floyd Lamb State Park is located at the northern portion of the valley. These recreation areas are open year-round and offer a variety of government-supervised facilities. A large off-road recreation area is available in Las Vegas Dunes, at the northeast corner of the valley and numerous protected wilderness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

Summary

The greater Las Vegas area has grown throughout recent history and should continue to do so into the long-term future. The long-term increase tends to indicate the long-term strength of the local economy and strong demand for Las Vegas' diversified tourist opportunities. This conclusion is subject to the continued recovery of the economy after the COVID-19 crisis.

Neighborhood Location Map

File No. 173-22



Neighborhood Description

The preceding pages provided an overview of the characteristics of the Las Vegas valley and the surrounding area. While the subject property is located within the city limits of Boulder City, this is a suburb or bedroom community to Las Vegas and is considered to be influenced by the overall growth trends and dynamic of this larger population.

Boulder City is generally located on the south end of Lake Mead National Recreation area and the city is approximately 5 miles from Lake Mead, 8 miles from Hoover Dam and 21 miles southeast of Las Vegas. The City of Boulder City was generally established during the construction of the Hoover Dam between 1931 and 1935. During this time, the city housed over 4,000 workers during the construction of the dam. In 1958, Boulder City was established an independent municipal government and included approximately 33 square miles of land. As part of the original city charter, residents voted to prohibit gaming in the city, which makes Boulder City unique as the only city in Nevada where gaming is illegal.

Currently, Boulder City includes a population of approximately 16,840 residents and provides a quiet small town atmosphere. The city is generally identified as a suburb or a bedroom community to the cities of Las Vegas and Henderson and is geographically removed from this larger metropolis by the McCullough Mountain Range. According the Boulder City Chamber of Commerce, the average annual growth rate for the past ten years for Boulder City has remained relatively low at approximately 1%. While the original town site included 33 square miles, in 1995, Boulder City annexed over 180 square miles of the Eldorado Valley from the Federal government, bringing its total to approximately 210 square miles, making it geographically the largest city in the State of Nevada. However, the majority of development has occurred in or around the original town site, with limited developments south of the subject in the Eldorado Valley. Boulder City maintains a relatively low growth due to the city's growth control ordinance which limits the

number of residential dwellings for each construction year to 120. The growth ordinance also applies to hotels, which allows for only 35 hotel rooms to be developed in a construction year. This ordinance was enacted in 1979 and remains in effect today.

Boulder City includes all primary services necessary for the operation of a suburban township including police and fire departments, medical facilities and hospitals, banks and credit unions, grocery stores and a variety of other retail establishments, as well as professional office and tourist development.

As discussed, Boulder City is located in close proximity to various tourist attractions, including the Lake Mead Recreational Area, Hoover Dam, and the City of Las Vegas. The Lake Mead National Recreation Area currently receives up to 10 million visitors annually, making it the most visited national recreation area in the United States. Lake Mead is a top-rated destination for scuba diving, snorkeling, water skiing, sail boarding, sail boating and house boating, as well as other water activities. Lake Mead is the sixteenth largest man-made lake in the world and the largest man-made lake in the western hemisphere. It was created by the construction of Hoover Dam along the Colorado River in the early 1930s. Presently, Lake Mead occupies approximately 1.5 million acres and has approximately 820 miles of shoreline. The national park established Lake Mead as a national recreation area in 1964 and offers year-round recreation.

Hoover Dam, which created Lake Mead, is the second highest dam in the country and the eighteenth highest in the world. The dam was completed in 1935 at a cost of nearly \$60 million. Today, the flow of the Colorado River passing through the dam and the electrical generators within, provide a total gross power rating for the plant at approximately 2,080 megawatts. The energy generation is shared amongst the States of Nevada, Arizona and California. Hoover Dam remains one of the primary tourist attractions in the area with close to 1 million visitors annually touring the dam. Hoover Dam is the primary commuter route between Arizona and Nevada with U.S. Highway 93 formerly traveling over the top of this man-made wonder.

Recently the U.S. Highway 93 Bridge, (Pat Tillman Memorial Bridge) was completed and now US Highway 93 bypasses Hoover Dam and spans the Black Canyon through which the Colorado River flows. This realignment of U.S. Highway 93 has increased traffic flow, cutting down on commute times across the dam.

Boulder City area also includes the Bootleg Canyon Mountain Bike Park located just north of the city. Bootleg Canyon is named as an epic trail system by the International Mountain Biking Association and is one of only 18 trails in the world with this distinction. Bootleg Canyon hosts the Annual Interbike Convention which is an international convention of bike manufacturers. Additional attractions in the area include natural exploration in the area, off road exploration and golfing in one of the multiple golf courses in Boulder City.

As discussed, Boulder City is generally identified as a bedroom community to the Las Vegas valley. Average temperatures in this community range from the mid-50s in January to highs of over 100 degrees in July. The average median household income for Boulder City is approximately \$49,327.00 annually, while the average household income is \$52,709 annually. Those households in excess of \$75,000 per year are estimated at approximately 10%. The median age of residence is 50 years old and 65+ aged adults comprise approximately 23.7% of the population. The local tax rate is 8.1% and Nevada tax laws are among the most advantageous in the United States, as there are no personal income taxes. The average growth rate in Boulder City is relatively low and the major employers include Clark County School District, Bureau of Reclamation, the National Park Service and the City of Boulder City.

Boulder City includes a Municipal Airport for general aviation which is designed to accommodate single engine and light twin engine planes and small private jets. The City maintains the airport through fixed based operator lease agreement. Boulder City also includes medical services including the Boulder City Hospital which staffs nearly 200 doctors. This is a 72-bed hospital and the facility includes 24-hour emergency, two operating rooms, skilled nursing facility, radiology and other medical services.

Utilities in Boulder City are somewhat unique as Boulder City owns its own water distribution facility and rates are considerably lower than other municipalities in Southern Nevada. Boulder City also owns its own electrical utility with rates substantially lower than other municipalities. This is primarily due to a long-standing agreement to buy power directly from Hoover Dam. Other utility providers include Southwest Gas and Cox Communication. Boulder City also maintains a fire department and police department with 18 firemen and 31 sworn officers.

Primary access into Boulder City is provided from US Highway 93, which is a primary arterial connecting Arizona and Nevada. US Highway 93 originally crossed over Boulder Dam, however, a bypass bridge was completed in 2010 which resulted in additional traffic flow through the city. Proposed is the development of a new interstate system identified as Interstate 11 which was officially designated by the United States Congress in 2015. The route is tentatively planned to run from Nogales, Arizona to Reno, Nevada along the current routes of Interstate 19, Interstate 10 and US route 93 and US route 95. Improvements were recently completed within Boulder City for the extension of Interstate 11. The improvements include a bypass loop that diverts traffic around Boulder City. The bypass loop extends from US 93 near the Boulder Dam bypass bridge south through the Eldorado Valley where it loops north and again connects with US 93 near Railroad Pass.

Located south of subject property an area generally identified as the Eldorado Valley which is a somewhat remote area south of Boulder City consisting primarily of vacant land. The majority of the land in the Eldorado Valley is either owned by Boulder City or the United States Federal Government. The Boulder City energy zone which consists of 3,000 acres dedicated for development of solar and gas fired energy generation facilities exist within the Eldorado Valley. Solar power plants have been constructed in this area and additional solar farms are proposed.

Overall, Boulder City is considered to be a suburb or bedroom community to the Las Vegas metropolitan area and is geographically divided from this larger metropolis by the McCullough Mountain Range. Boulder City while by size is the largest city in the State of Nevada, maintains a slow growth rate due to growth ordinances. The town is well located to service various tourist destinations such as Lake Mead and Hoover Dam, as well as the City of Las Vegas. Overall, we would anticipate overall conditions to remain stable in this community.

Aerial Photograph



Subject Photographs



1. Northern elevation of Pads 14, 15, and 16.



2. Northern elevation of Pads 15 and 16.

Subject Photographs, continued



3. Southern elevation of Pad 14.



4. Northern elevation of Pads 21 and 22.

Subject Photographs, continued



5. Northern elevation of Pad 23.



6. Southern elevation of Pad 18.

Subject Photographs, continued



7. Southern elevation of Pad 20.



8. Southern elevation of Pads 17, 18, and 19.

Subject Photographs, continued



9. Secured access to hangar area.



10. Taxiway area.

Subject Photographs, continued

11 Overview of runway facing southwest.

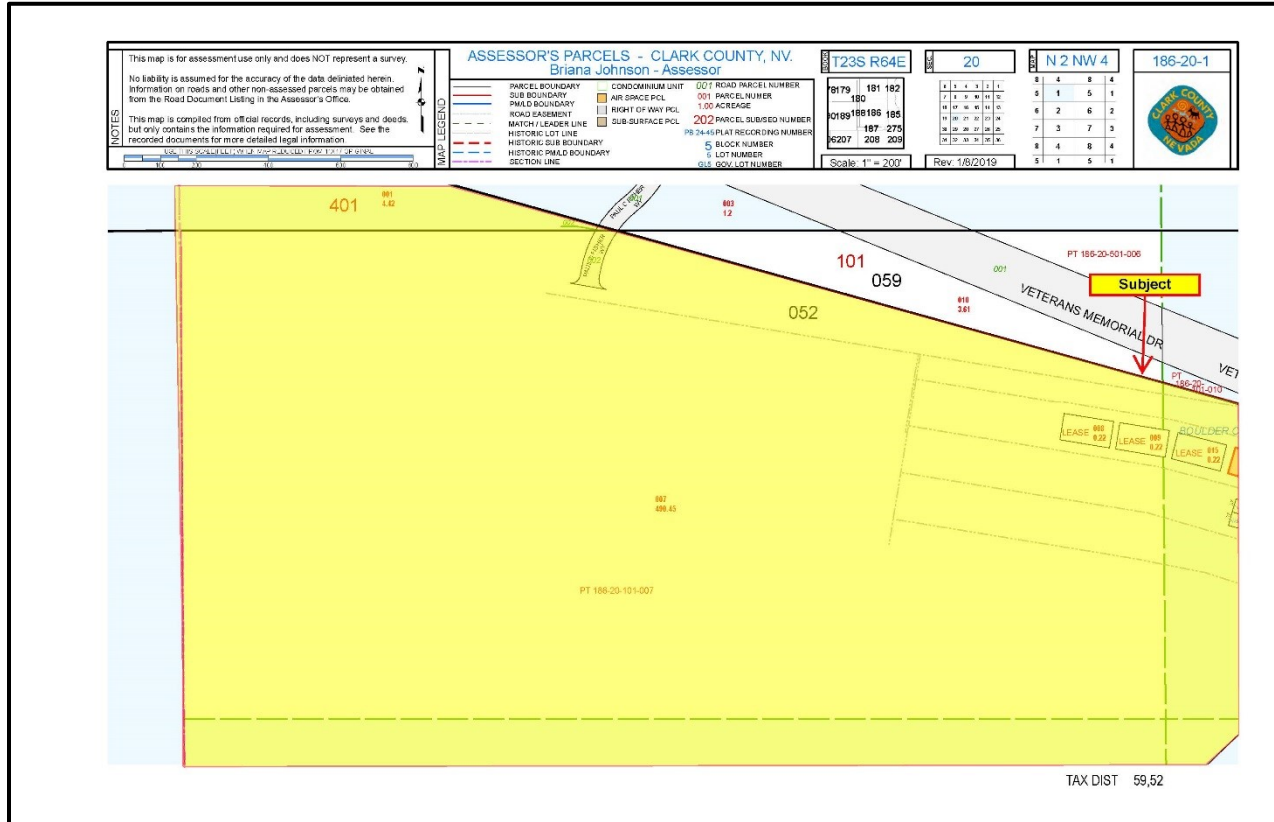


12. View along Veterans Memorial Drive facing west.

Subject Photographs, continued

13. View along Veterans Memorial Drive facing east. Subject hangar is at right.

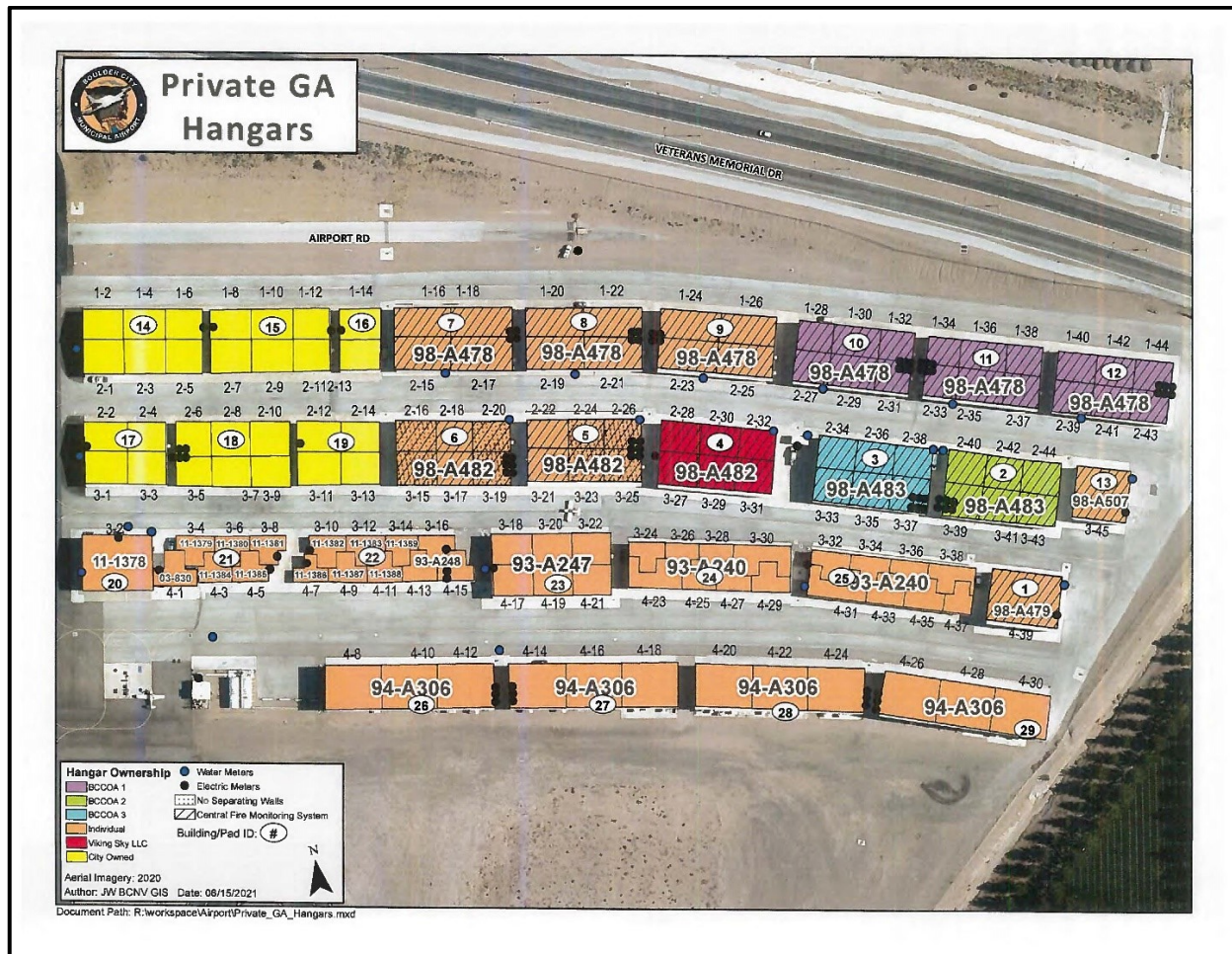
Clark County Assessor's Parcel Map



*Subject is a portion of this parcel

Description of Subject Property - Site

Site Plan:

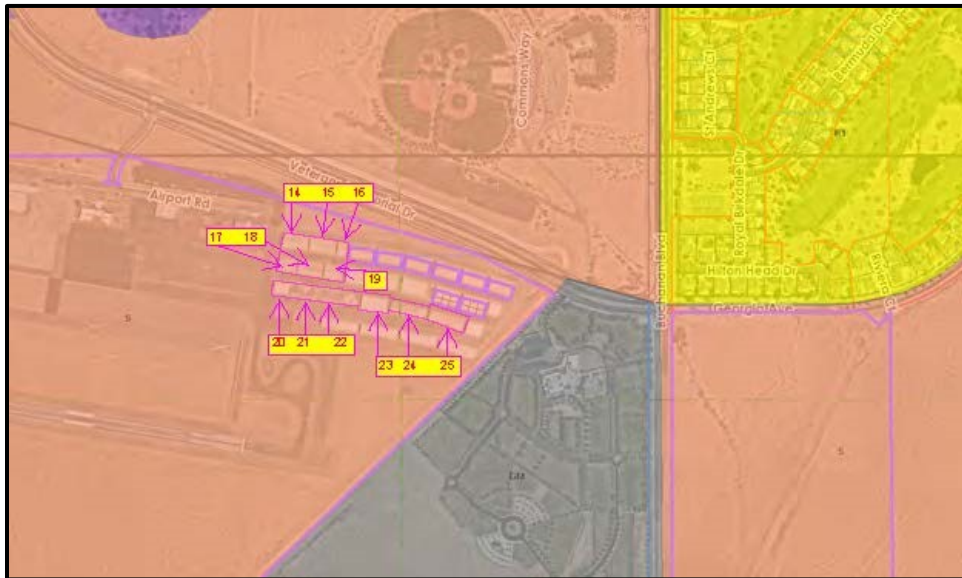


**Subject property includes Pads 14 through 25.*

Shape, Dimensions and Area:

The 65 general aviation hangars which comprise the subject property are a portion of the larger Boulder City Municipal Airport and are improved on leased land. The footprint of the actual units represents the site area which is currently leased from Boulder City. The previous pages provide an overview of the Boulder City Municipal Airport as well as the location of the private aircraft hangars. As the subject is located within the confines of the airport, the site has an undivided interest in larger common areas including parking areas, accessways, landscape areas, taxiways, runways, etc.

Zoning:



*Subject is a portion of this parcel

The subject property is currently zoned S, which is an Interim Study Zone under the jurisdiction of Boulder City. The purpose of this zoning classification is to permit some control in those areas which are at present premature for urban development and where the future land uses are undeterminable at the present time. The S zone is intended primarily as a holding zone and further intended to permit those controls which would prevent any changes in the existing land uses which may be inconsistent with the comprehensive plan. The uses in the S zone shall be limited to temporary open air type uses which require no permanent structures or buildings. All proposed uses shall be treated as conditional uses and shall be subject to review by the Planning Commission in accordance with the provisions of Chapter 30, Conditional Uses.

The subject property is located within the confines of the Boulder City Municipal Airport and is overlaid with a future land use plan for airport use. The subject improvements and utility as an aircraft hangar is considered to be a legal and conforming use under the current zoning classifications.

Street Improvements and Offsite Improvements:

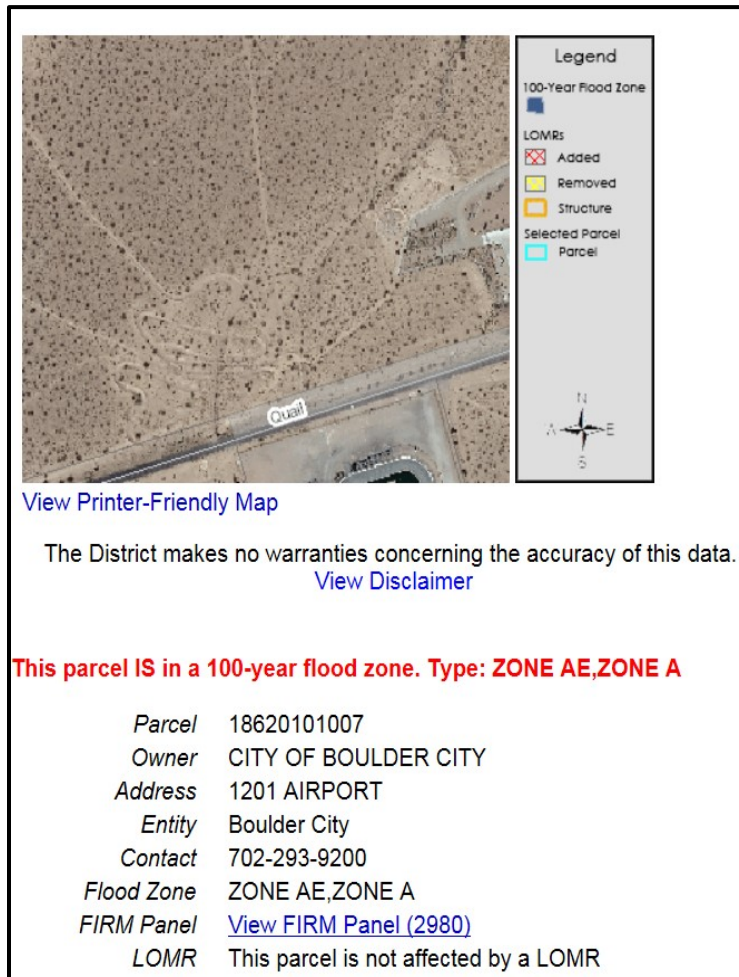
Access to the subject's immediate neighborhood is provided from Veteran's Memorial Drive which extends west from Buchanan Avenue. Access into the airport is provided from Paul C. Fisher Way which connects with Airport Road, providing direct access to the private hangars. Ingress and egress to the hangars is provided by way of common asphalt paved tarmac areas which in turn access taxiways and runways. Access to the aircraft hangars is secured by controlled gates along Airport Road.

The airport is serviced by all public utilities however, only electricity has been extended to the aircraft hangars and is provided from Boulder City through a long-standing agreement with Hoover Dam. While electricity has been extended to the individual pads, not all of the hangars are individually metered, and the majority are master metered. Furthermore, common area water has been extended to the individual pads though is not plumbed to the individual hangars.

Topography and Soils Conditions:

A soils report or investigation was not provided to these appraisers for analysis or reference. Visual observation of the property did not reveal any surface or subsurface soil conditions that would be considered adverse to the existing development and utility of the subject property. However, these appraisers do not purport to have any expertise in soil contamination issues and the subject property is being appraised presuming it is not adversely affected by surface or subsurface soil conditions nor any forms of hazardous waste.

Flood Hazard Designation:



According to Federal Emergency Management Agency, Flood Insurance Rate Map, Community Panel Number 32003C2980E, map revision date September 27, 2002, the larger parcel of which the subject is a portion of, is located within an identifiable flood hazard area, or Zone A. However, it is noted that the flood areas are generally located southeast of the aircraft hangars and include areas noted as Georgia Avenue Wash. The location of the aircraft hangars is located in Zone X, which are areas outside of the 0.2% annual chance flood plain.

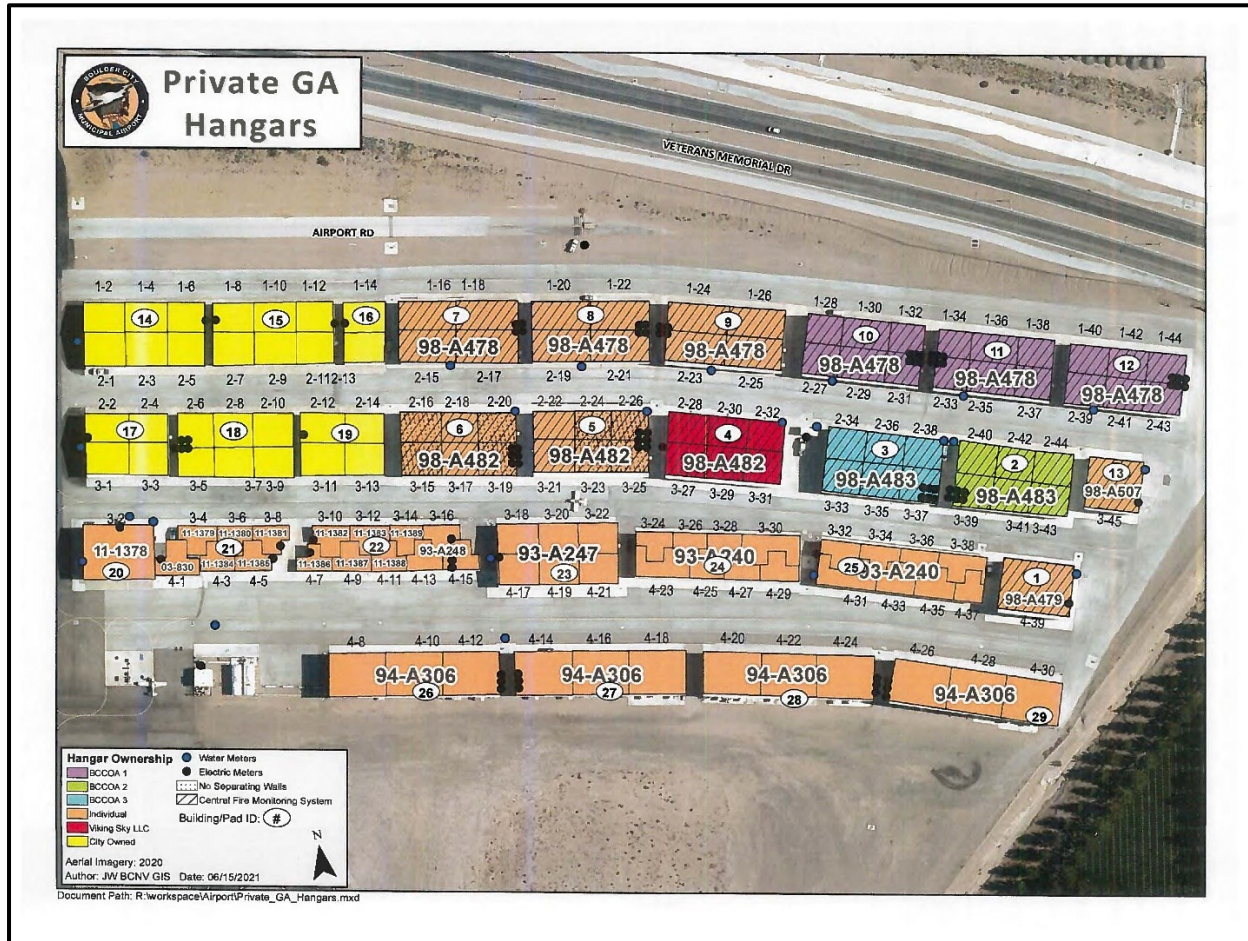
Legal Description:

As discussed, the subject property is located on the grounds of (a portion of) the Boulder City Municipal Airport and specifically on Parcel Number 186-20-101-007. This site can be identified as a portion of the North Half of the Northwest Quarter of Section 20, Township 23 South, Range 64 east, M.D.B.&M.

Tax Data:

The subject property again, is a portion of Clark County Assessor's Parcel Number 186-201-01-007. This larger parcel contains 490.45 acres and again, portions of the larger site are ground leased to individual tenants for hangar development. Since the larger landholding is owned by Boulder City and controlled by the Boulder City Department of Aviation, it is exempt from paying annual real estate taxes. The subject property is located within Tax District 052 and this District has a current tax rate of 2.6097 per \$100 of assessed value. Again, the ground lease site area is exempt from property taxes however, the improvements are subject to taxation under private ownership. Upon transfer to Boulder City however, both the land and the building improvements will be exempt from property taxes.

Building Sketch:



Description of Subject Improvements:

The subject property consists of 65 general aviation hangars located on Taxiways 1, 2, and 3 of the Boulder City Municipal Airport. Hangars include both box and T-style hangars and range in size from 697 square feet to 3,950 square feet. The hangars are primarily open with minimal to no interior buildout. As such, no interior restrooms were noted within the hangars and instead, a common area restroom is noted along Taxiway 2. The one exception is Pad 20, identified as the executive box hangar which, according to the airport representative, includes minor office buildout. The following table summarizes the characteristics of each of the hangars.

Hangar Pad	Type	Count	Size (sf)	Ammenities
Pads 14-19	Box Hangars	28	1470-1840	Manual doors, fire alarm
Pad 20	Executive Box Hangar	1	3950	Electric Bi-Fold, fire monitoring
Pads 21-22	Small T-Hangars	14	697-756	Nested, Manual doors
Pad 23	Box Hangars	6	1452-1575	Electric Bi-Fold
Pad 24-25	Large T-Hangars	16	903-1419	Nested, Manual doors, fire alarm

The hangars are prefabricated metal buildings which include either sliding or bifold hangar doors for aircraft access. The units range from 12 to 14-foot clear heights and can accommodate 41 to 47-foot-wide wing spans allowing for different sized aircraft. The building frames are steel construction with a corrugated metal skin set upon a reinforced concrete slab. The roofline is pitched with a center peak and metal paneling on top. The units are clustered and as such, generally identified as center wall attached. The T-hangars are generally identified as nested hangars with sliding doors. The box hangars include both sliding doors as well as electric bifolds. The bifold doors also include a single-entry feature. Lighting is provided by fluorescent light fixtures and electricity has been extended to each unit. Some of the units include evaporative coolers, however, is not standard throughout.

Onsite improvements include asphalt paving for access for both vehicles and planes. The hangar doors exit onto the taxiway which in turn provide access to the main runways of Boulder City Airport.

The subject building improvements were constructed in or around 1989 to 1990 based on aerial photography and information provided for review. The units are considered to be in average condition and the effective age of the improvements are judged to be less than the chronological age of 32 years. A total economic life if new is typically estimated at 30 years for this type of hangar as supported by information available within the *Marshall Valuation Cost Service*. Though again we would estimate a lesser effective age due to the upkeep and favorable climate conditions for this type of development. A remaining economic life for the subject hangars is estimated at approximately 18 years. No forms of functional or economic obsolescence have been identified.

Highest and Best Use Analysis

Preface:

The highest and best use of a property such as the subject is determined through the application of four tests: the legally permissible, physically possible, economically feasible, and that use among alternative uses which provides the highest net return to the owner. These tests were applied from a vacant and from an improved perspective.

Legally Permissible:

According to available public records, the subject property is presently zoned S which is limited to conditional temporary open air type uses with no permanent structures. The S zone is intended primarily as a holding zone and further intended to permit those controls which would prevent any changes in the existing land uses which may be inconsistent with the comprehensive plan. As previously discussed, the future land use plan for the subject property is airport, and the subject resides within the boundaries of the Boulder City Municipal Airport. As such, the subject property as improved and being utilized as private aircraft hangars is considered to be both legally permissible and conforming. If in fact the property were a vacant site only, similar type development or utility of the site likewise would be legally permissible.

Physically Possible:

The subject aircraft hangars are a portion of the Boulder City Municipal Airport and as such, include shared ingress/egress to public rights-of-ways and also to the airport runway system. The hangar units are improved as condominium style lots or sites that mirror the building improvement footprint and thus share in common area use of the larger facility. The site is generally at street grade, and also at grade to adjacent improvement properties and taxiways. Public utility services are provided and as developed and improved, the subject property is a physically possible use of the site.

Economically Feasible/Maximally Productive Use:

As developed, the subject property is considered to be both legally permissible and physically possible. In order to determine an economically feasible and maximally productive use, we have considered market conditions both valley wide and within the immediate general area. As discussed, the subject hangars were constructed in or around 1990 as part of the original hangar development for the Boulder City Municipal Airport. Additional hangars have been developed over the years and presently there is an estimated 138 private hangars at the airfield. Additionally, commercial hangars have been developed to accommodate various operators including Grand Canyon Airlines, Sky Dive Las Vegas and helicopter tour companies. The airport includes a main terminal and numerous open tie-down spaces for private aircraft.

According to the airport operational statistics for 2022 provided by Airnav.com, there are 240 aircraft based at Boulder City Municipal Airport. This is comprised of approximately 171 single engine airplanes, 31 multi-engine airplanes, 25 helicopters and 13 other forms of aviation product. Aircraft operations average approximately 315 take-offs per day, with approximately 88% comprised of commercial aviation with the remaining 12% being local and general aviation. The airport manager indicates that occupancy within the private hangars is at capacity and no availability is known to exist. Review of comparable municipal airports throughout the southwest region also revealed extremely low vacancy rates with the majority maintaining waiting lists often extending two to three years.

Therefore, considering the characteristics of the subject property, adjacent facilities and demand indicated by low vacancy rates, the continued use of the property as developed is expected. Therefore, the subject property as developed is considered to represent an economically feasible and maximally productive use of the site.

Highest and Best Use Conclusion:

It is our opinion that the highest and best use of the subject property as improved is consistent with the existing aviation hangars. Given the physical and legal constraints of the underlying land or site, the highest and best use of the subject as vacant would also be for hangar development.

Valuation Process

As discussed, the purpose of this report is to develop an opinion of a market rent for the 65 aviation hangars on an annual per square foot basis. The units have historically been ground leased since 1990 when original construction began. The leasehold improvements or hangars were constructed by the tenants and considered to have been personal property of the occupants. However, as the ground leases expire, the leasehold improvements or hangar structures revert to the ownership of Boulder City Municipal Airport. This is part of a reversion clause within the original lease agreement.

Therefore, in developing an opinion of market rent for the subject, we have reconciled a rent inclusive of both the underlying land and the existing improvements as a singular unit.

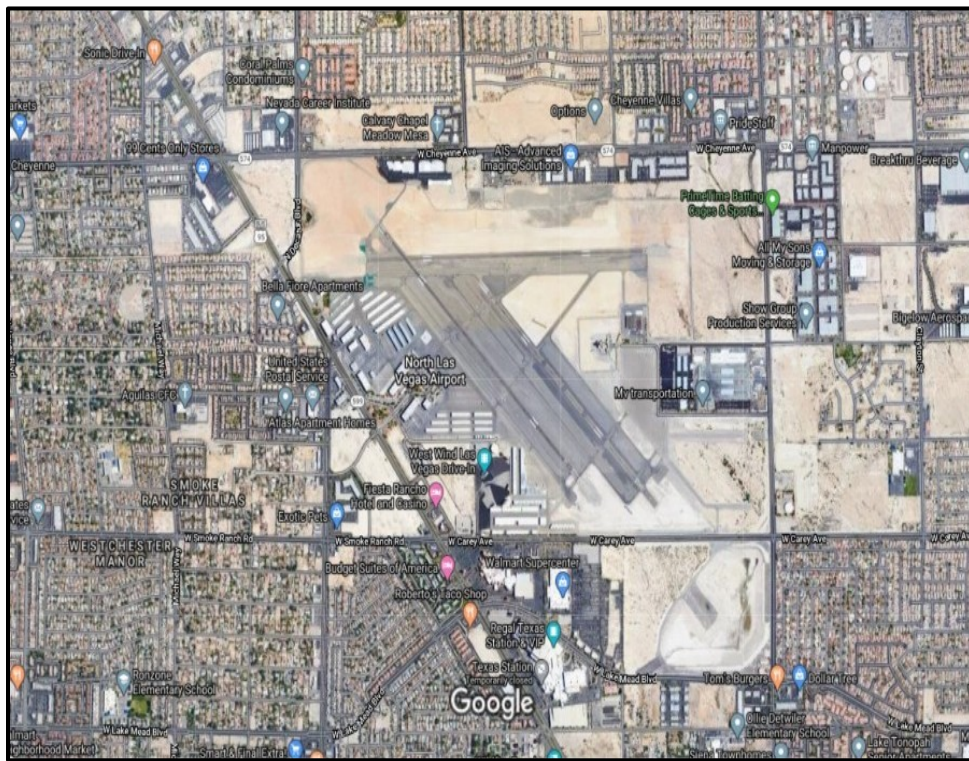
To arrive at an opinion of market rent for the subject property, we have first considered the direct comparison method by surveying similar airports in the region. We have considered both hangar rates within local airports including Henderson and North Las Vegas, as well as hangar rates within smaller municipal airports located in Nevada and adjacent states. The airports were considered similar in size to the subject with respect to runway capacities, daily operations and based aircraft on field.

The following page provides a summary of the various airports considered as well as current asking rates and contract rents for various hangar spaces. The table also includes responsibilities for utilities as well as lease rates for ground rents.

Comp Summary Chart:

Subject Boulder City, NV Municipal Runway: 5103x75, 3852x75 Based: 240, Oper: 315/day								
Comp	Airport	Type	SF	Rate/Mo	Rate PSF/Mo	Rate PSF/Yr	Utility/Mo	Tax/Ann
1	City of Mesquite, NV Municipal Runway: 5121x75 Based: 16, Oper: 23/day	Box Ground Asphalt	1428 Varies Varies	\$300.00	\$0.2101 \$0.0283 \$0.0575	\$2.52 \$0.34 \$0.69	INCL	INCL
2	Henderson Executive, NV Municipal Runway: 6501x100, 5001x75 Based: 256, Oper: 214/day	T-Hangar Box Box Ground	1450 4550 1680 Varies	\$1,247.00 \$3,003.00 \$1,500.00	\$0.8600 \$0.6600 \$0.8929 \$0.0750	\$10.32 \$7.92 \$10.71 \$0.90	\$30.00 \$30.00 \$30.00	INCL INCL
3	North Las Vegas, NV Municipal Runway: 5005x75, 5000x75 Based: 495, Oper: 483/day	Box Box Asphalt	2500 4087 Varies	\$1,200.00 \$3,392.21	\$0.4800 \$0.8300 \$0.0800	\$5.76 \$9.96 \$0.96	INCL INCL	INCL INCL
4	Kingman, AZ Municipal Runway: 6827x150, 6725x75 Based: 83, Oper: 78/day	T-Hangar T-Hangar Box	1150 1200 3500	\$276.70 \$356.37 \$551.29	\$0.2406 \$0.2970 \$0.1575	\$2.89 \$3.56 \$1.89	INCL INCL INCL	INCL INCL INCL
5	Truckee Tahoe, NV Municipal Runway: 7001x100, 4654x75 Based: 114, Oper: 96/day	T-Hangar Box Executive	1200 4025	\$501.00 \$2,022.97 \$2,993.00	\$0.4175 \$0.5026	\$5.01 \$6.03 \$0.00	\$20.00 \$31.00	
6	South Lake Tahoe, NV Municipal Runway: 8541x100 Based: 21, Oper: 71/day	T-Hangar T-Hangar Box Box Ground	1071 1480 1560 3600 Varies	\$514.00 \$675.00 \$742.00 \$1,248.00	\$0.4799 \$0.4561 \$0.4756 \$0.3467 \$0.0267	\$5.76 \$5.47 \$5.71 \$4.16 \$0.32	INCL INCL INCL INCL	INCL INCL INCL INCL
7	Prescott, AZ Municipal Runway: 7619x150, 4846x60 Based: 263, Oper: 646/day	T-Hangar Box Executive	985-1156 2780 3900	\$355.67 \$820.35 \$1,388.67	\$0.3077 \$0.2951 \$0.3561	\$3.69 \$3.54 \$4.27	INCL INCL INCL	INCL INCL INCL
8	Flagstaff, AZ Municipal Runway: 8800x150 Based: 112, Oper: 112/day	T-Hangar T-Hangar Box	1050 1300 3600	\$357.00 \$454.00 \$1,944.00	\$0.3400 \$0.3492 \$0.5400	\$4.08 \$4.19 \$6.48	INCL INCL INCL	INCL INCL INCL
9	Minden Tahoe Municipal Runway: 7399x100, 5299x75 Based: 280, Oper: 248/day	T-Hangar T-Hangar T-Hangar Ground	1232 1430 1650 Varies	\$358.00 \$390.00 \$420.00	\$0.2906 \$0.2727 \$0.2545 \$0.025 - \$0.033	\$3.49 \$3.27 \$3.05 \$0.30 - \$0.40	INCL INCL INCL	INCL INCL INCL

Aerial Photographs, continued

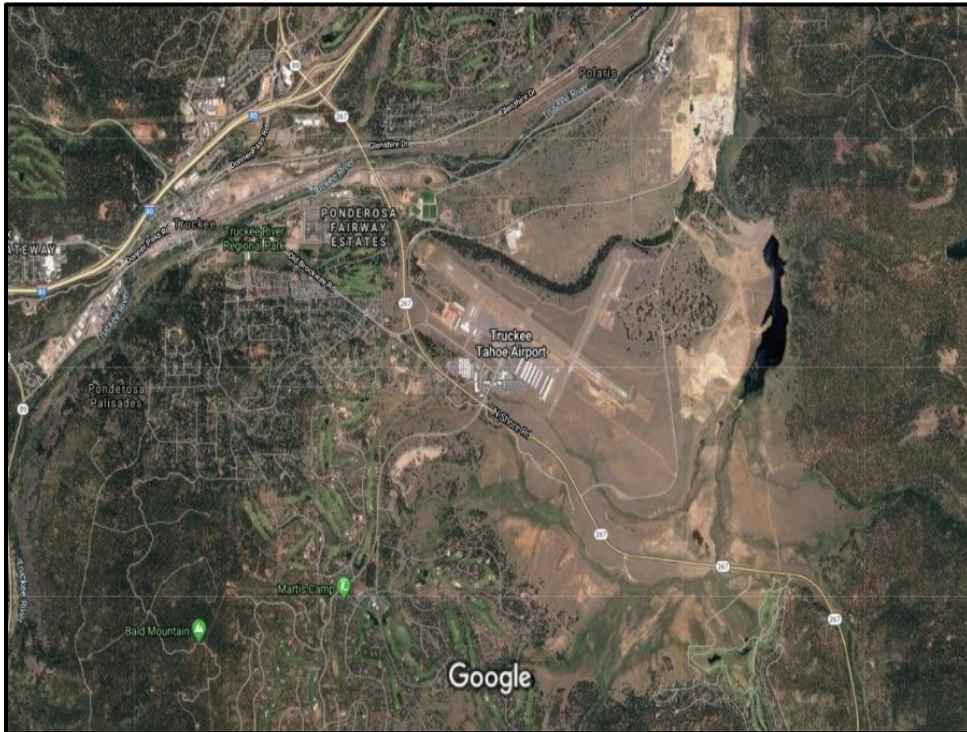


Aerial Photograph No. 3:
North Las Vegas, Nevada
Municipal Airport

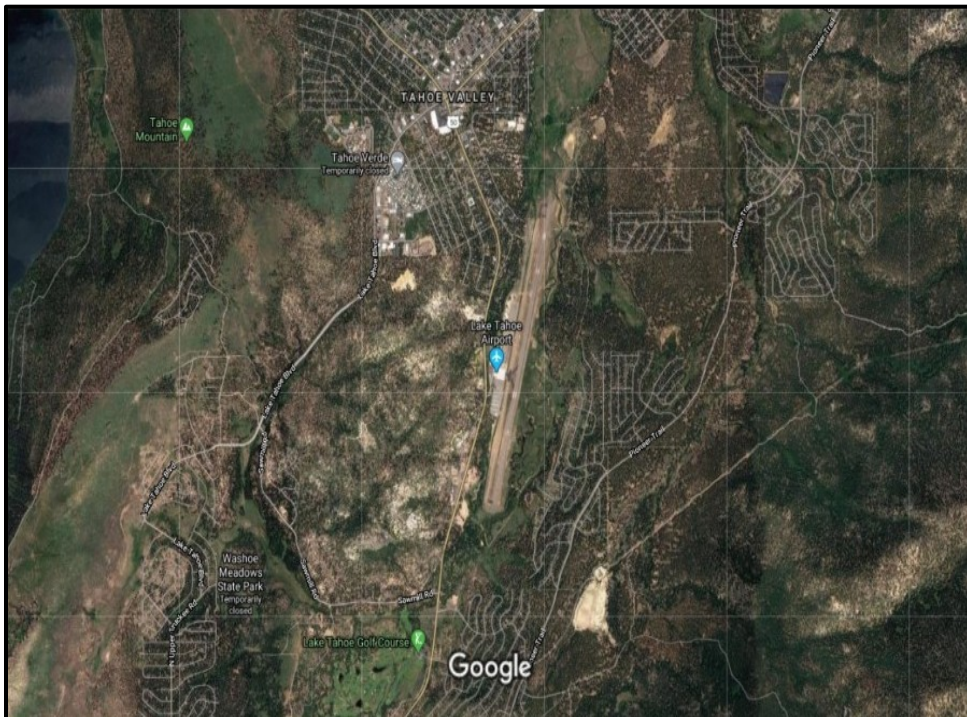


Aerial Photograph No. 4:
Kingman, Arizona Municipal
Airport

Aerial Photographs, continued



Aerial Photograph No. 5:
Truckee Tahoe Nevada
Municipal Airport

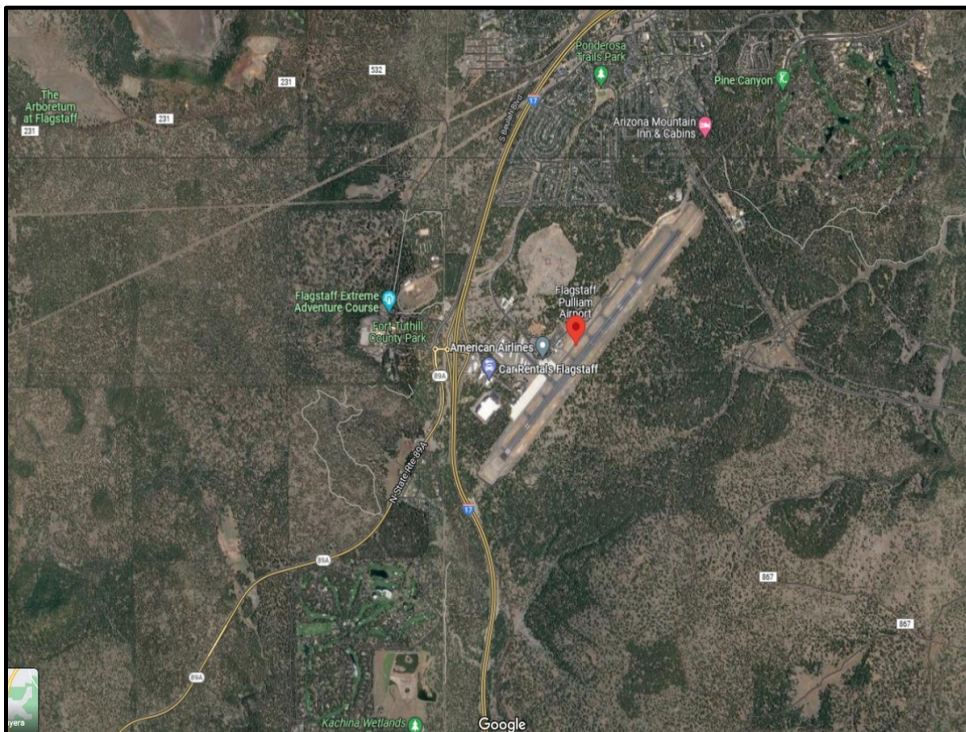


Aerial Photograph No. 6:
Lake Tahoe, Nevada
Municipal Airport

Aerial Photographs, continued



Aerial Photograph No. 7:
Prescott, Arizona Municipal
Airport



Aerial Photograph No. 8:
Flagstaff, Arizona Municipal
Airport

Aerial Photographs, continued

Aerial Photograph No. 9:
Minden Tahoe, Nevada
Municipal Airport

Analysis and Conclusion

Analysis:

Rental Comparable Number 1 is a municipal airport located in the City of Mesquite, Nevada. This is a relatively small facility with limited operations per day. Presently, city owned box hangars are being leased at a rate of \$2.52 per square foot, per year, inclusive of the underlying site and improvements. Utilities and annual taxes are included as part of the rate. The City maintains a limited number of hangars at this airport and tenants have been in occupancy for an extended period of time. Considering the smaller characteristics of the facility, the overall rate is considered to be less than what the subject property could command.

Rental Comparable Number 2 is the Henderson Executive Airport. This is generally identified as a reliever airport for Harry Reid International and includes both private and commercial operations. A new hangar project was recently constructed at the airport intended for leasing. The rates for box hangars are \$7.92 per square foot and T-hangars are leased at \$10.32 per square foot annually. The rate is inclusive of the ground lease and building improvements and the owner indicates that tenants pay a minor contribution for utilities at approximately \$30 per month. This is a newly constructed project and units include swamp coolers and private restrooms, which is a superior characteristic to the subject and would warrant downward consideration. All of the units are leased, and a relatively long waiting list exists. An asking rate for one of the municipal boxes, which includes 1,680 square feet, was identified at \$1,500 per month, or approximately \$10.71 per square foot annually. We also spoke with the manager of the Ribeiro Properties, which oversees the executive hangars at Henderson, who indicated that there currently is no availability at this time. He did note that availability existed at Harry Reid Airport for smaller hangers with an asking rate of approximately \$1.60 per square foot, per month, based on net terms. Overall, the rates are considered to be more than what the subject property could command due to the age and conditions of the hangars as well as the larger characteristics of the airport.

Rental Comparable Number 3 is the North Las Vegas Airport. This airport includes both private and commercial airport operations and includes a variety of box and T-hangars. Similar to the subject, the hangars were developed on ground leased land with the tenants responsible for construction. Historic known rates for hangar rentals range from \$5.76 to \$9.96, per square foot, annually, inclusive of utilities and ground lease. We spoke with the airport manager who is unsure of current rental rates for private hangars though did indicate that sales of the leasehold improvements generally ranged from \$80,000 to \$200,000 depending on size. An 8% to 12% return rate would generally imply an annual rental rate of between \$8.00 and \$12.00 per square foot. The manager however felt that this was relatively "stiff" for private aviation users. Overall, the North Las Vegas Airport is a larger facility though hangar construction is considered comparable. After review of all comparables, the rates are considered to be more than what the subject property could command.

Rental Comparable Number 4 is the municipal airport in Kingman, Arizona. The airport includes both private and commercial uses though overall daily operations are less than the Boulder City Airport. City owned T-hangars rent for between \$2.89 and \$3.56 per square foot, annually. The box hangars indicate a lower rate of \$1.89 per square foot annually, though are larger units. Overall, the rates are considered to be less than what the subject property could command due to smaller operations of the airport.

Rental Comparable Number 5 is the Truckee Tahoe airport located along I-80 west of Reno, Nevada. The municipal airport offers T-hangars at a rate of \$5.01 per square foot annually, and box hangars at a rate of \$6.03 per square foot annually. Additionally, tenants contribute to utilities and annual taxes, warranting upward consideration. These are basic hangars without interior improvements, though include bi-fold doors. The airport includes lesser operations per day though is located in close proximity to a variety of popular ski resorts and Lake Tahoe. As such, the general location is judged to be superior due to recreational appeal. It is noted that local based tenants can receive discounts if aircraft are registered in either Nevada or Placer County. The discount is approximately \$0.04 per square foot, per month.

Additional discounts are granted for annual payments as well as adhering to quiet fly times. Overall, the rates are considered to be more than what the subject could command.

Rental Comparable Number 6 is the Lake Tahoe airport located at the south end of Lake Tahoe. This comparable offers both T-hangars and box hangars at rates ranging from \$4.16 to \$5.76 per square foot annually. The lease rates are inclusive of utilities, however the estimated utility expense per hangar is \$25.00 per month. The airport is located in close proximity to various recreational destinations including Lake Tahoe and ski resorts. Overall, the rates are considered to be more than what the subject property could command due to the airport's proximity to recreational amenities.

Rental Comparable Number 7 is the municipal airport located in Prescott, Arizona. This facility includes both private and commercial operations, and is also an educational facility for Embry-Riddle Aeronautical University. The airport leases T-hangers at a rate of \$3.69 per square foot annually, and box hangars at a rate of \$3.54 per square foot annually. Executive hangars are offered at a rate of \$4.27 per square foot annually. Utilities and taxes are included as part of the rental rate. The hangars are considered similar quality to the subject and have similar amenities. This is a modestly busier airport and does offer three runways with a smaller dedicated runway for private aircraft. After review of all comparables, though, the rate is considered to be less than what the subject property could command.

Rental Comparable Number 8 is a municipal airport located in Flagstaff, Arizona. This airport accommodates both private and commercial aircraft and offers T-hangars at rates of \$4.08 to \$4.19 per square foot annually. Larger executive hangars, or box hangars, are offered at \$6.48 per square foot annually. Utilities are included as part of the base rent. Average operations at this airport are higher than the subject though the overall number of base planes is similar. Hangar spaces are somewhat comparable to the subject, and after review of all comparables, the rates would tend to bracket what the subject property could command.

Rental Comparable Number 9 is the Minden-Tahoe Municipal Airport located south of Carson City. This is a public airport offering T-hangars at rates of \$3.05 to \$3.49 per square foot annually. The rate is inclusive of utilities and the construction characteristics of the improvements are similar to the subject. Operations are similar to the subject, however the general location is considered modestly inferior with respect to reliever capabilities for surrounding airports. Overall, the rates are considered to be less than what the subject property could command.

Summary Conclusion:

The preceding analysis discussed aircraft rental rates on comparable airports within the regions. Comparables 2 and 3 included airports within the Las Vegas metropolitan area with rates ranging from \$5.76 to \$10.71 per square foot annually. The highest rates were for the Henderson Executive Airport which has become a primary reliever for Harry Reid International Airport. The North Las Vegas airport indicates lower rates though is a more active airport when compared to the subject. Overall, the rates at the local airports are considered to be more than what the subject property could command. Smaller airports in the regions which included the City of Mesquite, Kingman, Prescott, Flagstaff and Minden, indicated rates ranging from \$2.52 per square foot to \$6.48 per square foot annually. Additional airports within the Nevada area which included Truckee/Tahoe and Lake Tahoe indicated rates ranging from \$4.16 to \$6.03 per square foot annually. Based on our analysis, the data would support a market rent for the subject hangars of between \$4.25 and \$5.00 per square foot annually. This would equate to \$0.35 to \$0.42 per square foot monthly. The leasing characteristics of the other hangars would generally warrant the inclusion of utilities and any additional taxes as part of the base rent. It is noted that each of the comparable airports collected additional fees for runway usage, take-off fees, landings, fuel, etc. We would assume a similar scenario for the subject.

For additional support, we have also considered a return on cost of the hangar improvements.

Depreciated Cost of Improvements:

As discussed, the subject property includes 65 general aviation hangars generally identified as pre-engineered metal structures. The project was originally developed in 1989 to 1990 and has been relatively well maintained.

In order to develop a cost of the existing improvements, we have referenced the *Marshall Valuation Cost Service* which is a national reference used to estimate building costs. This service has proven relatively accurate and reliable when compared to known costs of build-to-suit or speculative development.

According to the *Marshall Valuation Cost Service*, the subject property is best described as a low-cost aircraft hangar with metal construction characteristics. According to the *Marshall Valuation Cost Service*, Section 14, Page 29, a maintenance hangar with low-cost Class S construction characteristics, has a base cost for this type of construction is \$45.75 per square foot. Adjustments are then made for both local and cost multipliers indicating an adjusted base cost new for the hangars at \$59.45 per square foot. This is summarized in the following table.

Description	Section/Pg	Quality	Base Cost	Cost X	Local X	Adj. Base Cost
Maintance Hangar	14-29	Low Cost	\$45.75	1.15	1.13	\$59.45

Based on the preceding analysis, a base cost new for the aircraft hangars would be \$59.45 per square foot. From this we have deducted the estimated depreciation to arrive at a depreciated cost of the building improvements as they exist. As discussed within the context of this report, the hangars were built in or around 1990 indicating a chronological age of approximately 32 years. Based on the condition and upkeep however, we would estimate a lesser effective age at approximately 12 years, indicating a remaining economic life of the building improvements at 18 years.

According to the *Marshall Valuation Cost Book*, the appropriate rate of depreciation would be 25% based on the characteristics of the building. Deducting 25% from the base cost new results in a depreciated cost of the building improvements at \$44.59 per square foot. This is summarized in the following table.

Base Cost New	Less: Depreciation @ 25%	Depreciated Cost PSF
\$59.45	\$14.86	\$44.59

Return on Cost Analysis

The next step is to determine an appropriate return rate based on market derived information. Based on various discussion with participants in the market as well as known return rates for built to suit transactions, rates range from 5.77% to 12%. The lower rates are more indicative of land where only limited risk exists. The higher rates are generally negotiated for the building improvements and a blended rate between would represent an appropriate return rate for both the building improvements and land. Some examples of lease negotiations follow:

1. In 2007, an athletic club was constructed in the northeast portion of the Las Vegas valley metropolitan area, which included approximately 45,000 square feet. The lease rate which was negotiated for the project included a substantial tenant improvement allowance and as such, was generally considered a built-to-suit transaction for the tenant. Based on the provided allowance, as well as the underlying land value, the estimated return rate was 10.75%.
2. An industrial property for Pape Rents is also known to have been developed in a built-to-suit transaction in which the lease rate was negotiated based on a return on the cost. The indicated return rate for this industrial property, located at 3848 Civic Center Drive in the Northeast Las Vegas Submarket, was 10.5%.

3. A Clark County Municipal Detention Center was developed in the northeast valley, which included approximately 247,860 square feet. The property was developed and constructed by a local company and leased back to Clark County for 30 years. Based on the indicated cost and lease rate, the return rate was estimated to be 8.16%.
4. Mr. David Bonani, who operates multiple Taco Bell franchises within the Las Vegas valley, indicated the built-to-suit Taco Bells are leased upon a two-tiered rate of return method. The land is provided at a 10% return and the improvements at a 12% rate of return, with a blended rate of approximately 11%.
5. The City of Los Angeles leased a 4.39-acre parcel of land at the Long Beach Municipal Airport in October 2013 to the sheriff's department at a rate of return of 8% factored against the land value. The City of Los Angeles typically leases land based on the appraised value at a rate of return of no more than 12% and no less than 7%. In this case, the rate of return was approved at 8%.
6. The Leesburg International Airport in Florida leases unimproved airport land for commercial aviation activities at a minimum return rate of 10% annually factored against the appraised value of the site. The airport may consider a reduced rate of 8% of market value assuming large scale development, aeronautical manufacturing or commercial businesses that create a minimum number of jobs. A similar rate of return structure is negotiated at the Melbourne Florida Airport at 10%.
7. Riverside County Airports in California lease airport land at a rate of 8% of the appraised fair market value with annual price increases tied to the consumer price index.

8. In Oregon, the Salem Municipal Airport leases land based on the appraised land value with a minimum rate of return at 7.5%. Recently a rate was negotiated at 8.5% though the airport indicates a 10% rate of return has been used in previous appraisals. Salem indicates that other airports used a mandatory 10% rate of return. This is the case for Portland International Airport which seeks a 10% return.
9. The Reno/Tahoe International Airport recently leased land to Dermody Development at a rate of 8% factored against the fair market value of the land. The base rent was to be increased by the consumer price index or 2% compounded annually whichever was lower. Dermody leased a large land parcel and has options to lease additional land. Dermody proposes light industrial development on these sites.
10. Diamond Placid, LLC leased a site near McCarran International Airport to United Parcel Service after some modest onsite development for use by this package carrier company. The property owner identified that land value at approximately \$1,180,000 and a site development cost of \$494,410, for a total of \$1,674,410 of original investment. The site was leased on a net basis for \$114,000 annually, reflecting a 6.81% return rate. The initial term was 6 years.
11. The State of Nevada and its Department of Transportation lease various remnant parcels and pay for temporary construction easements based on return rates, often ranging from 7% to 10%. These rates are typically negotiated with property owners for longer term leases of surplus sites to adjacent property owners or provided to the state through appraisal services which opine these return rates. The range is often more narrow, between 8% and 9%, dependent upon the nature of the lease. A lower rate is often negotiated for a long-term lease on a remnant parcel, while the higher end of the range is used for more temporary land leases by the Department of Transportation for construction projects.

12. The property located at the southwest corner of the intersection of Valley View Boulevard and Pioneer Avenue is leased to Freeman Corporation, which is a large exhibition company that provides materials for convention services. This was identified as a land sale earlier in this report and was sold in December 2012. Based on the purchase price and recognizing the lease rate at the time of transaction, it would imply an overall rate of 5.77%.

The site is leased for primarily outdoor staging and storage; however, does include an older 10,000 square foot warehouse improvement.

13. The Reno/Tahoe Airport Authority has leased several acres on the east side of the Reno/Tahoe Airport, which is referred to as the Airport East property. Federal Express Ground and R Supply currently occupy two sites in the Airport East property. Each of these sites have been leased for a 50-year term, with net terms adjusted every 5 years, based on the consumer price index. These leases were negotiated based on an 8% return rate as applied to the value of the land.
14. In 2005, the Reno/Tahoe Airport Authority also negotiated a long-term lease for the Hyatt Hotel, which is a on the west side of the airport. This is a location near the freeway and the entrance to the airport. The initial lease rate for the first 2 years during construction was reduced and equated to a return rate of 6.13%. After construction was completed, the rental rate was increased to the negotiated level, which implied a return rate of 8.66%.
15. Negotiations were underway between Dermody Properties and UNLV for a parcel in the Harry Reid Research Park in the west part of Las Vegas. The negotiations with UNLV were based on an agreed rate of return of 8% for the long-term ground lease. Dermody Properties elected to not move forward with the project as a result of perceived excessive construction costs, and therefore, the lease was never consummated. The Master Lease for the Harry Reid Research Park specifies that all subleases in the park are to be based on an 8% return rate factored against the fair market value of the underlying land.

16. In 2017, the Nevada Department of Transportation negotiated a four-year temporary construction easement at the intersection of Western Avenue and Oakey Boulevard. The return rate was negotiated at 10% annually based on the appraised value of the land. The total project area was 1,907 square feet.
17. The City of Los Angeles Harbor Department in cooperation with the California Department of Transportation negotiated multiple temporary construction easements in 2013, for the purpose of constructing sound walls along Interstate 10. The negotiated rate of return was 10% annually, and the term was for 24 months.
18. In Ventura County California a temporary construction easement was leased for a term of 24 months at an annual rate of 8%. The easement was for equipment staging during road construction.
19. Recently, a 1,138-acre vacant parcel of land was leased for a solar generation plant in Tonopah, Arizona at an approximate return rate of 5% with annual escalation of 1% per year. The administrator indicated that this was a relatively low return rate, though was negotiated due to the overall size of the project. However, in addition to the return rate for the ground lease, the state also collects a megawatt capacity charge for solar energy production at the plant at a rate of approximately \$5,260 per megawatt annually. This increases the blended rate of return to 12.5% to 17.5% depending on the density of the solar farm. The state land department representative indicates that typically return rates for vacant land in Arizona range from 8% to 10% and can go as high as 15%.
20. The Bureau of Land Management oversees a significant land holding and leases land based on a set schedule identifying land values for different zones. The lease rate is typically based on return on cost with a return rate set at approximately 5.4% in 2016. The leased land, however, is typically identified as

agricultural or grazing land with relatively low development potential. Recently, the BLM has been leasing this land for solar generation plants, though collected additional rent for megawatt capacity of the solar facilities. The megawatt capacity charge differs depending on the type of solar use. However, with the addition of the megawatt capacity charge, the blended return rate can increase to between 11% and 20%, again depending on the potential usage.

21. Recently, in September of 2022, Amazon leased 2.68 acres at 2665 North Las Vegas Blvd. The site was leased for 12 months at a rate of \$10,500 per month, based on net terms. This is a partially improved site which includes onsite parking and a vacant building envelope. The parcel was generally leased for parking and related vehicle uses. The site is available for sale for \$1,400,000, implying an overall return rate of 9%.

Based on the available market data, and considering the size, location and characteristics of the improvements only, we have estimated an appropriate rate of return for the subject at between 8% and 12% of the depreciated cost. Again, based on the preceding information, higher rates of return were generally noted for building improvements while lower rates were allocated for land.

Added to this is the annual lease rate for the underlying land or site. Based on the preceding information for municipal airports in the region, ground rates varied for improved or asphalt paved areas at airports from approximately \$0.30 to \$0.96 per square foot annually. According to conversations with the airport manager for Boulder city, current ground rents are at \$0.40 per square foot annually. Therefore, based on this information, we have estimated the annual rate attributable to the site at \$0.40 per square foot and added this to the return rate of the improvements. This is summarized in the following table.

Depreciated Cost / PSF	Return Rate / Annual %	Improvement Lease Rate / PSF / Annual	Land Lease Rate / PSF / Annual	Overall Lease Rate / PSF / Annual
\$44.59	8.00%	\$3.57	\$0.40	\$3.97
\$44.59	10.00%	\$4.46	\$0.40	\$4.86
\$44.59	12.00%	\$5.35	\$0.40	\$5.75

Based on the preceding return on cost analysis, overall annual lease rates for the hangar improvements are implied at between \$3.97 to \$5.75 per square foot annually.

Final Reconciliation of Market Rental Rate:

Based on the preceding analysis which included a direct market comparison as well as a return on cost analysis, the following indications of a market rental rate for the general aviation hangars was concluded. This is summarized below.

Hangar Pad	Type	Annual Rate / psf		Monthly Rate / psf	
		Modified Gross	Triple Net*	Modified Gross	Triple Net*
Pads 14-19	Box Hangars	\$4.75	\$4.55	\$0.40	\$0.38
Pad 20	Executive Box Hangar	\$4.50	\$4.30	\$0.38	\$0.36
Pads 21-22	Small T-Hangars	\$4.75	\$4.55	\$0.40	\$0.38
Pad 23	Box Hangars	\$4.85	\$4.65	\$0.40	\$0.39
Pad 24-25	Large T-Hangars	\$4.75	\$4.55	\$0.40	\$0.38

**plus \$25/mo utility & CAM reimbursement*

The preceding rates have been forecasted for the subject based on both modified gross terms and triple net terms. We have generally forecasted a market rent for the T-hangars and box hangars at \$4.75 per square foot annually based on modified gross terms. A modest upward consideration was made for the box hangars on Pad 23 as these do include bifold electrically operated hangar doors. Conversely, a slightly lower lease rate was forecasted for the executive box hangar at Pad 20 due to its overall size. Overall, the range in lease rates was \$4.50 per square foot to \$4.85 per square foot annually with an average of \$4.75 per square foot. This results in a monthly lease rate of \$0.38 to \$0.40 per square foot, per month, based on modified gross terms. Under the modified gross scenario, utilities, taxes, and general maintenance of the hangars and airport would be included within the rate. Tenants would then be responsible for light maintenance and janitorial for the interior of the hangars.

Per the request of the client, we have also included a lease rate based on triple net terms in which the tenants would be responsible for their proportionate share of utilities and common area maintenance. This typically results in a lower lease rate with the tenants either directly paying the expenses or reimbursing the landlord on a monthly basis for the proportionate share of expenses. Due to the infrastructure characteristics of the airport, a monthly expense reimbursement would be the most likely scenario as all of the individual hangars are not separately metered. We were not provided with overall income and expense statements for the airport and have thus relied upon comparable information to forecast an appropriate utility and CAM charge for the hangar spaces. The comparable properties indicated reimbursements of between \$20.00 and \$30.00 per month, per hangar, for similar sized airports. Therefore, we have concluded a monthly reimbursement for the subject property at \$25.00 per hangar, per month. This would again include common area utilities and maintenance as well as electricity for the hangars. Overall, this equates to approximately \$0.20 per square foot annually. The net rate generally reflects the modified gross rate less the \$0.20 reimbursement. Again, under this net lease scenario, the tenants would remain responsible for interior light maintenance and janitorial of the hangars.

Both rates have been forecasted assuming annual rental escalations generally concurrent with the Consumer Price Index.

Both rental rates are forecasted assuming professional management of the project either by Boulder City or through a third-party management company. Typical management companies throughout the Las Vegas valley charge management fees based on a percentage of the effective gross income. Rates for management companies typically range from 3% to 6% based on the complexity of the property. The subject property is a somewhat unique facility and includes a relatively high number of individual tenants due to the 65 individual hangars. As such, we would expect a management fee at the higher end of the range, or approximately 6%. Based on the forecasted income, assuming market rents, the management fee would be allocated at approximately \$0.29 per square foot, per year, of the forecasted rent. The management fee would be included within the forecasted rent based on modified gross terms or collected as part of the CAM reimbursement.

Assumptions and Limiting Conditions

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

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

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

All reports issued by these appraisers are subject to the following general limiting conditions:

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

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


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

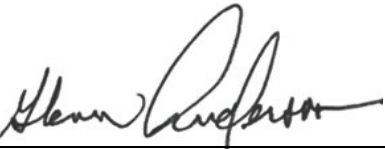
Certification of Value

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

1. The statements of fact contained in this appraisal report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, impartial and unbiased professional analyses, opinions and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. The appraisal was completed without regard to race, color, religion, national origin, sex, marital status, or any other prohibited basis, and to the best of our knowledge, does not contain references which could be regarded as discriminatory.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. The appraisal assignment was not based on a requested minimum valuation, a specific valuation or the approval of a loan.
9. The appraisers have performed appraisal services regarding the subject property within the three-year period immediately preceding acceptance of the assignment, as an appraiser.
10. We have made a personal inspection of the property that is the subject of this report.
11. No one provided significant professional assistance to the persons signing this report.

12. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* (USPAP) as adopted by the Appraisal Standard's Board of the Appraisal Foundation and as mandated by *Nevada State Law's Standards of Practice for Real Estate Appraisers* (Nevada Administrative Code Chapter 645C).
13. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
14. As of the date of this report, Glenn M. Anderson, MAI, SRA, AI-GRS, and Eric J. Anderson, MAI, have completed the requirements under the *Continuing Education Program of the Appraisal Institute*.
15. As of the date of this report, Glenn M. Anderson, MAI, SRA, AI-GRS, and Eric J. Anderson, MAI, have completed the *Standards and Ethics Education Requirement of the Appraisal Institute*.
16. The appraisers are competent and qualified to perform the appraisal assignment. The appraisers' State of Nevada license/certification has not been revoked, suspended, canceled or restricted.

Appraiser  Date September 28, 2022
Eric J. Anderson, MAI

Appraiser  Date September 28, 2022
Glenn M. Anderson, MAI, SRA, AI-GRS

ADDENDA

Appraisers' Qualifications

Qualifications

Eric J. Anderson, MAI

PROFESSIONAL DESIGNATIONS/CERTIFICATIONS

MAI, Member of the Appraisal Institute, October 2016
Certified General Appraiser, State of Nevada, License No. A.0007691-CG

EDUCATION

B.S., Industrial Design, Arizona State University, 1997

Appraisal Courses Completed:

Appraisal Institute	2003	Appraisal Principles
Appraisal Institute	2003	Appraisal Procedures
Lincoln Graduate Center	2003	National USPAP Course
Appraisal Institute	2005	Basic Income Capitalization
Appraisal Institute	2006	Highest & Best Use & Market Analysis
Appraisal Institute	2007	Advanced Income Capitalization
Appraisal Institute	2009	Introduction to Valuing Commercial Green Buildings
Appraisal Institute	2009	Eminent Domain and Condemnation
Appraisal Institute	2011	General Appraiser Report Writing & Case Studies
Appraisal Institute	2012	Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets
Appraisal Institute	2013	Advanced Concepts and Case Studies
Appraisal Institute	2015	Comparative Analysis
Appraisal Institute	2015	Appraising Convenience Stores
Appraisal Institute	2016	General Demonstration Report Writing
Appraisal Institute	2017	Rates & Ratios Making Sense of GIMs, OARs & DCF
Appraisal Institute	2017	Subdivision Valuation
Appraisal Institute	2019	IRS Valuation – Valuation of Donated Real Estate, Conservation and other IRS Valuation Assignments
Appraisal Institute	2020	Business Practices and Ethics
Appraisal Institute	2020	Aerial Inspections for Real Estate
McKissock Learning	2021	Introduction to Commercial Appraisal Review
McKissock Learning	2021	2022 - 2023 National USPAP update

EXPERIENCE

Anderson Valuation Group, LLC 2004 to Present

Anderson Valuation Group, LLC
P.O. Box 82197
Las Vegas, Nevada 89180
Telephone: 702•307•0888
Fax: 702•307•0894
e-mail eric@andersonvaluationgroup.com

QUALIFICATIONS

Eric J. Anderson, MAI

Page Two

Type of Properties Appraised/ Services Provided:

Retail Centers
Residential Subdivisions
Industrial Properties
Leasehold/Leased Fee Estates
Health/Fitness Centers
Condemnation (total and partial takes)
Master Planned Communities (Commercial)

Apartments
Office Buildings
Hotels/Motels
Medical Offices
Vacant Land (all types)

Service Areas: Southern Nevada

Clients Serviced:

Government Agencies:

Nevada Department of Transportation
Las Vegas Valley Water District
Clark County School District
NV Energy
Clark County
Regional Transportation Commission (RTC)

City of North Las Vegas
City of Henderson
City of Las Vegas
City of Boulder City

Private Clients:

Banks and other Lenders, Attorneys, Private Parties, list available upon request

Anderson Valuation Group, LLC

P.O. Box 82197

Las Vegas, Nevada 89180

Telephone: 702•307•0888

Fax: 702•307•0894

e-mail eric@andersonvaluationgroup.com

APPRAISER CERTIFICATE

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE

REAL ESTATE DIVISION

NOT TRANSFERABLE

This is to Certify That : ERIC J ANDERSON

Certificate Number: A.0007691-CG

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

Issue Date: January 4, 2022

Expire Date: January 31, 2024

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

FOR: ANDERSON VALUATION GROUP LLC
3140 S. RAINBOW BLVD SUITE 402
LAS VEGAS, NV 89146

REAL ESTATE DIVISION

SHARATH CHANDRA
Administrator



QUALIFICATIONS

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

LICENSING

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

PROFESSIONAL DESIGNATIONS/AFFILIATIONS

MAI - Member of the Appraisal Institute, September 1995

SRA - Member - Appraisal Institute, November 1989

AI-GRS - Member - Appraisal Institute, October 2014

Past President (2002), Las Vegas Chapter, Appraisal Institute

Appraisal Institute National Nominating Committee, Region VII Representative, 2015

Appraisal Institute, Current Nevada Chapter Region Representative, January 2016 - 2018

Member, Commission of Appraisers of Real Estate State of Nevada, 7/2011 - 8/2015

President, Commission of Appraisers of Real Estate State of Nevada, 8/2015 - 7/2017

Member, Clark County Board of Equalization, Approved December 2019

EDUCATION

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

Sample of Core Appraisal Courses Completed:

SREA Course 101	1986	Introduction of Appraising Real Property
SREA Course 201	1986	Principles of Income Property Appraising
SREA Course 202	1986	Applied Income Property Valuation
AIREA Seminar	1987	Standards of Professional Practice
AIREA Course 1BA		
Part A, Seminar	1990	Capitalization Theory and Techniques
AIREA Seminar	1991	Comprehensive Appraisal Workshop
Appraisal Institute	1993	Course 410, 420
		Standards of Professional Practice, Parts A & B
Appraisal Institute	1996	Course 520 - Highest and Best Use
Appraisal Institute	2007	The Appraiser as an Expert Witness
Appraisal Institute	2009	Condemnation Appraising
Appraisal Institute	2009	Appraisal of Nursing Facility
Appraisal Institute	2011	Apartment Appraisal, Concepts & Applications
Appraisal Institute	2012	Fundamentals of Separating Real, Personal
		Property, and Intangible Business Assets
Appraisal Institute	2014	Review Theory- General
Appraisal Institute	2017	Litigation Appraising
Appraisal Institute	2019	How Tenants Create or Destroy Value: Leasehold
		Valuation and Its Impact on Value
Appraisal Institute	2021	Appraiser's Guide to Expert Witnessing

Attended other Various Seminars and Courses, 1984 to Present
Appraisal Institute Transcript Available Upon Request

Anderson Valuation Group, LLC

P.O. Box 82197

Las Vegas, Nevada 89180

Telephone: 702•307•0888

e-mail glenn@andersonvaluationgroup.com

QUALIFICATIONS

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

Page Two

EXPERIENCE

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

Type of Properties Appraised/Services Provided:

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

Service Areas:

State of Nevada

Clients Serviced:

Government Agencies

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

Private Clients

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

Court Fees/Court Qualifications:

Hourly rate for court testimony and deposition: \$500
List of recent court testimony available upon request.

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

APPRAISER CERTIFICATE

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE

REAL ESTATE DIVISION

NOT TRANSFERABLE

This is to Certify That : GLENN M ANDERSON

Certificate Number: A.0000555-CG

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

Issue Date: January 4, 2022

Expire Date: January 31, 2024

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

FOR: ANDERSON VALUATION GROUP LLC
3140 S RAINBOW BLVD STE 402
LAS VEGAS, NV 89146

REAL ESTATE DIVISION

SHARATH CHANDRA
Administrator



Engagement Letter

August 19, 2022

Mr. Brok Armantrout
Revenue Contracts & Real Estate Manager
City of Boulder City, Nevada
401 California Ave.
Boulder City, NV 89005



**Anderson
Valuation
Group**

Via E-Mail: BArmantrout@bcnv.org

Re: Boulder City Airport Hanger Rent Appraisal

Dear Mr. Armantrout:

The purpose of this correspondence is to provide a fee and timing quotation to prepare an appraisal regarding our opinion of fair market rent for airplane hangars in PADS 14-19 and 20-25, located at the Boulder City Airport. It is my understanding that Boulder City plans to negotiate new leases on approximately 66 general aviation hangars and the appraisal will be used to assist in these negotiations. Our fee to provide this service would be \$5000 and we can deliver within approximately 4 weeks from date of authorization to proceed. The fee would be invoiced and due and payable, at time of the completion of the report. If these terms and conditions meet with your satisfaction, kindly sign in the space provided below and return to my office at your earliest convenience.

Thank you for giving me the opportunity to provide this fee and timing quotation and if you should have any questions, do not hesitate to contact me.

Sincerely,
Anderson Valuation Group, LLC

Glenn M. Anderson, MAI, SRA, AI-GRS
Certified General Appraiser
Nevada License No. A.0000555-CG
Expiration Date: January 31, 2024

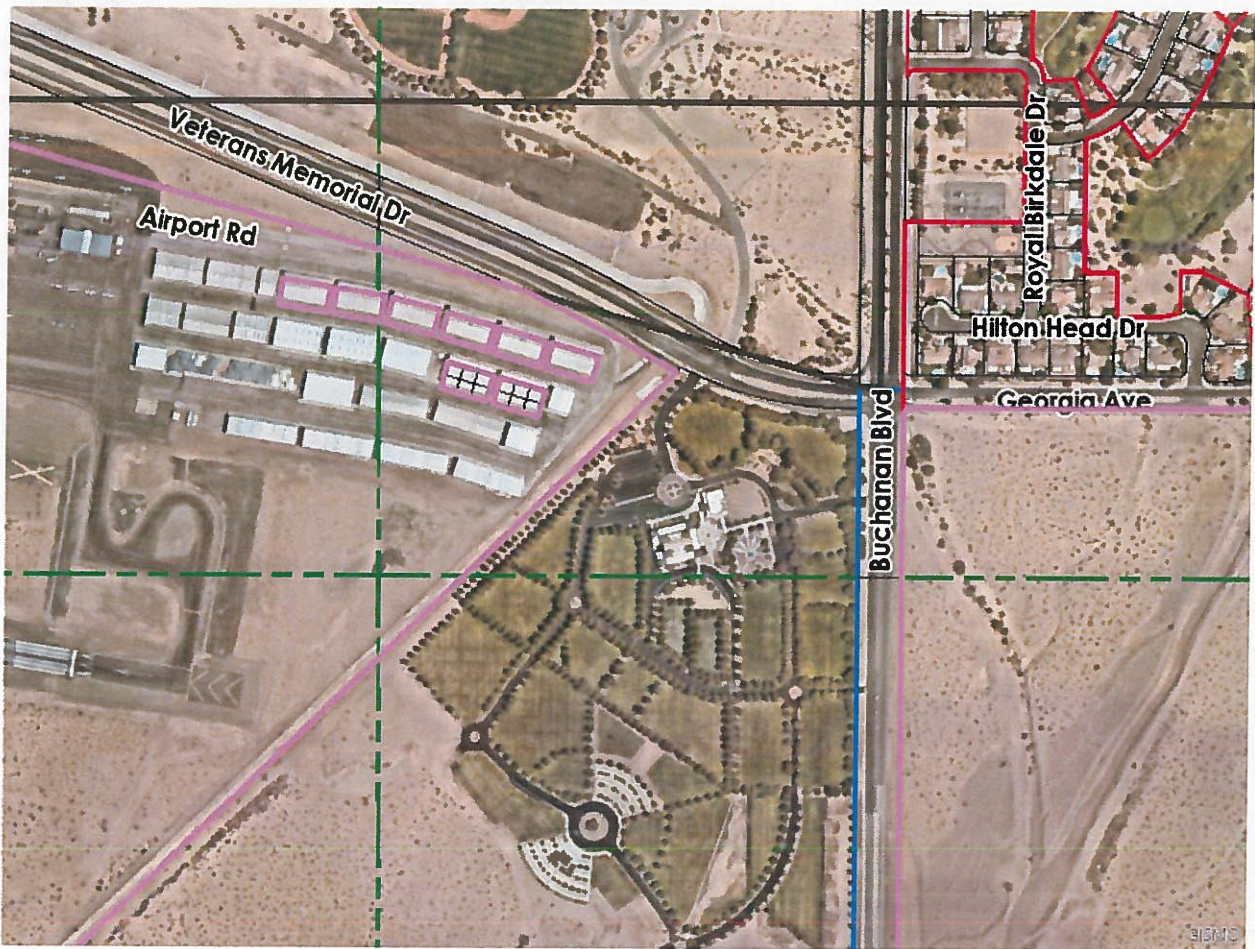
Authorization to Proceed:

Authorized Signature

8/31/22

Date

Clark County Information



The MAPS and DATA are provided without warranty of any kind, expressed or implied.
Date Created: 08/24/2022

Property Information

Parcel: 18620101007
Owner Name(s): CITY OF BOULDER CITY
Site Address: 1201 AIRPORT RD
Jurisdiction: Boulder City -
Zoning Classification: null
Planned Landuse: Incorporated Clark County (INCORP)

Misc Information

Subdivision Name: null
Lot Block: Lot: Block:
Sale Date: Not Available
Sale Price: Not Available
Recorded Doc Number: 00000228 00185058
Flight Date: 2022-07-02

Construction Year: 2009
T-R-S: 23-64-20
Census tract: 5501
Estimated Lot Size: 490.45

Elected Officials

Commission: G - Jim Gibson (D)
US Senate: Jacky Rosen, Catherine Cortez-Masto
State Senate: 20 - Keith Pickard (R)
School District: A - Lisa Guzman
Board of Education: 1 - Tim Hughes

City Ward:
US Congress: 1 - Dina Titus (D)
State Assembly: 23 - Glen Leavitt (R)
University Regent: 12 - Amy Carvalho
Minor Civil Division: Nelson/Boulder

Briana Johnson, Assessor

[Assessor Map](#)
[Aerial View](#)
[Building Sketch](#)
[Ownership History](#)
[Neighborhood Sales](#)
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GENERAL INFORMATION

PARCEL NO.	186-20-101-007
OWNER AND MAILING ADDRESS	CITY OF BOULDER CITY C/O CITY PLANNER PO BOX 61350 BOULDER CITY NV 89006-1350
LOCATION ADDRESS	1201 AIRPORT RD
CITY/UNINCORPORATED TOWN	BOULDER CITY
ASSESSOR DESCRIPTION	PT SEC 20 23 64
RECORDED DOCUMENT NO.	* 00000228:185058
RECORDED DATE	JAN 12 1960
VESTING	NS
COMMENTS	1.80 TO RD 20080814:2044;SF 175-14;l-11 ESMT-20180815:1424

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

ASSESSMENT INFORMATION AND VALUE EXCLUDED FROM PARTIAL ABATEMENT

TAX DISTRICT	052
APPRAISAL YEAR	2021
FISCAL YEAR	2022-23
SUPPLEMENTAL IMPROVEMENT VALUE	0
INCREMENTAL LAND	0
INCREMENTAL IMPROVEMENTS	0

REAL PROPERTY ASSESSED VALUE

FISCAL YEAR	2021-22	2022-23
LAND	12874313	14161744
IMPROVEMENTS	1440733	1520615
PERSONAL PROPERTY	0	0
EXEMPT	14315046	15682359
GROSS ASSESSED (SUBTOTAL)	14,315,046	15,682,359
TAXABLE LAND + IMP (SUBTOTAL)	40,900,131	44,806,740
COMMON ELEMENT ALLOCATION ASSESSED	0	0
TOTAL ASSESSED VALUE	14,315,046	15,682,359
TOTAL TAXABLE VALUE	40,900,131	44,806,740

[Click here for Treasurer Information regarding real property taxes.](#)

[Click here for Flood Control Information.](#)

ESTIMATED LOT SIZE AND APPRAISAL INFORMATION

ESTIMATED SIZE	490.45 ACRES
ORIGINAL CONST. YEAR	1992
LAST SALE PRICE	
MONTH/YEAR	

SALE TYPE

LAND USE

72.620 - TRANSPORTATION

DWELLING UNITS

1

PRIMARY RESIDENTIAL STRUCTURE

1ST FLOOR SQ. FT.		CASITA SQ. FT.		ADDN/CONV	
2ND FLOOR SQ. FT.		CARPORT SQ. FT.		POOL	NO
3RD FLOOR SQ. FT.		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				

ASSESSOR MAP VIEWING GUIDELINES

MAP

[186201](#)

In order to view the Assessor map you must have Adobe Reader installed on your computer system.

If you do not have the Reader it can be downloaded from the Adobe site by clicking the following button. Once you have downloaded and installed the Reader from the Adobe site, it is not necessary to perform the download a second time to access the maps.



Note: This record is for assessment use only. No liability is assumed as to the accuracy of the data delineated hereon.



Treasurer

Laura B. Fitzpatrick
Clark County Treasurer

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Property Account Inquiry - Summary Screen

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Parcel ID	186-20-101-007	Tax Year	2023	District	052	Rate	2.6097
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Situs Address:	1201 AIRPORT RD BOULDER CITY
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Legal Description:	ASSESSOR DESCRIPTION: PT SEC 20 23 64
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Status:	Property Characteristics	Property Values	Property Documents
Active	Tax Cap Increase Pct. 8	Land 14161744	2018091801234 9/18/2018
Taxable	Tax Cap Limit Amount 262148.71	Improvements 1520615	0000022885058 1/12/1960
	Land Use 6-20 Transportation	Total Assessed Value 15682359	0002280185058 1/12/1960
	Exemption Percentage 100	Net Assessed Value 15682359	
	Cap Type OTHER	Exemption Value New Construction 0	
	Acreage 490.4500	New Construction - Supp Value 0	
	Exemption Amount 409262.52	Tax % Exemption Value 15682359	
	Exemption Type 60M: City Municipal Land & Pro		
	Abatement used for tax calc only 147113.81		

Role	Name	Address	Since	To
Owner	CITY OF BOULDER CITY	C/O CITY PLANNER PO BOX 61350 , BOULDER CITY, NV 89006-1350 UNITED STATES	6/14/2019	Current

Summary

Item	Amount
Taxes as Assessed	\$409,262.52
Less Cap Reduction	\$0.00
Net Taxes	\$409,262.52

PAST AND CURRENT CHARGES DUE TODAY

Tax Year	Charge Category	Amount Due Today
THERE IS NO PAST OR CURRENT AMOUNT DUE as of 8/24/2022		\$0.00

NEXT INSTALLMENT AMOUNTS

Tax Year	Charge Category	Installment Amount Due
THERE IS NO NEXT INSTALLMENT AMOUNT DUE as of 8/24/2022		

TOTAL AMOUNTS DUE FOR ENTIRE TAX YEAR

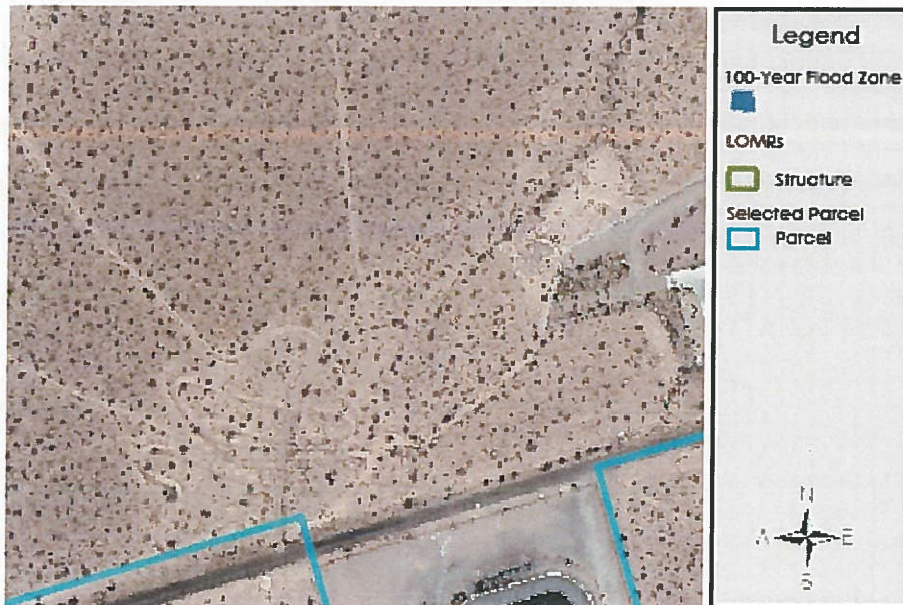
Tax Year	Charge Category	Remaining Balance Due
----------	-----------------	-----------------------

**THERE IS NO TOTAL AMOUNT DUE FOR THE ENTIRE TAX YEAR as of
8/24/2022**

PAYMENT HISTORY

Last Payment Amount	\$0.00
Last Payment Date	
Fiscal Tax Year Payments	\$0.00
Prior Calendar Year Payments	\$0.00
Current Calendar Year Payments	\$0.00

[Make Payment](#)[Printable Page](#)[Click Here for Printable Page!](#)[New Search](#)[View Cart](#)



[View Printer-Friendly Map](#)

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

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

<i>Parcel</i>	18620101007
<i>Owner</i>	CITY OF BOULDER CITY
<i>Address</i>	1201 AIRPORT
<i>Entity</i>	Boulder City
<i>Contact</i>	702-293-9200
<i>Flood Zone</i>	ZONE AE,ZONE A
<i>FIRM Panel</i>	View FIRM Panel (2980)
<i>LOMR</i>	This parcel is not affected by a LOMR

[Enter a different address or parcel number](#)

* **Special Flood Hazard Area (SFHA)** – a term used by the Federal Emergency Management Agency (FEMA) in the National Flood Insurance Program (NFIP) to refer to the land area covered by the floodwaters of the base or 100-year flood (an area of land that has an approximate 1 percent probability of a flood occurring on it in any given year). In these areas flood insurance is generally required.

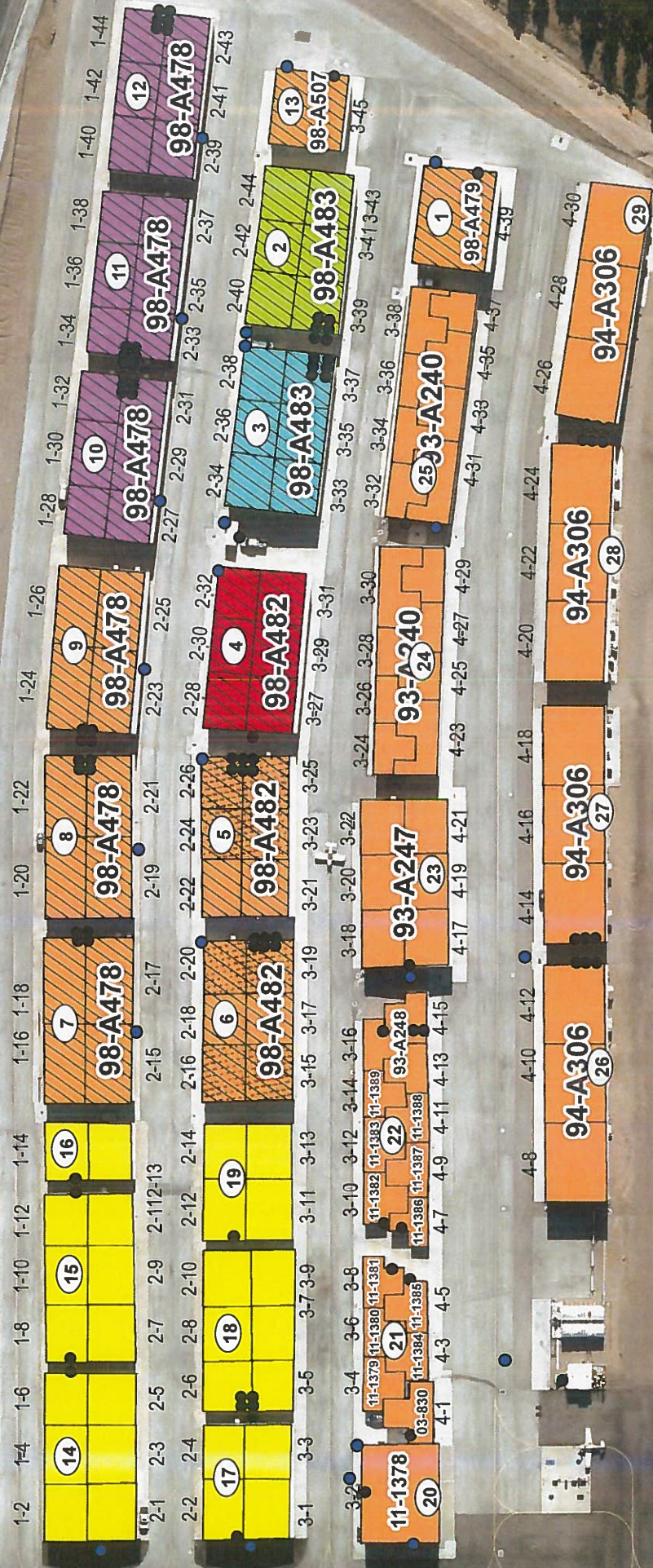
More information about purchasing flood insurance can be found at
[FloodSmart.gov](https://www.floodsmart.gov).



Private GA Hangars

VETERANS MEMORIAL DR

AIRPORT RD



Hangar Ownership

- BCCOA 1
- BCCOA 2
- BCCOA 3
- Individual
- Viking Sky LLC
- City Owned

Water Meters

- Water Meters
- Electric Meters

No Separating Walls

- No Separating Walls
- Central Fire Monitoring System

Building/Pad ID:

Aerial Imagery: 2020

Author: JW BCNV GIS Date: 06/15/2021

Document Path: R:\workspace\Airport\Private_GA_Hangars.mxd