

SOMERSET ACADEMY OF LAS VEGAS

Supporting Document

Meeting Date: January 8, 2015 Agenda Item: 3- Review and Approval of Articles of Incorporation. Number of Enclosures: 1

SUBJECT: Review and Approval of Articles of Incorporation.

<input checked="" type="checkbox"/> Action <input type="checkbox"/> Appointments <input type="checkbox"/> Approval <input type="checkbox"/> Consent Agenda <input type="checkbox"/> Information <input type="checkbox"/> Public Hearing <input type="checkbox"/> Regular Adoption

Presenter (s): Corinne Wurm

Recommendation:

Proposed wording for motion/action:

Fiscal Impact: N/A

Estimated Length of time for consideration (in minutes): 3-5 Minutes
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Background: Review and Approval of Articles of Incorporation.

Submitted By: Staff

**NONPROFIT ARTICLES OF INCORPORATION
OF SOMERSET ACADEMY OF LAS VEGAS, INC. (CONTINUED)**

ARTICLE 4

PURPOSE AND POWERS

4.01 Purposes Generally. The purpose and mission of the Corporation is to provide a high quality education to children from Kindergarten (K) to twelfth (12th) grade and shall be operated exclusively for educational objectives and purposes. Additionally, the purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under Chapter 82 of the Nevada Revised Statutes, as limited by Chapter 386 of the Nevada Revised Statutes. Within the framework and limitations of the foregoing, the School is organized exclusively for one or more of the purposes as contemplated and specified in Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code.

4.02 Statutory Powers. For the foregoing purposes, the Corporation shall operate in accordance with Chapters 82 and 386 of the Nevada Revised Statutes.

4.03 Prohibited Purposes and Powers. Notwithstanding the foregoing statement of purposes and powers, the Corporation shall have and exercise only such powers and engage in only such activities as are contemplated and permitted to be carried on by a corporation exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3) thereunder and by a corporation described in and contributions to which are deductible for federal income tax purposes under Section 170(c)(2) of the Internal Revenue Code.

4.04 Dissolution. Upon the dissolution of the Corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes. If, at any time and for any reason, the School's charter is revoked or the School is dissolved, all assets of the School, after satisfaction of all outstanding claims by creditors, shall be disposed of to the State of Nevada or the sponsor to dispose of according to applicable laws and appropriate regulations.

4.05 Prohibited Acts. The Corporation shall not, incidentally or otherwise, afford or pay any pecuniary gain, dividends, or other pecuniary remuneration to any director or officer of the Corporation or any other private person, and no part of the net income or net earnings of the Corporation shall, directly or indirectly, be distributable to or otherwise inure to the benefit of any private person; provided, however, that the Corporation may pay reasonable compensation for services rendered to or for the benefit of the Corporation and may make such other payments and distributions to nonprofit corporation members as permitted by Article 4 herein. The Corporation shall not carry on propaganda or otherwise attempt to influence legislation to such extent as would result in the loss of exemption under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3) of the Internal Revenue Code. The Corporation shall not participate in nor intervene in (including, without limitation, the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office.

SOMERSET ACADEMY OF LAS VEGAS

Supporting Document

Meeting Date: January 8, 2015
Agenda Item: 4 – Presentation by Robert Howell Regarding Bond Process
Number of Enclosures:

SUBJECT: Presentation by Robert Howell Regarding Bond Process

Action
 Appointments
 Approval
 Consent Agenda
 Information
 Public Hearing
 Regular Adoption

Presenter (s): Robert Howell

Recommendation:

Proposed wording for motion/action:

Fiscal Impact: N/A

Estimated Length of time for consideration (in minutes): 3-5 Minutes

Background: Update regarding bond process.

Submitted By: Staff

SOMERSET ACADEMY OF LAS VEGAS

Supporting Document

Meeting Date: January 8, 2015

Agenda Item: 5 – Approval and Execution of Lease for Phase III of the Somerset Academy Sky Pointe Campus and Possible Execution of Sales and Purchase Agreements for the Somerset Academy Sky Pointe and Somerset Academy North Las Vegas Campus.

Number of Enclosures: 5

SUBJECT: Approval and Execution of Lease for Phase III of the Somerset Academy Sky Pointe Campus and Possible Execution of Sales and Purchase Agreements for the Somerset Academy Sky Pointe and Somerset Academy North Las Vegas Campus.

Action
 Appointments
 Approval
 Consent Agenda
 Information
 Public Hearing
 Regular Adoption

Presenter (s): Robert Howell

Recommendation:

Proposed wording for motion/action:

Fiscal Impact: N/A

Estimated Length of time for consideration (in minutes): 5-10 Minutes

Background: Approval and Execution of Lease for Phase III of the Somerset Academy Sky Pointe Campus and Possible Execution of Sales and Purchase Agreements for the Somerset Academy Sky Pointe and Somerset Academy North Las Vegas Campus.

Submitted By: Staff

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("Agreement"), dated as of the ____ day of January, 2015 (the "Effective Date"), between School Development Centennial LLC, a Florida limited liability company, having an office at 6340 Sunset Drive, Miami, Florida 33143 ("Seller"), and Somerset Academy of Las Vegas, a governmental entity, having an address of 385 W. Centennial Parkway, North Las Vegas, Nevada 89084 ("Buyer").

In consideration of the mutual agreements herein contained, the Buyer and Seller agree as follows:

1. Purchase and Sale; Nature of Sale.

Subject to the terms and conditions of this Agreement, Seller agrees to sell, and Buyer agrees to purchase, the following (hereinafter referred to as the "Property"): fee simple title to the land described on Exhibit A attached hereto ("Land"), together with the approximate 40,000 square foot building located thereon (it being understood that the parties have deemed the building to be of such size, and no adjustment in price shall be made in the event that the actual size of such building is larger or smaller than the agreed-upon size) and all other improvements thereon, and all easements, water rights and other rights appurtenant thereto, all of Seller's right, title, and interest in any public rights-of-way adjoining the Premises, and all equipment, tools, and other personal property, if any, owned by Seller and located at the Property and used or useful in connection therewith, all guarantees and warranties related to the improvements to the Property made by third parties, and all right's of Seller to any plans, specifications, designs, drawings, and manuals related to the Premises. **THE PROPERTY IS SOLD ON AN "AS IS/WHERE IS" BASIS, WITH ALL FAULTS, AND SELLER MAKES NO REPRESENTATION OR WARRANTY CONCERNING THE CONDITION OF THE PROPERTY OF ANY KIND, EXCEPT AS EXPRESSLY SET FORTH HEREIN. BUYER ACKNOWLEDGES THAT IT HAS BEEN IN POSSESSION OF THE PROPERTY SINCE AUGUST, 2011, AND IS FAMILIAR WITH THE CONDITION OF THE PROPERTY, AND SHALL MAKE SUCH FURTHER INVESTIGATIONS THEREOF AS IT SHALL DEEM NECESSARY WITH RESPECT TO THE TRANSACTION CONTEMPLATED HEREIN.**

2. Purchase Price.

The purchase price of the Property ("Purchase Price") shall be EIGHT MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$8,800,000.00), payable in cash at Closing. In addition, at Closing, Buyer shall pay all accrued interest and outstanding principal, in full, under that certain Consent of Landlord to Tenant Improvements and Loan Agreement between Buyer and Seller, dated as of January __, 2014.

3. Title to Property and Title Insurance.

- 3.0 Within fifteen (15) days following the Effective Date, Buyer, at its expense, shall obtain a title commitment (the "Commitment") from a title company of its

choosing (Title Company”), together with legible copies of all documents referred to therein (the “Title Documents”). Buyer shall then have until 5:00 p.m. Mountain Time on the date which is thirty (30) days following Buyer’s receipt of the Commitment and the Title Documents (the “Title Review Period”) to give Seller written notice (“Buyer’s Title Notice”) of Buyer’s disapproval or conditional approval of any matters shown in the Commitment. The failure of Buyer to give Buyer’s Title Notice on or before the end of the Title Review Period shall be deemed to constitute Buyer’s approval of the condition of title to the Property.

3.0.1 If Buyer expressly disapproves or expressly conditionally approves any matter of title shown in the Commitment, then Seller may, but shall have no obligation to, within ten (10) days after its receipt of Buyer’s Title Notice (“Seller’s Election Period”), elect to eliminate or resolve to Buyer’s satisfaction the disapproved or conditionally approved title matters by giving Buyer written notice (“Seller’s Title Notice”) of those disapproved or conditionally approved title matters, if any, which Seller agrees to so eliminate or resolve by the Closing.

3.0.2 If Seller does not elect to eliminate or resolve any disapproved or conditionally approved title matters, or if Buyer disapproves Seller’s Title Notice, or if Seller fails to timely deliver Seller’s Title Notice, then Buyer shall have the right, upon delivery to Seller and Title Company (on or before ten (10) days following the expiration of Seller’s Election Period) of a written notice, to either: (i) waive its prior disapproval, in which event said disapproved matters shall be deemed approved; or (ii) terminate this Agreement. Failure to take either one of the actions described in (i) and (ii) above shall be deemed to be Buyer’s waiver of its prior disapproval.

3.1 Notwithstanding the foregoing, Seller shall pay and cause to be discharged any monetary obligations secured by liens against the Property (but not against the leasehold interest of Buyer or any liens created or resulting from acts of Buyer, if any), other than property taxes not yet due.

4. Due Diligence Items.

4.0 Seller shall deliver to Buyer, at Seller’s expense unless otherwise noted, each of the following within ten (10) business days following the Effective Date (collectively, the “Due Diligence Items”):

4.0.1 A copy of each of the existing owner’s policy of title insurance and the existing survey, if any, on the Property (the “Survey”);

4.0.2 Copies of all contracts, warranties, or other agreements affecting the Property between Seller and third parties; and

- 4.0.3 All site plans, drawings, environmental, geotechnical, structural, soils and similar reports and/or audits and plans and specifications relative to the Property in the possession of Seller or reasonably available to Seller.

5. Inspections.

Buyer, at its sole expense, shall have the right to conduct environmental, engineering and physical studies or other tests (the "Inspections") of the Property for a period of thirty (30) days following the date the Effective Date ("Inspection Period"). Seller shall deliver to Buyer a copy of any existing Phase I or Phase II environmental assessments within its possession, not later than the tenth business days after the Effective Date. If Buyer disapproves of the Inspections in its sole discretion, Buyer shall provide written notice of its disapproval within three (3) business days following the expiration of the Inspection Period. If Buyer fails to notify Seller of its disapproval of the Inspections as provided in the preceding sentence, the condition of the Property shall be deemed approved. If Buyer disapproves the condition of the Property, this Agreement and the Escrow shall be terminated and the parties shall be relieved of any further obligation to each other with respect to this Agreement, except as expressly provided elsewhere herein. All Inspections shall be conducted by parties qualified and, where applicable, licensed to conduct such inspections, tests and/or examinations. Buyer shall pay the costs of all tests, inspections, examinations, investigations, and reviews conducted pursuant to this Agreement. After the performance of any tests, inspections, examinations, investigations and reviews, Buyer shall promptly repair any damage and otherwise return the Property to substantially the same condition as existed prior to the conduct of said Inspections. Prior to undertaking any activity or exercising any rights granted in this Agreement, Buyer shall obtain, and subsequently maintain in full force and effect throughout the duration of this Agreement, commercial general liability insurance in an amount not less than Two Million and No/100 Dollars (\$2,000,000.00). Such policy or policies shall name Seller and any other parties that Seller may reasonably designate as additional insureds, and shall cover damage to property and persons resulting from or connected with any activity of Buyer as contemplated under this Agreement. Notwithstanding anything to the contrary set forth in this Agreement, Buyer agrees to indemnify and hold Seller harmless from any and all liability, loss or damage, including reasonable attorneys' fees and related costs and expenses arising out of, or resulting from, any and all Inspections that may be conducted by Buyer, including, without limitation, physical damage to the Property (and any adjoining property) and claims of mechanics and materialmen arising out of such activities. Also, notwithstanding anything in this Agreement to the contrary, Buyer shall not be permitted to perform a Phase II environmental audit of the Property or any other form of invasive property testing without Seller's prior written approval, not to be unreasonably withheld. Further, notwithstanding anything to the contrary contained in this Agreement, in the event of a termination of this Agreement for any reason, Buyer shall, upon request of Seller, forward to Seller copies of all third-party reports inspections, tests, examinations, investigations and reviews obtained by Buyer in connection with its investigation of the Property. Buyer's obligations to Seller under this section shall survive any termination of this Agreement.

6. Escrow.

6.0 Opening.

Purchase and sale of the Property shall be consummated through an escrow ("Escrow") to be opened with Title Company. This Agreement shall be considered as the Escrow instructions between the parties, with such further instructions as Title Company shall require in order to clarify its duties and responsibilities.

6.1 Closing.

Escrow shall close ("Closing") on the date on which the Financing, as defined in Section 10.4 below, is consummated. In the event the Closing shall not have occurred on or before May 30, 2015, then either Buyer or Seller shall have the right to terminate this Agreement, in which event neither party shall have any continuing obligations under this Agreement except as expressly set forth to the contrary herein.

6.2 Buyer Required to Deliver.

On or before Closing, Buyer shall deliver to Escrow the following:

6.2.1 The Purchase Price; and

6.2.2 Such other documents as Title Company may require from Buyer in order to issue the Title Policy.

6.3 Seller Required to Deliver.

On or before Closing, Seller shall deliver to Escrow the following:

6.3.1 A duly executed and acknowledged special warranty deed, conveying fee title to the Property in favor of Buyer (or its assignee), subject only to the Permitted Exceptions (the "Deed"). The Deed shall specifically list the Permitted Exceptions on an exhibit and shall not contain language such as or similar in context to "subject to all matters of record";

6.3.2 An executed Certificate of Non-Foreign Status;

6.3.3 An assignment of all items included in the Property which constitute personal property; and

6.3.4 Such other standard documents as Title Company may require from Seller in order to issue the Title Policy.

At Closing, Seller shall deliver to Buyer at the Property all keys in Seller's possession and all personal property included in this sale transaction.

6.4 Buyer's Costs.

Buyer shall pay the following: (i) the Title Company's premium for any owner's policy, lender's policy, search or similar costs, and the costs of all endorsements to such title policies determined or required by Buyer or its lender; and (ii) any real property transfer taxes payable under Nevada law, whether imposed by the state or the county. Any real estate taxes, irrigation assessments, improvement liens and other special assessments shall be reasonably prorated as of the Closing, with Buyer responsible for their payment for periods on and after the Closing. To the extent Seller fails to bring any such items to the attention of Buyer before Closing and such items are not a legal obligation of the Property and/or do not "run with the land", then Buyer shall not be responsible for their payment after Closing under any circumstances.

6.5 Seller's Costs.

Seller shall pay the cost of recording of the Deed and to remove any title exceptions required to be removed by Seller or as to which Seller has made the election to remove. Any real estate taxes, irrigation assessments, improvement liens and other special assessments shall be reasonably prorated as of the Closing, with Seller responsible for their payment for periods before Closing, unless specified otherwise in the Lease (as defined in Section 7.1).

7. The Lease and Prorations.

7.0 The Lease. Seller, as landlord, and Buyer, as tenant, are parties to a lease dated as of August 1, 2011 with regard to the Property (as amended to the date hereof, the "Lease").

7.1 Termination. If Closing occurs: (i) the Lease shall be deemed terminated as of 11:59 P.M. on the day immediately prior to the date Closing occurs and neither party shall thereafter have any obligation to the other under the Lease; (ii) any rental or security deposit under the Lease, if any, shall be returned to Buyer or applied as a credit against the Purchase Price, as Buyer may elect; and (iii) Seller shall release any UCC financing statements it has filed or caused to be filed naming Buyer as the debtor.

7.2 Prorations. All rents, expenses and other amounts due under the Lease, shall be prorated and adjusted on the basis of the actual days in the calendar year. Inasmuch as real estate taxes and assessments are the responsibility of Buyer, as tenant under the Lease, such items shall not be prorated at the Closing unless Buyer shall have previously paid such items to Seller, as Landlord under the Lease.

7.3 No Closing. In the event there is no Closing under this Agreement, both parties agree that the Lease will remain in effect, and govern their relationship with respect to the Property.

8. Representations, Warranties, and Covenants of Seller.

8.0 Seller represents and warrants as of the date hereof as follows, which are the exclusive and sole representations and warranties of Seller, SELLER HEREBY EXPRESSLY DISCLAIMING ANY OTHER REPRESENTATION OR WARRANTY OF ANY KIND:

8.0.1 Seller has full power and authority to enter into this Agreement, to perform this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement and all documents contemplated hereby by Seller have been duly and validly authorized by all necessary action on the part of Seller and all required consents and approvals have been duly obtained and will not result in a breach of any of the terms or provisions of, or constitute a default under any indenture, agreement or instrument to which Seller is a party. This Agreement is a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms;

8.0.2 Seller owns fee title interest in and to the Property. Other than the Lease, there are no outstanding rights of possession, first refusal, reverter or purchase option relating to the Property or any interest therein. Other than the Lease, there are no unrecorded documents or other matters which affect title to the Property;

8.0.3 Seller has not assigned its interest in the Lease to any party; and

8.1 Seller hereby covenants as follows:

8.1.1 From the date of execution of this Agreement through the date of Closing or termination of this Agreement, Seller will not enter into any agreement or lease with respect to the Property or convey any right, title or interest whatsoever in or to the Property, or create or permit to attach any lien, security interest, easement, encumbrance, charge, or condition affecting the Property, without Buyer's prior written consent; and

8.1.2 Seller will promptly provide Buyer with copies of any and all notices which Seller receives concerning (i) any proposed or threatened condemnation of the Property, (ii) any alleged violations of the Property with respect to applicable governmental laws or requirements, (iii) any litigation filed or threatened against Seller or the Property or (iv) any change in Seller's representation set forth in section 8.2.1 above.

9. Representations and Warranties of Buyer.

Buyer hereby represents and warrants to Seller that Buyer has full power and authority to enter into this Agreement, to perform this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement and all documents contemplated hereby by Buyer have been duly and validly authorized by all necessary action on the part of Buyer and all required consents and approvals have been duly obtained and will not result in a breach of any of the terms or provisions of, or constitute a default under any indenture, agreement or instrument to which Buyer is a party. This Agreement is a legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms. Buyer acknowledges and agrees that it has been in possession of the Property since August, 2011, and that pursuant to the Lease, Buyer is and has been responsible for maintaining and repairing the Property, at its sole cost and expense.

10. Conditions Precedent to Closing.

The obligations of Buyer pursuant to this Agreement shall, at the option of Buyer, be subject to the following conditions precedent:

- 10.1 All of the representations, warranties and agreements of Seller set forth in this Agreement shall be true and correct in all material respects as of the date hereof and as of the time of the Closing as if then made;
- 10.2 Seller shall have performed or complied with at or prior to the Closing all conditions or agreements on Seller's part as required by the terms of this Agreement;
- 10.3 There shall be no change in the matters reflected in the Commitment, and there shall not exist any encumbrance or title defect affecting the Property not described in the Commitment except for the Permitted Exceptions or matters to be satisfied at Closing;
- 10.4 Buyer shall have consummated or be prepared to consummate, subject only to the Buyer's acquisition of the Property, the financing transaction pursuant to which Buyer shall borrow the amount reasonably necessary to purchase the Property (the "Financing"); and
- 10.5 The Title Company shall be prepared to issue the Title Policy, subject only to recording of the Deed and payment of the required premium.

11. Risk of Loss and Condemnation.

Until Closing, risk of loss or damage to the Property shall be governed by the terms of the Lease. If any material loss or damage occurs prior to Closing, Buyer may, at its option, either (i) cancel this Agreement or (ii) accept the Property with the Purchase Price reduced by the cost of replacement or repair. If all or any material part of the Property is condemned or any condemnation action or proceeding is commenced prior to Closing, Buyer may, at its option,

either (a) cancel this Agreement, or (b) complete the purchase, with all condemnation proceeds and claims being assigned to Buyer.

12. Notices.

All notices and communications required or permitted to be given hereunder shall be in writing and hand delivered or mailed by certified or registered mail, postage prepaid, or by Federal Express, UPS, Airborne Express, or similar overnight delivery service, addressed as follows:

Seller: Centennial School Development LLC
6340 Sunset Drive
Miami, Florida 33143
Phone: 305-____-____
Fax: 305-____-____

Copy to: David Cohen
Edwards Cohen
200 West Forsyth, Suite 1300
Jacksonville, Florida 32202
Phone: 904-633-7979
Fax: 904-633-9026

Buyer: Somerset Academy of Las Vegas
385 W. Centennial Parkway
North Las Vegas, Nevada 89084
Phone: ____-____-____
Fax: ____-____-____

With Copy to: _____

Notice shall be deemed to have been given upon receipt or refusal.

13. Remedies.

13.0 Defaults by Seller. If Seller defaults hereunder for any reason, Buyer shall deliver written notice thereof to Seller and Title Company. If Seller does not cure such default within seven (7) business days after receiving written notice thereof, Buyer shall be entitled to pursue all rights or remedies allowed to it at law or in equity, including without limitation to (i) terminate this Agreement, or (ii) bring an action to enforce the specific performance of this Agreement, it being expressly agreed that the rights of the Buyer hereunder may be enforced by an action for specific performance and such other equitable relief as is provided under the laws of the State of Utah. In the event of termination of this Agreement under this provision, the Lease shall continue in full force and effect.

13.1 Defaults by Buyer. If there is any default by Buyer under this Agreement, following notice to Buyer and seven (7) business days, during which period Buyer may cure the default, Seller's sole and exclusive remedy shall be to terminate this Agreement and obtain liquidated damages from Buyer in the amount of \$15,000.00, which the parties acknowledge represents a fair and reasonable compensation to Seller for such default, it being impracticable to fix the actual damages suffered by Seller as a result of such default. Notwithstanding the foregoing, such limitation and liquidated damages provisions do not apply to any obligations, including indemnity obligations, of Buyer under sections 5 and 21 of this Agreement. No default under this Agreement shall have any effect on the Lease, unless the same shall constitute a default thereunder.

14. Assignment.

Buyer may not assign its rights under this Agreement without the written consent of Seller, not to be unreasonably withheld; provided however that in the event that Buyer is obtaining tax-exempt financing for the acquisition of the Property, assignment of Buyer's right to acquire the Property under the terms of this Agreement shall not require the consent of Seller.

15. Interpretation and Applicable Law.

This Agreement shall be construed and interpreted in accordance with the laws of the State of Nevada.

16. Amendment.

This Agreement may not be modified or amended, except by an agreement in writing signed by the parties. The parties may waive any of the conditions contained herein or any of the obligations of the other party hereunder, but any such waiver shall be effective only if in writing and signed by the party waiving such conditions and obligations.

17. Attorney's Fees.

In the event it becomes necessary for either party to file a suit to enforce this Agreement or any provisions contained herein, the prevailing party shall be entitled to recover, in addition to all other remedies or damages, reasonable attorneys' fees and costs of court incurred in such suit.

18. Entire Agreement; Survival.

This Agreement (and the items to be furnished in accordance herewith) constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the parties in connection therewith. No representation, warranty, covenant, agreement, or condition not expressed in this Agreement shall be binding upon the parties hereto nor affect or be effective to interpret, change, or restrict the provisions of this Agreement. The obligations of the parties hereunder and all other

provisions of this Agreement shall survive the Closing or earlier termination of this Agreement, except as expressly limited herein.

19. Counterparts.

This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute the entire agreement of the parties.

20. Timing.

Time is of the essence of this Agreement. If the final date of any period falls upon a Saturday, Sunday, or legal holiday under Federal law or the laws of the State, then in such event the expiration date of such period shall be extended to the next day which is not a Saturday, Sunday, or legal holiday under Federal law or the laws of the State.

21. Real Estate Commission.

Seller and Buyer each represent that no broker is involved in this Agreement and each party indemnifies the other against brokerage or commission claims arising out of the indemnifying party's actions.

22. Independent Counsel.

Seller and Buyer each acknowledge that: (i) they have been represented by independent counsel in connection with this Agreement; (ii) they have executed this Agreement with the advice of such counsel; and (iii) this Agreement is the result of negotiations between the parties hereto and the advice and assistance of their respective counsel. The fact that this Agreement was prepared by Seller's counsel as a matter of convenience shall have no import or significance. Any uncertainty or ambiguity in this Agreement shall not be construed against either party because such party's counsel prepared or drafted the provision in question.

23. Exchange.

Seller and Buyer acknowledge that Seller may sell the Property as part of a tax-deferred exchange under Section 1031 of the Internal Revenue Code and Seller and Buyer agree to cooperate with each other as reasonably required to facilitate any such exchange, provided that all costs and expenses related to such exchange are borne by the party triggering the exchange costs and that such tax-deferred exchange shall not delay or condition Seller's performance hereunder or the Close of Escrow. In order to effectuate the exchange, Seller may assign this Agreement to an affiliate or an exchange intermediary prior to or at Close of Escrow, and Buyer agrees not to withhold consent to any such assignment, provided that (i) the assignor shall remain responsible for its obligations hereunder and (ii) the documents relating to such assignment shall be reasonably acceptable to Buyer and Seller.

[remainder of page intentionally left blank]

SELLER:

School Development Centennial LLC,
a Florida limited liability company

By: _____

Print Name: Rosanne Wright

Title: Manager

BUYER:

Somerset Academy of Las Vegas,
a governmental entity

By: _____

Print Name: _____

Title: _____

Acceptance by Title Company:

_____ Title Company hereby acknowledges that it has received originally executed counterparts or a fully executed original of the foregoing Purchase and Sale Agreement and Joint Escrow Instructions and agrees to act as escrow agent thereunder and to be bound by and perform the terms thereof as such terms apply to Title Company.

Dated: _____, 2015

_____ Title Company

By _____

Its: _____

EXHIBIT A

Legal Description of the Premises

AN APPRAISAL REPORT

**SOMERSET ACADEMY OF LAS VEGAS
NORTH LAS VEGAS CAMPUS
385 WEST CENTENNIAL PARKWAY
NORTH LAS VEGAS, NEVADA**

IN A SUMMARY FORMAT

PREPARED FOR

**SOMERSET ACADEMY OF LAS VEGAS
ATTN: RYAN REEVES – OPERATION MANAGER
1378 PASEO VERDE PARKWAY, SUITE 200
HENDERSON, NEVADA 89012**

DATE OF VALUE

OCTOBER 21, 2014

PREPARED BY

**Trophy Property Company, Inc.
2224 South Queen Street
Lakewood, Colorado 80227
File # 14-026C**

TROPHY
PROPERTY
COMPANY, INC.

John L. Emmerling, MAI

December 19, 2014

Somerset Academy of Las Vegas
Attn: Mr. Ryan Reeves – Operation Manager
1378 Paseo Verde Parkway, Suite 200
Henderson, Nevada 89012

Re: Market Value Appraisal
Somerset Academy of Las Vegas – North Las Vegas Campus
385 West Centennial Parkway
North Las Vegas, Nevada
File # 14-026C

Dear Mr. Reeves:

In accordance with your request, we have completed a thorough inspection and analysis of the above captioned property. The purpose of this analysis was to estimate the Market Value of the Leased Fee Interest of the Somerset Academy of Las Vegas – North Las Vegas Campus, as if free and clear of any liens or encumbrances. The effective date of this valuation is October 21, 2014, which is the date of the most recent inspection.

This appraisal report, presented in a summary format, which means that there is data researched and conclusions which are not in the report, but retained in the file system of Trophy Property Company, Inc. The report has been prepared in accordance with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation.

The Subject Property is comprised of 4.59 acre (199,940 square feet) tract of land improved with a one-story, 40,010 square foot educational facility. The school was constructed in 2007 as a part of the Commerce Centennial Marketplace shopping center, and then converted to a charter school in 2011. The remainder of the site is improved with playgrounds, parking lots, and landscaping. The building and site improvements are in average to above average condition.

APPRAISAL – CONSULTING – FEASIBILITY

2224 South Queen Street – Lakewood, Colorado 80227 – Direct 303-981-6289 – EMAIL jemmer@aol.com

Mr. Ryan Reeves
December 19, 2014
Page 2

The opinions of value are subject to the assumptions and limiting conditions contained in the report. The appraiser's compensation is not contingent on any action or event resulting from the analysis, opinions, or conclusions in, or the use of this report. We have not been previously involved with any valuation or other real estate services on the Subject Property

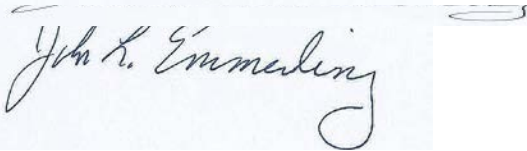
Since the Subject Property is a "Special Use" property and seldom sell in the open market, we have estimated an extended marketing or exposure time. Our estimate of the fee simple market value for the Subject Property, as of the most recent date of inspection, October 21, 2014, was:

EIGHT MILLION EIGHT HUNDRED THOUSAND DOLLARS

(\$8,800,000)

We appreciate the opportunity of providing this service for you. If you have any questions, please feel free to contact us.

Respectfully submitted,
Trophy Property Company, Inc.

A handwritten signature in cursive script, reading "John L. Emmerling", is written on a light blue rectangular background. The signature is fluid and includes a large, decorative flourish at the end of the name.

John L. Emmerling, MAI
State of Nevada, Temporary Appraiser Permit
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SUMMARY OF SALIENT FACTS

Location:	Southwest quadrant of West Centennial Parkway and Commerce Street in the north central section of greater Las Vegas. The property is a part of the Commerce Centennial Marketplace shopping center. The street address is 385 West Centennial Parkway, North Las Vegas, Clark County, Nevada 89084.
Legal Description:	Metes and bound description included in Addenda. Generally, the site is located in the NE ¼ of the NW ¼ of Section 27, Township 19 South, Range 61 East, M.D.M, City of North Las Vegas, County of Clark, State of Nevada.
Owner of Record:	School Development Centennial, LLC 6340 Sunset Drive Miami, Florida 33143
Tax Parcel No.:	124-27-115-022
Land Area:	4.59 Acres or 199,940 Sq. Ft.
Interest Appraised:	Leased Fee Estate
Purpose of the Appraisal	To estimate the market value of the “as is” leased fee interest, as if free and clear of any liens, as of the date of inspection.
Intended Use:	This report will be used at as documentation for the client who is requesting support for establishing a purchase price of the Subject Property as of the date of inspection (October 21, 2014). Any other use of this or future valuation reports should be discussed with the appraiser.
Intended User:	The intended user of this report is Somerset Academy of Las Vegas, D. A. Davidson and Company, and their assigns. Any third party who obtains possession of this report should notify the author of the intended use of the facts, findings, and conclusions.
Zoning:	General Commercial (C-2), under the jurisdiction of the City of North Las Vegas.

Improvements: The campus is a single story building originally designed and utilized as a part of a neighborhood retail center. In 2011, the Subject Property was purchased and conversion to a charter school floor plan was begun. The building area which is being analyzed and valued in this report is the most westerly 40,010 square feet. It shares a common wall with the eastern section of the school which is not a part of this valuation. The school curriculum is an elementary school (Kindergarten through 5th grade) and middle school (6th grade through 8th grade). The site area not under the building envelope is improved with playgrounds, playfield, parking lot, and minimal landscaping. The school shares access and parking easements with the adjoining shopping center tenants and the balance of the school to the east (not a part of this appraisal). The building and site improvements are in average to good condition.

Highest and Best Use:
As Vacant: The site as vacant is concluded to be a good retail development location being at the intersection of two major streets which is controlled by a signal light. It is similar to the developments at this intersection and similar intersections throughout the neighborhood.

December
As Improved: As currently being used for an educational facility – Kindergarten through 8th grade.

Date of Inspection: October 21, 2014

Effective Date of Value: October 21, 2014

Date of the Report: December 19, 2014

Land Value: **\$1,500,000 (\$7.50 PSF)**

Cost Approach: **\$8,800,000**

Sales Comparison Approach: **Not Concluded**

Income Approach: **\$9,000,000**

Final Estimate of Value: **\$8,800,000**

ASSUMPTIONS AND LIMITING CONDITIONS

This Appraisal Report is subject to the following Assumptions and Limiting Conditions:

Legal Matters and Title

- No responsibility for legal matters is assumed.
- No investigation of title to the subject property has been made, and it is assumed to be free and clear of all deeds of trust, use restrictions and reservations, easements, cases or actions pending, tax liens, and bonded indebtedness, unless otherwise specified.
- All existing liens and encumbrances have been disregarded and the subject property is appraised as though free and clear, unless otherwise specified.

Limitations on value estimates contained in this Appraisal Report

- The value reported for each geographical portion relates to such portion only and should not be construed as applying with equal validity to other portions of the larger parcel or tract. The value reported for each geographical portion plus the value of all other geographical portions may or may not equal the value of the entire parcel or tract considered as a whole.

Limitations on the Scope of the Appraisal

- The authors assume that there are no hidden or unapparent conditions of the subject property, subsoil or structures, which would render it more or less valuable than otherwise comparable property. The authors assume no responsibility for such conditions or for engineering, which might be required to discover such deficiencies.
- The authors of this report have made no investigation into the presence or absence of asbestos, PCBs, or other hazardous materials in the subject property. The reader should be aware that no consideration has been given to the impact, if any, on the valuation of the subject property if any of these materials should be present. The authors assume no responsibility for addressing such conditions, if any, or for engineering which might be required to discover such deficiencies.

Limitations on information contained in this Appraisal Report

- Care has been taken to obtain all information from reliable sources. However, the authors cannot guarantee or be responsible for the accuracy of this information.
- Any sketches in this report are intended to be visual aids and should not be construed as surveys or engineering drawings.

Publication and use of this Appraisal Report

- Possession of this report or a copy thereof does not imply right of publication, nor use for any purpose by any other than the person to whom it is addressed, without the written consent of the authors.
- The report and data investigated, except that furnished by the client, remain the sole property of our firm.
- Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the written consent and approval of the authors, particularly as to valuation conclusions, the identity of the authors or firm with which they are connected, or any reference to the Appraisal Institute and the Appraisal Foundation, or to the MAI Designation.
- We have no objection to your use of our firm name as the author of the report which is to be prepared, and hereby consent to your making reference to such report in your reports or financial statements and in any document filed with any governmental agency, provided that: 1) prior to making any such reference in any report or statement or any document filed with The Securities and Exchange Commission or other governmental agency, we are allowed to review and approve the text of such reference to determine the accuracy and adequacy of such reference to the report prepared by our firm; 2) in our opinion, the proposed reference is not untrue or misleading and is adequate for the purposes intended in light of the circumstances under which it is made; and, 3) such reference to the report includes language to be approved by our firm.
- Loss or removal of any portion of this report invalidates the entire report.

General Limitations on the Appraisal

- The terms of the agreement between the client and the authors are such that the authors have no obligation to update the report or revise it in any manner because of events or transactions occurring subsequent to the date of such report.

- The authors shall not be required to give testimony or be in attendance in court by reason of this report unless prior arrangements have been made in writing. If any courtroom or administrative testimony is required in connection with this report, an additional fee shall be charged for those services.
- Other Assumptions and Limiting Conditions have been made where they logically apply and are specified in the report.

Extraordinary Assumption

- None

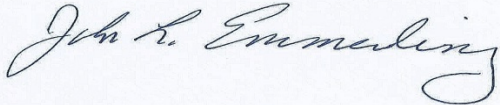
Hypothetical Conditions

- None

CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the course of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation (USPAP) and the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute and Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA).
- John L. Emmerling, MAI has made a personal inspection of the property that is the subject of this report.
- I have not been involved with any real estate valuations or transactions on the Subject Property at any time in the past.
- The use of this report is subject to the requirements of the Appraisal Institute and the Appraisal Foundation relating to review by their duly authorized representatives.
- As of the date of this report, John L. Emmerling, MAI has completed the requirements of the continuing education program of the Appraisal Institute.



John L. Emmerling, MAI
State of Nevada – Temporary Appraiser Permit
#ATMP.0012700.CG

INTRODUCTION SECTION

Identification of the Property The Subject of this appraisal is a 40,010 square foot, one story educational campus. The property is a part of the Commerce Centennial Marketplace shopping center. This section of the shopping center was purchased in 2011 and subsequently converted to a charter school. The Subject Property being valued represents approximately two-thirds of the entire campus. The easterly one-third shares a common wall with the Subject, but is not a part of this valuation.

Address

Street	385 West Centennial Parkway
City/State	North Las Vegas, Nevada
County	Clark

Legal Description See Addendum

Property Ownership and Recent History

The Subject property was purchased in July 6, 2011 from LVI Group, LLC (25% and Commerce Plaza, LLC (75%) for \$3,150,000. There were no other sales of the larger site in the three years prior to this sale.

Purpose of the Appraisal: To estimate the market value of the leased fee interest, as if free and clear of any liens, as of the date of inspection.

Intended Use: This report will be used at as documentation for the client who is requesting support for establishing a purchase price of the Subject Property as of the date of inspection (October 21, 2014). Any other use of this or future valuation reports should be discussed with the appraiser.

Intended User: The intended user of this report is Somerset Academy of Las Vegas, D. A. Davidson and Company, and their assigns. Any third party who obtains possession of this report should notify the author of the intended use of the facts, findings, and conclusions.

Date of Inspection October 21, 2014

Effective Date of Value October 21, 2014

Date Report Transmitted December 19, 2014

Extent of the Appraisal Process – Work Scope

The scope of the appraisal encompasses the necessary research and analysis to prepare a report in accordance with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation. In regard to the Subject Property, the scope involved the following steps:

1. The Subject Property was inspected by John L. Emmerling during the week of October 19, 2014 with the last inspection date being October 21, 2014. On the initial visit he was accompanied by representatives of the North Las Vegas campus.
2. Information supplied to the appraiser included the current lease, re-development plans and specifications, detailed construction costs, a Phase I Environmental Site Assessment Report, and legal description.
3. In estimating the highest and best use of the Subject Property, analysis was made of data compiled in the two steps noted above. In addition, a survey of market conditions in the area and research of comparable land sales, charter school lease data, and charter schools sales activity was completed.
4. In developing the approaches to value, market data used were collected from Trophy Property Company, Inc. office files, brokers, and the municipal offices in the City of North Las Vegas, City of Las Vegas, and the County of Clark; and various studies, surveys, and web sites for charter schools.
5. To develop an opinion of value, the appraiser prepared an “Appraisal” which has been presented in a summary format meaning that there are certain data that we reviewed and relied upon which is not included in the report, but has been retained in the files of Trophy Property Company, Inc. We utilized the Cost Approach in forming our conclusion of market value. We utilize the Sales Comparison Approach and the Income Approach in contracted capacity to support our conclusions due to the limited number of comparable sales transactions and lease data.
6. After assembling and analyzing the data defined in the scope of the appraisal, a summary appraisal report was prepared, which is a recapitulation of the appraiser's data, analyses, and conclusions.

Definition of Market Value

Market Value, as used in this report, is defined as:

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 are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Other Pertinent Definitions

Fee Simple Estate	Absolute ownership unencumbered by any other interest or estate, subject to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.
Leased Fee Estate	An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; the rights of lessor or the leased fee owner and leased fee are specified by contract terms contained within the lease.
Special Purpose Property:	<p><i>A limited market property with unique physical design, special construction materials, or a layout that restricts its utility for which it was built (also known as Special-Design Property).</i></p> <p><i>A property that is appropriate for one use or limited use: a building that cannot be converted to another use without a large capital investment. In the context of improved real estate it is typically a building with limited uses and marketability, such as a church, school, or public utility.</i></p>

Highest and Best Use	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.
Extraordinary Assumption	An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.
Hypothetical Condition(s)	<p>That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. A hypothetical condition may be used in an assignment only if:</p> <ul style="list-style-type: none"> • Use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison; • Use of the hypothetical condition results in a credible analysis; and • The appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.

Sources of Definitions

- *The Appraisal of Real Estate, 13th Edition, Appraisal Institute*
- *The Dictionary of Real Estate Appraisal, 2nd Edition, Appraisal Institute*
- *Federal Register, Volume 55, 12 C.F.R. Part 34.42(g), Page 34696. August 24, 1990, as amended at Federal Register, Volume 57 Page 12202, April 9, 1992; Federal Register, Volume 59 Page 29499, June 7, 1994.*

Competency of the Appraiser - This report of market value was prepared by John L. Emmerling, MAI. I have been appraising real estate throughout the western United States for over forty years. I have completed over 80 appraisals on existing and proposed charter school buildings. I represent myself as competent to perform a market value estimate on the Subject Property.

REGIONAL DATA

Geographical, social, political and economic trends are the factors that have the most profound effect upon the real estate market. The following is a discussion of these trends as they affect the economic base and strength of the Las Vegas Metropolitan Statistical Area (MSA), also known as the Las Vegas-Paradise-Henderson Metropolitan Area. In the Addenda, we have included a copy of Moddy's Analytics Las Vegas market study dated August 2014. We have also included a residential study from Real Traq's FastFacts Monthly report for August 2014.

The Subject Property is located within the city of Las Vegas in the southerly section of Clark County and the north and northeast area of Las Vegas. Clark County consists of approximately 600 square miles and contains the Las Vegas metro area which is the largest concentration of people in the state of Nevada. To the north of Clark County is Lincoln County and to the west is Nye County. Also to the west and south is California. The Colorado River and Lake Mead create a natural eastern border separating the MSA as well as the State of Nevada from Mohave County in Arizona. Las Vegas is approximately 290 miles northeast of Los Angeles.

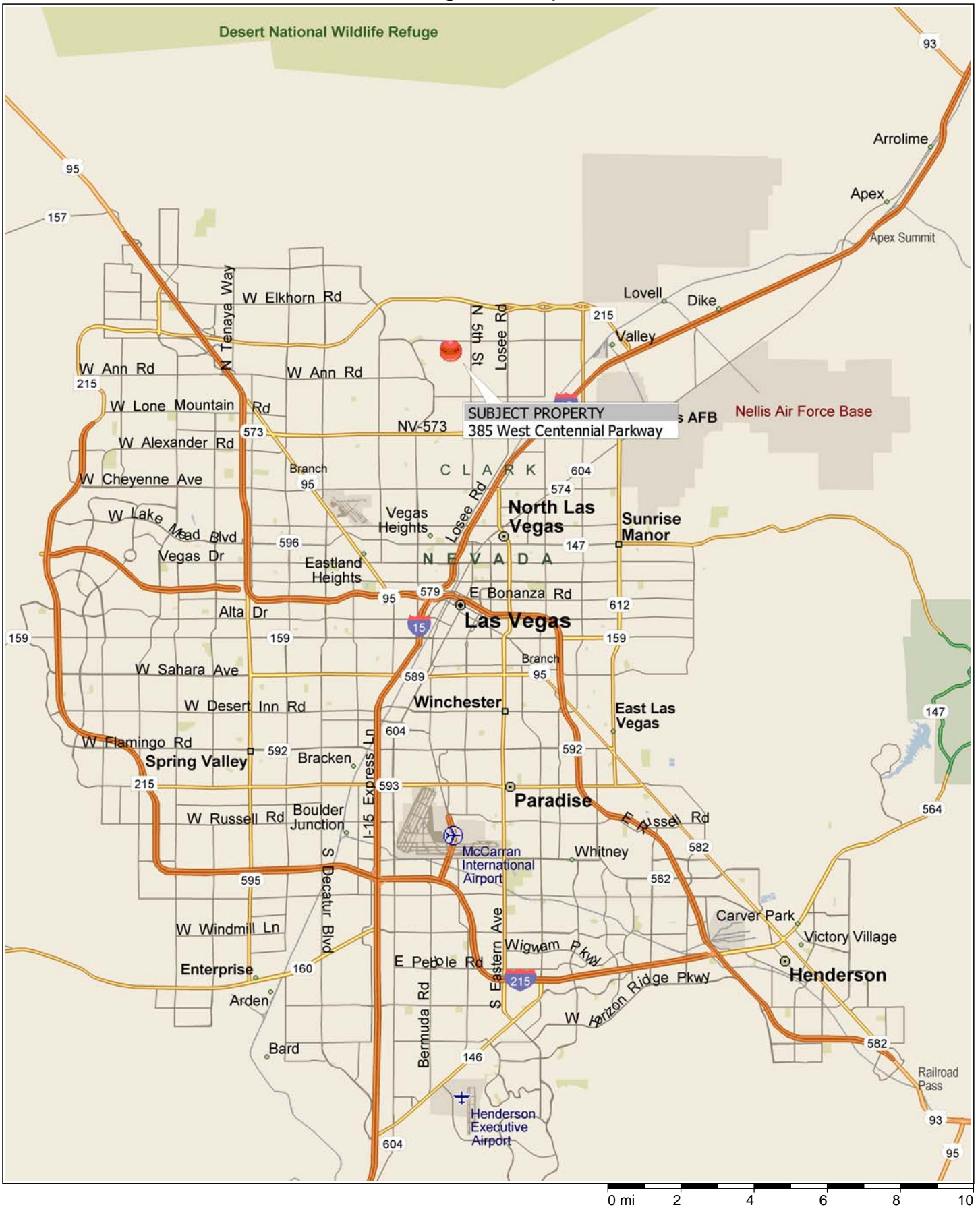
Las Vegas historically had been a city of sustained growth. While there had been small lulls, there had never been a major downturn until the recession that began in 2008. Las Vegas has since reversed this trend and is in a strong recovery mode for both employment and real estate values.

Las Vegas started as a stopover on the pioneer trails to the west, and became a popular railroad town in the early 1900s. It was a staging point for all the mines in the surrounding area, especially for the town of Bullfrog, where the local goods were shipped out to the country. With the growth of the railroads, Las Vegas became less important, but the building of the Hoover Dam in the 1930s injected new blood into Las Vegas and the city has never looked back. Federal dollars from Hoover Dam soon converted to tourist dollars after the dam was built. The increase in tourism and the legalization of gambling led to the advent of the casino-hotels for which Las Vegas is famous.

Population

Las Vegas, which is the most populous city in the state of Nevada, serves as the center of one of the fastest growing metropolitan areas in the United States. Its population has multiplied by a factor of 30 since the 1940s, more than that of any other major American metropolitan area. Las Vegas population has increased significantly over recent years. Since 1980, the population has increased as follows:

Regional Map



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

TOTAL POPULATION	
Year	Las Vegas Metro Area
1980	463,087
1990	741,459
2000	1,375,765
2010	1,962,204
2011	1,966,630
2012	2,008,655
2013	2,062,254
Source: Bureau of Economic Analysis	

The growth of the Las Vegas metropolitan area was the fastest in the nation in the 1990s, increasing 86 percent between 1990 and 2000, and 43 percent between 2000 and 2010. The Nevada State Demographer estimates that the population should continue to grow at approximately 1.0 percent annually for the next several years. Historically, this growth was a result of several factors including low corporate and personal tax burdens, a lower cost of doing business, a favorable climate, and the community's pro-business attitude.

Economy

The MSA's economic vitality is closely related to the visitor industry which directly provides, at the least, one out of three area jobs. Las Vegas is one of the nation's favorite vacation destinations and bills itself as the "Entertainment Capital of the World". During 2013, 39.7 million people visited Las Vegas and spent \$9.6 billion in the area in gaming expenditures only, not including hotel room revenue, or food and beverage revenue. Annual events include the National Finals Rodeo and the Las Vegas Invitational Golf Tournament. Las Vegas is also popular for tours and conventions, including COMDEX, an annual computer and electronics show. The Las Vegas Motor Speedway opened in 1996. Additionally, the metro area has approximately 150,000 hotel rooms.

In addition, Nellis Air Force Base is located in the northeast corner of the Las Vegas Valley and it too contributes to the economic success of the entire Las Vegas MSA, as over 100,000 southern Nevadans work directly or indirectly at this facility. This makes Nellis the city's largest single employer.

The great recession that began in 2008 has been well documented though the housing market crash, including the foreclosure crisis, massive job loses, and the slowdown in tourism and gaming. It is believed that the Las Vegas economy has more or less stabilized and evidence of a strong turnaround has begun and continues into the 4th quarter of 2014.

The unemployment rate in Clark County in October 2010 was one of the highest in the U.S. at 14.3 percent. This high unemployment has since declined to 8.0 % in April 2014.

Because of the significant importance of the visitor industry to Las Vegas' economy, the local gaming market and the local hotel market will be discussed in the following sections: specifically the convention market, the gaming market and the general lodging market. Additional subsections include discussions regarding the housing market and the commercial real estate trends.

The Convention/Visitation Market Overview

Due to warm weather, the presence of three major convention centers, an extensive hotel inventory, many of which also offer extensive meeting and convention space, affordable airfares and the appeal of gaming, Las Vegas now hosts more major national conventions and trade shows than any other destination. Three of the nation's largest convention centers are located in Las Vegas: the Las Vegas Convention Center, the Sands Expo & Convention Center/Venetian Congress Facility, and the Mandalay Bay Conference Center.

The Las Vegas Convention Center (LVCC) has approximately 3.2 million square feet of indoor, finished area while the Sands Expo & Convention Center/Venetian Congress Facility boasts over 1.8 million square feet of prime exhibit space. The Mandalay Bay Convention Center, located at the southern end of "The Strip" attached to the Mandalay Bay Resort, offers over one million square feet of meeting and convention space. In addition many of the major hotels also offer significant meeting facilities.

The following table offers a ten-year summary of the number of conventions, annual attendance and total visitors for Las Vegas, at the three major convention facilities and in the city's hotels.

CONVENTION AND VISITATION STATISTICS					
Year	Number of Conventions	Annual Attendance	Annual Growth Rate	Total Visitors	Annual Growth Rate
2001	20,346	5,014,240	--	35,017,317	--
2002	23,031	5,105,450	1.8%	35,071,504	0.2%
2003	24,463	5,657,796	10.8	35,540,126	1.3
2004	22,286	5,724,864	1.2	37,388,781	5.2
2005	22,154	6,166,194	7.7	38,566,717	3.2
2006	23,825	6,307,961	2.3	38,914,889	0.9
2007	23,847	6,209,253	(1.6)	39,196,761	0.7
2008	22,454	5,899,725	(5.0)	37,481,552	(4.4)
2009	19,394	4,492,275	(23.9)	36,361,469	(3.0)
2010	18,004	4,473,134	(0.4)	37,335,436	2.7
2011	19,029	4,865,272	8.8	39,928,708	6.9
2012	21,615	4,944,014	1.6	39,727,022	(0.5)
2013	22,027	5,107,416	3.3	39,668,221	(0.1)
Source: Las Vegas Convention and Visitors Authority					

Las Vegas' streak of year-over-year visitation ended in 2007 (while the convention attendance growth streak ended in 2006). This decrease is a direct result of the recession, and may economists believe that the decreases would have been more severe had it not been for significant reduction in hotel room rates in the overall market by the casino operators as well as the offering of value added services and entitlements such as discounted show tickets and food and beverage comps. As the data indicates, the decreases have reversed and trended upward for a two year period and then experienced a slight decrease to a level of stabilization.

Gaming Market Overview

Las Vegas tourism is driven primarily by its gaming industry. Legalized in Nevada in 1931, gaming distinguished this destination from every other in the country (outside of Nevada) until its recent spread to other parts of the nation. Today, Las Vegas' gaming revenues comprise just over 50 percent of the total national gaming revenues. The following chart illustrates the growth trends in gaming revenues over the past 10 years.

CLARK COUNTY TOTAL GAMING REVENUE		
Year	Gross Gaming Revenues	Percentage Change
2001	\$ 7,636,547,000	--
2002	7,630,562,000	(3.6%)
2003	7,830,856,000	2.6
2004	8,711,426,000	11.3
2005	9,717,332,000	11.5
2006	10,630,387,000	9.4
2007	10,868,484,000	2.2
2008	9,796,749,000	(9.8)
2009	8,833,902,000	(9.8)
2010	8,908,698,000	0.8
2011	9,222,906,000	14.0
2012	9,399,882,000	1.9
2013	9,676,458,000	2.9
Source: Las Vegas Convention and Visitors Authority		

As would be expected, the annual gaming revenue showed similar downward movement as the convention and visitation trends. Also contributing to the previous years decrease may be that Las Vegas has been more severely impacted by increasing competition from gaming expansion in neighboring states than in previous years due to the economic downturn and people choosing to stay closer to home.

Lodging Market Overview

The Las Vegas lodging market has experienced unprecedented growth, as well as an evolution of the concept of the casino/hotel.

LAS VEGAS AREA HOTEL/MOTEL INVENTORY, ROOMS AVAILABLE AS OF DECEMBER 31		
Year	Number of Hotel/Motel Rooms	Percentage Change
2001	126,610	--
2002	126,787	0.1%
2003	130,482	2.9
2004	131,503	0.8
2005	133,186	1.3
2006	132,605	(0.4)
2007	132,947	0.3
2008	140,529	5.7
2009	148,941	6.0
2010	148,935	0.0
2011	150,161	0.8
2012	150,481	0.2
2013	150,593	0.1
Source: Las Vegas Convention and Visitors Authority.		

Over the ten year period, the rooms' inventory in Las Vegas grew at a compound annual rate of 1.5 percent. This figure spiked in 2009 with the opening of the City Center Hotels (Vdara Hotel & Spa, Mandarin Orienta) and ARIA Resort & Casino representing approximately 6,000 guest rooms).

The historical occupancy performance of the aggregate Las Vegas hotel and motel market from 2001 through 2013 is presented in the following table.

LAS VEGAS METRO WIDE - HISTORICAL OCCUPANCY PERFORMANCE			
Year	Hotel Occupancy Performance	Motel Occupancy Performance	City-Wide Occupancy Percentage
2001	88.9%	63.8%	84.7%
2002	88.8	60.2	84.0
2003	89.6	60.5	85.0
2004	92.0	68.7	88.6
2005	91.8	72.0	89.2
2006	93.2	65.2	89.7
2007	94.0	64.5	90.4
2008	89.8	57.8	86.0
2009	85.3	50.1	81.5
2010	83.5	52.0	80.4
2011	86.9	56.0	83.8
2012	87.4	58.0	84.4
2013	87.1	59.8	84.3
Source: Las Vegas Convention and Visitors Authority			

The trends indicate that the recession has significantly damaged the lodging occupancy in the overall market area, as would be expected given the decreases in convention attendees, overall visitors as well as gaming revenue; however the decrease has been more significant in the non-gaming hotels (classified as motels in the previous chart). However, despite the past recession, the subsequent recovery, the overall market is still able to run in excess of 80 percent.

Housing

Las Vegas has been one of the top areas in the nation adversely affected by the recent subprime mortgage crisis and United States housing market correction, resulting in a freefall in home prices and mass foreclosures. As of January 2008, approximately 2.0 percent of all homes in the Las Vegas area were in the foreclosure process, almost triple that of 2007. This trend grew steadily in 2009 and into 2010. As of year-end 2010, Las Vegas posted the nation's highest metro foreclosure rate, with one in every nine housing units (10.88 percent) receiving a foreclosure filing in 2010 — nearly five times the national average. A total of 88,198 Las Vegas-area properties received a foreclosure filing in 2010, a decrease of seven percent from 2009, but still up 31 percent from 2008.

After stabilizing the trend or volume in foreclosures in 2011 and 2012, current levels show substantial improvement and new residential construction is increasing rapidly. In some instances this has created problems as previously constructed housing prices are transacting well below new construction product.

A primary problem, as it was nationwide as well, was rampant speculation from house flippers, who sought quick profits and never intended to live in the homes they purchased and were able to get low sales prices with all-cash purchases. Also, resetting of many mortgage rates and significant unemployment increased foreclosures. As of year-end 2009, 51 percent of the more than 22,000 homes for sale in the area were vacant, according to Las Vegas real estate research firm SalesTraq. This downturn also negatively affected rental properties by placing downward pressure on rental prices. However, since the first quarter of 2010, the rental market has shown signs of rebounding with average rent increasing 2.0 percent in the last six months. Other recent trends (as of August 2014), as presented by SalesTraq include:

- Clark County median existing home prices slid to \$113,000 in 2010 and rebounded to \$202,500 in 2014.
- The number of residential mortgages past due or in foreclosure has fallen to levels experienced in the 3rd quarter of 2007 experiencing a steady decline from its high in the 4th quarter of 2009.
- Mortgage delinquencies are 42,379, down 12,521 in the past 12 months from the all-time high of 134,159 in the 4th quarter of 2009
- The number of all-cash buyers (typically investor – non occupant) continues to decline with only 35% of the transactions in 2014.

Commercial Real Estate – Office, Retail and Industrial Statistics – 3rd Qtr 2014

According to Colliers International, the overall marketplace seems to have safely left behind the recessionary trends. Moderate growth is expected to continue in to 2015. Employment was 3 percent higher in July 2014 than in July 2013. As a result, occupancy in commercial real estate projects has increase by three percentage points.

Office - With respect to the office market, in the 3rd quarter of 2014, net absorption decreased to 44,964 square feet from nearly 500,000 square feet in the 2nd quarter of 2014 and the 3rd quarter of 2013. New completions were slightly higher at 12,000 square feet and vacancy rates decreased to 19.3% from 19.4% in the 2nd quarter of 2014. Asking rates remained in neutral at \$1.87 per square foot on a Full Service Gross basis.

Retail – The 2nd quarter of 2014 saw the retail market turn around and post positive net absorption after two quarters of negative net absorption. The 3rd quarter continued the positive trend with net absorption staying just ahead of new completions. Net absorption in the 3rd quarter was 242,296 square feet slightly higher than the 2nd quarter and more than doubled in the 3rd quarter of 2013. New completions also increased with a 220,000 square foot power center added to inventory. Retail vacancy decreased by 0.1% to 9.0%, while the average asking rental rate increased to \$1.31 per square foot on a triple net basis.

Industrial – The first half looked strong in the industrial market with over 2MM square feet of net absorption and dropping industrial vacancy below 10% for the first time since 2008. Net absorption in the 3rd quarter of 2014 was 635,780 square feet with only 14,248 square feet of new inventory. Strong net absorption in speculative projects is a sign of sustainable recovery as speculative construction in 2015 appears to be substantial. Vacancy decreased to 9.2% which is two percentage points less than a year ago. The weighted average asking rental rate increased to \$0.55 per square foot on a triple net basis, which is \$0.04 higher than a year ago.

Multi-family – The vacancy rates decreased in the 2nd quarter of 2014 which has continued over the past 12 quarters. Vacancy rates are 5.5% which is 0.4% lower than a year ago. Class A properties were 5.7% vacant while Class B/C properties were at 5.3% vacant.

TRANSPORTATION

Freeways

Las Vegas is served by two major freeways and a number of smaller highways. Interstate Highway 15 extends from southwestern Utah to the north through the southern portion of Nevada, including Las Vegas and onto Los Angeles. Interstate Highway 215 (Beltway) is nearly complete with only portions of the roadway being two and four-lane roadways and still impacted by traffic signals at major interchanges in the northwest section of the Metro area.

Airports

The McCarran International Airport has an important role in Clark County's business and development growth plan. The nation's eight-busiest airport reportedly has a capacity of 53,000,000 annual passengers. Up until 2008, the growth in enplanements/deplanements at McCarran International Airport had been significant in recent years. They counts are as follows:

TOTAL ENPLANEMENTS/DEPLANEMENTS MCCARRAN INTERNATIONAL AIRPORT		
Year	Passenger Traffic	Percentage Change
2001	35,180,960	--
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	46,304,376	4.6
2007	47,729,414	3.1
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	0.5
2013	41,857,059	0.5
Source: Las Vegas Convention and Visitors Authority		

The decline in visitation to Las Vegas has contributed to the reduction in the number of passengers using McCarran International Airport beginning 2008. The cutbacks by airlines serving McCarran because of the reduced consumer demand also reduced the number of incoming and outgoing seats per day, thus contributing to the declining passenger total as well as the overall declining visitation numbers. The number of air travelers rebounded in 2011 and has stabilized over the past two years.

CONCLUSION

In the short term, the Las Vegas will continue to recover from the late 2000 decade. The overall economy has recovered as the area has experienced job growth, increasing real estate values, and continued growth in the gaming and hospitality industries.

Also, it appears that Las Vegas may have been more severely impacted by increasing competition from gaming expansion in neighboring states than in previous years due to the economic downturn and people choosing to stay closer to home.

With visitation increasing, revenues are up as is employment and population. This increased employment has had a positive effect on housing, commercial office space, retail trends, as well as local gaming revenues.

Overall, the local economy is expected to continue to recover in conjunction with the improvement in the national and international economy. Consequently, overall, the outlook is for the market for stronger growth in the mid-term as the economic recovery accelerates. This continued recovery could be further supported by the fact that there are no new major developments in the construction pipeline, thus given the existing market time to absorb all the new, high-quality supply it has recently added.

NEIGHBORHOOD ANALYSIS

Location Assessment

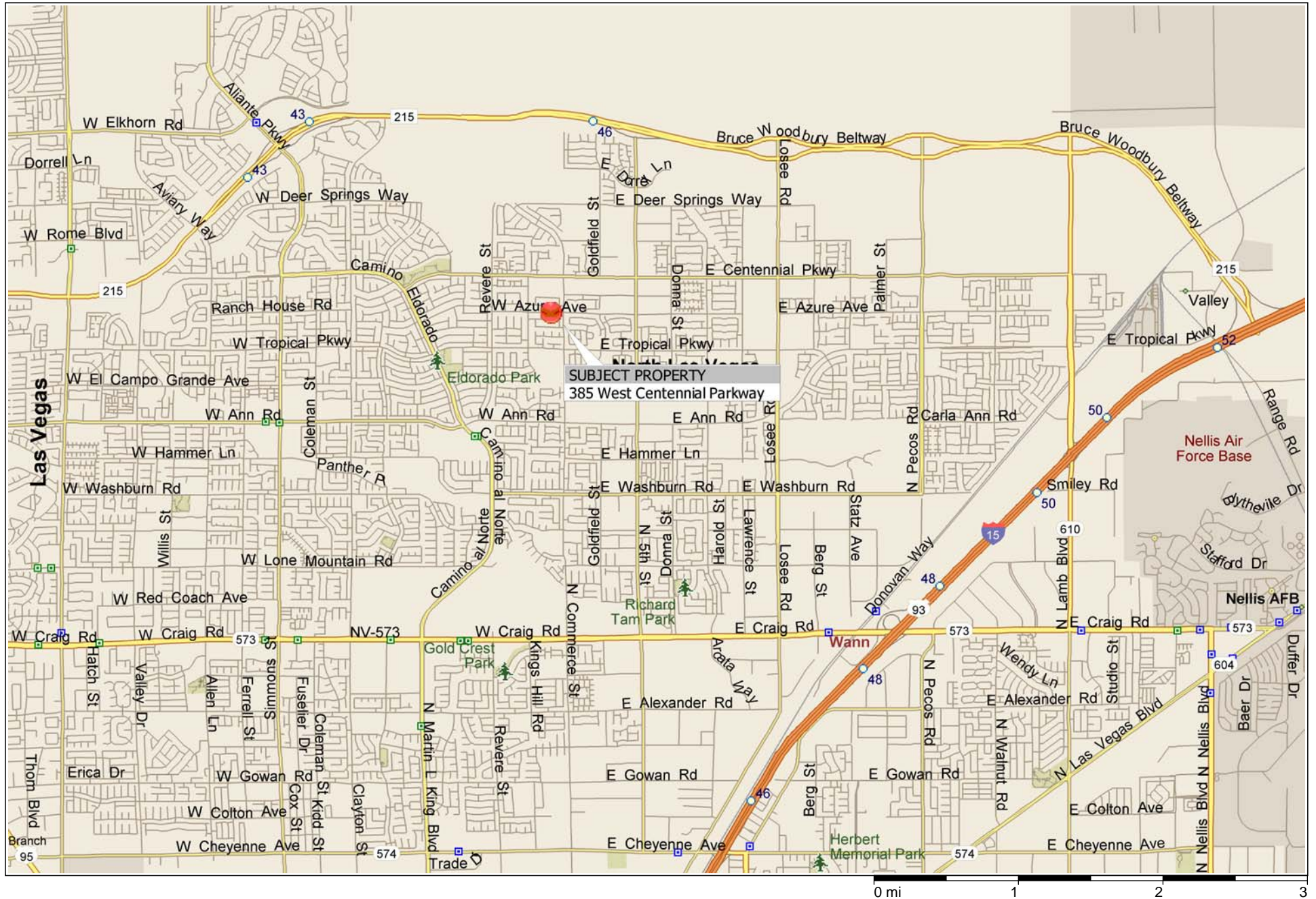
The Subject Property is located in a developing commercial area at the intersection of West Centennial Parkway 215 and Commerce Street in north central section of greater Las Vegas Metropolitan Area. The Subject’s neighborhood is generally considered to be bounded by the I-215 Beltway to the north, Lamb Road to the east, Craig Road to the south, and Decatur Boulevard to the west. The map on the following page highlights the Subject’s location within the identified neighborhood. The described area contains approximately 22 square miles.

Access – The Subject and the overall neighborhood has good access from both major arterials and collector streets. Most notable the Subject Property is accessible from the I-225 Beltway 1.5 miles to the north and Interstate Highway-15 - 5.0 mile to the south and 5.0 miles to the east. All the major roadways are asphalt paved with center medians. Traffic at major intersections is controlled by signal lights and minor arterials and collector streets by stop signs. Overall, access is considered good.

Land Use - Neighborhood land uses include commercial office, retail/service/entertainment, and residential; all located proximate to the main traffic arterials.

Predominant Age of Improvements	New to 30+ years
Predominant Quality and Condition	Average to Good
Approximate Percent Developed	65% - large tract of vacant land are located in the north and northeast sections of the described neighborhood
Life Cycle Stage	Stable in the southern section and growing in the northern section
Infrastructure/Planning	Average
Predominant Location of Undeveloped Land	In-fill sites in the area’s commercial and residential developments and the north and northeasterly sections.
Subject’s Immediate Surrounding Land Uses	
North	Vacant land – across West Centennial Parkway
South	Residential subdivision
East	Small commercial center and vacant land.
West	Vacant land and commercial development.

Neighborhood Map



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

Daily Services & Entertainment – The Subject neighborhood has a wide variety of services within the neighborhood. There are a number of shopping centers, convenience centers and stores, churches, medical hospitals, clinics, and office buildings; and numerous parks and other public and private recreation facilities. There are a few entertainment venues in the described area, with the Subject being approximately 7 miles northwest of the famous Las Vegas Strip.

Hazards and Nuisances – There are no hazardous land uses in the immediate area of the Subject. While the proximity to the two major roadways to the north and east can be considered a nuisance from a noise level standpoint, this is offset by the convenience for student drop-off and pick-up. There is a gasoline service station and auto tire and repair facilities located to the immediate north and east. We do not consider these properties to be hazardous to the Subject Property. There are no landfills or heavy industrial uses in the immediate area.

Public Services - Schools, fire and police protection service are all considered good for a community/neighborhood of this size. Electricity is supplied by NV Energy, Natural Gas is supplied by Southwest Gas and Water and Sewer is supplied by the City of Las Vegas.

Conclusion

Overall, the Subject appears to be well positioned with regard to access and well positioned to capture adequate enrollment from the number of new residential subdivisions and apartment complexes in the area. There are a number of public schools in the area; however, the demand for the charter school curriculum at North Las Vegas campus been highly successful and enrollment is at capacity with a waiting lists.

In comparison to other areas in the city, the market area is rated as follows:

MARKET AREA ATTRIBUTE RATINGS	
Highway Access	Average
Demand Generators	Average
Convenience to Supporting Services	Good
Convenience to Public Transportation	Average
Convenience to Schools	Average
Employment Stability	Average
Police and Fire Protection	Average
Property Compatibility	Below Average
General Appearance of Properties	Good
Appeal to Market	Average
Prices/Value Trend	Increasing

PROPERTY DESCRIPTION

Site Description

Location:	Southwest quadrant of West Centennial Parkway and Commerce Street in the north central section of greater Las Vegas. The property is a part of the Commerce Centennial Marketplace shopping center. The street address is 385 West Centennial Parkway, North Las Vegas, Clark County, Nevada 89084.
Land Area:	4.59 or 199,940 Square Feet
Shape:	Irregular
Frontage:	None
Topography/Terrain:	Generally level with a gentle slope from northwest to southeast. The site drainage appears to be adequate.
Access:	<p>Access is provided by three easements (two to the north to West Centennial Parkway and one to the east to Commerce Street). These collector streets extend in all four directions leading to major arterial roadways. As with all charter schools it is necessary to have a proper flow of traffic for student drop-off and pick-up which appears functional for the finished site. This is enhanced by the traffic signal at the described intersection.</p> <p>At their various intersections, traffic is controlled by stop signs, while the major traffic arterials in the area are controlled by signal lights.</p>
Street Improvements:	West Centennial Parkway is a four lane, asphalt surfaced roadway with at grade medians allowing right-in/right-out into and out of the two curb openings. Commerce Street is a two-lane, asphalt surfaced roadway with adjoining on street parking spaces. Access from the easement allows all directional turns. The roadways have concrete curb, gutter, and sidewalks.

Utilities:

Water	City of North Las Vegas
Sewer	City of North Las Vegas
Electricity	NV Energy
Cable	Comcast and Cox Communications
Telephone	CenturyLink and various cellular and long distance companies.

Flood Hazard:

Community Panel No.	32003 C 1769 F
Effective Date	November 16, 2011
Zone X	Outside the 100-year flood plain – insurance is not necessary or available.

Wetlands:

None observed.

Seismic Zone:

The Subject Property is not located in an earthquake zone.

Geotechnical Report (Soils):

We requested but were not provided a geological report on soil and subsoil conditions. If subsequent engineering data reveal the presence of unstable conditions, it could materially affect property value. We recommend a geological investigation by a competent firm be engaged.

Hazardous Substances:

We reviewed a Phase I Environmental Site Assessment report prepared by OGI Environmental, LLC, dated June 28, 2011. The excerpts of the conclusions/findings of this report are as follows: “The Phase I ESA was based on a visual survey of the subject site on June 23, 2011, a reconnaissance of adjoining properties, interviews with individuals knowledgeable about the subject site, a regulatory records review, and a review of the site use history. OGI identified one recognized environmental condition (REC) for the subject site. This REC, Underground Storage Tanks on Adjoining Property, is described within the detailed report retained in our files. Based on the scope of services of this Phase I ESA, no significant data gaps were identified that affected the ability of the environmental professional to identify RECs or to identify sources of information that may have been consulted to address the data gaps. This assessment has revealed no evidence of recognized environmental conditions in connection with the subject site except the USTs located at the Circle K gas station that adjoins the subject site to the north and west.”

Zoning:

General Commercial (C-2), under the jurisdiction of the City of North Las Vegas.

Land Use Restrictions: We requested but were not provided with a current title report that would disclose any easements, encroachments, or encumbrances that may adversely affect the Subject Property. It is assumed that there are no such items other than typical easements for utilities and roadways. We recommend that a current title commitment be acquired and if such report indicates any negative items that may affect our opinion of market value; we reserve the right to amend this report.

Site Improvements: See descriptions in the following section

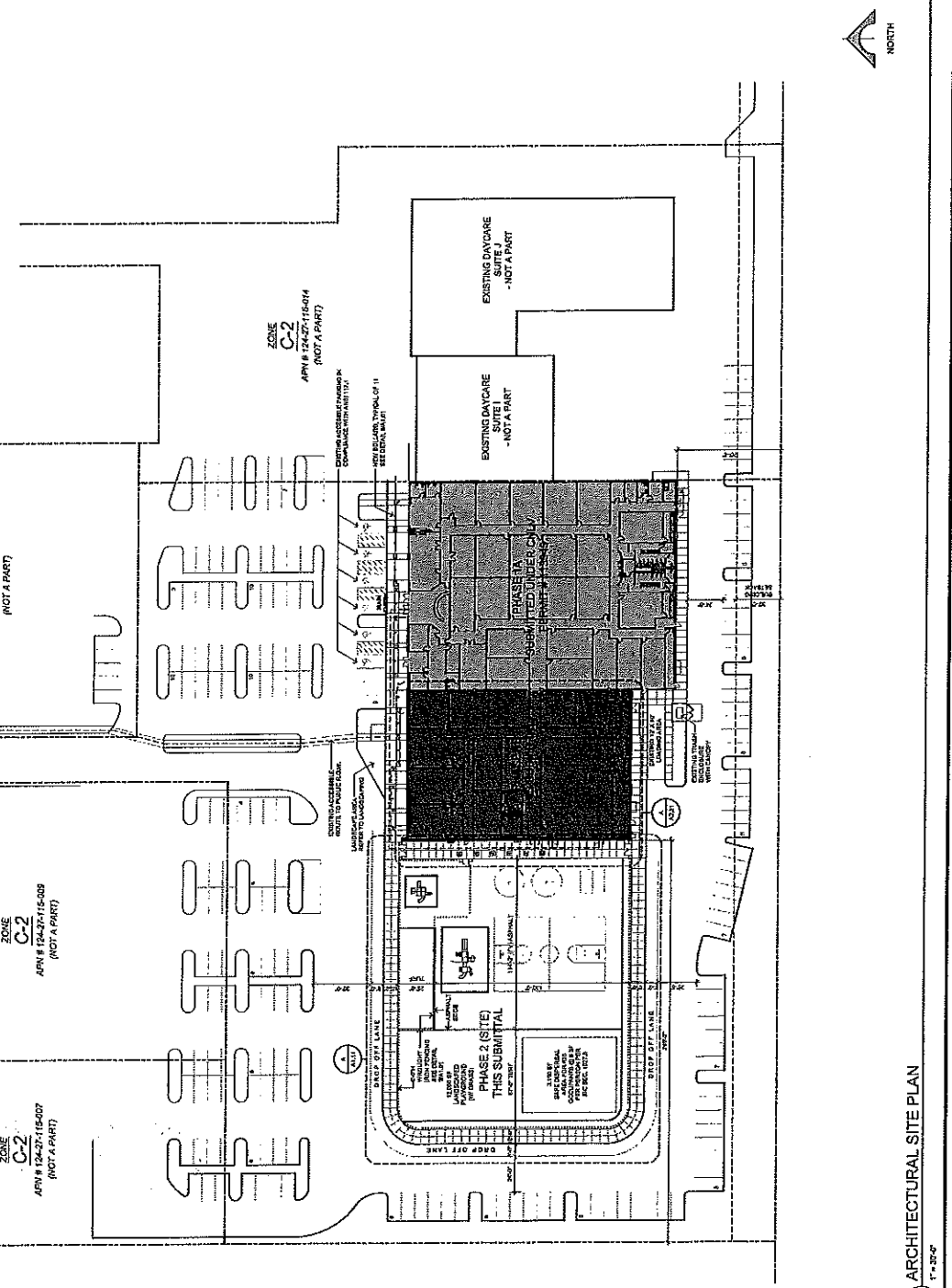
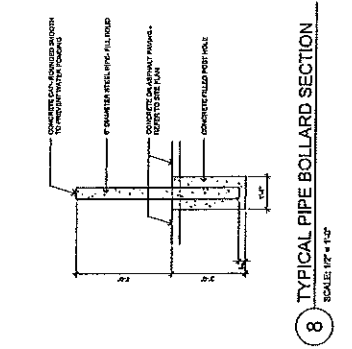
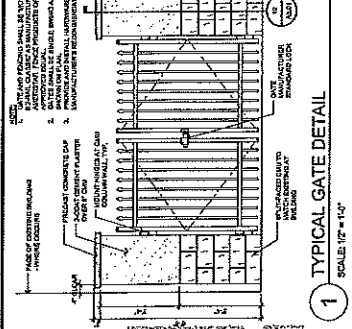
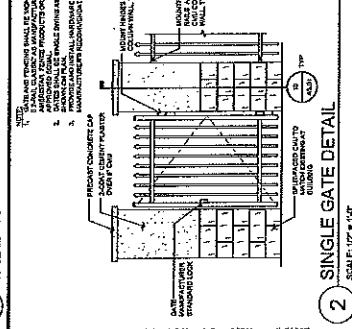
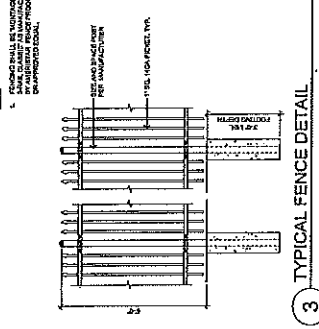
Comments: The site is an irregular-shaped, tract of land suitable for a variety of uses. It is generally level and has good access from the adjoining streets. All utilities are located on site with adequate capacities. In summary, the Subject site is suited for development with a variety of commercial (retail/office) and/or public uses.



SITE DATA & PARKING ANALYSIS

EXISTING SITE DATA:
 - SITE AREA: 1.00 AC
 - ZONING: C-2
 - SURFACE AREA: 138,000 SQ FT
 - PERMITTED USES: SEE ZONING ORDINANCE
 - EXISTING BUILDINGS: SEE SITE PLAN
 - EXISTING PARKING: SEE SITE PLAN
 - EXISTING UTILITIES: SEE SITE PLAN
 - EXISTING EROSION CONTROL: SEE SITE PLAN

PROPOSED SITE DATA:
 - TOTAL PARKING SPACES: 100
 - TOTAL BUILDING AREA: 138,000 SQ FT
 - TOTAL SITE AREA: 1.00 AC
 - TOTAL PERMITTED USES: SEE ZONING ORDINANCE
 - TOTAL EXISTING BUILDINGS: SEE SITE PLAN
 - TOTAL EXISTING PARKING: SEE SITE PLAN
 - TOTAL EXISTING UTILITIES: SEE SITE PLAN
 - TOTAL EXISTING EROSION CONTROL: SEE SITE PLAN



AERIAL MAP



Building Description

Existing Improvements - The building improvements were designed as a part of a neighborhood strip retail center identified as Commerce Centennial Marketplace and constructed in 2007. The center was impacted by the economic recession proximate to the time it was schedule to open and as a result the center was economic unsuccessful. The current owner made the decision in 2011 to convert a portion of the retail center into a charter school floor plan and leased it to Somerset Academy of Las Vegas.

The 40,010 square foot, subject of this valuation report, represents approximately two-thirds of the entire school finish/occupancy – common wall. It was remodeled in 2011 and 2012 as were the site improvements that allowed the development of playgrounds and a play field. The building and site improvements are situated on a 4.59 acres, irregular-shaped tract. There are a number of agreements with the adjoining ownership for access easements and parking.

This valuation assignment is to estimate the market value of the Subject Property in its “as is” condition. Given the number and location of the access points, the Subject site provides average traffic flow for drop-off and pick-up of students.

Following is a chart identifying the utilization of the building floor plan with the drawings included on the following pages:

Building Identification	Elementary
Entry Foyer	1
Reception	1
Offices	4
Conference Room	1
Copy Room	1
File Room	1
Classrooms	31
Art Room	1
Computer Lab	1
Computer Server Room	
Science Classroom	2
Science Prep	2
Library	1
Staff Lounge	1
Staff Work Room	1
Multi-Purpose Area	
Cafeteria	1
Kitchen Galley/Prep	1
Restrooms	7
(toilets/urinals/sinks/showers)	21/6/21
Mechanical	1
Electrical	1
Janitorial Closet	2
Storage	3
Fire Riser Closet	1

Building Components

Foundation:	Reinforced concrete slab on grade over compacted fill supported by perimeter foundation walls and spread footings.
Exterior Walls:	Combination CMU block walls and steel stud frame walls with rigid insulation and gypsum board walls finished with texture and paint.
Roof:	Membrane finish over rigid insulation on a metal deck and metal sandwich panels supported by steel web bar joist and steel girders. Repaired 2 years ago.
Windows:	Glazed double pane insulated glass systems in fixed metal frames.
Interior Partitions:	5/8” gypsum board taped, textured, and paint finish supported by metal studs having batt sound insulation in wall void.
Ceilings:	The ceilings are a combination of acoustical panels (2’X2” and 2’x4”).
Doors:	Classroom – Solid-core wood with paint finish in metal frames. Some classroom doors have glass inserts. Entry/foyer – Glass store front in metal frames Exterior Doors – Metal hollow core and glass store front in metal frames. Exterior and some interior doorway have panic bars.
Electrical:	Adequate – Fluorescent lighting and incandescent spots. The facility has adequate electric power, 480/277 & 225 amps and 120/208 volt, 3-phase, 4 wire.
Plumbing:	Adequate – Numerous restrooms, sinks, drinking fountains, and fire control.
Mechanical Systems:	Roof-mounted combination heating & cooling units – heat pumps.
Fire Suppression:	Wet sprinkler system – with fire/smoke sensors, emergency lighting, and extinguishers.
Security:	Lobby Guard visitor/vendor security system. Exterior and interior cameras.

Interior Improvements: Classrooms, kitchen area, and break rooms have wood cabinet with Formica counter tops, and storage areas.

Parking: 162 striped asphalt spaces with 9 handicap rated spaces - Adequate.

Site Improvements: The site area not under the building envelope is a combination of parking lots, landscaping features, and synthetic turf and asphalt surfaces playgrounds/recreation field. The landscaping is watered with an automatic underground irrigation system.

Americans W/Disabilities Act: The Americans With Disabilities Act (ADA) became effective January 26, 1992. We have not made, nor are we qualified by training to make, a specific compliance survey and analysis of this proposed property to determine whether or not it is in conformity with the various detailed requirements of the ADA. Given that the Subject was designed by a registered architectural firm, we have assumed that all phases of the building and site finish conform to ADA regulations.

Design Features and Functionality: After review of the architectural plans and specifications, the Subject improvements were determined to be only moderately impacted by functional obsolescence.

Effective Age/Economic Life: After completion of our inspection and reviewing data from the Marshall Valuation Manual, we have concluded the combined effective age to be 4 years and the total economic life of 50 years – remaining economic life of 48 years resulting in 2% depreciation level for the incurable building components.

Comments: After the recent completion of the remodeling project the building improvements are in average to good condition. The design is operating functionally for a Kindergarten through 8th grade school use. The site improvements are in average to good condition.

REAL PROPERTY TAXES AND ASSESSMENTS

Jurisdiction Clark County

Tax Account No. 124-27-115-022

In Nevada, the assessment rate for real property taxes is 35.0 percent of actual value. Our experience has shown that often assessor's actual value often has minimal relationship to the current Market Value as defined in this appraisal report and is included in this report for informational purposes only.

State law requires that all real property be revalued every year, and the tax year is based on a fiscal year, July 1st through June 30. Tax rates are set in June of each year, and tax bills are prepared and mailed out by August 1 of each year. Property taxes are due on the 3rd Monday of August; however a property owner may elect to pay in installments (due August, October, January and March).

Clark County Assessor's Market Value	124-27-115-022
Total Taxable Value	\$6,498,497
Assessment Ratio	35%
Total Assessment	\$2,274,474
Total Taxes – Exempt	\$-0-

The Subject Property is classified as exempt, in that the facilities are being used for the benefit of an educational endeavor.

Below and on the following page we have included a copy of the Assessor's parcel map (Subject outlined in pink).



BOOK	MAP	SEC.
T19S R61E	N 2 NW 4	27

001 ROAD PARCEL NUMBER	001 CONDOMINIUM UNIT
001 PARCEL NUMBER	001 AIR SPACE PCL
1.00 ACREAGE	001 RIGHT OF WAY PCL
202 PARCEL SUB/SEQ NUMBER	001 MATCH / LEADER LINE
125 124 123	001 HISTORIC LOT LINE
138 139 140	001 HISTORIC SUB BOUNDARY
	001 HISTORIC PMLD BOUNDARY

Scale: 1" = 200'
Rev: 12/15/2014

MAP LEGEND

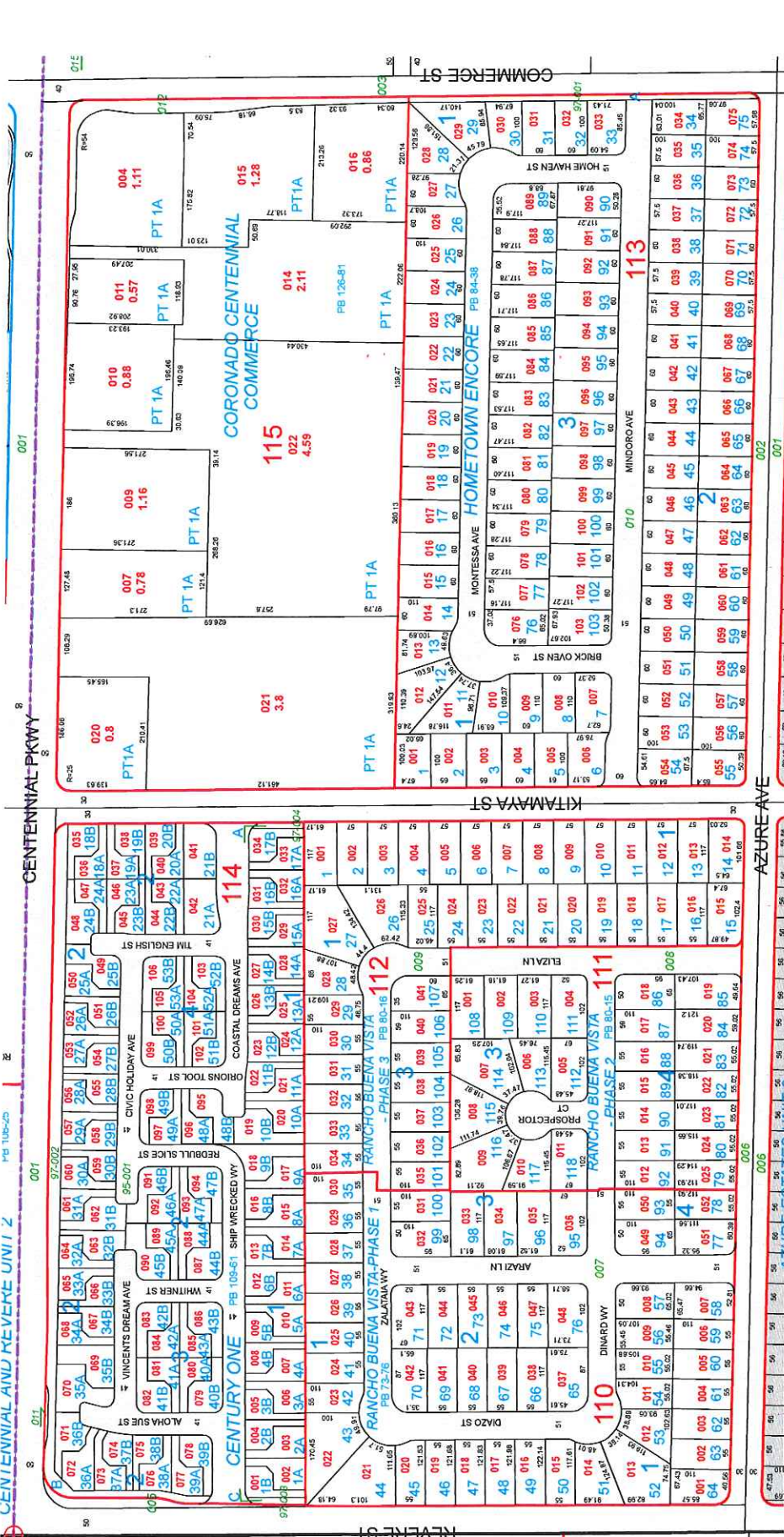
- Parcel Boundary
- Sub Boundary
- PMLD Boundary
- Road Easement
- Match / Leader Line
- Historic Lot Line
- Historic Sub Boundary
- Historic PMLD Boundary
- Section Line

NOTES

This map is for assessment use only and does NOT represent a survey. No liability is assumed for the accuracy of the data delineated herein. Information on roads and other non-assessed parcels may be obtained from the Read Document Listing in the Assessor's Office.

This map is compiled from official records, including surveys and deeds, but only contains the information required for assessment. See the recorded documents for more detailed legal information.

USE THIS SCALE(FEET) WHEN MAP REDUCED FROM 1:147 ORIGINAL



Jurisdiction: City of North Las Vegas
Classification: General Commercial (C02)

INTENT OF THE GENERAL COMMERCIAL (C-2)

General Commercial District (C-2). The purpose of the General Commercial (C-2) district is to provide for the development of intense retail and services that will serve as major community cores. These areas can only be developed where arterial streets can accommodate the very heavy traffic generated by such development. Due to the nature of these areas, proximity to higher density residential districts is appropriate.

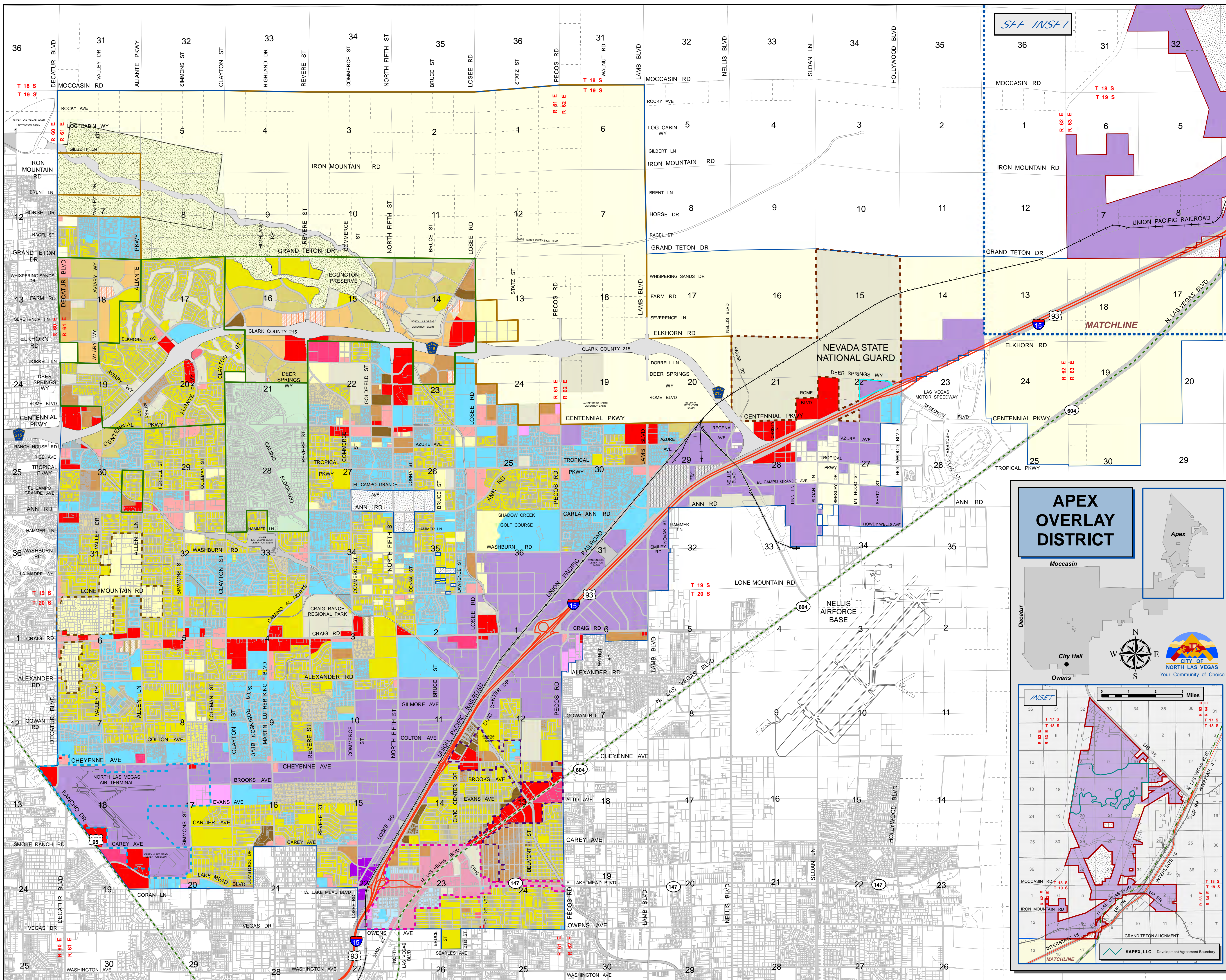
Educational facilities, including, charter schools are permitted in this zone district.

We are not experts in the interpretation of complex zoning ordinances, but the Subject Property appears to be a conforming use based on our review of public information. The determination of compliance is beyond the scope of a real estate appraisal.

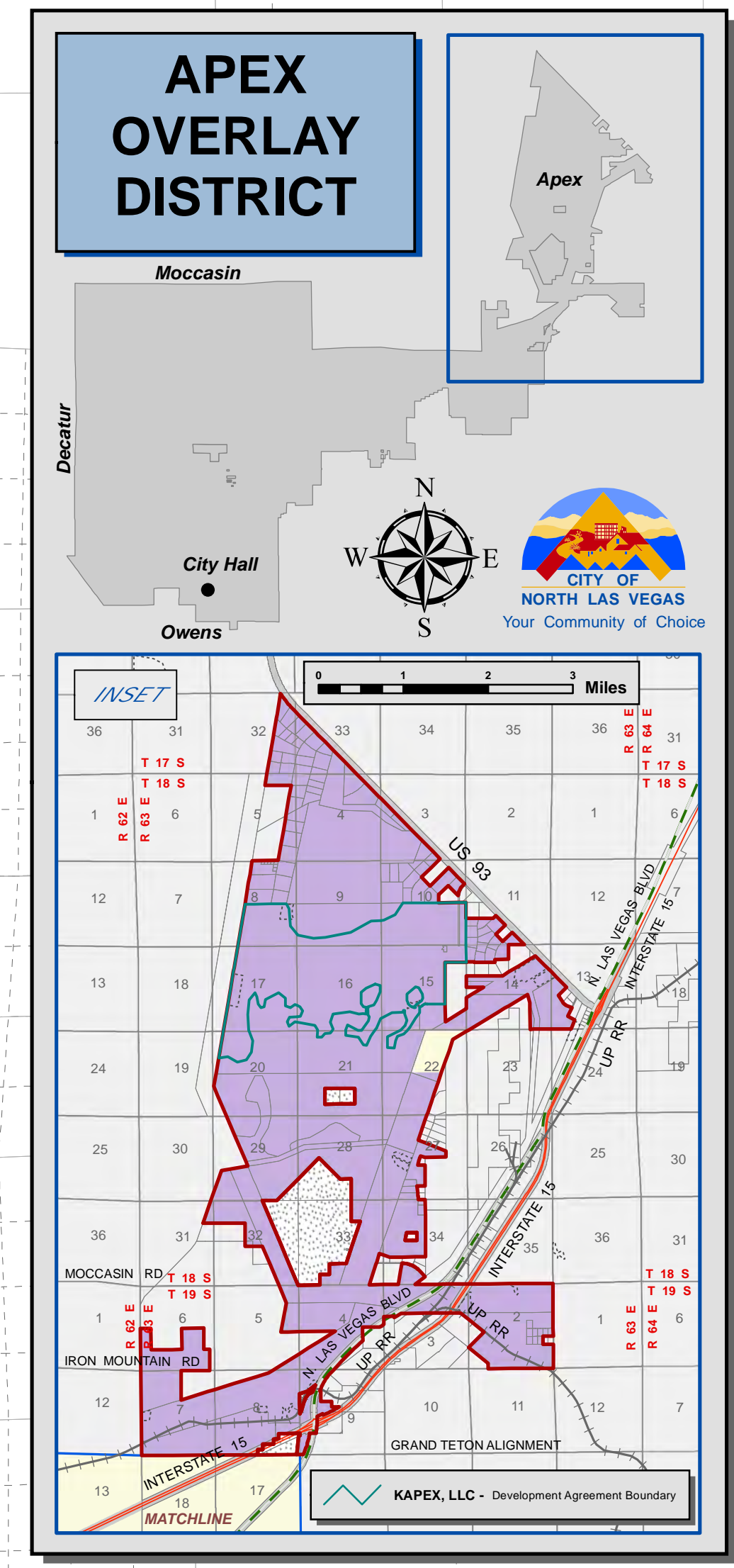
We know of no deed restrictions, private or public, that further limits the Subject Property's use. The research required to determine whether or not such restrictions exist is beyond the scope of this appraisal assignment. Deed restrictions are a legal matter and only a title examination by an attorney or title company can usually uncover such restrictive covenants.

ZONING

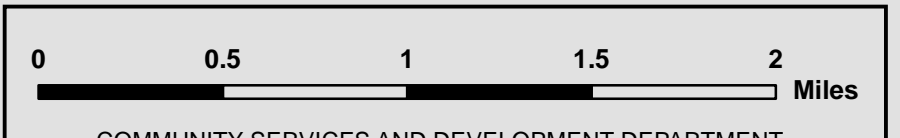
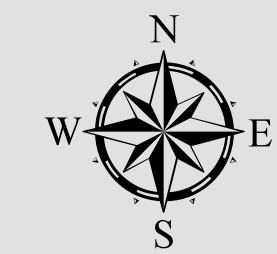
November 20, 2014



SEE INSET



- Apex Overlay District
 - Airport Terminal Overlay District
 - * Development Agreements
 - Downtown Redevelopment Area
 - North Redevelopment Area
 - Ranch Estates Rural Preservation Overlay District
 - National Guard
 - Land Disposal Boundary
 - BLM Open Space Legend
- RESIDENTIAL**
- O-L Open Land
 - R-E Ranch Estates
 - R-EL Ranch Estates Limited
 - R-1 Single Family Low Density or *MPC RZ6
 - R-CL Single Family Compact Lot
 - R-2 Medium Density or *MPC RZ10
 - *MPC RZ13
 - R-3 Multifamily or *MPC RZ25
 - R-4 High Density or *MPC RZ50
- DOWNTOWN REDEVELOPMENT AREA SUBDISTRICTS**
- Downtown Core
 - PSP Public / Semi-Public
 - R-2 Medium Density Residential
 - R-3 Medium High Density Residential
 - R-A/R-4
- COMMERCIAL**
- C-1 Neighborhood
 - C-2 General
 - C-3 General Service
 - C-P Professional Office
 - PSP Public / Semi-Public
- INDUSTRIAL**
- M-1 Business Park
 - M-2 General
 - M-3 Heavy
- MIXED USE CENTERS**
- MUD MX-1 NEIGHBORHOOD
 - MUD MX-2 COMMUNITY
 - MUD MX-3 REGIONAL
 - *MPC MUZ
- OTHER**
- PUD Planned Unit Development
 - PID Planned Infill Development
 - * Eldorado Master Planned Community
- BOUNDARIES**
- Clark County Island
 - Public Row



COMMUNITY SERVICES AND DEVELOPMENT DEPARTMENT
PLANNING AND ZONING DIVISION
GIS SERVICES

This information is for display purposes only.
No liability is assumed as to the accuracy of the geographic data delineated herein.

* See Appropriate Development Agreement for Specific Requirements.

MARKET ANALYSIS

The Somerset of Las Vegas – North Las Vegas campus charter school is an established Kindergarten through 8th grade school. The school, with a Core Knowledge Curriculum, had a 2013-2014 enrollment of 1,110 in grades Kindergarten through 8th grade and 1,165 students in the 2014-2015 term - with a substantial waiting list. The student/teacher ratio is programed for 25 to 1 in the elementary grades and 30 to 1 in the middle school grades.

Somerset – North Las Vegas Vision Statement

Somerset Academy, Inc. is dedicated to providing equitable, high quality education for all students.

Purpose

Somerset Academy, Inc. promotes a culture that maximizes student achievement and fosters the development of accountable, 21st century learners in a sage and enriching environment.

Core Principles

- *Student learning and achievement is paramount*
- *Effective school leaders*
- *Highly qualified staff*
- *Effective governing board*
- *Safe and secure learning environment*
- *Data assessments to drive curriculum and educational focus*
- *Research-based curriculum*
- *Continuous improvement*
- *Teacher training and mentoring throughout the academic year*
- *Balanced budgets to ensure resources for students achievement and teacher efficiency*
- *Teamwork with stakeholders – community leaders, parents, students, teachers, administration, and governing board*
- *Communication among all Somerset leaders*

The Somerset Academy – North Las Vegas campus is part of the State of Nevada School system and more specifically a part of the Clark County School District. The Clark County School District has approximately 316,000 students in 357 schools. It is the 5th largest district in the nation. There are 39,022 employees in the district which has an annual budget of \$2.177 billion (2013-2014 term). The basic per pupil state funding was \$5,547 and the per pupil expenditures were \$8,018. A copy of the Somerset Academy of Las Vegas “School Accountability Report” is presented in the Addenda

Of the reported 38 charter schools in the state, 24 are located in Clark County. Over the past three years there has been a strong trend of charter school construction and many project in the pipeline for development in the coming years.

As for the Subject school, its development and growth in attendance has been dramatic. With the school in the third year of operation, it fills its attendance levels quickly and has an overwhelming number on the waiting list. There are a number of charter schools that will be developed in the area; however, the population growth will likely exceed the number of schools constructed as many of the public schools are currently exceeding planned enrollment counts and are short on funds for new school construction.

We have utilized the Internet sites for charter schools, Trophy Property Company, Inc. office files relating to charter schools appraised, and data prepared by the Clark County School District in their “Open Book” presentation to substantiate the positive statistics from the Sky Pointe business model and operation. We also review documents from the Charter Schools Association of Nevada and the Nevada Department of Education related to performance and existing and proposed schools in the District.

In summary, we believe that the Somerset of Las Vegas – North Las Vegas campus will continue succeed in both academic achievement and strong enrollment totals.

HIGHEST AND BEST USE

Highest and Best Use, as used in this report, is defined as:

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.

The highest and best use analysis identifies the use conclusion upon which the final value estimate is based. Because the use of land can be limited by the existing improvements, highest and best use is determined for:

1. The land or site as though vacant and available to be put to its highest and best use; and
2. The property as improved.

The highest and best use of land as if vacant reflects the fact that land value is determined by potential land use. The highest and best use of the property as improved refers to the optimal use that could be made of a property including existing structures. This implies that the existing structure should be retained as is or modified as long as the improvements retain some level of market value or until the return for a new improvement will more than offset the cost of demolishing the existing building and constructing a new one.

An analysis of the highest and best use of the Subject begins with an examination of whether or not the Subject meets the test of the four defined criteria: legal permissibility, physical possibility, financial feasibility, and maximum profitability.

Legal permissibility considers deed restrictions, zoning, building codes, historic district controls, and environmental regulations that may preclude many highest and best uses.

Physical possibility refers to the size, shape, and terrain of the land that may affect the development of the site.

Financial feasibility is a test to determine if the uses will produce a positive financial return.

Maximum profitability refers to the use that provides the highest rate of return, or value.

AS VACANT

Legally Permissible: The property is zoned General Commercial (C-2). This district allows a wide variety of commercial uses that will maintain the synergy with the adjoining developments. The development/operation of a school is permitted in this district.

Physically Possible: The Subject Property is consists of a 4.59 acres located in the southwest quadrant of West Centennial Parkway and Commerce Street. It is located in an area of both developed and developing commercial, residential, and service oriented properties. It has good access to the major traffic arterials including the I-215 Beltway and Interstate Highway-15. The site is nearly level in topography/terrain and has all utilities in use on site with adequate capacities. Physically the site can support the development of a commercial, residential, and/or public uses including a school.

Economically Feasible, Maximally Productive and Appropriately Supported: In the previously presented market analysis section, we discussed the growth and success for development of charter schools in the region and throughout Clark County. The enrollment of the Kindergarten through 8th grade curriculum is at its capacity of 1,165 students and currently there is currently a waiting list.

In summary, highest and best use of the property "as vacant" is believed to be for development of a commercial (retail and/or office) project. It is unlikely that a school would be located on this site given the irregular boundaries, access, and synergy with adjoining land uses.

AS IMPROVED

The Somerset of Las Vegas – North Las Vegas campus has successfully been operating at this location for the past two school terms experiencing strong growth in the student population with a waiting list. It is currently operating at its charter capacity. It is our opinion that the North Las Vegas charter school represents the current highest and best use of the Subject Property - “as improved”.

MOST PROBABLE BUYER

Based on the characteristics of the property, the likely buyer is an owner-operator that would operate their school on this property.

VALUATION METHODOLOGY

The three basic methods by which data are processed into an indication of value are the Cost, Sales Comparison (Market), and Income Capitalization Approaches.

The Cost Approach includes a set of procedures in which the appraiser derives a value indication by estimating the current cost to reproduce or replace the existing improvements, deducting accrued depreciation from all sources, and adding the estimated land value, which is arrived at by using market land sales.

The Sales Comparison Approach includes a set of procedures through which the appraiser derives a value indication by comparing the Subject Property to similar properties (the comparables) that have recently sold or are offered for sale. This comparison involves applying appropriate units of comparison, and making appropriate adjustments in order to make the sales directly comparable to the Subject.

The Income Capitalization Approach includes a set of procedures through which the appraiser derives a value indication for income-producing property by converting anticipated benefits into a property value. This conversion can be accomplished either by: (1) capitalizing a single year's income expectancy or an annual average of several years' income expectancies at a market-derived capitalization rate or a capitalization rate which reflects a specified income pattern, return on investment, and change in the value of the investment; or (2) discounting the annual cash flows over a presumed holding period and adding the reversion (upon resale) at a specified yield (discount) rate.

Since the Somerset of Las Vegas – North Las Vegas campus charter school is a “Special Purpose” property the Cost Approach is afforded primary reliance in estimating the market value. The Sales Comparison Approach is utilized to determine the value of the site as if vacant.

Given the fact that schools do not regularly sell – the Sales Comparison Approach was not utilized. We have included an analysis is the Income Approach. In addition to the lease on the Subject Property, we have obtained and analyzed information on four other schools – three being new construction and one being a conversion. Our interviews with the lessors/lessees revealed that the rental rates are based upon the acquisition costs of an existing building (not necessarily a school use) plus remodeling costs plus an entrepreneurial incentive. Or if the building is specifically designed and newly constructed as an educational campus, it is the cost of the site plus the cost of construction (direct and indirect costs) plus an entrepreneurial incentive. We have completed over 80 charter school appraisals over the past 13 years and the return being requested by investors tends to fall in the range of 7.5% to 8.5% depending on a number of factors, primarily the current bond rate of return.

The final step is to reconcile the opinions from the valuation techniques utilized, and then selecting the most relative, supported, and reasonable indication of market value.

COST APPROACH

Land Valuation

In the valuation of land, the Sales Comparison Approach is the correct method to use. The Sales Comparison approach is a method by which the value of the land is estimated by comparison of prices paid in actual market transactions. It is a process of analysis and correlation of similar, recently sold properties.

In order to derive an opinion of the market value of the Subject's site, as vacant and available for development to its highest and best use, we have assembled sales and listing data for similar uses (charter schools) and similarly zoned parcels in the greater Las Vegas area. After examining available sales data, we have selected five land sales transactions as the best indicators of the Subject's value. The immediate area has experience a minimal level of sales and construction activity over the past 6 to 12 months.

For this analysis, we use price per acre as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis. This is the unit value most commonly quoted by brokers, sellers, and purchasers when discussing sales transactions and is considered the most relevant for the Subject.

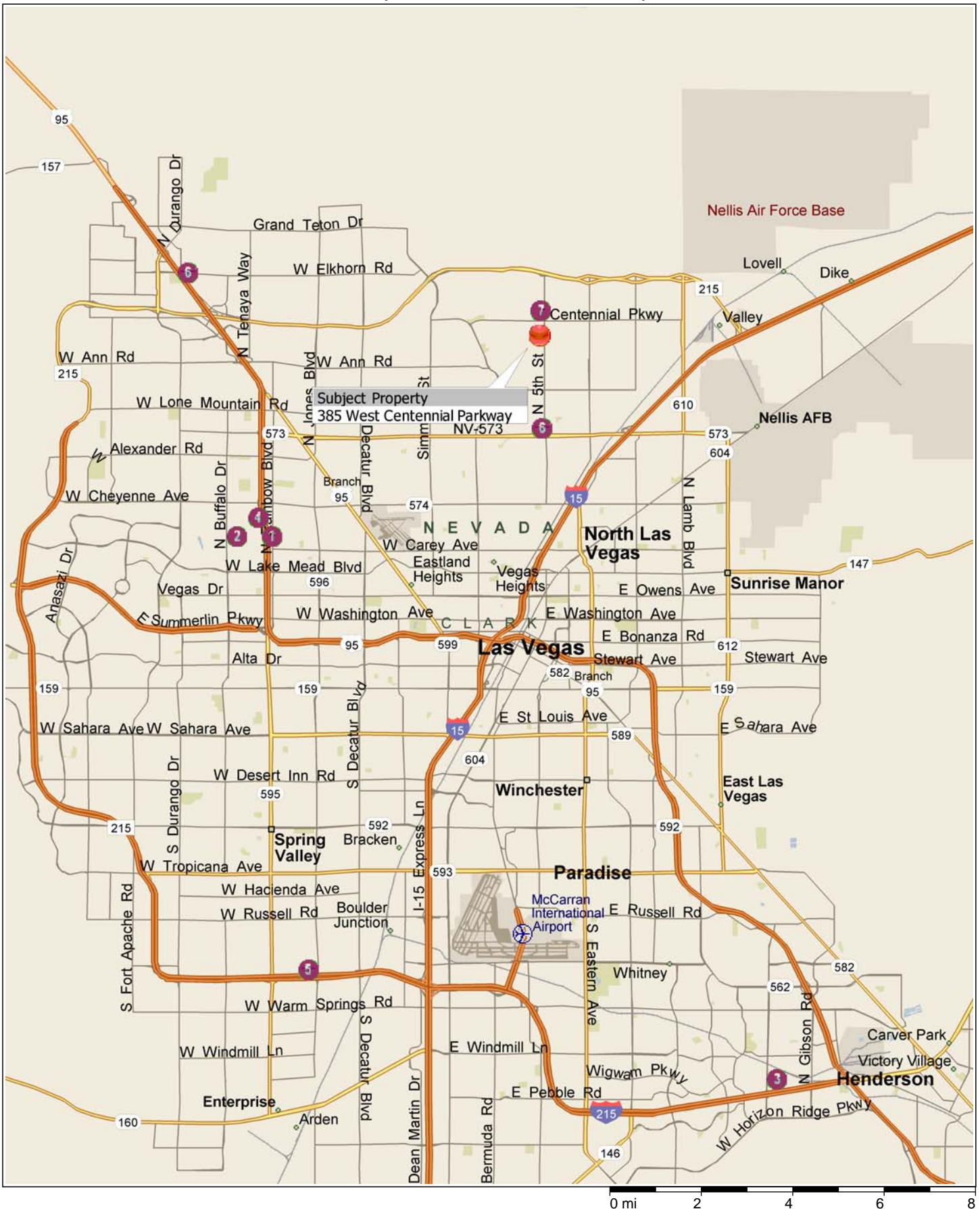
The comparables sales ranged in size from 4.39 acres (191,228 SF) to 11.85 acres (516,186 SF), and in price from \$261,954 to \$435,601 per acre. The sales utilized in this analysis occurred between July 2013 and April 2014.

The comparable sales are summarized in the chart on the following page. A land sale map identifying the location of the sales is found on the page following the land sales chart; and individual sales information and adjustment conclusions follow the location map. There has been a lack of activity in retail locations similar to the Subject in the immediate area; therefore we have added listing information on some nearby properties. Given the fact that these listing have to go through a negotiation process prior to a closed transaction, we have not made adjustments to these comparables.

SUMMARY OF COMPARABLE LAND SALES

Sale No.	Name/Location	Sale Date	Sale Price	Site Area (SF)	Sale Price PSF	Comments
1	4532 Balsam Street	Mar-14	\$1,150,000	191,228	\$6.01	Site is proposed location of charter school. Level terrain.
				4.39	\$261,959.00	All utilities located nearby. Inferior location to Subject.
2	Approx. 2400 Fire Mesa Street	Apr-14	\$1,633,500	217,800	\$7.50	Site is proposed location of charter school. Level terrain.
				5.00	\$326,700.00	All utilities located nearby. Similar location to Subject
3	50 North Stephanie Street	Sep-13	\$1,500,000	200,812	\$7.47	Site has been developed with a charter school. Irregular terrain. All utilities in area. Located in commercial area.
				4.61	\$325,379.61	Similar location characteristics.
4	Approx. 2800 North Tenaya Way	Oct-13	\$2,522,124	252,212	\$10.00	The level site is located in a medical hospital/office development. Exposure to Hwy 95. All utilities in area.
				5.79	\$435,600.69	Location is superior to Subject.
5	6650 El Camino Road	Jan-14	\$3,500,000	415,562	\$8.42	Level site located in developing area in southwestern Las Vegas. All utilities in area. Site has been improved with Bally's Technology building. Exposure to Hwy 215.
				9.54	\$366,876.66	
Subject	385 West Centennial Parkway			199,940		Site is an infill site in a shopping center in North Las Vegas at a corner location of two major traffic arterial.
				4.59		Level site with all utilities in place. Good access. Limited exposure.

Comparable Land Sales Map



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LAND COMPARABLE



Sale #1

Description

Property Type	Vacant Land	Sale Date	3/2014
Location	4532 Balsam Street	Sale Price	\$1,150,000
Grantor	Gragson Beltway Belcastro, LLC	Acres	4.39
Grantee	GKT 5, LLC	Price/Acre	\$261,959
Zoning	Residential - Three	Shape	Irregular
Topography	Level	Flood Plain	No
Recording	20140929-0000825		

Adjustments

Financing	=	Physical Characteristics	
Condition of Sale	=	Size	=
Market Conditions	=	Shape	=
Location		Topography	=
Access	+	Development Potential	
Exposure	+	Zoning	+
Synergy	+	Utilities	=
		Flood Plain	=

LAND COMPARABLE



Sale #2

Description

Property Type	Vacant Land	Sale Date	4/2014
Location	Approx. 2400 Fire Mesa Drive	Sale Price	\$1,633,500
Grantor	Trinity Peak III, LLC	Acres	5.0
Grantee	TACSFF Reit	Price/Acre	\$326,700
Zoning	Professional Office	Shape	Irregular
Topography	Level	Flood Plain	No
Recording	20141016-0002472		

Adjustments

Financing	=	Physical Characteristics	
Condition of Sale	=	Size	=
Market Conditions	=	Shape	=
Location		Topography	=
Access	=	Development Potential	
Exposure	+	Zoning	=
Synergy	=	Utilities	=
		Flood Plain	=

LAND COMPARABLE



Sale #3

Description

Property Type	Vacant Land – Charter School	Sale Date	9/2013
Location	50 North Stephanie Street	Sale Price	\$1,500,000
Grantor	WG Stephanie, LLC	Acres	4.61
Grantee	LVCSD Saddle, LLC	Price/Acre	\$325,380
Zoning	CC	Shape	Irregular
Topography	Rolling Terrain	Flood Plain	No
Recording	21031227-02583		

Adjustments

Financing	=	Physical Characteristics	
Condition of Sale	=	Size	=
Market Conditions	+	Shape	=
Location		Topography	+
Access	=	Development Potential	
Exposure	+	Zoning	=
Synergy	=	Utilities	=
		Flood Plain	=

LAND COMPARABLE



Sale #4

Description

Property Type	Vacant Land – Medical Office	Sale Date	10/2013
Location	Approx. 2800 North Tenaya Way	Sale Price	\$2,522,124
Grantor	City Parkway V, Inc.	Acres	5.79
Grantee	Sunrise Mountainview Hospital, Inc.	Price/Acre	\$435,601
Zoning	Professional Office	Shape	Irregular
Topography	Level	Flood Plain	No
Recording	201311010002708		

Adjustments

Financing	=	Physical Characteristics	
Condition of Sale	=	Size	=
Market Conditions	+	Shape	=
Location		Topography	=
Access	-	Development Potential	
Exposure	-	Zoning	=
Synergy	-	Utilities	=
		Flood Plain	=

LAND COMPARABLE



Sale #5

Description

Property Type	Vacant Land – Residential SF	Sale Date	7/2013
Location	SEC Elkhorn and Sky Pointe Drive	Sale Price	\$3,820,400
Grantor	Investor Equity Homes, LLC	Square Acres	11.85
Grantee	Ryland Homes Nevada, LLC	Price/Acre	\$322,397
Zoning	Town Center	Shape	Irregular
Topography	Level	Flood Plain	No
Recording	201307260002081		

Adjustments

Financing	=	Physical Characteristics	
Condition of Sale	=	Size	+
Market Conditions	+	Shape	=
Location		Topography	=
Access	=	Development Potential	
Exposure	-	Zoning	=
Synergy	=	Utilities	=
		Flood Plain	=

LAND COMPARABLE



Listing #6

Description

Property Type	Vacant Land – Commercial	Sale Date	Listing
Location	E/s Commerce St – N/s Craig Road	Sale Price	\$1,800,000
Grantor	Listed by Realty Executive Commercial	Square Acres	5.34
Grantee		Price/Acre	\$337,155
Zoning	C-2	Shape	Irregular
Topography	Level	Flood Plain	No

LAND COMPARABLE



Listing #7

Description

Property Type	Vacant Land - Residential MF	Sale Date	Listing
Location	NWQ W Centennial Pwy & Commerce St	Sale Price	\$1,500,000
Grantor	Listed by Realty Executive Commercial	Square Acres	6.0
Grantee		Price/Acre	\$250,000
Zoning	R-2	Shape	Irregular
Topography	Level	Flood Plain	No

Analysis and Adjustment of Sales

The adjustment process is typically applied through either quantitative or qualitative analysis, or a combination of the two. Quantitative adjustments are often developed as dollar or percentage amounts and are most credible when there is sufficient data to perform a paired sales or statistical analysis. Qualitative adjustments are developed through relative comparisons (e.g., superior, inferior, etc.) and are often a realistic way to reflect the thought process of market participants when only limited data is available. Given the availability of data and imperfect nature of the real estate market, participants most often rely on relative or qualitative comparisons.

Adjustments are based on our rating of each comparable sale in relation to the Subject. If the comparable is rated superior to the Subject, the sale price is adjusted downward (“-“) to reflect the Subject’s relative inferiority; if the comparable is rated inferior, its price is adjusted upward (“+“) to reflect the Subject’s relative superiority. Adjustments were only applied to the comparable sales. If the sales characteristic(s) are considered similar to the subject no adjustment is warranted (“=“). Adjustments were considered under the elements of comparison discussed below.

Effective Sales Price - This adjustment is appropriate in situations where the sale price has been influenced by expenditures that the buyer intended to make immediately after purchase. Examples include buyer-paid sales commissions, buyer-paid back taxes, and costs to demolish obsolete structures to clear a site for redevelopment. In this analysis, all of the sales do not appear to be affected by needed expenditures after purchase. As a result, no adjustments are necessary.

Real Property Rights Conveyed - This adjustment is generally applied to reflect the transfer of property rights different from those being appraised, such as differences between properties owned in fee simple or in leased fee. In this analysis, all sales reflected fee simple ownership rights and thus no adjustments were required.

Financing Terms - This adjustment is generally applied to a property that transfers with atypical financing, such as having assumed an existing mortgage at a favorable interest rate. Conversely, a property may be encumbered with an above-market mortgage which has no prepayment clause or a very costly prepayment clause. Such atypical financing often plays a role in the negotiated sale price. In this analysis, no adjustments were required as all sales were cash to seller or considered to be terms equivalent to cash to seller.

Conditions of Sale - This adjustment category reflects extraordinary motivations of the buyer or the seller to complete the sale. Examples include a purchase for assemblage involving anticipated incremental value or a quick sale for cash. This adjustment category may also reflect a distress-related sale, a corporation recording at non-market price, or significant buyer expenditures immediately after purchase. From the data we analyzed for each sale, there did not appear to be any detrimental situation affecting the sale transactions. We concluded no adjustments to the comparables.

Time - Market Conditions – Real estate values normally change over time. The rate of this change fluctuates due to investors' perceptions of prevailing market conditions. This adjustment category reflects market differences occurring between the effective date of the appraisal and the sales date of a comparable, when values have appreciated or depreciated.

The sales transpired between July 2013 and June 2014. Over this time span, an increase in market conditions has occurred. It is general knowledge that the overall commercial land market throughout greater Las Vegas and adjoining suburbs has been improving over the past 24 months. We have adjusted the sales accordingly based on the date the transaction closed.

The Time - Market Conditions adjustments were applied after the previous adjustments but before any of the following adjustments.

Location and Access/Exposure/Synergy – Location has a great impact on property values. All sales are located in the greater Las Vegas market with the most distant being Sale #3, which has been included given that it is a site where a charter school was developed. All are located near highway or major traffic arterial with interchanges located nearby. They are also similar reflecting on the surrounding use characteristics, access, visibility, and ingress/egress – all which influence value.

Comparable #5 is located near the intersection of a major highway and collector street. The site has average access and good exposure to a high volume of traffic. The site is adjacent to a recently developed charter school. With the exception of an upward adjustment for market conditions, this sale requires a downward adjustment for its slightly superior location.

Comparable #4 is located in a rapidly developing hospital/medical district. Its general locational characteristics are superior Subject. The access and exposure are superior, as is its synergy being developed with medical office in a hospital district. We have adjusted this sale downward for location.

Comparable #3 was included due to its ultimate development with a charter school. The site is located in a commercial district in the southeast section of Las Vegas (Henderson) the most distant comparable in our analysis. The site sits back off the main traffic arterial with only average access. We conclude that the overall locational characteristics are similar.

Comparable #2 is a recent sale of a site proposed for development with a charter school. It is considered to have an inferior location to the Subject and we have adjusted it upward for this characteristic.

Comparable #1 is the recent sale of a site that is proposed for development with a charter school. It has been adjusted for inferior locational characteristics.

Size – The comparables range in size from 4.39 acres to 11.85 acres. The Subject site is 4.59 acres. In many situations, smaller sites tend to command higher prices per square foot due to their increased functionality and greater demand from more potential purchasers. This is often more typical when comparing larger parcels with smaller development tracts. In this analysis, four of the five sites are similar in size with only Sale #5 at over twice the size of the Subject Property. We have adjusted this sale upward.

Physical Characteristics (excluding size) - This adjustment category generally reflects differences between the comparables and the Subject in such areas as site configuration (shape), availability of utilities, or topography. All sales appear to have functional shapes, access to utilities and are level/buildable sites; therefore, no adjustment is warranted.

Zoning/Use – All the sites were similarly zoned to allow for development of uses similar to the Subject’s highest and best use as vacant. We concluded no adjustments for differences in zoning/use.

Adjustment Chart

Adjustments	Sale #1	Sale #2	Sale #3	Sale #4	Sale #5
Sale Price	\$261,959	\$326,700	\$325,380	\$435,601	\$322,397
Effective Sale Price	=	=	=	=	=
Property Rights	=	=	=	=	=
Financing	=	=	=	=	=
Condition of Sale	=	=	=	=	=
Marketing Conditions (Time)	=	=	+	+	+
Location	+	+	-	--	-
Physical Characteristics	=	=	+	=	=
Development Potential/Zoning	=	=	=	=	=
Comparability	Inferior	Similar	Similar	Superior	Similar
Net Adjustment	+	=	=	-	=

Land Value Conclusion

Based on the preceding analysis and adjustments, the four of the five comparable sales establish a narrow range of value. We relied on Sale #2 being a recent transaction and programed for development with a charter school. Taking all of these factors into consideration, it is our opinion that the applicable unit value is \$325,000 per acre. This results in an indicated land value as follows:

4.59 Acres @ \$325,000 Per Acre (rounded)	\$1,500,000
--	--------------------

Cost of Improvements

The most pertinent information is data provided by the school development team. A number of expert reports including plans, specifications, and environmental have been reviewed. We examined the remodeling costs from the change in use from retail/sports gym into a charter school from the General Contractor – Nevada General Construction and Ethos Three Architecture. For support of this construction contract, we have reviewed data from:

1. Five charter school projects recently developed in Las Vegas – adjusted for inflation,
2. Our files which include over twenty (20) school development projects that involved conversion from commercial or industrial designed buildings, and;
3. Reviewed Sections #13 (retail) and #18 (schools) of the Marshal Valuation Manual – a nation cost estimating service utilized by the appraisal industry.

Direct (Hard) Construction Costs

With the above referenced data, we were able to make an estimation of the replacement costs for the one-story building campus containing 40,010 square feet. We have estimated the direct reproduction/replacement costs (base) to be \$4,001,000 or \$100.00 per square foot. The estimate for general site conditions was calculated to be \$479,790 or \$3.00 per square. The contributory value of the site finished areas (playgrounds, recreation field, landscaping and parking lots) is estimated to be \$799,760 or \$4.00 per square foot applicable to the site area not covered by the building envelope. The final direct cost is for fire sprinkler system (wet) to be \$140,435 or \$3.50 per square foot. The Direct Construction Costs (replacement), when totaled are \$5,420,585 or \$135.48 per square foot.

Indirect (Soft) Costs

These costs or fees account from charges from: 1) architecture, 2) engineering, 3) other professional services, 4) miscellaneous (other) costs; and 5) contingency fee calculated to be \$965,000 or approximately 17.9% of the total direct costs. This percentage is typical for charter schools, which are usually in the 20% to 25% range. We have also estimated a construction contingency expense at \$260,000 or \$6.50 per square foot. The total estimated Indirect Costs are \$1,225,000 or \$30.62 per square foot.

Summary of Costs

Total replacement costs are shown below.

Direct Costs	\$5,420,585	\$135.48 PSF
Indirect Costs	<u>\$1,225,000</u>	<u>\$30.62 PSF</u>
Total Replacement Costs	\$6,645,585	\$166.10 PSF

Entrepreneurial Profit

Entrepreneurial or developer's profit provides the incentive for the developer to bring together the land, labor, management, and financing. In this project, the developer is taking all the risk associated with the return based upon a long-term lease with the school. This lease document includes an option to purchase by the school within the first three years after commencement of the lease. We have interviewed developers active in this classification of real estate development/investment and well as national survey information and concluded that an entrepreneur's profit percentage or risk reward of 15.0% is reasonable. This percentage is applied to the land purchase/value, direct costs and indirect cost total or \$1,221,770 - \$30.54 per square foot.

Replacement Cost New

Based on the foregoing analysis, the Subject's replacement cost new is estimated at \$7,867,355 or \$196.63 per square foot.

Estimate of Accrued Depreciation

Accrued depreciation is the difference between the cost new of improvements and the current value of those improvements. Depreciation includes value losses in three basic categories: (1) physical deterioration; (2) functional obsolescence; and (3) external obsolescence.

Physical deterioration is the result of aging and normal wear and tear on a structure, which reduce its value. Impairments may be curable or incurable.

Functional obsolescence is the adverse effect on value resulting from design defects that impair the structure's usefulness. It can be caused by changes over the years that have made some aspect of the structure, material, or design obsolete by current standards.

External obsolescence is the adverse effect on value resulting from influences outside the property itself. These include changing property or land-use patterns and adverse economic climates.

Physical Curable Deterioration

The retail building was constructed in 2007 then remodeled in 2011-2012 into a charter school. After inspection of the property, we identified a number of minor items that may need repaired or replace. We have estimated the level of physical curable deterioration to be \$25,000.

Physical Incurable Deterioration

Utilizing the age/life methodology discussed earlier in the report and the depreciation tables from the Marshall Valuation manual, we have estimated the physical incurable deterioration to be 2.0% or \$156,847.

Functional Obsolescence

The Subject Property was recently remodeled and re-designed by a registered architect who has experience in school campuses. Our observation is that the floor plan has no functional deficiencies; therefore, we have concluded no deduction for functional obsolescence.

External Obsolescence

In a previous section of the report, we discussed the demand for charter school facilities in the greater Las Vegas region. We also discussed the accelerated pace at which the school reached its enrollment levels and the high level of students on the waiting list. We have concluded no adjustment for economic obsolescence.

The final step in the Cost Approach methodology is to add the value concluded for the site or \$1,500,000.

On the following page is a chart detailing our estimate of the Cost Approach valuation technique and is concluded at \$8,800,000 - Rounded.

**COST APPROACH SUMMARY
NORTH LAS VEGAS CAMPUS
385 WEST CENTENNIAL PARKWAY
NORTH LAS VEGAS, CLARK COUNTY, NEVADA**

PROPERTY CHARACTERISTICS AND ASSUMPTIONS				
Type of Building in Marshall Valuation Service			Retail/School	
Quality in Marshall Valuation Service			Average Class C	
Existing Building		40,010		
Site Area		199,940	SF	
Site Improvement Area (Excludes Undisturbed Site Area)		159,930	SF	
Entrepreneurial Incentive (Profit)		15.0%		
BASE REPLACEMENT DIRECT COSTS				
		<u>Per Unit Cost</u>	<u>Total</u>	<u>PSF of GLA</u>
Existing Building & Addition Western Section	\$	100.00	\$ 4,001,000	
General Site Conditions	\$	3.00	\$ 479,790	
On Site Improvements & Landscaping (Contributory)	\$	4.00	\$ 799,760	
Fire Sprinkler System	\$	3.50	\$ 140,035	
TOTAL BASE REPLACEMENT COST NEW			\$ 5,420,585	\$ 135.48
ADDITIONAL INDIRECT COSTS NOT INCLUDED IN BASE COSTS				
Architectural & Engineering Fees		9.96%	\$ 540,000	\$ 13.50
Fees: Survey, Title & Environmental		0.74%	\$ 40,000	\$ 1.00
Owner Representative Fee		2.31%	\$ 125,000	\$ 3.12
Contractor's Fee		4.80%	\$ 260,000	\$ 6.50
Contingencies		4.80%	\$ 260,000	\$ 6.50
TOTAL INDIRECT REPLACEMENT COSTS NEW		22.60%	\$ 1,225,000	\$ 30.62
TOTAL REPLACEMENT COSTS NEW				
TOTAL DIRECT AND INDIRECT COSTS			\$ 6,645,585	\$ 166.10
ENTREPRENEURIAL PROFIT			\$ 1,221,770	\$ 30.54
REPLACEMENT COST NEW - PLUS PROFIT			\$ 7,867,355	\$ 196.63
ACCRUED DEPRECIATION				
Physical Curable Deterioration			\$ 25,000	
Physical Incurable Deterioration		2.00%	\$ 156,847	\$ 3.92
Functional Curable Obsolescence			\$ -	
Functional Incurable Obsolescence		5.00%	\$ 393,368	\$ 9.83
External Obsolescence			\$ -	
TOTAL Accrued Depreciation			\$ 575,215	\$ 14.38
VALUE ESTIMATE BY THE COST APPROACH				
DEPRECIATED COST OF IMPROVEMENTS			\$ 7,292,140	\$ 182.26
LAND VALUE - PER SF (Rounded)	\$	7.50	\$ 1,499,550	\$ 37.48
ADD: FURNITURE, FIXTURES & EQUIPMENT (FF&E)			\$ -	\$ -
VALUE ESTIMATE BY COST APPROACH			\$ 8,791,690	\$ 219.74
	Rounded		\$ 8,800,000	\$ 219.95

SALES COMPARISON APPROACH

The Sales Comparison Approach includes a set of procedures through which the appraiser derives a value indication by comparing the property being appraised to similar or comparable properties which have recently been sold or are currently offered for sale, applying appropriate units of comparison, and making adjustments (based on the elements of comparison) to the sales prices of the comparables.

Our research of comparable sales data for the state of Nevada is extremely limited. While the charter school development activity has been strong over the past two years there are no good comparable sales in which to directly compare the Subject Property too. The typical adjustment criteria are for time, location, and physical characteristics. We have no market data or paired sales data that would allow a supportable adjustment process to be completed. Therefore, we have not formed a conclusion of value utilizing this appraisal approach.

INDICATED VALUE – SALES COMPARISON APPROACH

Not Utilized

INCOME APPROACH

There are a number of charter schools that are under lease agreements in the greater Las Vegas area. Below is a discussion of the lease on the Subject Property followed by lease information on four charter schools in the region. From this data, we compared and contrasted an indication of the reasonableness of the contract market rental rate for the Subject Property.

North Las Vegas Campus – Subject Property

The North Las Vegas campus was originally developed as a retail shopping center. In 2011, it was purchased and the ownership has converted a portion of the center into a charter school and leased it to Somerset Academy of Las Vegas. Following is the important points of the lease contract:

North Las Vegas Lease:

1 – Landlord	School Centennial Development, LLC
2 – Tenant -	Somerset Academy of Las Vegas
3 - Contract Date	November 21, 2012
4 – Lease Start Date	August 1, 2011
5 – Lease Termination Date	July 31, 2031
6 – Option to Extend	1 five year option
7 – Building Size	40010 Square Feet
8 – Annual Rent	\$721,000 (\$18.02 Per Square Foot)
9 – Annual Rent Escalation	Consumer Price Index (CPI) with 3.0% minimum
10 – Option to Purchase	None
11 – Option Price	N/A
12 – Expense Provision	Net to Ownership (taxes, insurance, utilities, R&M)
13 – Free Rent	None

Comparable Lease Information – Charter Schools

In the paragraphs to follow, we have charted lease data from four charter schools in the Las Vegas region. The result of this analysis is the support and reasonableness of the contracted lease rate on the Subject property of \$721,000 annually or \$18.02 per square foot, which is then capitalized into an estimate of market value via the Income Approach.

Lease #1 - Doral Saddleback Charter School – 9625 West Saddle Avenue

1 – Landlord	CA Las Vegas 9625 WSA, LLC
2 – Tenant -	Doral Academy of Nevada
3 - Contract Date	April 13, 2013
4 – Lease Start Date	September 1, 2013
5 – Lease Termination Date	June 30, 2042 (29 Years)
6 – Option to Extend	None
7 – Building Size	57,019 Square Feet
8 – Annual Rent	\$616,500 (6/1/2014) Year 6 \$993,814 (\$17.43 PSF)
9 – Annual Rent Escalation	Irregular – Varies from. 3.0% to 20.87% annually until Lease year 6 when it stabilizes at 2.25%)
10 – Option to Purchase	Yes – (Between the 43 rd Month and the 72 nd Month)
11 – Option Price	Varies from \$10,989,464 to \$11,071,561
12 – Expense Provision	Net
13 – Free Rent	None

Lease #2 - Doral Cactus Charter School – 9025 West Cactus Road

1 – Landlord	CA Las Vegas Cactus Road, LLC
2 – Tenant -	Doral Academy of Nevada
3 - Contract Date	November 1, 2013
4 – Lease Start Date	September 1, 2014
5 – Lease Termination Date	June 30, 2043
6 – Option to Extend	None
7 – Building Size	53,000 Square Feet
8 – Annual Rent	\$666,000 (9/1/2014) Year 6 \$965,870 (\$18.22 PSF)
9 – Annual Rent Escalation	Irregular – Varies from. 4.61% to 19.44% annually until Lease year 6 when it stabilizes at 2.20%)
10 – Option to Purchase	Yes - (Between 37 th Month and 60 th Month)
11 – Option Price	Varies from \$11,267,043 to \$11,323,427
12 – Expense Provision	Net
13 – Free Rent	None

Lease #3 - Somerset of Las Vegas – Stephanie Campus – 50 North Stephanie Road

1 – Landlord	CA Las Vegas Stephanie Road, LLC
2 – Tenant -	Somerset Academy of Las Vegas
3 - Contract Date	December 20, 2013
4 – Lease Start Date	September 1, 2014
5 – Lease Termination Date	June 30, 2043
6 – Option to Extend	None
7 – Building Size	51,254 Square Feet
8 – Annual Rent	\$639,900 (9/1/2014) Year 5 \$989,593 (\$18.22 PSF)
9 – Annual Rent Escalation	Irregular – Varies from. 5.51% to 17.25% annually until Lease year 6 when it stabilizes at 2.20%)
10 – Option to Purchase	Yes - (Between 37 th Month and 60 th Month)
11 – Option Price	Varies from \$11,230,051 821,106 to \$11,905,036
12 – Expense Provision	Net
13 – Free Rent	None

Lease #4 - Somerset of Las Vegas – Losee Campus – 4650 Losee Road

1 – Landlord	CA Las Vegas Losee Road, LLC
2 – Tenant -	Somerset Academy of Las Vegas
3 - Contract Date	November 1, 2013
4 – Lease Start Date	September 1, 2014
5 – Lease Termination Date	June 30, 2043
6 – Option to Extend	None
7 – Building Size	135,104 Square Feet
8 – Annual Rent	\$904,500 (9/1/2014) Year 6 \$2,076,428 (\$15.37 PSF)
9 – Annual Rent Escalation	Irregular – Varies from. 5.51% to 17.25% annually until Lease year 6 when it stabilizes at 2.20%)
10 – Option to Purchase	Yes - (Between 37 th Month and 60 th Month)
11 – Option Price	Varies from \$23,482,443 to \$26,676,593
12 – Expense Provision	Net
13 – Free Rent	None

The four leased properties vary in size from 51,254 square feet to 135,104 square feet. Three of the comparables are newly constructed facilities, while Lease #1 is a higher education designed building that was remodeled into the charter school. The rental rates are wide ranging being from a low of \$15.37 per square foot to \$18.22 per square foot with net lease provisions. The differences in the lease rates can be in part attributable to the price paid for the land, the requirement and costs of offsite improvements, and the level(s) of site and interior finishes. The lease rate of the Subject Property is in the upper end of the range established by the four comparables and 1.1% lower than the top end of the range.

Selection of the Capitalization Rate

As earlier indicated there have been a lack of charter school sales in the Las Vegas area, primarily due to the facts that this is a “Special Purpose” real estate classification where similar properties seldom, if every sells on the open market unless categorized as distressed.

We have completed a number of assignments in Arizona, Utah and Colorado where school building have been constructed, leased to the school entity which has an option to purchase at some future date. The capitalization rates we have reviewed varied from 7.5% to 8.5 % with a majority being 8.0%. The comparable leases we analyzed and the projected purchase prices of the four comparable leases indicated a range of 7.8% to 9.0%.

Lastly, we have compared and contrasted the desired return rates for real estate investments having similar risk levels. This data is included in local investor surveys and national surveys authored by PriceWaterhouse Coopers and many of the larger brokerage companies and financial institutions.

Based on this information and analysis, we have concluded that 8.0% is a reasonable capitalization rate applicable to the Subject Property. By dividing the current contract rent of \$721,000 ÷ 8.0% = **\$9,000,000 (rounded)**.

RECONCILIATION AND FINAL VALUE ESTIMATE

The analysis of the Subject as a “Special Purpose” property is more accurately portrayed by using the Cost Approach valuation technique. We were unable to analyze data to estimate values using the Sales Comparison. We had adequate information to compete an analysis of the Income Approach, but given the number of assumptions made and the lease rate currently contracted on the Subject Property falls within the range of the four comparables. The lease provisions are net to the ownership and the selection of the capitalization rate is well supported in the marketplace. We consider this valuation approach as support to the conclusion reached via the Cost Approach.

Below is a summation of our findings and conclusions;

Cost Approach	\$8,800,000
Sales Comparison	NOT CONCLUDED
Income Approach	\$9,000,000

Based on this information and analysis, it is concluded that the “as is” market value of the North Las Vegas campus property, as of October 21, 2014, was:

EIGHT MILLION EIGHT HUNDRED THOUSAND DOLLARS
(\$8,800,000)

Furniture, Fixtures, and Equipment (FF&E)

The estimated value of the furniture, fixtures, and equipment to operate the school is \$990,000 or which equates to \$850 per student. We have not included an adjustment of market value for the furniture, Fixtures, and Equipment (FF&E) since they are currently in a financial lease agreement with Vectra Bank. Under the agreement with the bank they can be acquired in the future for a moderate cost/price.

EXPOSURE AND MARKETING TIME

Reasonable exposure time is one of a series of conditions in most market value definitions. Exposure time is always presumed to precede the effective date of the appraisal. Exposure time may be defined as follows:

The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.¹

Exposure time is different for various types of real estate and under various market conditions. The estimate of the time period for reasonable exposure is an integral part of the analysis conducted during the appraisal assignment. The estimate can be based on one or more of the following:

- statistical information about days on market;
- information gathered through sales verification; and
- interviews of market participants.

Marketing time differs from exposure time, which is always assumed to precede the effective date of an appraisal. Reasonable marketing time may be defined as follows:

An estimate of the amount of time it might take to sell a property interest in real estate at the estimated market value level during the period immediately after the effective date of an appraisal.²

Related information garnered through this process include other market conditions that may affect marketing time, such as the identification of typical buyers and sellers for the type of real estate involved and typical equity investment levels and/or financing terms. The reasonable marketing time is a function of price, time, use, and anticipated market conditions such as changes in the cost and availability of funds; not an isolated estimate of time alone.

The market for “Special Purpose” properties like the Subject cannot be estimated from market data, especially from the fact that the utilization of the building in its current configuration. This classification of real estate is so rarely transacted and the terms or the sale are far reaching.

¹Appraisal Standards Board of The Appraisal Foundation, *Statement on Appraisal Standards No. 6 (SMT-6)*, September 16, 1992.

²Appraisal Standards Board of the Appraisal Foundation, *Advisory Opinion G-7*; September 16, 1992.

Given my experience in this market segment that if the school were put on the market for sale, it would likely take in excess of 24 months to secure a purchaser, which could potential include a private school organization.

We believe the reasonable exposure/ marketing time for the Subject Property would be in excess of 24 months.

QUALIFICATIONS OF JOHN L. EMMERLING, MAI

EMPLOYMENT HISTORY – Past 25 Years

2009-Present	President Trophy Property Company 2224 South Queen Street Lakewood, Colorado 80227
2001 – 2008	Partner Daniels Emmerling Real Estate Services, LLP Englewood, Colorado
1998 - 2001	Director of Valuation Services THK Associates, Inc. Aurora, Colorado
1997-1998	Director of Valuation Services Joseph Farber and Company, Inc. Denver, Colorado
1983-1997	Director/Manager Valuation Advisory Services Cushman & Wakefield of Colorado, Inc. Denver, Colorado

PROFESSIONAL EXPERIENCE

John L. Emmerling, MAI has 36 years experience in the real estate industry. After completing his degree at the University of Colorado, majoring in real estate and marketing, his career began appraising single-family residences. In 1983, he received his MAI designation and opened the Denver appraisal office for Cushman & Wakefield. As part of this national network, he coordinated multi-property assignments throughout the U.S. and has completed appraisal assignments in most all of the western states.

Experience in the various property types include:

Office Buildings	Charter Schools
Shopping Centers	Hotels/Motels
Golf Courses & Resort Properties	Industrial Facilities
Apartments	Congregate Care
Mobile Home Parks	Mini-warehouse
Special Purpose	Subdivisions and Vacant Land

Valuation techniques include feasibility, leasehold/leased fee, Discounted Cash Flow analysis, and other computer assisted applications.

PROFESSIONAL ASSOCIATIONS

Member of the Appraisal Institute (MAI Designation)
State of Colorado - Certified General Appraiser #CGO1313487
State of Colorado - Licensed Associate Broker (Inactive)
State of Arizona – Certified General Real Estate Appraiser #31981
State of Nevada – Temporary Appraiser Permit # ATMP.0012700.CG

EDUCATION

Bachelor of Science in Real Estate and Marketing, 1972
University of Colorado
Boulder, Colorado

AIREA/Appraisal Institute Courses and Seminars

Real Estate Appraisal Principles
Capitalization Theory and Techniques
Case Studies and Report Writing
Litigation Valuation
Residential Valuation
Standards of Professional Practice - Parts A&B
Electronic Spreadsheet
Water Rights Valuation
Ad Valorem Tax and Assessed Values
Cash Equivalency
Evaluation - Commercial Construction
Fair Lending and the Appraiser

EXPERT WITNESS

Qualified as an expert witness in real estate valuation - US Bankruptcy court, Federal District Court, Adams, Boulder, Denver, Arapahoe, and Jefferson County District Courts - Colorado. District Court – Arizona.

ARTICLES

New Technology Continues to Effect Change in Appraisal - Colorado Real Estate Journal - 1996
Real Estate Tax Appeal - Denver Business Journal - 1996
An Advisory Services Panel Report – Victorian Square – Sparks Nevada, Urban Land Institute - 2000

ADDENDUM

SUBJECT PHOTOGRAPHS

LEGAL DESCRIPTION

MARKET STUDIES – MOODY’S AND FASTFACTS

**SOMERSET ACADEMY SCHOOL ACCOUNTABILITY
REPORT**

CONTRACTOR’S BID – CONSTRUCTION COSTS – 2011

3-YEAR BUDGET & ENROLLMENT PLAN

DEMOGRAPHICS – LAS VEGAS

APPRAISER’S STATE LICENSE

LIST OF CHARTER SCHOOLS APPRAISED

SUBJECT PHOTOGRAPHS



Exterior View – South of School Entry



Exterior View – Northeast of School and Tuff Field



Exterior View – West Along Southside of School



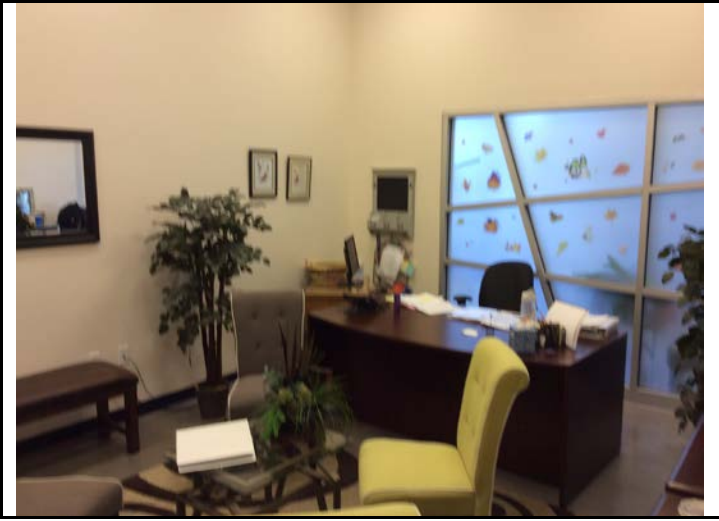
Exterior View – Southwest of School



Exterior View – West Along Entry Road



Exterior View – Southeast of School



Typical Office



Reception/Lobby



Staff Workroom



Classroom



Classroom



Classroom



Kitchen



Restroom



Mechanical Room



Hallway



West View of Tuff Recreation Field



South of Paved Playground



Science Classroom



North Along West Access Road



Enclosed Elementary Playground



Computer Lab



Science Classroom



Multi-purpose - Cafeteria

LEGAL DESCRIPTION

EXHIBIT "A"

LYING WITHIN THE NORTHEAST QUARTER (NE ¼) OF THE NORTHWEST QUARTER (NW ¼) OF SECTION 27, TOWNSHIP 19 SOUTH, RANGE 61 EAST, M.D.M., CITY OF NORTH LAS VEGAS, CLARK COUNTY, NEVADA, BEING A PORTION OF LOT 1A OF CORONADO CENTENNIAL / COMMERCE (A COMMERCIAL SUBDIVISION) AS SHOWN IN THE OFFICE OF THE CLARK COUNTY, NEVADA RECORDER IN BOOK 126, PAGE 81 OF PLATS, FURTHER BEING RETAIL 2 AS SHOWN ON THAT CERTAIN MAP ON FILE IN THE OFFICE OF THE CLARK COUNTY, NEVADA RECORDER IN BOOK 160, PAGE 81 OF SURVEYS AND RETAIL 3-A AND RETAIL 3-B AS SHOWN ON THAT CERTAIN MAP ON FILE IN THE OFFICE OF THE CLARK COUNTY, NEVADA RECORDER IN FILE 163, PAGE 78 OF SURVEYS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID NORTHEAST QUARTER (NE ¼) OF THE NORTHWEST QUARTER (NW ¼) OF SECTION 27; THENCE ALONG THE NORTH LINE THEREOF SOUTH 88°23'20" EAST, 664.53 FEET; THENCE SOUTH 01°36'40" EAST, 50.00 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF CENTENNIAL PARKWAY, SAID POINT BEING THE NORTHERLY MOST NORTHWEST CORNER OF SAID RETAIL 3-A, SAID POINT ALSO BEING THE **POINT OF BEGINNING**; THENCE ALONG SAID SOUTH RIGHT-OF-WAY LINE OF CENTENNIAL PARKWAY SOUTH 88°23'20" EAST, 25.71 FEET; THENCE CONTINUING ALONG SAID SOUTH RIGHT-OF-WAY LINE OF CENTENNIAL PARKWAY SOUTH 87°24'25" EAST, 4.29 FEET TO THE NORTHERLY MOST NORTHEAST CORNER OF SAID RETAIL 3-A; THENCE ALONG THE EAST LINE THEREOF SOUTH 01°35'58" WEST, 196.39 FEET; THENCE SOUTH 89°19'41" EAST, 170.72 FEET TO THE EASTERLY MOST NORTHEAST CORNER OF RETAIL 3-B; THENCE ALONG THE EAST LINE THEREOF SOUTH 01°40'19" WEST, 430.44 FEET TO THE SOUTHEAST CORNER OF SAID RETAIL 3-B; THENCE ALONG THE SOUTH LINE THEREOF NORTH 88°19'28" WEST, 499.60 FEET TO THE SOUTHWEST CORNER OF SAID RETAIL 3-A; THENCE ALONG THE WEST LINE AND THE CONTINUATION THEREOF NORTH 00°18'51" EAST, 355.39 FEET TO THE NORTHWEST CORNER OF SAID RETAIL 2; THENCE ALONG THE NORTH LINE AND THE CONTINUATION THEREOF SOUTH 88°19'41" EAST, 307.40 FEET TO A POINT ON THE WEST LINE OF SAID RETAIL 3-A; THENCE ALONG SAID WEST LINE NORTH 01°35'58" EAST, 271.56 FEET TO THE **POINT OF BEGINNING**.

SAID PARCEL CONTAINS 4.59 ACRES, MORE OR LESS.

MARKET STUDIES – MOODY’S AND FASTFACTS

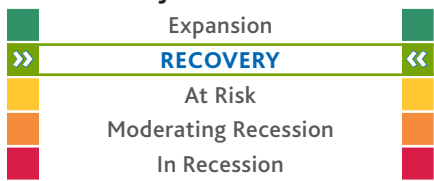
LAS VEGAS-PARADISE NV

Data Buffet® MSA code: MLAS

ECONOMIC DRIVERS  	EMPLOYMENT GROWTH RANK 2013-2015: 42 (1st quintile) 2013-2018: 38 (1st quintile) <i>Best=1, Worst=392</i>	RELATIVE COSTS LIVING: 99% BUSINESS: 83% <i>U.S.=100%</i>	VITALITY RELATIVE: 127% RANK: 32 <i>U.S.=100% Best=1, Worst=384</i>
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BUSINESS CYCLE STATUS

JUNE 2014



Expansion
RECOVERY
 At Risk
 Moderating Recession
 In Recession

ANALYSIS

STRENGTHS & WEAKNESSES

STRENGTHS

- » Unparalleled gaming and entertainment infrastructure.
- » No personal income tax.
- » Strong population growth.

WEAKNESSES

- » Overreliance on consumer spending for growth.
- » High volatility.
- » Relatively low educational attainment.

Recent Performance. Record numbers of tourists and a rebound in net migration are helping Las Vegas-Paradise recover quickly. After slowing last year, tourism is heating up as the metro area is on pace to accommodate more than 41 million visitors, breaking 2012's record. This improvement, along with the population rising by 1.5% per annum in 2012 and 2013, is sustaining demand for all types of private services and producing employment growth nearly twice the U.S. average. However, the average work-week continues to fall and hourly earnings gains are average at best, signaling that a large portion of jobs are lower-paying and/or part time. House price appreciation has slowed considerably from 35% year over year in July 2013 to 11% currently, as investor demand has waned. Although house price appreciation has helped local government coffers, homebuilders have yet to react.

Construction. Although construction will not drive growth as it did a decade ago, builders will expand for some time, creating a large number of well-paying jobs. After six consecutive years of layoffs, which reduced the industry's footprint from 12% to 4.5% of total payrolls, builders have steadily hired over the last 18 months, in response to demand for new retail and apartment space as well as renovations to the Strip and public infrastructure investment. Though some of the nonresidential projects like the SLS Las Vegas and Downtown Summerlin have reached completion, the pipeline of projects on the Strip still looks promising. MGM, the metro area's largest employer, is planning to build a 20,000-seat arena in addition to a new complex for dining, entertainment and recreation. Genting, a Malaysian casino operator, is spending \$4 billion on Resorts World Las Vegas, an Asian-themed resort with gaming, retail, restaurants, and various recreation opportunities. Finally, with house prices and apartment rents

steadily rising and population growth expected to remain robust, it is only a matter of time before homebuilding awakens from its slumber. Residential construction, once a crucial part of the metro area's economic base, will be a key source of jobs.

Tourism. The new construction projects on the Strip bode well for LAS's bread-and-butter industry. A rising level of tourists, both from neighboring states and outside of the region, confirms that while legalized gaming has been replicated elsewhere, no other U.S. location rivals LAS's lavish casinos, nationally known entertainment, upscale retailers, dining, and premier nightlife. This superiority has translated into a renewed optimism by the business community and ensures that hiring will remain steady in retail trade and leisure/hospitality.

Locals. If an adverse economic shock were to derail the tourist boom, LAS has little else to sustain its recovery. As one of the least diverse metro areas, LAS is driven exclusively by its draw as a tourist destination and a place to reside. If the flow of tourists were to slow, jobs in construction, retail trade and leisure/hospitality would be threatened. Locals would struggle to sustain the current pace of consumer spending since most have below-average credit, while per capita disposable income is still far from normal. Furthermore, high-paying job opportunities will continue to be scarce, as the share of residents with an associate's, bachelor's or graduate degree is subpar.

FORECAST RISKS

SHORT TERM  LONG TERM 

RISK EXPOSURE 2014-2019 **10** 1st quintile *Highest=1 Lowest=384*

UPSIDE

- » State property tax cap gets modified, boosting local government finances.
- » Low business costs drive faster growth in services outside of tourism.

DOWNSIDE

- » Weaker U.S. consumer spending bogs down tourism hiring.
- » Waning investor demand and more foreclosures inhibit house price and residential construction recovery.

MOODY'S RATING

Aa1 COUNTY AS OF JAN 17, 2014

Las Vegas-Paradise's recovery will remain strong as an increasing pull of migrants and tourists drives robust private service demand. Longer term, the metro area's unparalleled tourism assets and strong appeal as a retirement destination will ensure above-average job growth.

*Gregory Bird
August 2014*

*1-866-275-3266
help@economy.com*

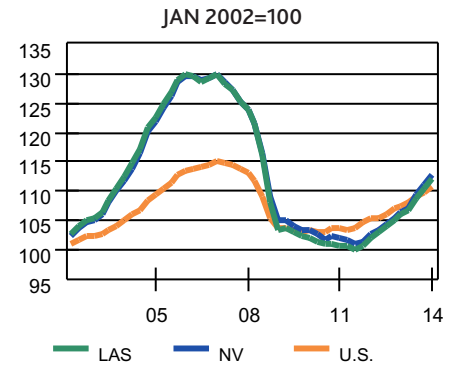
2008	2009	2010	2011	2012	2013	INDICATORS	2014	2015	2016	2017	2018	2019
92.5	83.6	81.7	81.2	82.7	84.7	Gross metro product (C09\$ bil)	86.8	90.6	94.1	96.8	98.7	100.6
-3.5	-9.6	-2.2	-0.7	1.9	2.5	% change	2.5	4.4	3.8	2.9	2.0	1.9
912.3	826.8	803.7	808.3	824.8	848.6	Total employment (ths)	877.1	904.3	931.1	954.8	970.3	984.6
-1.7	-9.4	-2.8	0.6	2.0	2.9	% change	3.4	3.1	3.0	2.5	1.6	1.5
7.0	11.9	14.1	13.6	11.7	10.0	Unemployment rate (%)	7.7	6.3	6.2	5.9	5.5	5.0
0.5	-6.2	-0.1	1.8	3.9	3.1	Personal income growth (%)	5.5	8.1	8.3	7.5	6.2	5.0
57.0	53.8	51.2	48.7	49.4	50.4	Median household income (\$ ths)	51.7	53.9	55.9	58.1	60.3	62.0
1,912.3	1,939.4	1,953.1	1,966.6	1,997.7	2,027.9	Population (ths)	2,061.4	2,104.0	2,154.8	2,208.4	2,262.9	2,318.3
2.4	1.4	0.7	0.7	1.6	1.5	% change	1.7	2.1	2.4	2.5	2.5	2.4
26.9	10.5	-1.2	0.5	18.9	17.0	Net migration (ths)	21.4	30.4	38.5	41.3	42.1	43.0
5,840	3,777	4,623	3,817	6,108	7,067	Single-family permits (#)	6,142	8,314	14,702	16,510	16,463	15,103
6,697	1,911	851	1,330	1,267	1,506	Multifamily permits (#)	2,498	3,274	5,147	4,867	5,220	5,221
219.1	143.8	137.9	124.8	134.3	173.5	Existing-home price (\$ ths)	194.6	204.4	213.5	219.8	226.6	235.8

ECONOMIC HEALTH CHECK

	Feb 14	Mar 14	Apr 14	May 14	Jun 14	Jul 14
Employment, change, ths	3.6	4.4	1.5	0.7	0.4	1.8
Unemployment rate, %	8.7	8.7	8.1	8.0	7.8	7.8
Labor force participation rate, %	62.8	63.1	62.8	62.9	62.7	62.5
Employment-to-population ratio, %	57.3	57.6	57.7	57.8	57.8	57.7
Average weekly hours, #	33.6	33.6	33.4	33.3	33.5	33.3
Industrial production, 2007=100	99.1	100.0	100.0	100.4	100.9	100.5
Residential permits, single-family, #	6,348	5,673	6,125	5,876	7,329	10,185
Residential permits, multifamily, #	3,687	3,597	4,704	4,210	311	4,453

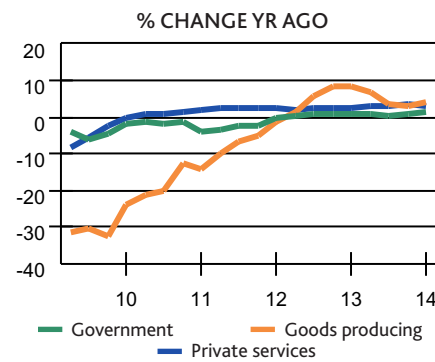
Sources: BLS, Census Bureau, Moody's Analytics

BUSINESS CYCLE INDEX



Source: Moody's Analytics

CURRENT EMPLOYMENT TRENDS

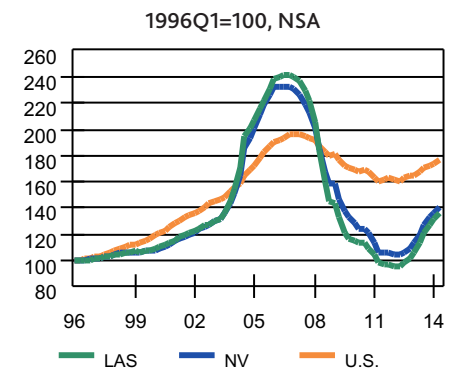


Sources: BLS, Moody's Analytics

	Nov 13	Mar 14	Jul 14
Total	2.9	3.5	3.1
Construction	6.6	3.0	6.7
Manufacturing	2.2	3.1	2.3
Trade	3.7	6.1	4.7
Trans/Utilities	2.1	2.8	2.1
Information	-6.3	4.2	-5.7
Financial Activities	3.2	1.3	1.7
Prof & Business Svcs.	2.7	5.2	4.8
Edu & Health Svcs.	5.0	4.0	5.8
Leisure & Hospitality	2.8	3.0	1.8
Other Services	-0.6	0.9	0.8
Government	1.1	1.3	1.4

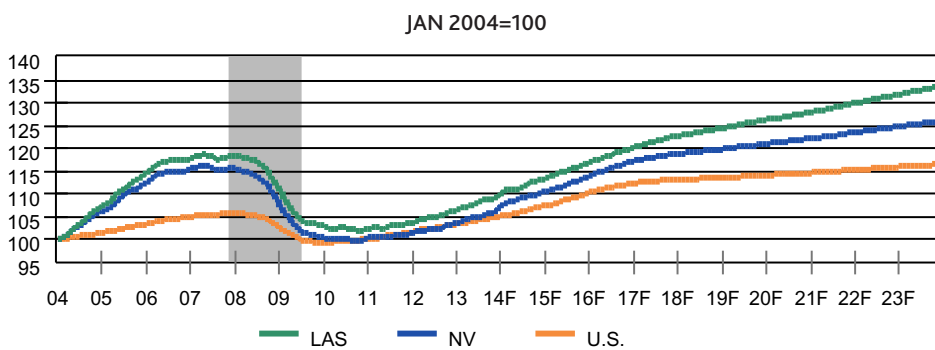
Sources: BLS, Moody's Analytics

HOUSE PRICE



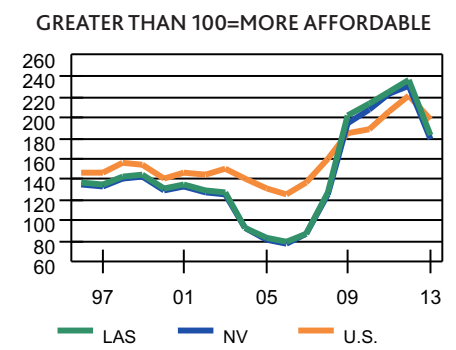
Sources: FHFA, Moody's Analytics

RELATIVE EMPLOYMENT PERFORMANCE



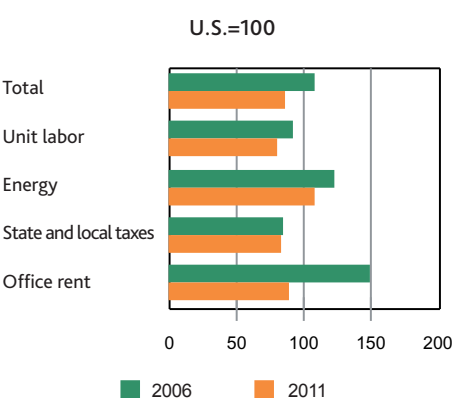
Sources: BLS, Moody's Analytics

HOUSING AFFORDABILITY INDEX



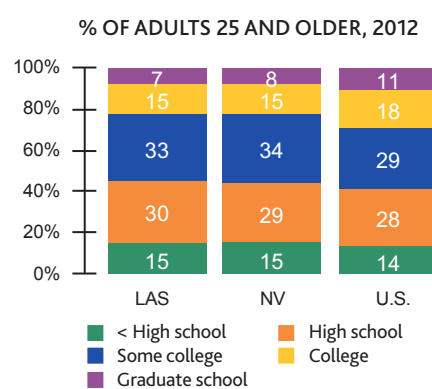
Sources: NAR, Moody's Analytics

BUSINESS COSTS



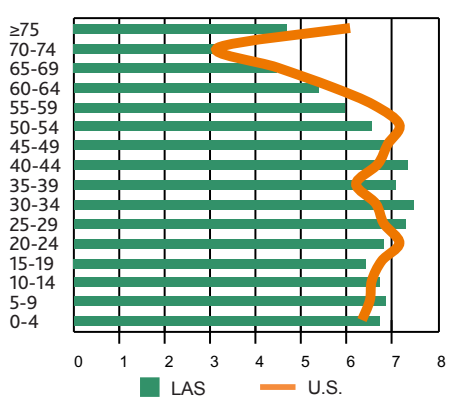
Source: Moody's Analytics

EDUCATIONAL ATTAINMENT

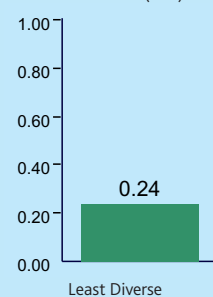
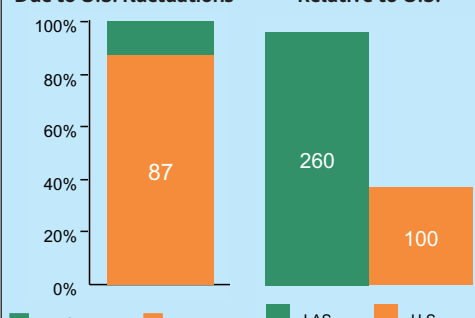


Sources: Census Bureau, Moody's Analytics

POPULATION BY AGE, %



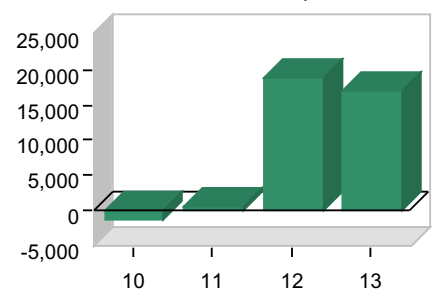
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EMPLOYMENT & INDUSTRY		MIGRATION FLOWS																																									
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Sector	COMPARATIVE EMPLOYMENT AND INCOME			Average Annual Earnings		
	% of Total Employment					
	LAS	NV	U.S.	LAS	NV	U.S.
Mining	0.0%	1.3%	0.6%	\$53,968	\$87,471	\$126,685
Construction	4.8%	4.9%	4.3%	\$69,933	\$66,635	\$58,586
Manufacturing	2.4%	3.4%	8.8%	\$63,412	\$63,219	\$77,169
Durable	59.1%	63.4%	62.8%	nd	\$68,871	\$78,430
Nondurable	40.9%	36.6%	37.2%	nd	\$53,334	\$75,058
Transportation/Utilities	4.3%	4.6%	3.7%	\$63,962	\$61,191	\$64,250
Wholesale Trade	2.4%	2.8%	4.2%	\$72,619	\$71,858	\$79,805
Retail Trade	11.8%	11.5%	11.1%	\$33,794	\$32,841	\$32,229
Information	1.1%	1.1%	2.0%	\$59,538	\$61,028	\$96,294
Financial Activities	5.1%	4.8%	5.8%	\$22,019	\$21,454	\$47,849
Prof. and Bus. Services	13.1%	12.7%	13.6%	\$55,414	\$53,702	\$63,688
Educ. and Health Services	9.3%	9.5%	15.5%	\$55,201	\$54,691	\$51,543
Leisure and Hosp. Services	31.5%	27.6%	10.4%	\$42,217	\$39,372	\$24,522
Other Services	2.9%	2.8%	4.0%	\$34,638	\$35,235	\$33,733
Government	11.2%	12.8%	16.0%	\$81,073	\$78,668	\$71,281

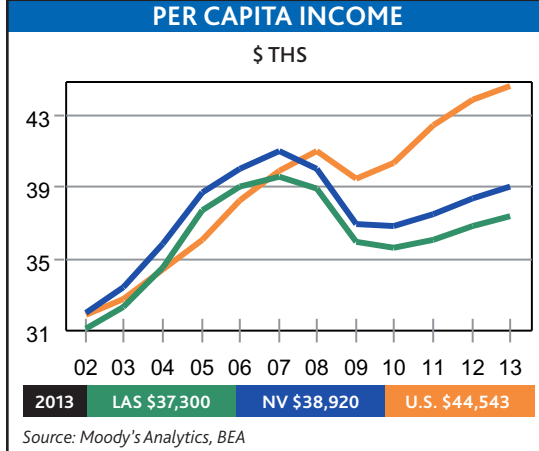
Sources: Percent of total employment — BLS, Moody's Analytics, 2013, Average annual earnings — BEA, Moody's Analytics, 2012

NET MIGRATION, #



	2010	2011	2012	2013
Domestic	-6,705	-5,420	12,315	10,524
Foreign	5,452	5,929	6,606	6,506
Total	-1,253	509	18,921	17,030

Sources: IRS (top), 2011, Census Bureau, Moody's Analytics



HIGH-TECH EMPLOYMENT

	Ths	% of total
LAS	18.6	2.2
U.S.	6,431.1	4.7

HOUSING-RELATED EMPLOYMENT

	Ths	% of total
LAS	83.7	9.9
U.S.	12,401.4	9.1

Source: Moody's Analytics, 2013

LEADING INDUSTRIES BY WAGE TIER

NAICS Industry	Location Quotient	Employees (ths)
5511 Management of companies & enterprises	1.2	15.8
6221 General medical and surgical hospitals	0.5	14.9
6211 Offices of physicians	0.8	12.6
GVF Federal Government	0.7	12.0
7211 Traveler accommodation	14.7	167.0
GVL Local Government	0.7	66.3
GVS State Government	0.5	17.5
4853 Taxi and limousine service	22.7	10.9
5617 Services to buildings and dwellings	1.5	18.2
4481 Clothing stores	2.2	14.4
4451 Grocery stores	0.9	14.3
5613 Employment services	0.5	12.3

Source: Moody's Analytics, 2014

THE BOTTOM LINE... Values in the new and resale home segments trended north during the month of August 2014. The new home market experienced a 10.6-percent gain from the prior year while resale closing prices were up 12.9 percent. The mix of sales within the resale market continues to evolve as fewer distressed transactions move through the system. Non-distressed sales accounted for 4 out of 5 transactions while reporting substantially higher price points compared to distressed activity (i.e., auction, bank and short sales). The sales mix, pricing trends and supply-demand fundamentals suggest increased stability within the southern Nevada housing market. A key area to watch going forward includes the motivations and actions of large investor groups. Cash buyers have become a significantly smaller share of overall activity, with price points remaining elevated relative to the trough in the economic cycle. The timing of dispositions that allows investors to realize their gains will be important to the housing equation. We have yet to see a bulk release of assets; and, given the longer view of most, a flood of inventory is not expected in the near term. A rebalancing between investor returns and end-user demand will be a key consideration in supply and pricing levels going forward. Much of the pain in the southern Nevada has passed – it will be important to avoid a repeat performance.

 **NEW HOME HIGHLIGHTS**

- **NEW HOME CLOSINGS:** A total of 553 new home closings were reported in August 2014, up from 478 in July, but 26.8 percent below levels reported one year earlier. Through the first eight months of the year, sales are off 24.2 percent.
- **NEW HOME PRICING:** Median new home prices continued to press north to \$294,640 in August (+10.6 percent from the prior year). On a price-per-square-foot basis, the average in August was \$131.66, up 7.0 percent from one year ago.
- **NEW HOME SUPPLY:** The number of new home permits moderated in August when compared to recent months. Permits totaled 537 in August, which was 16.2 percent of the pace reported in August 2013. Through the first eight months of 2014, permitting volumes are down 4.8 percent.

NEW HOME MARKET SNAPSHOT

	Value	Annual Growth
Median Home Price	\$294,640	+10.6%
Average Price Per Square Foot	\$131.66	+7.0%
No. of Closings - Month	553	-26.8%
No. of Closings - Year-to-Date	3,760	-24.2%
No. of Closings - Last 12 Months	5,875	-19.5%
New Home Permits - Month	537	-16.2%
New Home Permits - Year-to-Date	4,673	-4.8%
New Home Permits - Last 12 Months	6,539	-3.3%
Active Subdivisions	165	+7.8%
Average Sales per Subdivision	3.35	-32.1%

 **EXISTING HOME HIGHLIGHTS**

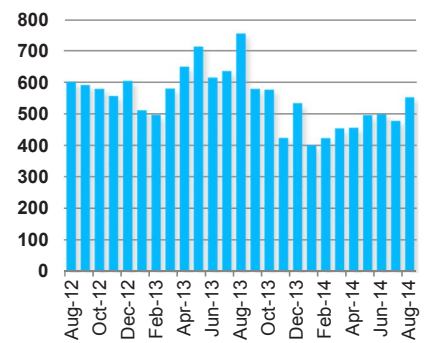
- **EXISTING (RESALE) HOME CLOSINGS:** A total of 3,609 resale closings took place in August, down from July (-6.3 percent) and the prior year (-15.1 percent). Through the first eight months, sales volumes are down 11.5 percent.
- **EXISTING (RESALE) HOME PRICING:** Median prices in the resale market edged up to \$175,000 in August compared to \$173,927 in July and \$155,000 last year. The average price per square foot in August was \$115.56 (+13.7 percent year-over-year).
- **RESALE AVAILABILITY (MLS LISTINGS):** The Multiple Listing Service (MLS) reported 9,949 resale units, or 3.3 months of effective availability. Both metrics are up from July and the same month of the prior year.
- **BANK FORECLOSURES (REPOSSESSIONS):** Foreclosure volumes remain relatively soft at 145 units in August (-12.1 percent from last year).

EXISTING (RESALE) HOME MARKET SNAPSHOT

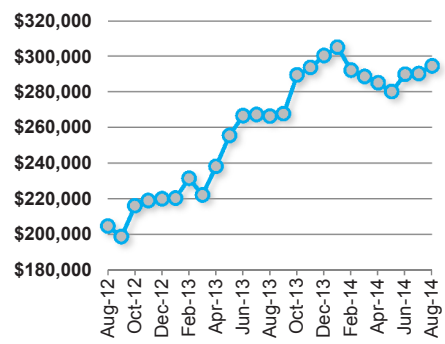
	Value	Annual Growth
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Average Price Per Square Foot	\$115.56	+13.7%
No. of Closings - Month	3,609	-15.1%
No. of Closings - Year-to-Date	29,121	-11.5%
No. of Closings - Last 12 Months	43,777	-10.0%
Bank Repossessions - Month	145	-12.1%
Bank Repossessions - Year-to-Date	1,844	+21.0%
Bank Repossessions - Last 12 Months	2,836	+18.4%
MLS Listings (Available)	9,949	+19.6%
Effective MLS Inventory (in Months)	3.3	+24.7%

New Home Sales

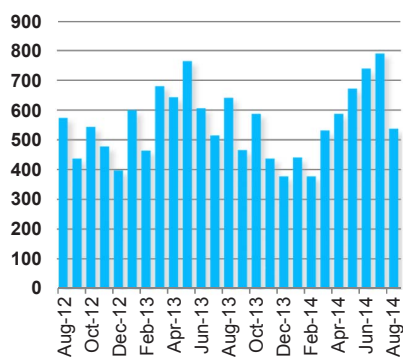
New Home Sales



Median New Home Prices



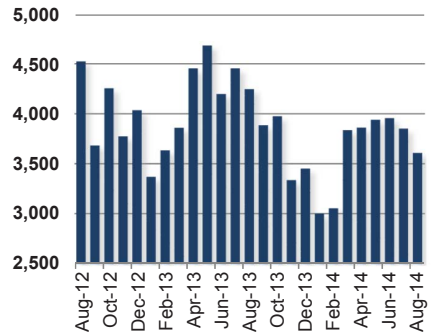
New Home Permits



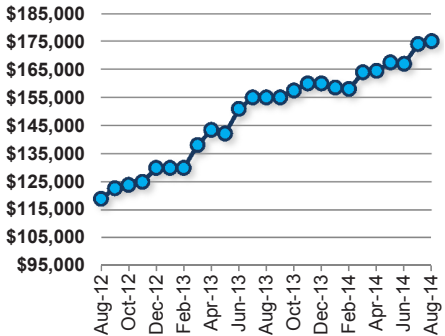
	New Home Closings		New Home Median Closing Prices		New Home Avg \$/SqFt		New Home Permits		Active Subdivisions		Average Sales Per Subdivision	
Aug-12	602	59.7%	\$204,737	3.5%	\$105.44	8.6%	573	70.0%	206	-14.2%	2.92	86.0%
Sep-12	592	48.7%	\$198,845	-3.1%	\$102.64	4.0%	437	73.4%	186	-22.8%	3.18	92.7%
Oct-12	580	79.6%	\$216,045	9.4%	\$103.98	5.6%	543	175.6%	184	-24.3%	3.15	137.1%
Nov-12	557	60.5%	\$219,000	5.7%	\$109.56	14.7%	477	90.8%	181	-24.6%	3.08	112.8%
Dec-12	605	65.8%	\$219,963	4.1%	\$108.21	16.1%	397	3.4%	184	-21.7%	3.29	111.7%
Jan-13	512	138.1%	\$220,355	4.0%	\$116.05	26.0%	599	169.8%	168	-28.5%	3.05	233.1%
Feb-13	497	73.8%	\$231,573	17.9%	\$119.45	25.2%	463	96.2%	152	-36.9%	3.27	175.5%
Mar-13	581	67.0%	\$222,201	8.7%	\$114.09	15.9%	680	32.3%	153	-32.0%	3.80	145.5%
Apr-13	650	85.7%	\$238,194	17.5%	\$109.08	14.8%	643	7.9%	151	-31.4%	4.30	170.6%
May-13	714	72.9%	\$255,565	29.1%	\$113.79	18.3%	764	16.8%	155	-29.9%	4.61	146.5%
Jun-13	616	65.1%	\$266,725	37.6%	\$116.21	12.5%	606	-6.5%	151	-30.4%	4.08	137.3%
Jul-13	636	35.9%	\$267,254	30.9%	\$118.86	21.0%	514	-6.4%	152	-28.3%	4.18	89.5%
Aug-13	755	25.4%	\$266,389	30.1%	\$122.99	16.6%	641	11.9%	153	-25.7%	4.93	68.9%
Sep-13	580	-2.0%	\$267,856	34.7%	\$126.08	22.8%	465	6.4%	155	-16.7%	3.74	17.6%
Oct-13	577	-0.5%	\$289,521	34.0%	\$127.70	22.8%	587	8.1%	153	-16.8%	3.77	19.6%
Nov-13	424	-23.9%	\$293,738	34.1%	\$125.20	14.3%	437	-8.4%	154	-14.9%	2.75	-10.5%
Dec-13	534	-11.7%	\$300,469	36.6%	\$123.57	14.2%	377	-5.0%	153	-16.8%	3.49	6.1%
Jan-14	401	-21.7%	\$305,125	38.5%	\$125.67	8.3%	440	-26.5%	152	-9.5%	2.64	-13.4%
Feb-14	423	-14.9%	\$292,225	26.2%	\$125.47	5.0%	377	-18.6%	149	-2.0%	2.84	-13.2%
Mar-14	454	-21.9%	\$288,674	29.9%	\$127.87	12.1%	531	-21.9%	164	7.2%	2.77	-27.1%
Apr-14	456	-29.8%	\$285,089	19.7%	\$126.45	15.9%	587	-8.7%	164	8.6%	2.78	-35.4%
May-14	496	-30.5%	\$280,168	9.6%	\$132.89	16.8%	672	-12.0%	165	6.5%	3.01	-34.7%
Jun-14	499	-19.0%	\$290,000	8.7%	\$130.31	12.1%	739	21.9%	170	12.6%	2.94	-28.0%
Jul-14	478	-24.8%	\$290,357	8.6%	\$129.12	8.6%	790	53.7%	170	11.8%	2.81	-32.8%
Aug-14	553	-26.8%	\$294,640	10.6%	\$131.66	7.0%	537	-16.2%	165	7.8%	3.35	-32.1%

Note: Growth rate (%) reflects year-over-year changes

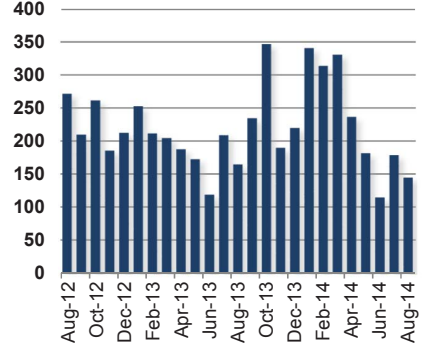
Existing Home Sales



Median Existing Home Prices



Foreclosures (REOs)



Existing Home Sales

	Existing Home Closings		Median Closing Prices		Existing Home Avg \$/SqFt		Bank Repossessions		Available MLS Listings (Resale)		Effective MLS Inventory (in months)	
Aug-12	4,526	-21.1%	\$119,000	14.5%	\$81.80	18.7%	272	-81.9%	4,911	-62.7%	1.4	-56.2%
Sep-12	3,684	-26.0%	\$122,781	17.0%	\$79.60	16.1%	210	-81.0%	4,930	-61.4%	1.6	-51.3%
Oct-12	4,257	1.4%	\$124,000	18.1%	\$79.67	18.3%	262	-71.8%	4,767	-61.0%	1.3	-57.8%
Nov-12	3,776	-17.4%	\$125,000	21.4%	\$82.09	23.3%	186	-81.1%	4,694	-57.7%	1.5	-53.8%
Dec-12	4,036	-21.7%	\$130,000	23.9%	\$83.88	24.9%	213	-76.4%	4,516	-57.2%	1.3	-53.7%
Jan-13	3,371	-23.7%	\$130,000	30.0%	\$87.59	34.5%	253	-75.2%	4,226	-55.7%	1.6	-44.3%
Feb-13	3,637	-16.0%	\$130,000	28.7%	\$86.96	32.1%	212	-65.8%	4,022	-48.9%	1.3	-41.0%
Mar-13	3,862	-27.1%	\$138,151	31.6%	\$90.42	34.1%	205	-42.4%	4,193	-28.9%	1.2	-42.6%
Apr-13	4,456	-4.3%	\$143,500	34.1%	\$96.84	41.2%	188	-27.1%	4,316	-8.9%	1.2	-8.6%
May-13	4,685	-3.1%	\$142,150	26.9%	\$95.43	26.3%	173	-57.6%	4,806	5.0%	1.3	12.9%
Jun-13	4,199	-9.9%	\$151,000	31.3%	\$99.52	27.3%	119	-62.0%	5,750	24.0%	1.6	33.8%
Jul-13	4,455	9.2%	\$155,000	33.6%	\$101.96	27.7%	209	-26.7%	7,667	62.7%	2.2	60.7%
Aug-13	4,249	-6.1%	\$155,000	30.3%	\$101.68	24.3%	165	-39.3%	8,319	69.4%	2.6	94.7%
Sep-13	3,888	5.5%	\$154,995	26.2%	\$102.07	28.2%	235	11.9%	8,842	79.4%	2.8	80.3%
Oct-13	3,976	-6.6%	\$157,500	27.0%	\$104.88	31.6%	347	32.4%	8,631	81.1%	3.3	146.8%
Nov-13	3,339	-11.6%	\$160,000	28.0%	\$104.12	26.8%	190	2.2%	8,536	81.8%	3.3	122.5%
Dec-13	3,453	-14.4%	\$160,000	23.1%	\$104.50	24.6%	220	3.3%	8,288	83.5%	3.0	128.7%
Jan-14	3,002	-10.9%	\$158,500	21.9%	\$102.90	17.5%	341	34.8%	8,291	96.2%	3.4	115.7%
Feb-14	3,058	-15.9%	\$158,000	21.5%	\$103.11	18.6%	314	48.1%	8,397	108.8%	3.5	167.4%
Mar-14	3,837	-0.6%	\$164,000	18.7%	\$106.27	17.5%	331	61.5%	8,377	99.8%	2.8	135.0%
Apr-14	3,863	-13.3%	\$164,454	14.6%	\$107.32	10.8%	237	26.1%	8,549	98.1%	2.8	132.9%
May-14	3,942	-15.9%	\$167,500	17.8%	\$109.77	15.0%	182	5.2%	8,991	87.1%	2.7	108.7%
Jun-14	3,958	-5.7%	\$167,000	10.6%	\$111.27	11.8%	115	-3.4%	9,034	57.1%	2.9	74.5%
Jul-14	3,852	-13.5%	\$173,927	12.2%	\$110.27	8.2%	179	-14.4%	9,816	28.0%	3.1	39.2%
Aug-14	3,609	-15.1%	\$175,000	12.9%	\$115.56	13.7%	145	-12.1%	9,949	19.6%	3.3	24.7%

Note: Growth rate (%) reflects year-over-year changes

Existing Home Sales

- NON-DISTRESSED SALES (79.9%):** Non-distressed sales, sometimes referred to as equity sales or transactions that do not fall within one of the other three distressed categories listed below, account for nearly 4 out of 5 transactions. Transaction volumes were up 1.1 percent from the prior year while pricing was 9.1 percent higher. Values remained flat at \$180,000 from July to August. The price per square foot pressed north to \$120 (up from \$114 in July).
- BANK-OWNED PROPERTIES (6.7%):** The number of REO home sales dipped slightly in August to a total of 241 transactions. The median price reached \$150,000 in August, which was 3.5 percent ahead of the prior year and 1.2 percent higher than July. The average price per square foot was \$97.
- SHORT SALES (9.0%):** The number of successful short sales totaled 326 in August, which accounted for nearly 1 in 10 transactions. The median price of short sales held steady at \$155,000 from July to August. The average price per square foot was \$103 in August 2014.
- AUCTION SALES (4.4%):** The number of homes being acquired at auction (by non-lenders) comprises a relatively modest share of overall activity. A total of 159 units closed with a median price of \$133,800, the lowest value across all segments. The average price per square foot was also the lowest among sales types at \$89.

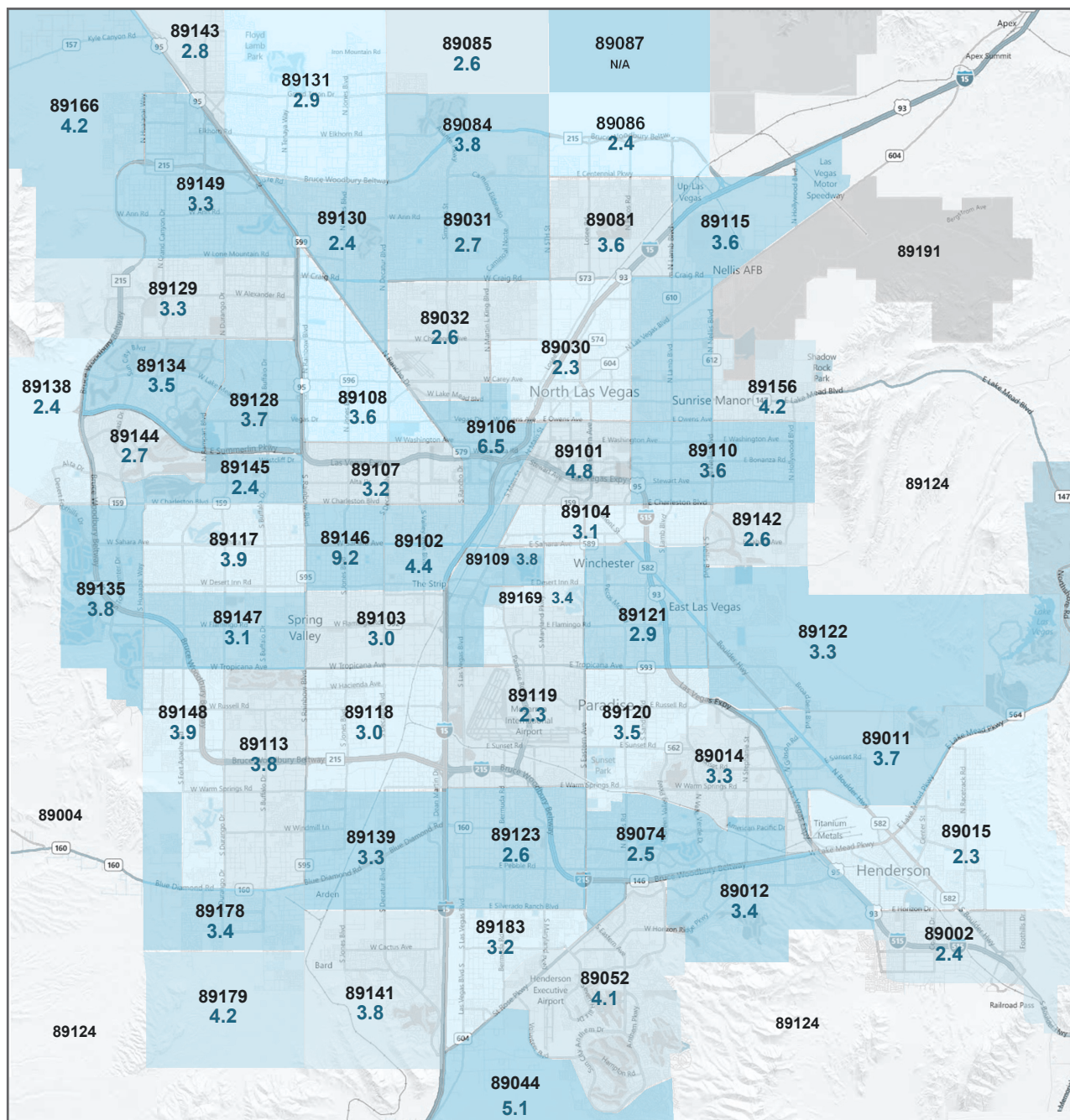
	NUMBER OF SALES					MEDIAN CLOSING PRICE				
	Distressed Sales Categories			Non-Distressed	Total All Types	Distressed Sales Categories			Non-Distressed	Total All Types
	Auction	REO	Short Sale			Auction	REO	Short Sale		
Aug-12	321	768	1,486	1,951	4,526	\$109,000	\$127,000	\$112,000	\$125,000	\$119,000
Sep-12	224	548	1,315	1,597	3,684	\$112,250	\$127,690	\$115,500	\$130,000	\$122,781
Oct-12	290	572	1,493	1,902	4,257	\$113,850	\$130,800	\$117,900	\$126,250	\$124,000
Nov-12	231	494	1,235	1,816	3,776	\$111,000	\$137,013	\$118,500	\$128,000	\$125,000
Dec-12	167	484	1,514	1,871	4,036	\$110,100	\$140,000	\$129,450	\$130,000	\$130,000
Jan-13	235	449	911	1,776	3,371	\$127,000	\$149,000	\$120,000	\$134,945	\$130,000
Feb-13	242	377	1,103	1,915	3,637	\$120,250	\$134,000	\$126,000	\$137,000	\$130,000
Mar-13	222	364	1,094	2,182	3,862	\$120,050	\$143,846	\$125,000	\$146,000	\$138,151
Apr-13	226	419	1,115	2,696	4,456	\$135,550	\$145,900	\$125,118	\$150,000	\$143,500
May-13	313	376	1,137	2,859	4,685	\$110,100	\$145,501	\$133,000	\$150,000	\$142,150
Jun-13	252	314	1,015	2,618	4,199	\$133,013	\$140,376	\$135,000	\$163,000	\$151,000
Jul-13	378	316	933	2,828	4,455	\$125,639	\$158,250	\$137,000	\$165,000	\$155,000
Aug-13	247	344	807	2,851	4,249	\$119,000	\$144,950	\$137,000	\$165,000	\$155,000
Sep-13	276	290	604	2,718	3,888	\$120,600	\$143,250	\$140,000	\$162,000	\$154,995
Oct-13	268	292	643	2,773	3,976	\$120,050	\$142,250	\$149,500	\$165,000	\$157,500
Nov-13	158	309	531	2,341	3,339	\$119,412	\$138,000	\$149,000	\$168,000	\$160,000
Dec-13	147	334	544	2,428	3,453	\$136,300	\$145,250	\$155,000	\$164,950	\$160,000
Jan-14	171	336	385	2,110	3,002	\$133,000	\$145,000	\$158,500	\$163,100	\$158,500
Feb-14	189	326	333	2,210	3,058	\$133,406	\$145,728	\$153,000	\$164,900	\$158,000
Mar-14	279	410	371	2,777	3,837	\$126,494	\$151,000	\$158,000	\$170,000	\$164,000
Apr-14	262	430	378	2,793	3,863	\$124,129	\$144,950	\$159,250	\$172,000	\$164,454
May-14	191	427	395	2,929	3,942	\$119,000	\$155,000	\$155,000	\$175,000	\$167,500
Jun-14	184	393	344	3,037	3,958	\$130,300	\$142,000	\$155,500	\$175,000	\$167,000
Jul-14	163	402	359	2,928	3,852	\$134,791	\$148,200	\$155,000	\$180,000	\$173,927
Aug-14	159	241	326	2,883	3,609	\$133,800	\$150,000	\$155,000	\$180,000	\$175,000

Effective Housing Inventory

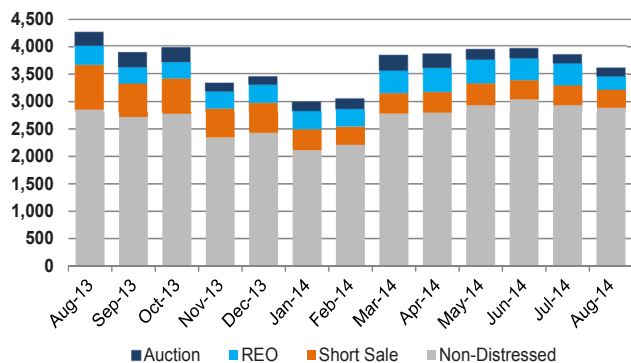
By Zip Code (in Months)

Zip Code	Inventory	Zip Code	Inventory
89002	2.4	89119	2.3
89011	3.7	89120	3.5
89012	3.4	89121	2.9
89014	3.3	89122	3.3
89015	2.3	89123	2.6
89030	2.3	89128	3.7
89031	2.7	89129	3.3
89032	2.6	89130	2.4
89044	5.1	89131	2.9
89052	4.1	89134	3.5
89074	2.5	89135	3.8
89081	3.6	89138	2.4
89084	3.8	89139	3.3
89085	2.6	89141	3.8
89086	2.4	89142	2.6
89101	4.8	89143	2.8
89102	4.4	89144	2.7
89103	3.0	89145	2.4
89104	3.1	89146	9.2
89106	6.5	89147	3.1
89107	3.2	89148	3.9
89108	3.6	89149	3.3
89109	3.8	89156	4.2
89110	3.6	89166	4.2
89113	3.8	89169	3.4
89115	3.6	89178	3.4
89117	3.9	89179	4.2
89118	3.0	89183	3.2

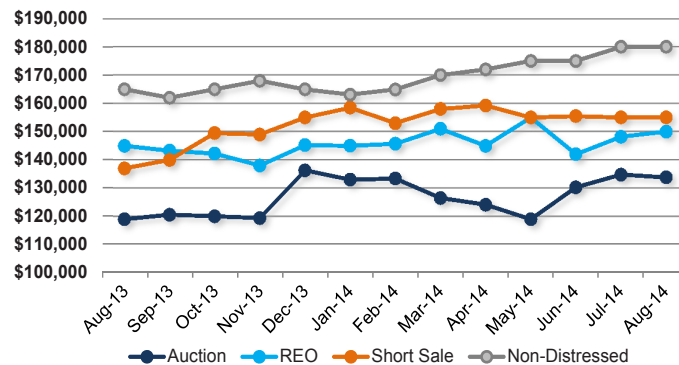
Note: Effective inventory (in months) is computed based on available (non-contingent) listings in the Greater Las Vegas Association of Realtors' Multiple Listing Service (MLS) and resale closings in the MLS.



EXISTING HOME CLOSINGS By Type



By Price



SalesTraq is a comprehensive residential real estate research and analysis solution. For more than two decades, SalesTraq has been providing home pricing, sales and development data to real estate agents, homebuilders, appraisers, buyers and investors. Our firm also maintains an archive catalogue of nearly 20,000 floor plans of Nevada homes. The following highlights our products and services:

SALESTRAQ STANDARD: A database of new residential construction in southern Nevada providing an easy-to-navigate search feature. The product also includes access to nearly 20,000 searchable floor plans, which is ideal for listing presentations, brochures and more.

SALESTRAQ PRO: In addition to the features of SalesTraq Standard, the professional version includes reporting functions for residential permits, new home closing data, existing (resale) home closings, final mapped lots and raw land sales activity.

FASTFACTS MONTHLY REPORT: The monthly statistical publication on relevant housing market information trends new and existing housing data. Information spans supply and demand factors, including foreclosure activity and breakdowns of the type of transactions taking place.

NEW HOME LINK: This marketing and research tool for REALTORS® assists agents and their clients in identifying relevant new home communities and properties. This powerful tool also allows for increased communication between buyers and their agents.

CUSTOM MARKET RESEARCH: For those with more diverse research and analysis requirements, our team of analysts are available to provide professional consulting services. Our services include: pricing and absorption analyses, market analyses, feasibility studies, market segmentation assessments, product positioning and other research project-specific assignments.

CRYSTAL BALL SEMINARS: Known for providing timely, accurate and insightful presentations, Crystal Ball Seminars is dedicated to an interactive learning and information sharing experience. The seminars are also recognized for networking and business development opportunities.

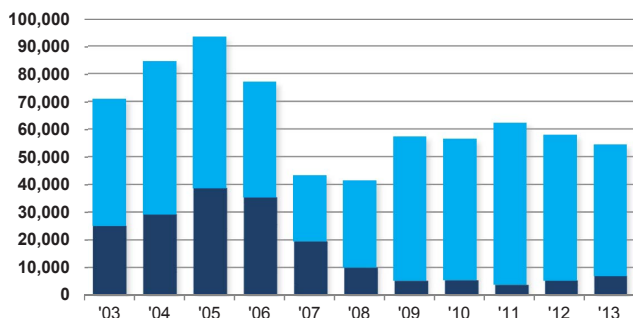
Key Statistics

Resale Closings	Closings				Pricing	
	Month		12 Months		Median	Avg PSF
Auction Sales	159	4%	2,447	6%	\$133,800	\$89
Short Sales	326	9%	5,213	12%	\$155,000	\$103
REO Sales	241	7%	4,190	10%	\$150,000	\$97
Non-Distressed Sales	2,883	80%	31,927	73%	\$180,000	\$120
Total	3,609	100%	43,777	100%	\$175,000	\$116



Home Closings

RESALE HOMES NEW HOMES



Median Home Prices

RESALE HOMES NEW HOMES



**SOMERSET ACADEMY SCHOOL ACCOUNTABILITY
REPORT**

Somerset Academy of Las Vegas

State Charter School Authority

7038 Sky Pointe Drive

Las Vegas, NV 89131

Ph: 702-478-8888, Fax: N/A

G. Jefferson, J. Barlow, R. Farmer, J. Lea, E. Kelley,

Principal

Grade Levels: K-8

Website: www.somersetacademyoflasvegas.org



2013-2014 School Accountability Report

For more information visit www.nevadareportcard.com

Mission Statement

Somerset Academy is dedicated to providing equitable, high quality education for all students. Our purpose is to promote a culture that maximizes student achievement and foster the development of accountable, 21st century learners in a safe and enriching environment.

Principal's Highlights

Somerset Academy of Las Vegas is made up of four campuses in the Las Vegas Valley. Somerset Academy is proud of the following achievements at its schools:

- Consistent assessment and tracking for mastery according to the Nevada Academic Content Standards.
- Technology is used for the delivery of instruction, communication, complete inquiry projects, and increase overall student engagement and achievement.
- Special programs such as Math Night, Literacy Night, Science Fair, Multi-Cultural Festivals, Battle of the Books, and a Talent Show are held annually.
- Professional development is provided in a conference-style format in order to differentiate to the needs of each teacher and each campus.
- Accelerated Reader program is implemented as a reading incentive program for students.
- Academic planning is provided for all students in grades 5 - 9 to create their pathway in determining career and education goals.
- Various after school clubs and activities which include athletic teams are part of the culture at Somerset Academy.
- Intervention and enrichment activities are provided to students who are below standards or exceeding standards.
- Somerset Academy is currently going through the Accreditation process through AdvancEd.

Goals and Objectives

Goal 1

Overall Math proficiency scores will increase in order to show growth.

Objective(s):

Somerset Academy will increase the overall proficiency rate in mathematics in order to increase the median growth percentile school-wide.

Goal 2

Students with IEPs showed a 7% decrease in Reading proficiency when comparing CRT results from spring of 2012 to spring of 2013.

Objective(s):

Somerset Academy will increase the overall proficiency rate in reading/ELA in order to increase the median growth percentile school-wide.

School Communication Efforts

Parents are invited into the school to support the programs and initiatives at any time. Newsletters are sent home regularly throughout the school year. Weekly emails are sent to parents and families which explain upcoming events. Information is updated on schools' websites (www.somersetacademyoflasvegas.com) on a regular basis as well as each school's Facebook page. We consistently work to maintain communication about student progress through parent portals and progress reports. Parent organizations are established at each school which focus on supporting the school through fundraising efforts. Parent Advisory Committees are designed to discuss the direction of the school and create future plans. Each family is asked to provide 30 service hours in support of the school and strengthen its programs.

Demographics and Student Information

Data are provided by the Nevada Department of Education from the state student information system. Gender, race/ethnicity, and special student populations are reported as of count day.

	#	Ethnicity														Gender			
		Am In/ AK Native		Asian		Hispanic		Black		White		Pacific Islander		Two or More Races		Male		Female	
		#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
State	451,730	4,782	1.06%	25,264	5.59%	183,212	40.56%	44,795	9.92%	162,544	35.98%	5,994	1.33%	25,139	5.57%	232,790	51.53%	218,940	48.47%
State Sponsored Public Schools	15,928	215	1.35%	968	6.08%	2,566	16.11%	1,498	9.40%	9,813	61.61%	330	2.07%	536	3.38%	7,788	48.90%	8,140	51.10%
Somersset Academy of Las Vegas	3,012	45	1.49%	114	3.78%	481	15.97%	232	7.70%	2,025	67.23%	71	2.36%	44	1.46%	1,527	50.70%	1,485	49.30%

Data as of: Count Day

** indicates that the data was not available.

^ indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

District totals do not include state or district sponsored charter school data. (2008-Current)

'N/A' indicates that this population was not present.

Special Populations

	#	IEP		ELL		FRL		Migrant	
		#	%	#	%	#	%	#	%
State	451,730	51,946	11.50%	67,836	15.02%	239,170	52.95%	77	0.02%
State Sponsored Public Schools	15,928	1,055	6.62%	350	2.20%	4,387	27.54%	0	0.00%
Somersset Academy of Las Vegas	3,012	207	6.87%	113	3.75%	452	15.01%	0	0.00%

Data as of: Count Day

IEP= Students with disabilities

^ indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

ELL= Students who are English Language Learners

'N/A' indicates that this population was not present.

FRL= Students qualifying for Free/Reduced Price Lunch

** indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Student Average Daily Attendance (ADA)

Student Average Daily Attendance (ADA) is the percentage of the school enrollment in attendance on an "average school day" as of the 100th day of school.

	All Students	Am In/ AK Native	Asian	Hispanic	Black	White	Pacific Islander	Two or More Races	IEP	ELL	FRL
State	94.90%	93.30%	97.00%	94.80%	93.60%	94.90%	94.80%	94.80%	93.40%	95.40%	94.40%
State Sponsored Public Schools	95.60%	93.90%	97.80%	95.60%	95.70%	95.60%	96.10%	95.00%	95.20%	95.70%	94.60%
Somersset Academy of Las Vegas	97.70%	97.90%	97.30%	98.10%	98.30%	97.80%	98.30%	-	-	93.10%	94.70%

ADA Data as of: First 100 days of instruction

IEP = Students with disabilities

^ indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

ELL = Students who are English Language Learners

'N/A' indicates that this population was not present.

FRL = Students qualifying for Free/Reduced Price Lunch

** indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Transiency, Truancy, and Discipline

	Transiency		Discipline	
	Transiency Rate**	# of Students		
		Habitual Disciplinary Problems	Habitual Truants	
State	26.70%	136	1,899	
State Sponsored Public Schools	27.10%	28	114	
Somerset Academy of Las Vegas	0.00%	10	0	

	# of Incidents (Suspensions or Expulsions)					
	Violence to Students	Violence to Staff	Weapons	Dist. Controlled Substances	Possession/ Use Controlled Substances	Possession/ Use of Alcohol
State	5,588	274	440	86	1,248	271
State Sponsored Public Schools	28	2	8	0	2	2
Somerset Academy of Las Vegas	3	0	1	0	0	0

	# of Incidents Bullying			# of Incidents Cyber Bullying		
	Incidents Reported	Incidents Determined to be so after an investigation	Incidents Suspension/ Expulsion	Incidents Reported	Incidents Determined to be so after an investigation	Incidents Suspension/ Expulsion
State	3,754	3,189	725	544	532	208
State Sponsored Public Schools	34	48	22	11	6	5
Somerset Academy of Las Vegas	0	0	0	2	1	1

Data as of: End of school year

* indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

**N/A indicates that this population was not present.

*** indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Discipline and Transiency incidents are reported at the school where the action occurred.

**The purpose of some alternative programs is to enroll students for a short period of time until they can reenroll in a comprehensive school; therefore, transiency rates may be greater than 100% or N/A. Data reported as of the end of the school year.

Retention

	K		1		2		3		4		5		6		7		8	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
State	655	1.90%	1,027	2.80%	480	1.40%	296	0.90%	133	0.40%	71	0.20%	355	1.00%	510	1.50%	566	1.60%
State Sponsored Public Schools	-	-	-	-	-	-	10	0.80%	-	-	10	0.80%	10	0.70%	15	1.10%	27	2.10%
Somerset Academy of Las Vegas	-	-	0	0.00%	0	0.00%	-	-	0	0.00%	0	0.00%	-	-	0	0.00%	0	0.00%

Data as of: Count Day

* indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

**N/A indicates that this population was not present.

*** indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Because of the changes in law (NAC 387.659) in 2009-2010 that affected the way credit deficient students are identified, results prior to this date and post this date cannot be compared.

Student/Teacher Ratio

	All Schools*	Kindergarten**	1st Grade	2nd Grade	3rd Grade	4th Grade	5th Grade	6th Grade	7th Grade	8th Grade
State	21:1	20:1	19:1	19:1	20:1	24:1	24:1	24:1	19:1	19:1
State Sponsored Public Schools	26:1	24:1	24:1	24:1	24:1	25:1	27:1	22:1	19:1	21:1
Somerset Academy of Las Vegas	22:1	27:1	23:1	22:1	23:1	21:1	23:1	13:1	10:1	11:1

Data as of: December 1st

* Indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

**N/A indicates that this population was not present.

*** Indicates that the data was not available.

*+ Teachers may serve multiple grade levels as needed. Student/Teacher Ratio is reported for the school as a whole.

**+ Kindergarten ratios are based on the number of classes, not teachers.

District totals do not include state or district sponsored charter school data. (2008-Current)

Summary of Standards-Based Test Performance

Nevada uses criterion referenced tests (CRTs) and the High School Proficiency Exam (HSPE) to measure student achievement relative to Nevada's academic standards. For grade specific assessment results and other assessment information, refer to the Nevada Report Card Website at www.nevadareportcard.com.

ED = Percentage of students performing in the lowest range of achievement (Emergent/Developing)

AS = Percentage of students performing in the Approaches Standards range of achievement

MS = Percentage of students performing in the Meets Standards range of achievement

ES = Percentage of students performing in the highest range of achievement (Exceeds Standards)

K-8	Reading				Writing				Mathematics				Science			
	ED	AS	MS	ES	ED	AS	MS	ES	ED	AS	MS	ES	ED	AS	MS	ES
State	19%	19%	37%	25%	49%	18%	23%	10%	19%	25%	44%	13%	18%	22%	41%	20
State Charters	15%	17%	38%	30%	0%	0%	100%	0%	18%	23%	44%	15%	16%	18%	40%	26
Somerset Academy of Las Vegas	7%	14%	42%	37%	0%	0%	0%	0%	7%	18%	55%	20%	7%	14%	44%	35

Data as of: December 1st

* Indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

**N/A indicates that this population was not present.

*** Indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Per-Pupil Expenditures 2012-2013

The Nevada Department of Education in consultation with In\$ite adjusted the formula used to calculate per pupil expenditures beginning with the 2009-2010 Annual Reports of Accountability. Therefore, we have two appropriate comparisons sets; comparisons 2003-04 SY through 2008-09 SY and comparisons of 2009-10 SY and forward.

Somerset Academy of Las Vegas Total Cost Per Pupil = \$5129 District Total Cost Per Pupil = \$8274

	Instruction		Instruction Support		Operations		Leadership		Total Expenditures	
	\$	%	\$	%	\$	%	\$	%	\$	%
State	\$4,799.00	58.00%	\$968.00	11.70%	\$1,874.00	22.60%	\$633.00	7.60%	\$8,274.00	100.00%
Somerset Academy of Las Vegas	\$3,107.00	60.60%	\$320.00	6.20%	\$1,352.00	26.40%	\$351.00	6.80%	\$5,129.00	100.00%

**N/A indicates that this population was not present.

*** Indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Schools only showing up with \$0 are new and data was not collected for prior year.

NDE in consultation with In\$ite adjusted formula used to calculate per pupil expenditures with the Annual Reports of Accountability, rendering comparisons between the year and past years data.

Personnel Information

Classes Not Taught by Highly Qualified Teachers

Highly qualified teachers hold a minimum of a bachelor's degree, are licensed to teach in the State of Nevada, and have demonstrated competence in their teaching area. Data were obtained from the Office of Teacher Licensure as of May 2014.

	English/ Reading/ Lang. Arts	Mathematics	Science	Social Studies	Foreign Languages	Arts	Elementary	Poverty Level
	%	%	%	%	%	%	%	
State	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
State Sponsored Public Schools	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Somerset Academy of Las Vegas	N/A	N/A	N/A	N/A	N/A	N/A	N/A	L

Teacher Data as of: May 1st (2008-Current)

'N/A' indicates that this population was not present.

'*' indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

(H) = High Poverty School - defined as being within the bottom quartile throughout the state of percentages of students who qualify for free or reduced-price lunch

(L) = Low Poverty School - defined as being within the top quartile throughout the state of percentages of students who qualify for free or reduced-price lunch

Teacher ADA and Licensure Information

	Average Daily Attendance	Teachers Providing Instruction		
		# Pursuant to NRS 391.426	# Pursuant to Waiver	# w/o Endorsement
State	95.80%	N/A	N/A	N/A
State Sponsored Public Schools	97.40%	N/A	N/A	N/A
Somerset Academy of Las Vegas	99.60%	N/A	N/A	N/A

Teacher Data as of: May 1st (2008-Current)

'N/A' indicates that this population was not present.

'*' indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

(H) = High Poverty School - defined as being within the bottom quartile throughout the state of percentages of students who qualify for free or reduced-price lunch

(L) = Low Poverty School - defined as being within the top quartile throughout the state of percentages of students who qualify for free or reduced-price lunch

Parent/Teacher Conference Attendance

	Accountability Year	Parent/Teacher Conference Attendance
Somerset Academy of Las Vegas	2014	95.00%
Somerset Academy of Las Vegas	2012	92.00%

Data as of: Fall

'N/A' indicates that this population was not present.

'*' indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008- Current)

School NSPF Results: 5 Star Rating

Somerset Acad ES

Information on the ratings or rankings of schools in the Nevada School Performance Framework (NSPF) can be found via the Nevada School Performance Framework website at <http://nspf.doe.nv.gov/>

A 5-Star School is among the highest performing schools in Nevada in student proficiency and/or student growth on the State assessments. The school is acknowledged for its achievement with public recognition and has autonomy in school planning and decision-making.

Performance Indicators	Points Earned	Points Eligible
Growth Measure of Achievement	26	40
Status Measure of Achievement	27	30
Reduction in Achievement Gaps	16	20
Other Indicators	10	10
Total Index Score	[Points Earned(79)/Points Eligible(100)] X 100 = 79.00	

School NSPF Results: 5 Star Rating

Somerset Acad MS

Information on the ratings or rankings of schools in the Nevada School Performance Framework (NSPF) can be found via the Nevada School Performance Framework website at <http://nspf.doe.nv.gov/>

A 5-Star School is among the highest performing schools in Nevada in student proficiency and/or student growth on the State assessments. The school is acknowledged for its achievement with public recognition and has autonomy in school planning and decision-making.

Performance Indicators	Points Earned	Points Eligible
Growth Measure of Achievement	32	40
Status Measure of Achievement	27	30
Reduction in Achievement Gaps	20	20
Other Indicators	8	10
Total Index Score	[Points Earned(87)/Points Eligible(100)] X 100 = 87.00	

Note: District totals do not include state or district sponsored charter school data.

The development of this annual state accountability report is a joint effort among the Nevada Department of Education and Nevada school districts. This report is provided to the public as required by the federal No Child Left Behind Act and NRS 385.347. A comprehensive listing of all accountability data, including student test data, may be accessed on the Nevada Annual Reports of Accountability website at www.nevadareportcard.com.

CONTRACTOR'S BID – CONSTRUCTION COSTS – 2011

Revised Detailed Budget

Project: Somerset Academy
 Location: Centennial / Commerce
 Date Prepared: 4-Jan-11

Project Description:

Capacity: 800 students
 Floor Area: 40,000 sf
 Site Area: 4 AC
 TOTAL AREA: 4

PROPERTY ACQUISITION \$3,150,000.00 \$78.75

CONSTRUCTION BUDGET

Sitework
 Phase 1A - 25,000 Sq. Ft. Building \$786,848.00 \$31.47
 Phase 1B - 15,000 Sq. Ft. Building \$861,998.00 \$57.47
 Playground \$274,928.00
 Playground Equipment \$50,000.00
TOTAL CONSTRUCTION BUDGET \$1,825,000.00 \$45.63
 COST PER SF SUB-TOTAL

Permits & Fees
 Zoning Fees: \$2,500.00
 Building Plan Check & Permit Fee Included in Cons
 Water Meter Fee \$35,000.00
 Sewer Connection (\$198 / student) \$119,000.00 Partial Rebate E
 Clean Water Coalition (\$87.50 / student) suspended
 Traffic Mitigation \$25,000.00
TOTAL PERMITS & FEES \$179,000.00

TOTAL CONSTRUCTION BUDGET \$2,004,000.00

OTHER PROJECT COSTS

Exterior Signage (design & construction) \$8,000.00 N
 Quality Assurance Inspections \$10,000.00 Included in Cons
 Architectural & Engineering Fees \$175,000.00
 Civil Engineering Fee \$10,000.00
 ALTA Survey \$3,000.00
 Builders Risk Insurance \$3,000.00
 Geotechnical Report \$0.00
 Security Sytem w/ Cameras \$25,000.00 CONDUIT
 Clock Intercom \$50,000.00 CONDUIT
 Data Network \$16,000.00
 Telephone System \$10,000.00
 Interest Reserve \$100,000.00
 Origination Fee & Legal \$90,562.50
 Buyer's Broker Fee \$94,500.00
 Miscellaneous \$100,000.00
TOTAL OTHER PROJECT COSTS \$695,062.50

TOTAL PROJECT COST \$5,849,062.50

TOTAL PROJECT COST per FTE \$7,311.33

TOTAL PROJECT COST per Sq. Ft. \$146.23

3-YEAR BUDGET & ENROLLMENT PLAN

Somerset Academy
North Las Vegas Campus

	2014-2015	2015-2016	2016-2017
WFTE Gross Value	\$ 6,541	\$ 6,541	\$ 6,639
Total Students (FTEs)	1165	1165	1165
Weighted Student Count	1115	1115	1115
Certified Teachers	53	53	53
Special Teachers	2.5	2.5	2.5
Student Teacher Ratio K 1/2 Day(25:1)	100	100	100
Student Teacher Ratio K Full Day(25:1)	25	25	25
Student Teacher Ratio 1st Grade(25:1)	125	125	125
Student Teacher Ratio 2nd Grade(25:1)	125	125	125
Student Teacher Ratio 3rd Grade(25:1)	125	125	125
Student Teacher Ratio 4th Grade(25:1)	125	125	125
Student Teacher Ratio 5th Grade(25:1)	150	150	150
Student Teacher Ratio 6th Grade(30:1)	150	150	150
Student Teacher Ratio 7th Grade(30:1)	150	150	150
Student Teacher Ratio 8th Grade(30:1)	90	90	90
Student Teacher Ratio 9th Grade(30:1)			
Student Teacher Ratio 10th Grade(30:1)			
Total Non Kinder Students	1040	1040	1040
REVENUE			
Budget Revenue	\$ 6,928,554.25	\$ 6,928,554.25	\$ 7,032,482.56
Kinder Revenue	\$ 73,743.75	\$ 73,743.75	\$ 73,743.75
Special Ed Funding	\$ 116,500.00	\$ 116,500.00	\$ 116,500.00
Special Ed Discretionary Unit	\$ 42,745.00	\$ 42,745.00	\$ 42,745.00
Total Revenues:	\$ 7,161,543.00	\$ 7,161,543.00	\$ 7,265,471.31
Personnel Costs			
Principal	\$ 214,000.00	\$ 214,001.00	\$ 217,211.02
Assistant Principal	\$ 78,000.00	\$ 78,001.00	\$ 79,171.02
Teachers	\$ 2,109,000.00	\$ 2,109,001.00	\$ 2,140,636.02
Teacher Assistants	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00
Subst. Teachers (10 days/Teacher)	\$ 55,500.00	\$ 56,332.50	\$ 57,177.49
Curriculum Coach	\$ 60,000.00	\$ 60,001.00	\$ 60,901.02
Clerical/Admin	\$ 142,000.00	\$ 142,001.00	\$ 144,131.02
Contract Services	\$ 501,750.00	\$ 501,750.00	\$ 501,750.00
Payroll Services	\$ 50,000.00	\$ 51,250.00	\$ 52,531.25
Empl. Benefits	\$ 1,041,200.00	\$ 1,041,202.00	\$ 1,056,820.03
Total	\$ 4,376,450.00	\$ 4,378,539.50	\$ 4,435,328.84
School Operations			
Class & Office Supplies	\$ 55,000.00	\$ 56,375.00	\$ 57,784.38
Dues and Fees	\$ 10,000.00	\$ 10,250.00	\$ 10,506.25
Lunch Program	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Special Education	\$ 165,000.00	\$ 169,125.00	\$ 173,353.13
FFE Loan (Zions Loan)	\$ 228,922.50	\$ 228,922.50	\$ 228,922.50
Audit	\$ 5,500.00	\$ 5,637.50	\$ 5,778.44
Legal Fees	\$ 5,500.00	\$ 5,637.50	\$ 5,778.44
IT Services	\$ 70,000.00	\$ 71,750.00	\$ 73,543.75
Travel Reimbursement	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Copier	\$ 40,000.00	\$ 41,000.00	\$ 42,025.00
SAIN Services	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00
State Administrative Fee	\$ 109,398.23	\$ 109,398.23	\$ 111,039.20
Affiliation Fee	\$ 72,932.15	\$ 72,932.15	\$ 74,026.13
Phone and Communications	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
Postage	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Consumables	\$ 81,550.00	\$ 83,588.75	\$ 85,678.47
Other Purchases	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00
Total	\$ 889,302.88	\$ 900,116.63	\$ 913,935.67
Facilities Operations			
Public Utilities	\$ 145,000.00	\$ 148,625.00	\$ 152,340.63
Facility Insurance	\$ 12,500.00	\$ 12,812.50	\$ 13,132.81
School Insurance	\$ 28,000.00	\$ 28,700.00	\$ 29,417.50
Security	\$ 40,500.00	\$ 41,512.50	\$ 42,550.31
Lease	\$ 1,173,715.00	\$ 1,208,927.00	\$ 1,245,194.00
Janitorial	\$ 60,000.00	\$ 61,500.00	\$ 63,037.50
Custodial Supplies	\$ 15,000.00	\$ 15,375.00	\$ 15,759.38
Maintenance	\$ 55,000.00	\$ 56,375.00	\$ 57,784.38
Lawn Care	\$ 15,000.00	\$ 15,375.00	\$ 15,759.38
Total	\$ 1,554,715.00	\$ 1,599,203.00	\$ 1,644,977.88
Total Expenses	\$ 6,820,467.88	\$ 6,877,859.13	\$ 6,994,242.39
Budget P/L	\$ 341,075.13	\$ 283,683.88	\$ 271,228.92

DEMOGRAPHICS – LAS VEGAS

DEMOGRAPHICS



City of Las Vegas Economic and Urban Development Department & Redevelopment Agency

Economic and Urban Development Department

The Economic and Urban Development Department creates, coordinates and encourages new development and redevelopment throughout the city of Las Vegas. It increases and diversifies the city's economy and creates jobs through business attraction, retention and expansion programs. This expanded department now includes the Parking Division. The newly reorganized and consolidated Parking Division has begun work on modernizing parking meters, online customer service, downtown parking locator assistance and aiding developers with their parking-related plans.

The EUD coordinates with the Las Vegas Redevelopment Agency (RDA) on day-to-day operations, economic development, job creation and long-term strategic goals.

Las Vegas Redevelopment Agency

The Las Vegas Redevelopment Agency (RDA) promotes the redevelopment of downtown Las Vegas and surrounding older commercial districts by working with developers, property owners and the community to accomplish beneficial revitalization efforts, create jobs and eliminate urban decay.

The city of Las Vegas currently has two designated redevelopment areas. Redevelopment Area 1 encompasses 3,948 acres. The area roughly includes the greater downtown Las Vegas area east of I-15, south of Washington Avenue, north of Sahara Avenue and west of Maryland Parkway. It also includes the Charleston Boulevard, Martin L. King Boulevard and Eastern Avenue corridors.

A new Redevelopment Area 2 (RDA 2) was officially adopted during the Aug. 15, 2012 meeting of the Las Vegas City Council. The RDA 2 designation gives the Las Vegas Redevelopment Agency the powers to redevelop, rehabilitate and revitalize this area. This new RDA 2 designation also allows the Redevelopment Agency to provide qualified owners/operators with certain business incentives. Redevelopment Area 2 covers Sahara Avenue from I-15 to Decatur Boulevard, Charleston Boulevard from Rancho Drive to Rainbow Boulevard and Decatur Boulevard from Sahara Avenue to U.S. 95.

Although the RDA is legally a separate entity from the city of Las Vegas, city council members sit on its board and provide input on projects.

Contact Information:

495 S. Main St.

Sixth Floor

Las Vegas, NV 89101

Tel: 702.229.6551

702.229.6100

Web: www.lvrda.org

Web: www.lasvegasnevada.gov/EUD

Web: www.facebook.com/lvbusiness



DEMOGRAPHICS

City of Las Vegas and Clark County Government Summary

	Las Vegas	Clark County ⁽¹⁾
Population (2012)	594,294	2,008,654
Existing Land Use (sq. miles)	135.8	7891.4
Population Density (per sq. mile)	4,376	255
Government Structure	Council/Manager	County Commission and Council/Manager ⁽²⁾
Planning Commission	Yes	Yes and City Council ⁽³⁾
Industrial Plan Approval	Yes	Yes ⁽⁴⁾
Zoning Regulations	Yes	Yes
Industrial Bond Financing Limit	\$10,000,000	\$10,000,000 - \$20,000,000 ⁽⁵⁾
Local Adopted Budget ⁽⁶⁾ (Total Expenditures):		
FY 2010-11	\$1,517,700,900	\$9,007,196,700
FY 2011-12	\$1,370,802,900	\$8,446,574,900
FY 2012-13	\$1,199,946,100	\$8,385,971,400
Combined Tax Rate (Operating):	2.7135	Varies based on local tax district
Full-time Equivalent Employees	3,098	20,242
Total Property Tax Rate ⁽⁷⁾		
FY 2010-11	\$3.2782	Varies based on local tax district
FY 2011-12	\$3.2782	Varies based on local tax district
FY 2012-13	\$3.2782	Varies based on local tax district

⁽¹⁾ Clark County is comprised of five incorporated cities (Boulder, Henderson, Las Vegas, Mesquite and North Las Vegas) and Unincorporated Clark County (31 areas/townships).

⁽²⁾ Unincorporated Clark County is governed by a commission and Clark County's five cities have a council/manager structure.

⁽³⁾ Planning in the city of Mesquite is conducted through a city council and the rest of the governmental jurisdictions in Clark County have a planning commission.

⁽⁴⁾ City council and staff for the city of Mesquite.

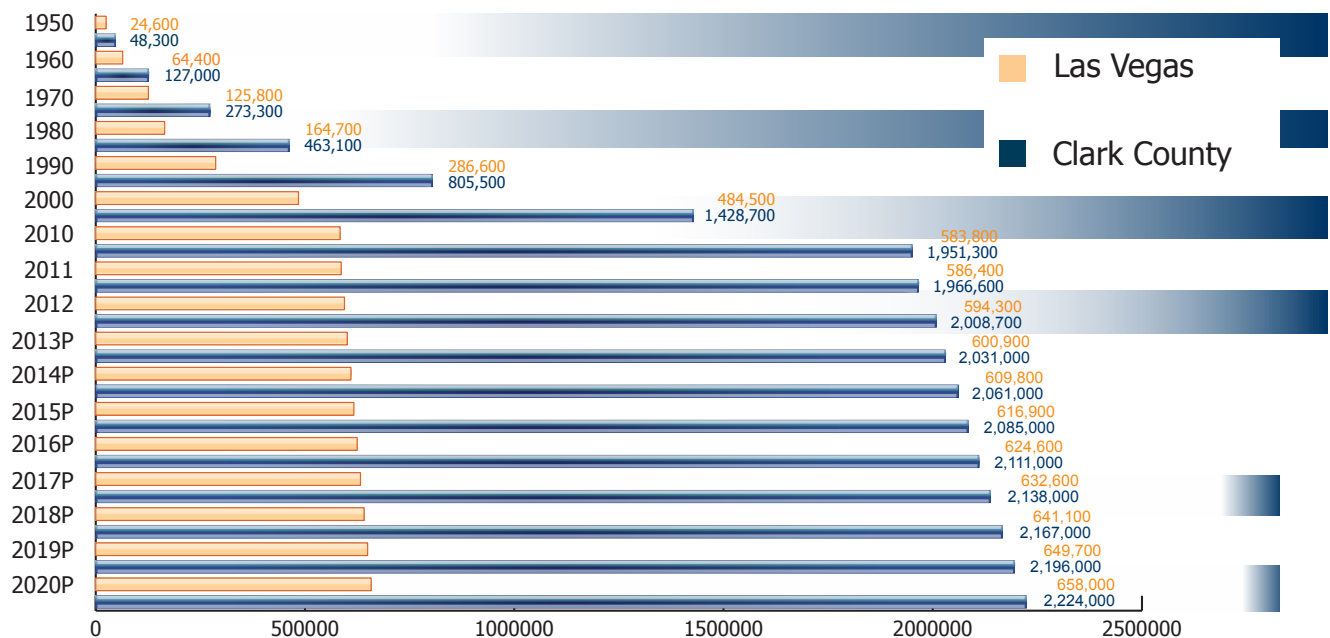
⁽⁵⁾ Bond limit is \$20,000,000 for the city of Henderson and \$10,000,000 for the rest of Clark County's jurisdictions.

⁽⁶⁾ Based on the county and locality adopted budget reports for each jurisdiction. Does not account for all service budgets in Clark County (e.g., airport, convention and visitors, fire/emergency, redevelopment, transportation, so forth).

⁽⁷⁾ Per every \$100 of assessed value. Entities that provide services for individual tax districts that comprise the Total Property Tax Rate are grouped into various tax rates: Combined Tax Rate, County Tax Rate, Combined Special District Tax Rate, School Tax Rate and State Tax.

Sources: Individual entities (November 2013).

Population Estimates and Projections



Sources: 2010 Census; Clark County Comprehensive Planning Department; Center for Business and Economic Research at UNLV; RCG Economics (November 2013).

DEMOGRAPHICS

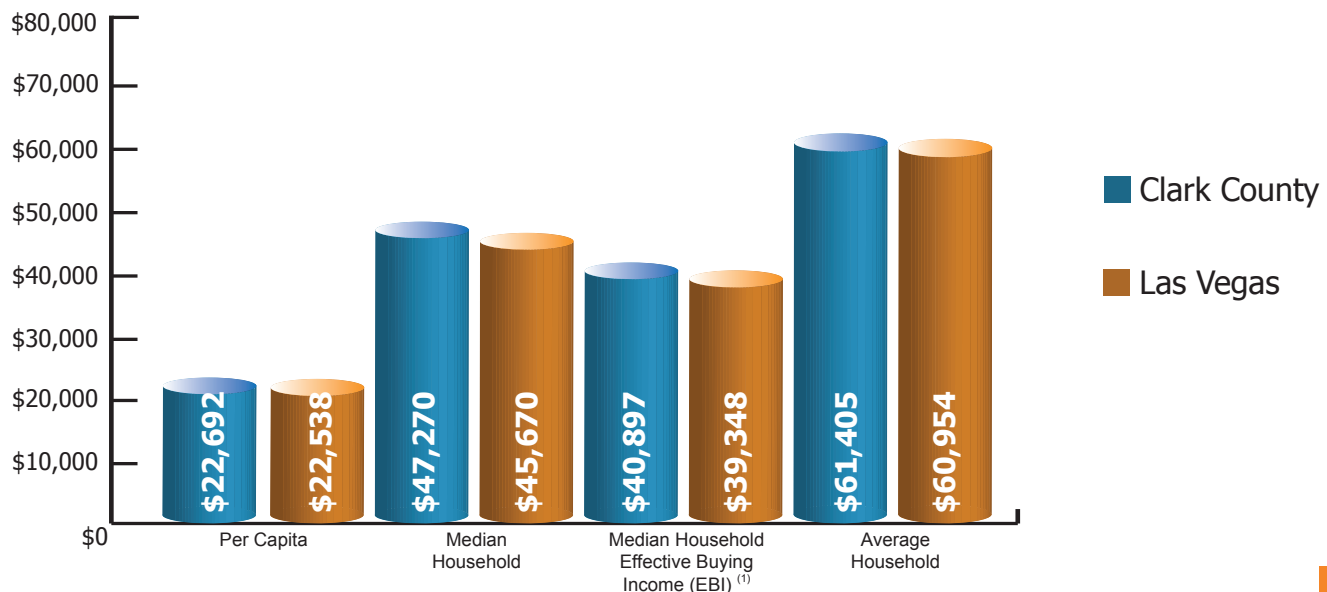
Las Vegas Population Change and Household Income by Zip Code

Zip Code	Population 2011	Population 2012	% Change	Median Household Income
89101	42,763	40,516	-5.3%	\$22,479
89102*	33,774	35,054	3.8%	\$29,781
89104*	34,618	34,724	0.3%	\$29,452
89106	31,260	25,849	-17.3%	\$27,864
89107	36,419	38,323	5.2%	\$40,971
89108	72,086	74,723	3.7%	\$39,707
89110*	73,633	74,636	1.4%	\$41,458
89117*	51,415	54,272	5.6%	\$46,982
89124*	7,844	6,996	-10.8%	\$76,429
89128	36,255	36,616	1.0%	\$46,594
89129*	49,058	52,253	6.5%	\$56,772
89130	29,299	31,517	7.6%	\$60,542
89131*	43,540	44,588	2.4%	\$76,358
89134	24,797	24,463	-1.3%	\$49,370
89138	12,292	12,630	2.7%	\$81,353
89143	12,054	13,565	12.5%	\$70,283
89144	19,021	18,462	-2.9%	\$70,794
89145	25,522	25,773	1.0%	\$47,441
89146*	17,991	18,613	3.5%	\$40,615
89149*	33,521	33,521	0.0%	\$63,791
89166*	8,417	9,384	11.5%	\$66,552

*Zip code includes other areas outside of Las Vegas boundaries.

Sources: Clark County Comprehensive Planning Department; Nielsen Claritas – 2013 estimates (November 2013).

Clark County and Las Vegas Residents' Income



⁽¹⁾ EBI: Personal income (wages, salaries, interest, dividends, rental income, and pension) after federal, state, and local taxes.

Source: Neilson Claritas – 2013 estimates (November 2013).

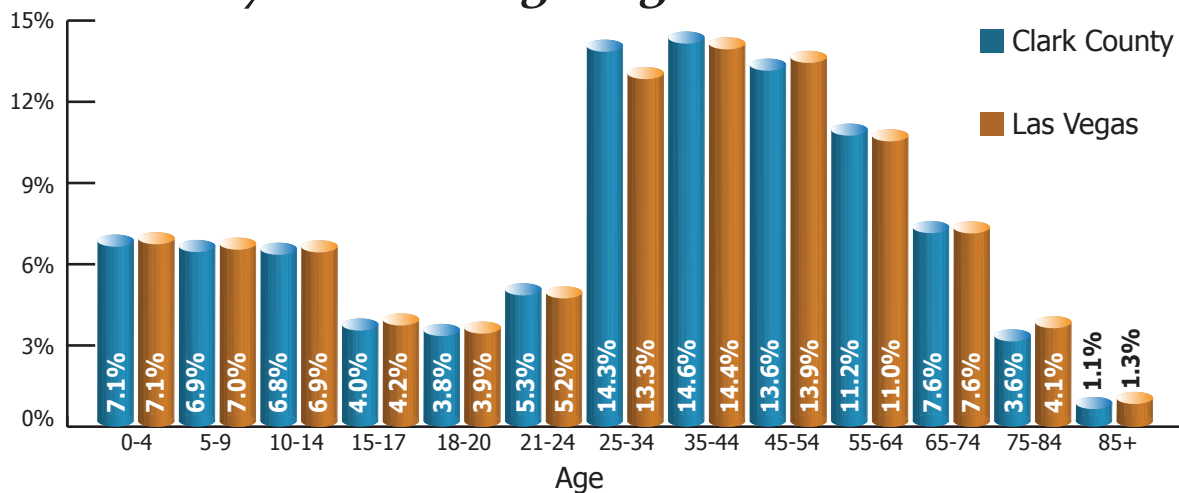
DEMOGRAPHICS

Clark County and Las Vegas Resident Profiles

	Clark County	Las Vegas
Race and Ethnicity	%	%
White	45.0	45.9
African American/Black	10.3	10.6
American Indian	0.4	0.4
Asian	9.3	6.2
Pacific Islander	0.7	0.6
Hispanic/Latino	30.9	33.2
More than one race	3.3	3.0
Other	0.2	0.2
Gender	%	%
Female	49.7	49.7
Male	50.3	50.3
Marital Status (Age 15+)	%	%
Never Married	32.2	31.6
Married, Spouse Present	42.9	42.3
Married, Spouse Absent	6.3	6.7
Divorced	13.5	13.8
Widowed	5.1	5.6
Education (Age 25+)	%	%
< 9th Grade	6.9	8.2
Some High School, No Diploma	9.4	10.0
HS Graduate (Incl. Equivalency)	29.5	28.9
Some College, No Degree	25.4	24.9
Associate Degree	7.0	6.8
Bachelor's Degree	14.6	13.6
Master's Degree	4.8	5.0
Professional School Degree	1.6	1.8
Doctorate Degree	0.7	0.8
Avg. Length of Residence (Years)	8.9	9.6

Sources: Neilsen Claritas – 2013 estimates (November 2013).

Clark County and Las Vegas Age Distribution



Source: Neilsen Claritas – 2013 estimates (November 2013).

Clark County and Las Vegas Resident Profiles

	Clark County	Las Vegas
Household Size	%	%
1-Person	25.5	26.5
2-Persons	31.5	30.6
3-Persons	16.2	15.8
4-Persons	12.9	12.8
5+ Persons	7.5	7.6
6+ Persons	3.7	3.8
7+ Persons	2.8	3.0
Avg. Household Size	2.7	2.7
Avg. Adults Per Household-18+	2.1	2.8
Household Income	%	%
< \$15,000	12.5	14.3
\$15,000 - \$24,999	12.0	12.7
\$25,000 - \$34,999	12.3	12.3
\$35,000 - \$49,999	16.1	15.0
\$50,000 - \$74,999	19.9	19.3
\$75,000 - \$99,999	12.0	11.3
\$100,000 - \$124,999	6.6	6.3
\$125,000 - \$149,999	3.1	3.0
\$150,000 - \$199,999	3.5	3.5
\$200,000 - \$499,999	1.7	1.9
\$500,000+	0.3	0.3
Type of Home	%	%
Single Family	58.8	60.2
Duplex and 3/4-Plex	2.2	3.0
Mobile Home	3.0	1.1
Apartments	21.1	22.3
Condo/Townhome	14.9	13.4
Occupied Housing Tenure	%	%
Owner Occupied	57.1	56.6
Renter Occupied	42.9	43.4

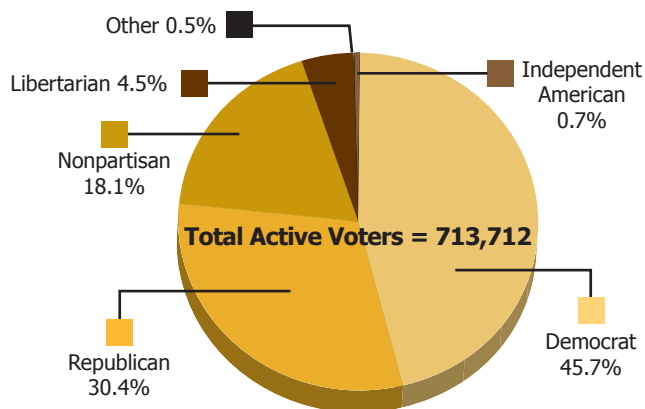
Sources: Clark County Comprehensive Planning Department; Neilsen Claritas – 2013 estimates (November 2013).

Population and Housing

Year	Population		Housing Units	
	Clark	Las Vegas	Clark	Las Vegas
2008	1,986,100	599,100	784,700	235,800
2009	2,006,300	607,900	796,300	239,800
2010	1,951,300	606,700	814,900	240,700
2011	1,966,600	586,400	817,300	241,300
2012	2,008,700	594,300	820,400	241,200

Source: Clark County Comprehensive Planning Department (November 2013).

Clark County Voter Registration



Source: Clark County Election Department (November 2013).
Note: All registered voters (active and inactive) totaled = 950,371.

DEMOGRAPHICS

Newcomer Data

Las Vegas Valley ⁽¹⁾

Newcomer Profile: 2012



Household Income Distribution	%	Children Per Household (Under 18)	%
Under \$15,000	8.2	0	64.2
\$15,000 - \$24,999	16.5	1	6.3
\$25,000 - \$34,999	12.2	2	8.7
\$35,000 - \$49,999	17.4	3	11.3
\$50,000 - \$74,999	16.0	4+	9.4
\$75,000 - \$99,999	10.0	Education of Adults	%
\$100,000 +	19.6	Some High School, No Diploma	12.6
Median Household Income	\$46,234	High School Graduate (or GED)	32.8
Marital Status	%	Some College, No Degree	20.8
Never Married	39.4	Associate Degree	5.4
Married, Spouse Present	42.2	Bachelor's Degree	10.9
Married, Spouse Absent	3.2	Graduate Degree	17.7
Widowed	5.8	Employment Status	%
Divorced	9.3	Full time	35.4
Age of Adults	%	Part-time	16.0
18 - 24	13.3	Homemaker	9.8
25 - 34	22.9	Student	26.3
35 - 44	17.7	Retired	12.5
45 - 54	11.9	Unemployed	32.5
55 - 64	13.9		
65+	20.4		
Median Age	42.0		

⁽¹⁾ The Las Vegas valley in this table includes Boulder City.

Source: 2013 Las Vegas Perspective.



Clark County Newcomers' States of Origin: 2012

Top Ten States of Origin

- | | | | | |
|---------------|-------------|-------------|-------------|------------|
| 1. California | 2. Arizona | 3. Florida | 4. Texas | 5. Utah |
| 6. Washington | 7. Illinois | 8. New York | 9. Colorado | 10. Hawaii |

Source: Center for Business and Economic Research at UNLV (November 2013).

Retiree Profile



Las Vegas Valley⁽¹⁾ Retiree Profile: 2012

Household Income Distribution	%	Type of Home	%
Under \$15,000	15.5	Single Family	76.8
\$15,000 - \$24,999	17.1	Apt/Condo/Townhome	20.9
\$25,000 - \$34,999	13.1	Plex (2-4 Units)	1.0
\$35,000 - \$49,999	15.7	Mobile Home	1.3
\$50,000 - \$74,999	14.5	Length of Residence	%
\$75,000 - \$99,999	6.0	Newcomer	5.5
\$100,000 +	18.1	1 Year or Longer	94.5
Median Household Income	\$45,927	Persons Per Household	%
Marital Status	%	1	32.5
Never Married	8.0	2	46.9
Married, Spouse Present	60.0	3	15.5
Married, Spouse Absent	1.3	4	4.0
Widowed	16.4	5+	1.1
Divorced	14.3	Average Household Size (Persons)	2.3
Gender	%	Home Ownership	%
Female	47.1	Own	76.9
Male	52.9	Rent	23.1
Male/Female Ratio	0.89		

⁽¹⁾ The Las Vegas valley in this table includes Boulder City.

Source: 2013 Las Vegas Perspective.



DEMOGRAPHICS

2013 Metro Area Rankings

Comparison of Las Vegas MSA to Selection of Western Metros									
Rankings for Select Western U.S. Areas ⁽¹⁾ (Total metros ranked = 23)									
Metro Area	Population	Gross Metro Product Growth	Rank	Employment Growth	Rank	Unemployment Rate Change	Rank	Housing Price Growth	Rank
Albuquerque, NM	902,794	7.0%	17	1.2%	23	-1.3%	1	0.8%	23
Bakersfield-Delano, CA	856,158	10.8%	6	12.9%	2	-4.7%	20	13.2%	8
Boise City-Nampa, ID	635,964	7.8%	15	7.1%	8	-2.9%	5	17.0%	3
Colorado Springs, CO	668,353	9.2%	10	4.5%	16	-1.6%	2	3.4%	22
Denver-Aurora-Broomfield, CO	2,645,209	8.5%	14	7.6%	6	-2.2%	3	8.0%	17
Fresno, CA	947,895	4.0%	22	2.6%	22	-4.4%	17	8.3%	16
Las Vegas-Paradise, NV	2,000,759	5.7%	18	4.9%	13	-4.6%	18	16.6%	4
Los Angeles-Long Beach-Santa Ana, CA	13,052,921	8.6%	12	5.1%	12	-3.0%	6	8.4%	12
Modesto, CA	521,726	4.7%	21	3.1%	20	-4.9%	21	15.1%	5
Ogden-Clearfield, UT	562,356	8.8%	11	7.7%	5	-3.6%	9	5.0%	21
Oxnard-Thousand Oaks-Ventura, CA	835,981	2.9%	23	4.6%	14	-3.6%	10	8.3%	14
Phoenix-Mesa-Glendale, AZ	4,329,534	10.1%	7	6.3%	10	-3.2%	7	24.1%	1
Portland-Vancouver-Hillsboro, OR-WA	2,289,651	21.8%	1	6.4%	9	-3.8%	13	7.3%	18
Provo-Orem, UT	550,461	14.2%	4	14.2%	1	-3.6%	11	8.3%	15
Riverside-San Bernardino-Ontario, CA	4,350,096	8.5%	13	3.5%	17	-4.6%	19	12.3%	10
Sacramento-Arden-Arcade-Roseville, CA	2,196,482	5.5%	19	3.2%	19	-4.3%	15	14.5%	6
Salt Lake City, UT	1,161,715	12.6%	5	9.4%	4	-3.7%	12	8.3%	13
San Diego-Carlsbad-San Marcos, CA	3,177,063	9.9%	8	4.5%	15	-3.5%	8	10.2%	11
San Francisco-Oakland-Fremont, CA	4,455,560	9.4%	9	7.1%	7	-4.2%	14	12.8%	9
San Jose-Sunnyvale-Santa Clara, CA	1,894,388	20.2%	2	10.6%	3	-5.1%	22	13.4%	7
Seattle-Tacoma-Bellevue, WA	3,552,157	15.2%	3	6.1%	11	-4.4%	16	6.4%	19
Stockton, CA	702,612	5.0%	20	3.4%	18	-5.3%	23	18.5%	2
Tucson, AZ	992,394	7.6%	16	2.6%	21	-2.7%	4	5.8%	20

Sources: Brookings Metro Monitor; U.S. Census Bureau - 2012 American Community Survey (November 2013).

⁽¹⁾ Select metro areas in the Western United States (Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming).

Gross Metro Product Growth represents the total value of goods and services produced in an area. Read as the growth rate from that area's trough during recession.

Employment Growth is the growth rate of total wage and salary jobs from that area's trough during recession.

Unemployment Rate Change is the decrease in the unemployment rate from that area's peak unemployment during the recession.

Housing Price Growth is the growth rate of the price of single-family homes whose mortgages have been purchased or securitized by Fannie Mae or Freddie Mac. Read as the growth rate from that area's trough during the recession.

Las Vegas Zip Code Profiles

	89101	89102*	89104*	89106	89107	89108	89110*	89117*	89124*	89128	89129*	89130	89131*	89134	89138	89143	89144	89145	89146*	89149*	89166*
POPULATION	40,516	35,054	34,724	25,849	38,323	74,723	74,636	54,272	6,996	36,616	52,253	31,517	44,588	24,463	12,630	13,565	18,462	25,773	18,613	33,521	9,384
Age																					
0 - 4	8%	9%	7%	9%	8%	8%	9%	5%	4%	6%	6%	9%	7%	9%	8%	8%	9%	5%	6%	6%	5%
5 - 9	7%	7%	7%	9%	7%	8%	9%	5%	4%	6%	6%	7%	7%	9%	7%	8%	9%	5%	6%	6%	6%
10 - 14	6%	6%	6%	8%	7%	7%	9%	5%	3%	6%	8%	6%	6%	8%	7%	7%	9%	5%	6%	8%	7%
15 - 17	4%	4%	4%	4%	5%	4%	5%	3%	3%	4%	5%	4%	4%	4%	5%	4%	5%	3%	4%	5%	5%
18 - 20	5%	4%	4%	4%	4%	4%	5%	3%	5%	4%	4%	4%	4%	4%	4%	4%	5%	3%	4%	4%	4%
21 - 24	6%	5%	5%	6%	6%	6%	6%	5%	10%	5%	5%	5%	5%	6%	6%	6%	6%	5%	5%	5%	5%
25 - 34	16%	15%	13%	14%	13%	15%	13%	14%	23%	13%	13%	15%	13%	14%	13%	15%	13%	14%	13%	13%	10%
35 - 44	15%	14%	13%	13%	13%	14%	14%	14%	19%	14%	15%	14%	13%	13%	13%	14%	14%	14%	14%	15%	14%
45 - 54	14%	12%	14%	13%	13%	13%	13%	15%	16%	15%	16%	12%	14%	13%	13%	13%	13%	15%	15%	16%	15%
55 - 64	10%	10%	12%	10%	11%	10%	9%	14%	8%	12%	12%	10%	12%	10%	11%	10%	9%	14%	12%	12%	13%
65 - 74	5%	8%	8%	6%	7%	7%	5%	9%	4%	8%	7%	8%	8%	6%	7%	7%	5%	9%	8%	7%	10%
75 - 84	2%	4%	4%	3%	4%	3%	2%	5%	1%	4%	3%	4%	4%	3%	4%	3%	2%	5%	4%	3%	5%
85+	1%	2%	1%	1%	1%	1%	1%	2%	1%	2%	1%	2%	1%	1%	1%	1%	1%	2%	2%	1%	1%
Median Age	33	35	38	33	35	34	31	41	35	39	37	41	37	64	36	33	40	40	40	35	30
Race and Ethnicity																					
White	20%	27%	29%	15%	34%	34%	21%	57%	43%	51%	62%	63%	67%	80%	58%	62%	68%	58%	43%	63%	57%
African American/Black	13%	8%	6%	38%	7%	14%	8%	9%	26%	13%	9%	10%	8%	4%	5%	10%	5%	8%	10%	9%	10%
American Indian	1%	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Asian	3%	8%	6%	4%	4%	4%	5%	13%	7%	7%	7%	5%	6%	6%	18%	7%	12%	7%	11%	7%	8%
Pacific Islander	0%	1%	1%	1%	1%	1%	0%	0%	0%	1%	1%	1%	0%	0%	0%	1%	1%	1%	1%	0%	1%
Hispanic/Latino	61%	54%	57%	40%	52%	44%	64%	16%	21%	23%	17%	18%	14%	7%	14%	16%	11%	23%	32%	15%	20%
More than one race	1%	2%	2%	3%	2%	3%	2%	4%	2%	4%	4%	4%	4%	2%	4%	5%	4%	3%	3%	4%	4%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Marital Status (Age 15+)																					
Never Married	42%	40%	36%	39%	33%	34%	36%	32%	37%	33%	26%	26%	25%	15%	31%	31%	27%	30%	34%	28%	30%
Married, Spouse Present	26%	30%	30%	28%	38%	37%	41%	43%	42%	40%	51%	52%	59%	60%	48%	49%	52%	43%	37%	49%	45%
Married, Spouse Absent	10%	8%	8%	11%	8%	9%	9%	5%	7%	6%	4%	5%	4%	3%	6%	4%	4%	8%	6%	5%	7%
Divorced	17%	15%	17%	16%	14%	14%	10%	14%	12%	15%	15%	11%	10%	9%	13%	14%	14%	13%	16%	14%	16%
Widowed	5%	7%	8%	6%	7%	6%	4%	6%	2%	6%	5%	6%	3%	12%	3%	2%	3%	5%	6%	4%	2%
Per Capita Income	\$10,845	\$15,938	\$13,760	\$13,148	\$16,566	\$17,817	\$15,167	\$27,719	\$34,805	\$25,594	\$25,336	\$26,427	\$29,646	\$38,089	\$34,859	\$23,757	\$38,967	\$25,106	\$23,173	\$28,383	\$30,271

DEMOGRAPHICS

Las Vegas Zip Code Profiles, continued...

	89101	89102*	89104*	89106	89107	89108	89110*	89117*	89124*	89128	89129*	89130	89131*	89134	89138	89143	89144	89145	89146*	89149*	89166*
Education (Age 25+)																					
< 9th Grade	23%	16%	16%	18%	14%	10%	17%	3%	3%	3%	2%	3%	1%	1%	3%	1%	1%	5%	8%	2%	1%
Some High School, No Diploma	20%	15%	15%	19%	13%	11%	16%	7%	8%	8%	6%	6%	5%	5%	3%	5%	4%	9%	10%	5%	6%
HS Graduate (Incl. Equivalency)	32%	31%	33%	32%	32%	34%	33%	25%	31%	31%	27%	31%	28%	23%	15%	30%	21%	32%	27%	25%	24%
Some College, No Degree	16%	20%	22%	18%	23%	24%	18%	28%	25%	28%	29%	30%	30%	26%	26%	30%	23%	24%	28%	32%	29%
Associate Degree	2%	6%	4%	4%	6%	6%	4%	8%	3%	7%	9%	8%	9%	7%	7%	9%	8%	8%	7%	9%	11%
Bachelor's Degree	5%	9%	7%	5%	8%	10%	8%	18%	17%	14%	17%	14%	18%	21%	27%	17%	24%	14%	13%	20%	20%
Master's Degree	1%	2%	2%	2%	3%	3%	3%	6%	8%	7%	7%	6%	7%	10%	12%	6%	11%	6%	5%	5%	6%
Professional School Degree	1%	1%	1%	1%	1%	1%	1%	3%	3%	2%	2%	1%	1%	4%	6%	1%	6%	2%	2%	2%	2%
Doctorate Degree	0%	0%	1%	0%	1%	0%	0%	1%	3%	1%	1%	1%	1%	2%	2%	1%	1%	1%	1%	1%	1%
Travel Time to Work																					
< 15 Minutes	18%	29%	18%	20%	22%	19%	15%	25%	12%	21%	14%	16%	14%	26%	19%	11%	25%	24%	25%	15%	8%
15 to 29 Minutes	44%	47%	48%	44%	48%	43%	38%	45%	38%	48%	45%	38%	36%	42%	43%	38%	41%	49%	48%	40%	41%
30 to 44 Minutes	24%	15%	21%	24%	20%	26%	34%	18%	22%	21%	26%	30%	35%	19%	26%	35%	24%	18%	18%	29%	33%
45 to 59 Minutes	5%	3%	4%	4%	4%	5%	5%	3%	11%	3%	6%	7%	8%	3%	4%	9%	4%	4%	3%	7%	10%
60+ Minutes	8%	4%	6%	8%	4%	6%	6%	4%	12%	3%	4%	4%	3%	1%	4%	5%	2%	2%	3%	4%	4%
Worked At Home	1%	2%	2%	1%	2%	2%	2%	5%	4%	5%	4%	4%	4%	8%	5%	3%	3%	2%	4%	5%	3%
HOUSEHOLDS	14,300	13,209	11,968	8,614	12,750	26,334	21,567	22,932	528	14,775	19,238	11,549	15,112	12,044	4,547	4,204	7,260	10,216	7,315	12,670	3,674
Households by Ethnicity																					
White	32%	40%	42%	19%	47%	45%	30%	64%	70%	60%	69%	70%	73%	85%	63%	68%	73%	66%	51%	69%	63%
African American/Black	15%	10%	8%	44%	9%	16%	10%	9%	4%	13%	9%	10%	8%	4%	5%	10%	5%	8%	11%	9%	11%
American Indian	1%	0%	1%	0%	1%	1%	0%	0%	2%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Asian	4%	8%	5%	4%	4%	4%	5%	11%	10%	6%	6%	4%	5%	5%	17%	6%	10%	6%	11%	6%	7%
Pacific Islander	0%	0%	0%	1%	1%	1%	0%	0%	1%	1%	1%	0%	0%	0%	0%	1%	1%	1%	1%	0%	1%
Hispanic/Latino	46%	39%	41%	30%	37%	32%	53%	12%	11%	17%	12%	13%	10%	5%	11%	12%	8%	16%	23%	12%	16%
More than one race	2%	2%	2%	2%	2%	2%	1%	3%	3%	2%	2%	2%	2%	1%	3%	3%	2%	2%	2%	2%	2%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Las Vegas Zip Code Profiles, continued...

	89101	89102*	89104*	89106	89107	89108	89110*	89117*	89124*	89128	89129*	89130	89131*	89134	89138	89143	89144	89145	89146*	89149*	89166*
Household Size																					
1-Person	39%	34%	31%	29%	27%	26%	16%	31%	22%	29%	22%	20%	14%	35%	18%	12%	24%	29%	29%	21%	26%
2-Persons	19%	26%	26%	23%	26%	28%	23%	36%	36%	33%	33%	36%	32%	47%	30%	25%	34%	34%	33%	35%	32%
3-Persons	11%	14%	13%	16%	15%	17%	17%	15%	17%	17%	18%	18%	19%	9%	19%	19%	17%	16%	16%	18%	18%
4-Persons	11%	11%	11%	13%	12%	13%	17%	10%	14%	12%	15%	14%	17%	6%	19%	20%	15%	11%	11%	14%	14%
5-Persons	9%	7%	8%	9%	9%	8%	13%	5%	8%	5%	8%	7%	10%	2%	9%	13%	7%	6%	6%	7%	6%
6-Persons	6%	4%	5%	5%	5%	4%	7%	2%	3%	2%	3%	3%	5%	1%	4%	6%	2%	3%	3%	3%	2%
7+ Persons	5%	4%	6%	5%	5%	4%	7%	1%	1%	1%	2%	2%	3%	0%	2%	4%	1%	2%	2%	2%	1%
Avg. Household Size	2.7	2.6	2.8	2.9	3.0	2.8	3.4	2.3	2.6	2.4	2.7	2.7	3.1	2.0	2.9	3.3	2.6	2.5	2.5	2.7	2.5
Household Income																					
< \$15,000	33%	22%	22%	28%	15%	15%	14%	12%	8%	11%	10%	10%	4%	9%	11%	5%	8%	13%	14%	7%	4%
\$15,000 - \$24,999	22%	21%	21%	17%	14%	16%	14%	11%	7%	13%	10%	8%	4%	14%	6%	3%	6%	11%	14%	8%	6%
\$25,000 - \$34,999	16%	15%	16%	17%	12%	14%	14%	14%	9%	14%	10%	10%	7%	13%	7%	5%	7%	11%	16%	9%	8%
\$35,000 - \$49,999	12%	15%	14%	14%	20%	16%	18%	16%	9%	16%	14%	13%	12%	15%	6%	13%	12%	18%	16%	14%	12%
\$50,000 - \$74,999	11%	14%	16%	13%	22%	21%	19%	20%	15%	20%	21%	21%	21%	18%	16%	29%	20%	21%	18%	24%	30%
\$75,000 - \$99,999	4%	6%	6%	6%	8%	9%	10%	11%	21%	11%	14%	16%	19%	11%	17%	20%	17%	12%	8%	17%	19%
\$100,000 - \$124,999	1%	3%	3%	2%	4%	5%	5%	6%	13%	6%	9%	9%	12%	8%	12%	12%	10%	6%	5%	9%	9%
\$125,000 - \$149,999	1%	1%	1%	1%	1%	2%	2%	3%	6%	3%	4%	5%	8%	4%	7%	6%	5%	3%	3%	5%	4%
\$150,000 - \$199,999	0%	2%	1%	1%	1%	2%	2%	4%	5%	3%	5%	6%	8%	4%	10%	5%	6%	3%	5%	6%	5%
\$200,000 - \$499,999	0%	1%	0%	1%	1%	1%	1%	3%	5%	2%	2%	2%	4%	4%	7%	2%	6%	2%	2%	3%	2%
\$500,000+	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%	0%	0%	0%	1%	1%	0%	2%	0%	0%	0%	0%
Median Household Income	\$22,479	\$29,781	\$29,452	\$27,864	\$40,971	\$39,707	\$41,458	\$46,982	\$76,429	\$46,594	\$56,772	\$60,542	\$76,358	\$49,370	\$81,353	\$70,283	\$70,794	\$47,441	\$40,615	\$63,791	\$66,552
Average Household Income	\$29,726	\$42,060	\$38,770	\$38,362	\$48,892	\$49,871	\$52,212	\$64,673	\$91,416	\$62,298	\$69,015	\$71,698	\$90,359	\$75,785	\$100,899	\$79,289	\$100,496	\$62,353	\$58,130	\$76,864	\$76,579
Vehicles Available per Household																					
No Vehicles	37%	19%	18%	19%	10%	10%	7%	6%	5%	8%	4%	2%	1%	3%	3%	1%	2%	5%	8%	3%	2%
1 Vehicle	36%	44%	44%	44%	40%	42%	35%	44%	24%	43%	34%	32%	23%	48%	26%	23%	34%	41%	39%	33%	32%
2 Vehicles	17%	26%	27%	22%	33%	32%	38%	36%	48%	38%	44%	44%	50%	40%	55%	60%	48%	38%	38%	43%	52%
3 Vehicles	6%	7%	7%	9%	11%	11%	13%	12%	17%	8%	12%	16%	19%	7%	14%	12%	13%	13%	11%	14%	11%
4 Vehicles	1%	2%	3%	4%	4%	4%	5%	2%	4%	3%	4%	5%	6%	1%	1%	3%	2%	3%	3%	5%	2%
5+ Vehicles	1%	1%	1%	1%	1%	1%	2%	1%	2%	0%	1%	1%	1%	1%	1%	1%	1%	1%	2%	1%	0%

DEMOGRAPHICS

Las Vegas Zip Code Profiles, continued...

	89101	89102*	89104*	89106	89107	89108	89110*	89117*	89124*	89128	89129*	89130	89131*	89134	89138	89143	89144	89145	89146*	89149*	89166*
HOUSING UNITS	17,766	15,733	13,898	11,079	13,476	28,400	23,204	23,909	1,005	16,193	19,884	11,632	16,069	12,820	4,856	4,749	8,146	11,434	7,764	14,443	4,485
Type of Home																					
Single Family	31%	27%	61%	47%	69%	53%	61%	56%	59%	53%	79%	89%	94%	82%	90%	100%	72%	60%	45%	73%	77%
Duplex or 3/4-Plex	16%	1%	6%	12%	2%	4%	3%	1%	0%	1%	0%	0%	0%	0%	0%	0%	0%	1%	2%	0%	0%
Mobile Home	0%	2%	10%	0%	0%	1%	9%	0%	39%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	1%
Apartment	48%	60%	21%	36%	20%	29%	16%	29%	0%	16%	10%	0%	2%	0%	5%	0%	6%	10%	38%	14%	0%
Townhome	1%	6%	0%	2%	5%	4%	8%	2%	0%	5%	4%	3%	2%	13%	2%	0%	4%	11%	3%	4%	0%
Condominium	4%	4%	2%	4%	4%	8%	3%	12%	1%	25%	7%	8%	2%	5%	3%	0%	18%	19%	11%	8%	22%
Housing Vacancy	20%	16%	14%	22%	5%	7%	7%	4%	47%	9%	3%	1%	6%	6%	6%	11%	11%	11%	6%	12%	18%
Occupied Housing Units	14,300	13,209	11,968	8,614	12,750	26,334	21,567	22,932	528	14,775	19,238	11,549	15,112	12,044	4,547	4,245	7,260	10,216	7,315	12,670	3,674
Vacant Housing Units	3,466	2,524	1,930	2,465	726	2,066	1,637	977	477	1,418	646	83	957	776	309	504	886	1,218	449	1,773	811
Occupied Housing Tenure																					
Owner Occupied	21%	31%	52%	37%	56%	49%	60%	49%	73%	55%	67%	79%	81%	83%	68%	80%	69%	65%	45%	70%	58%
Renter Occupied	79%	69%	48%	63%	44%	51%	40%	51%	27%	45%	33%	21%	19%	17%	32%	20%	31%	35%	55%	30%	42%
Avg. Length of Residence (Years), Owner Occupied	19.2	17.0	16.2	19.8	17.8	14.4	14.6	12.7	8.2	12.9	11.2	11.9	8.3	13.5	6.5	8.6	11.1	13.7	16.9	9.0	5.0
Avg. Length of Residence (Years), Renter Occupied	5.9	6.1	6.0	6.7	6.5	5.3	5.4	5.3	4.6	5.7	5.0	4.9	4.9	6.5	4.4	4.7	5.1	5.5	5.5	4.7	4.3

* Zip code includes other areas outside of Las Vegas boundaries.

Sources: Clark County Comprehensive Planning Department; RCG Economics; Neilsen Claritas – 2013 estimates (November 2013).

Demographic Data Collection, Estimate and Limitations November 2013

The demographic statistics used herein by RCG Economics are based on resident population and housing unit data prepared by the Clark County Department of Comprehensive Planning, dated December 2012. Using these data as baseline totals, RCG applied the various census-based economic and demographic characteristics (e.g., age, sex, race, ethnicity and household income) developed by Neilsen Claritas to derive the demographic statistics at the Zip Code, city and county levels presented. While information herein was obtained from sources deemed reliable, no representation or warranty is made to the accuracy thereof.

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REAL ESTATE DIVISION

NOT TRANSFERABLE

This is to Certify That: JOHN L EMMERLING

Permit Number: ATMP.0012700.CG

Has been issued a TEMPORARY PRACTICE PERMIT by the State of Nevada for a specified appraisal assignment from the issue date to the expiration date at the business address stated here in, unless the permit is sooner revoked, cancelled, withdrawn, or invalidated.

Issue Date: October 2, 2014

Expire Date: March 30, 2015

In witness whereof, THE DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION, by virtue of the authority vested in it by Chapter 645C of the Nevada Revised Statutes, has caused this Permit to be issued with its Seal printed thereon.

FOR: JOHN L EMMERLING
TROPHY PROPERTY COMPANY INC
2224 SOUTH QUEEN ST
LAKEWOOD, CO 80227

REAL ESTATE DIVISION

JOSEPH (JD) DECKER
Administrator



LIST OF CHARTER SCHOOLS APPRAISED

Listing of Charter Schools Appraised or Feasibility Studies John L. Emmerling, MAI

2002

Stargate Charter School – Thornton, Colorado
Bromely East Charter School – Brighton, Colorado
Peak to Peak Charter School – Lafayette, Colorado

2003

Academy of Charter Schools – Westminster, Colorado
Pioneer Charter School – Fort Collins, Colorado
Aspen Academy Charter School – Highlands Ranch, Colorado

2004

Denver Lutheran High School – Denver, Colorado
Lutheran High School of the Rockies – Parker, Colorado
Heritage Christian School – Fort Collins, Colorado
Elbert County Charter School – Elizabeth, Colorado
Aurora Academy Charter School – Aurora, Colorado

2005

Commerce City Academy – Commerce City, Colorado
Community Leadership Academy – Commerce City, Colorado
Montessori School of Evergreen – Evergreen, Colorado
Woodrow Wilson Charter School – Westminster, Colorado
Ridgeview Classical Schools – Fort Collins, Colorado
Knowledge Quest Academy – Milliken, Colorado

2006

North Colorado Academy of Arts & Technology – Fort Collins, Colorado
Denver Academy – Denver, Colorado
American Leadership Academy – Spanish Fork, Utah
Carbon Valley Academy – Fredrick, Colorado

2007

Spectrum Academy School – North Salt Lake, Utah
Liberty Academy Charter School – Salem, Utah
Lakeview Academy Charter School – Saratoga Springs, Utah
Channing Hall Charter School – Draper, Utah
Challenges, Choices & Images Charter School – Denver, Colorado
Northeast Academy Charter School – Denver, Colorado
Monument Academy – Monument, Colorado
Ronald Reagan Academy – Springville, Utah
Summit Academy – Draper, Utah
Vail Christian High School – Edwards, Colorado

Listing of Charter Schools Appraised

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2008

Academy of Charter Schools – Westminster, Colorado
Denver Academy – Denver, Colorado
New Vision Charter School – Loveland, Colorado
Rockwell School – Saratoga Springs, Utah
Flagstaff Charter School – Longmont, Colorado
Twin Peaks Charter School – Longmont, Colorado
North Star Academy – Parker, Colorado

2009

Free Horizon Charter School - Golden, Colorado
Berean Academy Charter School – Sierra Vista, Arizona
Legacy Traditional School – Maricopa, Arizona
Crown Point Academy – Westminster, Colorado
High Point Academy – Aurora, Colorado

2010

Odyssey Academy Charter School – Buckeye, Arizona
American Leadership Academy – Gilbert, Arizona
Cambridge Academy (2) – Mesa & Queen Creek, Arizona
Academy of Charter Schools Pre-K-2nd – Westminster, Colorado
Twin Peaks Academy Charter School – Longmont, Colorado
Global Village Academy Charter School – Aurora, Colorado
Caprock Charter School – Grand Junction, Colorado

2011

Candeo Schools – Peoria, Arizona
Kennesaw Charter School – Kennesaw, Georgia
Highline Academy – Denver, Colorado
Monarch Montessori (Samsonite) – Denver, Colorado
DeKalb Academy – Stone Mountain, Georgia
Brooks Academy – San Antonio, Texas
Lincoln Academy – Arvada, Colorado
Stone Creek Charter School – Edwards, Colorado
AXL Academy Charter School – Aurora, Colorado

Listing of Charter Schools Appraised

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2012

Jefferson Academy – Broomfield and Westminster, Colorado
Academy for Technology and the Classics – Santa Fe, New Mexico
Explore Knowledge Academy – Las Vegas, Nevada
STEM Academy Charter School – Highlands Ranch, Colorado
SkyView Academy Charter School – Lone Tree, Colorado
University Labs Charter School – Greeley, Colorado
Littleton Preparatory Academy – Littleton, Colorado
Mountain Phoenix Charter School – Wheat Ridge Colorado
Community Leadership Academy Charter School – Commerce City, CO
American Academy 2 Charter School – Parker, Colorado
National Dance Institute of New Mexico – Santa Fe, New Mexico

2013

Boulder College of Massage Therapy – Boulder, Colorado
STEM Academy Charter School – Highlands Ranch, Colorado
Prospect Ridge Academy Charter School – Broomfield, Colorado
Rocky Mountain Classical Academy – Falcon, Colorado (Consulting)

2014

Vanguard Classical School – Lowery Campus – Denver, Colorado
Vanguard Classical School – East Campus – Aurora, Colorado
Twin Peaks Academy charter School – Longmont, Colorado
Swallows Charter Academy School – Pueblo West, Colorado
Colorado Early Colleges – Colorado Springs, Colorado
Colorado Early Colleges – Fort Collins, Colorado
Colorado Early colleges – Douglas County – Parker, Colorado

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this “Agreement”), is made as of January __, 2015, by and between BOYER SKYPOINTE ACADEMY, L.C., a Utah limited liability company (the “Seller”) and SOMERSET ACADEMY OF LAS VEGAS, a political subdivision of the State of Nevada (the “Buyer”).

RECITALS

A. Whereas, Seller, as landlord, and Buyer, as tenant, entered into that certain Lease Agreement dated November 21, 2012 (as amended, the “Lease”) pursuant to which Seller leases to Buyer certain real property located at 7038 Sky Pointe Drive, Las Vegas, Nevada, which is more particularly described on Exhibit “A” attached hereto and made a part hereof (the “Property”).

B. Whereas, pursuant to Section 46 of the Lease, Seller granted to Buyer the right to purchase the Property.

C. Whereas, Buyer has exercised Buyer’s right to purchase the Property in accordance with the requirements of Section 46 of the Lease, and Buyer and Seller are entering into this Agreement as required by Section 46(a) of the Lease.

NOW THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt of which is hereby acknowledged, Buyer and Seller hereby agree as follows:

1. **Property.**

At Closing, Seller agrees to:

- (a) sell and convey to Buyer, and Buyer agrees to purchase and accept from Seller, upon the terms and conditions set forth in this Agreement, the Property, including all rights and appurtenances thereto, including, without limitation, all of Seller’s right, title and interest in and to adjacent streets, alleys, rights-of-way and easements appurtenant thereto; and
- (b) sublease to Buyer the Ground Lease Property (defined below) pursuant to the form of Lease set forth on Exhibit “D” attached hereto (the “Sub-Ground Lease”).

At Closing, Buyer agrees to:

- (a) ground lease to Seller the portion of the Property legally described on Exhibit “B” (the “Ground Lease Property”) attached hereto pursuant to the terms and conditions substantially set forth on Exhibit “C” attached hereto (the “Ground Lease”).

2. **Consideration.** The purchase price for the Property shall be an amount equal to Twenty-One Million Ninety-Three Thousand Four Hundred Thirty-Three and no/100 Dollars (\$21,093,433).

3. **Escrow.** Within three (3) business days of the execution of this Agreement by Buyer and Seller, Buyer shall open an escrow with Title Company, by depositing with Nevada Title Company, 3993 Howard Hughes Parkway, Suite 120, Las Vegas, Nevada 89169 Attention: Brenda Burns (the "Title Company") an executed copy of this Agreement. The Agreement, together with other written instructions as will be provided by Buyer and Seller to the Title Company, shall constitute their escrow instructions to the Title Company.

4. **Title Commitment and Survey.** Buyer has reviewed the title commitment order number [_____] and survey of the Property prepared by [_____], and such matters of title are considered acceptable; provided, any mortgages, deeds of trust, mechanic's liens or other encumbrances which can be removed by the payment of money which arise by through or under Seller (the "Seller Encumbrances") shall, without exception, be removed by Seller at or prior to Closing. All matters disclosed in the title commitment and survey of the Property, other than Seller Encumbrances, are "Permitted Exceptions."

5. **Investigations.** From and after the Effective Date and through and including the date of the termination of this Agreement or the Closing, Buyer and its representatives shall have the right to enter upon the Property to conduct investigations, including without limitation, obtaining or performing surveys, soils and/or water tests, engineering studies, feasibility studies, environmental assessments and inspections, evaluating the availability of utilities, drainage, and access, and performing such other investigations as Buyer may desire to determine the suitability of the Property for Buyer's intended use. Buyer, in the conduct of its investigation, shall not unreasonably interfere with any existing operations on the Property. Buyer is responsible for payment for all such investigations and will pay for any damage that occurs to the Property as a result of such investigations. Buyer will not permit claims or liens of any kind against the Property for such investigations. Buyer shall indemnify, defend and hold Seller harmless from and against any and all liability, damage, cost or expense incurred by Seller and caused by any such investigation, claim or lien and resulting from Buyer's investigation of the Property. The provisions of this section will survive the termination of this Agreement.

6. **Closing.**

(a) The conveyance of the Property to Buyer (the "Closing") shall be closed on the earlier to occur of (i) May 30, 2015; or (ii) fifteen (15) days after Buyer gives Seller notice it is ready, willing and able to close (the "Closing Date"). On the Closing Date the Title Company shall record the Deed and the Memorandum of Ground Lease (in that order), prior to recording any liens on the Property (subject to the terms of the Ground Lease).

7. **Closing Deliverables.**

(a) The following shall be delivered by Seller at Closing:

- i. A Grant, Bargain and Sale Deed (“Deed”) executed and acknowledged by Seller in the form attached hereto as Exhibit “E”;
- ii. An affidavit in the form required by Buyer which indicates that Seller is exempt from the Foreign Investment in Real Property Tax Act (FIRPTA);
- iii. An assignment in favor of Buyer of all preliminary, final and proposed building plans and specifications (including “as-built” plans and drawings) and tenant improvement plans and specifications, surveys, grading plans, topographical maps, architectural and structural drawings and engineering, soils, seismic, environmental, geologic and architectural reports, studies and tests relating to the Property (other than the Ground Lease Property), and all warranties and guaranties made by or received from any person with respect to any building, building component, structure, fixture, machinery, equipment or material constituting any part of the Property (other than the Ground Lease Property) (the “Assignment”);
- iv. A Declaration of Value in the form required by the State of Nevada;
- v. A counterpart signature of a document terminating the Lease in form and substance acceptable to Seller and Buyer (the “Lease Termination Agreement”);
- vi. A counterpart signature of each of the Ground Lease and Sub-Ground Lease;
- vii. A counterpart acknowledged signature of Ground Lease (in the form attached to the Ground Lease) (the “Memorandum of Ground Lease”); and
- viii. Such other documents as are typically required to be signed by sellers in the closing of a real estate transaction.

(b) The following documents shall be delivered by Buyer at Closing:

- i. The Purchase Price;
- ii. A counterpart signature of the Lease Termination Agreement;

- iii. A counterpart signature of each of the Ground Lease and the Sub-Ground Lease;
- iv. A counterpart acknowledged signature of the Memorandum of Ground Lease; and
- v. Such other documents as are typically required to be signed by buyers in the closing of a real estate transaction.

8. **Closing Costs.** Closing costs and prorations shall be prorated as follows:

(a) **Taxes and Utilities.** All ad valorem and excise taxes and utilities shall be prorated to the Closing Date. If the current year's taxes are not known as of the Closing Date, the proration shall be based upon the previous year's taxes with an adjustment made between Seller and Buyer when the current year's taxes are known. The foregoing shall not relieve Buyer of its obligations to reimburse Seller for any taxes or assessments accruing prior to the Closing Date as required by the Lease.

(b) **Transfer Taxes.** Buyer and Seller shall each be responsible to pay one-half (1/2) of all transfer, documentary stamp or other taxes payable as a result of the conveyance of the Property to Buyer.

(c) **Fees.** Buyer and Seller shall each be responsible to pay one-half (1/2) of all escrow fees charged by Title Company. Each party will pay its own attorney's fees. Buyer shall pay the cost of recording the Deed.

(d) **Title Policy.** Seller shall pay for the costs of issuing a standard owner's title policy to Buyer in the amount of the Purchase Price. Buyer shall pay for the incremental costs of obtain an extended owner's title policy, including any endorsement thereto, which Buyer desires to obtain at Closing.

(e) **Other.** All other bills or charges including other recording fees, any state or local documentary stamps, transfer taxes or fees, assessments for improvements completed or initiated prior to Closing, whether levied or not, pertaining to the Property as of the date of Closing shall be split between the parties at Closing. All rents and other similar payments under the Lease shall be prorated to the date of Closing and Buyer shall pay to Seller unpaid amounts owing as of the Closing Date.

9. **Possession.** Possession of the Property shall be delivered to Buyer at Closing, subject to the provisions of the Ground Lease, Lease and all Permitted Exceptions.

10. **Seller Warranties.** Seller makes the following representations, warranties and covenants as of the Effective Date and as of the date of Closing, and such warranties and covenants shall survive the Closing for a period of twelve (12) months.

- (a) Seller owns fee simple title to the Property and is fully authorized to convey

the Property pursuant to this Agreement.

(b) Seller has full right, power and authority to enter into this Agreement. The execution and delivery of this Agreement by Seller has been duly authorized by all necessary action. This Agreement and all documents required hereby to be executed by Seller are and shall be valid and legally binding obligations of, and enforceable against, Seller in accordance with their respective terms, subject to bankruptcy, insolvency and other similar laws affecting the rights of creditors generally.

(c) This Agreement and all agreements, instruments and documents in this Agreement provided to be executed by Seller are and on the Closing Date will be duly authorized, executed and delivered by and are binding upon Seller. All agreements, instruments and documents in this Agreement provided to be caused to be executed by Seller are and on the Closing Date will be duly authorized, executed and delivered by and binding upon the party to execute the same. Seller has the legal capacity and authority to enter into this Agreement and consummate the transactions in this Agreement provided without the consent or joinder of any other Party.

(d) Neither the execution and delivery of this Agreement and documents referenced in this Agreement, nor the incurrence of the obligations set forth in this Agreement, nor the consummation of the transactions contemplated in this Agreement, nor compliance with the terms of this Agreement and the documents referenced in this Agreement materially conflicts with or results in the material breach of any terms, conditions or provisions of, or constitutes a default under, any bond, note, or other evidence of indebtedness, or of any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease or other agreements or instruments affecting the Property or to which Seller or any of its managers, members or affiliates is a party.

(e) Seller warrants that Seller is not a “foreign person” as defined in Section 1445 of the Internal Revenue Code of 1954, as amended.

Buyer is purchasing the Property, and the Property shall be conveyed and transferred to Buyer, “AS IS, WHERE IS, AND WITH ALL FAULTS” and specifically and expressly without any warranties, representations or guarantees, either express or implied, of any kind, nature or type whatsoever from or on behalf of the Seller, except as set forth in this Section 10. Except as set forth in this Section 10, Seller has not, does not and will not, with respect to the Property, make any warranties or representations, express or implied, or arising by operation of law, including, but in no way limited to, any warranty of condition or merchantability, or with respect to the value, profitability, developability or marketability of the Property. Without limiting the foregoing and except for the representations and warranties set forth in this Section 10, Buyer shall not be entitled to, and shall not rely on, Seller or Seller’s agents as to the following (the “Assumed Conditions”): (a) the quality, nature, adequacy or physical condition of the Property including, but not limited to, the quality, nature, adequacy or physical condition of soils or the existence of ground water at the Property; (b) the existence, quality, nature, adequacy or physical condition of any utilities serving the Property; (c) the development potential of the Property, its merchantability or fitness, or the suitability or adequacy of the Property for any particular purpose; (d) the zoning or the compliance with any conditional use permit or other legal status of the Property; (e) compliance of the Property generally or in connection with any particular use with

any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions or restrictions of any governmental or quasi-governmental entity, or of any other person or entity; (f) compliance of the Property with applicable environmental laws and ordinances; or (g) the susceptibility of the Property to seismic hazards.

11. **Buyer Warranties.** Buyer makes the following representations, warranties and covenants as of the Effective Date and as of the date of Closing, and such warranties and covenants shall survive the Closing for a period of twelve (12) months:

(a) Buyer has full right, power and authority to enter into this Agreement. The execution and delivery of this Agreement by Buyer has been duly authorized by all necessary action. This Agreement and all documents required hereby to be executed by Buyer are and shall be valid and legally binding obligations of, and enforceable against, Buyer in accordance with their respective terms, subject to bankruptcy, insolvency and other similar laws affecting the rights of creditors generally; and

(b) This Agreement and all agreements, instruments and documents in this Agreement provided to be executed by Buyer are and on the Closing Date will be duly authorized, executed and delivered by and are binding upon Buyer. All agreements, instruments and documents in this Agreement provided to be caused to be executed by Buyer are and on the Closing Date will be duly authorized, executed and delivered by and binding upon the party to execute the same. Buyer has the legal capacity and authority to enter into this Agreement and consummate the transactions in this Agreement provided without the consent or joinder of any other Party.

11. **Notices.** Any notice or designation to be given hereunder shall be given as provided in Section 24 of the Lease.

12. **Termination.** If this Agreement is terminated or Closing does not occur because of the failure of any condition or the occurrence of an event giving rise to a termination by Buyer as set forth herein, all monies deposited by Buyer hereunder will be returned to it. If Closing does not occur due to a default by Buyer, Seller's may terminate this Agreement. In the event of Seller's default, Buyer may, at its option (i) terminate this Agreement upon written notice to Seller; or (ii) pursue all other remedies available at law or in equity, including, without limitation, specific performance.

13. **Condemnation Awards.** If any portion of the Property is taken by eminent domain or condemnation proceedings prior to the Closing, Buyer may elect to either (a) terminate this Agreement by delivering written notice to Seller, in which case this Agreement shall be terminated as of the date of the delivery of such notice to Seller, or (b) elect not to terminate this Agreement, in which case any condemnation awards received with respect to such condemnation proceeding will be assigned to Buyer at Closing. In the event Buyer elects not to terminate this Agreement pursuant to clause (b) above, then Seller shall not settle any condemnation proceedings without the consent of Buyer.

14. **Real Estate Commissions.** The parties agree that neither has been represented by any broker, finder or other party entitled to a real estate brokerage commission, finder's fee or

other compensation. Each party agrees to indemnify, defend and hold the other party harmless from and against any commissions, fees or other compensation which is claimed by any third party with whom the indemnifying party has allegedly dealt.

15. **Entire Agreement.** This Agreement contains all agreements between the parties, and no agreement not contained herein shall be recognized by the parties.

16. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, legal representatives, successors and assigns.

17. **Confidentiality.** Each party, except as may be required by law, shall keep the terms of this transaction, the transaction itself, and the identity of the other party confidential and shall not disclose this Agreement to any third party (other than current or existing lenders and professional advisors).

18. **Recording.** No party shall record this Agreement or any memorandum thereof.

19. **Time of the Essence.** Time is of the essence in all things pertaining to the performance of this Agreement.

20. **Governing Law.** This Agreement shall be construed in accordance with the laws of the State of Nevada, without reference to its choice of laws rules.

21. **Section Headings.** The section headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several sections hereof.

22. **Business Days.** If any date provided for in this Agreement shall fall on, or if any time period provided for in this Agreement shall end on, a Saturday, Sunday or legal holiday, the applicable date or period shall be extended to the first business day following such Saturday, Sunday or legal holiday.

23. **Multiple Counterparts.** This Agreement may be executed in multiple counterparts (each of which is to be deemed original for all purposes). Counterparts may be delivered by email, fax or other form of electronic delivery.

24. **Severability.** If any provision of this Agreement or application to any Party or circumstance shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such Person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

IN WITNESS WHEREOF, each of the parties has executed this Agreement.

SELLER:

BOYER SKYPOINTE ACADEMY, L.C., a Utah limited liability company, by its Manager

THE BOYER COMPANY, L.C., a Utah limited liability company

By: _____
Name:
Title: Manager

BUYER:

SOMERSET ACADEMY OF LAS VEGAS, a Nevada charter school

By: _____
Name:
Title:

EXHIBIT "A"
TO
PURCHASE AGREEMENT

Legal Description

All that land situated in the County of Clark, State of Nevada, more particularly described as follows:

EXHIBIT "B"
TO
PURCHASE AGREEMENT

Ground Lease Property

(see attached)

EXHIBIT "C"
TO
PURCHASE AGREEMENT

Form of Ground Lease

(see attached)

EXHIBIT "D"
TO
PURCHASE AGREEMENT

Form of Lease

EXHIBIT "E"
TO
PURCHASE AGREEMENT

Form of Deed

APN(s): _____; _____

MAIL RECORDED DOCUMENT
AND TAX STATEMENTS TO:

[_____
[_____
[_____
[_____]

GRANT, BARGAIN, AND SALE DEED

BOYER SKYPOINTE ACADEMY, L.C., a Utah limited liability company (“Grantor”), does hereby grant, bargain, and sell to SOMERSET ACADEMY OF LAS VEGAS, a political subdivision of the State of Nevada, all of Grantor’s right, title, and interest in and to the real property described on Exhibit “A” attached hereto and by this reference made a part hereof, together with the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining. (the “Property”).

SUBJECT, HOWEVER, to all matters of record and any matters which may be disclosed by an accurate survey of the Property.

Effective as of the _____ day of _____, 2015.

“GRANTOR”

BOYER SKYPOINTE ACADEMY, L.C., a Utah limited liability company, by its Manager

THE BOYER COMPANY, L.C., a Utah limited liability company

By:

Name:
Title:

STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

This instrument was acknowledged before me this _____ day of _____, 2015,
by _____ a Manager of The Boyer Company, L.C., a Utah
limited liability company, the sole manager of Boyer Skypointe Academy, L.C., a Utah limited
liability company.

Notary Public
My Commission Expires: _____

Exhibit "A"
Grant, Bargain and Sale Deed

Legal Description

All that land situated in the County of Clark, State of Nevada, more particularly described as follows:

4838-9581-7248, v. 8

AN APPRAISAL REPORT

**SOMERSET ACADEMY OF LAS VEGAS
SKY POINTE CAMPUS
7078 SKY POINTE DRIVE
LAS VEGAS, NEVADA**

IN A SUMMARY FORMAT

PREPARED FOR

**SOMERSET ACADEMY OF LAS VEGAS
ATTN: RYAN REEVES – OPERATION MANAGER
1378 PASEO VERDE PARKWAY, SUITE 200
HENDERSON, NEVADA 89012**

DATE OF VALUE

August 25, 2015 – “AS COMPLETE”

PREPARED BY

**Trophy Property Company, Inc.
2224 South Queen Street
Lakewood, Colorado 80227
File # 14-025B**

TROPHY
PROPERTY
COMPANY, INC.

John L. Emmerling, MAI

December 17, 2014

Somerset Academy of Las Vegas
Attn: Mr. Ryan Reeves – Operation Manager
1378 Paseo Verde Parkway, Suite 200
Henderson, Nevada 89012

Re: Market Value Appraisal – “AS COMPLETE”
Somerset Academy of Las Vegas – Sky Pointe Campus
7078 Sky Pointe Drive
Las Vegas, Nevada
File # 14-025B

Dear Mr. Reeves:

In accordance with your request, we have completed a thorough inspection and analysis of the above captioned property. The purpose of this analysis was to estimate the Market Value of the Leased Fee Interest of the Somerset Academy of Las Vegas – Sky Pointe Campus, as if free and clear of any liens or encumbrances. The effective date of this valuation is August 25, 2015, which is the anticipated date of completion of Phase III.

This “Appraisal” report, presented in a summary format, which means that there is data researched and conclusions which are not in the report, but retained in the file system of Trophy Property Company, Inc. The report has been prepared in accordance with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation.

The Subject Property is comprised of 12.14 acre (528,818 square feet) tract of land currently improved with a two-story, 138,567 square foot educational facility. The school is being developed in three phases with Phase I being the elementary School, Phase II the middle school and approximately 22% of the high school, and Phase III the completion of the high school and gymnasium. The remainder of the site is improved with playgrounds, parking lots, and landscaping. The building and site improvements will be in good to excellent condition upon completion of Phase III.

APPRAISAL – CONSULTING – FEASIBILITY

2224 South Queen Street, • Lakewood, Colorado 80227 • DIRECT 303-981-6289 • EMAIL jemmer@aol.com

Mr. Ryan Reeves
December 17, 2014
Page 2

The opinions of value are subject to the assumptions and limiting conditions; and certification contained in the report. The appraiser's compensation is not contingent on any action or event resulting from the analysis, opinions, or conclusions in, or the use of this report. We have not been previously involved with any valuation or other real estate services on the Subject Property.

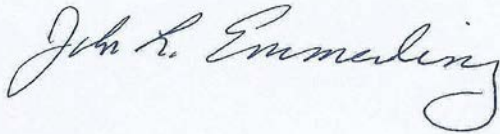
The Subject Property is a "Special Purpose" property which limits the applicability of the Sale Comparison and Income Approaches to value which will be discussed in the report to follow.

Based on this information and analysis, it is our opinion that the market value of the "As Completed" Leased Fee Interest in the Somerset Academy of Las Vegas - Sky Pointe campus, as of August 25, 2015, will be:

THIRTY MILLION FIVE HUNDRED TWENTY FIVE THOUSAND DOLLARS
(\$30,525,000)

We appreciate the opportunity of providing this service for you. If you have any questions, please feel free to contact us.

Respectfully submitted,
Trophy Property Company, Inc.



John L. Emmerling, MAI
State of Nevada – Temporary Appraiser Permit
ATMP.0012700.CG

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Subject Photographs
Legal Description
Market Studies – Moody’s and FastFacts
Somerset Academy School Accountability Report
Contractor’s Bid – Construction Costs – Phase I & Phase II
5-Year Budget & Enrollment Growth Plan
Demographics – Las Vegas
Appraiser’s State License
List of Charter Schools Appraised

SUMMARY OF SALIENT FACTS

Location:	Southwest quadrant of Sky Pointe Drive and West Elkhorn Road in the northwest section of the greater Las Vegas metropolitan area. It is located east of US Highway #95 between its interchanges with North Durango Drive (north) and Highway #215 Beltway (south) in Clark County. The street address is 7078 Sky Pointe Drive, Las Vegas, Clark County, Nevada 89131.
Legal Description:	Metes and bound description included in Addenda. Generally, the site is located in the NW ¼ of the NW ¼ of Section 21, Township 19 South, Range 60 East, M.D.M, City of Las Vegas, County of Clark, State of Nevada.
Owner of Record:	Boyer Skypointe Academy, LLC 90 South 400 West, Suite 200 Salt Lake City, Utah 84101
Tax Parcel No.:	125-21-102-009
Land Area:	12.14 Acres or 528,818 Sq. Ft.
Interest Appraised:	Leased Fee Estate
Purpose of the Appraisal	To estimate the market value of the “as is” leased fee interest, as if free and clear of any liens, as of the date of inspection.
Intended Use:	This report will be used at as documentation for the client who is requesting support for establishing a purchase price of the Subject Property as of the date of inspection (October 21, 2014). Any other use of this or future valuation reports should be discussed with the appraiser.
Intended User:	The intended user of this report is Somerset Academy of Las Vegas, D. A. Davidson and Company, and their assigns. Any third party who obtains possession of this report should notify the author of the intended use of the facts, findings, and conclusions.
Zoning:	Town Center (T-C) with an overlay classification as SX or Suburban Mixed Use, under the jurisdiction of the City of Las Vegas.

Improvements:

The campus is comprised of three buildings – one each for the elementary grades (Kindergarten through 6th grade) middle school (7th and 8th grades), and partially completed high school (9th and 10th grades) and proposed completion of the high school, gymnasium, and additional site improvements. This is the “as complete” condition at the date of inspection/value. The school is being developed in three phases – Phase I was the completion of the elementary school and a part of the middle school. Phase II included the completion of the middle school and a part of the high school. Phase I was completed in August 2013, Phase II in August 2013. Phase III is proposed and scheduled to begin construction in early 2015 with an anticipated completion date of August 25, 2015. The existing improvements are one and two-story in design and in good to excellent condition.

The building square footages are described below:

As-Complete	
Elementary School	45,789 SF
Middle School	35,185 SF
High School	48,339 SF
Gymnasium	<u>9,254 SF</u>
Total	138,567 SF

The site improvements include a number of parking lots with landscaped medians and overhead security lights, lawn, trees, and shrubs watered by an underground irrigation system. The perimeter and playground/fields are fenced with CMU block, steel rail, and chain link. There are three automatic security gates controlling access to and from the site.

**Highest and Best Use:
As Vacant:**

The Town Center zoning classifications allows a mix of uses including commercial (retail & office) and residential (single-family & apartments). All these uses are in place in the immediate neighborhood. Given that there are currently residential improvements on the south and east and a new residential development under construction on the north, it is our opinion that the highest and best use as vacant would likely be a residential development either single or multi-family design.

December

As Improved: As currently being proposed for an educational facility – Kindergarten through 12th grade (“As Complete”).

Date of Inspection: October 21, 2014

Effective Date of Value:
“AS COMPLETE” August 25, 2015 (Anticipated Date of Completion)

Date of the Report: December 17, 2014

Land Value: \$3,950,000 (\$7.50 PSF)

Cost Approach:
“AS COMPLETE” **\$30,525,000**

Sales Comparison Approach: **Not Concluded**

Income Approach:
“AS COMPLETE” **\$31,700,000**

Final Estimate of Value:
“AS COMPLETE” **\$30,525,000**

ASSUMPTIONS AND LIMITING CONDITIONS

This Appraisal Report is subject to the following Assumptions and Limiting Conditions:

Legal Matters and Title

- No responsibility for legal matters is assumed.
- No investigation of title to the subject property has been made, and it is assumed to be free and clear of all deeds of trust, use restrictions and reservations, easements, cases or actions pending, tax liens, and bonded indebtedness, unless otherwise specified.
- All existing liens and encumbrances have been disregarded and the subject property is appraised as though free and clear, unless otherwise specified.

Limitations on value estimates contained in this Appraisal Report

- The value reported for each geographical portion relates to such portion only and should not be construed as applying with equal validity to other portions of the larger parcel or tract. The value reported for each geographical portion plus the value of all other geographical portions may or may not equal the value of the entire parcel or tract considered as a whole.

Limitations on the Scope of the Appraisal

- The authors assume that there are no hidden or unapparent conditions of the subject property, subsoil or structures, which would render it more or less valuable than otherwise comparable property. The authors assume no responsibility for such conditions or for engineering, which might be required to discover such deficiencies.
- The authors of this report have made no investigation into the presence or absence of asbestos, PCBs, or other hazardous materials in the subject property. The reader should be aware that no consideration has been given to the impact, if any, on the valuation of the subject property if any of these materials should be present. The authors assume no responsibility for addressing such conditions, if any, or for engineering which might be required to discover such deficiencies.

Limitations on information contained in this Appraisal Report

- Care has been taken to obtain all information from reliable sources. However, the authors cannot guarantee or be responsible for the accuracy of this information.
- Any sketches in this report are intended to be visual aids and should not be construed as surveys or engineering drawings.

Publication and use of this Appraisal Report

- Possession of this report or a copy thereof does not imply right of publication, nor use for any purpose by any other than the person to whom it is addressed, without the written consent of the authors.
- The report and data investigated, except that furnished by the client, remain the sole property of our firm.
- Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the written consent and approval of the authors, particularly as to valuation conclusions, the identity of the authors or firm with which they are connected, or any reference to the Appraisal Institute and the Appraisal Foundation, or to the MAI Designation.
- We have no objection to your use of our firm name as the author of the report which is to be prepared, and hereby consent to your making reference to such report in your reports or financial statements and in any document filed with any governmental agency, provided that: 1) prior to making any such reference in any report or statement or any document filed with The Securities and Exchange Commission or other governmental agency, we are allowed to review and approve the text of such reference to determine the accuracy and adequacy of such reference to the report prepared by our firm; 2) in our opinion, the proposed reference is not untrue or misleading and is adequate for the purposes intended in light of the circumstances under which it is made; and, 3) such reference to the report includes language to be approved by our firm.
- Loss or removal of any portion of this report invalidates the entire report.

General Limitations on the Appraisal

- The terms of the agreement between the client and the authors are such that the authors have no obligation to update the report or revise it in any manner because of events or transactions occurring subsequent to the date of such report.

- The authors shall not be required to give testimony or be in attendance in court by reason of this report unless prior arrangements have been made in writing. If any courtroom or administrative testimony is required in connection with this report, an additional fee shall be charged for those services.
- Other Assumptions and Limiting Conditions have been made where they logically apply and are specified in the report.

Extraordinary Assumption

- Subject to completion in a timely and workmanlike manner according to the plans and specification provided to the appraiser. Any major modifications in these plans will likely modify the estimate of market value and we reserve the right to make the appropriate changes to this our conclusions.

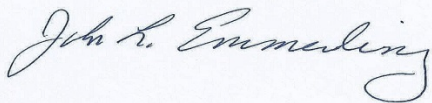
Hypothetical Conditions

- None

CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the course of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation (USPAP) and the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute and Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA).
- John L. Emmerling, MAI has made a personal inspection of the property that is the subject of this report.
- The use of this report is subject to the requirements of the Appraisal Institute and the Appraisal Foundation relating to review by their duly authorized representatives.
- As of the date of this report, John L. Emmerling, MAI has completed the requirements of the continuing education program of the Appraisal Institute.



John L. Emmerling, MAI
State of Nevada – Temporary Appraiser Permit #ATMP.0012700.CG

INTRODUCTION SECTION

Identification of the Property The Subject of this appraisal is a 138,567 square foot, one and two story educational campus with three buildings and a gymnasium. The current development was constructed in two phases – Phase I being the elementary school and a portion of the middle school. It was completed in August 2013. Phase II included the completion of the middle school and a part of the high school. It was completed in August 2014. Phase III is proposed for the completion of the high school, gymnasium, and the remaining site improvements at the northwest corner of the site. This report will reflect our opinion of market value in its “As Complete” condition.

Address
 Street 7078 Sky Pointe Drive
 City/State Las Vegas, Nevada
 County Clark

Legal Description See Addendum

Property Ownership and Recent History
 The land on which the Subject Property is situated (12.14 acres) was purchased by Boyer Skypointe Academy, P.C. from Investor Equity Homes, LLC on November 28, 2012 for \$1,653,4211 (\$3.13 PSF or \$136,156 Per Acre). Shortly thereafter construction was begun on Phase I. Prior to this transaction Equity Homes, LLC purchased 24.45 acres from Rancho Drive-Tule Springs Road, LP for \$2,400,000. There were no sales of the larger site in the three years prior to this sale.

 Since the acquisition of the Subject site the values being paid for vacant land parcels has increased substantially as the overall real estate market continues to recover from the prior years of recessionary trends.

Purpose of the Appraisal: To estimate the market value of the “as complete” leased fee interest, as if free and clear of any liens, as of the date of inspection.

Intended Use:	This report will be used at as documentation for the client who is requesting support for establishing a purchase price of the Subject Property, upon completion of Phase III, as of the anticipated date of completion (August 25, 2015). Any other use of this or future valuation reports should be discussed with the appraiser.
Intended User:	The intended user of this report is Somerset Academy of Las Vegas, D. A. Davidson and Company, and their assigns. Any third party who obtains possession of this report should notify the author of the intended use of the facts, findings, and conclusions.
Date of Inspection	October 21, 2014
Effective Date of Value “AS COMPLETE”	August 25, 2015
Date Report Transmitted	December 17, 2014
Property Rights Appraised	Leased Fee Estate

Extent of the Appraisal Process – Work Scope

The scope of the appraisal encompasses the necessary research and analysis to prepare a report in accordance with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation. In regard to the Subject Property, the scope involved the following steps:

1. The Subject Property was inspected by John L. Emmerling during the week of October 19, 2014 with the last inspection date being October 21, 2014. On the initial visit he was accompanied by representatives of the Skypointe campus.
2. Information supplied to the appraiser included the current leases, re-development plans and specifications, detailed construction costs, a Phase I Environmental Site Assessment Report(s), geotechnical (soils) condition report, and legal description.
3. In estimating the highest and best use of the Subject Property, analysis was made of data compiled in the two steps noted above. In addition, a survey of market conditions in the area and research of comparable land sales, charter school lease data, and charter schools sales activity was completed.

4. In developing the approaches to value, market data used were collected from Trophy Property Company, Inc. office files, brokers, and the municipal offices in the City of Las Vegas and the County of Clark; and various studies, surveys, and web sites for charter schools.
5. To develop an opinion of value, the appraiser prepared an “Appraisal” which has been presented in a summary format meaning that there are certain data that we reviewed and relied upon which is not included in the report, but has been retained in the files of Trophy Property Company, Inc. We utilized the Cost Approach in forming our conclusion of market value. We utilize the Sales Comparison Approach and the Income Approach in contracted capacity to support our conclusions due to the limited number of comparable sales transactions and lease data.
6. After assembling and analyzing the data defined in the scope of the appraisal, a summary appraisal report was prepared, which is a recapitulation of the appraiser's data, analyses, and conclusions.

Definition of Market Value

Market Value, as used in this report, is defined as:

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 are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Other Pertinent Definitions

Fee Simple Estate	Absolute ownership unencumbered by any other interest or estate, subject to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.
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Leased Fee Estate	An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; the rights of lessor or the leased fee owner and leased fee are specified by contract terms contained within the lease.
Special Purpose Property:	<p><i>A limited market property with unique physical design, special construction materials, or a layout that restricts its utility for which it was built (also known as Special-Design Property).</i></p> <p><i>A property that is appropriate for one use or limited use: a building that cannot be converted to another use without a large capital investment. In the context of improved real estate it is typically a building with limited uses and marketability, such as a church, school, or public utility.</i></p>
Highest and Best Use	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.
Extraordinary Assumption	An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.
Hypothetical Condition(s)	<p>That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. A hypothetical condition may be used in an assignment only if:</p> <ul style="list-style-type: none"> • Use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison; • Use of the hypothetical condition results in a credible analysis; and • The appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.

Sources of Definitions

- *The Appraisal of Real Estate, 13th Edition, Appraisal Institute*
- *The Dictionary of Real Estate Appraisal, 2nd Edition, Appraisal Institute*
- *Federal Register, Volume 55, 12 C.F.R. Part 34.42(g), Page 34696. August 24, 1990, as amended at Federal Register, Volume 57 Page 12202, April 9, 1992; Federal Register, Volume 59 Page 29499, June 7, 1994.*

Competency of the Appraiser - This report of market value was prepared by John L. Emmerling, MAI. I have been appraising real estate throughout the western United States for over forty years. I have completed over 80 appraisals on existing and proposed charter school buildings. I represent myself as competent to perform a market value estimate on the Subject Property.

REGIONAL DATA

Geographical, social, political and economic trends are the factors that have the most profound effect upon the real estate market. The following is a discussion of these trends as they affect the economic base and strength of the Las Vegas Metropolitan Statistical Area (MSA), also known as the Las Vegas-Paradise-Henderson Metropolitan Area. In the Addenda, we have included a copy of Moddy's Analytics Las Vegas market study dated August 2014. We have also included a residential study from Real Traq's FastFacts Monthly report for August 2014.

The Subject Property is located within the city of Las Vegas in the southerly section of Clark County and the northwestern area of Las Vegas. Clark County consists of approximately 600 square miles and contains the Las Vegas metro area which is the largest concentration of people in the state of Nevada. To the north of Clark County is Lincoln County and to the west is Nye County. Also to the west and south is California. The Colorado River and Lake Mead create a natural eastern border separating the MSA as well as the State of Nevada from Mohave County in Arizona. Las Vegas is approximately 290 miles northeast of Los Angeles.

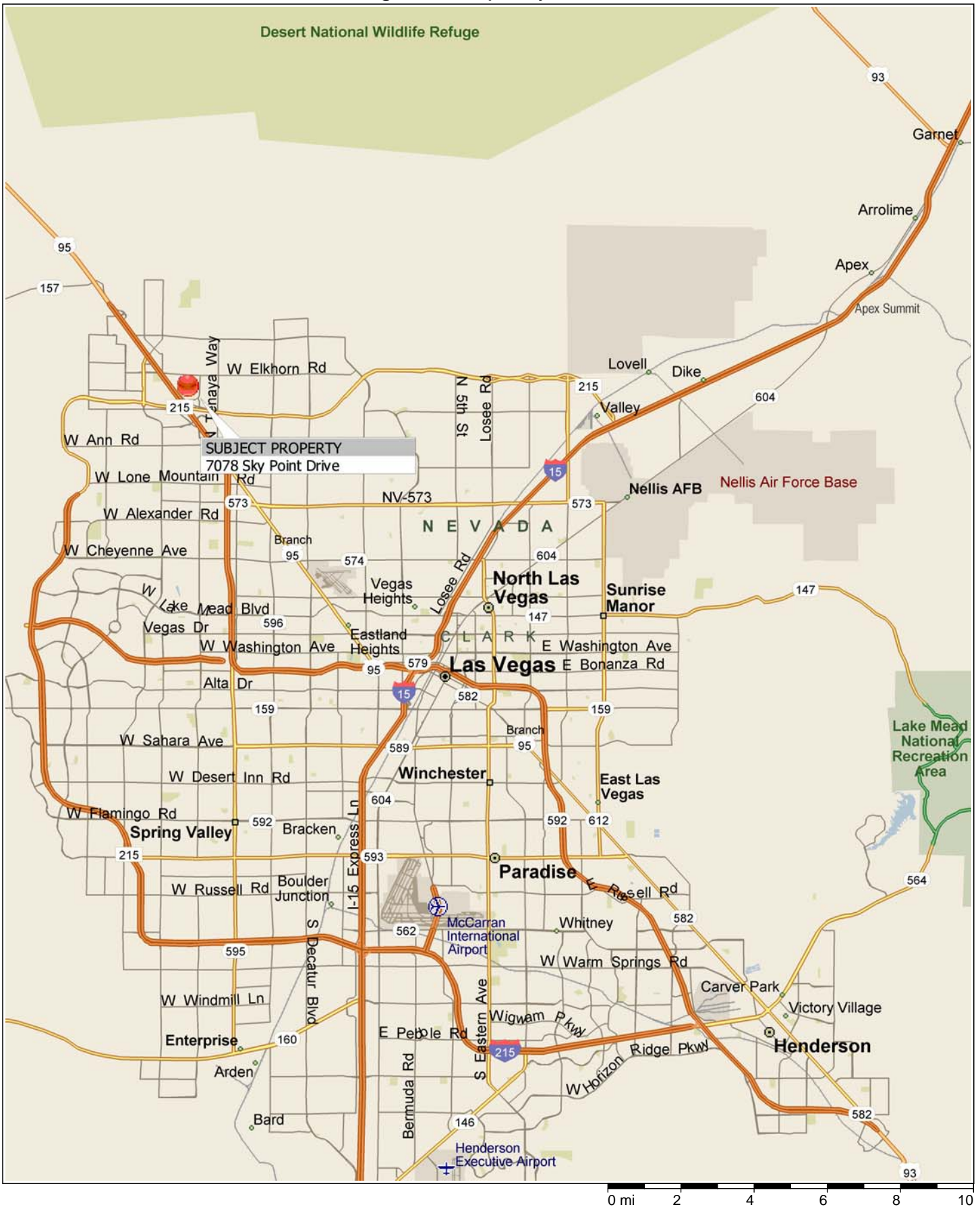
Las Vegas historically had been a city of sustained growth. While there had been small lulls, there had never been a major downturn until the recession that began in 2008. Las Vegas has since reversed this trend and is in a strong recovery mode for both employment and real estate values.

Las Vegas started as a stopover on the pioneer trails to the west, and became a popular railroad town in the early 1900s. It was a staging point for all the mines in the surrounding area, especially for the town of Bullfrog, where the local goods were shipped out to the country. With the growth of the railroads, Las Vegas became less important, but the building of the Hoover Dam in the 1930s injected new blood into Las Vegas and the city has never looked back. Federal dollars from Hoover Dam soon converted to tourist dollars after the dam was built. The increase in tourism and the legalization of gambling led to the advent of the casino-hotels for which Las Vegas is famous.

Population

Las Vegas, which is the most populous city in the state of Nevada, serves as the center of one of the fastest growing metropolitan areas in the United States. Its population has multiplied by a factor of 30 since the 1940s, more than that of any other major American metropolitan area. Las Vegas population has increased significantly over recent years. Since 1980, the population has increased as follows:

Regional Map Sky Pointe



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TOTAL POPULATION	
Year	Las Vegas Metro Area
1980	463,087
1990	741,459
2000	1,375,765
2010	1,962,204
2011	1,966,630
2012	2,008,655
2013	2,062,254
Source: Bureau of Economic Analysis	

The growth of the Las Vegas metropolitan area was the fastest in the nation in the 1990s, increasing 86 percent between 1990 and 2000, and 43 percent between 2000 and 2010. The Nevada State Demographer estimates that the population should continue to grow at approximately 1.0 percent annually for the next several years. Historically, this growth was a result of several factors including low corporate and personal tax burdens, a lower cost of doing business, a favorable climate, and the community's pro-business attitude.

Economy

The MSA's economic vitality is closely related to the visitor industry which directly provides, at the least, one out of three area jobs. Las Vegas is one of the nation's favorite vacation destinations and bills itself as the "Entertainment Capital of the World". During 2013, 39.7 million people visited Las Vegas and spent \$9.6 billion in the area in gaming expenditures only, not including hotel room revenue, or food and beverage revenue. Annual events include the National Finals Rodeo and the Las Vegas Invitational Golf Tournament. Las Vegas is also popular for tours and conventions, including COMDEX, an annual computer and electronics show. The Las Vegas Motor Speedway opened in 1996. Additionally, the metro area has approximately 150,000 hotel rooms.

In addition, Nellis Air Force Base is located in the northeast corner of the Las Vegas Valley and it too contributes to the economic success of the entire Las Vegas MSA, as over 100,000 southern Nevadans work directly or indirectly at this facility. This makes Nellis the city's largest single employer.

The great recession that began in 2008 has been well documented though the housing market crash, including the foreclosure crisis, massive job loses, and the slowdown in tourism and gaming. It is believed that the Las Vegas economy has more or less stabilized and evidence of a strong turnaround has begun and continues into the 4th quarter of 2014.

The unemployment rate in Clark County in October 2010 was one of the highest in the U.S. at 14.3 percent. This high unemployment has since declined to 8.0 % in April 2014.

Because of the significant importance of the visitor industry to Las Vegas' economy, the local gaming market and the local hotel market will be discussed in the following sections: specifically the convention market, the gaming market and the general lodging market. Additional subsections include discussions regarding the housing market and the commercial real estate trends.

The Convention/Visitation Market Overview

Due to warm weather, the presence of three major convention centers, an extensive hotel inventory, many of which also offer extensive meeting and convention space, affordable airfares and the appeal of gaming, Las Vegas now hosts more major national conventions and trade shows than any other destination. Three of the nation's largest convention centers are located in Las Vegas: the Las Vegas Convention Center, the Sands Expo & Convention Center/Venetian Congress Facility, and the Mandalay Bay Conference Center.

The Las Vegas Convention Center (LVCC) has approximately 3.2 million square feet of indoor, finished area while the Sands Expo & Convention Center/Venetian Congress Facility boasts over 1.8 million square feet of prime exhibit space. The Mandalay Bay Convention Center, located at the southern end of "The Strip" attached to the Mandalay Bay Resort, offers over one million square feet of meeting and convention space. In addition many of the major hotels also offer significant meeting facilities.

The following table offers a ten-year summary of the number of conventions, annual attendance and total visitors for Las Vegas, at the three major convention facilities and in the city's hotels.

CONVENTION AND VISITATION STATISTICS					
Year	Number of Conventions	Annual Attendance	Annual Growth Rate	Total Visitors	Annual Growth Rate
2001	20,346	5,014,240	--	35,017,317	--
2002	23,031	5,105,450	1.8%	35,071,504	0.2%
2003	24,463	5,657,796	10.8	35,540,126	1.3
2004	22,286	5,724,864	1.2	37,388,781	5.2
2005	22,154	6,166,194	7.7	38,566,717	3.2
2006	23,825	6,307,961	2.3	38,914,889	0.9
2007	23,847	6,209,253	(1.6)	39,196,761	0.7
2008	22,454	5,899,725	(5.0)	37,481,552	(4.4)
2009	19,394	4,492,275	(23.9)	36,361,469	(3.0)
2010	18,004	4,473,134	(0.4)	37,335,436	2.7
2011	19,029	4,865,272	8.8	39,928,708	6.9
2012	21,615	4,944,014	1.6	39,727,022	(0.5)
2013	22,027	5,107,416	3.3	39,668,221	(0.1)
Source: Las Vegas Convention and Visitors Authority					

Las Vegas' streak of year-over-year visitation ended in 2007 (while the convention attendance growth streak ended in 2006). This decrease is a direct result of the recession, and may economists believe that the decreases would have been more severe had it not been for significant reduction in hotel room rates in the overall market by the casino operators as well as the offering of value added services and entitlements such as discounted show tickets and food and beverage comps. As the data indicates, the decreases have reversed and trended upward for a two year period and then experienced a slight decrease to a level of stabilization.

Gaming Market Overview

Las Vegas tourism is driven primarily by its gaming industry. Legalized in Nevada in 1931, gaming distinguished this destination from every other in the country (outside of Nevada) until its recent spread to other parts of the nation. Today, Las Vegas' gaming revenues comprise just over 50 percent of the total national gaming revenues. The following chart illustrates the growth trends in gaming revenues over the past 10 years.

CLARK COUNTY TOTAL GAMING REVENUE		
Year	Gross Gaming Revenues	Percentage Change
2001	\$ 7,636,547,000	--
2002	7,630,562,000	(3.6%)
2003	7,830,856,000	2.6
2004	8,711,426,000	11.3
2005	9,717,332,000	11.5
2006	10,630,387,000	9.4
2007	10,868,484,000	2.2
2008	9,796,749,000	(9.8)
2009	8,833,902,000	(9.8)
2010	8,908,698,000	0.8
2011	9,222,906,000	14.0
2012	9,399,882,000	1.9
2013	9,676,458,000	2.9
Source: Las Vegas Convention and Visitors Authority		

As would be expected, the annual gaming revenue showed similar downward movement as the convention and visitation trends. Also contributing to the previous years decrease may be that Las Vegas has been more severely impacted by increasing competition from gaming expansion in neighboring states than in previous years due to the economic downturn and people choosing to stay closer to home.

Lodging Market Overview

The Las Vegas lodging market has experienced unprecedented growth, as well as an evolution of the concept of the casino/hotel.

LAS VEGAS AREA HOTEL/MOTEL INVENTORY, ROOMS AVAILABLE AS OF DECEMBER 31		
Year	Number of Hotel/Motel Rooms	Percentage Change
2001	126,610	--
2002	126,787	0.1%
2003	130,482	2.9
2004	131,503	0.8
2005	133,186	1.3
2006	132,605	(0.4)
2007	132,947	0.3
2008	140,529	5.7
2009	148,941	6.0
2010	148,935	0.0
2011	150,161	0.8
2012	150,481	0.2
2013	150,593	0.1
Source: Las Vegas Convention and Visitors Authority.		

Over the ten year period, the rooms' inventory in Las Vegas grew at a compound annual rate of 1.5 percent. This figure spiked in 2009 with the opening of the City Center Hotels (Vdara Hotel & Spa, Mandarin Orienta) and ARIA Resort & Casino representing approximately 6,000 guest rooms).

The historical occupancy performance of the aggregate Las Vegas hotel and motel market from 2001 through 2013 is presented in the following table.

LAS VEGAS METRO WIDE - HISTORICAL OCCUPANCY PERFORMANCE			
Year	Hotel Occupancy Performance	Motel Occupancy Performance	City-Wide Occupancy Percentage
2001	88.9%	63.8%	84.7%
2002	88.8	60.2	84.0
2003	89.6	60.5	85.0
2004	92.0	68.7	88.6
2005	91.8	72.0	89.2
2006	93.2	65.2	89.7
2007	94.0	64.5	90.4
2008	89.8	57.8	86.0
2009	85.3	50.1	81.5
2010	83.5	52.0	80.4
2011	86.9	56.0	83.8
2012	87.4	58.0	84.4
2013	87.1	59.8	84.3
Source: Las Vegas Convention and Visitors Authority			

The trends indicate that the recession has significantly damaged the lodging occupancy in the overall market area, as would be expected given the decreases in convention attendees, overall visitors as well as gaming revenue; however the decrease has been more significant in the non-gaming hotels (classified as motels in the previous chart). However, despite the past recession, the subsequent recovery, the overall market is still able to run in excess of 80 percent.

Housing

Las Vegas has been one of the top areas in the nation adversely affected by the recent subprime mortgage crisis and United States housing market correction, resulting in a freefall in home prices and mass foreclosures. As of January 2008, approximately 2.0 percent of all homes in the Las Vegas area were in the foreclosure process, almost triple that of 2007. This trend grew steadily in 2009 and into 2010. As of year-end 2010, Las Vegas posted the nation's highest metro foreclosure rate, with one in every nine housing units (10.88 percent) receiving a foreclosure filing in 2010 — nearly five times the national average. A total of 88,198 Las Vegas-area properties received a foreclosure filing in 2010, a decrease of seven percent from 2009, but still up 31 percent from 2008.

After stabilizing the trend or volume in foreclosures in 2011 and 2012, current levels show substantial improvement and new residential construction is increasing rapidly. In some instances this has created problems as previously constructed housing prices are transacting well below new construction product.

A primary problem, as it was nationwide as well, was rampant speculation from house flippers, who sought quick profits and never intended to live in the homes they purchased and were able to get low sales prices with all-cash purchases. Also, resetting of many mortgage rates and significant unemployment increased foreclosures. As of year-end 2009, 51 percent of the more than 22,000 homes for sale in the area were vacant, according to Las Vegas real estate research firm SalesTraq. This downturn also negatively affected rental properties by placing downward pressure on rental prices. However, since the first quarter of 2010, the rental market has shown signs of rebounding with average rent increasing 2.0 percent in the last six months. Other recent trends (as of August 2014), as presented by SalesTraq include:

- Clark County median existing home prices slid to \$113,000 in 2010 and rebounded to \$202,500 in 2014.
- The number of residential mortgages past due or in foreclosure has fallen to levels experienced in the 3rd quarter of 2007 experiencing a steady decline from its high in the 4th quarter of 2009.
- Mortgage delinquencies are 42,379, down 12,521 in the past 12 months from the all-time high of 134,159 in the 4th quarter of 2009
- The number of all-cash buyers (typically investor – non occupant) continues to decline with only 35% of the transactions in 2014.

Commercial Real Estate – Office, Retail and Industrial Statistics – 3rd Qtr 2014

According to Colliers International, the overall marketplace seems to have safely left behind the recessionary trends. Moderate growth is expected to continue in to 2015. Employment was 3 percent higher in July 2014 than in July 2013. As a result, occupancy in commercial real estate projects has increase by three percentage points.

Office - With respect to the office market, in the 3rd quarter of 2014, net absorption decreased to 44,964 square feet from nearly 500,000 square feet in the 2nd quarter of 2014 and the 3rd quarter of 2013. New completions were slightly higher at 12,000 square feet and vacancy rates decreased to 19.3% from 19.4% in the 2nd quarter of 2014. Asking rates remained in neutral at \$1.87 per square foot on a Full Service Gross basis.

Retail – The 2nd quarter of 2014 saw the retail market turn around and post positive net absorption after two quarters of negative net absorption. The 3rd quarter continued the positive trend with net absorption staying just ahead of new completions. Net absorption in the 3rd quarter was 242,296 square feet slightly higher than the 2nd quarter and more than doubled in the 3rd quarter of 2013. New completions also increased with a 220,000 square foot power center added to inventory. Retail vacancy decreased by 0.1% to 9.0%, while the average asking rental rate increased to \$1.31 per square foot on a triple net basis.

Industrial – The first half looked strong in the industrial market with over 2MM square feet of net absorption and dropping industrial vacancy below 10% for the first time since 2008. Net absorption in the 3rd quarter of 2014 was 635,780 square feet with only 14,248 square feet of new inventory. Strong net absorption in speculative projects is a sign of sustainable recovery as speculative construction in 2015 appears to be substantial. Vacancy decreased to 9.2% which is two percentage points less than a year ago. The weighted average asking rental rate increased to \$0.55 per square foot on a triple net basis, which is \$0.04 higher than a year ago.

Multi-family – The vacancy rates decreased in the 2nd quarter of 2014 which has continued over the past 12 quarters. Vacancy rates are 5.5% which is 0.4% lower than a year ago. Class A properties were 5.7% vacant while Class B/C properties were at 5.3% vacant.

TRANSPORTATION

Freeways

Las Vegas is served by two major freeways and a number of smaller highways. Interstate Highway 15 extends from southwestern Utah to the north through the southern portion of Nevada, including Las Vegas and onto Los Angeles. Interstate Highway 215 (Beltway) is nearly complete with only portions of the roadway being two and four-lane roadways and still impacted by traffic signals at major interchanges in the northwest section of the Metro area.

Airports

The McCarran International Airport has an important role in Clark County's business and development growth plan. The nation's eight-busiest airport reportedly has a capacity of 53,000,000 annual passengers. Up until 2008, the growth in enplanements/deplanements at McCarran International Airport had been significant in recent years. They counts are as follows:

TOTAL ENPLANEMENTS/DEPLANEMENTS MCCARRAN INTERNATIONAL AIRPORT		
Year	Passenger Traffic	Percentage Change
2001	35,180,960	--
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	46,304,376	4.6
2007	47,729,414	3.1
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	0.5
2013	41,857,059	0.5
Source: Las Vegas Convention and Visitors Authority		

The decline in visitation to Las Vegas has contributed to the reduction in the number of passengers using McCarran International Airport beginning 2008. The cutbacks by airlines serving McCarran because of the reduced consumer demand also reduced the number of incoming and outgoing seats per day, thus contributing to the declining passenger total as well as the overall declining visitation numbers. The number of air travelers rebounded in 2011 and has stabilized over the past two years.

CONCLUSION

In the short term, the Las Vegas will continue to recover from the late 2000 decade. The overall economy has recovered as the area has experienced job growth, increasing real estate values, and continued growth in the gaming and hospitality industries.

Also, it appears that Las Vegas may have been more severely impacted by increasing competition from gaming expansion in neighboring states than in previous years due to the economic downturn and people choosing to stay closer to home.

With visitation increasing, revenues are up as is employment and population. This increased employment has had a positive effect on housing, commercial office space, retail trends, as well as local gaming revenues.

Overall, the local economy is expected to continue to recover in conjunction with the improvement in the national and international economy. Consequently, overall, the outlook is for the market for stronger growth in the mid-term as the economic recovery accelerates. This continued recovery could be further supported by the fact that there are no new major developments in the construction pipeline, thus given the existing market time to absorb all the new, high-quality supply it has recently added.

NEIGHBORHOOD ANALYSIS

Location Assessment

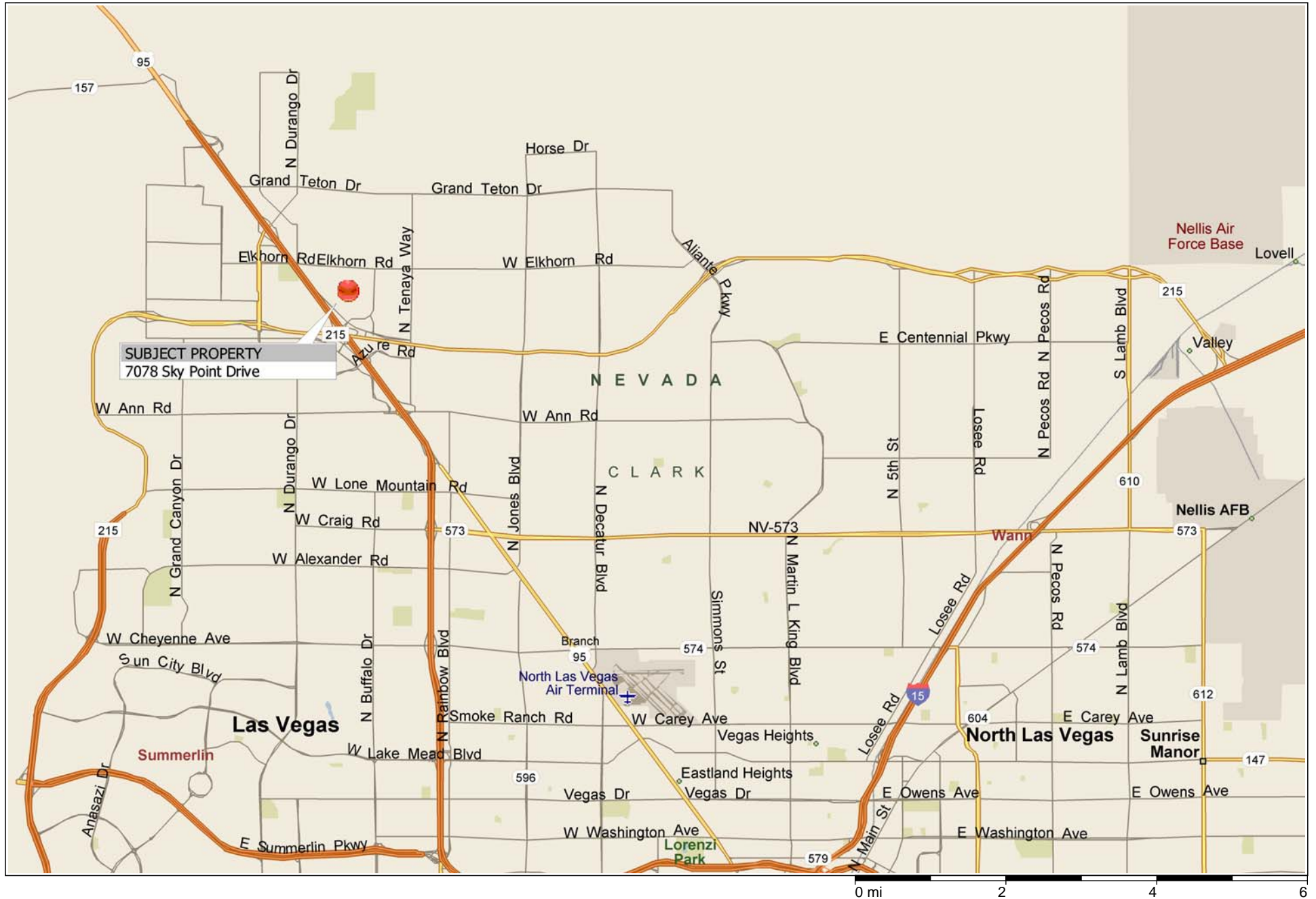
The Subject Property is located in the newly developing commercial area at the intersection of Highway 215 and Highway 95 in northwestern Las Vegas. The Subject's neighborhood is generally considered to be bounded by the Grand Teton Drive and I-215 Beltway to the north and west, I-15 to the east and Cheyenne Avenue and US Highway 95 to the south. The map on the following page highlights the Subject's location within the identified neighborhood. The described area contains approximately 65 square miles.

Access – The Subject and the overall neighborhood has excellent access from both major arterials and collector streets. Most notable the Subject Property is bounded on the west by Highway 95 which has intersection with Durango Drive on the north and Buffalo Drive on the south. The extension of Sky Pointe Drive to the south has an intersection with the I-215 Beltway. All the roadways are asphalt paved with center medians. Traffic at major intersections is controlled by signal lights and minor arterials and collector streets by stop signs. Overall, access is considered good.

Land Use - Neighborhood land uses include commercial office, retail/service/entertainment and residential, all located proximate to the main traffic arterials.

Predominant Age of Improvements	1-15 years
Predominant Quality and Condition	Good to Excellent
Approximate Percent Developed	80%
Life Cycle Stage	Growing with older large tract residential to the north and west of the Subject
Infrastructure/Planning	Excellent
Predominant Location of Undeveloped Land	In-fill sites in the area's commercial and residential developments.
Subject's Immediate Surrounding Land Uses	
North	A new single-family development is under construction
South	Vacant land and the Sky Pointe gated residential community. Fururther south is a neighborhood shopping center with a number of major anchor stores
East	Single-family residential subdivision.
West	US Highway 95 right-of way. Across the highway is Mountain Ridge Park and a large tract of vacant land.

Neighborhood Map



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

Daily Services & Entertainment – The Subject neighborhood has excellent services within the neighborhood. There are a number of shopping centers, convenience centers and stores, churches, medical hospitals, clinics, and office buildings; and numerous parks and other public and private recreation facilities. There are a few entertainment venues in the described area, with the Subject being approximately 13 miles northwest of the famous Las Vegas Strip.

Hazards and Nuisances – There are no hazardous land uses in the immediate area of the Subject. While the proximity to US Highway 95 can be considered a nuisance from a noise level standpoint, this is offset by its convenience for student drop-off and pick-up. There are no gasoline service stations, land fill, or heavy industrial uses in the immediate area.

Public Services - Schools, fire and police protection service are all considered good for a community/neighborhood of this size. Electricity is supplied by NV Energy, Natural Gas is supplied by Southwest Gas and Water and Sewer is supplied by the City of Las Vegas.

Conclusion

Overall, the Subject appears to be well positioned with regard to access and well positioned to capture adequate enrollment from the number of new residential subdivisions and apartment complexes in the area. There are a number of public schools in the area; however, the demand for the charter school curriculum at Sky Pointe has been highly successful and enrollment is nearing capacity in those grade levels offered with waiting lists.

In comparison to other areas in the city, the market area is rated as follows:

MARKET AREA ATTRIBUTE RATINGS	
Highway Access	Below Average
Demand Generators	Good
Convenience to Supporting Services	Good
Convenience to Public Transportation	Good
Convenience to Schools	Average
Employment Stability	Good
Police and Fire Protection	Average
Property Compatibility	Average
General Appearance of Properties	Good
Appeal to Market	Good to Excellent
Prices/Value Trend	Good to Excellent

PROPERTY DESCRIPTION

Site Description

Location:	Southeast quadrant of Sky Pointe Drive and West Elkhorn Road in the northwest section of the greater Las Vegas metropolitan area. It is located east of US Highway #95 and Sky Pointe Drive between its interchanges with North Durango Drive (north) and Highway #215 Beltway (south) in Clark County. The street address is 7078 Sky Pointe Drive.
Land Area:	12.14 Acres or 528,818 (Subject to Final Survey)
Shape:	Irregular
Frontage:	Approximately 1,360 feet – North Sky Pointe Drive
Topography/Terrain:	Generally level with a gentle slope from northwest to southeast. The site drainage appears to be adequate.
Access:	<p>Access is provided by two curb opening along North Sky Pointe Drive and from a developing roadway southerly from West Elkhorn Road. Access to nearby freeways (Highway #95 and Beltway #215 are good. As with all charter schools it is necessary to have a proper flow of traffic for student drop-off and pick-up which appears functional for the finished site.</p> <p>At their various intersections, traffic is controlled by stop signs, while the major traffic arterials in the area are controlled by signal lights.</p>
Street Improvements:	North Sky Pointe Drive is a four lane, asphalt surfaced roadway with at grade medians allowing full directional turn lanes into and out of the school's two curb openings/entry parking lots. The second access roadway is a two lane roadway extending south from West Elkhorn Road and dead ending in a cul-de-sac at the southeast corner of the Subject site. The roadways have/will have concrete curb gutter and sidewalks.

Utilities:

Water	City of Las Vegas
Sewer	City of Las Vegas
Electricity	NV Energy
Cable	Comcast and Cox Communications
Telephone	CenturyLink and various cellular and long distance companies.

Flood Hazard:

Community Panel No.	32003 C 1745 E
Effective Date	September 7, 2002
Zone X	Outside the 100-year flood plain – insurance is not necessary or available.

Wetlands:

None observed.

Seismic Zone:

The Subject Property is not located in an earthquake zone.

Geotechnical Report (Soils):

We have reviewed a geotechnical report prepared by Terracon, updated report from the original report (12/21/1995) dated November 15, 2012. The author’s statement is as follows: “As site visit was performed on November 9, 2012 to access changes that may have occurred since the original exploration for the project was performed. The site is APN 125-21-102-001 located at the southwest intersection of Elkhorn Road and Sky Pointe Drive. It is our opinion that the proposed construction is within the limits of our geotechnical exploration and the geotechnical report with this update letter is applicable on this site.

Hazardous Substances:

We have reviewed a Phase I report prepared by OGI Environmental, LLC, dated May 8, 2012. A review of the conclusions are as follows: OGI did not identify recognized environmental conditions (RECs) for the subject site and based on the observations detailed in the report, does not believe that further environmental studies, related to the scope of work, are needed for the subject site at this time. Additionally, environmental impacts to the subject site from properties within the specified distances from the subject site were not identified.

Zoning:

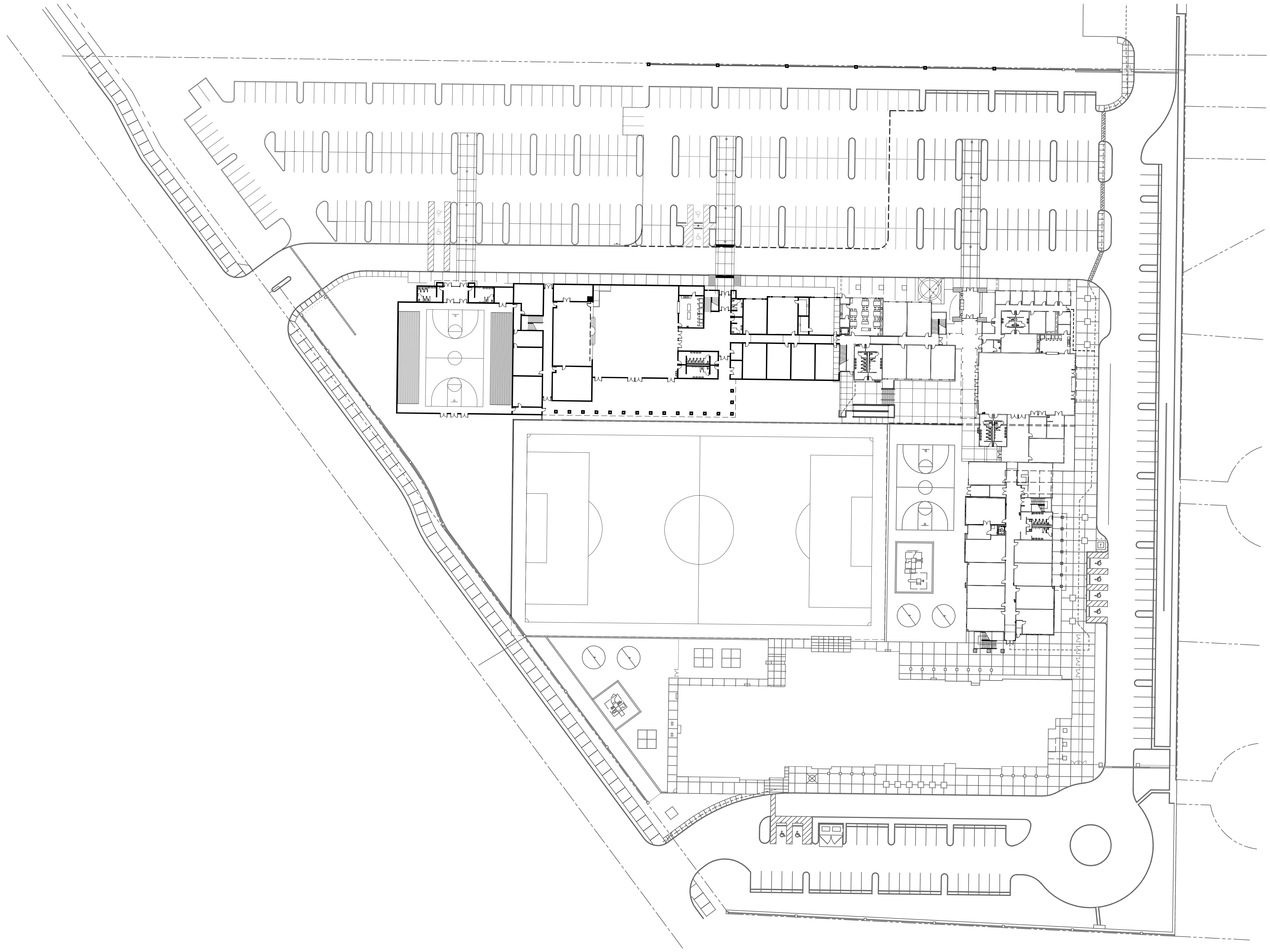
Town Center (T-C-S/X), under the jurisdiction of the City of Las Vegas.

Land Use Restrictions: We requested but were not provided with a title report that would disclose any easements, encroachments, or encumbrances that may adversely affect the Subject Property. It is assumed that there are no such items other than typical easements for utilities and roadways. We recommend that a current title commitment be acquired and if such report indicates any negative items that may affect our opinion of market value; we reserve the right to amend this report.

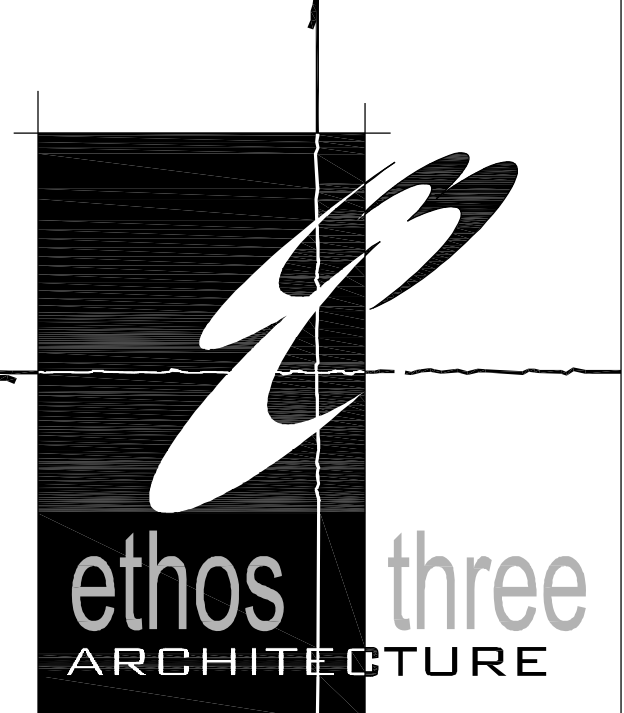
Site Improvements: See descriptions in the following section

Comments: The site is an irregular-shaped, tract of land suitable for a variety of uses. It is generally level and has good access from the adjoining streets. All utilities are located on site with adequate capacities. In summary, the Subject site is suited for development with a variety of commercial (retail/office), residential, and/or public uses.

8985 s. eastern
suite 220
las vegas, nv 89123
p 702.456.1070
f 702.456.7020



DRAWING APPROVED: _____
DATE: _____

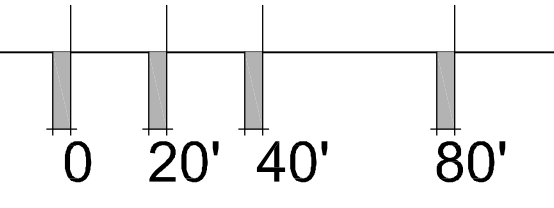


Site Plan

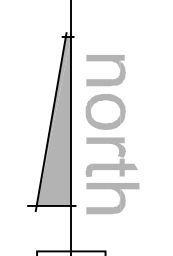
Somerset Academy
Sky Pointe Campus

SITE PLAN

SCALE : 1" = 40'-0"



12.5.2014



SHT A1.1

AERIAL MAP



Building Description

Existing Improvements - The campus is comprised of three buildings – one each for the elementary grades (Kindergarten through 6th grade) middle school (7th and 8th grades), and partially completed high school (9th and 10th grades). This is the “as is” condition at the date of inspection/value. The school is being developed in three phases – Phase I was the completion of the elementary school and a part of the middle school. Phase II included the completion of the middle school and a part of the high school. Phase I was completed in August 2013, Phase II in August 2013. The existing improvements are one and two-story in design and in good to excellent condition.

Proposed Improvements - Phase III (**not a part of the “as is” valuation**) will be the completion of the high school and a gymnasium. These improvements are expected to be completed and ready for occupancy on or about August 25, 2015.

The building square footages are described below:

As-Is	
Elementary School	45,789 SF
Middle School	35,185 SF
High School	48,339 SF
Gymnasium	<u>9,254 SF</u>
Total	138,567 SF

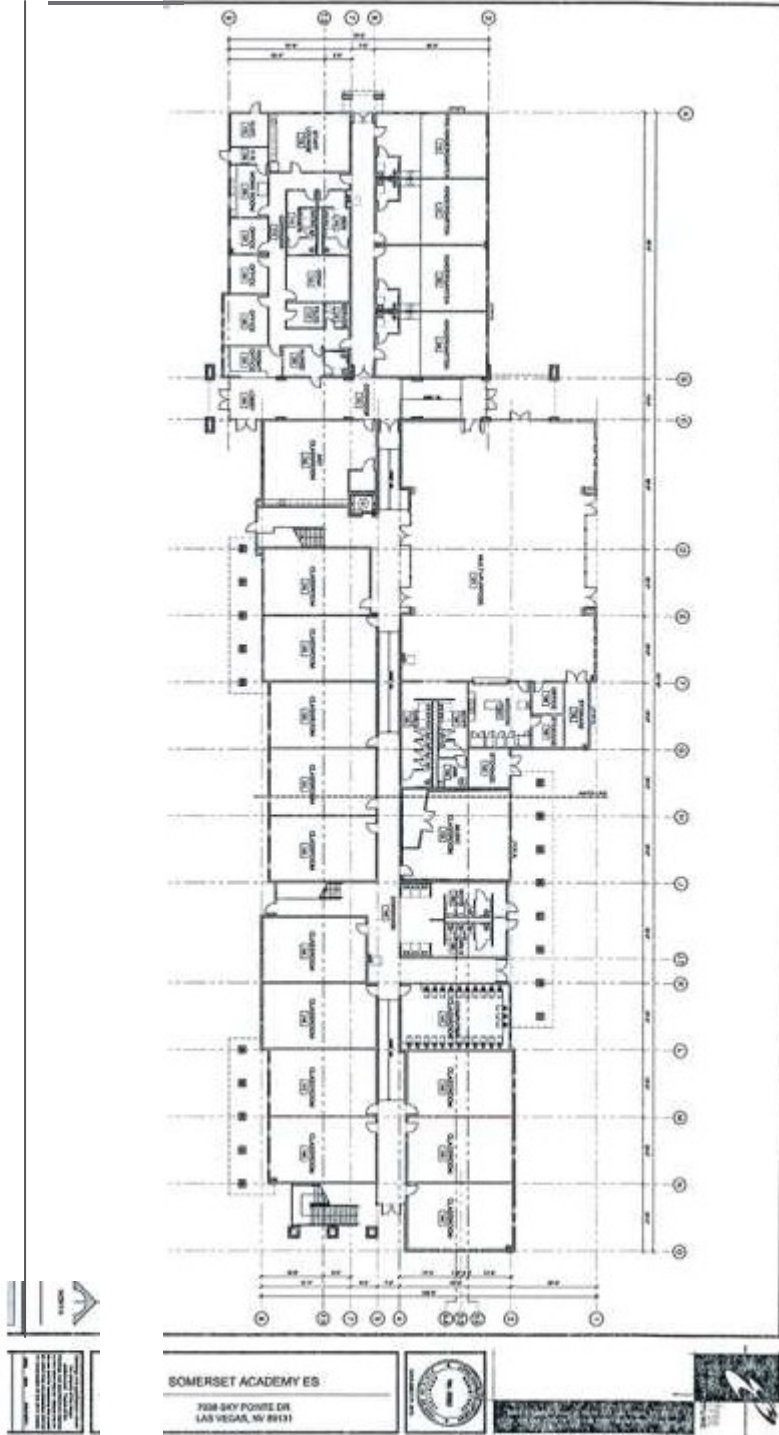
Site Improvements - The site improvements include a number of parking lots with landscaped medians and overhead security lights, lawn, trees, and shrubs watered by an underground irrigation system. The perimeter and playground/fields are fenced with CMU block, steel rail, and chain link. There are three automatic security gates controlling access to and from the site. In Phase II, the recreation field which is surfaced with sod will be replaced with synthetic turf.

This valuation assignment is to estimate the market value of the Subject Property in its “as complete” condition along with the market value of the vacant site. There is a 2.47 acre site (estimate) located in the northwest section of the Subject proposed for the completion of the high school building, gymnasium, and future parking spaces are to be utilized in association with the high school. Given the number and location of the access points, the Subject site does and will provide good traffic flow for drop-off and pick-up of students.

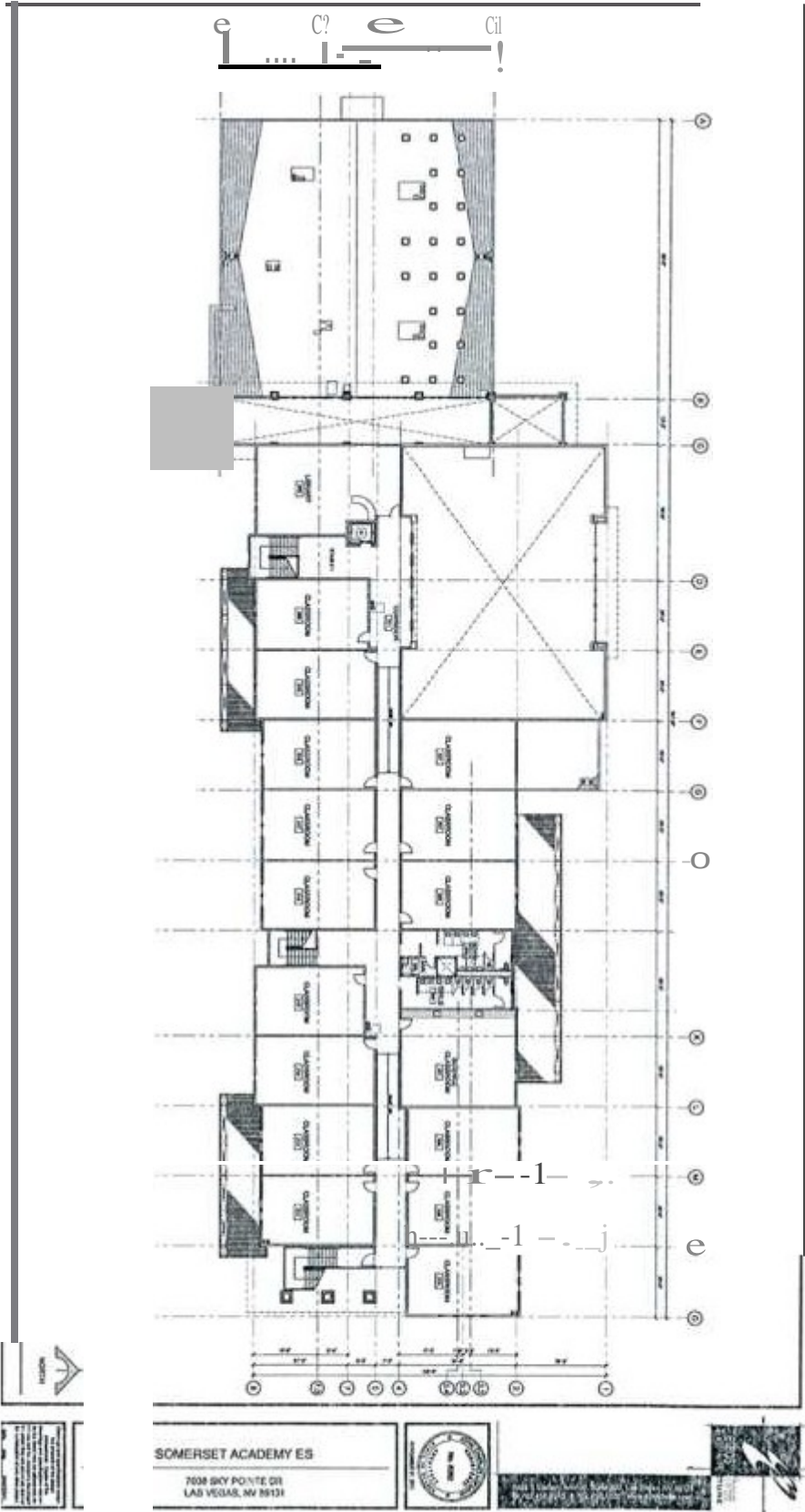
Following is a chart identifying the utilization of the building floor plans for each of the elementary, middle school and high school in its “as complete” designs with the architectural drawings included on the following pages:

Building Identification	Elementary
Entry Foyer	1
Reception	1
Offices	8
Conference Room	1
Copy Room	1
File Room	1
Classrooms	19
Art Room	1
Computer Lab	1
Computer Server Room	1
Nurse's Clinic	1
Library	1
Staff Lounge	1
Staff Work Room	1
Multi-Purpose Area	1
Cafeteria	1
Kitchen Galley/Prep	1
Restrooms	13
(toilets/urinals/sinks/showers)	27/7/28
Mechanical	1
Electrical	1
Janitorial Closet	2
Storage	4
Stairways	2
Elevator – 2 stop	1

FIRST FLOOR- FLOOR PLAN (ELEMENTARY SCHOOL)

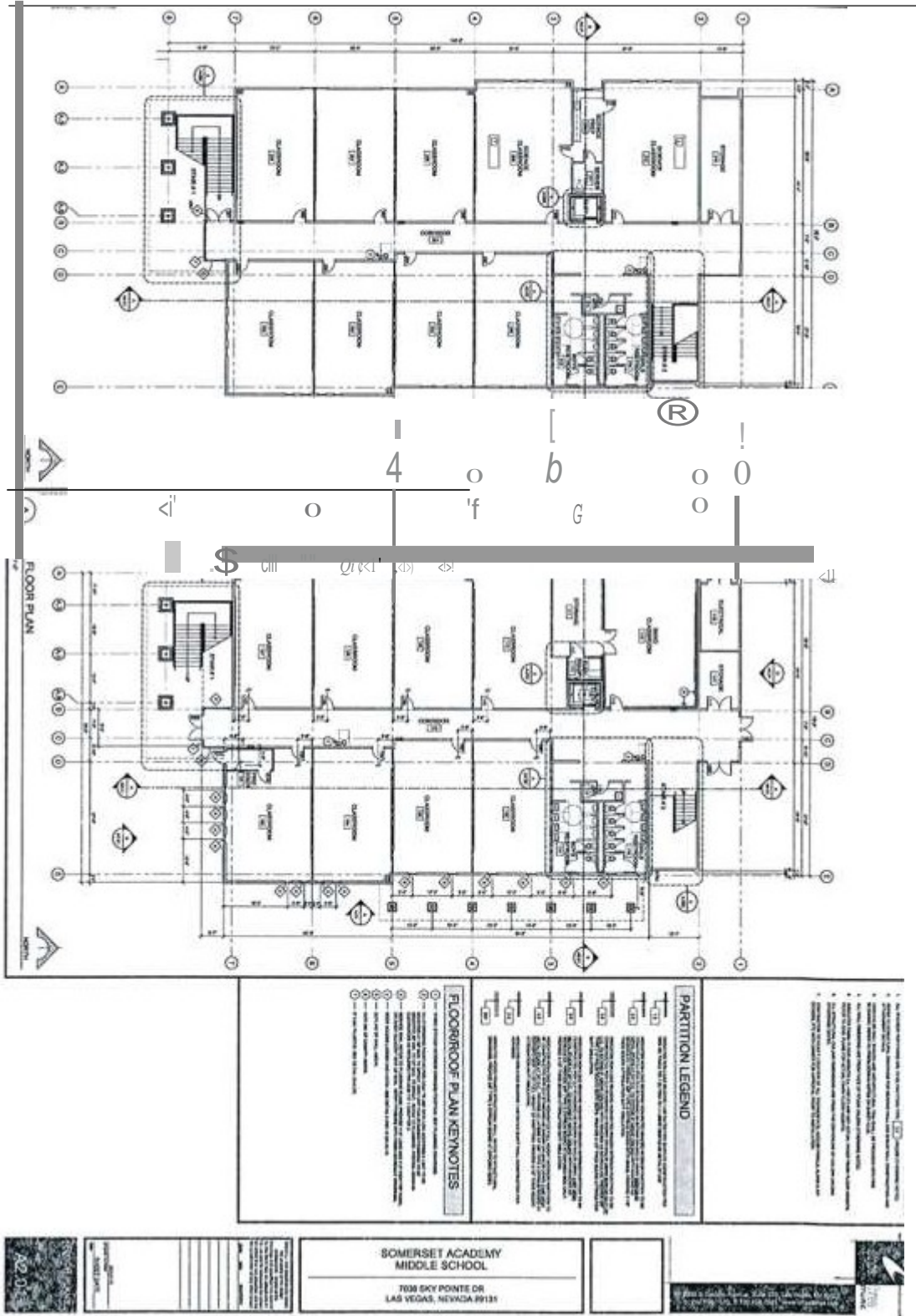


SECONDFLOOR -FLOOR PLAN (ELEMENTARY SCHOOL)



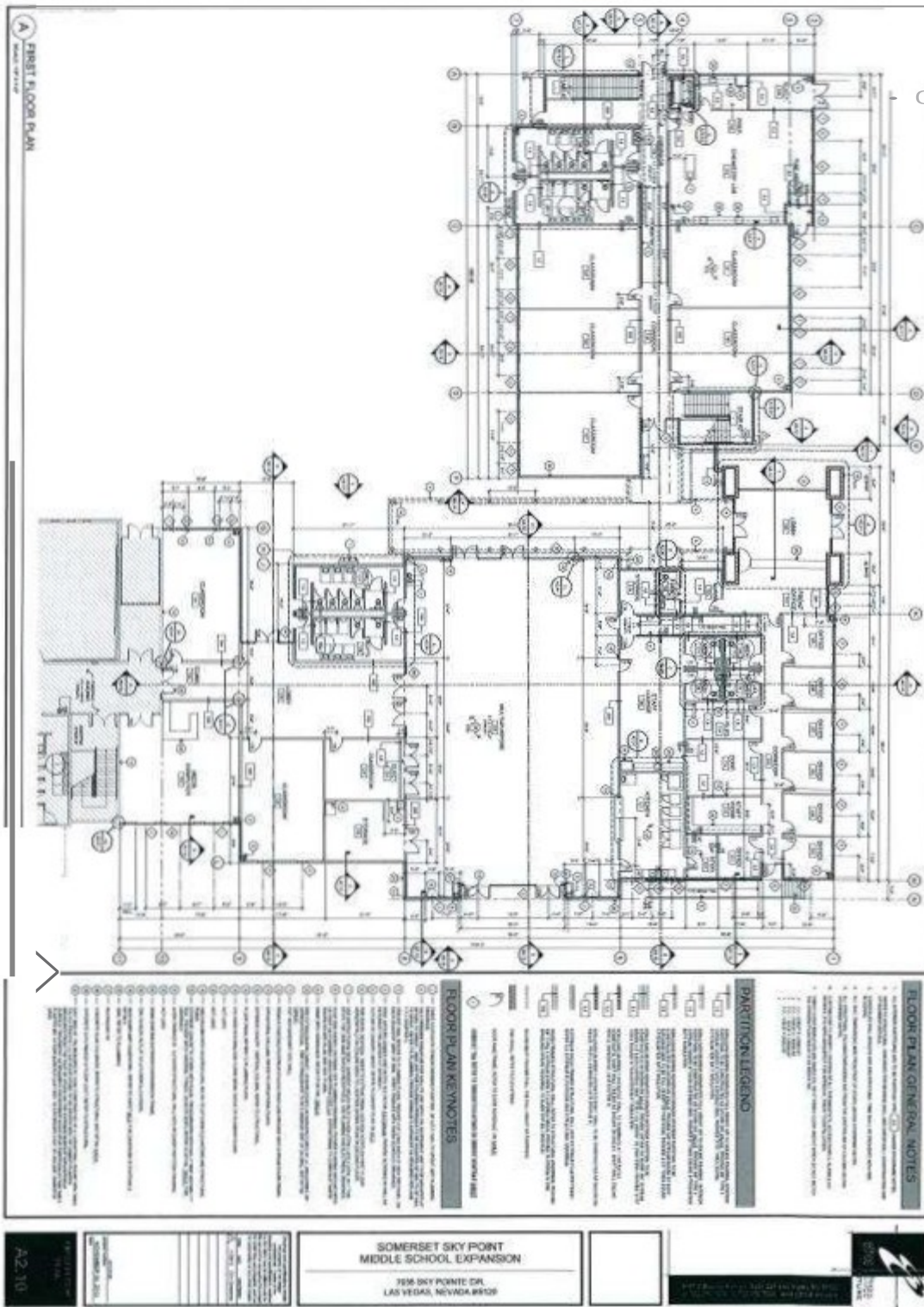
Building Identification	Middle School
Entry Foyer	1
Reception	1
Offices	8
Conference Room	1
Staff Work Room	1
Classrooms	22
Science Prep	0
Nurse's Clinic	1
Computer Lab	1
Cafeteria/Multi-purpose	1
Kitchen Galley/Prep	1
Restrooms	11
(toilets/urinals/sinks/showers)	26/9/27/0
Mechanical	1
Electrical	1
Janitorial Room	2
Storage	5
Stairways	2
Elevator – 2 stop	1

FIRST AND SECOND FLOOR PLAN (EXISTING MIDDLE SCHOOL)

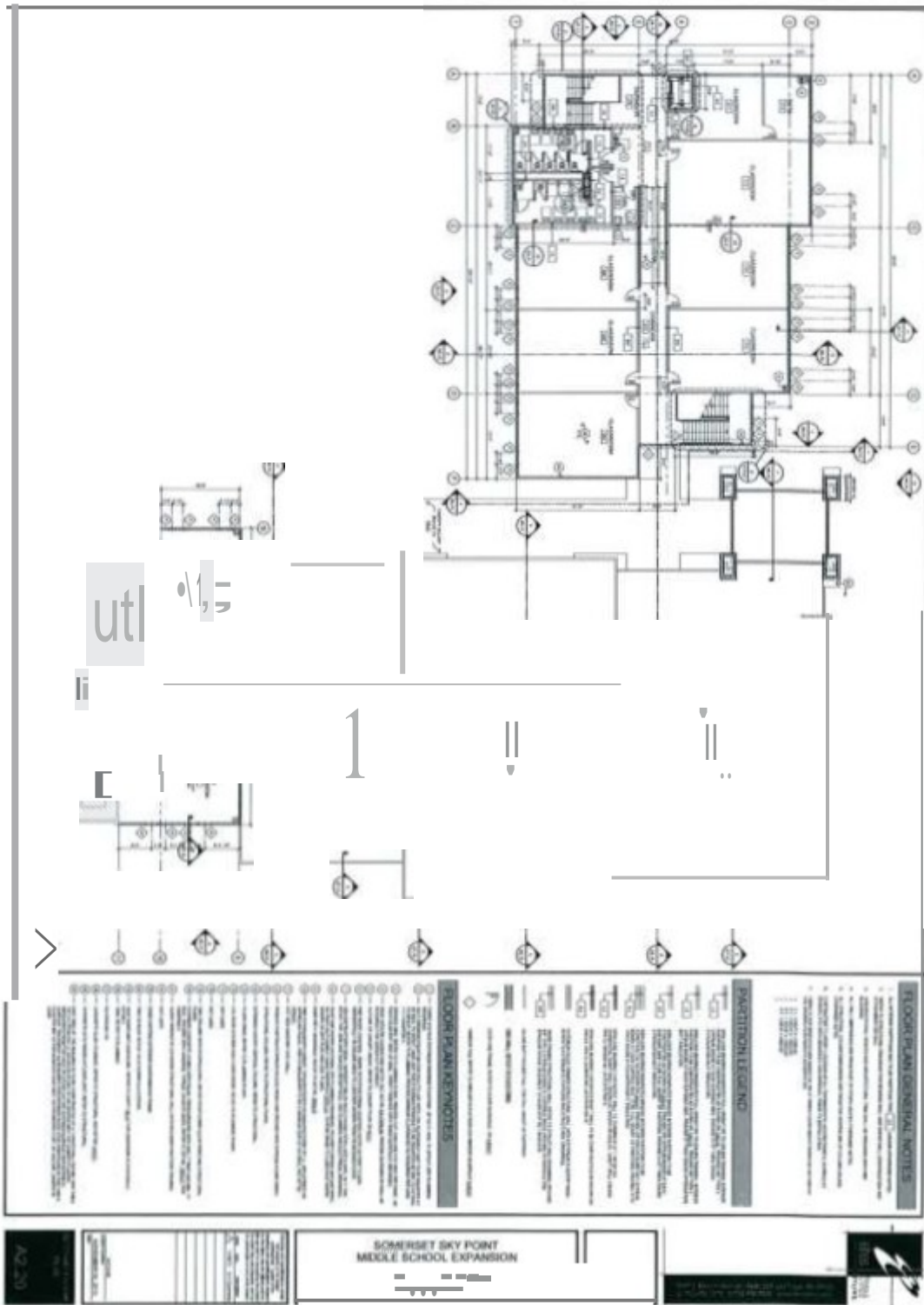


Building Identification	High School
Classrooms	13
Science Prep	2
Restrooms	9
(toilets/urinals/sinks/showers)	20/6/22/0
Janitorial Room	2
Storage	2
Stairways	2
Elevator – 2 stop	1

FIRST FLOOR - FLOOR PLAN (MIDDLE SCHOOL EXP. & HIGH SCHOOL)



SECOND FLOOR - FLOOR PLAN (MIDDLE SCHOOL EXP. & HIGH SCHOOL)



Building Components

Foundation:	Reinforced concrete slab on grade over compacted fill supported by perimeter foundation walls and spread footings.
Exterior Walls:	Combination CMU block walls and steel stud frame walls with rigid insulation and gypsum board walls finished with texture and paint. There are also a number of locations having a stone façade finish.
Roof:	Membrane finish over rigid insulation on a metal deck with steel web bar joist and steel girders. Roofs are new and under warranty.
Windows:	Glazed double pane insulated glass systems in fixed metal frames – blinds on west and south facing rooms.
Interior Partitions:	5/8” gypsum board taped, textured, and paint finish supported by metal studs on 24” centers having batt sound insulation in wall void.
Ceilings:	The ceilings are a combination of acoustical panels (2’X2” and 2’x4”).
Doors:	Classroom – Solid-core wood with paint finish in metal frames. Some classroom doors have glass inserts. Entry/foyer – Glass store front in metal frames Exterior Doors – Metal hollow core and glass store front in metal frames. Exterior and some interior doorway have panic bars.
Electrical:	Adequate – Fluorescent lighting and incandescent spots. The facility has adequate electric power, 277/480 and 120/208 volt, 3-phase, 4 wire.
Plumbing:	Adequate – Numerous restrooms, sinks, drinking fountains, and fire control.
Mechanical Systems:	Roof-mounted combination heating & cooling units. Internal electrical cabinet unit heaters.
Fire Suppression:	Wet sprinkler system – with fire/smoke sensors, emergency lighting, and extinguishers.

Security:	Lobby Guard visitor/vendor security system. Electric control gates at three entry points. Exterior and interior cameras.
Interior Improvements:	Classrooms, kitchen area, and break rooms have wood cabinet with Formica counter tops, and storage areas.
Parking:	426 striped asphalt spaces with 9 being handicap rated and 100 being compact sized - Adequate.
Site Improvements:	The site area not under the building envelope is a combination of parking lots, landscaping features, and sod recreation field. The landscaping is watered with an automatic underground irrigation system.
Americans W/Disabilities Act:	The Americans With Disabilities Act (ADA) became effective January 26, 1992. We have not made, nor are we qualified by training to make, a specific compliance survey and analysis of this proposed property to determine whether or not it is in conformity with the various detailed requirements of the ADA. Given that the Subject was designed by a registered architectural firm, we have assumed that all phases of the building and site finish conform to ADA regulations.
Design Features and Functionality:	After review of the architectural plans and specifications, the Subject improvements were determined to be not to be impacted by functional obsolescence.
Effective Age/Economic Life:	After completion of our inspection and reviewing data from the Marshall Valuation Manual, we have concluded the combined effective age to be 0 years and the total economic life of 50 years – remaining economic life of 50 years resulting in 0% depreciation level for the incurable building components.
Comments:	After the recent completion of the Phase I and Phase II the building improvements are in good to excellent condition. The design is functional for a Kindergarten through 10 th grade school use. The condition of the building improvements associated with the completion of Phase III will be in good to excellent condition. The site improvements are in average to good condition.

REAL PROPERTY TAXES AND ASSESSMENTS

Jurisdiction Clark County

Tax Account No. 125-21-102-009

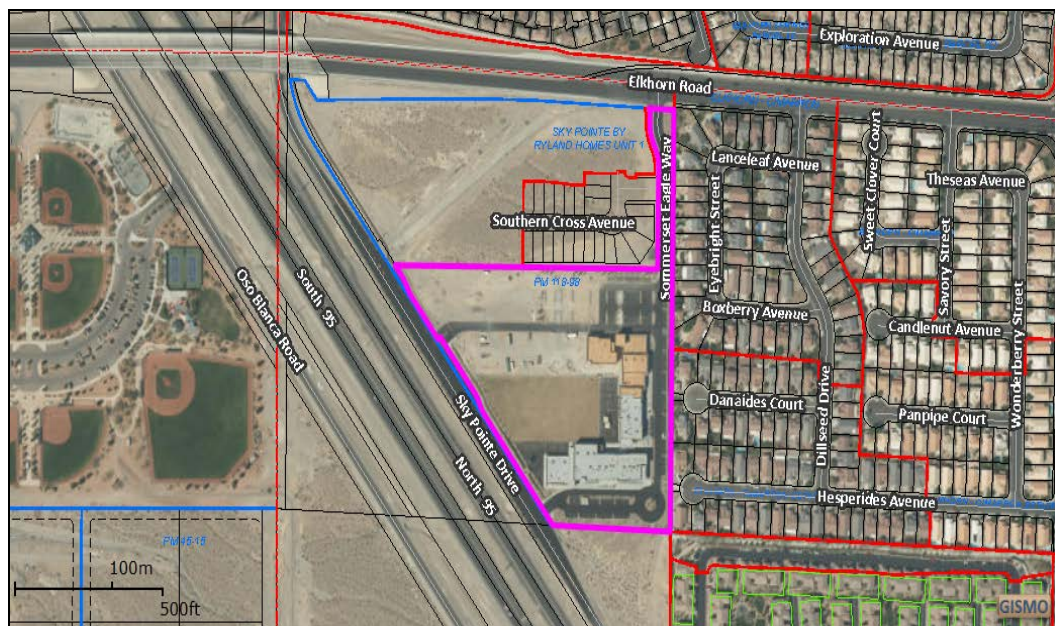
In Nevada, the assessment rate for real property taxes is 35.0 percent of actual value. Our experience has shown that often assessor's actual value often has minimal relationship to the current Market Value as defined in this appraisal report and is included in this report for informational purposes only.

State law requires that all real property be revalued every year, and the tax year is based on a fiscal year, July 1st through June 30. Tax rates are set in June of each year, and tax bills are prepared and mailed out by August 1 of each year. Property taxes are due on the 3rd Monday of August; however a property owner may elect to pay in installments (due August, October, January and March).

Clark County Assessor's Market Value	125-21-102-009
Total Taxable Value	\$2,221,037
Assessment Ratio	29%
Total Assessment	\$777,363
Total Taxes – Exempt	\$-0-

The Subject Property is classified as exempt, in that the facilities are being used for the benefit of an educational endeavor.

On the following page we have included a copy of the Assessor's parcel map (Subject outlined in pink).



NOTES

This map is for assessment use only and does NOT represent a survey. No liability is assumed for the accuracy of the data delineated herein. Information on roads and other non-assessed parcels may be obtained from the Road Document Listing in the Assessor's Office.

This map is compiled from official records, including surveys and deeds, but only contains the information required for assessment. See the recorded documents for more detailed legal information.

USE THIS SCALE(FEET) WHEN MAP REDUCED FROM 1:1X17 ORIGINAL

MAP LEGEND

- Parcel Boundary
- Sub Boundary
- PM/LD Boundary
- Road Easement
- Match/Leader Line
- Historic Lot Line
- Historic Sub Boundary
- Historic PMLD Boundary
- Section Line

ASSESSOR'S PARCELS - CLARK CO., NV.
Michèle W. Shate - Assessor

T19S R60E

009	100	101
126	125	124
137	138	135

21

1	2	3	4	5	6	7	8	9	10	11	12
13	14	15	16	17	18	19	20	21	22	23	24
25	26	27	28	29	30	31	32	33	34	35	36
37	38	39	40	41	42	43	44	45	46	47	48
49	50	51	52	53	54	55	56	57	58	59	60

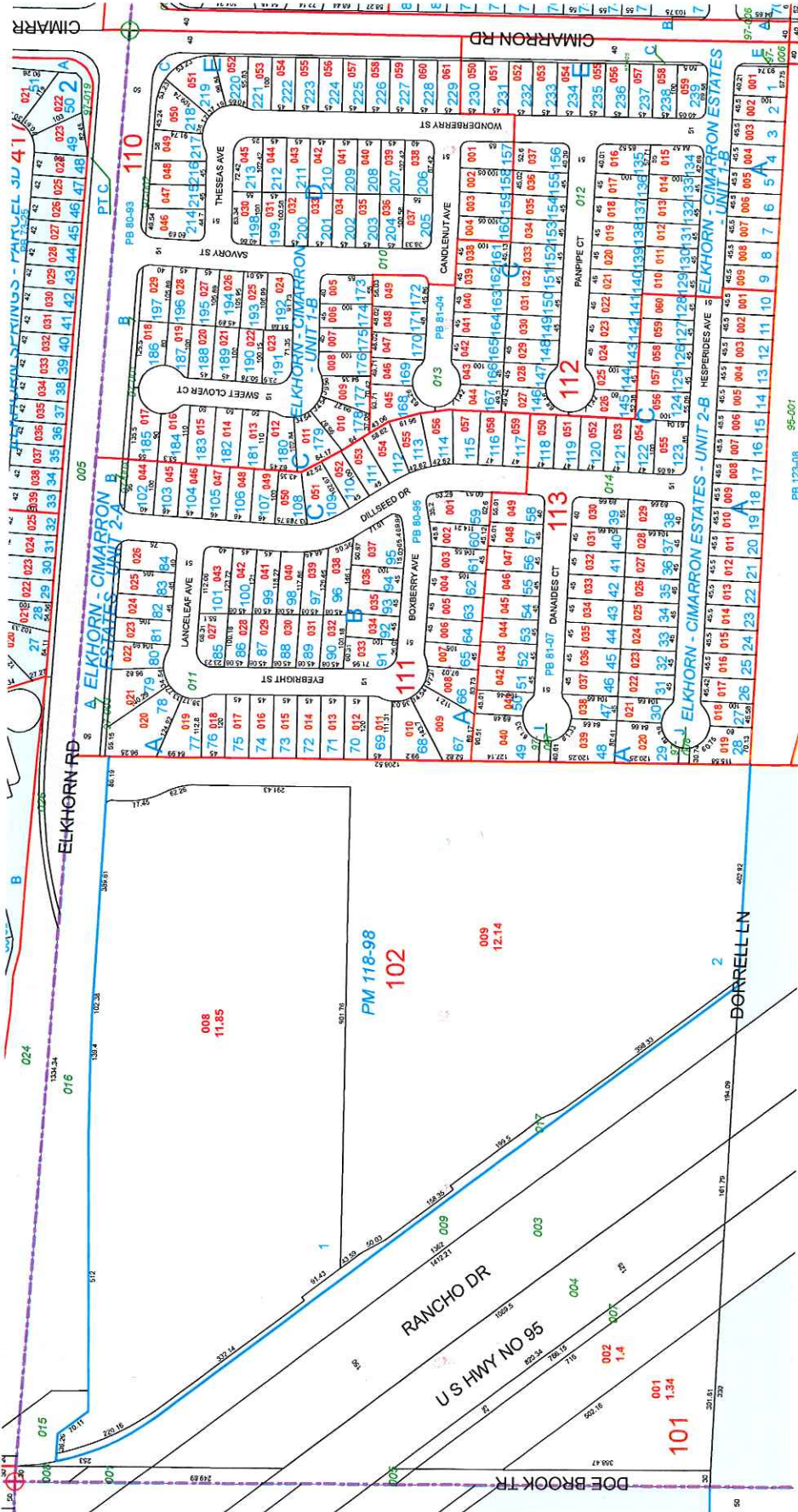
Scale: 1" = 200'

Rev. 4/9/2013

N 2 NW 4

1	2	3	4	5	6	7	8	9	10	11	12
13	14	15	16	17	18	19	20	21	22	23	24
25	26	27	28	29	30	31	32	33	34	35	36
37	38	39	40	41	42	43	44	45	46	47	48
49	50	51	52	53	54	55	56	57	58	59	60

125-21-1



Jurisdiction: City of Las Vegas
Classification: Town Center (T-C)

INTENT OF THE TOWN CENTER (T-C) DISTRICT

This district is intended to permit and encourage the development of a mixed use employment center which will provide economic stability and diversification for the City of Las Vegas. The primary objective of the Town Center District concept is to provide employment for in excess of 100,000 individuals while at the same time creating a unique blending of human habitation and economic activity.

Permitted Uses: General commercial or planned development, equivalent with the following categories: Service Commercial (SC), General Commercial (GC), Office (O), Light Industrial/Research (LI/R), and High Density Residential (H).

Development Standards: Development standards including minimum lot sizes, densities, setbacks, etc. are to be in accordance with the Town Center Development Standards Manual on file with the Office of the City Clerk and in the Planning and Development Department.

The Planning Office has identified a sub-zoning district with a designation of Suburban Mixed Use (SX). The Suburban Mixed Use District can be characterized as being similar to the Service Commercial District with the addition of medium density residential being a permitted use and is intended to enable development with imaginative adjacency standards. Building and site designs which reflect a mixture of compatible land uses having either a vertical or horizontal character will maximize employment and housing opportunities. This District is more reflective of suburban development than the Urban Center Mixed Use category. Local supporting land uses such as parks, other public recreation facilities, some schools and churches are also allowed in this District.

We are not experts in the interpretation of complex zoning ordinances, but the Subject Property appears to be a conforming use based on our review of public information. The determination of compliance is beyond the scope of a real estate appraisal.

We know of no deed restrictions, private or public, that further limits the Subject Property's use. The research required to determine whether or not such restrictions exist is beyond the scope of this appraisal assignment. Deed restrictions are a legal matter and only a title examination by an attorney or title company can usually uncover such restrictive covenants.

City of Las Vegas

ZONING

- U - Undeveloped (SPA Designation)
- RA - Ranch Acres
- RE - Residence Estates
- RD - Single-Family Residential Restricted
- RPD - Residential Planned Development
- R-1 - Single Family Residential
- RMH - Mobile/Manufactured Home Residence
- RCL - Single-Family Compact Lot
- R2 - Medium-Low Density Residential
- R3 - Medium Density Residential
- R4 - High Density Residential
- R5 - Apartment
- R-MHP - Residential Mobile/Manufacture Home Park
- PR - Professional Offices And Parking
- PO - Professional Office
- NS - Neighborhood Services
- O - Office
- CD - Designed Commercial
- C-1 - Limited Commercial
- C-2 - General Commercial
- C-M - Commercial Industrial
- M - Industrial
- C-V - Civic
- C-PB - Planned Business Park
- PC - Planned Community
- PD - Planned Development
- TD - Traditional Development
- TC - Town Center
- ROI Zoning

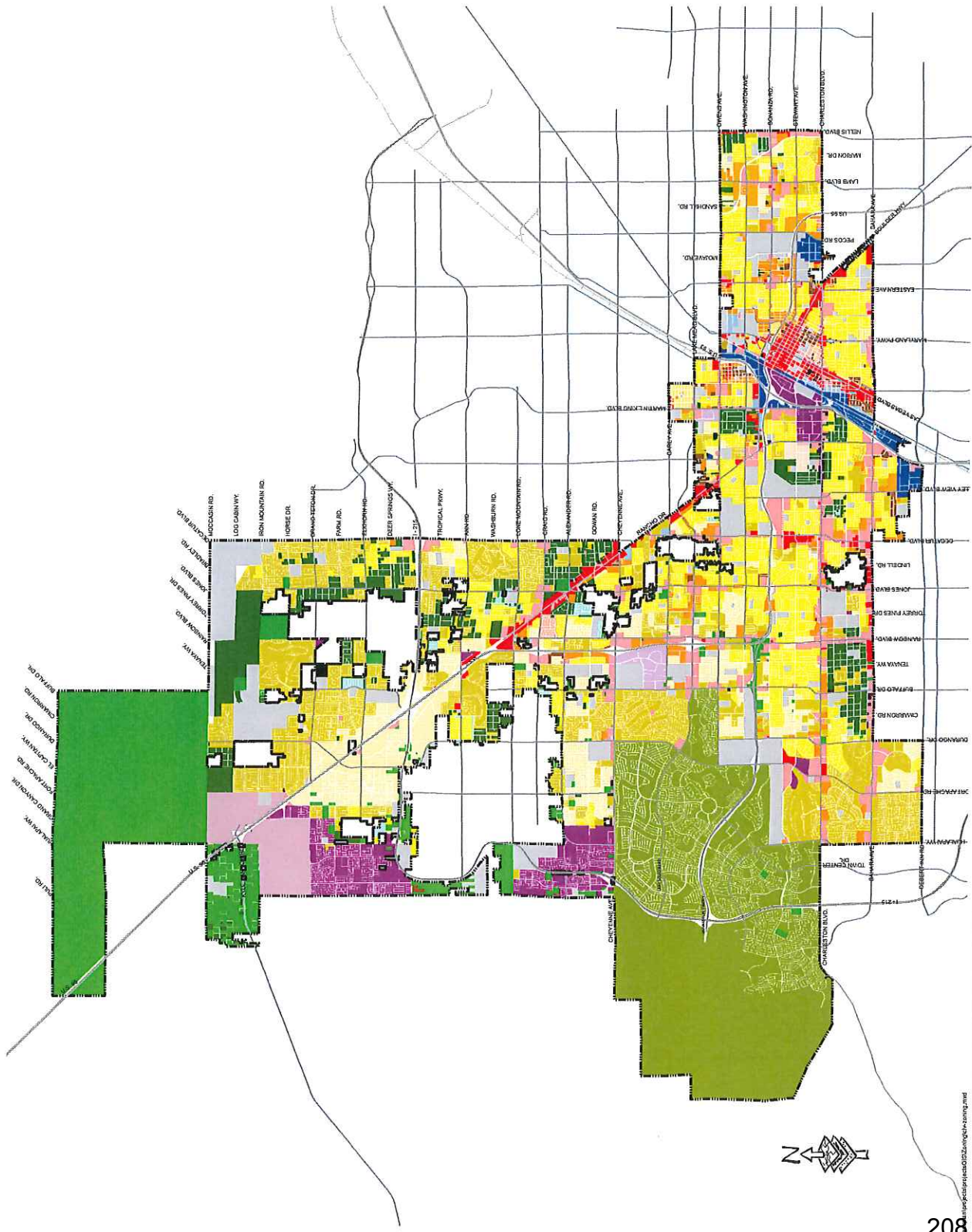
SOURCE: City of Las Vegas - Planning and Development Department

Revised: May 21, 2014 ZON-53265



Use this map to identify the zoning designations for parcels in the City of Las Vegas. This map is for reference only. Geographic Information System Planning Department

Printed: Tuesday, September 16, 2014



MARKET ANALYSIS

The Somerset of Las Vegas Skypointe campus charter school is an established Kindergarten through 10th grade school with immediate plans to expand the high school with an 11th and 12th grade at the beginning of the 2015-2016 term. The school, with a Core Knowledge Curriculum, had a 2013-2014 enrollment of 1,110 in grades Kindergarten through 8th grade and added the 9th and 10th grades and expanded the 7th and 8th grade classrooms for the 2014-2015 term increasing attendance to 1,680 students with its current waiting list of 2,587 students. Upon completion of the high school, the student population will increase as grades 11th and 12th are added. The enrollment will be drawn in part from the established waiting list. The student/teacher ratio is programmed for 25 to 1 in the primary grades and 30 to 1 in the secondary grades.

Somerset - Sky Pointe Vision Statement

Somerset Academy, Inc. is dedicated to providing equitable, high quality education for all students.

Purpose

Somerset Academy, Inc. promotes a culture that maximizes student achievement and fosters the development of accountable, 21st century learners in a safe and enriching environment.

Core Principles

- *Student learning and achievement is paramount*
- *Effective school leaders*
- *Highly qualified staff*
- *Effective governing board*
- *Safe and secure learning environment*
- *Data assessments to drive curriculum and educational focus*
- *Research-based curriculum*
- *Continuous improvement*
- *Teacher training and mentoring throughout the academic year*
- *Balanced budgets to ensure resources for students achievement and teacher efficiency*
- *Teamwork with stakeholders – community leaders, parents, students, teachers, administration, and governing board*
- *Communication among all Somerset leaders*

The Somerset Academy Sky Pointe campus is part of the State of Nevada School system and more specifically a part of the Clark County School District. The Clark County School District has approximately 316,000 students in 357 schools. It is the 5th largest district in the nation. There are 39,022 employees in the district which has an annual budget of \$2.177 billion (2013-2014 term). The basic per pupil state funding was \$5,547 and the per pupil expenditures were \$8,018. We anticipate this funding to increase slightly for the coming term (2015-2016). A copy of the Somerset Academy of Las Vegas “School Accountability Report” is presented in the Addenda.

Of the reported 38 charter schools in the state (2014), 24 are located in Clark County. Over the past three years there has been a strong trend of charter school construction and many projects in the pipeline for development in the coming years.

As for the Subject school, its development and growth in attendance has been dramatic. With the school in the third year of operation, it fills its attendance levels quickly and has an overwhelming number on the waiting list. There are a number of charter schools that will be developed in the area; however, the population growth will likely exceed the number of schools constructed as many of the public schools are currently exceeding planned enrollment counts and are short on funds for new school construction.

We have utilized the Internet sites for charter schools, Trophy Property Company, Inc. office files relating to charter schools appraised, and data prepared by the Clark County School District in their “Open Book” presentation to substantiate the positive statistics from the Sky Pointe business model and operation. We also review documents from the Charter Schools Association of Nevada and the Nevada Department of Education related to performance and existing and proposed schools in the District.

In summary, we believe that the Somerset of Las Vegas Sky Pointe campus will continue succeed in both academic achievement and strong enrollment totals.

HIGHEST AND BEST USE

Highest and Best Use, as used in this report, is defined as:

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.

The highest and best use analysis identifies the use conclusion upon which the final value estimate is based. Because the use of land can be limited by the existing improvements, highest and best use is determined for:

1. The land or site as though vacant and available to be put to its highest and best use; and
2. The property as improved.

The highest and best use of land as if vacant reflects the fact that land value is determined by potential land use. The highest and best use of the property as improved refers to the optimal use that could be made of a property including existing structures. This implies that the existing structure should be retained as is or modified as long as the improvements retain some level of market value or until the return for a new improvement will more than offset the cost of demolishing the existing building and constructing a new one.

An analysis of the highest and best use of the Subject begins with an examination of whether or not the Subject meets the test of the four defined criteria: legal permissibility, physical possibility, financial feasibility, and maximum profitability.

Legal permissibility considers deed restrictions, zoning, building codes, historic district controls, and environmental regulations that may preclude many highest and best uses.

Physical possibility refers to the size, shape, and terrain of the land that may affect the development of the site.

Financial feasibility is a test to determine if the uses will produce a positive financial return.

Maximum profitability refers to the use that provides the highest rate of return, or value.

AS VACANT

Legally Permissible: The property is zoned Town Center/Suburban Mixed Use (T-C/SX) District. This district allows a wide variety of commercial/industrial/residential/public uses that will maintain the synergy with the adjoining developments. The development of a school is permitted in this district.

Physically Possible: The Subject Property is consists of a 12.14 acres located on east side of Sky Pointe Drive and US Highway 95 right-of-ways and south of Elkhorn Road It is located in an area of both developed and developing commercial, residential, and service oriented properties. It has excellent access to the major traffic arterials including two nearby interchanges with US Highway 95 and the I-215 Beltway. The site is nearly level in topography/terrain and has all utilities in use on site with adequate capacities. Physically the site can support the development of a commercial, residential, and/or public uses including a school.

Economically Feasible, Maximally Productive and Appropriately Supported: In the previously presented market analysis section, we discussed the growth and success for development of charter schools in the region and throughout Clark County. The enrollment of the Kindergarten through 10th grade curriculum is at its capacity of 1,680 students and currently there is currently a waiting list of 2,584. The proposed Phase III will increase the capacity of the school; to 2,250 students and we anticipate the increase to be taken, in part, from the waiting list.

In summary, highest and best use of the property "as vacant" is believed to be for development of a residential, commercial, mixed-use project or public project like a school or church.

AS IMPROVED

The Somerset of Las Vegas Sky Pointe campus has successfully been operating at this location for the past two school terms experiencing strong growth in the student population with an extensive waiting list. It is well positioned to continue its growth up to its charter capacity. It is our opinion that Sky Pointe charter school represents the current and future highest and best use of the Subject Property - "as improved".

MOST PROBABLE BUYER

Based on the characteristics of the property, the likely buyer is an owner-operator that would operate their school on this property.

VALUATION METHODOLOGY

The three basic methods by which data are processed into an indication of value are the Cost, Sales Comparison (Market), and Income Capitalization Approaches.

The Cost Approach includes a set of procedures in which the appraiser derives a value indication by estimating the current cost to reproduce or replace the existing improvements, deducting accrued depreciation from all sources, and adding the estimated land value, which is arrived at by using market land sales.

The Sales Comparison Approach includes a set of procedures through which the appraiser derives a value indication by comparing the Subject Property to similar properties (the comparables) that have recently sold or are offered for sale. This comparison involves applying appropriate units of comparison, and making appropriate adjustments in order to make the sales directly comparable to the Subject.

The Income Capitalization Approach includes a set of procedures through which the appraiser derives a value indication for income-producing property by converting anticipated benefits into a property value. This conversion can be accomplished either by: (1) capitalizing a single year's income expectancy or an annual average of several years' income expectancies at a market-derived capitalization rate or a capitalization rate which reflects a specified income pattern, return on investment, and change in the value of the investment; or (2) discounting the annual cash flows over a presumed holding period and adding the reversion (upon resale) at a specified yield (discount) rate.

Since the Somerset of Las Vegas Sky Pointe campus charter school is a “Special Purpose” property the Cost Approach is afforded primary reliance in estimating the market value. The Sales Comparison Approach is utilized to determine the value of the site as if vacant.

Given the fact that schools do not regularly sell – the Sales Comparison Approach was not utilized. We have included an analysis is the Income Approach. In addition to the lease on the Subject Property, we have obtained and analyzed information on four other schools – three being new construction and one being conversions. Our interviews with the lessors/lessees revealed that the rental rates are based upon the acquisition costs of an existing building (not necessarily a school use) plus remodeling costs plus an entrepreneurial incentive. Or if the building is new it is the cost of the site plus the cost of construction (direct and indirect costs) plus an entrepreneurial incentive. We have completed over 80 charter school appraisals over the past 13 years and the return being requested by investors tends to fall in the range of 7.5% to 8.5% depending on a number of factors, primarily the current bond rate of return.

The final step is to reconcile the opinions' from the valuation techniques utilized, and then selecting the most relative, supported, and reasonable indication of market value.

COST APPROACH

Land Valuation

In the valuation of land, the Sales Comparison Approach is the correct method to use. The Sales Comparison approach is a method by which the value of the land is estimated by comparison of prices paid in actual market transactions. It is a process of analysis and correlation of similar, recently sold properties.

In order to derive an opinion of the market value of the Subject's site, as vacant and available for development to its highest and best use, we have assembled sales data for similar uses (charter schools) and zoned parcels in the greater Las Vegas area. After examining available sales data, we have selected five land sales transactions as the best indicators of the Subject's value. The immediate area has experienced an increased level of sales and construction activity over the past 6 to 12 months.

For this analysis, we use price per acre as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis. This is the unit value most commonly quoted by brokers, sellers, and purchasers when discussing sales transactions and is considered the most relevant for the Subject.

The Subject site was purchased in November 2012 for \$1,653,421, which equates to \$136,196 per acre or \$3.13 per square foot. Since that date there have been a number of on and off-site expenditures that has increased the current market value of the 12.14 acre tract and an adjustment upward for market conditions (time) is also concluded...

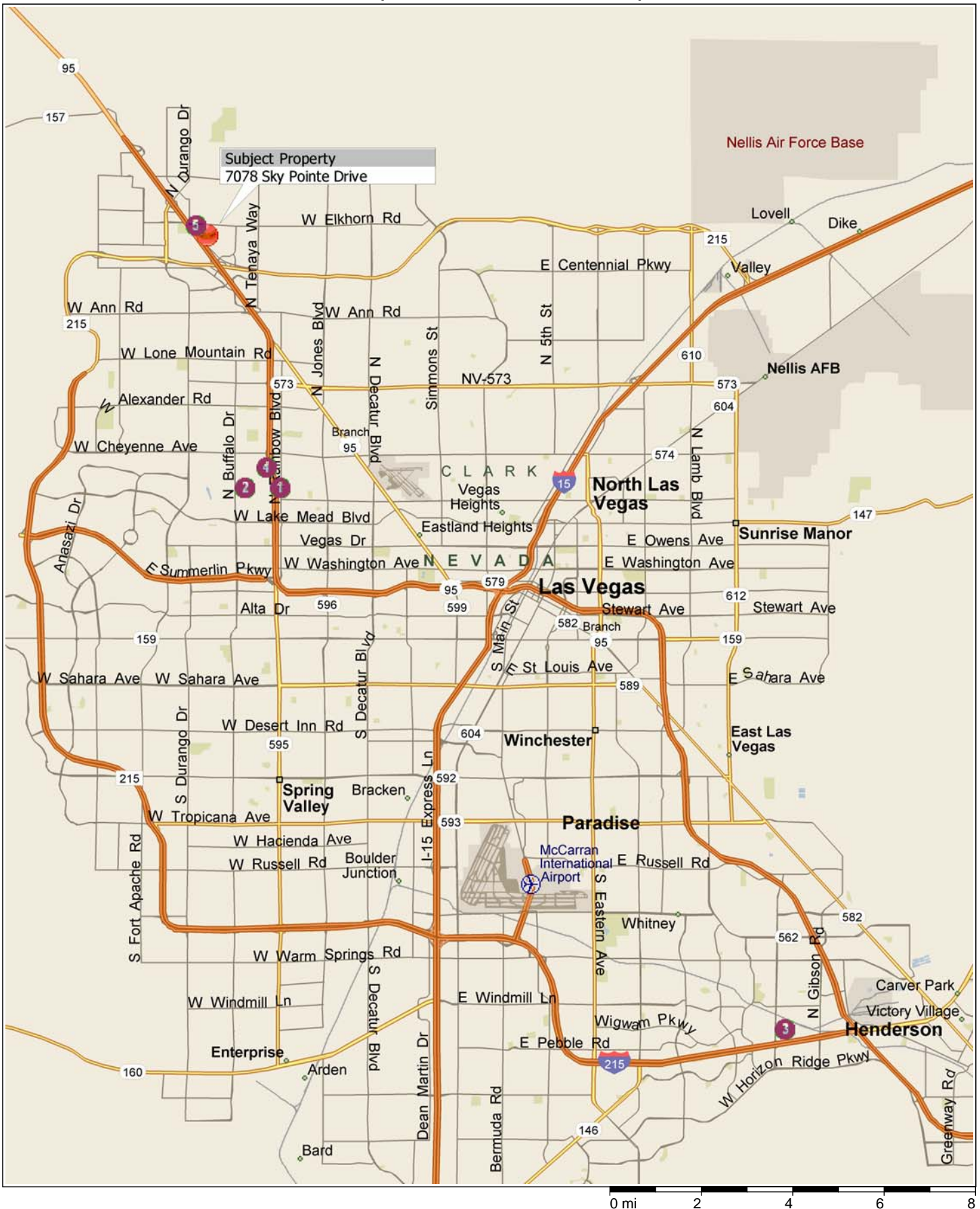
The comparables sales ranged in size from 4.39 acres (191,228 SF) to 11.85 acres (516,186 SF), and in price from \$261,954 to \$435,601 per acre. The sales utilized in this analysis occurred between July 2013 and April 2014.

The comparable sales are summarized in the chart on the following page. A land sale map identifying the location of the sales to the Subject Property is found on the page following the land sales chart and individual sales information and adjustment conclusions follow the location map.

SUMMARY OF COMPARABLE LAND SALES

Sale No.	Name/Location	Sale Date	Sale Price	Site Area (SF)	Sale Price PSF	Comments
1	4532 Balsam Street	Mar-14	\$1,150,000	191,228	\$6.01	Site is proposed location of charter school. Level terrain.
				4.39	\$261,959	All utilities located nearby. Inferior location to Subject.
2	Approx. 2400 Fire Mesa Street	Apr-14	\$1,633,500	217,800	\$7.50	Site is proposed location of charter school. Level terrain.
				5.00	\$326,700	All utilities located nearby. Similar location to Subject
3	50 North Stephanie Street	Sep-13	\$1,500,000	200,812	\$7.47	Site has been developed with a charter school. Irregular terrain. All utilities in area. Located in commercial area.
				4.61	\$325,380	Similar location characteristics.
4	Approx. 2800 North Tenaya Way	Oct-13	\$2,522,124	252,212	\$10.00	The level site is located in a medical hospital/office development. Exposure to Hwy 95. All utilities in area.
				5.79	\$435,601	Location is superior to Subject.
5	SEC Elkhorn Road and Sky Pointe	Jul-13	\$3,820,400	516,186	\$7.40	Site is located immediately north of Subject Property. It is under development with 96 single -family lots.
				11.85	\$322,397	
Subject	7078 Sky Pointe Drive	Nov-12	\$1,653,421	528,818	\$3.13	Site is an infill site in a shopping center in North Las Vegas at a corner location of two major traffic arterial.
				12.14	\$136,196	Level site with all utilities in place. Good access. Limited exposure.

Comparable Land Sales Map



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LAND COMPARABLE



Sale #1

Description

Property Type	Vacant Land	Sale Date	3/2014
Location	4532 Balsam Street	Sale Price	\$1,150,000
Grantor	Gragson Beltway Belcastro, LLC	Acres	4.39
Grantee	GKT 5, LLC	Price/Acre	\$261,959
Zoning	Residential - Three	Shape	Irregular
Topography	Level	Flood Plain	No
Recording	20140929-0000825		

Adjustments

Financing	=	Physical Characteristics	
Condition of Sale	=	Size	-
Market Conditions	=	Shape	=
Location		Topography	=
Access	+	Development Potential	
Exposure	+	Zoning	+
Synergy	=	Utilities	=
		Flood Plain	=

LAND COMPARABLE



Sale #2

Description

Property Type	Vacant Land	Sale Date	4/2014
Location	Approx. 2400 Fire Mesa Drive	Sale Price	\$1,633,500
Grantor	Trinity Peak III, LLC	Acres	5.0
Grantee	TACSFF Reit	Price/Acre	\$326,700
Zoning	Professional Office	Shape	Irregular
Topography	Level	Flood Plain	No
Recording	20141016-0002472		

Adjustments

Financing	=	Physical Characteristics	
Condition of Sale	=	Size	-
Market Conditions	=	Shape	=
Location		Topography	=
Access	=	Development Potential	
Exposure	-	Zoning	=
Synergy	+	Utilities	=
		Flood Plain	=

LAND COMPARABLE



Sale #3

Description

Property Type	Vacant Land – Charter School	Sale Date	9/2013
Location	50 North Stephanie Street	Sale Price	\$1,500,000
Grantor	WG Stephanie, LLC	Acres	4.61
Grantee	LVCSD Saddle, LLC	Price/Acre	\$325,380
Zoning	CC	Shape	Irregular
Topography	Rolling Terrain	Flood Plain	No
Recording	21031227-02583		

Adjustments

Financing	=	Physical Characteristics	
Condition of Sale	=	Size	-
Market Conditions	+	Shape	=
Location		Topography	+
Access	+	Development Potential	
Exposure	+	Zoning	=
Synergy	-	Utilities	=
		Flood Plain	=

LAND COMPARABLE



Sale #4

Description

Property Type	Vacant Land – Medical Office	Sale Date	10/2013
Location	Approx. 2800 North Tenaya Way	Sale Price	\$2,522,124
Grantor	City Parkway V, Inc.	Acres	5.79
Grantee	Sunrise Mountainview Hospital, Inc.	Price/Acre	\$435,601
Zoning	Professional Office	Shape	Irregular
Topography	Level	Flood Plain	No
Recording	201311010002708		

Adjustments

Financing	=	Physical Characteristics	
Condition of Sale	=	Size	-
Market Conditions	+	Shape	=
Location		Topography	=
Access	-	Development Potential	
Exposure	=	Zoning	=
Synergy	-	Utilities	=
		Flood Plain	=

LAND COMPARABLE



Sale #5

Description

Property Type	Vacant Land – Residential SF	Sale Date	7/2013
Location	SEC Elkhorn and Sky Pointe Drive	Sale Price	\$3,820,400
Grantor	Investor Equity Homes, LLC	Square Acres	11.85
Grantee	Ryland Homes Nevada, LLC	Price/Acre	\$322,397
Zoning	Town Center	Shape	Irregular
Topography	Level	Flood Plain	No
Recording	201307260002081		

Adjustments

Financing	=	Physical Characteristics	
Condition of Sale	=	Size	=
Market Conditions	+	Shape	=
Location	=	Topography	=
Access	-	Development Potential	
Exposure	=	Zoning	=
Synergy	=	Utilities	=
		Flood Plain	=

Analysis and Adjustment of Sales

The adjustment process is typically applied through either quantitative or qualitative analysis, or a combination of the two. Quantitative adjustments are often developed as dollar or percentage amounts and are most credible when there is sufficient data to perform a paired sales or statistical analysis. Qualitative adjustments are developed through relative comparisons (e.g., superior, inferior, etc.) and are often a realistic way to reflect the thought process of market participants when only limited data is available. Given the availability of data and imperfect nature of the real estate market, participants most often rely on relative or qualitative comparisons.

Adjustments are based on our rating of each comparable sale in relation to the Subject. If the comparable is rated superior to the Subject, the sale price is adjusted downward (“-“) to reflect the Subject’s relative inferiority; if the comparable is rated inferior, its price is adjusted upward (“+“) to reflect the Subject’s relative superiority. Adjustments were only applied to the comparable sales. If the sales characteristic(s) are considered similar to the subject no adjustment is warranted (“=“). Adjustments were considered under the elements of comparison discussed below.

Effective Sales Price - This adjustment is appropriate in situations where the sale price has been influenced by expenditures that the buyer intended to make immediately after purchase. Examples include buyer-paid sales commissions, buyer-paid back taxes, and costs to demolish obsolete structures to clear a site for redevelopment. In this analysis, all of the sales do not appear to be affected by needed expenditures after purchase. As a result, no adjustments are necessary.

Real Property Rights Conveyed - This adjustment is generally applied to reflect the transfer of property rights different from those being appraised, such as differences between properties owned in fee simple or in leased fee. In this analysis, all sales reflected fee simple ownership rights and thus no adjustments were required.

Financing Terms - This adjustment is generally applied to a property that transfers with atypical financing, such as having assumed an existing mortgage at a favorable interest rate. Conversely, a property may be encumbered with an above-market mortgage which has no prepayment clause or a very costly prepayment clause. Such atypical financing often plays a role in the negotiated sale price. In this analysis, no adjustments were required as all sales were cash to seller or considered to be terms equivalent to cash to seller.

Conditions of Sale - This adjustment category reflects extraordinary motivations of the buyer or the seller to complete the sale. Examples include a purchase for assemblage involving anticipated incremental value or a quick sale for cash. This adjustment category may also reflect a distress-related sale, a corporation recording at non-market price, or significant buyer expenditures immediately after purchase. From the data we analyzed for each sale, there did not appear to be any detrimental situation affecting the sale transactions. The only adjustment would be applicable to the purchase of the Subject Property due to the extensive amount of off-site expenditures to get the property properly prepared for development with the school.

Time - Market Conditions – Real estate values normally change over time. The rate of this change fluctuates due to investors’ perceptions of prevailing market conditions. This adjustment category reflects market differences occurring between the effective date of the appraisal and the sales date of a comparable, when values have appreciated or depreciated.

The sales transpired between July 2013 and June 2014. Over this time span, an increase in market conditions has occurred. It is general knowledge that the overall commercial land market throughout greater Las Vegas and adjoining suburbs has been improving over the past 24 months. We have adjusted the sales accordingly based on the date the transaction closed.

The Time - Market Conditions adjustments were applied after the previous adjustments but before any of the following adjustments.

Location and Access/Exposure/Synergy – Location has a great impact on property values. All sales are located in the greater Las Vegas ‘market with the most distant being Sale #3, which has been included given that it is a site where a charter school was developed. All are located near highway or major traffic arterial with interchanges located nearby. They are also similar reflecting on the surrounding use characteristics, access, visibility, and ingress/egress – all which influence value.

Comparable #5 is located adjacent to the north of the Subject. With the exception of an upward adjustment for market conditions, this represents the best indication of market value for the Subject Property.

Comparable #4 is located in a rapidly developing hospital/medical district. Its general locational characteristics are very similar to the Subject; however, the synergy with adjoining properties makes it a superior location. We have adjusted this sale downward for location.

Comparable #3 was included due to its ultimate development with a charter school. The site is located in a commercial district in the southeast section of Las Vegas (Henderson) the most distant comparable in our analysis. The site sits back off the main traffic arterial with only fair to average access. We have adjusted it slightly upward for location characteristics.

Comparable #2 is a recent sale of a site proposed for development with a charter school. It is considered to have an inferior location to the Subject and we have adjusted it upward for this characteristic.

Comparable #1 is the Also a recent sale of a site that is proposed for development with a charter school. It has been adjusted for inferior locational characteristics.

Size – The comparables range in size from 4.39 acres to 1.85 acres. The Subject site is 12.14 acres. In many situations, smaller sites tend to command higher prices per square foot due to their increased functionality and greater demand from more potential purchasers. This is often more typical when comparing larger parcels with smaller development tracts. In this analysis, we were unable to determine any adjustment for the size of the parcels; therefore, have concluded no adjustment(s) to the comparables.

Physical Characteristics (excluding size) - This adjustment category generally reflects differences between the comparables and the Subject in such areas as site configuration (shape), availability of utilities, or topography. All sales appear to have functional shapes, access to utilities and are level/buildable sites; therefore, no adjustment is warranted.

Zoning/Use – All the sites were similarly zoned to allow for development of uses similar to the Subject’s highest and best use as vacant. We concluded no adjustments for differences in zoning/use.

Adjustment Chart

Adjustments	Sale #1	Sale #2	Sale #3	Sale #4	Sale #5
Sale Price	\$261,959	\$326,700	\$325,380	\$435,601	\$322,397
Effective Sale Price	=	=	=	=	=
Property Rights	=	=	=	=	=
Financing	=	=	=	=	=
Condition of Sale	=	=	=	=	=
Marketing Conditions (Time)	=	=	+	+	+
Location	+	+	+	-	-
Physical Characteristics	+	-	=	-	=
Development Potential/Zoning	=	=	=	=	=
Comparability	Inferior	Similar	Inferior	Superior	Similar
Net Adjustment	+	=	+	-	=

Land Value Conclusion

Based on the preceding analysis and adjustments, the four of the five comparable sales establish a narrow range of value. Comparable #5 is provided the most reliance being the most proximate and requiring the least amount of adjustment. We relied on Sale #2 being a recent transaction and program for development with a charter school. Taking all of these factors into consideration, it is our opinion that the applicable unit value is \$325,000 per acre. This results in an indicated land value as follows:

12.14 Acres @ \$325,000 Per Acre (rounded)

\$3,950,000

Cost of Improvements

The most pertinent information is data provided by the school development team. A number of expert reports including plans, specifications, environmental, and geotechnical have been reviewed. We examined the contract prices paid for the development of Phase I and Phase II from the General Contractor – Nevada General Construction and Ethos Three Architecture. We have also reviewed the construction cost estimates for Phase III provided by the same architect and general contractor. For support of this construction contract, we have reviewed data from:

1. Four charter school projects recently developed in Las Vegas – adjusted for inflation,
2. Our files which include over fifty (50) school development projects throughout a five state area, and;
3. Reviewed Section #18 (schools) of the Marshal Valuation Manual – a nation cost estimating service utilized by the appraisal industry.

Direct (Hard) Construction Costs

With the above referenced data, we were able to make an estimation of the replacement costs for the one and two-story, three building campus containing 138,567 square feet. We have estimated the direct reproduction/replacement costs (base) to be \$12,931,300 or \$100.00 per square foot for the school and \$694,000 or \$75.00 per square foot for the gymnasium. The contributory value of the site finished areas (playgrounds, recreation field, landscaping and parking lots) is estimated to be \$1,951,257 or \$5.00 per square foot applicable to the site area not covered by the building envelope. The final direct cost is for fire sprinkler system (wet) to be \$484,985 or \$3.50 per square foot. The Direct Construction Costs (replacement), when totaled are \$16,016,592 or \$115.91 per square foot.

Indirect (Soft) Costs

These costs or fees account from charges from: 1) architecture, 2) engineering, 3) other professional services, 4) miscellaneous (other) costs; and 5) contingency fee calculated to be \$5,038,000 or approximately 31.4% of the total direct costs. This percentage is higher than a typical charter school, which are usually in the 20% to 25% range – primarily contributed to the extensive miscellaneous costs associated with the development – specifically on and off-site development issues and professional studies. We have also estimated a construction contingency expense at 9.21% of the Total Direct Replacement Costs New or \$1,480,000 (\$10.68 per square foot). The total estimated Indirect Costs are \$6,518,000 or \$47.04 per square foot.

Summary of Costs

Total replacement costs are shown below.

Direct Costs	\$16,061,592	\$115.91 PSF
Indirect Costs	<u>\$6,518,000</u>	<u>\$47.04 PSF</u>
Total Replacement Costs	\$22,579,592	\$162.95 PSF

Entrepreneurial Profit

Entrepreneurial or developer's profit provides the incentive for the developer to bring together the land, labor, management, and financing. In this project, the developer is taking all the risk associated with the return based upon a long-term lease with the school. This lease document includes an option to purchase by the school within the first three years after commencement of the lease. We have interviewed developers active in this classification of real estate development/investment and well as national survey information and concluded that an entrepreneur's profit percentage or risk reward of 15.0% is reasonable. This percentage is applied to the land purchase/value, direct costs and indirect cost total or \$3,981,689 - \$28.74 per square foot.

Replacement Cost New

Based on the foregoing analysis, the Subject's replacement cost new is estimated at \$26,561,280 or \$191.69 per square foot.

Estimate of Accrued Depreciation

Accrued depreciation is the difference between the cost new of improvements and the current value of those improvements. Depreciation includes value losses in three basic categories: (1) physical deterioration; (2) functional obsolescence; and (3) external obsolescence.

Physical deterioration is the result of aging and normal wear and tear on a structure, which reduce its value. Impairments may be curable or incurable.

Functional obsolescence is the adverse effect on value resulting from design defects that impair the structure's usefulness. It can be caused by changes over the years that have made some aspect of the structure, material, or design obsolete by current standards.

External obsolescence is the adverse effect on value resulting from influences outside the property itself. These include changing property or land-use patterns and adverse economic climates.

Physical Curable Deterioration

The two buildings in Phase I were completed 24 months ago and our observation of the physical condition is good to excellent. Phase II was completed in the past year and Phase III will be completed and available for occupancy on the effective date of value. Based on this information and a review of the depreciation tables from Marshall Valuation Manual, we have concluded that there are no items of physical curable deterioration in the Subject Property.

Physical Incurable Deterioration

Given the recent completion dates of the two Phases, we have not concluded any deduction for Physical Incurable Deterioration.

Functional Obsolescence

The Subject Property was recently constructed, was designed by a registered architect who has experience in designing school campuses. Our observation is that the floor plan has no functional deficiencies; therefore, we have concluded no deduction for functional obsolescence.

External Obsolescence

In a previous section of the report, we discussed the demand for charter school facilities in the greater Las Vegas region. We also discussed the accelerated pace at which the school reached its enrollment levels and the number of students on the waiting list. These finishes are forecast to bring the total enrollment to its capacity of 2,250 students in the next two to three years. We have concluded no adjustment for economic obsolescence.

The final step in the Cost Approach methodology is to add the value concluded for the site or \$3,950,000.

On the following page is a chart detailing our estimate of the Cost Approach valuation technique and is concluded at \$30,525,000 - Rounded.

COST APPROACH SUMMARY - "AS-COMPLETE"
SKY POINTE CAMPUS
7078 SKYPOINTE DRIVE
LAS VEGAS, CLARK COUNTY, NEVADA

PROPERTY CHARACTERISTICS AND ASSUMPTIONS				
Type of Building in Marshall Valuation Service		School		
Quality in Marshall Valuation Service		Average Class C		
Elementary Building		45,789		
Middle School Building		35,185		
High School Building		48,339		
Gymnasium		9,254		
Total Building Square Footage		138,567		
Site Area		528,818	SF	
Site Area Finished (Playgrounds, Play Field, Landscaping, Parking)				
Undisturbed Site Area		390,251	SF	
Entrepreneurial Incentive (Profit)		15.0%		
BASE REPRODUCTION DIRECT COSTS				
		<u>Per Unit Cost</u>	<u>Total</u>	<u>PSF of GLA</u>
Classroom Buildings Phase I, II, & III	\$	100.00	\$ 12,931,300	
Gymnasium	\$	75.00	\$ 694,050	
On Site Improvements & Landscaping (Contributory)	\$	5.00	\$ 1,951,257	
Fire Sprinkler System	\$	3.50	\$ 484,985	
TOTAL BASE REPLACEMENT COST NEW			\$ 16,061,592	\$ 115.91
ADDITIONAL INDIRECT COSTS NOT INCLUDED IN BASE COSTS				
Architectural Fees		4.30%	\$ 690,000	\$ 4.98
Engineering Fees		2.73%	\$ 438,000	\$ 3.16
Professional Fees & Permits(Survey, Environmental, Geotech, etc.)		2.65%	\$ 425,000	\$ 3.07
Site Development Fees		7.88%	\$ 1,265,000	\$ 9.13
Miscellaneous & Other costs		13.82%	\$ 2,220,000	\$ 16.02
Contingency Fees		9.21%	\$ 1,480,000	\$ 10.68
TOTAL INDIRECT REPRODUCTION COSTS NEW		40.58%	\$ 6,518,000	\$ 47.04
TOTAL REPLACEMENT COSTS NEW				
TOTAL DIRECT AND INDIRECT COSTS			\$ 22,579,592	\$ 162.95
ENTREPRENEURIAL PROFIT			<u>\$ 3,979,439</u>	
REPRODUCTION COST NEW - PLUS PROFIT			\$ 26,559,030	\$ 191.67
ACCRUED DEPRECIATION				
Physical Curable Deterioration			\$ -	
Physical Incurable Deterioration			\$ -	\$ -
Functional Curable Obsolescence			\$ -	
Functional Incurable Obsolescence			\$ -	\$ -
External Obsolescence			\$ -	
TOTAL Accrued Depreciation			<u>\$ -</u>	<u>\$ -</u>
VALUE ESTIMATE BY THE COST APPROACH				
DEPRECIATED COST OF IMPROVEMENTS			\$ 26,559,030	\$ 191.67
LAND VALUE - PER SF (Rounded)	\$	7.50	\$ 3,950,000	\$ 28.51
ADD: FURNITURE, FIXTURES & EQUIPMENT (FF&E)			<u>\$ -</u>	<u>\$ -</u>
VALUE ESTIMATE BY COST APPROACH			\$ 30,509,030	\$ 220.18
Rounded			\$ 30,525,000	\$ 0.22
			<u>\$ 30,525,000</u>	<u>\$ 220.29</u>

SALES COMPARISON APPROACH

The Sales Comparison Approach includes a set of procedures through which the appraiser derives a value indication by comparing the property being appraised to similar or comparable properties which have recently been sold or are currently offered for sale, applying appropriate units of comparison, and making adjustments (based on the elements of comparison) to the sales prices of the comparables.

Our research of comparable sales data for the state of Nevada is extremely limited. While the charter school development activity has been strong over the past two years there are no good comparable sales in which to compare the newly developing Subject Property too. The typical adjustment criteria are for time, location, and physical characteristics. We have no market data or paired sales data that would allow a supportable adjustment process to be completed. Therefore, we have not formed a conclusion of value utilizing this appraisal approach.

INDICATED VALUE – SALES COMPARISON APPROACH Not Utilized

Option to Purchase

The option to purchase the property is based upon the an adjustment of 113.5% of total construction costs (direct and indirect costs) plus the value of the vacant land if purchased within 180 days of the lease Commencement Date, which has already expired; or 125% of Construction Costs after 180 days – February 28, 2014. The range of the option purchase price(s) based on our opinion of direct and indirect costs plus the vacant land price would be \$28,225,000 (ROUNDED).

INCOME APPROACH

There are a number of charter schools that are under lease agreements in the greater Las Vegas area. Below is a discussion of the lease on the Subject Property followed by lease information on four charter schools in the region. From this data, we compared and contrasted an indication of the reasonableness of the contract market rental rate for the Subject Property.

Sky Point Academy – Subject Property

The Sky Point Academy is being developed in three Phases with this valuation taking into account on the first two Phases. Following is the important points of the lease contract:

AS COMPLETE – All Phases:

1 – Landlord	Boyer Sky Point Academy, LLC
2 – Tenant -	Somerset Academy of Las Vegas
3 - Contract Date	Fall/Winter - 2015
4 – Lease Start Date	On or About September 1, 2015
5 – Lease Termination Date	On or About August 31, 2035
6 – Option to Extend	1 five year option
7 – Building Size	134,000 Square Feet
8 – Annual Rent	Phase I - \$1,346,700 Phase II - \$ 475,216 Phase III - \$ <u>714,000</u> Total \$2,535,916 (\$18.92 Per Square Foot)
9 – Annual Rent Escalation	Consumer Price Index (CPI) with 3.0% minimum
10 – Option to Purchase	Within 3 Years
11 – Option Price	Current net rent capitalized at 8.0%
12 – Expense Provision	Net to Ownership (taxes, insurance, utilities, R&M)
13 – Free Rent	Initial 2 months Year 1 and first two months Year 2

Phase II – First Amendment to Lease Agreement:

1 – Landlord	Boyer Sky Point Academy, LLC
2 – Tenant -	Somerset Academy of Las Vegas
3 - Contract Date	January 23, 2014
4 – Lease Start Date	September 1, 2014
5 – Lease Termination Date	August 31, 2033
6 – Option to Extend	1 five year option
7 – Building Size	90,500 Square Feet (Phase II)
8 – Annual Rent	\$1,821,916 (\$20.13 Per Square Foot)
9 – Annual Rent Escalation	Consumer Price Index (CPI) with 3.0% minimum beginning September 1, 2015
10 – Option to Purchase	Within 3 Years of Phase I Commencement
11 – Option Price	Current net rent capitalized at 8.0%
12 – Expense Provision	Net to Ownership (taxes, insurance, utilities, R&M)
13 – Free Rent	None

Comparable Lease Information – Charter Schools

In the paragraphs to follow, we have charted lease data from four recently completed charter schools in the Las Vegas region. The result of this analysis is the support and reasonableness of the contracted lease rate on the Subject property of \$1,821,916 annually or \$20.13 per square foot, which is then capitalized into an estimate of market value via the Income Approach.

Lease #1 - Doral Saddleback Charter School – 9625 West Saddle Avenue

1 – Landlord	CA Las Vegas 9625 WSA, LLC
2 – Tenant -	Doral Academy of Nevada
3 - Contract Date	April 13, 2013
4 – Lease Start Date	September 1, 2013
5 – Lease Termination Date	June 30, 2042 (29 Years)
6 – Option to Extend	None
7 – Building Size	57,019 Square Feet
8 – Annual Rent	\$616,500 (6/1/2014) Year 6 \$993,814 (\$17.43 PSF)
9 – Annual Rent Escalation	Irregular – Varies from. 3.0% to 20.87% annually until Lease year 6 when it stabilizes at 2.25%)
10 – Option to Purchase	Yes – (Between the 43 rd Month and the 72 nd Month)
11 – Option Price	Varies from \$10,989,464 to \$11,071,561
12 – Expense Provision	Net
13 – Free Rent	None

Lease #2 - Doral Cactus Charter School – 9025 West Cactus Road

1 – Landlord	CA Las Vegas Cactus Road, LLC
2 – Tenant -	Doral Academy of Nevada
3 - Contract Date	November 1, 2013
4 – Lease Start Date	September 1, 2014
5 – Lease Termination Date	June 30, 2043
6 – Option to Extend	None
7 – Building Size	53,000 Square Feet
8 – Annual Rent	\$666,000 (9/1/2014) Year 6 \$965,870 (\$18.22 PSF)
9 – Annual Rent Escalation	Irregular – Varies from. 4.61% to 19.44% annually until Lease year 6 when it stabilizes at 2.20%)
10 – Option to Purchase	Yes - (Between 37 th Month and 60 th Month)
11 – Option Price	Varies from \$11,267,043 to \$11,323,427
12 – Expense Provision	Net
13 – Free Rent	None

Lease #3 - Somerset of Las Vegas – Stephanie Campus – 50 North Stephanie Road

1 – Landlord	CA Las Vegas Stephanie Road, LLC
2 – Tenant -	Somerset Academy of Las Vegas
3 - Contract Date	December 20, 2013
4 – Lease Start Date	September 1, 2014
5 – Lease Termination Date	June 30, 2043
6 – Option to Extend	None
7 – Building Size	51,254 Square Feet
8 – Annual Rent	\$639,900 (9/1/2014) Year 5 \$989,593 (\$18.22 PSF)
9 – Annual Rent Escalation	Irregular – Varies from. 5.51% to 17.25% annually until Lease year 6 when it stabilizes at 2.20%)
10 – Option to Purchase	Yes - (Between 37 th Month and 60 th Month)
11 – Option Price	Varies from \$11,230,051 821,106 to \$11,905,036
12 – Expense Provision	Net
13 – Free Rent	None

Lease #4 - Somerset of Las Vegas – Losee Campus – 4650 Losee Road

1 – Landlord	CA Las Vegas Losee Road, LLC
2 – Tenant -	Somerset Academy of Las Vegas
3 - Contract Date	November 1, 2013
4 – Lease Start Date	September 1, 2014
5 – Lease Termination Date	June 30, 2043
6 – Option to Extend	None
7 – Building Size	135,104 Square Feet
8 – Annual Rent	\$904,500 (9/1/2014) Year 6 \$2,076,428 (\$15.37 PSF)
9 – Annual Rent Escalation	Irregular – Varies from. 5.51% to 17.25% annually until Lease year 6 when it stabilizes at 2.20%)
10 – Option to Purchase	Yes - (Between 37 th Month and 60 th Month)
11 – Option Price	Varies from \$23,482,443 to \$26,676,593
12 – Expense Provision	Net
13 – Free Rent	None

The four leased properties vary in size from 51,254 square feet to 135,104 square feet. Three of the comparables are newly constructed facilities, while Lease #1 is a higher education designed building that was remodeled into the charter school. The rental rates are wide ranging being from a low of \$15.37 per square foot to \$18.22 per square foot with net lease provisions. The differences in the lease rates can be in part attributable to the price paid for the land, the requirement and costs of offsite improvements, and the level(s) of site and interior finishes. The lease rate of the Subject Property is approximately 3.8% higher than the two highest comparables.

From our inspection of the comparable leases, it is quite apparent that the off and on site costs required for the Subject Property were more expensive. Additionally, Sky Pointe Phase II included the development of the remainder of the middle school floor plan and a portion of the high school. It is commonly known that the cost of developing a middle school or high school is higher due to finishes necessary for science rooms, a higher level of computer technology, and more versatile classrooms and activity areas.

Selection of the Capitalization Rate

As earlier indicated there have been a lack of charter school sales in the Las Vegas area, primarily due to the facts that this is a “Special Purpose” real estate classification where this classification of property seldom, if every sells on the open market unless is categorized as distressed.

We have completed a number of assignments in Arizona, Utah and Colorado where school building have been constructed, leased to the school entity which has an option to purchase at some future date. The capitalization rates we have reviewed varied from 7.5% to 8.5 % with a majority being 8.0%. The comparable leases we analyzed and the projected purchase prices of the four comparable leases indicated a range of 7.8% to 9.0%.

Lastly, we have compared and contrasted the desired return rates for real estate investments having similar risk levels. This data is included in local investor surveys and national surveys authored by PriceWaterhouse Coopers and many of the larger brokerage companies and financial institutions.

Based on this information and analysis, we have concluded that 8.0% is a reasonable capitalization rate for the Subject Property. By dividing the contract market rent after completion and occupancy $\$2,535,916 \div 8.0\% = \$31,700,000$ (rounded).

RECONCILIATION AND FINAL VALUE ESTIMATE

The analysis of the Subject as a “Special Purpose” property is more accurately portrayed by using the Cost Approach valuation technique. We were unable to analyze data to estimate values using the Sales Comparison. We had adequate information to compete an analysis of the Income Approach, but given the number of assumptions made and the higher level of rental rate assigned to the Subject Property as compared to the comparables, we have place less reliance on this valuation technique.

Below is a summation of our findings and conclusions;

Cost Approach	\$30,525,000
Sales Comparison	NOT CONCLUDED
Income Approach	\$31,700,000

Based on this information and analysis, it is concluded that the “as is” market value of the Sky Pointe campus property, as of October 21, 2014, was:

THIRTY MILLION FIVE HUNDRED TWENTY FIVE THOUSAND DOLLARS
(\$30,525,000)

Furniture, Fixtures, and Equipment (FF&E)

The estimated value of the furniture, fixtures, and equipment to operate the school includes the inventory for Phase I and Phase II. The client has provided us with a listing of these items which total \$1,250,000 which equates to \$880 per student. We have not included an adjustment of market value for the furniture, Fixtures, and Equipment (FF&E) since they are currently in a financial lease agreement with Vectra Bank. Under the agreement with the bank they can be acquired in the future for a moderate cost/price.

EXPOSURE AND MARKETING TIME

Reasonable exposure time is one of a series of conditions in most market value definitions. Exposure time is always presumed to precede the effective date of the appraisal. Exposure time may be defined as follows:

The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.¹

Exposure time is different for various types of real estate and under various market conditions. The estimate of the time period for reasonable exposure is an integral part of the analysis conducted during the appraisal assignment. The estimate can be based on one or more of the following:

- statistical information about days on market;
- information gathered through sales verification; and
- interviews of market participants.

Marketing time differs from exposure time, which is always assumed to precede the effective date of an appraisal. Reasonable marketing time may be defined as follows:

An estimate of the amount of time it might take to sell a property interest in real estate at the estimated market value level during the period immediately after the effective date of an appraisal.²

Related information garnered through this process include other market conditions that may affect marketing time, such as the identification of typical buyers and sellers for the type of real estate involved and typical equity investment levels and/or financing terms. The reasonable marketing time is a function of price, time, use, and anticipated market conditions such as changes in the cost and availability of funds; not an isolated estimate of time alone.

¹Appraisal Standards Board of The Appraisal Foundation, *Statement on Appraisal Standards No. 6 (SMT-6)*, September 16, 1992.

²Appraisal Standards Board of the Appraisal Foundation, *Advisory Opinion G-7*; September 16, 1992.

The market for “Special Purpose” properties like the Subject cannot be estimated from market data, especially from the fact that the utilization of the building in its current configuration. This classification of real estate is so rarely transacted and the terms or the sale are far reaching.

Given my experience in this market segment that if the school were put on the market for sale, it would likely take in excess of 24 months to secure a purchaser, which could potential include a private school organization.

We believe the reasonable exposure/ marketing time for the Subject Property would be in excess of 24 months.

QUALIFICATIONS OF JOHN L. EMMERLING, MAI

EMPLOYMENT HISTORY – Past 25 Years

2009-Present	President Trophy Property Company 2224 South Queen Street Lakewood, Colorado 80227
2001 – 2008	Partner Daniels Emmerling Real Estate Services, LLP Englewood, Colorado
1998 - 2001	Director of Valuation Services THK Associates, Inc. Aurora, Colorado
1997-1998	Director of Valuation Services Joseph Farber and Company, Inc. Denver, Colorado
1983-1997	Director/Manager Valuation Advisory Services Cushman & Wakefield of Colorado, Inc. Denver, Colorado

PROFESSIONAL EXPERIENCE

John L. Emmerling, MAI has 36 years experience in the real estate industry. After completing his degree at the University of Colorado, majoring in real estate and marketing, his career began appraising single-family residences. In 1983, he received his MAI designation and opened the Denver appraisal office for Cushman & Wakefield. As part of this national network, he coordinated multi-property assignments throughout the U.S. and has completed appraisal assignments in most all of the western states.

Experience in the various property types include:

Office Buildings	Charter Schools
Shopping Centers	Hotels/Motels
Golf Courses & Resort Properties	Industrial Facilities
Apartments	Congregate Care
Mobile Home Parks	Mini-warehouse
Special Purpose	Subdivisions and Vacant Land

Valuation techniques include feasibility, leasehold/leased fee, Discounted Cash Flow analysis, and other computer assisted applications.

PROFESSIONAL ASSOCIATIONS

Member of the Appraisal Institute (MAI Designation)
State of Colorado - Certified General Appraiser #CGO1313487
State of Colorado - Licensed Associate Broker (Inactive)
State of Arizona – Certified General Real Estate Appraiser #31981
State of Nevada – Temporary Appraiser Permit # ATMP.0012700.CG

EDUCATION

Bachelor of Science in Real Estate and Marketing, 1972
University of Colorado
Boulder, Colorado

AIREA/Appraisal Institute Courses and Seminars

Real Estate Appraisal Principles
Capitalization Theory and Techniques
Case Studies and Report Writing
Litigation Valuation
Residential Valuation
Standards of Professional Practice - Parts A&B
Electronic Spreadsheet
Water Rights Valuation
Ad Valorem Tax and Assessed Values
Cash Equivalency
Evaluation - Commercial Construction
Fair Lending and the Appraiser

EXPERT WITNESS

Qualified as an expert witness in real estate valuation - US Bankruptcy court, Federal District Court, Adams, Boulder, Denver, Arapahoe, and Jefferson County District Courts - Colorado. District Court – Arizona.

ARTICLES

New Technology Continues to Effect Change in Appraisal - Colorado Real Estate Journal - 1996
Real Estate Tax Appeal - Denver Business Journal - 1996
An Advisory Services Panel Report – Victorian Square – Sparks Nevada, Urban Land Institute - 2000

ADDENDUM

SUBJECT PHOTOGRAPHS

LEGAL DESCRIPTION

MARKET STUDIES – MOODY’S AND FASTFACTS

**SOMERSET ACADEMY SCHOOL ACCOUNTABILITY
REPORT**

**CONTRACTOR’S BID – CONSTRUCTION COSTS –
PHASE I & PHASE II AND PHASE III**

5-YEAR BUDGET & ENROLLMENT GROWTH PLAN

DEMOGRAPHICS – LAS VEGAS

APPRAISER’S STATE LICENSE

LIST OF CHARTER SCHOOLS APPRAISED

SUBJECT PHOTOGRAPHS



Exterior View – Northeast Elementary School



Exterior View – East of School Campus



Exterior View – East of High and Middle School



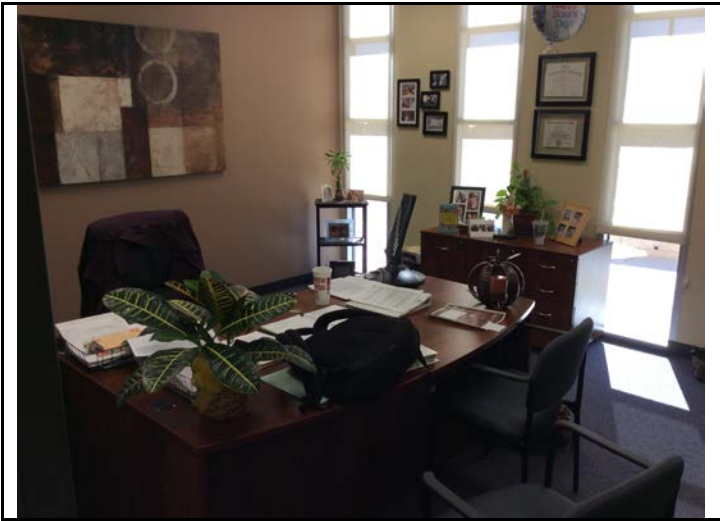
Exterior View – Southeast of Elementary and Middle School



Exterior View – Northeast of Elementary School



Exterior View – Northwest of Elementary School



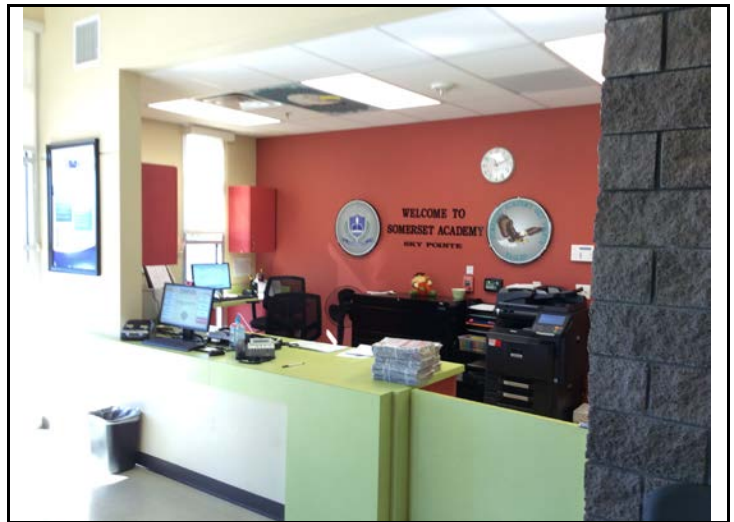
Typical Office



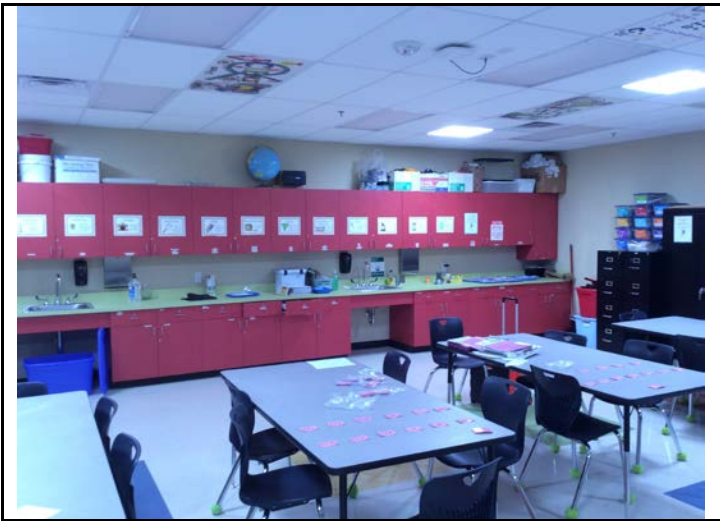
Typical Classroom



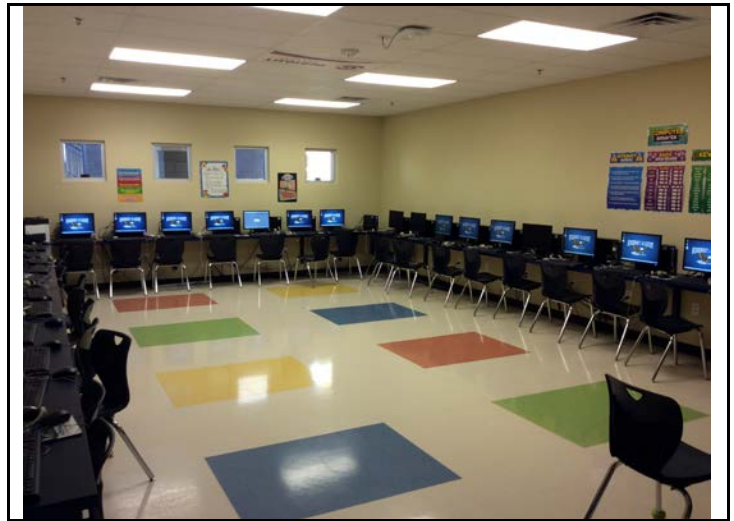
Conference Room



Reception/Lobby



Science Room



Computer Lab



Clinic



Staff Work Room



Middle School Multi-purpose Room – Cafeteria



Elementary School Multi-purpose Cafeteria



Kitchen



Computer Lab



Science Classroom



Science Prep Room



Staff Lounge



Media – Library Room



Playground Near Middle School



Elementary School Playground



View North Across Recreation Field



View Northeast Playground – Middle School



View South – Middle School to Right



View South on Sky Pointe Drive



View to East of North Parking Lot



View to West of Phase II – Excess Land



View to North Along East Side Elementary



View to West of South Parking Lot



View North - Access Road to Elkhorn Road



View North Along Sky Pointe Drive



View North - Recreation Field
Senior High in Background



View West of Recreation Field

LEGAL DESCRIPTION

EXHIBIT "A"

LEGAL DESCRIPTION

A PORTION OF THE NORTHWEST QUARTER (NW 1/4) OF THE NORTHWEST QUARTER (NW 1/4) OF SECTION 21, TOWNSHIP 19 SOUTH, RANGE 60 EAST, M.D.M., CITY OF LAS VEGAS, CLARK COUNTY, NEVADA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID NORTHWEST QUARTER (NW 1/4); THENCE SOUTH 00°42'46" WEST ALONG THE EAST LINE OF SAID NORTHWEST QUARTER (NW 1/4), A DISTANCE OF 68.11 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF ELKHORN ROAD, SAME BEING THE POINT OF BEGINNING;
THENCE CONTINUING SOUTH 00°42'46" WEST ALONG SAID EAST LINE, 1208.52 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST QUARTER (NW 1/4); THENCE DEPARTING SAID EAST LINE, NORTH 87°07'40" WEST ALONG THE SOUTH LINE OF SAID NORTHWEST QUARTER (NW 1/4), A DISTANCE OF 402.92 FEET; THENCE DEPARTING SAID SOUTH LINE NORTH 36°30'52" WEST, 398.33 FEET; THENCE NORTH 27°25'02" WEST, 63.25 FEET; THENCE NORTH 36°30'52" WEST, 199.50 FEET; THENCE SOUTH 53°29'08" WEST, 10.00 FEET; THENCE NORTH 36°30'52" WEST, 264.68 FEET; THENCE SOUTH 89°17'14" EAST, 912.22 FEET; THENCE NORTH 00°42'46" EAST, 291.43 FEET TO THE BEGINNING OF A CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 128.00 FEET; THENCE NORTHERLY 62.26 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27°52'01" TO THE BEGINNING OF A REVERSE CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 147.50 FEET, A RADIAL LINE TO SAID BEGINNING BEARS SOUTH 62°50'45" WEST; THENCE NORTHERLY 77.45 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30°05'02"; THENCE NORTH 02°55'48" EAST, 20.92 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 20.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, 15.36 FEET THROUGH A CENTRAL ANGLE OF 43°59'37" TO SAID SOUTH RIGHT-OF-WAY LINE OF ELKHORN ROAD; THENCE SOUTH 86°34'54" EAST ALONG SAID SOUTH RIGHT-OF-WAY LINE, 86.19 FEET TO THE POINT OF BEGINNING.)

NOTE: THE ABOVE METES AND BOUNDS LEGAL DESCRIPTION WAS PREPARED BY ROB FOLEY, TRI-CORE SURVEYING, LLC, 6761 W. CHARLESTON BLVD. LAS VEGAS, NEVADA 89146

ASSESSOR'S COPY

PARCEL 2
EXHIBIT "A"

EXPLANATION

THIS LAND DESCRIPTION DESCRIBES A PARCEL OF LAND GENERALLY LOCATED EAST OF US HIGHWAY 95 AND SOUTH OF ELKHORN ROAD.

LEGAL DESCRIPTION

A PORTION OF THE NORTHWEST QUARTER (NW 1/4) OF THE NORTHWEST QUARTER (NW 1/4) OF SECTION 21, TOWNSHIP 19 SOUTH, RANGE 60 EAST, M.D.M., CITY OF LAS VEGAS, CLARK COUNTY, NEVADA, DESCRIBED AS FOLLOWS:

PARCEL 2 AS SHOWN BY MAP THEREOF ON FILE IN THE CLARK COUNTY RECORDER'S OFFICE IN FILE 118, PAGE 98 OF PARCEL MAPS



END OF DESCRIPTION

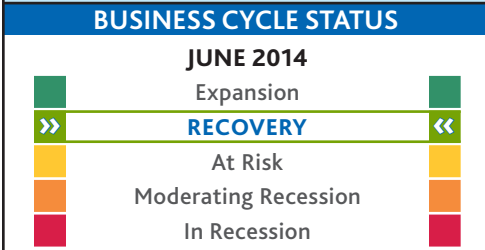
ASSESSOR'S COPY

MARKET STUDIES – MOODY’S AND FASTFACTS

LAS VEGAS-PARADISE NV

Data Buffet® MSA code: MLAS

ECONOMIC DRIVERS  	EMPLOYMENT GROWTH RANK 2013-2015: 42 (1st quintile) 2013-2018: 38 (1st quintile) <i>Best=1, Worst=392</i>	RELATIVE COSTS LIVING: 99% BUSINESS: 83% <i>U.S.=100%</i>	VITALITY RELATIVE: 127% RANK: 32 <i>U.S.=100% Best=1, Worst=384</i>
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ANALYSIS

- STRENGTHS & WEAKNESSES**
- STRENGTHS**
- » Unparalleled gaming and entertainment infrastructure.
 - » No personal income tax.
 - » Strong population growth.
- WEAKNESSES**
- » Overreliance on consumer spending for growth.
 - » High volatility.
 - » Relatively low educational attainment.

Recent Performance. Record numbers of tourists and a rebound in net migration are helping Las Vegas-Paradise recover quickly. After slowing last year, tourism is heating up as the metro area is on pace to accommodate more than 41 million visitors, breaking 2012's record. This improvement, along with the population rising by 1.5% per annum in 2012 and 2013, is sustaining demand for all types of private services and producing employment growth nearly twice the U.S. average. However, the average work-week continues to fall and hourly earnings gains are average at best, signaling that a large portion of jobs are lower-paying and/or part time. House price appreciation has slowed considerably from 35% year over year in July 2013 to 11% currently, as investor demand has waned. Although house price appreciation has helped local government coffers, homebuilders have yet to react.

Construction. Although construction will not drive growth as it did a decade ago, builders will expand for some time, creating a large number of well-paying jobs. After six consecutive years of layoffs, which reduced the industry's footprint from 12% to 4.5% of total payrolls, builders have steadily hired over the last 18 months, in response to demand for new retail and apartment space as well as renovations to the Strip and public infrastructure investment. Though some of the nonresidential projects like the SLS Las Vegas and Downtown Summerlin have reached completion, the pipeline of projects on the Strip still looks promising. MGM, the metro area's largest employer, is planning to build a 20,000-seat arena in addition to a new complex for dining, entertainment and recreation. Genting, a Malaysian casino operator, is spending \$4 billion on Resorts World Las Vegas, an Asian-themed resort with gaming, retail, restaurants, and various recreation opportunities. Finally, with house prices and apartment rents

steadily rising and population growth expected to remain robust, it is only a matter of time before homebuilding awakens from its slumber. Residential construction, once a crucial part of the metro area's economic base, will be a key source of jobs.

Tourism. The new construction projects on the Strip bode well for LAS's bread-and-butter industry. A rising level of tourists, both from neighboring states and outside of the region, confirms that while legalized gaming has been replicated elsewhere, no other U.S. location rivals LAS's lavish casinos, nationally known entertainment, upscale retailers, dining, and premier nightlife. This superiority has translated into a renewed optimism by the business community and ensures that hiring will remain steady in retail trade and leisure/hospitality.



Locals. If an adverse economic shock were to derail the tourist boom, LAS has little else to sustain its recovery. As one of the least diverse metro areas, LAS is driven exclusively by its draw as a tourist destination and a place to reside. If the flow of tourists were to slow, jobs in construction, retail trade and leisure/hospitality would be threatened. Locals would struggle to sustain the current pace of consumer spending since most have below-average credit, while per capita disposable income is still far from normal. Furthermore, high-paying job opportunities will continue to be scarce, as the share of residents with an associate's, bachelor's or graduate degree is subpar.

Las Vegas-Paradise's recovery will remain strong as an increasing pull of migrants and tourists drives robust private service demand. Longer term, the metro area's unparalleled tourism assets and strong appeal as a retirement destination will ensure above-average job growth.

Gregory Bird
 August 2014

1-866-275-3266
 help@economy.com

FORECAST RISKS

SHORT TERM  LONG TERM 

RISK EXPOSURE 2014-2019 **10** 1st quintile *Highest=1 Lowest=384*

- UPSIDE**
- » State property tax cap gets modified, boosting local government finances.
 - » Low business costs drive faster growth in services outside of tourism.
- DOWNSIDE**
- » Weaker U.S. consumer spending bogs down tourism hiring.
 - » Waning investor demand and more foreclosures inhibit house price and residential construction recovery.

MOODY'S RATING

Aa1 COUNTY AS OF JAN 17, 2014

2008	2009	2010	2011	2012	2013	INDICATORS	2014	2015	2016	2017	2018	2019
92.5	83.6	81.7	81.2	82.7	84.7	Gross metro product (C09\$ bil)	86.8	90.6	94.1	96.8	98.7	100.6
-3.5	-9.6	-2.2	-0.7	1.9	2.5	% change	2.5	4.4	3.8	2.9	2.0	1.9
912.3	826.8	803.7	808.3	824.8	848.6	Total employment (ths)	877.1	904.3	931.1	954.8	970.3	984.6
-1.7	-9.4	-2.8	0.6	2.0	2.9	% change	3.4	3.1	3.0	2.5	1.6	1.5
7.0	11.9	14.1	13.6	11.7	10.0	Unemployment rate (%)	7.7	6.3	6.2	5.9	5.5	5.0
0.5	-6.2	-0.1	1.8	3.9	3.1	Personal income growth (%)	5.5	8.1	8.3	7.5	6.2	5.0
57.0	53.8	51.2	48.7	49.4	50.4	Median household income (\$ ths)	51.7	53.9	55.9	58.1	60.3	62.0
1,912.3	1,939.4	1,953.1	1,966.6	1,997.7	2,027.9	Population (ths)	2,061.4	2,104.0	2,154.8	2,208.4	2,262.9	2,318.3
2.4	1.4	0.7	0.7	1.6	1.5	% change	1.7	2.1	2.4	2.5	2.5	2.4
26.9	10.5	-1.2	0.5	18.9	17.0	Net migration (ths)	21.4	30.4	38.5	41.3	42.1	43.0
5,840	3,777	4,623	3,817	6,108	7,067	Single-family permits (#)	6,142	8,314	14,702	16,510	16,463	15,103
6,697	1,911	851	1,330	1,267	1,506	Multifamily permits (#)	2,498	3,274	5,147	4,867	5,220	5,221
219.1	143.8	137.9	124.8	134.3	173.5	Existing-home price (\$ ths)	194.6	204.4	213.5	219.8	226.6	235.8

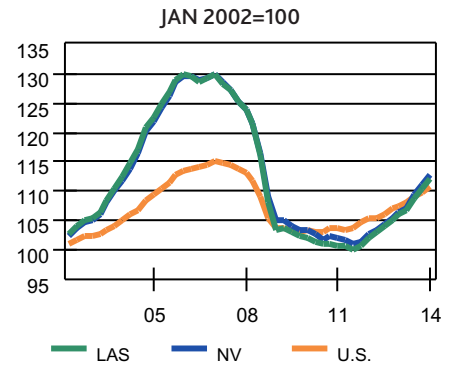
ECONOMIC HEALTH CHECK

	Feb 14	Mar 14	Apr 14	May 14	Jun 14	Jul 14
Employment, change, ths	3.6	4.4	1.5	0.7	0.4	1.8
Unemployment rate, %	8.7	8.7	8.1	8.0	7.8	7.8
Labor force participation rate, %	62.8	63.1	62.8	62.9	62.7	62.5
Employment-to-population ratio, %	57.3	57.6	57.7	57.8	57.8	57.7
Average weekly hours, #	33.6	33.6	33.4	33.3	33.5	33.3
Industrial production, 2007=100	99.1	100.0	100.0	100.4	100.9	100.5
Residential permits, single-family, #	6,348	5,673	6,125	5,876	7,329	10,185
Residential permits, multifamily, #	3,687	3,597	4,704	4,210	311	4,453

■ Better than prior 3-mo MA
 ■ Unchanged from prior 3-mo MA
 ■ Worse than prior 3-mo MA

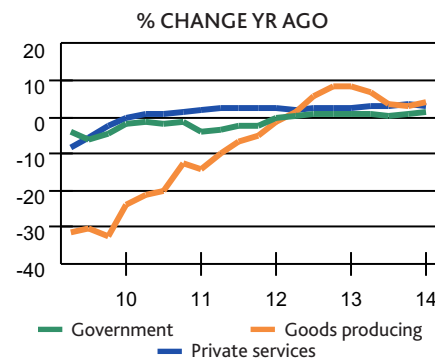
Sources: BLS, Census Bureau, Moody's Analytics

BUSINESS CYCLE INDEX



Source: Moody's Analytics

CURRENT EMPLOYMENT TRENDS

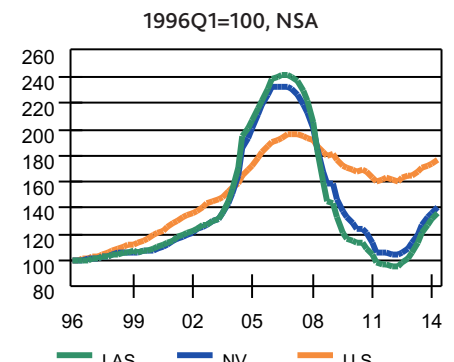


Sources: BLS, Moody's Analytics

	Nov 13	Mar 14	Jul 14
Total	2.9	3.5	3.1
Construction	6.6	3.0	6.7
Manufacturing	2.2	3.1	2.3
Trade	3.7	6.1	4.7
Trans/Utilities	2.1	2.8	2.1
Information	-6.3	4.2	-5.7
Financial Activities	3.2	1.3	1.7
Prof & Business Svcs.	2.7	5.2	4.8
Edu & Health Svcs.	5.0	4.0	5.8
Leisure & Hospitality	2.8	3.0	1.8
Other Services	-0.6	0.9	0.8
Government	1.1	1.3	1.4

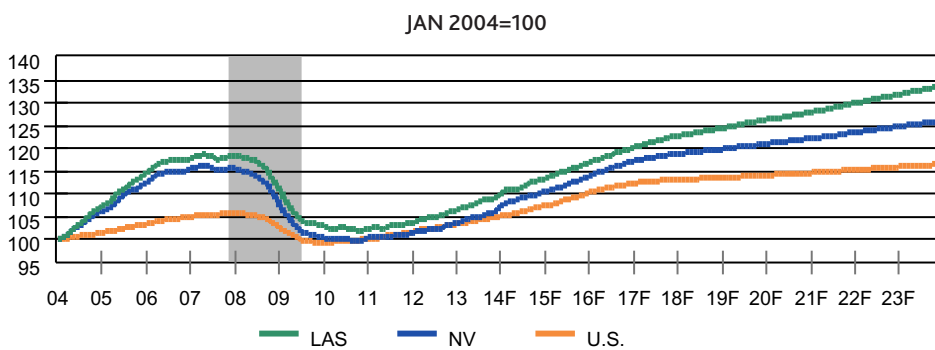
Sources: BLS, Moody's Analytics

HOUSE PRICE



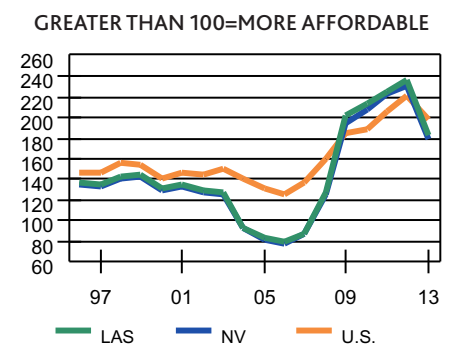
Sources: FHFA, Moody's Analytics

RELATIVE EMPLOYMENT PERFORMANCE



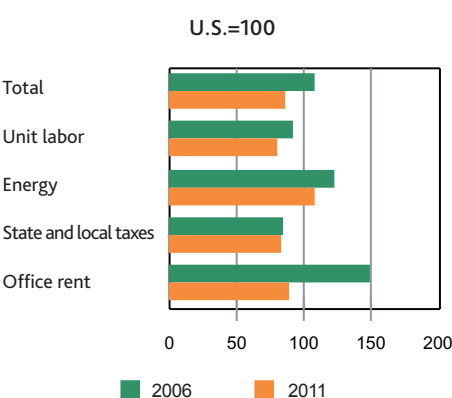
Sources: BLS, Moody's Analytics

HOUSING AFFORDABILITY INDEX



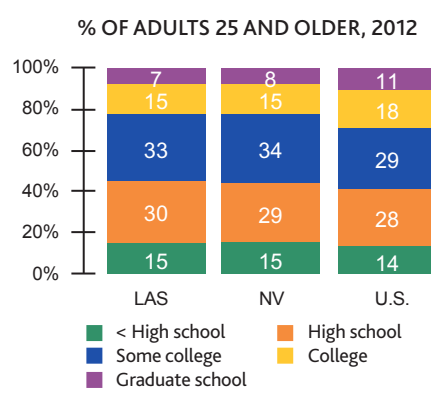
Sources: NAR, Moody's Analytics

BUSINESS COSTS



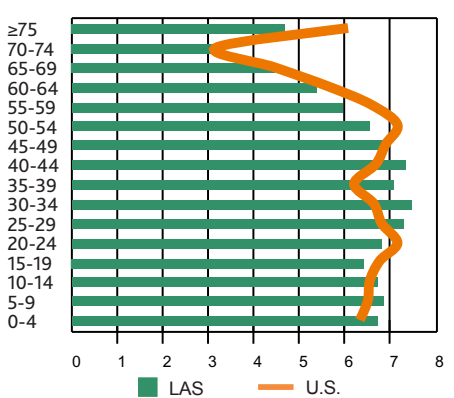
Source: Moody's Analytics

EDUCATIONAL ATTAINMENT



Sources: Census Bureau, Moody's Analytics

POPULATION BY AGE, %



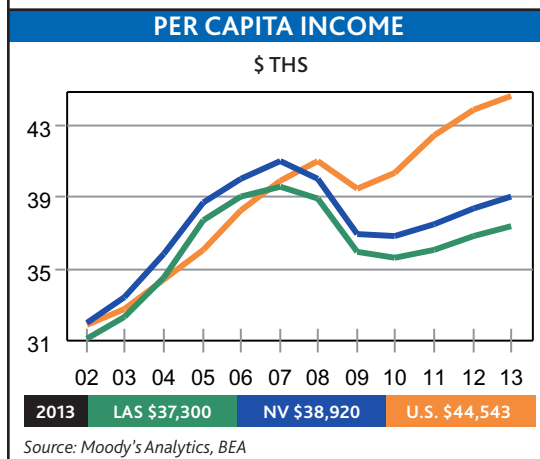
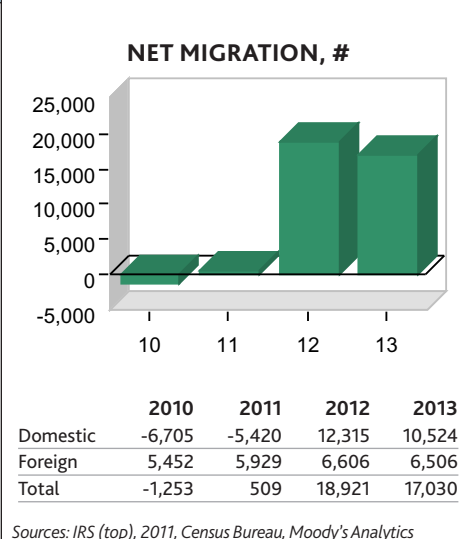
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EMPLOYMENT & INDUSTRY		MIGRATION FLOWS																																									
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COMPARATIVE EMPLOYMENT AND INCOME

Sector	% of Total Employment			Average Annual Earnings		
	LAS	NV	U.S.	LAS	NV	U.S.
Mining	0.0%	1.3%	0.6%	\$53,968	\$87,471	\$126,685
Construction	4.8%	4.9%	4.3%	\$69,933	\$66,635	\$58,586
Manufacturing	2.4%	3.4%	8.8%	\$63,412	\$63,219	\$77,169
<i>Durable</i>	59.1%	63.4%	62.8%	nd	\$68,871	\$78,430
<i>Non-durable</i>	40.9%	36.6%	37.2%	nd	\$53,334	\$75,058
Transportation/Utilities	4.3%	4.6%	3.7%	\$63,962	\$61,191	\$64,250
Wholesale Trade	2.4%	2.8%	4.2%	\$72,619	\$71,858	\$79,805
Retail Trade	11.8%	11.5%	11.1%	\$33,794	\$32,841	\$32,229
Information	1.1%	1.1%	2.0%	\$59,538	\$61,028	\$96,294
Financial Activities	5.1%	4.8%	5.8%	\$22,019	\$21,454	\$47,849
Prof. and Bus. Services	13.1%	12.7%	13.6%	\$55,414	\$53,702	\$63,688
Educ. and Health Services	9.3%	9.5%	15.5%	\$55,201	\$54,691	\$51,543
Leisure and Hosp. Services	31.5%	27.6%	10.4%	\$42,217	\$39,372	\$24,522
Other Services	2.9%	2.8%	4.0%	\$34,638	\$35,235	\$33,733
Government	11.2%	12.8%	16.0%	\$81,073	\$78,668	\$71,281

Sources: Percent of total employment — BLS, Moody's Analytics, 2013, Average annual earnings — BEA, Moody's Analytics, 2012



HIGH-TECH EMPLOYMENT

	Ths	% of total
LAS	18.6	2.2
U.S.	6,431.1	4.7

HOUSING-RELATED EMPLOYMENT

	Ths	% of total
LAS	83.7	9.9
U.S.	12,401.4	9.1

Source: Moody's Analytics, 2013

LEADING INDUSTRIES BY WAGE TIER

Wage Tier	NAICS Industry	Location Quotient	Employees (ths)
HIGH	5511 Management of companies & enterprises	1.2	15.8
	6221 General medical and surgical hospitals	0.5	14.9
	6211 Offices of physicians	0.8	12.6
	GVF Federal Government	0.7	12.0
MID	7211 Traveler accommodation	14.7	167.0
	GVL Local Government	0.7	66.3
	GVS State Government	0.5	17.5
LOW	4853 Taxi and limousine service	22.7	10.9
	5617 Services to buildings and dwellings	1.5	18.2
	4481 Clothing stores	2.2	14.4
	4451 Grocery stores	0.9	14.3
5613 Employment services	0.5	12.3	

Source: Moody's Analytics, 2014

THE BOTTOM LINE... Values in the new and resale home segments trended north during the month of August 2014. The new home market experienced a 10.6-percent gain from the prior year while resale closing prices were up 12.9 percent. The mix of sales within the resale market continues to evolve as fewer distressed transactions move through the system. Non-distressed sales accounted for 4 out of 5 transactions while reporting substantially higher price points compared to distressed activity (i.e., auction, bank and short sales). The sales mix, pricing trends and supply-demand fundamentals suggest increased stability within the southern Nevada housing market. A key area to watch going forward includes the motivations and actions of large investor groups. Cash buyers have become a significantly smaller share of overall activity, with price points remaining elevated relative to the trough in the economic cycle. The timing of dispositions that allows investors to realize their gains will be important to the housing equation. We have yet to see a bulk release of assets; and, given the longer view of most, a flood of inventory is not expected in the near term. A rebalancing between investor returns and end-user demand will be a key consideration in supply and pricing levels going forward. Much of the pain in the southern Nevada has passed – it will be important to avoid a repeat performance.

 **NEW HOME HIGHLIGHTS**

- **NEW HOME CLOSINGS:** A total of 553 new home closings were reported in August 2014, up from 478 in July, but 26.8 percent below levels reported one year earlier. Through the first eight months of the year, sales are off 24.2 percent.
- **NEW HOME PRICING:** Median new home prices continued to press north to \$294,640 in August (+10.6 percent from the prior year). On a price-per-square-foot basis, the average in August was \$131.66, up 7.0 percent from one year ago.
- **NEW HOME SUPPLY:** The number of new home permits moderated in August when compared to recent months. Permits totaled 537 in August, which was 16.2 percent of the pace reported in August 2013. Through the first eight months of 2014, permitting volumes are down 4.8 percent.

NEW HOME MARKET SNAPSHOT

	Value	Annual Growth
Median Home Price	\$294,640	+10.6%
Average Price Per Square Foot	\$131.66	+7.0%
No. of Closings - Month	553	-26.8%
No. of Closings - Year-to-Date	3,760	-24.2%
No. of Closings - Last 12 Months	5,875	-19.5%
New Home Permits - Month	537	-16.2%
New Home Permits - Year-to-Date	4,673	-4.8%
New Home Permits - Last 12 Months	6,539	-3.3%
Active Subdivisions	165	+7.8%
Average Sales per Subdivision	3.35	-32.1%

 **EXISTING HOME HIGHLIGHTS**

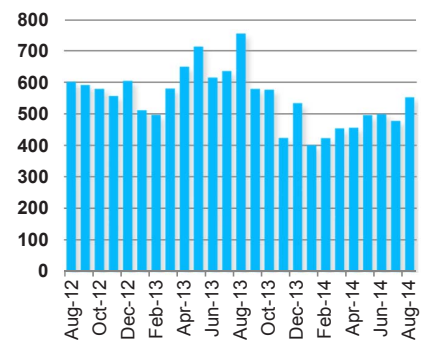
- **EXISTING (RESALE) HOME CLOSINGS:** A total of 3,609 resale closings took place in August, down from July (-6.3 percent) and the prior year (-15.1 percent). Through the first eight months, sales volumes are down 11.5 percent.
- **EXISTING (RESALE) HOME PRICING:** Median prices in the resale market edged up to \$175,000 in August compared to \$173,927 in July and \$155,000 last year. The average price per square foot in August was \$115.56 (+13.7 percent year-over-year).
- **RESALE AVAILABILITY (MLS LISTINGS):** The Multiple Listing Service (MLS) reported 9,949 resale units, or 3.3 months of effective availability. Both metrics are up from July and the same month of the prior year.
- **BANK FORECLOSURES (REPOSSESSIONS):** Foreclosure volumes remain relatively soft at 145 units in August (-12.1 percent from last year).

EXISTING (RESALE) HOME MARKET SNAPSHOT

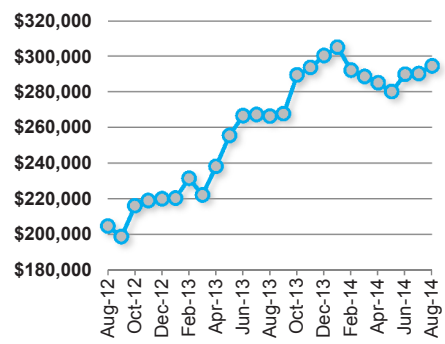
	Value	Annual Growth
Median Home Price	\$175,000	+12.9%
Average Price Per Square Foot	\$115.56	+13.7%
No. of Closings - Month	3,609	-15.1%
No. of Closings - Year-to-Date	29,121	-11.5%
No. of Closings - Last 12 Months	43,777	-10.0%
Bank Repossessions - Month	145	-12.1%
Bank Repossessions - Year-to-Date	1,844	+21.0%
Bank Repossessions - Last 12 Months	2,836	+18.4%
MLS Listings (Available)	9,949	+19.6%
Effective MLS Inventory (in Months)	3.3	+24.7%

New Home Sales

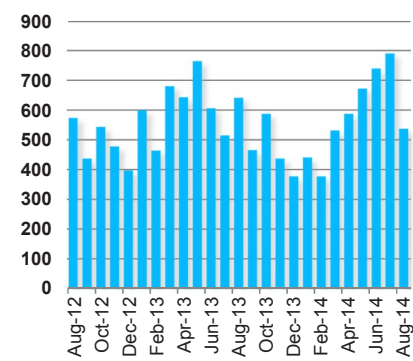
New Home Sales



Median New Home Prices



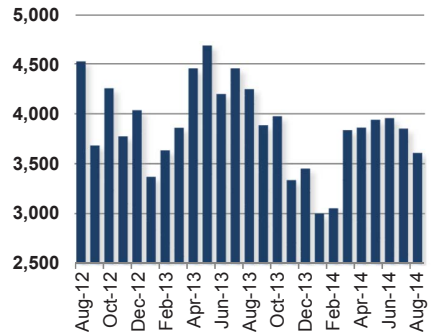
New Home Permits



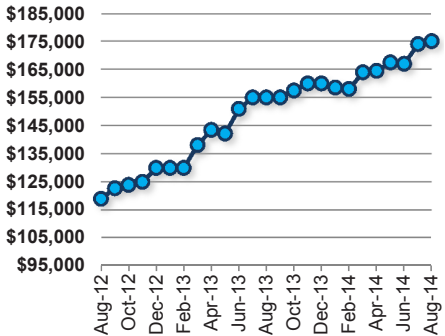
	New Home Closings		New Home Median Closing Prices		New Home Avg \$/SqFt		New Home Permits		Active Subdivisions		Average Sales Per Subdivision	
Aug-12	602	59.7%	\$204,737	3.5%	\$105.44	8.6%	573	70.0%	206	-14.2%	2.92	86.0%
Sep-12	592	48.7%	\$198,845	-3.1%	\$102.64	4.0%	437	73.4%	186	-22.8%	3.18	92.7%
Oct-12	580	79.6%	\$216,045	9.4%	\$103.98	5.6%	543	175.6%	184	-24.3%	3.15	137.1%
Nov-12	557	60.5%	\$219,000	5.7%	\$109.56	14.7%	477	90.8%	181	-24.6%	3.08	112.8%
Dec-12	605	65.8%	\$219,963	4.1%	\$108.21	16.1%	397	3.4%	184	-21.7%	3.29	111.7%
Jan-13	512	138.1%	\$220,355	4.0%	\$116.05	26.0%	599	169.8%	168	-28.5%	3.05	233.1%
Feb-13	497	73.8%	\$231,573	17.9%	\$119.45	25.2%	463	96.2%	152	-36.9%	3.27	175.5%
Mar-13	581	67.0%	\$222,201	8.7%	\$114.09	15.9%	680	32.3%	153	-32.0%	3.80	145.5%
Apr-13	650	85.7%	\$238,194	17.5%	\$109.08	14.8%	643	7.9%	151	-31.4%	4.30	170.6%
May-13	714	72.9%	\$255,565	29.1%	\$113.79	18.3%	764	16.8%	155	-29.9%	4.61	146.5%
Jun-13	616	65.1%	\$266,725	37.6%	\$116.21	12.5%	606	-6.5%	151	-30.4%	4.08	137.3%
Jul-13	636	35.9%	\$267,254	30.9%	\$118.86	21.0%	514	-6.4%	152	-28.3%	4.18	89.5%
Aug-13	755	25.4%	\$266,389	30.1%	\$122.99	16.6%	641	11.9%	153	-25.7%	4.93	68.9%
Sep-13	580	-2.0%	\$267,856	34.7%	\$126.08	22.8%	465	6.4%	155	-16.7%	3.74	17.6%
Oct-13	577	-0.5%	\$289,521	34.0%	\$127.70	22.8%	587	8.1%	153	-16.8%	3.77	19.6%
Nov-13	424	-23.9%	\$293,738	34.1%	\$125.20	14.3%	437	-8.4%	154	-14.9%	2.75	-10.5%
Dec-13	534	-11.7%	\$300,469	36.6%	\$123.57	14.2%	377	-5.0%	153	-16.8%	3.49	6.1%
Jan-14	401	-21.7%	\$305,125	38.5%	\$125.67	8.3%	440	-26.5%	152	-9.5%	2.64	-13.4%
Feb-14	423	-14.9%	\$292,225	26.2%	\$125.47	5.0%	377	-18.6%	149	-2.0%	2.84	-13.2%
Mar-14	454	-21.9%	\$288,674	29.9%	\$127.87	12.1%	531	-21.9%	164	7.2%	2.77	-27.1%
Apr-14	456	-29.8%	\$285,089	19.7%	\$126.45	15.9%	587	-8.7%	164	8.6%	2.78	-35.4%
May-14	496	-30.5%	\$280,168	9.6%	\$132.89	16.8%	672	-12.0%	165	6.5%	3.01	-34.7%
Jun-14	499	-19.0%	\$290,000	8.7%	\$130.31	12.1%	739	21.9%	170	12.6%	2.94	-28.0%
Jul-14	478	-24.8%	\$290,357	8.6%	\$129.12	8.6%	790	53.7%	170	11.8%	2.81	-32.8%
Aug-14	553	-26.8%	\$294,640	10.6%	\$131.66	7.0%	537	-16.2%	165	7.8%	3.35	-32.1%

Note: Growth rate (%) reflects year-over-year changes

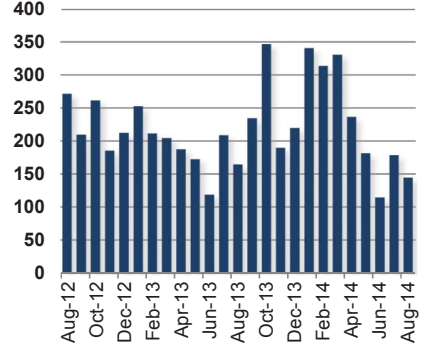
Existing Home Sales



Median Existing Home Prices



Foreclosures (REOs)



Existing Home Sales

	Existing Home Closings		Median Closing Prices		Existing Home Avg \$/SqFt		Bank Repossessions		Available MLS Listings (Resale)		Effective MLS Inventory (in months)	
Aug-12	4,526	-21.1%	\$119,000	14.5%	\$81.80	18.7%	272	-81.9%	4,911	-62.7%	1.4	-56.2%
Sep-12	3,684	-26.0%	\$122,781	17.0%	\$79.60	16.1%	210	-81.0%	4,930	-61.4%	1.6	-51.3%
Oct-12	4,257	1.4%	\$124,000	18.1%	\$79.67	18.3%	262	-71.8%	4,767	-61.0%	1.3	-57.8%
Nov-12	3,776	-17.4%	\$125,000	21.4%	\$82.09	23.3%	186	-81.1%	4,694	-57.7%	1.5	-53.8%
Dec-12	4,036	-21.7%	\$130,000	23.9%	\$83.88	24.9%	213	-76.4%	4,516	-57.2%	1.3	-53.7%
Jan-13	3,371	-23.7%	\$130,000	30.0%	\$87.59	34.5%	253	-75.2%	4,226	-55.7%	1.6	-44.3%
Feb-13	3,637	-16.0%	\$130,000	28.7%	\$86.96	32.1%	212	-65.8%	4,022	-48.9%	1.3	-41.0%
Mar-13	3,862	-27.1%	\$138,151	31.6%	\$90.42	34.1%	205	-42.4%	4,193	-28.9%	1.2	-42.6%
Apr-13	4,456	-4.3%	\$143,500	34.1%	\$96.84	41.2%	188	-27.1%	4,316	-8.9%	1.2	-8.6%
May-13	4,685	-3.1%	\$142,150	26.9%	\$95.43	26.3%	173	-57.6%	4,806	5.0%	1.3	12.9%
Jun-13	4,199	-9.9%	\$151,000	31.3%	\$99.52	27.3%	119	-62.0%	5,750	24.0%	1.6	33.8%
Jul-13	4,455	9.2%	\$155,000	33.6%	\$101.96	27.7%	209	-26.7%	7,667	62.7%	2.2	60.7%
Aug-13	4,249	-6.1%	\$155,000	30.3%	\$101.68	24.3%	165	-39.3%	8,319	69.4%	2.6	94.7%
Sep-13	3,888	5.5%	\$154,995	26.2%	\$102.07	28.2%	235	11.9%	8,842	79.4%	2.8	80.3%
Oct-13	3,976	-6.6%	\$157,500	27.0%	\$104.88	31.6%	347	32.4%	8,631	81.1%	3.3	146.8%
Nov-13	3,339	-11.6%	\$160,000	28.0%	\$104.12	26.8%	190	2.2%	8,536	81.8%	3.3	122.5%
Dec-13	3,453	-14.4%	\$160,000	23.1%	\$104.50	24.6%	220	3.3%	8,288	83.5%	3.0	128.7%
Jan-14	3,002	-10.9%	\$158,500	21.9%	\$102.90	17.5%	341	34.8%	8,291	96.2%	3.4	115.7%
Feb-14	3,058	-15.9%	\$158,000	21.5%	\$103.11	18.6%	314	48.1%	8,397	108.8%	3.5	167.4%
Mar-14	3,837	-0.6%	\$164,000	18.7%	\$106.27	17.5%	331	61.5%	8,377	99.8%	2.8	135.0%
Apr-14	3,863	-13.3%	\$164,454	14.6%	\$107.32	10.8%	237	26.1%	8,549	98.1%	2.8	132.9%
May-14	3,942	-15.9%	\$167,500	17.8%	\$109.77	15.0%	182	5.2%	8,991	87.1%	2.7	108.7%
Jun-14	3,958	-5.7%	\$167,000	10.6%	\$111.27	11.8%	115	-3.4%	9,034	57.1%	2.9	74.5%
Jul-14	3,852	-13.5%	\$173,927	12.2%	\$110.27	8.2%	179	-14.4%	9,816	28.0%	3.1	39.2%
Aug-14	3,609	-15.1%	\$175,000	12.9%	\$115.56	13.7%	145	-12.1%	9,949	19.6%	3.3	24.7%

Note: Growth rate (%) reflects year-over-year changes

Existing Home Sales

- NON-DISTRESSED SALES (79.9%):** Non-distressed sales, sometimes referred to as equity sales or transactions that do not fall within one of the other three distressed categories listed below, account for nearly 4 out of 5 transactions. Transaction volumes were up 1.1 percent from the prior year while pricing was 9.1 percent higher. Values remained flat at \$180,000 from July to August. The price per square foot pressed north to \$120 (up from \$114 in July).
- BANK-OWNED PROPERTIES (6.7%):** The number of REO home sales dipped slightly in August to a total of 241 transactions. The median price reached \$150,000 in August, which was 3.5 percent ahead of the prior year and 1.2 percent higher than July. The average price per square foot was \$97.
- SHORT SALES (9.0%):** The number of successful short sales totaled 326 in August, which accounted for nearly 1 in 10 transactions. The median price of short sales held steady at \$155,000 from July to August. The average price per square foot was \$103 in August 2014.
- AUCTION SALES (4.4%):** The number of homes being acquired at auction (by non-lenders) comprises a relatively modest share of overall activity. A total of 159 units closed with a median price of \$133,800, the lowest value across all segments. The average price per square foot was also the lowest among sales types at \$89.

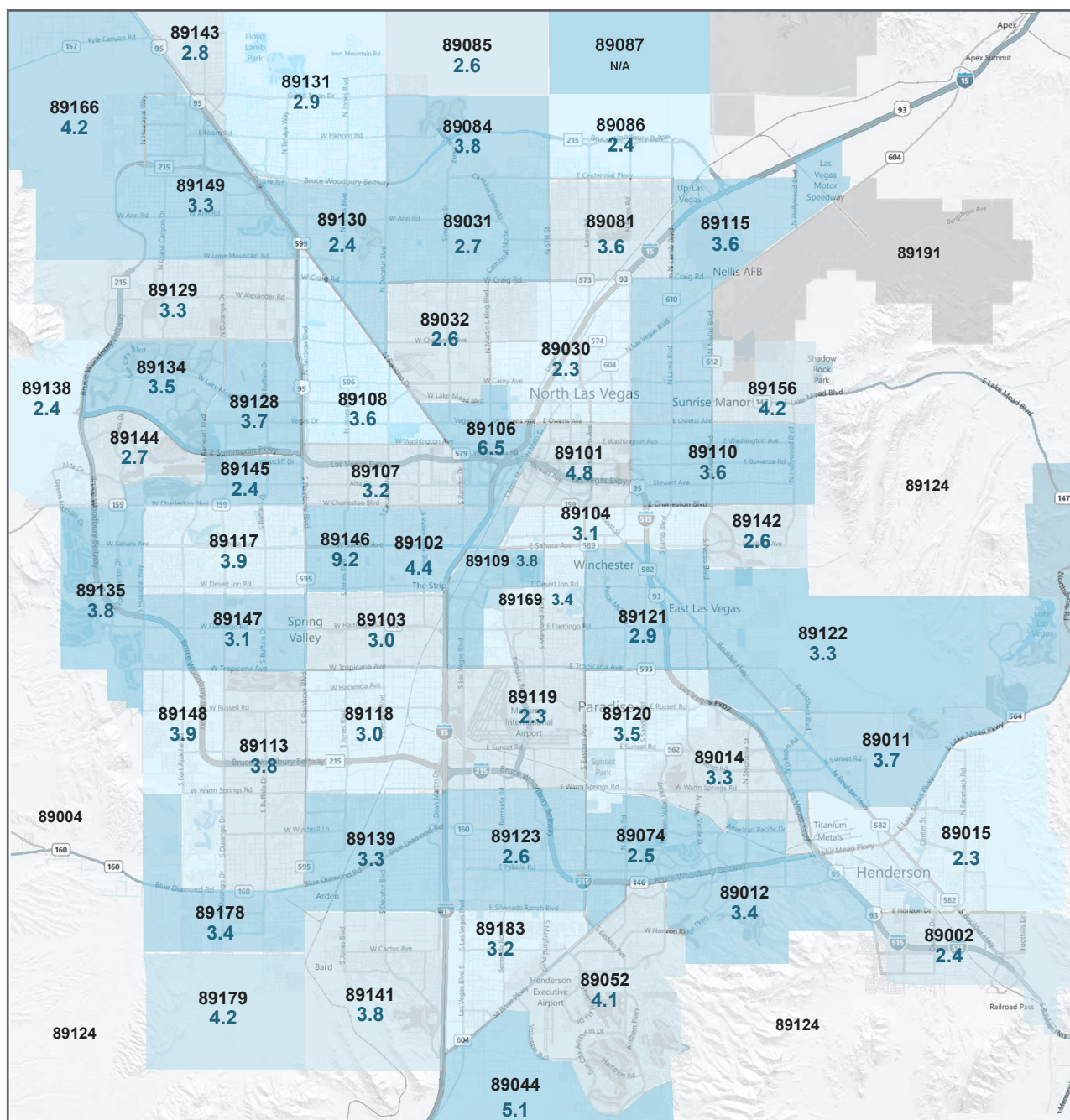
	NUMBER OF SALES					MEDIAN CLOSING PRICE				
	Distressed Sales Categories			Non-Distressed	Total All Types	Distressed Sales Categories			Non-Distressed	Total All Types
	Auction	REO	Short Sale			Auction	REO	Short Sale		
Aug-12	321	768	1,486	1,951	4,526	\$109,000	\$127,000	\$112,000	\$125,000	\$119,000
Sep-12	224	548	1,315	1,597	3,684	\$112,250	\$127,690	\$115,500	\$130,000	\$122,781
Oct-12	290	572	1,493	1,902	4,257	\$113,850	\$130,800	\$117,900	\$126,250	\$124,000
Nov-12	231	494	1,235	1,816	3,776	\$111,000	\$137,013	\$118,500	\$128,000	\$125,000
Dec-12	167	484	1,514	1,871	4,036	\$110,100	\$140,000	\$129,450	\$130,000	\$130,000
Jan-13	235	449	911	1,776	3,371	\$127,000	\$149,000	\$120,000	\$134,945	\$130,000
Feb-13	242	377	1,103	1,915	3,637	\$120,250	\$134,000	\$126,000	\$137,000	\$130,000
Mar-13	222	364	1,094	2,182	3,862	\$120,050	\$143,846	\$125,000	\$146,000	\$138,151
Apr-13	226	419	1,115	2,696	4,456	\$135,550	\$145,900	\$125,118	\$150,000	\$143,500
May-13	313	376	1,137	2,859	4,685	\$110,100	\$145,501	\$133,000	\$150,000	\$142,150
Jun-13	252	314	1,015	2,618	4,199	\$133,013	\$140,376	\$135,000	\$163,000	\$151,000
Jul-13	378	316	933	2,828	4,455	\$125,639	\$158,250	\$137,000	\$165,000	\$155,000
Aug-13	247	344	807	2,851	4,249	\$119,000	\$144,950	\$137,000	\$165,000	\$155,000
Sep-13	276	290	604	2,718	3,888	\$120,600	\$143,250	\$140,000	\$162,000	\$154,995
Oct-13	268	292	643	2,773	3,976	\$120,050	\$142,250	\$149,500	\$165,000	\$157,500
Nov-13	158	309	531	2,341	3,339	\$119,412	\$138,000	\$149,000	\$168,000	\$160,000
Dec-13	147	334	544	2,428	3,453	\$136,300	\$145,250	\$155,000	\$164,950	\$160,000
Jan-14	171	336	385	2,110	3,002	\$133,000	\$145,000	\$158,500	\$163,100	\$158,500
Feb-14	189	326	333	2,210	3,058	\$133,406	\$145,728	\$153,000	\$164,900	\$158,000
Mar-14	279	410	371	2,777	3,837	\$126,494	\$151,000	\$158,000	\$170,000	\$164,000
Apr-14	262	430	378	2,793	3,863	\$124,129	\$144,950	\$159,250	\$172,000	\$164,454
May-14	191	427	395	2,929	3,942	\$119,000	\$155,000	\$155,000	\$175,000	\$167,500
Jun-14	184	393	344	3,037	3,958	\$130,300	\$142,000	\$155,500	\$175,000	\$167,000
Jul-14	163	402	359	2,928	3,852	\$134,791	\$148,200	\$155,000	\$180,000	\$173,927
Aug-14	159	241	326	2,883	3,609	\$133,800	\$150,000	\$155,000	\$180,000	\$175,000

Effective Housing Inventory

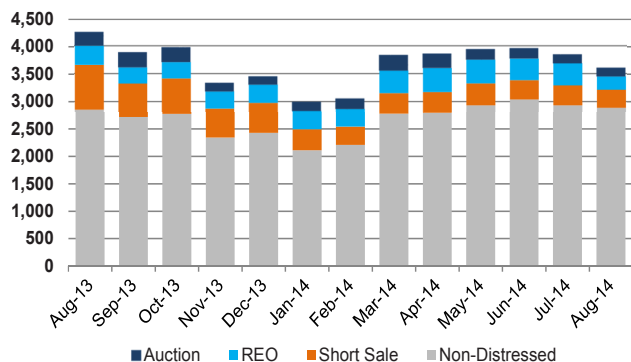
By Zip Code (in Months)

Zip Code	Inventory	Zip Code	Inventory
89002	2.4	89119	2.3
89011	3.7	89120	3.5
89012	3.4	89121	2.9
89014	3.3	89122	3.3
89015	2.3	89123	2.6
89030	2.3	89128	3.7
89031	2.7	89129	3.3
89032	2.6	89130	2.4
89044	5.1	89131	2.9
89052	4.1	89134	3.5
89074	2.5	89135	3.8
89081	3.6	89138	2.4
89084	3.8	89139	3.3
89085	2.6	89141	3.8
89086	2.4	89142	2.6
89101	4.8	89143	2.8
89102	4.4	89144	2.7
89103	3.0	89145	2.4
89104	3.1	89146	9.2
89106	6.5	89147	3.1
89107	3.2	89148	3.9
89108	3.6	89149	3.3
89109	3.8	89156	4.2
89110	3.6	89166	4.2
89113	3.8	89169	3.4
89115	3.6	89178	3.4
89117	3.9	89179	4.2
89118	3.0	89183	3.2

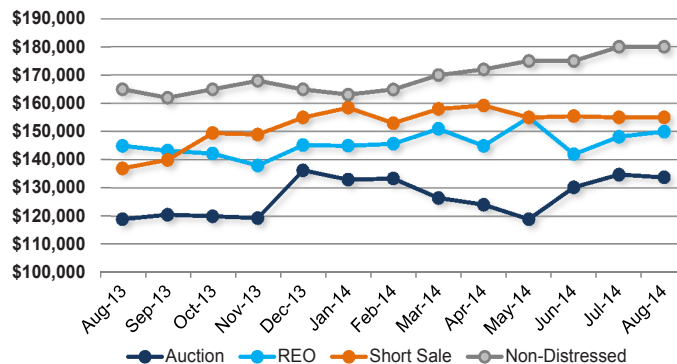
Note: Effective inventory (in months) is computed based on available (non-contingent) listings in the Greater Las Vegas Association of Realtors' Multiple Listing Service (MLS) and resale closings in the MLS.



EXISTING HOME CLOSINGS By Type



By Price



SalesTraq is a comprehensive residential real estate research and analysis solution. For more than two decades, SalesTraq has been providing home pricing, sales and development data to real estate agents, homebuilders, appraisers, buyers and investors. Our firm also maintains an archive catalogue of nearly 20,000 floor plans of Nevada homes. The following highlights our products and services:

SALESTRAQ STANDARD: A database of new residential construction in southern Nevada providing an easy-to-navigate search feature. The product also includes access to nearly 20,000 searchable floor plans, which is ideal for listing presentations, brochures and more.

SALESTRAQ PRO: In addition to the features of SalesTraq Standard, the professional version includes reporting functions for residential permits, new home closing data, existing (resale) home closings, final mapped lots and raw land sales activity.

FASTFACTS MONTHLY REPORT: The monthly statistical publication on relevant housing market information trends new and existing housing data. Information spans supply and demand factors, including foreclosure activity and breakdowns of the type of transactions taking place.

NEW HOME LINK: This marketing and research tool for REALTORS® assists agents and their clients in identifying relevant new home communities and properties. This powerful tool also allows for increased communication between buyers and their agents.

CUSTOM MARKET RESEARCH: For those with more diverse research and analysis requirements, our team of analysts are available to provide professional consulting services. Our services include: pricing and absorption analyses, market analyses, feasibility studies, market segmentation assessments, product positioning and other research project-specific assignments.

CRYSTAL BALL SEMINARS: Known for providing timely, accurate and insightful presentations, Crystal Ball Seminars is dedicated to an interactive learning and information sharing experience. The seminars are also recognized for networking and business development opportunities.

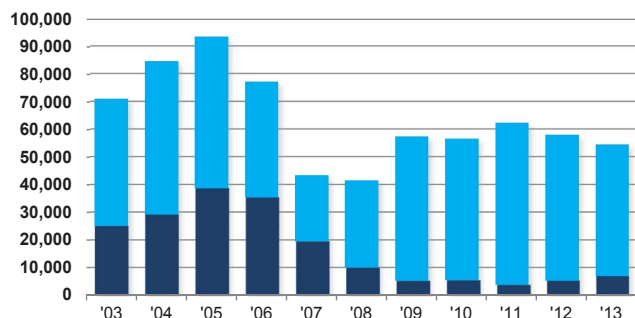
Key Statistics

Resale Closings	Closings				Pricing	
	Month		12 Months		Median	Avg PSF
Auction Sales	159	4%	2,447	6%	\$133,800	\$89
Short Sales	326	9%	5,213	12%	\$155,000	\$103
REO Sales	241	7%	4,190	10%	\$150,000	\$97
Non-Distressed Sales	2,883	80%	31,927	73%	\$180,000	\$120
Total	3,609	100%	43,777	100%	\$175,000	\$116



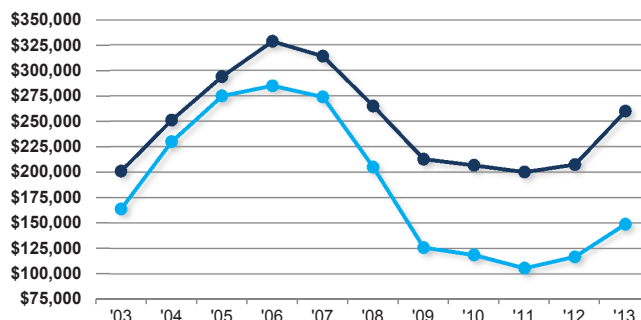
Home Closings

■ RESALE HOMES ■ NEW HOMES



Median Home Prices

— RESALE HOMES — NEW HOMES



**SOMERSET ACADEMY SCHOOL ACCOUNTABILITY
REPORT**

Somerset Academy of Las Vegas

State Charter School Authority

7038 Sky Pointe Drive

Las Vegas, NV 89131

Ph: 702-478-8888, Fax: N/A

G. Jefferson, J. Barlow, R. Farmer, J. Lea, E. Kelley,

Principal

Grade Levels: K-8

Website: www.somersetacademyoflasvegas.org



2013-2014 School Accountability Report

For more information visit www.nevadareportcard.com

Mission Statement

Somerset Academy is dedicated to providing equitable, high quality education for all students. Our purpose is to promote a culture that maximizes student achievement and foster the development of accountable, 21st century learners in a safe and enriching environment.

Principal's Highlights

Somerset Academy of Las Vegas is made up of four campuses in the Las Vegas Valley. Somerset Academy is proud of the following achievements at its schools:

- Consistent assessment and tracking for mastery according to the Nevada Academic Content Standards.
- Technology is used for the delivery of instruction, communication, complete inquiry projects, and increase overall student engagement and achievement.
- Special programs such as Math Night, Literacy Night, Science Fair, Multi-Cultural Festivals, Battle of the Books, and a Talent Show are held annually.
- Professional development is provided in a conference-style format in order to differentiate to the needs of each teacher and each campus.
- Accelerated Reader program is implemented as a reading incentive program for students.
- Academic planning is provided for all students in grades 5 - 9 to create their pathway in determining career and education goals.
- Various after school clubs and activities which include athletic teams are part of the culture at Somerset Academy.
- Intervention and enrichment activities are provided to students who are below standards or exceeding standards.
- Somerset Academy is currently going through the Accreditation process through AdvancEd.

Goals and Objectives

Goal 1

Overall Math proficiency scores will increase in order to show growth.

Objective(s):

Somerset Academy will increase the overall proficiency rate in mathematics in order to increase the median growth percentile school-wide.

Goal 2

Students with IEPs showed a 7% decrease in Reading proficiency when comparing CRT results from spring of 2012 to spring of 2013.

Objective(s):

Somerset Academy will increase the overall proficiency rate in reading/ELA in order to increase the median growth percentile school-wide.

School Communication Efforts

Parents are invited into the school to support the programs and initiatives at any time. Newsletters are sent home regularly throughout the school year. Weekly emails are sent to parents and families which explain upcoming events. Information is updated on schools' websites (www.somersetacademyoflasvegas.com) on a regular basis as well as each school's Facebook page. We consistently work to maintain communication about student progress through parent portals and progress reports. Parent organizations are established at each school which focus on supporting the school through fundraising efforts. Parent Advisory Committees are designed to discuss the direction of the school and create future plans. Each family is asked to provide 30 service hours in support of the school and strengthen its programs.

Demographics and Student Information

Data are provided by the Nevada Department of Education from the state student information system. Gender, race/ethnicity, and special student populations are reported as of count day.

	#	Ethnicity														Gender			
		Am In/ AK Native		Asian		Hispanic		Black		White		Pacific Islander		Two or More Races		Male		Female	
		#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
State	451,730	4,782	1.06%	25,264	5.59%	183,212	40.56%	44,795	9.92%	162,544	35.98%	5,994	1.33%	25,139	5.57%	232,790	51.53%	218,940	48.47%
State Sponsored Public Schools	15,928	215	1.35%	968	6.08%	2,566	16.11%	1,498	9.40%	9,813	61.61%	330	2.07%	536	3.38%	7,788	48.90%	8,140	51.10%
Somerset Academy of Las Vegas	3,012	45	1.49%	114	3.78%	481	15.97%	232	7.70%	2,025	67.23%	71	2.36%	44	1.46%	1,527	50.70%	1,485	49.30%

Data as of: Count Day

** indicates that the data was not available.

^ indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

District totals do not include state or district sponsored charter school data. (2008-Current)

'N/A' indicates that this population was not present.

Special Populations

	#	IEP		ELL		FRL		Migrant	
		#	%	#	%	#	%	#	%
State	451,730	51,946	11.50%	67,836	15.02%	239,170	52.95%	77	0.02%
State Sponsored Public Schools	15,928	1,055	6.62%	350	2.20%	4,387	27.54%	0	0.00%
Somerset Academy of Las Vegas	3,012	207	6.87%	113	3.75%	452	15.01%	0	0.00%

Data as of: Count Day

IEP= Students with disabilities

^ indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

ELL= Students who are English Language Learners

'N/A' indicates that this population was not present.

FRL= Students qualifying for Free/Reduced Price Lunch

** indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Student Average Daily Attendance (ADA)

Student Average Daily Attendance (ADA) is the percentage of the school enrollment in attendance on an "average school day" as of the 100th day of school.

	All Students	Am In/ AK Native	Asian	Hispanic	Black	White	Pacific Islander	Two or More Races	IEP	ELL	FRL
State	94.90%	93.30%	97.00%	94.80%	93.60%	94.90%	94.80%	94.80%	93.40%	95.40%	94.40%
State Sponsored Public Schools	95.60%	93.90%	97.80%	95.60%	95.70%	95.60%	96.10%	95.00%	95.20%	95.70%	94.60%
Somerset Academy of Las Vegas	97.70%	97.90%	97.30%	98.10%	98.30%	97.80%	98.30%	-	-	93.10%	94.70%

ADA Data as of: First 100 days of instruction

IEP = Students with disabilities

^ indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

ELL = Students who are English Language Learners

'N/A' indicates that this population was not present.

FRL = Students qualifying for Free/Reduced Price Lunch

** indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Transiency, Truancy, and Discipline

	Transiency		Discipline	
	Transiency Rate**	# of Students		
		Habitual Disciplinary Problems	Habitual Truants	
State	26.70%	136	1,899	
State Sponsored Public Schools	27.10%	28	114	
Somerset Academy of Las Vegas	0.00%	10	0	

	# of Incidents (Suspensions or Expulsions)					
	Violence to Students	Violence to Staff	Weapons	Dist. Controlled Substances	Possession/ Use Controlled Substances	Possession/ Use of Alcohol
State	5,588	274	440	86	1,248	271
State Sponsored Public Schools	28	2	8	0	2	2
Somerset Academy of Las Vegas	3	0	1	0	0	0

	# of Incidents Bullying			# of Incidents Cyber Bullying		
	Incidents Reported	Incidents Determined to be so after an investigation	Incidents Suspension/ Expulsion	Incidents Reported	Incidents Determined to be so after an investigation	Incidents Suspension/ Expulsion
State	3,754	3,189	725	544	532	208
State Sponsored Public Schools	34	48	22	11	6	5
Somerset Academy of Las Vegas	0	0	0	2	1	1

Data as of: End of school year

* indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

**N/A indicates that this population was not present.

*** indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Discipline and Transiency incidents are reported at the school where the action occurred.

**The purpose of some alternative programs is to enroll students for a short period of time until they can reenroll in a comprehensive school; therefore, transiency rates may be greater than 100% or N/A. Data reported as of the end of the school year.

Retention

	K		1		2		3		4		5		6		7		8	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
State	655	1.90%	1,027	2.80%	480	1.40%	296	0.90%	133	0.40%	71	0.20%	355	1.00%	510	1.50%	566	1.60%
State Sponsored Public Schools	-	-	-	-	-	-	10	0.80%	-	-	10	0.80%	10	0.70%	15	1.10%	27	2.10%
Somerset Academy of Las Vegas	-	-	0	0.00%	0	0.00%	-	-	0	0.00%	0	0.00%	-	-	0	0.00%	0	0.00%

Data as of: Count Day

* indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

**N/A indicates that this population was not present.

*** indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Because of the changes in law (NAC 387.659) in 2009-2010 that affected the way credit deficient students are identified, results prior to this date and post this date cannot be compared.

Student/Teacher Ratio

	All Schools*	Kindergarten**	1st Grade	2nd Grade	3rd Grade	4th Grade	5th Grade	6th Grade	7th Grade	8th Grade
State	21:1	20:1	19:1	19:1	20:1	24:1	24:1	24:1	19:1	19:1
State Sponsored Public Schools	26:1	24:1	24:1	24:1	24:1	25:1	27:1	22:1	19:1	21:1
Somerset Academy of Las Vegas	22:1	27:1	23:1	22:1	23:1	21:1	23:1	13:1	10:1	11:1

Data as of: December 1st

* Indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

**N/A' Indicates that this population was not present.

*** Indicates that the data was not available.

*+ Teachers may serve multiple grade levels as needed. Student/Teacher Ratio is reported for the school as a whole.

**+ Kindergarten ratios are based on the number of classes, not teachers.

District totals do not include state or district sponsored charter school data. (2008-Current)

Summary of Standards-Based Test Performance

Nevada uses criterion referenced tests (CRTs) and the High School Proficiency Exam (HSPE) to measure student achievement relative to Nevada's academic standards. For grade specific assessment results and other assessment information, refer to the Nevada Report Card Website at www.nevadareportcard.com.

ED = Percentage of students performing in the lowest range of achievement (Emergent/Developing)

AS = Percentage of students performing in the Approaches Standards range of achievement

MS = Percentage of students performing in the Meets Standards range of achievement

ES = Percentage of students performing in the highest range of achievement (Exceeds Standards)

K-8	Reading				Writing				Mathematics				Science			
	ED	AS	MS	ES	ED	AS	MS	ES	ED	AS	MS	ES	ED	AS	MS	ES
State	19%	19%	37%	25%	49%	18%	23%	10%	19%	25%	44%	13%	18%	22%	41%	20
State Charters	15%	17%	38%	30%	0%	0%	100%	0%	18%	23%	44%	15%	16%	18%	40%	26
Somerset Academy of Las Vegas	7%	14%	42%	37%	0%	0%	0%	0%	7%	18%	55%	20%	7%	14%	44%	35

Data as of: December 1st

* Indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

**N/A' Indicates that this population was not present.

*** Indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Per-Pupil Expenditures 2012-2013

The Nevada Department of Education in consultation with In\$ite adjusted the formula used to calculate per pupil expenditures beginning with the 2009-2010 Annual Reports of Accountability. Therefore, we have two appropriate comparisons sets; comparisons 2003-04 SY through 2008-09 SY and comparisons of 2009-10 SY and forward.

Somerset Academy of Las Vegas Total Cost Per Pupil = \$5129 District Total Cost Per Pupil = \$8274

	Instruction		Instruction Support		Operations		Leadership		Total Expenditures	
	\$	%	\$	%	\$	%	\$	%	\$	%
State	\$4,799.00	58.00%	\$968.00	11.70%	\$1,874.00	22.60%	\$633.00	7.60%	\$8,274.00	100.00%
Somerset Academy of Las Vegas	\$3,107.00	60.60%	\$320.00	6.20%	\$1,352.00	26.40%	\$351.00	6.80%	\$5,129.00	100.00%

**N/A' Indicates that this population was not present.

*** Indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Schools only showing up with \$0 are new and data was not collected for prior year.

NDE in consultation with In\$ite adjusted formula used to calculate per pupil expenditures with the Annual Reports of Accountability, rendering comparisons between the year and past years data.

Personnel Information

Classes Not Taught by Highly Qualified Teachers

Highly qualified teachers hold a minimum of a bachelor's degree, are licensed to teach in the State of Nevada, and have demonstrated competence in their teaching area. Data were obtained from the Office of Teacher Licensure as of May 2014.

	English/ Reading/ Lang. Arts	Mathematics	Science	Social Studies	Foreign Languages	Arts	Elementary	Poverty Level
	%	%	%	%	%	%	%	
State	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
State Sponsored Public Schools	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Somerset Academy of Las Vegas	N/A	N/A	N/A	N/A	N/A	N/A	N/A	L

Teacher Data as of: May 1st (2008-Current)

'N/A' indicates that this population was not present.

'*' indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

(H) = High Poverty School - defined as being within the bottom quartile throughout the state of percentages of students who qualify for free or reduced-price lunch

(L) = Low Poverty School - defined as being within the top quartile throughout the state of percentages of students who qualify for free or reduced-price lunch

Teacher ADA and Licensure Information

	Average Daily Attendance	Teachers Providing Instruction		
		# Pursuant to NRS 391.426	# Pursuant to Waiver	# w/ 6 Endorsement
State	95.80%	N/A	N/A	N/A
State Sponsored Public Schools	97.40%	N/A	N/A	N/A
Somerset Academy of Las Vegas	99.60%	N/A	N/A	N/A

Teacher Data as of: May 1st (2008-Current)

'N/A' indicates that this population was not present.

'*' indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

(H) = High Poverty School - defined as being within the bottom quartile throughout the state of percentages of students who qualify for free or reduced-price lunch

(L) = Low Poverty School - defined as being within the top quartile throughout the state of percentages of students who qualify for free or reduced-price lunch

Parent/Teacher Conference Attendance

	Accountability Year	Parent/Teacher Conference Attendance
Somerset Academy of Las Vegas	2014	95.00%
Somerset Academy of Las Vegas	2012	92.00%

Data as of: Fall

'N/A' indicates that this population was not present.

'*' indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008- Current)

School NSPF Results: 5 Star Rating

Somerset Acad ES

Information on the ratings or rankings of schools in the Nevada School Performance Framework (NSPF) can be found via the Nevada School Performance Framework website at <http://nspf.doe.nv.gov/>

A 5-Star School is among the highest performing schools in Nevada in student proficiency and/or student growth on the State assessments. The school is acknowledged for its achievement with public recognition and has autonomy in school planning and decision-making.

Performance Indicators	Points Earned	Points Eligible
Growth Measure of Achievement	26	40
Status Measure of Achievement	27	30
Reduction in Achievement Gaps	16	20
Other Indicators	10	10
Total Index Score	[Points Earned(79)/Points Eligible(100)] X 100 = 79.00	

School NSPF Results: 5 Star Rating

Somerset Acad MS

Information on the ratings or rankings of schools in the Nevada School Performance Framework (NSPF) can be found via the Nevada School Performance Framework website at <http://nspf.doe.nv.gov/>

A 5-Star School is among the highest performing schools in Nevada in student proficiency and/or student growth on the State assessments. The school is acknowledged for its achievement with public recognition and has autonomy in school planning and decision-making.

Performance Indicators	Points Earned	Points Eligible
Growth Measure of Achievement	32	40
Status Measure of Achievement	27	30
Reduction in Achievement Gaps	20	20
Other Indicators	8	10
Total Index Score	[Points Earned(87)/Points Eligible(100)] X 100 = 87.00	

Note: District totals do not include state or district sponsored charter school data.

The development of this annual state accountability report is a joint effort among the Nevada Department of Education and Nevada school districts. This report is provided to the public as required by the federal No Child Left Behind Act and NRS 385.347. A comprehensive listing of all accountability data, including student test data, may be accessed on the Nevada Annual Reports of Accountability website at www.nevadareportcard.com.

**CONTRACTOR'S BID – CONSTRUCTION COSTS – PHASE I &
PHASE II**

Cost Code	Description	Total Budget	Contract Budget to Date	Non-Contract Budget to Date	Actual Cost to Date	Retainage Payable	Paid To Date	Cost to Complete
PROJECT 316	BOYER SKYPOINTE ACADEMY, L.C.							
ENTITY 376	BOYER SKYPOINTE ACADEMY, L.C.							
JOB 376A	Boyer Skypointe Academy, L.C.							
PHASE 01	Charter School							
35-1100	LAND PURCHASE COSTS	\$1,750,000.00	\$0.00	\$1,750,000.00	\$1,660,428.38	\$0.00	\$1,660,428.38	\$89,571.62
MAJOR COST CODE TOTALS:		\$1,750,000.00	\$0.00	\$1,750,000.00	\$1,660,428.38	\$0.00	\$1,660,428.38	\$89,571.62
40-1011	SITE CONST - AREA A CONTRACT PMTS	\$2,801,434.00	\$0.00	\$2,801,434.00	\$1,319,538.61	\$0.00	\$1,319,538.61	\$1,481,895.39
40-4011	CORE & SHELL - A CONTRACT PMTS	\$5,390,700.00	\$0.00	\$5,390,700.00	\$7,137,589.96	\$0.00	\$7,137,589.96	(\$1,746,889.96)
MAJOR COST CODE TOTALS:		\$8,292,134.00	\$0.00	\$8,292,134.00	\$8,457,128.57	\$0.00	\$8,457,128.57	(\$164,994.57)
50-1000	DESIGN COSTS	\$0.00	\$0.00	\$0.00	\$26,892.61	\$0.00	\$26,892.61	(\$26,892.61)
50-1010	GEOTECHNICAL / SOILS ANALYSIS	\$3,600.00	\$0.00	\$3,600.00	\$0.00	\$0.00	\$0.00	\$3,600.00
50-1020	OTHER SITE DESIGN FEES	\$3,600.00	\$0.00	\$3,600.00	\$0.00	\$0.00	\$0.00	\$3,600.00
50-1105	ARCHITECTURAL	\$211,930.00	\$0.00	\$211,930.00	\$512,185.96	\$0.00	\$512,185.96	(\$300,255.96)
50-1110	CIVIL ENGINEERING	\$107,500.00	\$0.00	\$107,500.00	\$49,418.93	\$0.00	\$49,418.93	\$58,081.07
50-1115	STRUCTURAL ENGINEERING	\$39,000.00	\$0.00	\$39,000.00	\$0.00	\$0.00	\$0.00	\$39,000.00
50-1120	MECHANICAL ENGINEERING (PLUMBING	\$110,250.00	\$0.00	\$110,250.00	\$0.00	\$0.00	\$0.00	\$110,250.00
50-1125	ELECTRICAL ENGINEERING	\$9,750.00	\$0.00	\$9,750.00	\$0.00	\$0.00	\$0.00	\$9,750.00
50-1305	SECURITY CONSULTANT	\$52,500.00	\$0.00	\$52,500.00	\$0.00	\$0.00	\$0.00	\$52,500.00
50-1620	MONUMENT / PYLON SIGNS	\$7,500.00	\$0.00	\$7,500.00	\$7,024.87	\$0.00	\$7,024.87	\$45,475.13
50-1700	CONSTRUCTION RELATED COSTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,500.00
50-1710	SPECIAL INSPECTIONS REQUIRED BY IE	\$51,490.00	\$0.00	\$51,490.00	\$130.00	\$0.00	\$130.00	(\$130.00)
50-2000	FEES & PERMITS	\$0.00	\$0.00	\$0.00	\$39,325.00	\$0.00	\$39,325.00	\$12,165.00
50-2005	ZONING RELATED FEES	\$10,000.00	\$0.00	\$10,000.00	\$93,537.76	\$0.00	\$93,537.76	(\$83,537.76)
50-2010	PLAN REVIEW FEE	\$50,000.00	\$0.00	\$50,000.00	\$0.00	\$0.00	\$0.00	\$10,000.00
50-2030	BUILDING PERMIT	\$42,522.00	\$0.00	\$42,522.00	\$6,725.40	\$0.00	\$6,725.40	\$43,274.60
50-2040	CONNECTION FEES	\$0.00	\$0.00	\$0.00	\$17,088.27	\$0.00	\$17,088.27	\$25,433.73
50-2041	WATER CONNECTION FEE	\$128,000.00	\$0.00	\$128,000.00	\$317,088.05	\$0.00	\$317,088.05	(\$317,088.05)
50-2043	SEWER CONNECTION FEE	\$262,350.00	\$0.00	\$262,350.00	\$259,420.85	\$0.00	\$259,420.85	\$128,000.00
50-2078	TRANSPORTATION IMPACT FEE	\$25,000.00	\$0.00	\$25,000.00	\$0.00	\$0.00	\$0.00	\$25,929.16
50-2330	BUILDER'S RISK INSURANCE	\$5,000.00	\$0.00	\$5,000.00	\$23,886.00	\$0.00	\$23,886.00	\$18,886.00
50-2340	CM TRAVEL & EXPENSE	\$3,600.00	\$0.00	\$3,600.00	\$7,928.85	\$0.00	\$7,928.85	(\$4,328.85)
50-2380	PRINTS / PLANS	\$2,000.00	\$0.00	\$2,000.00	\$22.72	\$0.00	\$22.72	\$1,977.28
50-3040	CONSTRUCTION CONTINGENCY	\$569,091.00	\$0.00	\$569,091.00	\$569.49	\$0.00	\$569.49	\$568,521.51

Database: BOYERCOMPANY
 Run for budget type: STD|
 Run for cost list: REV|
 Run for journal entry types: A|

Job Cost Actual to Budget Summary
 For Period: 01/12 through 10/14

Page: 2
 Date: 10/31/2014
 Time: 10:19 AM

Cost Code	Description	Total Budget	Contract Budget to Date	Non-Contract Budget to Date	Actual Cost to Date	Retainage Payable	Paid To Date	Cost to Complete
MAJOR COST CODE TOTALS:								
		\$1,694,983.00	\$0.00	\$1,694,983.00	\$1,361,244.76	\$0.00	\$1,361,244.76	\$333,738.24
50-1100	LEGAL	\$34,500.00	\$0.00	\$34,500.00	\$42,313.29	\$0.00	\$42,313.29	(\$7,813.29)
50-1450	CONSTRUCTION LOAN INTEREST COST	\$144,070.00	\$0.00	\$144,070.00	\$121,510.65	\$0.00	\$121,510.65	\$22,559.35
50-1800	SETUP FEE	\$123,489.00	\$0.00	\$123,489.00	\$0.00	\$0.00	\$0.00	\$123,489.00
50-1900	CONSTRUCTION MANAGEMENT FEE	\$42,774.00	\$0.00	\$42,774.00	\$42,838.30	\$0.00	\$42,838.30	(\$65.30)
50-3000	MISC SOFT COSTS	\$100,000.00	\$0.00	\$100,000.00	\$114,154.45	\$0.00	\$114,154.45	(\$14,154.45)
50-5000	SOFT COST CONTINGENCY	\$125,000.00	\$0.00	\$125,000.00	\$29,672.00	\$0.00	\$29,672.00	\$95,328.00
MAJOR COST CODE TOTALS:								
		\$559,833.00	\$0.00	\$559,833.00	\$350,489.69	\$0.00	\$350,489.69	\$219,343.31
PHASE TOTALS:								
		\$12,306,950.00	\$0.00	\$12,306,950.00	\$11,829,291.40	\$0.00	\$11,829,291.40	\$477,658.60
PHASE 02 Charter School								
40-1011	SITE CONST - AREA A CONTRACT PMTS	\$430,139.00	\$0.00	\$430,139.00	\$419,813.78	\$0.00	\$419,813.78	\$10,325.22
40-4011	CORE & SHELL - A CONTRACT PMTS	\$3,191,047.00	\$0.00	\$3,191,047.00	\$2,758,573.02	\$0.00	\$2,758,573.02	\$432,473.98
40-4021	CORE & SHELL - B CONTRACT PMTS	\$30,000.00	\$0.00	\$30,000.00	\$0.00	\$0.00	\$0.00	\$30,000.00
MAJOR COST CODE TOTALS:								
		\$3,651,186.00	\$0.00	\$3,651,186.00	\$3,178,386.80	\$0.00	\$3,178,386.80	\$472,799.20
DESIGN COSTS								
50-1000	A & E FEES	\$0.00	\$0.00	\$0.00	\$1,510.00	\$0.00	\$1,510.00	(\$1,510.00)
50-1205	A&E REIMBURSABLES	\$200,650.00	\$0.00	\$200,650.00	\$161,427.36	\$0.00	\$161,427.36	\$39,222.64
50-1510	UTILITIES TO SITE	\$10,000.00	\$0.00	\$10,000.00	\$9,308.56	\$0.00	\$9,308.56	\$691.44
50-1710	SPECIAL INSPECTIONS REQUIRED BY IE	\$15,000.00	\$0.00	\$15,000.00	\$28,603.00	\$0.00	\$28,603.00	(\$18,603.00)
50-2000	FEES & PERMITS	\$0.00	\$0.00	\$0.00	\$20,159.00	\$0.00	\$20,159.00	(\$5,159.00)
50-2005	ZONING RELATED FEES	\$5,000.00	\$0.00	\$5,000.00	\$4,283.90	\$0.00	\$4,283.90	(\$6,283.90)
50-2010	PLAN REVIEW FEE	\$5,000.00	\$0.00	\$5,000.00	\$0.00	\$0.00	\$0.00	\$5,000.00
50-2030	BUILDING PERMIT	\$15,000.00	\$0.00	\$15,000.00	\$988.00	\$0.00	\$988.00	\$4,102.00
50-2073	SEWER IMPACT FEE	\$125,000.00	\$0.00	\$125,000.00	\$0.00	\$0.00	\$0.00	\$15,000.00
50-2078	TRANSPORTATION IMPACT FEE	\$45,000.00	\$0.00	\$45,000.00	\$151,763.17	\$0.00	\$151,763.17	(\$26,763.17)
50-2330	BUILDER'S RISK INSURANCE	\$9,000.00	\$0.00	\$9,000.00	\$0.00	\$0.00	\$0.00	\$45,000.00
50-2340	CM TRAVEL & EXPENSE	\$8,000.00	\$0.00	\$8,000.00	\$7,575.00	\$0.00	\$7,575.00	\$1,425.00
50-2350	CM MILEAGE	\$363.00	\$0.00	\$363.00	\$1,804.59	\$0.00	\$1,804.59	\$6,195.41
50-2360	CM TELEPHONE	\$1,560.00	\$0.00	\$1,560.00	\$0.00	\$0.00	\$0.00	\$363.00
		\$1,560.00	\$0.00	\$1,560.00	\$0.00	\$0.00	\$0.00	\$1,560.00

Cost Code	Description	Total Budget	Contract Budget to Date	Non-Contract Budget to Date	Actual Cost to Date	Retainage Payable	Paid To Date	Cost to Complete
50-2370	CM MAIL / OVERNIGHT DELIVERY	\$364.00	\$0.00	\$364.00	\$0.00	\$0.00	\$0.00	\$364.00
50-2381	COPIES	\$520.00	\$0.00	\$520.00	\$163.81	\$0.00	\$163.81	\$356.19
50-2382	ELECTRONIC STORAGE	\$1,800.00	\$0.00	\$1,800.00	\$0.00	\$0.00	\$0.00	\$1,800.00
50-3040	CONSTRUCTION CONTINGENCY	\$201,193.00	\$0.00	\$201,193.00	\$0.00	\$0.00	\$0.00	\$201,193.00
MAJOR COST CODE TOTALS:		\$653,450.00	\$0.00	\$653,450.00	\$387,496.39	\$0.00	\$387,496.39	\$265,953.61
60-1100	LEGAL	\$50,000.00	\$0.00	\$50,000.00	\$0.00	\$0.00	\$0.00	\$50,000.00
60-1400	CONSTRUCTION LOAN FEE	\$34,987.00	\$0.00	\$34,987.00	\$34,175.00	\$0.00	\$34,175.00	\$612.00
60-1450	CONSTRUCTION LOAN INTEREST COST	\$54,424.00	\$0.00	\$54,424.00	\$0.00	\$0.00	\$0.00	\$54,424.00
60-1800	SETUP FEE	\$46,649.00	\$0.00	\$46,649.00	\$0.00	\$0.00	\$0.00	\$46,649.00
60-1900	CONSTRUCTION MANAGEMENT FEE	\$24,205.00	\$0.00	\$24,205.00	\$0.00	\$0.00	\$0.00	\$24,205.00
60-3000	MISC SOFT COSTS	\$100,000.00	\$0.00	\$100,000.00	\$0.00	\$0.00	\$0.00	\$100,000.00
60-5000	SOFT COST CONTINGENCY	\$50,000.00	\$0.00	\$50,000.00	\$0.00	\$0.00	\$0.00	\$50,000.00
MAJOR COST CODE TOTALS:		\$360,265.00	\$0.00	\$360,265.00	\$34,175.00	\$0.00	\$34,175.00	\$326,090.00

PHASE TOTALS:

\$4,864,901.00	\$0.00	\$4,664,901.00	\$3,600,058.19	\$0.00	\$3,600,058.19	\$1,064,842.81
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GRAND TOTALS:

\$16,971,851.00	\$0.00	\$16,971,851.00	\$15,429,349.59	\$0.00	\$15,429,349.59	\$1,542,501.41
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CONTRIBUTION DRAW
 SAVING WORK IN RESERVE
 PREPARE TAXES 25,499
 INSURANCE 17,326
 UTILITIES DURING CONSTRUCTION 8,481
 SET-UP FEE 169,718
 INTEREST DURING CONST. 313,200
 16,434,769 -

5-YEAR BUDGET & ENROLLMENT GROWTH PLAN

Somerset Academy
Five (5) Year - Sky Pointe Campus

	Sky Pointe	Sky Pointe	Sky Pointe	Sky Pointe	Sky Pointe
	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
WFTE Gross Value	\$ 6,520	\$ 6,520	\$ 6,618	\$ 6,618	\$ 6,717
Total Students (FTEs)	1470	1620	1890	1980	1980
Weighted Student Count	1420	1570	1840	1930	1930
Certified Teachers	64	70	80	84	85
Special Teachers	5	6	7	8	8
Student Teacher Ratio K 1/2 Day(25:1)	100	100	100	100	100
Student Teacher Ratio K 1/2 Day(25:1)	25	25	25	25	25
Student Teacher Ratio 1st Grade(25:1)	125	125	125	125	125
Student Teacher Ratio 2nd Grade(25:1)	125	125	125	125	125
Student Teacher Ratio 3rd Grade(25:1)	125	125	125	125	125
Student Teacher Ratio 4th Grade(25:1)	125	125	125	125	125
Student Teacher Ratio 5th Grade(25:1)	125	125	125	125	125
Student Teacher Ratio 6th Grade(30:1)	210	150	210	150	150
Student Teacher Ratio 7th Grade(30:1)	150	210	210	210	150
Student Teacher Ratio 8th Grade(30:1)	150	150	210	210	210
Student Teacher Ratio 9th Grade(30:1)	150	150	150	210	210
Student Teacher Ratio 10th Grade(30:1)	60	150	150	150	210
Student Teacher Ratio 11th Grade(30:1)		60	150	150	150
Student Teacher Ratio 12th Grade(30:1)			60	150	150
Total Non Kinder Students	1345	1495	1765	1855	1855
		1.102040816	1.166666667	1.047619048	1
REVENUE					
Budget Revenue	\$ 9,258,400.00	\$ 10,236,400.00	\$ 12,176,752.00	\$ 12,772,354.00	\$ 12,963,939.31
Kindergarten Revenue	\$ 77,625.00	\$ 77,625.00	\$ 77,625.00	\$ 77,625.00	\$ 77,625.00
Special Ed Funding	\$ 147,000.00	\$ 162,000.00	\$ 189,000.00	\$ 198,000.00	\$ 198,000.00
Special Ed Discretionary Unit	\$ 42,750.00	\$ 42,750.00	\$ 42,750.00	\$ 42,750.00	\$ 42,750.00
Total Revenues:	\$ 9,525,775.00	\$ 10,518,775.00	\$ 12,486,127.00	\$ 13,090,729.00	\$ 13,282,314.31
Personnel Costs					
Principal	\$ 226,000.00	\$ 226,001.00	\$ 229,391.02	\$ 229,391.02	\$ 232,831.88
Assistant Principal	\$ 175,000.00	\$ 245,000.00	\$ 248,675.00	\$ 248,675.00	\$ 252,405.13
Teachers	\$ 2,808,300.00	\$ 3,093,200.00	\$ 3,594,013.50	\$ 3,800,566.00	\$ 3,841,876.50
Teacher Assistants	\$ 125,000.00	\$ 125,000.00	\$ 126,875.00	\$ 126,875.00	\$ 128,778.13
Subst. Teachers (10 days/Teacher)	\$ 69,000.00	\$ 77,140.00	\$ 88,305.00	\$ 93,380.00	\$ 94,395.00
Curriculum Coach	\$ 20,000.00	\$ 60,000.00	\$ 60,900.00	\$ 60,900.00	\$ 61,813.50
Clerical/Admin	\$ 180,000.00	\$ 180,000.00	\$ 182,700.00	\$ 182,700.00	\$ 185,440.50
Contract Services	\$ 639,000.00	\$ 706,500.00	\$ 828,000.00	\$ 868,500.00	\$ 868,500.00
Payroll Services	\$ 45,000.00	\$ 49,591.84	\$ 57,857.14	\$ 60,612.24	\$ 60,612.24
Empl. Benefits	\$ 1,363,720.00	\$ 1,521,680.40	\$ 1,726,271.81	\$ 1,808,892.81	\$ 1,829,747.00
Total	\$ 5,651,020.00	\$ 6,284,113.24	\$ 7,142,988.46	\$ 7,480,492.07	\$ 7,556,399.88
School Operations					
Class & Office Supplies	\$ 65,000.00	\$ 71,632.65	\$ 83,571.43	\$ 87,551.02	\$ 87,551.02
Dues and Fees	\$ 12,500.00	\$ 13,775.51	\$ 16,071.43	\$ 16,836.73	\$ 16,836.73
Lunch Program	\$ 2,500.00	\$ 3,000.00	\$ 3,500.00	\$ 4,000.00	\$ 4,000.00
Special Education	\$ 225,000.00	\$ 247,959.18	\$ 289,285.71	\$ 303,061.22	\$ 303,061.22
FFE Loan (Zions Loan)	\$ 311,000.00	\$ 355,500.00	\$ 399,750.00	\$ 431,500.00	\$ 444,000.00
Audit	\$ 5,500.00	\$ 5,637.50	\$ 5,778.44	\$ 5,922.90	\$ 6,070.97
Legal Fees	\$ 5,500.00	\$ 5,637.50	\$ 5,778.44	\$ 5,922.90	\$ 6,070.97
IT Services	\$ 70,000.00	\$ 77,142.86	\$ 90,000.00	\$ 94,285.71	\$ 94,285.71
Travel Reimbursement	\$ 10,000.00	\$ 11,020.41	\$ 12,857.14	\$ 13,469.39	\$ 13,469.39
Copier	\$ 40,000.00	\$ 44,081.63	\$ 51,428.57	\$ 53,877.55	\$ 53,877.55
SAIN Services	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00
State Administrative Fee	\$ 138,876.00	\$ 153,546.00	\$ 182,651.28	\$ 191,585.31	\$ 194,459.09
Affiliation Fee	\$ 92,584.00	\$ 102,364.00	\$ 121,767.52	\$ 127,723.54	\$ 129,639.39
Phone and Communications	\$ 8,000.00	\$ 8,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
Postage	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Consumables	\$ 102,900.00	\$ 113,400.00	\$ 132,300.00	\$ 138,600.00	\$ 138,600.00
Other Purchases	\$ 10,500.00	\$ 11,571.43	\$ 13,500.00	\$ 14,142.86	\$ 14,142.86
Total	\$ 1,111,860.00	\$ 1,236,268.67	\$ 1,432,239.96	\$ 1,512,479.14	\$ 1,530,064.91
Facilities Operations					
Public Utilities	\$ 135,000.00	\$ 148,775.51	\$ 173,571.43	\$ 181,836.73	\$ 181,836.73
Facility Insurance	\$ 17,500.00	\$ 19,285.71	\$ 22,500.00	\$ 23,571.43	\$ 23,571.43
School Insurance	\$ 28,000.00	\$ 30,857.14	\$ 36,000.00	\$ 37,714.29	\$ 37,714.29
Security	\$ 40,500.00	\$ 60,750.00	\$ 60,750.00	\$ 81,000.00	\$ 81,000.00
Janitorial	\$ 95,000.00	\$ 104,693.88	\$ 122,142.86	\$ 127,959.18	\$ 127,959.18
Custodial Supplies	\$ 15,000.00	\$ 16,530.61	\$ 19,285.71	\$ 20,204.08	\$ 20,204.08
Maintenance	\$ 55,000.00	\$ 60,612.24	\$ 70,714.29	\$ 74,081.63	\$ 74,081.63
Lawn Care	\$ 15,000.00	\$ 15,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
Total	\$ 401,000.00	\$ 456,505.10	\$ 529,964.29	\$ 571,367.35	\$ 571,367.35
Total Expenses	\$ 7,163,880.00	\$ 7,976,887.01	\$ 9,105,192.71	\$ 9,564,338.55	\$ 9,657,832.14
Budget P/L	\$ 2,361,895.00	\$ 2,541,887.99	\$ 3,380,934.29	\$ 3,526,390.45	\$ 3,624,482.17
<i>Scheduled Lease Payments</i>	\$ 1,012,173.33	\$ -	\$ -	\$ -	\$ -
<i>Scheduled Bond Payment</i>	\$ 771,796.00	\$ 2,315,390.00	\$ 2,315,390.00	\$ 2,315,390.00	\$ 2,315,390.00
Surplus (Revenues-Total Expenses-Lease-Bond)	\$ 601,682.67	\$ 2,259,512.99	\$ 3,071,559.29	\$ 3,208,015.45	\$ 3,306,107.17

1.50% Adjustment for Inflation
2.50% Adjustment for Inflation

DEMOGRAPHICS – LAS VEGAS

DEMOGRAPHICS



City of Las Vegas Economic and Urban Development Department & Redevelopment Agency

Economic and Urban Development Department

The Economic and Urban Development Department creates, coordinates and encourages new development and redevelopment throughout the city of Las Vegas. It increases and diversifies the city's economy and creates jobs through business attraction, retention and expansion programs. This expanded department now includes the Parking Division. The newly reorganized and consolidated Parking Division has begun work on modernizing parking meters, online customer service, downtown parking locator assistance and aiding developers with their parking-related plans.

The EUD coordinates with the Las Vegas Redevelopment Agency (RDA) on day-to-day operations, economic development, job creation and long-term strategic goals.

Las Vegas Redevelopment Agency

The Las Vegas Redevelopment Agency (RDA) promotes the redevelopment of downtown Las Vegas and surrounding older commercial districts by working with developers, property owners and the community to accomplish beneficial revitalization efforts, create jobs and eliminate urban decay.

The city of Las Vegas currently has two designated redevelopment areas. Redevelopment Area 1 encompasses 3,948 acres. The area roughly includes the greater downtown Las Vegas area east of I-15, south of Washington Avenue, north of Sahara Avenue and west of Maryland Parkway. It also includes the Charleston Boulevard, Martin L. King Boulevard and Eastern Avenue corridors.

A new Redevelopment Area 2 (RDA 2) was officially adopted during the Aug. 15, 2012 meeting of the Las Vegas City Council. The RDA 2 designation gives the Las Vegas Redevelopment Agency the powers to redevelop, rehabilitate and revitalize this area. This new RDA 2 designation also allows the Redevelopment Agency to provide qualified owners/operators with certain business incentives. Redevelopment Area 2 covers Sahara Avenue from I-15 to Decatur Boulevard, Charleston Boulevard from Rancho Drive to Rainbow Boulevard and Decatur Boulevard from Sahara Avenue to U.S. 95.

Although the RDA is legally a separate entity from the city of Las Vegas, city council members sit on its board and provide input on projects.

Contact Information:

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Sixth Floor

Las Vegas, NV 89101

Tel: 702.229.6551

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Web: www.lvrda.org

Web: www.lasvegasnevada.gov/EUD

Web: www.facebook.com/lvbusiness



DEMOGRAPHICS

City of Las Vegas and Clark County Government Summary

	Las Vegas	Clark County ⁽¹⁾
Population (2012)	594,294	2,008,654
Existing Land Use (sq. miles)	135.8	7891.4
Population Density (per sq. mile)	4,376	255
Government Structure	Council/Manager	County Commission and Council/Manager ⁽²⁾
Planning Commission	Yes	Yes and City Council ⁽³⁾
Industrial Plan Approval	Yes	Yes ⁽⁴⁾
Zoning Regulations	Yes	Yes
Industrial Bond Financing Limit	\$10,000,000	\$10,000,000 - \$20,000,000 ⁽⁵⁾
Local Adopted Budget ⁽⁶⁾ (Total Expenditures):		
FY 2010-11	\$1,517,700,900	\$9,007,196,700
FY 2011-12	\$1,370,802,900	\$8,446,574,900
FY 2012-13	\$1,199,946,100	\$8,385,971,400
Combined Tax Rate (Operating):	2.7135	Varies based on local tax district
Full-time Equivalent Employees	3,098	20,242
Total Property Tax Rate ⁽⁷⁾		
FY 2010-11	\$3.2782	Varies based on local tax district
FY 2011-12	\$3.2782	Varies based on local tax district
FY 2012-13	\$3.2782	Varies based on local tax district

⁽¹⁾ Clark County is comprised of five incorporated cities (Boulder, Henderson, Las Vegas, Mesquite and North Las Vegas) and Unincorporated Clark County (31 areas/townships).

⁽²⁾ Unincorporated Clark County is governed by a commission and Clark County's five cities have a council/manager structure.

⁽³⁾ Planning in the city of Mesquite is conducted through a city council and the rest of the governmental jurisdictions in Clark County have a planning commission.

⁽⁴⁾ City council and staff for the city of Mesquite.

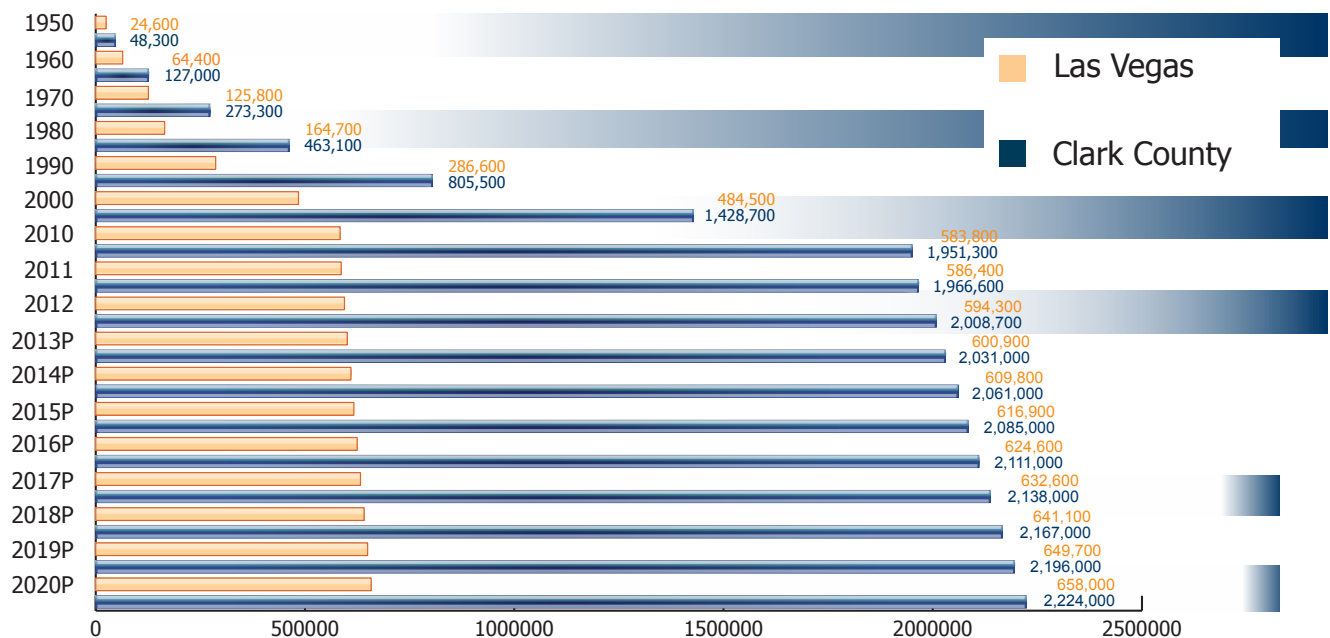
⁽⁵⁾ Bond limit is \$20,000,000 for the city of Henderson and \$10,000,000 for the rest of Clark County's jurisdictions.

⁽⁶⁾ Based on the county and locality adopted budget reports for each jurisdiction. Does not account for all service budgets in Clark County (e.g., airport, convention and visitors, fire/emergency, redevelopment, transportation, so forth).

⁽⁷⁾ Per every \$100 of assessed value. Entities that provide services for individual tax districts that comprise the Total Property Tax Rate are grouped into various tax rates: Combined Tax Rate, County Tax Rate, Combined Special District Tax Rate, School Tax Rate and State Tax.

Sources: Individual entities (November 2013).

Population Estimates and Projections



Sources: 2010 Census; Clark County Comprehensive Planning Department; Center for Business and Economic Research at UNLV; RCG Economics (November 2013).

DEMOGRAPHICS

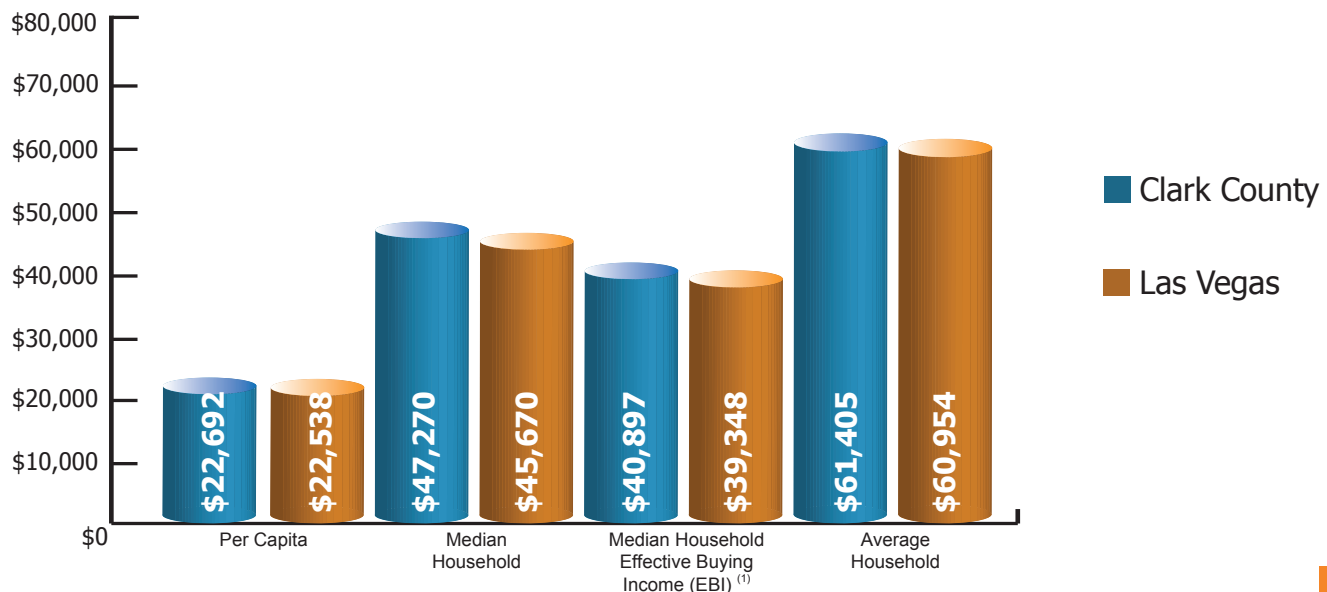
Las Vegas Population Change and Household Income by Zip Code

Zip Code	Population 2011	Population 2012	% Change	Median Household Income
89101	42,763	40,516	-5.3%	\$22,479
89102*	33,774	35,054	3.8%	\$29,781
89104*	34,618	34,724	0.3%	\$29,452
89106	31,260	25,849	-17.3%	\$27,864
89107	36,419	38,323	5.2%	\$40,971
89108	72,086	74,723	3.7%	\$39,707
89110*	73,633	74,636	1.4%	\$41,458
89117*	51,415	54,272	5.6%	\$46,982
89124*	7,844	6,996	-10.8%	\$76,429
89128	36,255	36,616	1.0%	\$46,594
89129*	49,058	52,253	6.5%	\$56,772
89130	29,299	31,517	7.6%	\$60,542
89131*	43,540	44,588	2.4%	\$76,358
89134	24,797	24,463	-1.3%	\$49,370
89138	12,292	12,630	2.7%	\$81,353
89143	12,054	13,565	12.5%	\$70,283
89144	19,021	18,462	-2.9%	\$70,794
89145	25,522	25,773	1.0%	\$47,441
89146*	17,991	18,613	3.5%	\$40,615
89149*	33,521	33,521	0.0%	\$63,791
89166*	8,417	9,384	11.5%	\$66,552

*Zip code includes other areas outside of Las Vegas boundaries.

Sources: Clark County Comprehensive Planning Department; Nielsen Claritas – 2013 estimates (November 2013).

Clark County and Las Vegas Residents' Income



⁽¹⁾ EBI: Personal income (wages, salaries, interest, dividends, rental income, and pension) after federal, state, and local taxes.

Source: Neilson Claritas – 2013 estimates (November 2013).

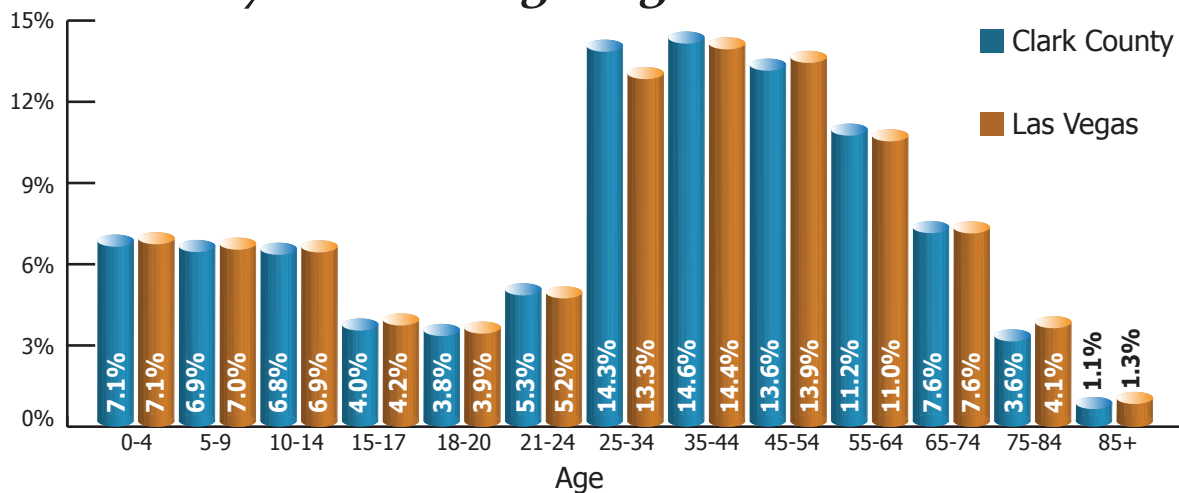
DEMOGRAPHICS

Clark County and Las Vegas Resident Profiles

	Clark County	Las Vegas
Race and Ethnicity	%	%
White	45.0	45.9
African American/Black	10.3	10.6
American Indian	0.4	0.4
Asian	9.3	6.2
Pacific Islander	0.7	0.6
Hispanic/Latino	30.9	33.2
More than one race	3.3	3.0
Other	0.2	0.2
Gender	%	%
Female	49.7	49.7
Male	50.3	50.3
Marital Status (Age 15+)	%	%
Never Married	32.2	31.6
Married, Spouse Present	42.9	42.3
Married, Spouse Absent	6.3	6.7
Divorced	13.5	13.8
Widowed	5.1	5.6
Education (Age 25+)	%	%
< 9th Grade	6.9	8.2
Some High School, No Diploma	9.4	10.0
HS Graduate (Incl. Equivalency)	29.5	28.9
Some College, No Degree	25.4	24.9
Associate Degree	7.0	6.8
Bachelor's Degree	14.6	13.6
Master's Degree	4.8	5.0
Professional School Degree	1.6	1.8
Doctorate Degree	0.7	0.8
Avg. Length of Residence (Years)	8.9	9.6

Sources: Nielsen Claritas – 2013 estimates (November 2013).

Clark County and Las Vegas Age Distribution



Source: Neilson Claritas – 2013 estimates (November 2013).

Clark County and Las Vegas Resident Profiles

	Clark County	Las Vegas
Household Size	%	%
1-Person	25.5	26.5
2-Persons	31.5	30.6
3-Persons	16.2	15.8
4-Persons	12.9	12.8
5+ Persons	7.5	7.6
6+ Persons	3.7	3.8
7+ Persons	2.8	3.0
Avg. Household Size	2.7	2.7
Avg. Adults Per Household-18+	2.1	2.8
Household Income	%	%
< \$15,000	12.5	14.3
\$15,000 - \$24,999	12.0	12.7
\$25,000 - \$34,999	12.3	12.3
\$35,000 - \$49,999	16.1	15.0
\$50,000 - \$74,999	19.9	19.3
\$75,000 - \$99,999	12.0	11.3
\$100,000 - \$124,999	6.6	6.3
\$125,000 - \$149,999	3.1	3.0
\$150,000 - \$199,999	3.5	3.5
\$200,000 - \$499,999	1.7	1.9
\$500,000+	0.3	0.3
Type of Home	%	%
Single Family	58.8	60.2
Duplex and 3/4-Plex	2.2	3.0
Mobile Home	3.0	1.1
Apartments	21.1	22.3
Condo/Townhome	14.9	13.4
Occupied Housing Tenure	%	%
Owner Occupied	57.1	56.6
Renter Occupied	42.9	43.4

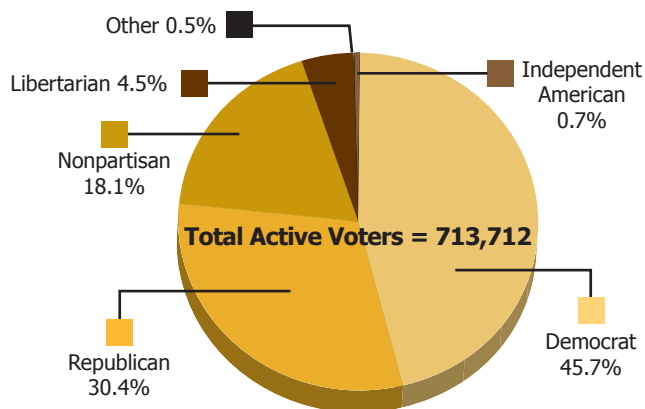
Sources: Clark County Comprehensive Planning Department; Neilsen Claritas – 2013 estimates (November 2013).

Population and Housing

Year	Population		Housing Units	
	Clark	Las Vegas	Clark	Las Vegas
2008	1,986,100	599,100	784,700	235,800
2009	2,006,300	607,900	796,300	239,800
2010	1,951,300	606,700	814,900	240,700
2011	1,966,600	586,400	817,300	241,300
2012	2,008,700	594,300	820,400	241,200

Source: Clark County Comprehensive Planning Department (November 2013).

Clark County Voter Registration



Source: Clark County Election Department (November 2013).
Note: All registered voters (active and inactive) totaled = 950,371.

DEMOGRAPHICS

Newcomer Data

Las Vegas Valley ⁽¹⁾

Newcomer Profile: 2012



Household Income Distribution	%	Children Per Household (Under 18)	%
Under \$15,000	8.2	0	64.2
\$15,000 - \$24,999	16.5	1	6.3
\$25,000 - \$34,999	12.2	2	8.7
\$35,000 - \$49,999	17.4	3	11.3
\$50,000 - \$74,999	16.0	4+	9.4
\$75,000 - \$99,999	10.0	Education of Adults	%
\$100,000 +	19.6	Some High School, No Diploma	12.6
Median Household Income	\$46,234	High School Graduate (or GED)	32.8
Marital Status	%	Some College, No Degree	20.8
Never Married	39.4	Associate Degree	5.4
Married, Spouse Present	42.2	Bachelor's Degree	10.9
Married, Spouse Absent	3.2	Graduate Degree	17.7
Widowed	5.8	Employment Status	%
Divorced	9.3	Full time	35.4
Age of Adults	%	Part-time	16.0
18 - 24	13.3	Homemaker	9.8
25 - 34	22.9	Student	26.3
35 - 44	17.7	Retired	12.5
45 - 54	11.9	Unemployed	32.5
55 - 64	13.9		
65+	20.4		
Median Age	42.0		

⁽¹⁾ The Las Vegas valley in this table includes Boulder City.

Source: 2013 Las Vegas Perspective.



Clark County Newcomers' States of Origin: 2012

Top Ten States of Origin

- | | | | | |
|---------------|-------------|-------------|-------------|------------|
| 1. California | 2. Arizona | 3. Florida | 4. Texas | 5. Utah |
| 6. Washington | 7. Illinois | 8. New York | 9. Colorado | 10. Hawaii |

Source: Center for Business and Economic Research at UNLV (November 2013).

Retiree Profile



Las Vegas Valley⁽¹⁾ Retiree Profile: 2012

Household Income Distribution	%	Type of Home	%
Under \$15,000	15.5	Single Family	76.8
\$15,000 - \$24,999	17.1	Apt/Condo/Townhome	20.9
\$25,000 - \$34,999	13.1	Plex (2-4 Units)	1.0
\$35,000 - \$49,999	15.7	Mobile Home	1.3
\$50,000 - \$74,999	14.5	Length of Residence	%
\$75,000 - \$99,999	6.0	Newcomer	5.5
\$100,000 +	18.1	1 Year or Longer	94.5
Median Household Income	\$45,927	Persons Per Household	%
Marital Status	%	1	32.5
Never Married	8.0	2	46.9
Married, Spouse Present	60.0	3	15.5
Married, Spouse Absent	1.3	4	4.0
Widowed	16.4	5+	1.1
Divorced	14.3	Average Household Size (Persons)	2.3
Gender	%	Home Ownership	%
Female	47.1	Own	76.9
Male	52.9	Rent	23.1
Male/Female Ratio	0.89		

⁽¹⁾ The Las Vegas valley in this table includes Boulder City.

Source: 2013 Las Vegas Perspective.



DEMOGRAPHICS

2013 Metro Area Rankings

Comparison of Las Vegas MSA to Selection of Western Metros									
Rankings for Select Western U.S. Areas ⁽¹⁾ (Total metros ranked = 23)									
Metro Area	Population	Gross Metro Product Growth	Rank	Employment Growth	Rank	Unemployment Rate Change	Rank	Housing Price Growth	Rank
Albuquerque, NM	902,794	7.0%	17	1.2%	23	-1.3%	1	0.8%	23
Bakersfield-Delano, CA	856,158	10.8%	6	12.9%	2	-4.7%	20	13.2%	8
Boise City-Nampa, ID	635,964	7.8%	15	7.1%	8	-2.9%	5	17.0%	3
Colorado Springs, CO	668,353	9.2%	10	4.5%	16	-1.6%	2	3.4%	22
Denver-Aurora-Broomfield, CO	2,645,209	8.5%	14	7.6%	6	-2.2%	3	8.0%	17
Fresno, CA	947,895	4.0%	22	2.6%	22	-4.4%	17	8.3%	16
Las Vegas-Paradise, NV	2,000,759	5.7%	18	4.9%	13	-4.6%	18	16.6%	4
Los Angeles-Long Beach-Santa Ana, CA	13,052,921	8.6%	12	5.1%	12	-3.0%	6	8.4%	12
Modesto, CA	521,726	4.7%	21	3.1%	20	-4.9%	21	15.1%	5
Ogden-Clearfield, UT	562,356	8.8%	11	7.7%	5	-3.6%	9	5.0%	21
Oxnard-Thousand Oaks-Ventura, CA	835,981	2.9%	23	4.6%	14	-3.6%	10	8.3%	14
Phoenix-Mesa-Glendale, AZ	4,329,534	10.1%	7	6.3%	10	-3.2%	7	24.1%	1
Portland-Vancouver-Hillsboro, OR-WA	2,289,651	21.8%	1	6.4%	9	-3.8%	13	7.3%	18
Provo-Orem, UT	550,461	14.2%	4	14.2%	1	-3.6%	11	8.3%	15
Riverside-San Bernardino-Ontario, CA	4,350,096	8.5%	13	3.5%	17	-4.6%	19	12.3%	10
Sacramento-Arden-Arcade-Roseville, CA	2,196,482	5.5%	19	3.2%	19	-4.3%	15	14.5%	6
Salt Lake City, UT	1,161,715	12.6%	5	9.4%	4	-3.7%	12	8.3%	13
San Diego-Carlsbad-San Marcos, CA	3,177,063	9.9%	8	4.5%	15	-3.5%	8	10.2%	11
San Francisco-Oakland-Fremont, CA	4,455,560	9.4%	9	7.1%	7	-4.2%	14	12.8%	9
San Jose-Sunnyvale-Santa Clara, CA	1,894,388	20.2%	2	10.6%	3	-5.1%	22	13.4%	7
Seattle-Tacoma-Bellevue, WA	3,552,157	15.2%	3	6.1%	11	-4.4%	16	6.4%	19
Stockton, CA	702,612	5.0%	20	3.4%	18	-5.3%	23	18.5%	2
Tucson, AZ	992,394	7.6%	16	2.6%	21	-2.7%	4	5.8%	20

Sources: Brookings Metro Monitor; U.S. Census Bureau - 2012 American Community Survey (November 2013).

⁽¹⁾ Select metro areas in the Western United States (Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming).

Gross Metro Product Growth represents the total value of goods and services produced in an area. Read as the growth rate from that area's trough during recession.

Employment Growth is the growth rate of total wage and salary jobs from that area's trough during recession.

Unemployment Rate Change is the decrease in the unemployment rate from that area's peak unemployment during the recession.

Housing Price Growth is the growth rate of the price of single-family homes whose mortgages have been purchased or securitized by Fannie Mae or Freddie Mac. Read as the growth rate from that area's trough during the recession.

Las Vegas Zip Code Profiles

	89101	89102*	89104*	89106	89107	89108	89110*	89117*	89124*	89128	89129*	89130	89131*	89134	89138	89143	89144	89145	89146*	89149*	89166*
POPULATION	40,516	35,054	34,724	25,849	38,323	74,723	74,636	54,272	6,996	36,616	52,253	31,517	44,588	24,463	12,630	13,565	18,462	25,773	18,613	33,521	9,384
Age																					
0 - 4	8%	9%	7%	9%	8%	8%	9%	5%	4%	6%	6%	9%	7%	9%	8%	8%	9%	5%	6%	6%	5%
5 - 9	7%	7%	7%	9%	7%	8%	9%	5%	4%	6%	6%	7%	7%	9%	7%	8%	9%	5%	6%	6%	6%
10 - 14	6%	6%	6%	8%	7%	7%	9%	5%	3%	6%	8%	6%	6%	8%	7%	7%	9%	5%	6%	8%	7%
15 - 17	4%	4%	4%	4%	5%	4%	5%	3%	3%	4%	5%	4%	4%	4%	5%	4%	5%	3%	4%	5%	5%
18 - 20	5%	4%	4%	4%	4%	4%	5%	3%	5%	4%	4%	4%	4%	4%	4%	4%	5%	3%	4%	4%	4%
21 - 24	6%	5%	5%	6%	6%	6%	6%	5%	10%	5%	5%	5%	5%	6%	6%	6%	6%	5%	5%	5%	5%
25 - 34	16%	15%	13%	14%	13%	15%	13%	14%	23%	13%	13%	15%	13%	14%	13%	15%	13%	14%	13%	13%	10%
35 - 44	15%	14%	13%	13%	13%	14%	14%	14%	19%	14%	15%	14%	13%	13%	13%	14%	14%	14%	14%	15%	14%
45 - 54	14%	12%	14%	13%	13%	13%	13%	15%	16%	15%	16%	12%	14%	13%	13%	13%	13%	15%	15%	16%	15%
55 - 64	10%	10%	12%	10%	11%	10%	9%	14%	8%	12%	12%	10%	12%	10%	11%	10%	9%	14%	12%	12%	13%
65 - 74	5%	8%	8%	6%	7%	7%	5%	9%	4%	8%	7%	8%	8%	6%	7%	7%	5%	9%	8%	7%	10%
75 - 84	2%	4%	4%	3%	4%	3%	2%	5%	1%	4%	3%	4%	4%	3%	4%	3%	2%	5%	4%	3%	5%
85+	1%	2%	1%	1%	1%	1%	1%	2%	1%	2%	1%	2%	1%	1%	1%	1%	1%	2%	2%	1%	1%
Median Age	33	35	38	33	35	34	31	41	35	39	37	41	37	64	36	33	40	40	40	35	30
Race and Ethnicity																					
White	20%	27%	29%	15%	34%	34%	21%	57%	43%	51%	62%	63%	67%	80%	58%	62%	68%	58%	43%	63%	57%
African American/Black	13%	8%	6%	38%	7%	14%	8%	9%	26%	13%	9%	10%	8%	4%	5%	10%	5%	8%	10%	9%	10%
American Indian	1%	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Asian	3%	8%	6%	4%	4%	4%	5%	13%	7%	7%	7%	5%	6%	6%	18%	7%	12%	7%	11%	7%	8%
Pacific Islander	0%	1%	1%	1%	1%	1%	0%	0%	0%	1%	1%	1%	0%	0%	0%	1%	1%	1%	1%	0%	1%
Hispanic/Latino	61%	54%	57%	40%	52%	44%	64%	16%	21%	23%	17%	18%	14%	7%	14%	16%	11%	23%	32%	15%	20%
More than one race	1%	2%	2%	3%	2%	3%	2%	4%	2%	4%	4%	4%	4%	2%	4%	5%	4%	3%	3%	4%	4%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Marital Status (Age 15+)																					
Never Married	42%	40%	36%	39%	33%	34%	36%	32%	37%	33%	26%	26%	25%	15%	31%	31%	27%	30%	34%	28%	30%
Married, Spouse Present	26%	30%	30%	28%	38%	37%	41%	43%	42%	40%	51%	52%	59%	60%	48%	49%	52%	43%	37%	49%	45%
Married, Spouse Absent	10%	8%	8%	11%	8%	9%	9%	5%	7%	6%	4%	5%	4%	3%	6%	4%	4%	8%	6%	5%	7%
Divorced	17%	15%	17%	16%	14%	14%	10%	14%	12%	15%	15%	11%	10%	9%	13%	14%	14%	13%	16%	14%	16%
Widowed	5%	7%	8%	6%	7%	6%	4%	6%	2%	6%	5%	6%	3%	12%	3%	2%	3%	5%	6%	4%	2%
Per Capita Income	\$10,845	\$15,938	\$13,760	\$13,148	\$16,566	\$17,817	\$15,167	\$27,719	\$34,805	\$25,594	\$25,336	\$26,427	\$29,646	\$38,089	\$34,859	\$23,757	\$38,967	\$25,106	\$23,173	\$28,383	\$30,271

DEMOGRAPHICS

Las Vegas Zip Code Profiles, continued...

	89101	89102*	89104*	89106	89107	89108	89110*	89117*	89124*	89128	89129*	89130	89131*	89134	89138	89143	89144	89145	89146*	89149*	89166*
Education (Age 25+)																					
< 9th Grade	23%	16%	16%	18%	14%	10%	17%	3%	3%	3%	2%	3%	1%	1%	3%	1%	1%	5%	8%	2%	1%
Some High School, No Diploma	20%	15%	15%	19%	13%	11%	16%	7%	8%	8%	6%	6%	5%	5%	3%	5%	4%	9%	10%	5%	6%
HS Graduate (Incl. Equivalency)	32%	31%	33%	32%	32%	34%	33%	25%	31%	31%	27%	31%	28%	23%	15%	30%	21%	32%	27%	25%	24%
Some College, No Degree	16%	20%	22%	18%	23%	24%	18%	28%	25%	28%	29%	30%	30%	26%	26%	30%	23%	24%	28%	32%	29%
Associate Degree	2%	6%	4%	4%	6%	6%	4%	8%	3%	7%	9%	8%	9%	7%	7%	9%	8%	8%	7%	9%	11%
Bachelor's Degree	5%	9%	7%	5%	8%	10%	8%	18%	17%	14%	17%	14%	18%	21%	27%	17%	24%	14%	13%	20%	20%
Master's Degree	1%	2%	2%	2%	3%	3%	3%	6%	8%	7%	7%	6%	7%	10%	12%	6%	11%	6%	5%	5%	6%
Professional School Degree	1%	1%	1%	1%	1%	1%	1%	3%	3%	2%	2%	1%	1%	4%	6%	1%	6%	2%	2%	2%	2%
Doctorate Degree	0%	0%	1%	0%	1%	0%	0%	1%	3%	1%	1%	1%	1%	2%	2%	1%	1%	1%	1%	1%	1%
Travel Time to Work																					
< 15 Minutes	18%	29%	18%	20%	22%	19%	15%	25%	12%	21%	14%	16%	14%	26%	19%	11%	25%	24%	25%	15%	8%
15 to 29 Minutes	44%	47%	48%	44%	48%	43%	38%	45%	38%	48%	45%	38%	36%	42%	43%	38%	41%	49%	48%	40%	41%
30 to 44 Minutes	24%	15%	21%	24%	20%	26%	34%	18%	22%	21%	26%	30%	35%	19%	26%	35%	24%	18%	18%	29%	33%
45 to 59 Minutes	5%	3%	4%	4%	4%	5%	5%	3%	11%	3%	6%	7%	8%	3%	4%	9%	4%	4%	3%	7%	10%
60+ Minutes	8%	4%	6%	8%	4%	6%	6%	4%	12%	3%	4%	4%	3%	1%	4%	5%	2%	2%	3%	4%	4%
Worked At Home	1%	2%	2%	1%	2%	2%	2%	5%	4%	5%	4%	4%	4%	8%	5%	3%	3%	2%	4%	5%	3%
HOUSEHOLDS	14,300	13,209	11,968	8,614	12,750	26,334	21,567	22,932	528	14,775	19,238	11,549	15,112	12,044	4,547	4,204	7,260	10,216	7,315	12,670	3,674
Households by Ethnicity																					
White	32%	40%	42%	19%	47%	45%	30%	64%	70%	60%	69%	70%	73%	85%	63%	68%	73%	66%	51%	69%	63%
African American/Black	15%	10%	8%	44%	9%	16%	10%	9%	4%	13%	9%	10%	8%	4%	5%	10%	5%	8%	11%	9%	11%
American Indian	1%	0%	1%	0%	1%	1%	0%	0%	2%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Asian	4%	8%	5%	4%	4%	4%	5%	11%	10%	6%	6%	4%	5%	5%	17%	6%	10%	6%	11%	6%	7%
Pacific Islander	0%	0%	0%	1%	1%	1%	0%	0%	1%	1%	1%	0%	0%	0%	0%	1%	1%	1%	1%	0%	1%
Hispanic/Latino	46%	39%	41%	30%	37%	32%	53%	12%	11%	17%	12%	13%	10%	5%	11%	12%	8%	16%	23%	12%	16%
More than one race	2%	2%	2%	2%	2%	2%	1%	3%	3%	2%	2%	2%	2%	1%	3%	3%	2%	2%	2%	2%	2%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Las Vegas Zip Code Profiles, continued...

	89101	89102*	89104*	89106	89107	89108	89110*	89117*	89124*	89128	89129*	89130	89131*	89134	89138	89143	89144	89145	89146*	89149*	89166*
Household Size																					
1-Person	39%	34%	31%	29%	27%	26%	16%	31%	22%	29%	22%	20%	14%	35%	18%	12%	24%	29%	29%	21%	26%
2-Persons	19%	26%	26%	23%	26%	28%	23%	36%	36%	33%	33%	36%	32%	47%	30%	25%	34%	34%	33%	35%	32%
3-Persons	11%	14%	13%	16%	15%	17%	17%	15%	17%	17%	18%	18%	19%	9%	19%	19%	17%	16%	16%	18%	18%
4-Persons	11%	11%	11%	13%	12%	13%	17%	10%	14%	12%	15%	14%	17%	6%	19%	20%	15%	11%	11%	14%	14%
5-Persons	9%	7%	8%	9%	9%	8%	13%	5%	8%	5%	8%	7%	10%	2%	9%	13%	7%	6%	6%	7%	6%
6-Persons	6%	4%	5%	5%	5%	4%	7%	2%	3%	2%	3%	3%	5%	1%	4%	6%	2%	3%	3%	3%	2%
7+ Persons	5%	4%	6%	5%	5%	4%	7%	1%	1%	1%	2%	2%	3%	0%	2%	4%	1%	2%	2%	2%	1%
Avg. Household Size	2.7	2.6	2.8	2.9	3.0	2.8	3.4	2.3	2.6	2.4	2.7	2.7	3.1	2.0	2.9	3.3	2.6	2.5	2.5	2.7	2.5
Household Income																					
< \$15,000	33%	22%	22%	28%	15%	15%	14%	12%	8%	11%	10%	10%	4%	9%	11%	5%	8%	13%	14%	7%	4%
\$15,000 - \$24,999	22%	21%	21%	17%	14%	16%	14%	11%	7%	13%	10%	8%	4%	14%	6%	3%	6%	11%	14%	8%	6%
\$25,000 - \$34,999	16%	15%	16%	17%	12%	14%	14%	14%	9%	14%	10%	10%	7%	13%	7%	5%	7%	11%	16%	9%	8%
\$35,000 - \$49,999	12%	15%	14%	14%	20%	16%	18%	16%	9%	16%	14%	13%	12%	15%	6%	13%	12%	18%	16%	14%	12%
\$50,000 - \$74,999	11%	14%	16%	13%	22%	21%	19%	20%	15%	20%	21%	21%	21%	18%	16%	29%	20%	21%	18%	24%	30%
\$75,000 - \$99,999	4%	6%	6%	6%	8%	9%	10%	11%	21%	11%	14%	16%	19%	11%	17%	20%	17%	12%	8%	17%	19%
\$100,000 - \$124,999	1%	3%	3%	2%	4%	5%	5%	6%	13%	6%	9%	9%	12%	8%	12%	12%	10%	6%	5%	9%	9%
\$125,000 - \$149,999	1%	1%	1%	1%	1%	2%	2%	3%	6%	3%	4%	5%	8%	4%	7%	6%	5%	3%	3%	5%	4%
\$150,000 - \$199,999	0%	2%	1%	1%	1%	2%	2%	4%	5%	3%	5%	6%	8%	4%	10%	5%	6%	3%	5%	6%	5%
\$200,000 - \$499,999	0%	1%	0%	1%	1%	1%	1%	3%	5%	2%	2%	2%	4%	4%	7%	2%	6%	2%	2%	3%	2%
\$500,000+	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%	0%	0%	0%	1%	1%	0%	2%	0%	0%	0%	0%
Median Household Income	\$22,479	\$29,781	\$29,452	\$27,864	\$40,971	\$39,707	\$41,458	\$46,982	\$76,429	\$46,594	\$56,772	\$60,542	\$76,358	\$49,370	\$81,353	\$70,283	\$70,794	\$47,441	\$40,615	\$63,791	\$66,552
Average Household Income	\$29,726	\$42,060	\$38,770	\$38,362	\$48,892	\$49,871	\$52,212	\$64,673	\$91,416	\$62,298	\$69,015	\$71,698	\$90,359	\$75,785	\$100,899	\$79,289	\$100,496	\$62,353	\$58,130	\$76,864	\$76,579
Vehicles Available per Household																					
No Vehicles	37%	19%	18%	19%	10%	10%	7%	6%	5%	8%	4%	2%	1%	3%	3%	1%	2%	5%	8%	3%	2%
1 Vehicle	36%	44%	44%	44%	40%	42%	35%	44%	24%	43%	34%	32%	23%	48%	26%	23%	34%	41%	39%	33%	32%
2 Vehicles	17%	26%	27%	22%	33%	32%	38%	36%	48%	38%	44%	44%	50%	40%	55%	60%	48%	38%	38%	43%	52%
3 Vehicles	6%	7%	7%	9%	11%	11%	13%	12%	17%	8%	12%	16%	19%	7%	14%	12%	13%	13%	11%	14%	11%
4 Vehicles	1%	2%	3%	4%	4%	4%	5%	2%	4%	3%	4%	5%	6%	1%	1%	3%	2%	3%	3%	5%	2%
5+ Vehicles	1%	1%	1%	1%	1%	1%	2%	1%	2%	0%	1%	1%	1%	1%	1%	1%	1%	1%	2%	1%	0%

DEMOGRAPHICS

Las Vegas Zip Code Profiles, continued...

	89101	89102*	89104*	89106	89107	89108	89110*	89117*	89124*	89128	89129*	89130	89131*	89134	89138	89143	89144	89145	89146*	89149*	89166*
HOUSING UNITS	17,766	15,733	13,898	11,079	13,476	28,400	23,204	23,909	1,005	16,193	19,884	11,632	16,069	12,820	4,856	4,749	8,146	11,434	7,764	14,443	4,485
Type of Home																					
Single Family	31%	27%	61%	47%	69%	53%	61%	56%	59%	53%	79%	89%	94%	82%	90%	100%	72%	60%	45%	73%	77%
Duplex or 3/4-Plex	16%	1%	6%	12%	2%	4%	3%	1%	0%	1%	0%	0%	0%	0%	0%	0%	0%	1%	2%	0%	0%
Mobile Home	0%	2%	10%	0%	0%	1%	9%	0%	39%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	1%
Apartment	48%	60%	21%	36%	20%	29%	16%	29%	0%	16%	10%	0%	2%	0%	5%	0%	6%	10%	38%	14%	0%
Townhome	1%	6%	0%	2%	5%	4%	8%	2%	0%	5%	4%	3%	2%	13%	2%	0%	4%	11%	3%	4%	0%
Condominium	4%	4%	2%	4%	4%	8%	3%	12%	1%	25%	7%	8%	2%	5%	3%	0%	18%	19%	11%	8%	22%
Housing Vacancy	20%	16%	14%	22%	5%	7%	7%	4%	47%	9%	3%	1%	6%	6%	6%	11%	11%	11%	6%	12%	18%
Occupied Housing Units	14,300	13,209	11,968	8,614	12,750	26,334	21,567	22,932	528	14,775	19,238	11,549	15,112	12,044	4,547	4,245	7,260	10,216	7,315	12,670	3,674
Vacant Housing Units	3,466	2,524	1,930	2,465	726	2,066	1,637	977	477	1,418	646	83	957	776	309	504	886	1,218	449	1,773	811
Occupied Housing Tenure																					
Owner Occupied	21%	31%	52%	37%	56%	49%	60%	49%	73%	55%	67%	79%	81%	83%	68%	80%	69%	65%	45%	70%	58%
Renter Occupied	79%	69%	48%	63%	44%	51%	40%	51%	27%	45%	33%	21%	19%	17%	32%	20%	31%	35%	55%	30%	42%
Avg. Length of Residence (Years), Owner Occupied	19.2	17.0	16.2	19.8	17.8	14.4	14.6	12.7	8.2	12.9	11.2	11.9	8.3	13.5	6.5	8.6	11.1	13.7	16.9	9.0	5.0
Avg. Length of Residence (Years), Renter Occupied	5.9	6.1	6.0	6.7	6.5	5.3	5.4	5.3	4.6	5.7	5.0	4.9	4.9	6.5	4.4	4.7	5.1	5.5	5.5	4.7	4.3

* Zip code includes other areas outside of Las Vegas boundaries.

Sources: Clark County Comprehensive Planning Department; RCG Economics; Neilsen Claritas – 2013 estimates (November 2013).

Demographic Data Collection, Estimate and Limitations November 2013

The demographic statistics used herein by RCG Economics are based on resident population and housing unit data prepared by the Clark County Department of Comprehensive Planning, dated December 2012. Using these data as baseline totals, RCG applied the various census-based economic and demographic characteristics (e.g., age, sex, race, ethnicity and household income) developed by Neilsen Claritas to derive the demographic statistics at the Zip Code, city and county levels presented. While information herein was obtained from sources deemed reliable, no representation or warranty is made to the accuracy thereof.

APPRAISER'S STATE LICENSE

TEMPORARY APPRAISER PERMIT

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE

REAL ESTATE DIVISION

NOT TRANSFERABLE

This is to Certify That: JOHN L EMMERLING

Permit Number: ATMP.0012700.CG

Has been issued a TEMPORARY PRACTICE PERMIT by the State of Nevada for a specified appraisal assignment from the issue date to the expiration date at the business address stated here in, unless the permit is sooner revoked, cancelled, withdrawn, or invalidated.

Issue Date: October 2, 2014

Expire Date: March 30, 2015

In witness whereof, THE DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION, by virtue of the authority vested in it by Chapter 645C of the Nevada Revised Statutes, has caused this Permit to be issued with its Seal printed thereon.

FOR: JOHN L EMMERLING
TROPHY PROPERTY COMPANY INC
2224 SOUTH QUEEN ST
LAKEWOOD, CO 80227

REAL ESTATE DIVISION

JOSEPH (JD) DECKER
Administrator



LIST OF CHARTER SCHOOLS APPRAISED

Listing of Charter Schools Appraised or Feasibility Studies

John L. Emmerling, MAI

2002

Stargate Charter School – Thornton, Colorado
Bromely East Charter School – Brighton, Colorado
Peak to Peak Charter School – Lafayette, Colorado

2003

Academy of Charter Schools – Westminster, Colorado
Pioneer Charter School – Fort Collins, Colorado
Aspen Academy Charter School – Highlands Ranch, Colorado

2004

Denver Lutheran High School – Denver, Colorado
Lutheran High School of the Rockies – Parker, Colorado
Heritage Christian School – Fort Collins, Colorado
Elbert County Charter School – Elizabeth, Colorado
Aurora Academy Charter School – Aurora, Colorado

2005

Commerce City Academy – Commerce City, Colorado
Community Leadership Academy – Commerce City, Colorado
Montessori School of Evergreen – Evergreen, Colorado
Woodrow Wilson Charter School – Westminster, Colorado
Ridgeview Classical Schools – Fort Collins, Colorado
Knowledge Quest Academy – Milliken, Colorado

2006

North Colorado Academy of Arts & Technology – Fort Collins, Colorado
Denver Academy – Denver, Colorado
American Leadership Academy – Spanish Fork, Utah
Carbon Valley Academy – Fredrick, Colorado

2007

Spectrum Academy School – North Salt Lake, Utah
Liberty Academy Charter School – Salem, Utah
Lakeview Academy Charter School – Saratoga Springs, Utah
Channing Hall Charter School – Draper, Utah
Challenges, Choices & Images Charter School – Denver, Colorado
Northeast Academy Charter School – Denver, Colorado
Monument Academy – Monument, Colorado
Ronald Reagan Academy – Springville, Utah
Summit Academy – Draper, Utah
Vail Christian High School – Edwards, Colorado

Listing of Charter Schools Appraised

Page 2

2008

Academy of Charter Schools – Westminster, Colorado
Denver Academy – Denver, Colorado
New Vision Charter School – Loveland, Colorado
Rockwell School – Saratoga Springs, Utah
Flagstaff Charter School – Longmont, Colorado
Twin Peaks Charter School – Longmont, Colorado
North Star Academy – Parker, Colorado

2009

Free Horizon Charter School - Golden, Colorado
Berean Academy Charter School – Sierra Vista, Arizona
Legacy Traditional School – Maricopa, Arizona
Crown Point Academy – Westminster, Colorado
High Point Academy – Aurora, Colorado

2010

Odyssey Academy Charter School – Buckeye, Arizona
American Leadership Academy – Gilbert, Arizona
Cambridge Academy (2) – Mesa & Queen Creek, Arizona
Academy of Charter Schools Pre-K-2nd – Westminster, Colorado
Twin Peaks Academy Charter School – Longmont, Colorado
Global Village Academy Charter School – Aurora, Colorado
Caprock Charter School – Grand Junction, Colorado

2011

Candeo Schools – Peoria, Arizona
Kennesaw Charter School – Kennesaw, Georgia
Highline Academy – Denver, Colorado
Monarch Montessori (Samsonite) – Denver, Colorado
DeKalb Academy – Stone Mountain, Georgia
Brooks Academy – San Antonio, Texas
Lincoln Academy – Arvada, Colorado
Stone Creek Charter School – Edwards, Colorado
AXL Academy Charter School – Aurora, Colorado

Listing of Charter Schools Appraised

Page 3

2012

Jefferson Academy – Broomfield and Westminster, Colorado
Academy for Technology and the Classics – Santa Fe, New Mexico
Explore Knowledge Academy – Las Vegas, Nevada
STEM Academy Charter School – Highlands Ranch, Colorado
SkyView Academy Charter School – Lone Tree, Colorado
University Labs Charter School – Greeley, Colorado
Littleton Preparatory Academy – Littleton, Colorado
Mountain Phoenix Charter School – Wheat Ridge Colorado
Community Leadership Academy Charter School – Commerce City, CO
American Academy 2 Charter School – Parker, Colorado
National Dance Institute of New Mexico – Santa Fe, New Mexico

2013

Boulder College of Massage Therapy – Boulder, Colorado
STEM Academy Charter School – Highlands Ranch, Colorado
Prospect Ridge Academy Charter School – Broomfield, Colorado
Rocky Mountain Classical Academy – Falcon, Colorado (Consulting)

2014

Vanguard Classical School – Lowery Campus – Denver, Colorado
Vanguard Classical School – East Campus – Aurora, Colorado
Twin Peaks Academy charter School – Longmont, Colorado
Swallows Charter Academy School – Pueblo West, Colorado
Colorado Early Colleges – Colorado Springs, Colorado
Colorado Early Colleges – Fort Collins, Colorado
Colorado Early colleges – Douglas County – Parker, Colorado

AN APPRAISAL REPORT

**SOMERSET ACADEMY OF LAS VEGAS
SKY POINTE CAMPUS
7078 SKY POINTE DRIVE
LAS VEGAS, NEVADA**

IN A SUMMARY FORMAT

PREPARED FOR

**SOMERSET ACADEMY OF LAS VEGAS
ATTN: RYAN REEVES – OPERATION MANAGER
1378 PASEO VERDE PARKWAY, SUITE 200
HENDERSON, NEVADA 89012**

DATE OF VALUE

October 21, 2014 – “AS IS”

PREPARED BY

**Trophy Property Company, Inc.
2224 South Queen Street
Lakewood, Colorado 80227
File # 14-025A**

November 17, 2014

Somerset Academy of Las Vegas
Attn: Mr. Ryan Reeves – Operation Manager
1378 Paseo Verde Parkway, Suite 200
Henderson, Nevada 89012

Re: Market Value Appraisal – “AS IS”
Somerset Academy of Las Vegas – Sky Pointe Campus
7078 Sky Pointe Drive
Las Vegas, Nevada
File # 14-025

Dear Mr. Reeves:

In accordance with your request, we have completed a thorough inspection and analysis of the above captioned property. The purpose of this analysis was to estimate the Market Value of the “As Is” Fee Simple Interest of the Somerset Academy of Las Vegas – Sky Pointe Campus, as if free and clear of any liens or encumbrances. The effective date of this valuation is October 21, 2014, which is the date of the most recent inspection.

This “Appraisal” report, presented in a summary format, which means that there is data researched and conclusions which are not in the report, but retained in the file system of Trophy Property Company, Inc. The report has been prepared in accordance with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation.

The Subject Property is comprised of 12.14 acre (528,818 square feet) tract of land currently improved with a one and two-story, 93,816 square foot educational facility. The school is being developed in three phases with Phase I being the Elementary School, Phase II the Middle School and approximately 22% of the High School. A majority of the site is currently improved with playgrounds, parking lots, and landscaping. The building and site improvements are in good to excellent condition. A portion of the site in the northwest corner is unimproved and considered to be excess land. We have estimated this area to contain approximately 2.47 acres.

APPRAISAL – CONSULTING – FEASIBILITY

2224 South Queen Street, · Lakewood, Colorado 80227 · DIRECT 303-981-6289 · EMAIL jemmer@aol.com

Mr. Ryan Reeves
November 17, 2014
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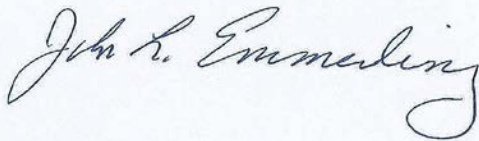
The opinions of value are subject to the assumptions and limiting conditions; and certification contained in the report. The appraiser's compensation is not contingent on any action or event resulting from the analysis, opinions, or conclusions in, or the use of this report. We have not been previously involved with any valuation or other real estate services on the Subject Property.

Since the Subject Property is a "Special Use" property which limits the applicability of the Sales Comparison and Income Approaches to value which will be discussed in the report to follow. Based on this information and analysis, it is our opinion that the market value of the "as is" fee simple interest in the Somerset Academy of Las Vegas - Sky Pointe campus, as of October 21, 2014, was:

TWENTY-ONE MILLION NINE HUNDRED THOUSAND DOLLARS
(\$21,900,000)

We appreciate the opportunity of providing this service for you. If you have any questions, please feel free to contact us.

Respectfully submitted,
Trophy Property Company, Inc.



John L. Emmerling, MAI
State of Colorado, Certified General Appraiser
#CG01313487

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Subject Photographs
Legal Description
Market Studies – Moody’s and FastFacts
Somerset Academy School Accountability Report
Contractor’s Bid – Construction Costs – Phase I & Phase II
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SUMMARY OF SALIENT FACTS

Location:	Southwest quadrant of Sky Pointe Drive and West Elkhorn Road in the northwest section of the greater Las Vegas metropolitan area. It is located east of US Highway #95 between its interchanges with North Durango Drive (north) and Highway #215 Beltway (south) in Clark County. The street address is 7078 Sky Pointe Drive, Las Vegas, Clark County, Nevada 89131.
Legal Description:	Metes and bound description included in Addenda. Generally, the site is located in the NW ¼ of the NW ¼ of Section 21, Township 19 South, Range 60 East, M.D.M, City of Las Vegas, County of Clark, State of Nevada.
Owner of Record:	Boyer Skypointe Academy, LLC 90 South 400 West, Suite 200 Salt Lake City, Utah 84101
Tax Parcel No.:	125-21-102-009
Land Area:	12.14 Acres or 528,818 Sq. Ft.
Interest Appraised:	Leased Fee Estate
Purpose of the Appraisal	To estimate the market value of the “as is” leased fee interest, as if free and clear of any liens, as of the date of inspection.
Intended Use:	This report will be used at as documentation for the client who is requesting support for establishing a purchase price of the Subject Property as of the date of inspection (October 21, 2014). Any other use of this or future valuation reports should be discussed with the appraiser.
Intended User:	The intended user of this report is Somerset Academy of Las Vegas, D. A. Davidson and Company, and their assigns. Any third party who obtains possession of this report should notify the author of the intended use of the facts, findings, and conclusions.
Zoning:	Town Center (T-C) with an overlay classification as SX or Suburban Mixed Use, under the jurisdiction of the City of Las Vegas.

Improvements:

The campus is comprised of three buildings – one each for the elementary grades (Kindergarten through 6th grade) middle school (7th and 8th grades), and partially completed high school (9th and 10th grades) and proposed completion of the high school, gymnasium, and additional site improvements. This is the “as complete” condition at the date of inspection/value. The school is being developed in three phases – Phase I was the completion of the elementary school and a part of the middle school. Phase II included the completion of the middle school and a part of the high school. Phase I was completed in August 2013, Phase II in August 2013. The existing improvements are one and two-story in design and in good to excellent condition.

The building square footages are described below:

As-Is

Elementary School	45,789 SF
Middle School	35,185 SF
High School	<u>12,842 SF</u>
Total	93,816 SF

The site improvements include a number of parking lots with landscaped medians and overhead security lights, lawn, trees, and shrubs watered by an underground irrigation system. The perimeter and playground/fields are fenced with CMU block, steel rail, and chain link. There are three automatic security gates controlling access to and from the site. Approximately 2.47 acres located in the northwestern section of the site are unimproved and proposed for the development of Phase III – not a part of this valuation.

**Highest and Best Use:
As Vacant:**

The Town Center zoning classifications allows a mix of uses including commercial (retail & office) and residential (single-family & apartments). All these uses are in place in the immediate neighborhood. Given that there are currently residential improvements on the south and east and a new residential development under construction on the north, it is our opinion that the highest and best use as vacant would likely be a residential development either single or multi-family design.

Highest and Best Use As Improved:	As currently being used for an educational facility – Kindergarten through 10 th grade (“As Is).
Date of Inspection:	October 21, 2014
Effective Date of Value: “AS IS”	October 21, 2014
Date of the Report:	December 17, 2014
Land Value:	\$3,950,000 (\$7.50 PSF)
Cost Approach: “AS IS”	\$21,900,000
Sales Comparison Approach:	Not Concluded
Income Approach: “AS IS”	\$22,775,000
Final Estimate of Value: “AS IS”	\$21,900,000

ASSUMPTIONS AND LIMITING CONDITIONS

This Appraisal Report is subject to the following Assumptions and Limiting Conditions:

Legal Matters and Title

- No responsibility for legal matters is assumed.
- No investigation of title to the subject property has been made, and it is assumed to be free and clear of all deeds of trust, use restrictions and reservations, easements, cases or actions pending, tax liens, and bonded indebtedness, unless otherwise specified.
- All existing liens and encumbrances have been disregarded and the subject property is appraised as though free and clear, unless otherwise specified.

Limitations on value estimates contained in this Appraisal Report

- The value reported for each geographical portion relates to such portion only and should not be construed as applying with equal validity to other portions of the larger parcel or tract. The value reported for each geographical portion plus the value of all other geographical portions may or may not equal the value of the entire parcel or tract considered as a whole.

Limitations on the Scope of the Appraisal

- The authors assume that there are no hidden or unapparent conditions of the subject property, subsoil or structures, which would render it more or less valuable than otherwise comparable property. The authors assume no responsibility for such conditions or for engineering, which might be required to discover such deficiencies.
- The authors of this report have made no investigation into the presence or absence of asbestos, PCBs, or other hazardous materials in the subject property. The reader should be aware that no consideration has been given to the impact, if any, on the valuation of the subject property if any of these materials should be present. The authors assume no responsibility for addressing such conditions, if any, or for engineering which might be required to discover such deficiencies.

Limitations on information contained in this Appraisal Report

- Care has been taken to obtain all information from reliable sources. However, the authors cannot guarantee or be responsible for the accuracy of this information.
- Any sketches in this report are intended to be visual aids and should not be construed as surveys or engineering drawings.

Publication and use of this Appraisal Report

- Possession of this report or a copy thereof does not imply right of publication, nor use for any purpose by any other than the person to whom it is addressed, without the written consent of the authors.
- The report and data investigated, except that furnished by the client, remain the sole property of our firm.
- Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the written consent and approval of the authors, particularly as to valuation conclusions, the identity of the authors or firm with which they are connected, or any reference to the Appraisal Institute and the Appraisal Foundation, or to the MAI Designation.
- We have no objection to your use of our firm name as the author of the report which is to be prepared, and hereby consent to your making reference to such report in your reports or financial statements and in any document filed with any governmental agency, provided that: 1) prior to making any such reference in any report or statement or any document filed with The Securities and Exchange Commission or other governmental agency, we are allowed to review and approve the text of such reference to determine the accuracy and adequacy of such reference to the report prepared by our firm; 2) in our opinion, the proposed reference is not untrue or misleading and is adequate for the purposes intended in light of the circumstances under which it is made; and, 3) such reference to the report includes language to be approved by our firm.
- Loss or removal of any portion of this report invalidates the entire report.

General Limitations on the Appraisal

- The terms of the agreement between the client and the authors are such that the authors have no obligation to update the report or revise it in any manner because of events or transactions occurring subsequent to the date of such report.

- The authors shall not be required to give testimony or be in attendance in court by reason of this report unless prior arrangements have been made in writing. If any courtroom or administrative testimony is required in connection with this report, an additional fee shall be charged for those services.
- Other Assumptions and Limiting Conditions have been made where they logically apply and are specified in the report.

Extraordinary Assumption

- None

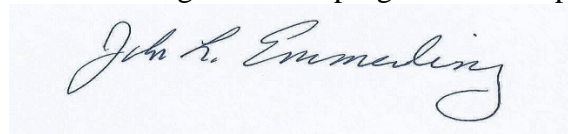
Hypothetical Conditions

- None

CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the course of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation (USPAP) and the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute and Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA).
- John L. Emmerling, MAI has made a personal inspection of the property that is the subject of this report.
- I have not been involved with any real estate valuations or transactions on the Subject Property at any time in the past.
- The use of this report is subject to the requirements of the Appraisal Institute and the Appraisal Foundation relating to review by their duly authorized representatives.
- As of the date of this report, John L. Emmerling, MAI has completed the requirements of the continuing education program of the Appraisal Institute.



John L. Emmerling, MAI
State of Nevada – Temporary Appraiser Permit
#ATMP.0012700.CG

INTRODUCTION SECTION

Identification of the Property The Subject of this appraisal is a 93,816 square foot, one and two story educational campus with three buildings. The current development was constructed in two phases – Phase I being the elementary school and a portion of the middle school. It was completed in August 2013. Phase II included the completion of the middle school and a part of the high school. It was completed in August 2014. ***Phase III is proposed for the completion of the high school which will include a gymnasium and completion of the site improvements at the northwest corner of the site – not a part of this valuation.*** This report will reflect our opinion of market value in its “As Is” condition.

Address
 Street 7078 Sky Pointe Drive
 City/State Las Vegas, Nevada
 County Clark

Legal Description See Addendum

Property Ownership and Recent History
 The land on which the Subject Property is situated (12.14 acres) was purchased by Boyer Skypointe Academy, P.C. from Investor Equity Homes, LLC on November 28, 2012 for \$1,653,4211 (\$3.13 PSF or \$136,156 Per Acre). Shortly thereafter construction was begun on Phase I. Prior to this transaction Equity Homes, LLC purchased 24.45 acres from Rancho Drive-Tule Springs Road, LP for \$2,400,000. There were no sales of the larger site in the three years prior to this sale.

 Since the acquisition of the Subject site the values being paid for vacant land parcels has increased substantially as the overall real estate market continues to recover from the prior years of recessionary trends.

Purpose of the Appraisal: To estimate the market value of the “as is” leased fee interest, as if free and clear of any liens, as of the date of inspection.

Intended Use:	This report will be used at as documentation for the client who is requesting support for establishing a purchase price of the Subject Property as of the date of inspection (October 21, 2014). Any other use of this or future valuation reports should be discussed with the appraiser.
Intended User:	The intended user of this report is Somerset Academy of Las Vegas, D. A. Davidson and Company, and their assigns. Any third party who obtains possession of this report should notify the author of the intended use of the facts, findings, and conclusions.
Date of Inspection	October 21, 2014
Effective Date of Value “AS IS”	October 21, 2014
Date Report Transmitted	December 17, 2014
Property Rights Appraised	Leased Fee Estate

Extent of the Appraisal Process – Work Scope

The scope of the appraisal encompasses the necessary research and analysis to prepare a report in accordance with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation. In regard to the Subject Property, the scope involved the following steps:

1. The Subject Property was inspected by John L. Emmerling during the week of October 19, 2014 with the last inspection date being October 21, 2014. On the initial visit he was accompanied by representatives of the Sky Pointe campus.
2. Information supplied to the appraiser included the current leases, re-development plans and specifications, detailed construction costs, a Phase I Environmental Site Assessment Report(s), geotechnical (soils) condition report, and legal description.
3. In estimating the highest and best use of the Subject Property, analysis was made of data compiled in the two steps noted above. In addition, a survey of market conditions in the area and research of comparable land sales, charter school lease data, and charter schools sales activity was completed.

4. In developing the approaches to value, market data used were collected from Trophy Property Company, Inc. office files, brokers, and the municipal offices in the City of Las Vegas and the County of Clark; and various studies, surveys, and web sites for charter schools.
5. To develop an opinion of value, the appraiser prepared an “Appraisal” which has been presented in a summary format meaning that there are certain data that we reviewed and relied upon which is not included in the report, but has been retained in the files of Trophy Property Company, Inc. We utilized the Cost Approach in forming our conclusion of market value. We utilize the Sales Comparison Approach and the Income Approach in contracted capacity to support our conclusions due to the limited number of comparable sales transactions and lease data.
6. After assembling and analyzing the data defined in the scope of the appraisal, a summary appraisal report was prepared, which is a recapitulation of the appraiser's data, analyses, and conclusions.

Definition of Market Value

Market Value, as used in this report, is defined as:

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 are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Other Pertinent Definitions

Fee Simple Estate	Absolute ownership unencumbered by any other interest or estate, subject to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.
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Leased Fee Estate	An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; the rights of lessor or the leased fee owner and leased fee are specified by contract terms contained within the lease.
Special Purpose Property:	<p><i>A limited market property with unique physical design, special construction materials, or a layout that restricts its utility for which it was built (also known as Special-Design Property).</i></p> <p><i>A property that is appropriate for one use or limited use: a building that cannot be converted to another use without a large capital investment. In the context of improved real estate it is typically a building with limited uses and marketability, such as a church, school, or public utility.</i></p>
Highest and Best Use	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.
Extraordinary Assumption	An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.
Hypothetical Condition(s)	<p>That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. A hypothetical condition may be used in an assignment only if:</p> <ul style="list-style-type: none"> • Use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison; • Use of the hypothetical condition results in a credible analysis; and • The appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.

Sources of Definitions

- *The Appraisal of Real Estate, 13th Edition, Appraisal Institute*
- *The Dictionary of Real Estate Appraisal, 2nd Edition, Appraisal Institute*
- *Federal Register, Volume 55, 12 C.F.R. Part 34.42(g), Page 34696. August 24, 1990, as amended at Federal Register, Volume 57 Page 12202, April 9, 1992; Federal Register, Volume 59 Page 29499, June 7, 1994.*

Competency of the Appraiser - This report of market value was prepared by John L. Emmerling, MAI. I have been appraising real estate throughout the western United States for over forty years. I have completed over 80 appraisals on existing and proposed charter school buildings. I represent myself as competent to perform a market value estimate on the Subject Property.

REGIONAL DATA

Geographical, social, political and economic trends are the factors that have the most profound effect upon the real estate market. The following is a discussion of these trends as they affect the economic base and strength of the Las Vegas Metropolitan Statistical Area (MSA), also known as the Las Vegas-Paradise-Henderson Metropolitan Area. In the Addenda, we have included a copy of Moddy's Analytics Las Vegas market study dated August 2014. We have also included a residential study from Real Traq's FastFacts Monthly report for August 2014.

The Subject Property is located within the city of Las Vegas in the southerly section of Clark County and the northwestern area of Las Vegas. Clark County consists of approximately 600 square miles and contains the Las Vegas metro area which is the largest concentration of people in the state of Nevada. To the north of Clark County is Lincoln County and to the west is Nye County. Also to the west and south is California. The Colorado River and Lake Mead create a natural eastern border separating the MSA as well as the State of Nevada from Mohave County in Arizona. Las Vegas is approximately 290 miles northeast of Los Angeles.

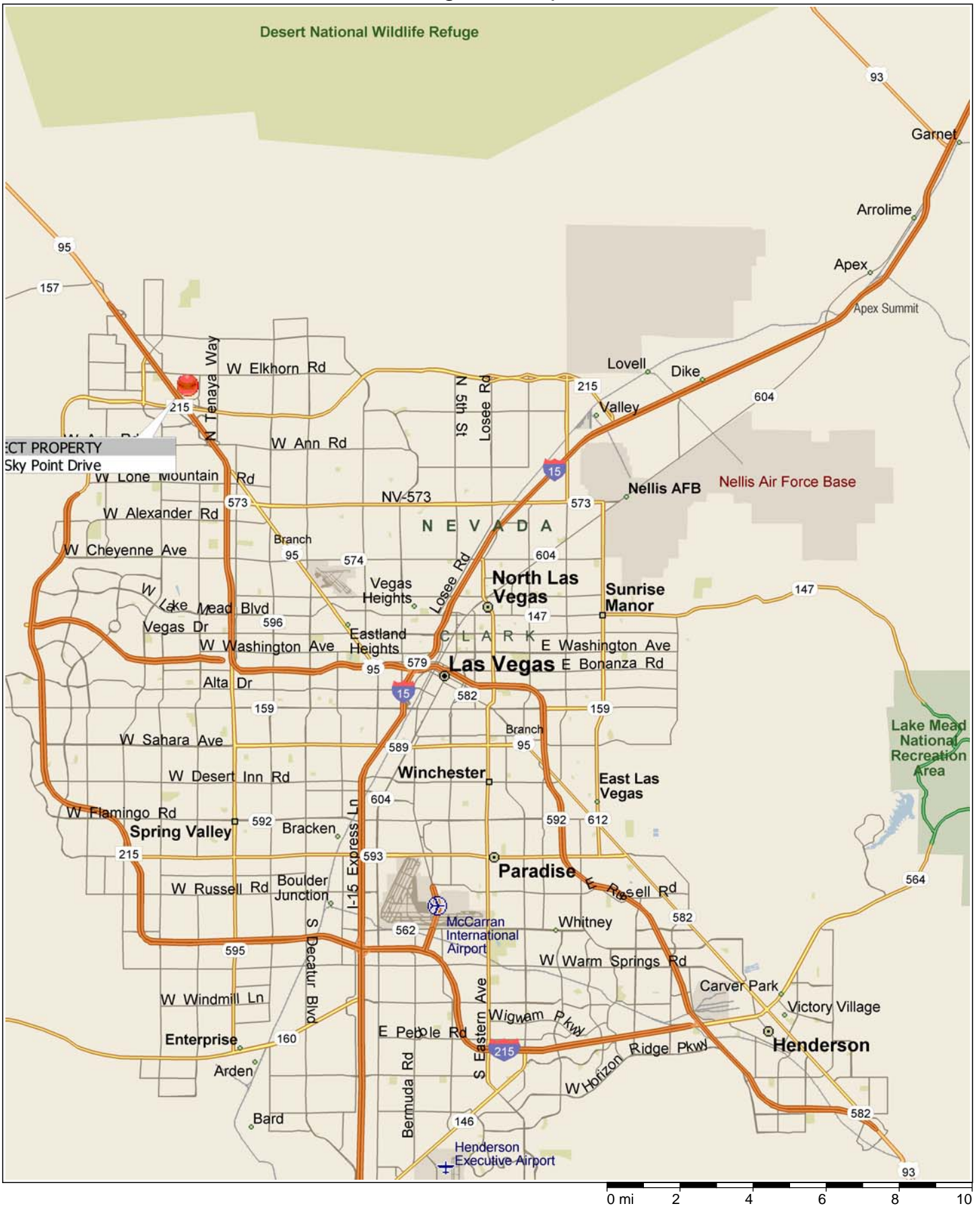
Las Vegas historically had been a city of sustained growth. While there had been small lulls, there had never been a major downturn until the recession that began in 2008. Las Vegas has since reversed this trend and is in a strong recovery mode for both employment and real estate values.

Las Vegas started as a stopover on the pioneer trails to the west, and became a popular railroad town in the early 1900s. It was a staging point for all the mines in the surrounding area, especially for the town of Bullfrog, where the local goods were shipped out to the country. With the growth of the railroads, Las Vegas became less important, but the building of the Hoover Dam in the 1930s injected new blood into Las Vegas and the city has never looked back. Federal dollars from Hoover Dam soon converted to tourist dollars after the dam was built. The increase in tourism and the legalization of gambling led to the advent of the casino-hotels for which Las Vegas is famous.

Population

Las Vegas, which is the most populous city in the state of Nevada, serves as the center of one of the fastest growing metropolitan areas in the United States. Its population has multiplied by a factor of 30 since the 1940s, more than that of any other major American metropolitan area. Las Vegas population has increased significantly over recent years. Since 1980, the population has increased as follows:

Regional Map



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

TOTAL POPULATION	
Year	Las Vegas Metro Area
1980	463,087
1990	741,459
2000	1,375,765
2010	1,962,204
2011	1,966,630
2012	2,008,655
2013	2,062,254
Source: Bureau of Economic Analysis	

The growth of the Las Vegas metropolitan area was the fastest in the nation in the 1990s, increasing 86 percent between 1990 and 2000, and 43 percent between 2000 and 2010. The Nevada State Demographer estimates that the population should continue to grow at approximately 1.0 percent annually for the next several years. Historically, this growth was a result of several factors including low corporate and personal tax burdens, a lower cost of doing business, a favorable climate, and the community's pro-business attitude.

Economy

The MSA's economic vitality is closely related to the visitor industry which directly provides, at the least, one out of three area jobs. Las Vegas is one of the nation's favorite vacation destinations and bills itself as the "Entertainment Capital of the World". During 2013, 39.7 million people visited Las Vegas and spent \$9.6 billion in the area in gaming expenditures only, not including hotel room revenue, or food and beverage revenue. Annual events include the National Finals Rodeo and the Las Vegas Invitational Golf Tournament. Las Vegas is also popular for tours and conventions, including COMDEX, an annual computer and electronics show. The Las Vegas Motor Speedway opened in 1996. Additionally, the metro area has approximately 150,000 hotel rooms.

In addition, Nellis Air Force Base is located in the northeast corner of the Las Vegas Valley and it too contributes to the economic success of the entire Las Vegas MSA, as over 100,000 southern Nevadans work directly or indirectly at this facility. This makes Nellis the city's largest single employer.

The great recession that began in 2008 has been well documented though the housing market crash, including the foreclosure crisis, massive job loses, and the slowdown in tourism and gaming. It is believed that the Las Vegas economy has more or less stabilized and evidence of a strong turnaround has begun and continues into the 4th quarter of 2014.

The unemployment rate in Clark County in October 2010 was one of the highest in the U.S. at 14.3 percent. This high unemployment has since declined to 8.0 % in April 2014.

Because of the significant importance of the visitor industry to Las Vegas' economy, the local gaming market and the local hotel market will be discussed in the following sections: specifically the convention market, the gaming market and the general lodging market. Additional subsections include discussions regarding the housing market and the commercial real estate trends.

The Convention/Visitation Market Overview

Due to warm weather, the presence of three major convention centers, an extensive hotel inventory, many of which also offer extensive meeting and convention space, affordable airfares and the appeal of gaming, Las Vegas now hosts more major national conventions and trade shows than any other destination. Three of the nation's largest convention centers are located in Las Vegas: the Las Vegas Convention Center, the Sands Expo & Convention Center/Venetian Congress Facility, and the Mandalay Bay Conference Center.

The Las Vegas Convention Center (LVCC) has approximately 3.2 million square feet of indoor, finished area while the Sands Expo & Convention Center/Venetian Congress Facility boasts over 1.8 million square feet of prime exhibit space. The Mandalay Bay Convention Center, located at the southern end of "The Strip" attached to the Mandalay Bay Resort, offers over one million square feet of meeting and convention space. In addition many of the major hotels also offer significant meeting facilities.

The following table offers a ten-year summary of the number of conventions, annual attendance and total visitors for Las Vegas, at the three major convention facilities and in the city's hotels.

CONVENTION AND VISITATION STATISTICS					
Year	Number of Conventions	Annual Attendance	Annual Growth Rate	Total Visitors	Annual Growth Rate
2001	20,346	5,014,240	--	35,017,317	--
2002	23,031	5,105,450	1.8%	35,071,504	0.2%
2003	24,463	5,657,796	10.8	35,540,126	1.3
2004	22,286	5,724,864	1.2	37,388,781	5.2
2005	22,154	6,166,194	7.7	38,566,717	3.2
2006	23,825	6,307,961	2.3	38,914,889	0.9
2007	23,847	6,209,253	(1.6)	39,196,761	0.7
2008	22,454	5,899,725	(5.0)	37,481,552	(4.4)
2009	19,394	4,492,275	(23.9)	36,361,469	(3.0)
2010	18,004	4,473,134	(0.4)	37,335,436	2.7
2011	19,029	4,865,272	8.8	39,928,708	6.9
2012	21,615	4,944,014	1.6	39,727,022	(0.5)
2013	22,027	5,107,416	3.3	39,668,221	(0.1)
Source: Las Vegas Convention and Visitors Authority					

Las Vegas' streak of year-over-year visitation ended in 2007 (while the convention attendance growth streak ended in 2006). This decrease is a direct result of the recession, and may economists believe that the decreases would have been more severe had it not been for significant reduction in hotel room rates in the overall market by the casino operators as well as the offering of value added services and entitlements such as discounted show tickets and food and beverage comps. As the data indicates, the decreases have reversed and trended upward for a two year period and then experienced a slight decrease to a level of stabilization.

Gaming Market Overview

Las Vegas tourism is driven primarily by its gaming industry. Legalized in Nevada in 1931, gaming distinguished this destination from every other in the country (outside of Nevada) until its recent spread to other parts of the nation. Today, Las Vegas' gaming revenues comprise just over 50 percent of the total national gaming revenues. The following chart illustrates the growth trends in gaming revenues over the past 10 years.

CLARK COUNTY TOTAL GAMING REVENUE		
Year	Gross Gaming Revenues	Percentage Change
2001	\$ 7,636,547,000	--
2002	7,630,562,000	(3.6%)
2003	7,830,856,000	2.6
2004	8,711,426,000	11.3
2005	9,717,332,000	11.5
2006	10,630,387,000	9.4
2007	10,868,484,000	2.2
2008	9,796,749,000	(9.8)
2009	8,833,902,000	(9.8)
2010	8,908,698,000	0.8
2011	9,222,906,000	14.0
2012	9,399,882,000	1.9
2013	9,676,458,000	2.9
Source: Las Vegas Convention and Visitors Authority		

As would be expected, the annual gaming revenue showed similar downward movement as the convention and visitation trends. Also contributing to the previous years decrease may be that Las Vegas has been more severely impacted by increasing competition from gaming expansion in neighboring states than in previous years due to the economic downturn and people choosing to stay closer to home.

Lodging Market Overview

The Las Vegas lodging market has experienced unprecedented growth, as well as an evolution of the concept of the casino/hotel.

LAS VEGAS AREA HOTEL/MOTEL INVENTORY, ROOMS AVAILABLE AS OF DECEMBER 31		
Year	Number of Hotel/Motel Rooms	Percentage Change
2001	126,610	--
2002	126,787	0.1%
2003	130,482	2.9
2004	131,503	0.8
2005	133,186	1.3
2006	132,605	(0.4)
2007	132,947	0.3
2008	140,529	5.7
2009	148,941	6.0
2010	148,935	0.0
2011	150,161	0.8
2012	150,481	0.2
2013	150,593	0.1
Source: Las Vegas Convention and Visitors Authority.		

Over the ten year period, the rooms' inventory in Las Vegas grew at a compound annual rate of 1.5 percent. This figure spiked in 2009 with the opening of the City Center Hotels (Vdara Hotel & Spa, Mandarin Orienta) and ARIA Resort & Casino representing approximately 6,000 guest rooms).

The historical occupancy performance of the aggregate Las Vegas hotel and motel market from 2001 through 2013 is presented in the following table.

LAS VEGAS METRO WIDE - HISTORICAL OCCUPANCY PERFORMANCE			
Year	Hotel Occupancy Performance	Motel Occupancy Performance	City-Wide Occupancy Percentage
2001	88.9%	63.8%	84.7%
2002	88.8	60.2	84.0
2003	89.6	60.5	85.0
2004	92.0	68.7	88.6
2005	91.8	72.0	89.2
2006	93.2	65.2	89.7
2007	94.0	64.5	90.4
2008	89.8	57.8	86.0
2009	85.3	50.1	81.5
2010	83.5	52.0	80.4
2011	86.9	56.0	83.8
2012	87.4	58.0	84.4
2013	87.1	59.8	84.3
Source: Las Vegas Convention and Visitors Authority			

The trends indicate that the recession has significantly damaged the lodging occupancy in the overall market area, as would be expected given the decreases in convention attendees, overall visitors as well as gaming revenue; however the decrease has been more significant in the non-gaming hotels (classified as motels in the previous chart). However, despite the past recession, the subsequent recovery, the overall market is still able to run in excess of 80 percent.

Housing

Las Vegas has been one of the top areas in the nation adversely affected by the recent subprime mortgage crisis and United States housing market correction, resulting in a freefall in home prices and mass foreclosures. As of January 2008, approximately 2.0 percent of all homes in the Las Vegas area were in the foreclosure process, almost triple that of 2007. This trend grew steadily in 2009 and into 2010. As of year-end 2010, Las Vegas posted the nation’s highest metro foreclosure rate, with one in every nine housing units (10.88 percent) receiving a foreclosure filing in 2010 — nearly five times the national average. A total of 88,198 Las Vegas-area properties received a foreclosure filing in 2010, a decrease of seven percent from 2009, but still up 31 percent from 2008.

After stabilizing the trend or volume in foreclosures in 2011 and 2012, current levels show substantial improvement and new residential construction is increasing rapidly. In some instances this has created problems as previously constructed housing prices are transacting well below new construction product.

A primary problem, as it was nationwide as well, was rampant speculation from house flippers, who sought quick profits and never intended to live in the homes they purchased and were able to get low sales prices with all-cash purchases. Also, resetting of many mortgage rates and significant unemployment increased foreclosures. As of year-end 2009, 51 percent of the more than 22,000 homes for sale in the area were vacant, according to Las Vegas real estate research firm SalesTraq. This downturn also negatively affected rental properties by placing downward pressure on rental prices. However, since the first quarter of 2010, the rental market has shown signs of rebounding with average rent increasing 2.0 percent in the last six months. Other recent trends (as of August 2014), as presented by SalesTraq include:

- Clark County median existing home prices slid to \$113,000 in 2010 and rebounded to \$202,500 in 2014.
- The number of residential mortgages past due or in foreclosure has fallen to levels experienced in the 3rd quarter of 2007 experiencing a steady decline from its high in the 4th quarter of 2009.
- Mortgage delinquencies are 42,379, down 12,521 in the past 12 months from the all-time high of 134,159 in the 4th quarter of 2009
- The number of all-cash buyers (typically investor – non occupant) continues to decline with only 35% of the transactions in 2014.

Commercial Real Estate – Office, Retail and Industrial Statistics – 3rd Qtr 2014

According to Colliers International, the overall marketplace seems to have safely left behind the recessionary trends. Moderate growth is expected to continue in to 2015. Employment was 3 percent higher in July 2014 than in July 2013. As a result, occupancy in commercial real estate projects has increase by three percentage points.

Office - With respect to the office market, in the 3rd quarter of 2014, net absorption decreased to 44,964 square feet from nearly 500,000 square feet in the 2nd quarter of 2014 and the 3rd quarter of 2013. New completions were slightly higher at 12,000 square feet and vacancy rates decreased to 19.3% from 19.4% in the 2nd quarter of 2014. Asking rates remained in neutral at \$1.87 per square foot on a Full Service Gross basis.

Retail – The 2nd quarter of 2014 saw the retail market turn around and post positive net absorption after two quarters of negative net absorption. The 3rd quarter continued the positive trend with net absorption staying just ahead of new completions. Net absorption in the 3rd quarter was 242,296 square feet slightly higher than the 2nd quarter and more than doubled in the 3rd quarter of 2013. New completions also increased with a 220,000 square foot power center added to inventory. Retail vacancy decreased by 0.1% to 9.0%, while the average asking rental rate increased to \$1.31 per square foot on a triple net basis.

Industrial – The first half looked strong in the industrial market with over 2MM square feet of net absorption and dropping industrial vacancy below 10% for the first time since 2008. Net absorption in the 3rd quarter of 2014 was 635,780 square feet with only 14,248 square feet of new inventory. Strong net absorption in speculative projects is a sign of sustainable recovery as speculative construction in 2015 appears to be substantial. Vacancy decreased to 9.2% which is two percentage points less than a year ago. The weighted average asking rental rate increased to \$0.55 per square foot on a triple net basis, which is \$0.04 higher than a year ago.

Multi-family – The vacancy rates decreased in the 2nd quarter of 2014 which has continued over the past 12 quarters. Vacancy rates are 5.5% which is 0.4% lower than a year ago. Class A properties were 5.7% vacant while Class B/C properties were at 5.3% vacant.

TRANSPORTATION

Freeways

Las Vegas is served by two major freeways and a number of smaller highways. Interstate Highway 15 extends from southwestern Utah to the north through the southern portion of Nevada, including Las Vegas and onto Los Angeles. Interstate Highway 215 (Beltway) is nearly complete with only portions of the roadway being two and four-lane roadways and still impacted by traffic signals at major interchanges in the northwest section of the Metro area.

Airports

The McCarran International Airport has an important role in Clark County's business and development growth plan. The nation's eight-busiest airport reportedly has a capacity of 53,000,000 annual passengers. Up until 2008, the growth in enplanements/deplanements at McCarran International Airport had been significant in recent years. They counts are as follows:

TOTAL ENPLANEMENTS/DEPLANEMENTS MCCARRAN INTERNATIONAL AIRPORT		
Year	Passenger Traffic	Percentage Change
2001	35,180,960	--
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	46,304,376	4.6
2007	47,729,414	3.1
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	0.5
2013	41,857,059	0.5
Source: Las Vegas Convention and Visitors Authority		

The decline in visitation to Las Vegas has contributed to the reduction in the number of passengers using McCarran International Airport beginning 2008. The cutbacks by airlines serving McCarran because of the reduced consumer demand also reduced the number of incoming and outgoing seats per day, thus contributing to the declining passenger total as well as the overall declining visitation numbers. The number of air travelers rebounded in 2011 and has stabilized over the past two years.

CONCLUSION

In the short term, the Las Vegas will continue to recover from the late 2000 decade. The overall economy has recovered as the area has experienced job growth, increasing real estate values, and continued growth in the gaming and hospitality industries.

Also, it appears that Las Vegas may have been more severely impacted by increasing competition from gaming expansion in neighboring states than in previous years due to the economic downturn and people choosing to stay closer to home.

With visitation increasing, revenues are up as is employment and population. This increased employment has had a positive effect on housing, commercial office space, retail trends, as well as local gaming revenues.

Overall, the local economy is expected to continue to recover in conjunction with the improvement in the national and international economy. Consequently, overall, the outlook is for the market for stronger growth in the mid-term as the economic recovery accelerates. This continued recovery could be further supported by the fact that there are no new major developments in the construction pipeline, thus given the existing market time to absorb all the new, high-quality supply it has recently added.

NEIGHBORHOOD ANALYSIS

Location Assessment

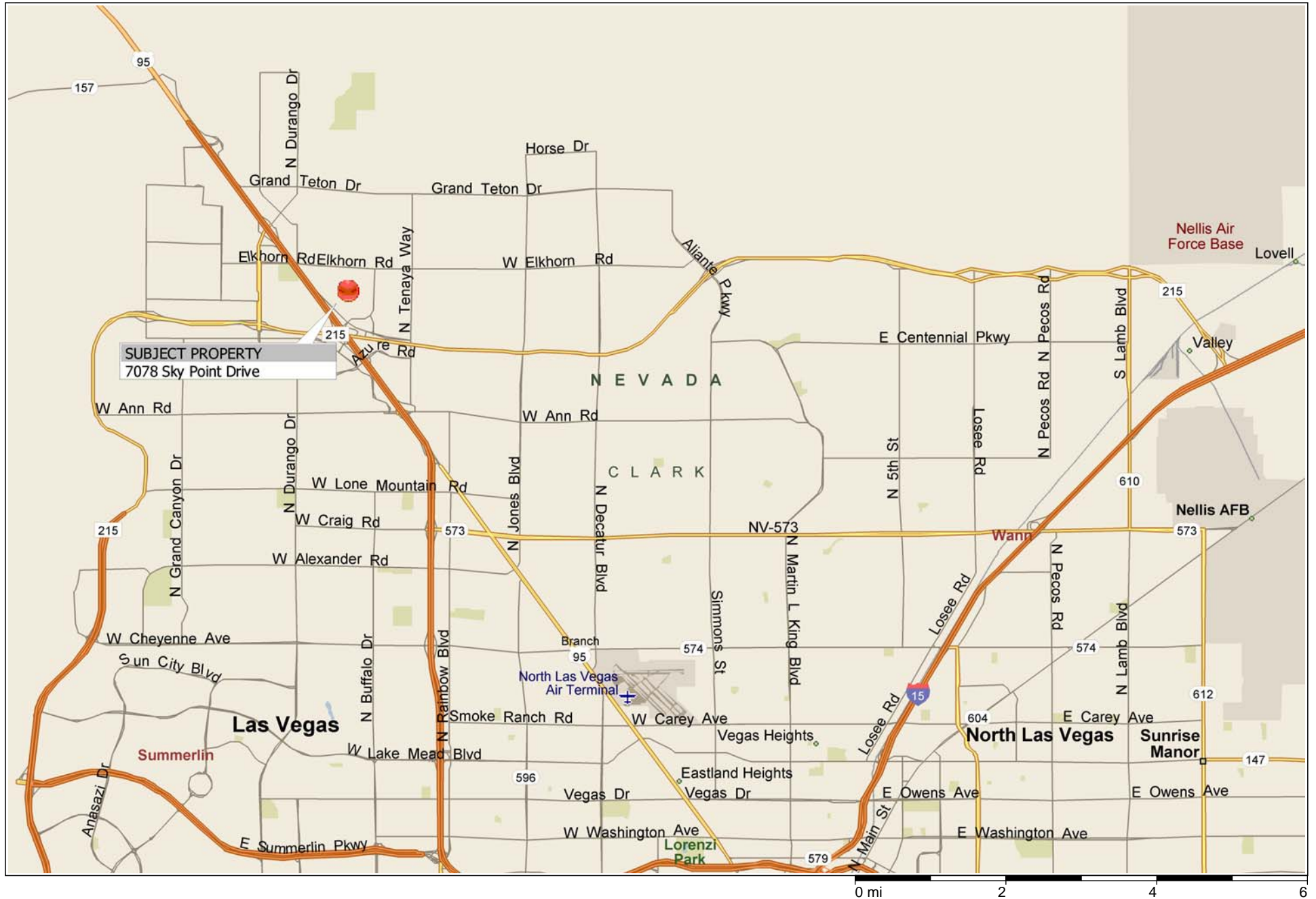
The Subject Property is located in the newly developing commercial area at the intersection of Highway 215 and Highway 95 in northwestern Las Vegas. The Subject's neighborhood is generally considered to be bounded by the Grand Teton Drive and I-215 Beltway to the north and west, I-15 to the east and Cheyenne Avenue and US Highway 95 to the south. The map on the following page highlights the Subject's location within the identified neighborhood. The described area contains approximately 65 square miles.

Access – The Subject and the overall neighborhood has excellent access from both major arterials and collector streets. Most notable the Subject Property is bounded on the west by Highway 95 which has intersection with Durango Drive on the north and Buffalo Drive on the south. The extension of Sky Pointe Drive to the south has an intersection with the I-215 Beltway. All the roadways are asphalt paved with center medians. Traffic at major intersections is controlled by signal lights and minor arterials and collector streets by stop signs. Overall, access is considered good.

Land Use - Neighborhood land uses include commercial office, retail/service/entertainment and residential, all located proximate to the main traffic arterials.

Predominant Age of Improvements	1-15 years
Predominant Quality and Condition	Good to Excellent
Approximate Percent Developed	80%
Life Cycle Stage	Growing with older large tract residential to the north and west of the Subject
Infrastructure/Planning	Excellent
Predominant Location of Undeveloped Land	In-fill sites in the area's commercial and residential developments.
Subject's Immediate Surrounding Land Uses	
North	A new single-family development is under construction
South	Vacant land and the Sky Pointe gated residential community. Fururther south is a neighborhood shopping center with a number of major anchor stores
East	Single-family residential subdivision.
West	US Highway 95 right-of way. Across the highway is Mountain Ridge Park and a large tract of vacant land.

Neighborhood Map



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Daily Services & Entertainment – The Subject neighborhood has excellent services within the neighborhood. There are a number of shopping centers, convenience centers and stores, churches, medical hospitals, clinics, and office buildings; and numerous parks and other public and private recreation facilities. There are a few entertainment venues in the described area, with the Subject being approximately 13 miles northwest of the famous Las Vegas Strip.

Hazards and Nuisances – There are no hazardous land uses in the immediate area of the Subject. While the proximity to US Highway 95 can be considered a nuisance from a noise level standpoint, this is offset by its convenience for student drop-off and pick-up. There are no gasoline service stations, land fill, or heavy industrial uses in the immediate area.

Public Services - Schools, fire and police protection service are all considered good for a community/neighborhood of this size. Electricity is supplied by NV Energy, Natural Gas is supplied by Southwest Gas and Water and Sewer is supplied by the City of Las Vegas.

Conclusion

Overall, the Subject appears to be well positioned with regard to access and well positioned to capture adequate enrollment from the number of new residential subdivisions and apartment complexes in the area. There are a number of public schools in the area; however, the demand for the charter school curriculum at Sky Pointe has been highly successful and enrollment is nearing capacity in those grade levels offered with waiting lists.

In comparison to other areas in the city, the market area is rated as follows:

MARKET AREA ATTRIBUTE RATINGS	
Highway Access	Below Average
Demand Generators	Good
Convenience to Supporting Services	Good
Convenience to Public Transportation	Good
Convenience to Schools	Average
Employment Stability	Good
Police and Fire Protection	Average
Property Compatibility	Average
General Appearance of Properties	Good
Appeal to Market	Good to Excellent
Prices/Value Trend	Good to Excellent

PROPERTY DESCRIPTION

Site Description

Location:	Southeast quadrant of Sky Pointe Drive and West Elkhorn Road in the northwest section of the greater Las Vegas metropolitan area. It is located east of US Highway #95 and Sky Pointe Drive between its interchanges with North Durango Drive (north) and Highway #215 Beltway (south) in Clark County. The street address is 7078 Sky Pointe Drive.
Land Area:	12.14 Acres or 528,818 (Subject to Final Survey)
Shape:	Irregular
Frontage:	Approximately 1,360 feet – North Sky Pointe Drive
Topography/Terrain:	Generally level with a gentle slope from northwest to southeast. The site drainage appears to be adequate.
Access:	<p>Access is provided by two curb opening along North Sky Pointe Drive and from a developing roadway southerly from West Elkhorn Road. Access to nearby freeways (Highway #95 and Beltway #215 are good. As with all charter schools it is necessary to have a proper flow of traffic for student drop-off and pick-up which appears functional for the finished site.</p> <p>At their various intersections, traffic is controlled by stop signs, while the major traffic arterials in the area are controlled by signal lights.</p>
Street Improvements:	North Sky Pointe Drive is a four lane, asphalt surfaced roadway with at grade medians allowing full directional turn lanes into and out of the school's two curb openings/entry parking lots. The second access roadway is a two lane roadway extending south from West Elkhorn Road and dead ending in a cul-de-sac at the southeast corner of the Subject site. The roadways have/will have concrete curb gutter and sidewalks.

Utilities:

Water	City of Las Vegas
Sewer	City of Las Vegas
Electricity	NV Energy
Cable	Comcast and Cox Communications
Telephone	CenturyLink and various cellular and long distance companies.

Flood Hazard:

Community Panel No.	32003 C 1745 E
Effective Date	September 7, 2002
Zone X	Outside the 100-year flood plain – insurance is not necessary or available.

Wetlands:

None observed.

Seismic Zone:

The Subject Property is not located in an earthquake zone.

Geotechnical Report (Soils):

We have reviewed a geotechnical report prepared by Terracon, updated report from the original report (12/21/1995) dated November 15, 2012. The author’s statement is as follows: “As site visit was performed on November 9, 2012 to access changes that may have occurred since the original exploration for the project was performed. The site is APN 125-21-102-001 located at the southwest intersection of Elkhorn Road and Sky Pointe Drive. It is our opinion that the proposed construction is within the limits of our geotechnical exploration and the geotechnical report with this update letter is applicable on this site.

Hazardous Substances:

We have reviewed a Phase I report prepared by OGI Environmental, LLC, dated May 8, 2012. A review of the conclusions are as follows: OGI did not identify recognized environmental conditions (RECs) for the subject site and based on the observations detailed in the report, does not believe that further environmental studies, related to the scope of work, are needed for the subject site at this time. Additionally, environmental impacts to the subject site from properties within the specified distances from the subject site were not identified.

Zoning:

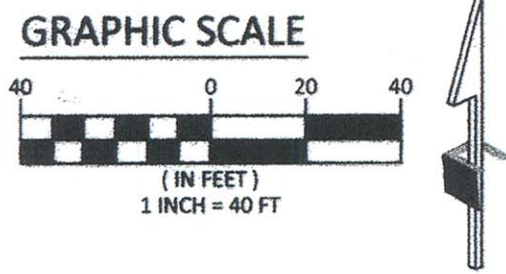
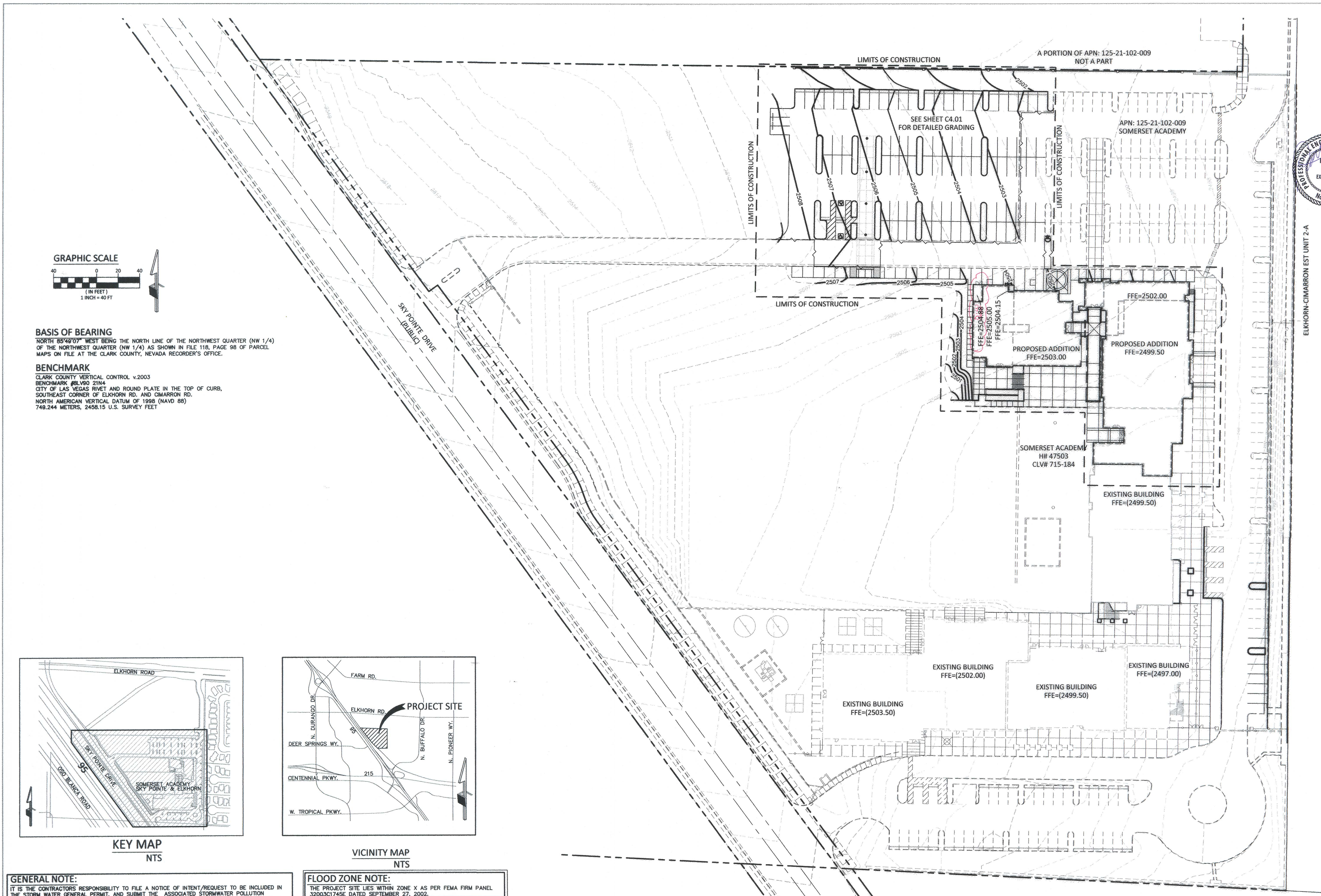
Town Center (T-C-S/X), under the jurisdiction of the City of Las Vegas.

Land Use Restrictions: We requested but were not provided with a title report that would disclose any easements, encroachments, or encumbrances that may adversely affect the Subject Property. It is assumed that there are no such items other than typical easements for utilities and roadways. We recommend that a current title commitment be acquired and if such report indicates any negative items that may affect our opinion of market value; we reserve the right to amend this report.

Site Improvements: See descriptions in the following section

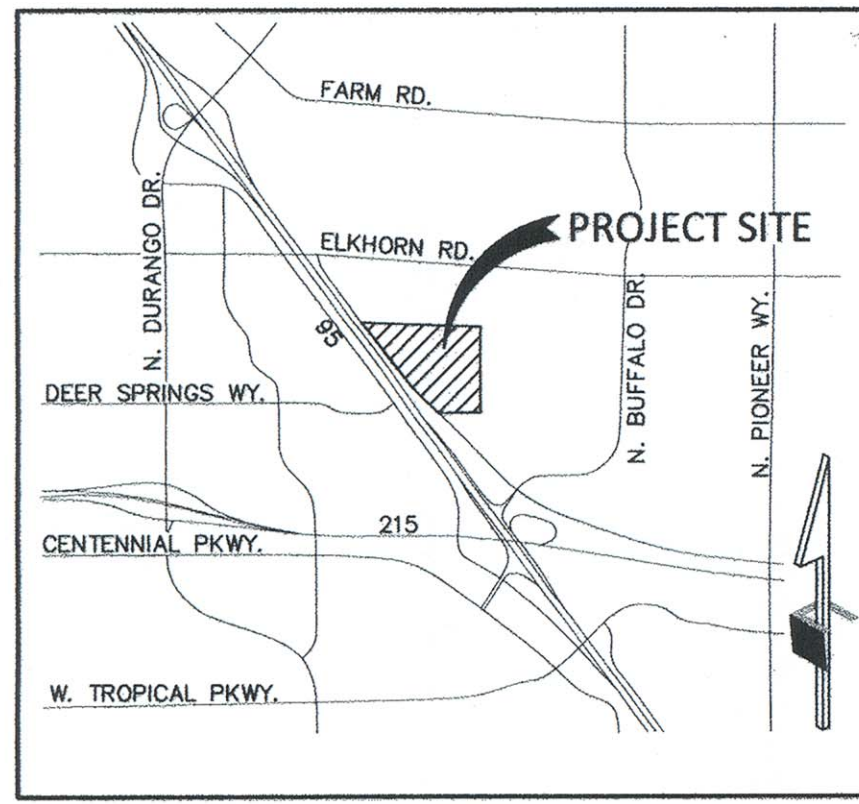
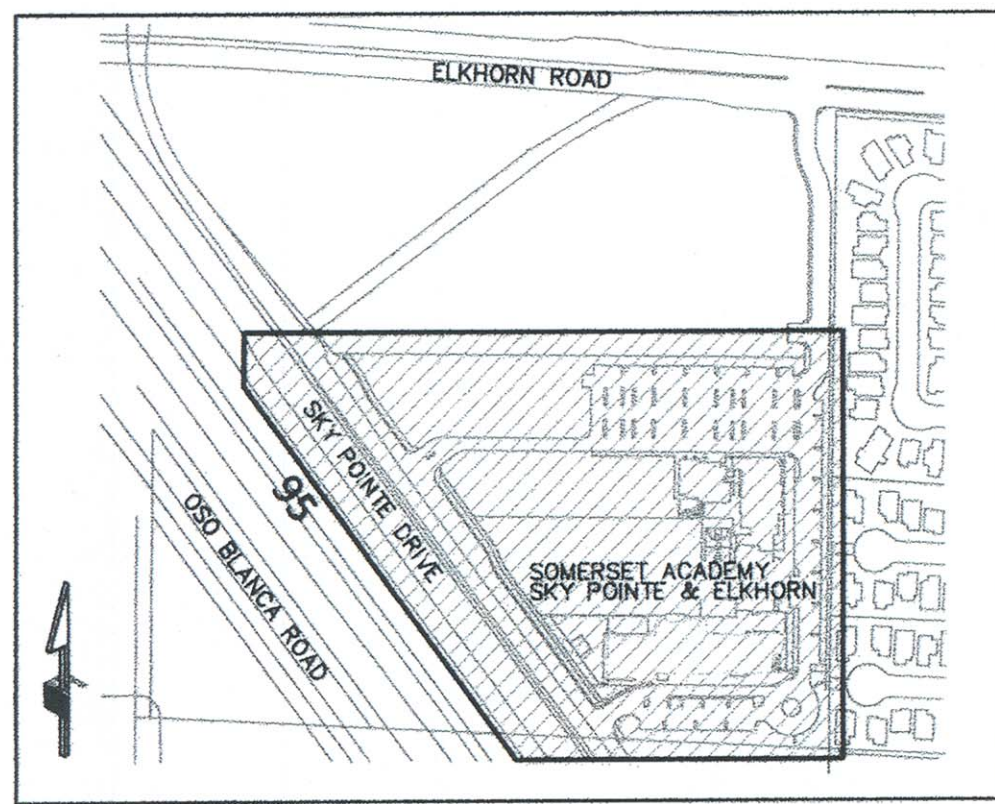
Comments: The site is an irregular-shaped, tract of land suitable for a variety of uses. It is generally level and has good access from the adjoining streets. All utilities are located on site with adequate capacities. In summary, the Subject site is suited for development with a variety of commercial (retail/office), residential, and/or public uses.

The 12.14 acre site is proposed for further development with Phase III improvements. Currently, we have identified 2.47 acres of the site that are unimproved being proposed for construction of the remainder of the high school, gymnasium, and parking lot at the most northwestern section of the site. This 2.47 acre tract is classified “excess land”.



BASIS OF BEARING
 NORTH 85°49'07" WEST BEING THE NORTH LINE OF THE NORTHWEST QUARTER (NW 1/4) OF THE NORTHWEST QUARTER (NW 1/4) AS SHOWN IN FILE 118, PAGE 98 OF PARCEL MAPS ON FILE AT THE CLARK COUNTY, NEVADA RECORDER'S OFFICE.

BENCHMARK
 CLARK COUNTY VERTICAL CONTROL v.2003
 BENCHMARK #RLV02 21N4
 CITY OF LAS VEGAS RIVET AND ROUND PLATE IN THE TOP OF CURB, SOUTHEAST CORNER OF ELKHORN RD. AND CIMARRON RD.
 NORTH AMERICAN VERTICAL DATUM OF 1998 (NAVD 88)
 749.244 METERS, 2458.15 U.S. SURVEY FEET



GENERAL NOTE:
 IT IS THE CONTRACTOR'S RESPONSIBILITY TO FILE A NOTICE OF INTENT/REQUEST TO BE INCLUDED IN THE STORM WATER GENERAL PERMIT, AND SUBMIT THE ASSOCIATED STORMWATER POLLUTION PREVENTION PLAN (SWPPP) AS REQUIRED BY FEDERAL LAW, AND MONITORED BY THE NEVADA DIVISION OF ENVIRONMENTAL PROTECTION.

FLOOD ZONE NOTE:
 THE PROJECT SITE LIES WITHIN ZONE X AS PER FEMA FIRM PANEL 32003C1749E DATED SEPTEMBER 27, 2002.



CIVIL SQUARED ENGINEERING ASSUMES NO RESPONSIBILITY FOR EXISTING UTILITY LOCATIONS AND ELEVATIONS. THE UTILITIES SHOWN ON THIS DRAWING HAVE BEEN PLOTTED FROM THE BEST AVAILABLE INFORMATION. IT IS, HOWEVER, THE CONTRACTOR'S RESPONSIBILITY TO FIELD VERIFY THE LOCATION AND ELEVATION OF ALL UTILITIES PRIOR TO THE COMMENCEMENT OF ANY CONSTRUCTION. CONTRACTOR TO FIELD VERIFY ALL EXISTING SITE CONDITIONS PRIOR TO CONSTRUCTION. IF A CONFLICT EXISTS BETWEEN WHAT IS SHOWN ON THESE DRAWINGS AND WHAT EXISTS IN THE FIELD, THE CONTRACTOR IS TO NOTIFY THE ARCHITECT OR ENGINEER IMMEDIATELY.

LEGEND

EXISTING PROPOSED
 (0.00%) 0.00% SLOPE
 (0.00%) 0.00% GRADING
 XXX GRADING TAG
 XXX ELEVATION TAG
 (0.00%) STORM MANHOLE
 (0.00%) DRAIN INLET
 --- CONTOUR
 --- SCREEN/RETAINING WALL

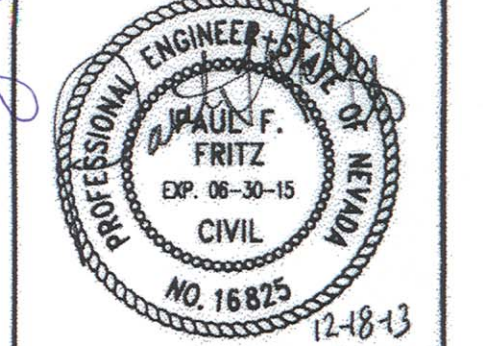
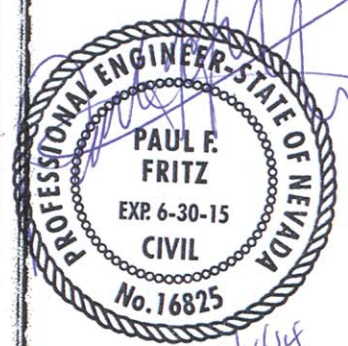
EXISTING PROPOSED
 --- POWER LINE/POLE
 --- TELEPHONE LINE
 --- METER/PULL BOX
 --- UTILITY POLE
 --- STREET LIGHT
 --- AREA LIGHT

EXISTING PROPOSED
 --- FIRE HYDRANT
 --- FIRE DEPARTMENT CONNECTION
 --- WATER VALVE
 --- REDUCER
 --- SEWER MANHOLE
 --- CLEANOUT
 --- GAS VALVE

EXISTING PROPOSED
 --- PL-RIGHT-OF-WAY
 --- PL-ADJACENT CENTERLINE
 --- EASEMENT LINE
 --- FLOW LINE
 --- SIGN W/POLE
 --- SAWTOOTH LINE

EXISTING PROPOSED
 --- AC PAVEMENT
 --- 6" TYPE "A" CURB
 --- 24" TYPE "A" CURB & GUTTER
 --- 30" ROLL CURB
 --- CONCRETE

3130 S. DURANGO DR., SUITE 404
 LAS VEGAS, NV 89117
 PHONE: (702) 248-8000
 FAX: (702) 248-8070
 www.civilsquared.com



NO.	DESCRIPTION OF REVISIONS	DATE	APPROVAL
1	All Additions Electrical - E.A.M. FFE		

SOMERSET ACADEMY PHASE II
 APN: 125-21-102-009
OVERALL GRADING PLAN
 (FOR REFERENCE ONLY)

DATE: 12/03/13
 JOB NUMBER: 4098
 DESIGNED: P. FRITZ
 DRAWN: TONY P.
 CHECKED: P. FRITZ, P.E.

SHEET NUMBER
 C4.00

H# 51782

AERIAL MAP



Building Description

Existing Improvements - The campus is comprised of three buildings – one each for the elementary grades (Kindergarten through 6th grade) middle school (7th and 8th grades), and partially completed high school (9th and 10th grades). This is the “as is” condition at the date of inspection/value. The school is being developed in three phases – Phase I was the completion of the elementary school and a part of the middle school. Phase II included the completion of the middle school and a part of the high school. Phase I was completed in August 2013, Phase II in August 2013. The existing improvements are one and two-story in design and in good to excellent condition.

Proposed Improvements - Phase III (**not a part of the “as is” valuation**) will be the completion of the high school and a gymnasium. These improvements are expected to be completed and ready for occupancy on or about August 25, 2015.

The building square footages are described below:

As-Is	
Elementary School	45,789 SF
Middle School	35,185 SF
High School	<u>12,842 SF</u>
Total	<u>93,816 SF</u>

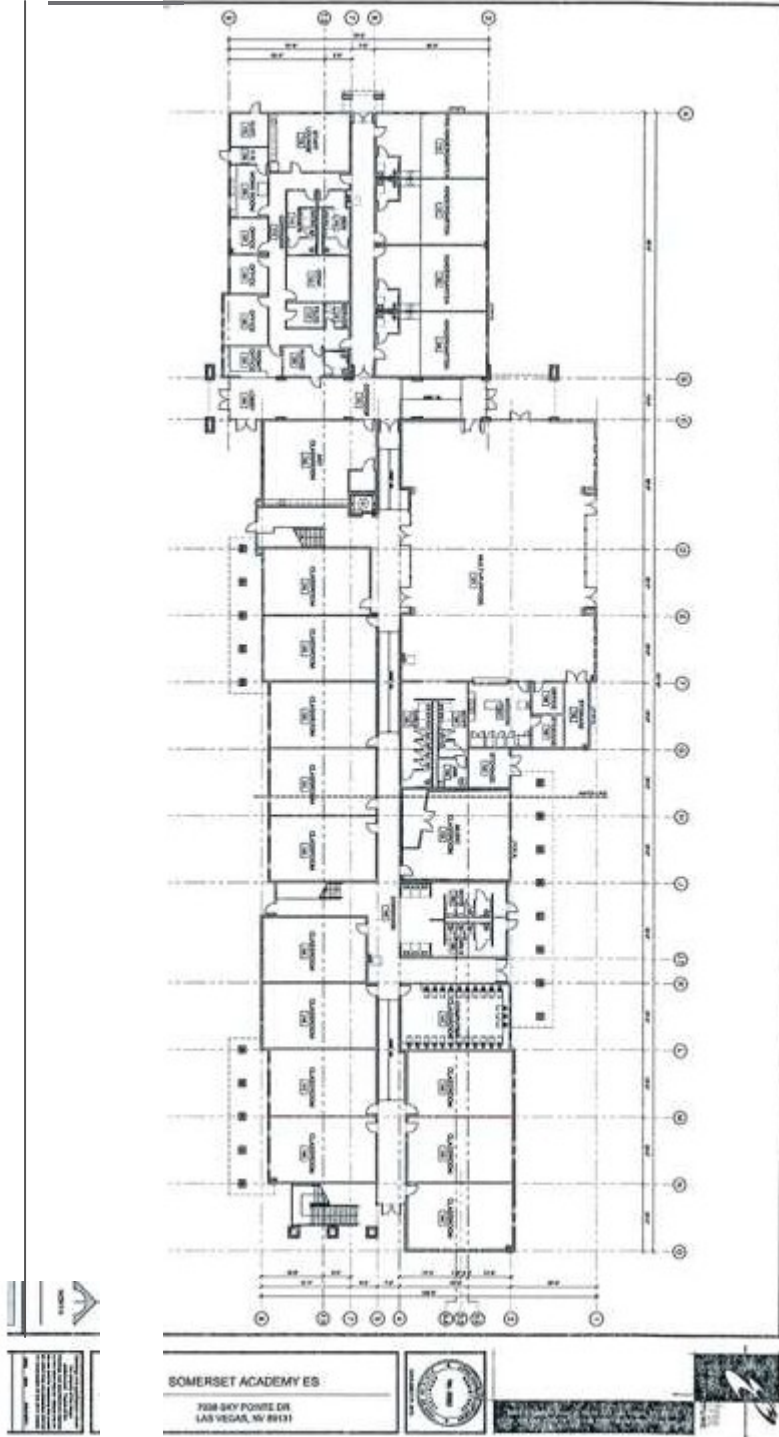
Site Improvements - The site improvements include a number of parking lots with landscaped medians and overhead security lights, lawn, trees, and shrubs watered by an underground irrigation system. The perimeter and playground/fields are fenced with CMU block, steel rail, and chain link. There are three automatic security gates controlling access to and from the site.

This valuation assignment is to estimate the market value of the Subject Property in its “as is” condition along with the market value of the vacant site or excess land parcel located at the northwest corner of the site which has been estimated to contain approximately 2.47 acre (107,800 square feet. This area is proposed for the completion of the high school building, gymnasium, and future parking spaces are to be utilized in association with the high school. Given the number and location of the access points, the Subject site provides good traffic flow for drop-off and pick-up of students.

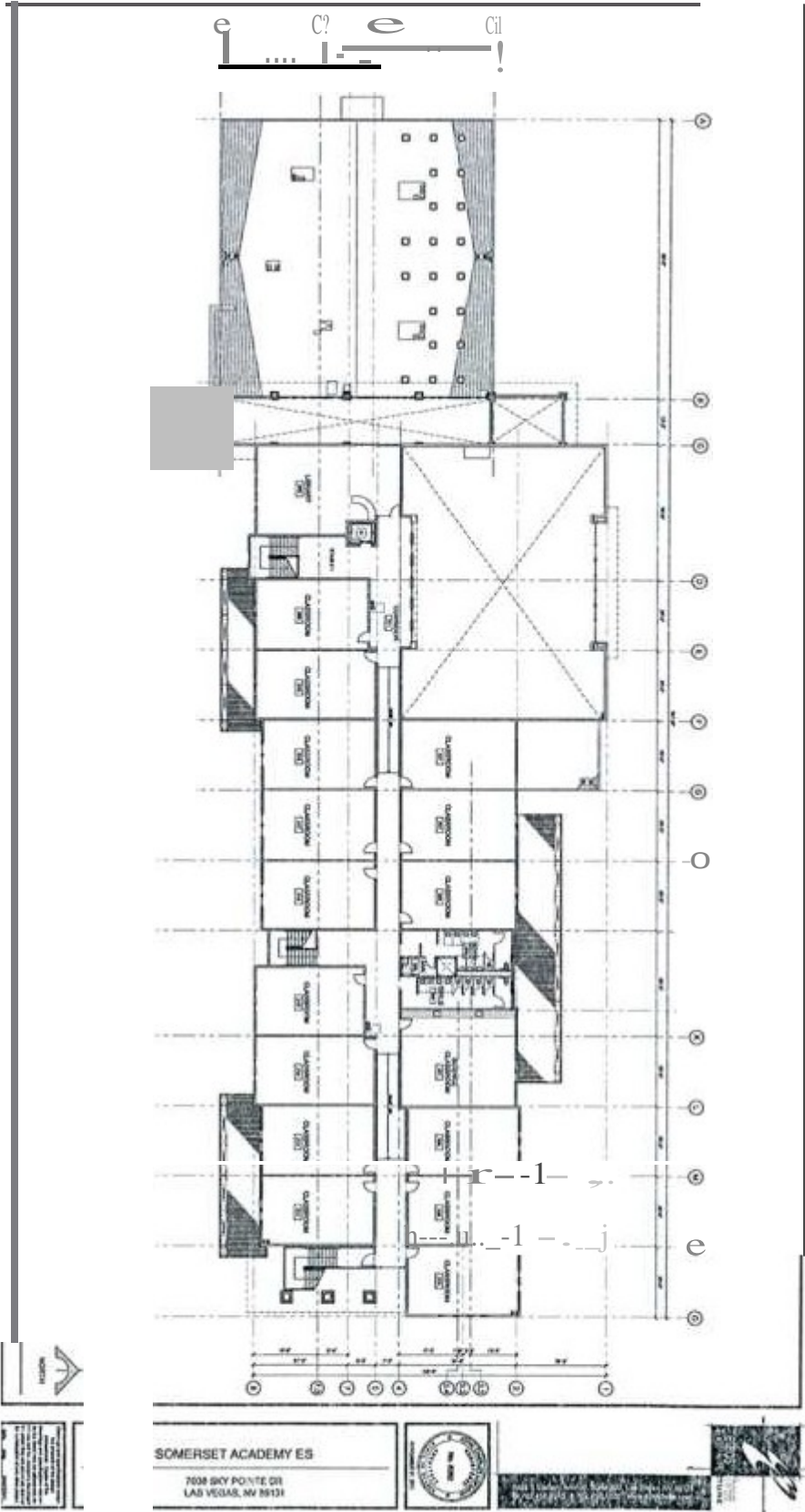
Following is a chart identifying the utilization of the building floor plans for each of the elementary, middle school and high school in its “as is” designs with the architectural drawings included on the following pages:

Building Identification	Elementary
Entry Foyer	1
Reception	1
Offices	8
Conference Room	1
Copy Room	1
File Room	1
Classrooms	19
Art Room	1
Computer Lab	1
Computer Server Room	1
Nurse's Clinic	1
Library	1
Staff Lounge	1
Staff Work Room	1
Multi-Purpose Area	1
Cafeteria	1
Kitchen Galley/Prep	1
Restrooms	13
(toilets/urinals/sinks/showers)	27/7/28
Mechanical	1
Electrical	1
Janitorial Closet	2
Storage	4
Stairways	2
Elevator – 2 stop	1

FIRST FLOOR- FLOOR PLAN (ELEMENTARY SCHOOL)

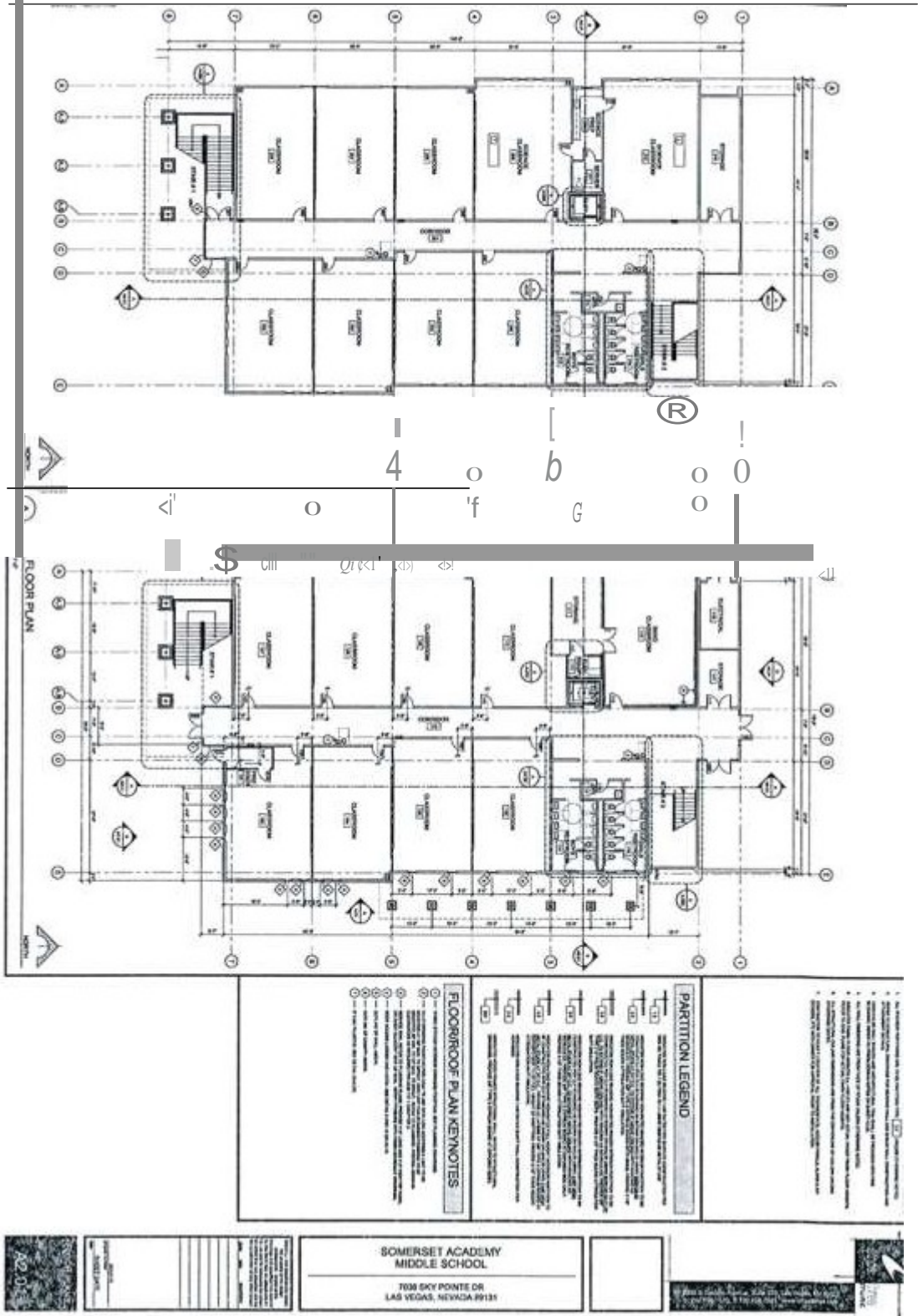


SECONDFLOOR -FLOOR PLAN (ELEMENTARY SCHOOL)



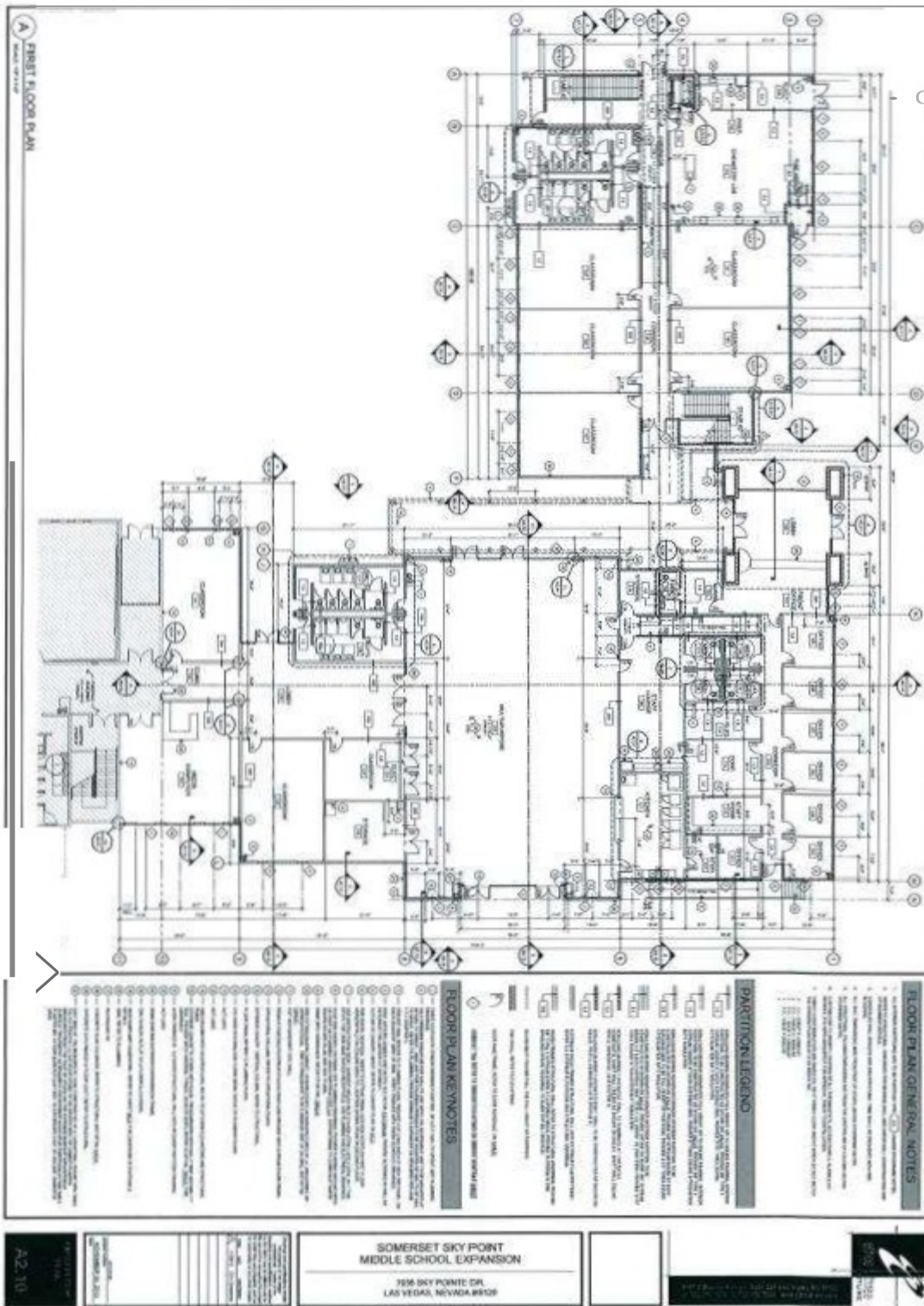
Building Identification	Middle School
Entry Foyer	1
Reception	1
Offices	8
Conference Room	1
Staff Work Room	1
Classrooms	22
Science Prep	0
Nurse's Clinic	1
Computer Lab	1
Cafeteria/Multi-purpose	1
Kitchen Galley/Prep	1
Restrooms	11
(toilets/urinals/sinks/showers)	26/9/27/0
Mechanical	1
Electrical	1
Janitorial Room	2
Storage	5
Stairways	2
Elevator – 2 stop	1

FIRST AND SECOND FLOOR PLAN (EXISTING MIDDLE SCHOOL)

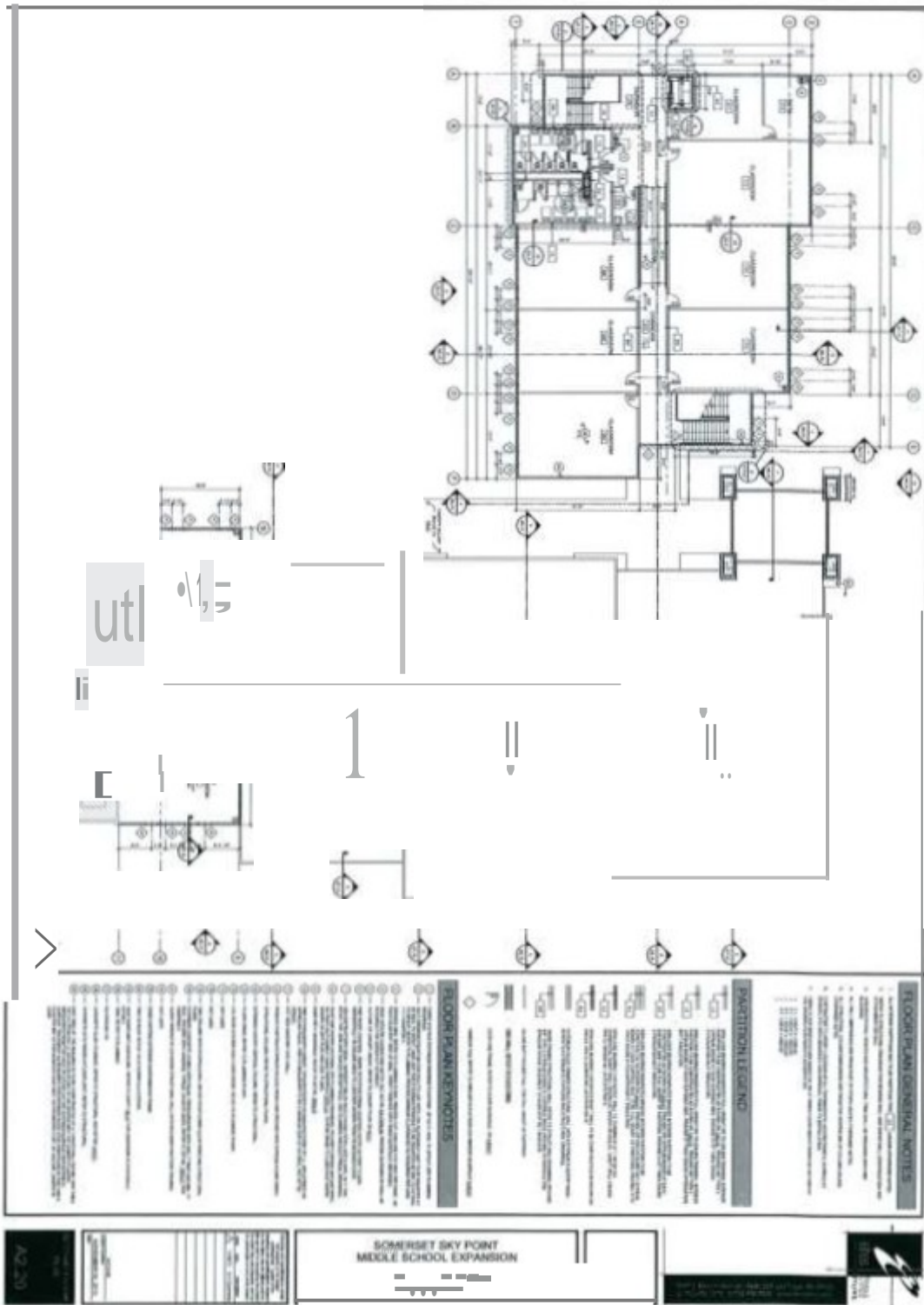


Building Identification	High School
Classrooms	13
Science Prep	2
Restrooms	9
(toilets/urinals/sinks/showers)	20/6/22/0
Janitorial Room	2
Storage	2
Stairways	2
Elevator – 2 stop	1

FIRST FLOOR - FLOOR PLAN (MIDDLE SCHOOL EXP. & HIGH SCHOOL)



SECOND FLOOR - FLOOR PLAN (MIDDLE SCHOOL EXP. & HIGH SCHOOL)



FLOOR PLAN GENERAL NOTES

1. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE BUILDING CODES AND REGULATIONS.
2. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE NATIONAL BUILDING CODES AND REGULATIONS.
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11. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL CODES AND REGULATIONS.
12. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL CODES AND REGULATIONS.

FLOOR PLAN LEGEND

1. CLASSROOM

2. LIBRARY

3. CAFETERIA

4. OFFICE

5. HALLWAY

6. STAIRWELL

7. ELEVATOR

8. RESTROOM

9. STORAGE

10. MECHANICAL

11. ELECTRICAL

12. PLUMBING

SOMERSET SKY POINT
MIDDLE SCHOOL EXPANSION

Building Components

Foundation:	Reinforced concrete slab on grade over compacted fill supported by perimeter foundation walls and spread footings.
Exterior Walls:	Combination CMU block walls and steel stud frame walls with rigid insulation and gypsum board walls finished with texture and paint. There are also a number of locations having a stone façade finish.
Roof:	Membrane finish over rigid insulation on a metal deck with steel web bar joist and steel girders. Roofs are new and under warranty.
Windows:	Glazed double pane insulated glass systems in fixed metal frames – blinds on west and south facing rooms.
Interior Partitions:	5/8” gypsum board taped, textured, and paint finish supported by metal studs on 24” centers having batt sound insulation in wall void.
Ceilings:	The ceilings are a combination of acoustical panels (2’X2” and 2’x4”).
Doors:	Classroom – Solid-core wood with paint finish in metal frames. Some classroom doors have glass inserts. Entry/foyer – Glass store front in metal frames Exterior Doors – Metal hollow core and glass store front in metal frames. Exterior and some interior doorway have panic bars.
Electrical:	Adequate – Fluorescent lighting and incandescent spots. The facility has adequate electric power, 277/480 and 120/208 volt, 3-phase, 4 wire.
Plumbing:	Adequate – Numerous restrooms, sinks, drinking fountains, and fire control.
Mechanical Systems:	Roof-mounted combination heating & cooling units. Internal electrical cabinet unit heaters.
Fire Suppression:	Wet sprinkler system – with fire/smoke sensors, emergency lighting, and extinguishers.

Security:	Lobby Guard visitor/vendor security system. Electric control gates at three entry points. Exterior and interior cameras.
Interior Improvements:	Classrooms, kitchen area, and break rooms have wood cabinet with Formica counter tops, and storage areas.
Parking:	426 striped asphalt spaces with 9 being handicap rated and 100 being compact sized - Adequate.
Site Improvements:	The site area not under the building envelope is a combination of parking lots, landscaping features, and sod recreation field. The landscaping is watered with an automatic underground irrigation system.
Americans W/Disabilities Act:	The Americans With Disabilities Act (ADA) became effective January 26, 1992. We have not made, nor are we qualified by training to make, a specific compliance survey and analysis of this proposed property to determine whether or not it is in conformity with the various detailed requirements of the ADA. Given that the Subject was designed by a registered architectural firm, we have assumed that all phases of the building and site finish conform to ADA regulations.
Design Features and Functionality:	After review of the architectural plans and specifications, the Subject improvements were determined to be not to be impacted by functional obsolescence.
Effective Age/Economic Life:	After completion of our inspection and reviewing data from the Marshall Valuation Manual, we have concluded the combined effective age to be 0 years and the total economic life of 50 years – remaining economic life of 50 years resulting in 0% depreciation level for the incurable building components.
Comments:	After the recent completion of the Phase I and Phase II the building improvements will be in good to excellent condition. The design is functional for a Kindergarten through 10 th grade school use. The site improvements are in average to good condition.

REAL PROPERTY TAXES AND ASSESSMENTS

Jurisdiction Clark County

Tax Account No. 125-21-102-009

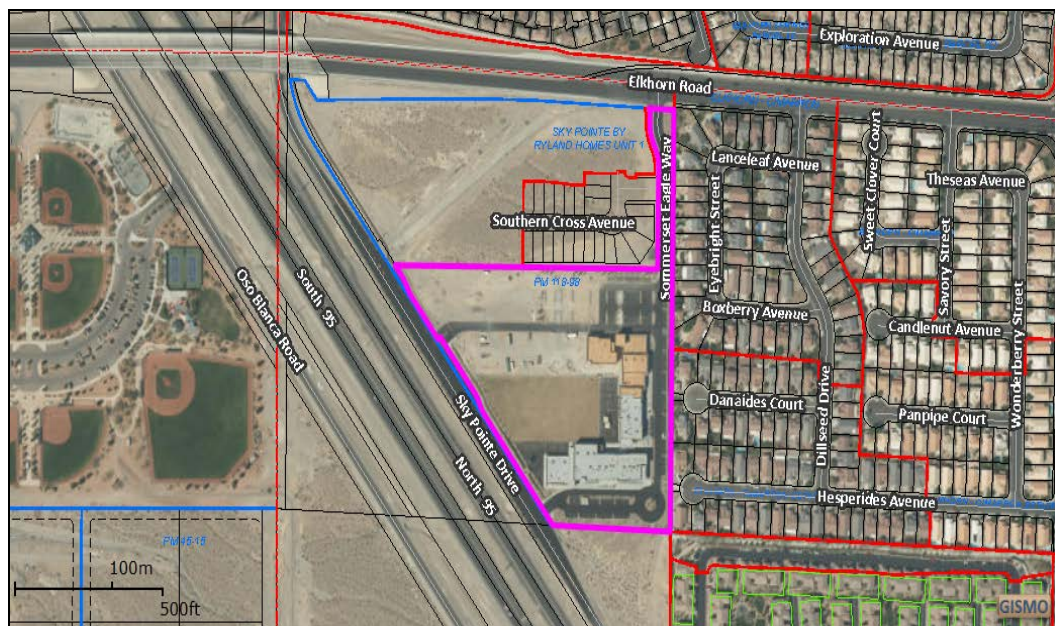
In Nevada, the assessment rate for real property taxes is 35.0 percent of actual value. Our experience has shown that often assessor's actual value often has minimal relationship to the current Market Value as defined in this appraisal report and is included in this report for informational purposes only.

State law requires that all real property be revalued every year, and the tax year is based on a fiscal year, July 1st through June 30. Tax rates are set in June of each year, and tax bills are prepared and mailed out by August 1 of each year. Property taxes are due on the 3rd Monday of August; however a property owner may elect to pay in installments (due August, October, January and March).

Clark County Assessor's Market Value	125-21-102-009
Total Taxable Value	\$2,221,037
Assessment Ratio	29%
Total Assessment	\$777,363
Total Taxes – Exempt	\$-0-

The Subject Property is classified as exempt, in that the facilities are being used for the benefit of an educational endeavor.

On the following page we have included a copy of the Assessor's parcel map (Subject outlined in pink).



NOTES

This map is for assessment use only and does NOT represent a survey. No liability is assumed for the accuracy of the data delineated herein. Information on roads and other non-assessed parcels may be obtained from the Road Document Listing in the Assessor's Office.

This map is compiled from official records, including surveys and deeds, but only contains the information required for assessment. See the recorded documents for more detailed legal information.

USE THIS SCALE(FEET) WHEN MAP REDUCED FROM 1:11X7 ORIGINAL

MAP LEGEND

- Parcel Boundary
- Sub Boundary
- PM/LD Boundary
- Road Easement
- Match/Leader Line
- Historic Lot Line
- Historic Sub Boundary
- Historic PMLD Boundary
- Section Line
- Condominium Unit
- Air Space PCL
- Right of Way PCL
- Sub-Surface PCL
- Block Number
- Gov. Lot Number

ASSESSOR'S PARCELS - CLARK CO., NV.
Michèle W. Shafe - Assessor

T19S R60E

21

N 2 NW 4

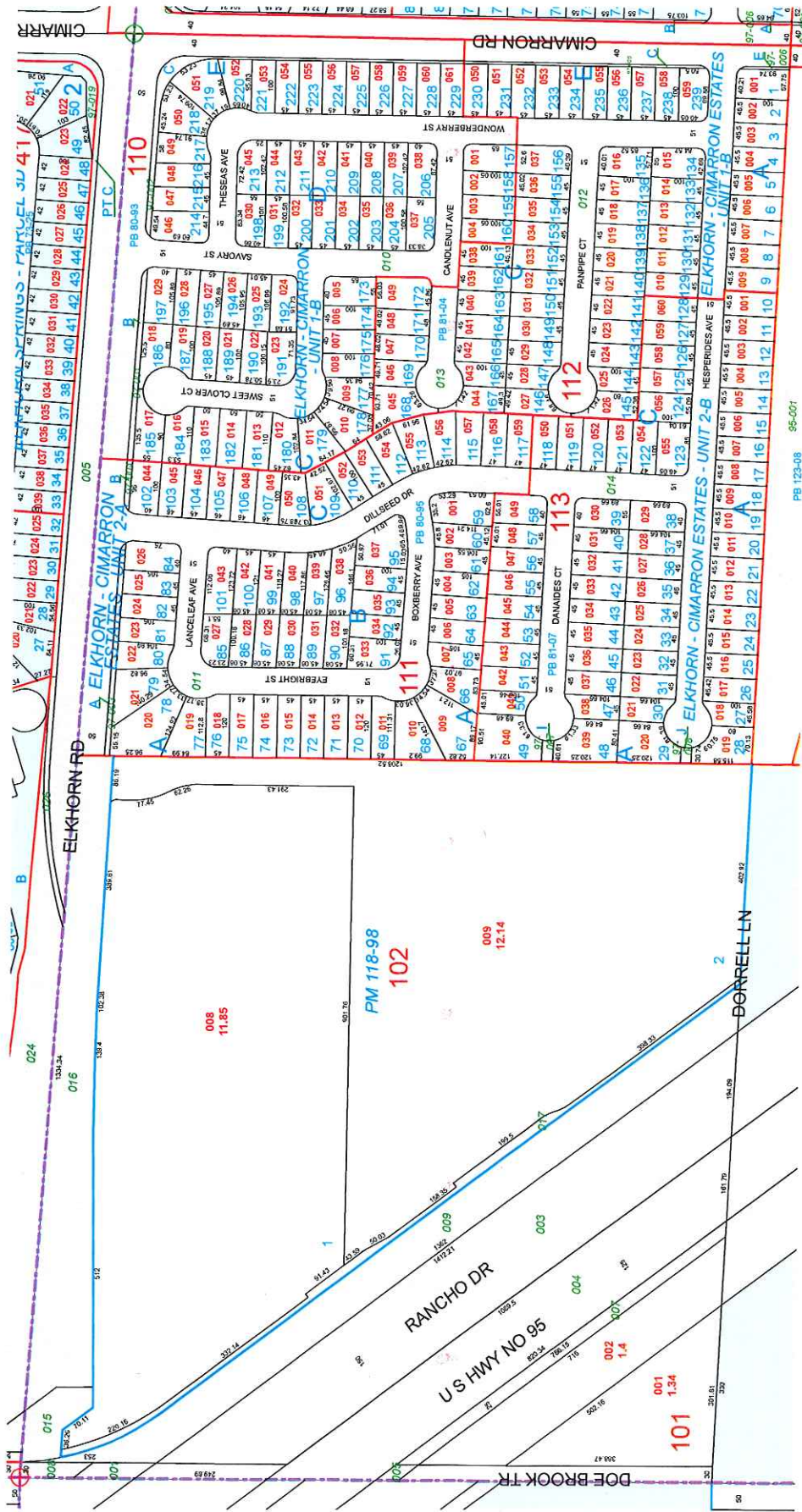
125-21-1

009	100	101
126	125	124
137	138	135

1	2	3	4	5	6	7	8	9	10	11	12
13	14	15	16	17	18	19	20	21	22	23	24
25	26	27	28	29	30	31	32	33	34	35	36
37	38	39	40	41	42	43	44	45	46	47	48
49	50	51	52	53	54	55	56	57	58	59	60

Scale: 1" = 200'

Rev. 4/9/2013



TAX DIST 200

PB 123-08 95-001

PB 80-93 110

PB 81-04 112

PB 81-07 113

PB 81-04 111

PB 81-04 110

PB 81-04 109

PB 81-04 108

PB 81-04 107

PB 81-04 106

PB 81-04 105

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PB 81-04 7

PB 81-04 6

PB 81-04 5

PB 81-04 4

PB 81-04 3

PB 81-04 2

PB 81-04 1

Jurisdiction: City of Las Vegas
Classification: Town Center (T-C)

INTENT OF THE TOWN CENTER (T-C) DISTRICT

This district is intended to permit and encourage the development of a mixed use employment center which will provide economic stability and diversification for the City of Las Vegas. The primary objective of the Town Center District concept is to provide employment for in excess of 100,000 individuals while at the same time creating a unique blending of human habitation and economic activity.

Permitted Uses: General commercial or planned development, equivalent with the following categories: Service Commercial (SC), General Commercial (GC), Office (O), Light Industrial/Research (LI/R), and High Density Residential (H).

Development Standards: Development standards including minimum lot sizes, densities, setbacks, etc. are to be in accordance with the Town Center Development Standards Manual on file with the Office of the City Clerk and in the Planning and Development Department.

The Planning Office has identified a sub-zoning district with a designation of Suburban Mixed Use (SX). The Suburban Mixed Use District can be characterized as being similar to the Service Commercial District with the addition of medium density residential being a permitted use and is intended to enable development with imaginative adjacency standards. Building and site designs which reflect a mixture of compatible land uses having either a vertical or horizontal character will maximize employment and housing opportunities. This District is more reflective of suburban development than the Urban Center Mixed Use category. Local supporting land uses such as parks, other public recreation facilities, some schools and churches are also allowed in this District.

We are not experts in the interpretation of complex zoning ordinances, but the Subject Property appears to be a conforming use based on our review of public information. The determination of compliance is beyond the scope of a real estate appraisal.

We know of no deed restrictions, private or public, that further limits the Subject Property's use. The research required to determine whether or not such restrictions exist is beyond the scope of this appraisal assignment. Deed restrictions are a legal matter and only a title examination by an attorney or title company can usually uncover such restrictive covenants.

City of Las Vegas

ZONING

- U - Undeveloped (GPA Designation)
- RA - Ranch Acres
- RE - Residence Estates
- RD - Single-Family Residential Restricted
- RPD - Residential Planned Development
- R-1 - Single Family Residential
- RMH - Mobile/Manufactured Home Residence
- RCL - Single-Family Compact Lot
- R2 - Medium-Low Density Residential
- R3 - Medium Density Residential
- R4 - High Density Residential
- R5 - Apartment
- R-MHP - Residential Mobile/Manufacture Home Park
- PR - Professional Offices And Parking
- PO - Professional Office
- NS - Neighborhood Services
- O - Office
- CD - Designed Commercial
- C-1 - Limited Commercial
- C-2 - General Commercial
- C-M - Commercial Industrial
- M - Industrial
- C-V - Civic
- CPB - Planned Business Park
- PC - Planned Community
- PD - Planned Development
- TD - Traditional Development
- TC - Town Center
- ROI Zoning

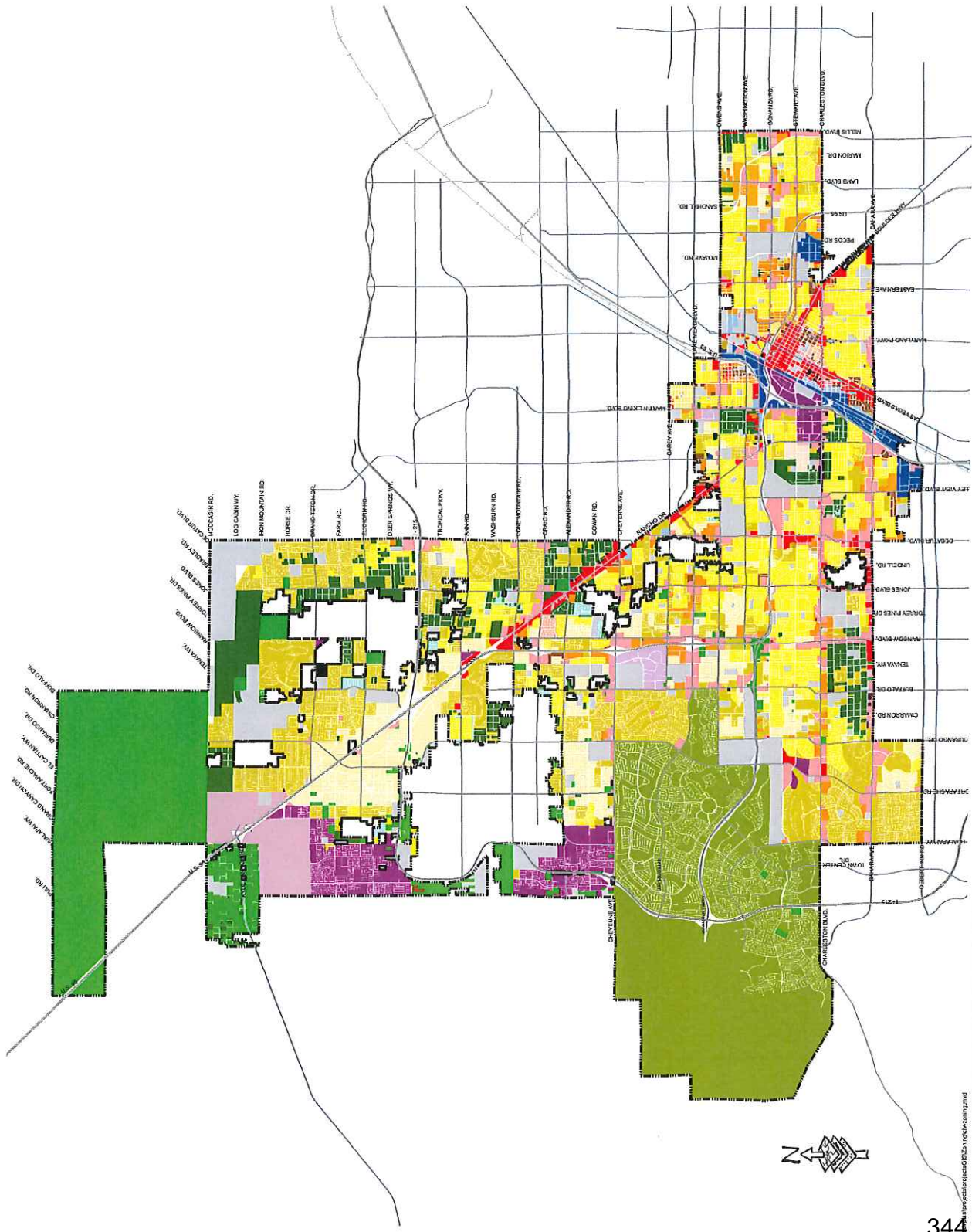
SOURCE: City of Las Vegas - Planning and Development Department

Revised: May 21, 2014 ZON-53265



GIS Data was provided by the City of Las Vegas Planning and Development Department. All data is the property of the City of Las Vegas. No warranty is made for any use of the data other than for the purposes intended. Geographic Information System Planning and Development Department

Printed: Tuesday, September 16, 2014



MARKET ANALYSIS

The Somerset of Las Vegas Skypointe campus charter school is an established Kindergarten through 10th grade school with immediate plans to expand the high school with an 11th and 12th grade at the beginning of the 2015-2016 term. The school, with a Core Knowledge Curriculum, had a 2013-2014 enrollment of 1,110 in grades Kindergarten through 8th grade and added the 9th and 10th grades and expanded the 7th and 8th grade classrooms for the 2014-2015 term increasing attendance to 1,680 students with its current waiting list of 2,587 students. The student/teacher ratio is programed for 25 to 1 in the primary grades and 30 to 1 in the secondary grades.

Somerset - Sky Pointe Vision Statement

Somerset Academy, Inc. is dedicated to providing equitable, high quality education for all students.

Purpose

Somerset Academy, Inc. promotes a culture that maximizes student achievement and fosters the development of accountable, 21st century learners in a sage and enriching environment.

Core Principles

- *Student learning and achievement is paramount*
- *Effective school leaders*
- *Highly qualified staff*
- *Effective governing board*
- *Safe and secure learning environment*
- *Data assessments to drive curriculum and educational focus*
- *Research-based curriculum*
- *Continuous improvement*
- *Teacher training and mentoring throughout the academic year*
- *Balanced budgets to ensure resources for students achievement and teacher efficiency*
- *Teamwork with stakeholders – community leaders, parents, students, teachers, administration, and governing board*
- *Communication among all Somerset leaders*

The Somerset Academy Sky Pointe campus is part of the State of Nevada School system and more specifically a part of the Clark County School District. The Clark County School District has approximately 316,000 students in 357 schools. It is the 5th largest district in the nation. There are 39,022 employees in the district which has an annual budget of \$2.177 billion (2013-2014 term). The basic per pupil state funding was \$5,547 and the per pupil expenditures were \$8,018. A copy of the Somerset Academy of Las Vegas “School Accountability Report” is presented in the Addenda

Of the reported 38 charter schools in the state, 24 are located in Clark County. Over the past three years there has been a strong trend of charter school construction and many project in the pipeline for development in the coming years.

As for the Subject school, its development and growth in attendance has been dramatic. With the school in the third year of operation, it fills its attendance levels quickly and has an overwhelming number on the waiting list. There are a number of charter schools that will be developed in the area; however, the population growth will likely exceed the number of schools constructed as many of the public schools are currently exceeding planned enrollment counts and are short on funds for new school construction.

We have utilized the Internet sites for charter schools, Trophy Property Company, Inc. office files relating to charter schools appraised, and data prepared by the Clark County School District in their “Open Book” presentation to substantiate the positive statistics from the Sky Pointe business model and operation. We also review documents from the Charter Schools Association of Nevada and the Nevada Department of Education related to performance and existing and proposed schools in the District.

In summary, we believe that the Somerset of Las Vegas Sky Pointe campus will continue succeed in both academic achievement and strong enrollment totals.

HIGHEST AND BEST USE

Highest and Best Use, as used in this report, is defined as:

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.

The highest and best use analysis identifies the use conclusion upon which the final value estimate is based. Because the use of land can be limited by the existing improvements, highest and best use is determined for:

1. The land or site as though vacant and available to be put to its highest and best use; and
2. The property as improved.

The highest and best use of land as if vacant reflects the fact that land value is determined by potential land use. The highest and best use of the property as improved refers to the optimal use that could be made of a property including existing structures. This implies that the existing structure should be retained as is or modified as long as the improvements retain some level of market value or until the return for a new improvement will more than offset the cost of demolishing the existing building and constructing a new one.

An analysis of the highest and best use of the Subject begins with an examination of whether or not the Subject meets the test of the four defined criteria: legal permissibility, physical possibility, financial feasibility, and maximum profitability.

Legal permissibility considers deed restrictions, zoning, building codes, historic district controls, and environmental regulations that may preclude many highest and best uses.

Physical possibility refers to the size, shape, and terrain of the land that may affect the development of the site.

Financial feasibility is a test to determine if the uses will produce a positive financial return.

Maximum profitability refers to the use that provides the highest rate of return, or value.

AS VACANT

Legally Permissible: The property is zoned Town Center/Suburban Mixed Use (T-C/SX) District. This district allows a wide variety of commercial/industrial/residential/public uses that will maintain the synergy with the adjoining developments. The development of a school is permitted in this district.

Physically Possible: The Subject Property is consists of a 12.14 acres located on east side of Sky Pointe Drive and US Highway 95 right-of-ways and south of Elkhorn Road It is located in an area of both developed and developing commercial, residential, and service oriented properties. It has excellent access to the major traffic arterials including two nearby interchanges with US Highway 95 and the I-215 Beltway. The site is nearly level in topography/terrain and has all utilities in use on site with adequate capacities. Physically the site can support the development of a commercial, residential, and/or public uses including a school.

Economically Feasible, Maximally Productive and Appropriately Supported: In the previously presented market analysis section, we discussed the growth and success for development of charter schools in the region and throughout Clark County. The enrollment of the Kindergarten through 10th grade curriculum is at its capacity of 1,680 students and currently there is currently a waiting list of 2,584.

In summary, highest and best use of the property "as vacant" is believed to be for development of a residential, commercial, mixed-use project or public project like a school or church.

AS IMPROVED

The Somerset of Las Vegas Sky Pointe campus has successfully been operating at this location for the past two school terms experiencing strong growth in the student population with an extensive waiting list. It is well positioned to continue its growth up to its charter capacity. It is our opinion that Sky Pointe charter school represents the current highest and best use of the Subject Property - "as improved".

MOST PROBABLE BUYER

Based on the characteristics of the property, the likely buyer is an owner-operator that would operate their school on this property.

VALUATION METHODOLOGY

The three basic methods by which data are processed into an indication of value are the Cost, Sales Comparison (Market), and Income Capitalization Approaches.

The Cost Approach includes a set of procedures in which the appraiser derives a value indication by estimating the current cost to reproduce or replace the existing improvements, deducting accrued depreciation from all sources, and adding the estimated land value, which is arrived at by using market land sales.

The Sales Comparison Approach includes a set of procedures through which the appraiser derives a value indication by comparing the Subject Property to similar properties (the comparables) that have recently sold or are offered for sale. This comparison involves applying appropriate units of comparison, and making appropriate adjustments in order to make the sales directly comparable to the Subject.

The Income Capitalization Approach includes a set of procedures through which the appraiser derives a value indication for income-producing property by converting anticipated benefits into a property value. This conversion can be accomplished either by: (1) capitalizing a single year's income expectancy or an annual average of several years' income expectancies at a market-derived capitalization rate or a capitalization rate which reflects a specified income pattern, return on investment, and change in the value of the investment; or (2) discounting the annual cash flows over a presumed holding period and adding the reversion (upon resale) at a specified yield (discount) rate.

Since the Somerset of Las Vegas Sky Pointe campus charter school is a “Special Purpose” property the Cost Approach is afforded primary reliance in estimating the market value. The Sales Comparison Approach is utilized to determine the value of the site as if vacant.

Given the fact that schools do not regularly sell – the Sales Comparison Approach was not utilized. We have included an analysis is the Income Approach. In addition to the lease on the Subject Property, we have obtained and analyzed information on four other schools – three being new construction and one being conversions. Our interviews with the lessors/lessees revealed that the rental rates are based upon the acquisition costs of an existing building (not necessarily a school use) plus remodeling costs plus an entrepreneurial incentive. Or if the building is new it is the cost of the site plus the cost of construction (direct and indirect costs) plus an entrepreneurial incentive. We have completed over 80 charter school appraisals over the past 13 years and the return being requested by investors tends to fall in the range of 7.5% to 8.5% depending on a number of factors, primarily the current bond rate of return.

The final step is to reconcile the opinions’ from the valuation techniques utilized, and then selecting the most relative, supported, and reasonable indication of market value.

COST APPROACH

Land Valuation

In the valuation of land, the Sales Comparison Approach is the correct method to use. The Sales Comparison approach is a method by which the value of the land is estimated by comparison of prices paid in actual market transactions. It is a process of analysis and correlation of similar, recently sold properties.

In order to derive an opinion of the market value of the Subject's site, as vacant and available for development to its highest and best use, we have assembled sales data for similar uses (charter schools) and zoned parcels in the greater Las Vegas area. After examining available sales data, we have selected five land sales transactions as the best indicators of the Subject's value. The immediate area has experienced an increased level of sales and construction activity over the past 6 to 12 months.

For this analysis, we use price per acre as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis. This is the unit value most commonly quoted by brokers, sellers, and purchasers when discussing sales transactions and is considered the most relevant for the Subject.

The Subject site was purchased in November 2012 for \$1,653,421, which equates to \$136,196 per acre or \$3.13 per square foot. Since that date there have been a number of on and off-site expenditures that has increased the current market value of the 12.14 acre tract and an adjustment upward for market conditions (time) is also concluded...

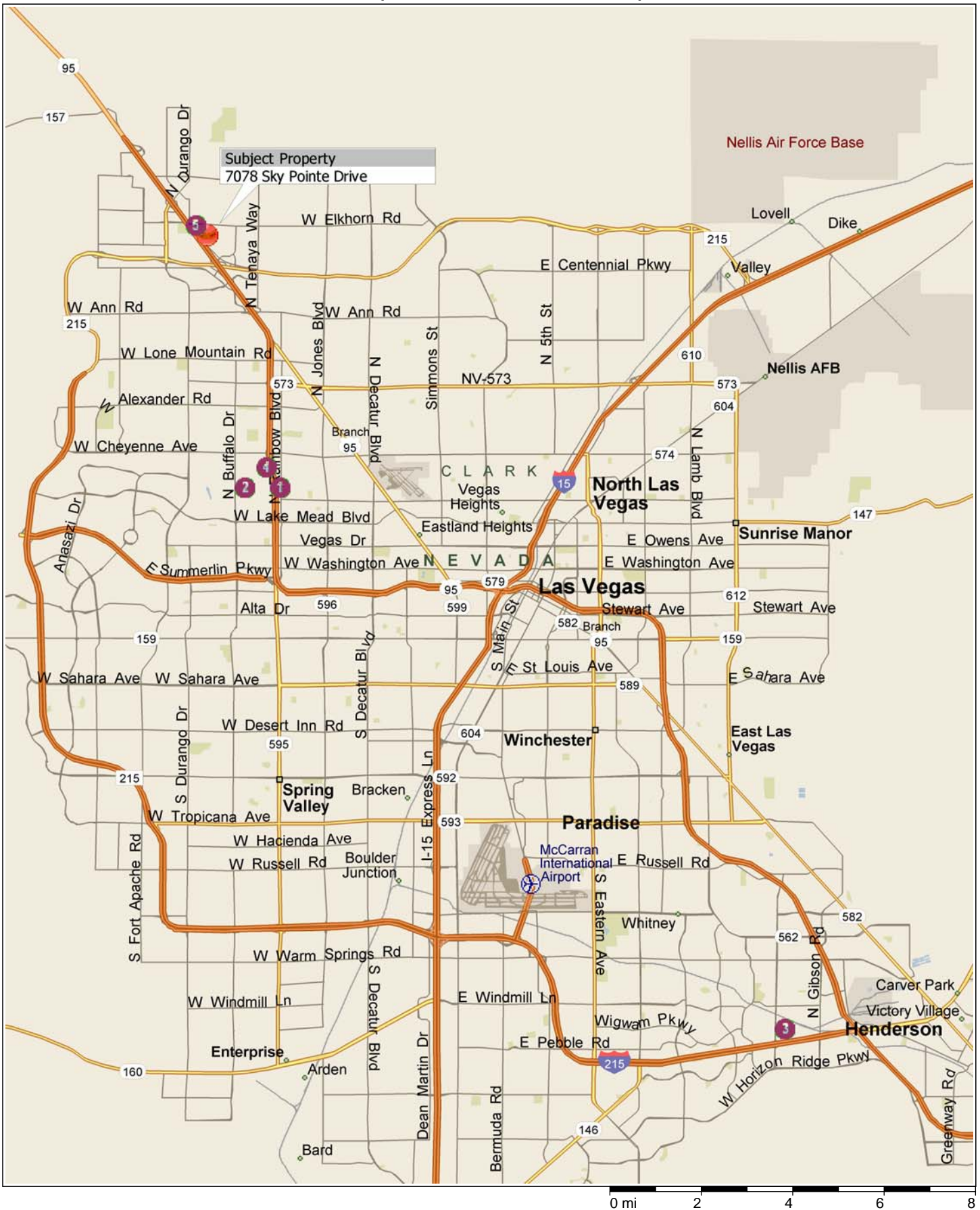
The comparables sales ranged in size from 4.39 acres (191,228 SF) to 11.85 acres (516,186 SF), and in price from \$261,954 to \$435,601 per acre. The sales utilized in this analysis occurred between July 2013 and April 2014.

The comparable sales are summarized in the chart on the following page. A land sale map identifying the location of the sales to the Subject Property is found on the page following the land sales chart and individual sales information and adjustment conclusions follow the location map.

SUMMARY OF COMPARABLE LAND SALES

Sale No.	Name/Location	Sale Date	Sale Price	Site Area (SF)	Sale Price PSF	Comments
1	4532 Balsam Street	Mar-14	\$1,150,000	191,228	\$6.01	Site is proposed location of charter school. Level terrain.
				4.39	\$261,959	All utilities located nearby. Inferior location to Subject.
2	Approx. 2400 Fire Mesa Street	Apr-14	\$1,633,500	217,800	\$7.50	Site is proposed location of charter school. Level terrain.
				5.00	\$326,700	All utilities located nearby. Similar location to Subject
3	50 North Stephanie Street	Sep-13	\$1,500,000	200,812	\$7.47	Site has been developed with a charter school. Irregular terrain. All utilities in area. Located in commercial area.
				4.61	\$325,380	Similar location characteristics.
4	Approx. 2800 North Tenaya Way	Oct-13	\$2,522,124	252,212	\$10.00	The level site is located in a medical hospital/office development. Exposure to Hwy 95. All utilities in area.
				5.79	\$435,601	Location is superior to Subject.
5	SEC Elkhorn Road and Sky Pointe	Jul-13	\$3,820,400	516,186	\$7.40	Site is located immediately north of Subject Property. It is under development with 96 single -family lots.
				11.85	\$322,397	
Subject	7078 Sky Pointe Drive	Nov-12	\$1,653,421	528,818	\$3.13	Site is an infill site in a shopping center in North Las Vegas at a corner location of two major traffic arterial.
				12.14	\$136,196	Level site with all utilities in place. Good access. Limited exposure.

Comparable Land Sales Map



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LAND COMPARABLE



Sale #1

Description

Property Type	Vacant Land	Sale Date	3/2014
Location	4532 Balsam Street	Sale Price	\$1,150,000
Grantor	Gragson Beltway Belcastro, LLC	Acres	4.39
Grantee	GKT 5, LLC	Price/Acre	\$261,959
Zoning	Residential - Three	Shape	Irregular
Topography	Level	Flood Plain	No
Recording	20140929-0000825		

Adjustments

Financing	=	Physical Characteristics	
Condition of Sale	=	Size	-
Market Conditions	=	Shape	=
Location		Topography	=
Access	+	Development Potential	
Exposure	+	Zoning	+
Synergy	=	Utilities	=
		Flood Plain	=

LAND COMPARABLE



Sale #2

Description

Property Type	Vacant Land	Sale Date	4/2014
Location	Approx. 2400 Fire Mesa Drive	Sale Price	\$1,633,500
Grantor	Trinity Peak III, LLC	Acres	5.0
Grantee	TACSFF Reit	Price/Acre	\$326,700
Zoning	Professional Office	Shape	Irregular
Topography	Level	Flood Plain	No
Recording	20141016-0002472		

Adjustments

Financing	=	Physical Characteristics	
Condition of Sale	=	Size	-
Market Conditions	=	Shape	=
Location		Topography	=
Access	=	Development Potential	
Exposure	-	Zoning	=
Synergy	+	Utilities	=
		Flood Plain	=

LAND COMPARABLE



Sale #3

Description

Property Type	Vacant Land – Charter School	Sale Date	9/2013
Location	50 North Stephanie Street	Sale Price	\$1,500,000
Grantor	WG Stephanie, LLC	Acres	4.61
Grantee	LVCS D Saddle, LLC	Price/Acre	\$325,380
Zoning	CC	Shape	Irregular
Topography	Rolling Terrain	Flood Plain	No
Recording	21031227-02583		

Adjustments

Financing	=	Physical Characteristics	
Condition of Sale	=	Size	-
Market Conditions	+	Shape	=
Location		Topography	+
Access	+	Development Potential	
Exposure	+	Zoning	=
Synergy	-	Utilities	=
		Flood Plain	=

LAND COMPARABLE



Sale #4

Description

Property Type	Vacant Land – Medical Office	Sale Date	10/2013
Location	Approx. 2800 North Tenaya Way	Sale Price	\$2,522,124
Grantor	City Parkway V, Inc.	Acres	5.79
Grantee	Sunrise Mountainview Hospital, Inc.	Price/Acre	\$435,601
Zoning	Professional Office	Shape	Irregular
Topography	Level	Flood Plain	No
Recording	201311010002708		

Adjustments

Financing	=	Physical Characteristics	
Condition of Sale	=	Size	-
Market Conditions	+	Shape	=
Location		Topography	=
Access	-	Development Potential	
Exposure	=	Zoning	=
Synergy	-	Utilities	=
		Flood Plain	=

LAND COMPARABLE



Sale #5

Description

Property Type	Vacant Land – Residential SF	Sale Date	7/2013
Location	SEC Elkhorn and Sky Pointe Drive	Sale Price	\$3,820,400
Grantor	Investor Equity Homes, LLC	Square Acres	11.85
Grantee	Ryland Homes Nevada, LLC	Price/Acre	\$322,397
Zoning	Town Center	Shape	Irregular
Topography	Level	Flood Plain	No
Recording	201307260002081		

Adjustments

Financing	=	Physical Characteristics	
Condition of Sale	=	Size	=
Market Conditions	+	Shape	=
Location	=	Topography	=
Access	-	Development Potential	
Exposure	=	Zoning	=
Synergy	=	Utilities	=
		Flood Plain	=

Analysis and Adjustment of Sales

The adjustment process is typically applied through either quantitative or qualitative analysis, or a combination of the two. Quantitative adjustments are often developed as dollar or percentage amounts and are most credible when there is sufficient data to perform a paired sales or statistical analysis. Qualitative adjustments are developed through relative comparisons (e.g., superior, inferior, etc.) and are often a realistic way to reflect the thought process of market participants when only limited data is available. Given the availability of data and imperfect nature of the real estate market, participants most often rely on relative or qualitative comparisons.

Adjustments are based on our rating of each comparable sale in relation to the Subject. If the comparable is rated superior to the Subject, the sale price is adjusted downward (“-“) to reflect the Subject’s relative inferiority; if the comparable is rated inferior, its price is adjusted upward (“+“) to reflect the Subject’s relative superiority. Adjustments were only applied to the comparable sales. If the sales characteristic(s) are considered similar to the subject no adjustment is warranted (“=“). Adjustments were considered under the elements of comparison discussed below.

Effective Sales Price - This adjustment is appropriate in situations where the sale price has been influenced by expenditures that the buyer intended to make immediately after purchase. Examples include buyer-paid sales commissions, buyer-paid back taxes, and costs to demolish obsolete structures to clear a site for redevelopment. In this analysis, all of the sales do not appear to be affected by needed expenditures after purchase. As a result, no adjustments are necessary.

Real Property Rights Conveyed - This adjustment is generally applied to reflect the transfer of property rights different from those being appraised, such as differences between properties owned in fee simple or in leased fee. In this analysis, all sales reflected fee simple ownership rights and thus no adjustments were required.

Financing Terms - This adjustment is generally applied to a property that transfers with atypical financing, such as having assumed an existing mortgage at a favorable interest rate. Conversely, a property may be encumbered with an above-market mortgage which has no prepayment clause or a very costly prepayment clause. Such atypical financing often plays a role in the negotiated sale price. In this analysis, no adjustments were required as all sales were cash to seller or considered to be terms equivalent to cash to seller.

Conditions of Sale - This adjustment category reflects extraordinary motivations of the buyer or the seller to complete the sale. Examples include a purchase for assemblage involving anticipated incremental value or a quick sale for cash. This adjustment category may also reflect a distress-related sale, a corporation recording at non-market price, or significant buyer expenditures immediately after purchase. From the data we analyzed for each sale, there did not appear to be any detrimental situation affecting the sale transactions. The only adjustment would be applicable to the purchase of the Subject Property due to the extensive amount of off-site expenditures to get the property properly prepared for development with the school.

Time - Market Conditions – Real estate values normally change over time. The rate of this change fluctuates due to investors’ perceptions of prevailing market conditions. This adjustment category reflects market differences occurring between the effective date of the appraisal and the sales date of a comparable, when values have appreciated or depreciated.

The sales transpired between July 2013 and June 2014. Over this time span, an increase in market conditions has occurred. It is general knowledge that the overall commercial land market throughout greater Las Vegas and adjoining suburbs has been improving over the past 24 months. We have adjusted the sales accordingly based on the date the transaction closed.

The Time - Market Conditions adjustments were applied after the previous adjustments but before any of the following adjustments.

Location and Access/Exposure/Synergy – Location has a great impact on property values. All sales are located in the greater Las Vegas ‘market with the most distant being Sale #3, which has been included given that it is a site where a charter school was developed. All are located near highway or major traffic arterial with interchanges located nearby. They are also similar reflecting on the surrounding use characteristics, access, visibility, and ingress/egress – all which influence value.

Comparable #5 is located adjacent to the north of the Subject. With the exception of an upward adjustment for market conditions, this represents the best indication of market value for the Subject Property.

Comparable #4 is located in a rapidly developing hospital/medical district. Its general locational characteristics are very similar to the Subject; however, the synergy with adjoining properties makes it a superior location. We have adjusted this sale downward for location.

Comparable #3 was included due to its ultimate development with a charter school. The site is located in a commercial district in the southeast section of Las Vegas (Henderson) the most distant comparable in our analysis. The site sits back off the main traffic arterial with only fair to average access. We have adjusted it slightly upward for location characteristics.

Comparable #2 is a recent sale of a site proposed for development with a charter school. It is considered to have an inferior location to the Subject and we have adjusted it upward for this characteristic.

Comparable #1 is the Also a recent sale of a site that is proposed for development with a charter school. It has been adjusted for inferior locational characteristics.

Size – The comparables range in size from 4.39 acres to 1.85 acres. The Subject site is 12.14 acres. In many situations, smaller sites tend to command higher prices per square foot due to their increased functionality and greater demand from more potential purchasers. This is often more typical when comparing larger parcels with smaller development tracts. In this analysis, we were unable to determine any adjustment for the size of the parcels; therefore, have concluded no adjustment(s) to the comparables.

Physical Characteristics (excluding size) - This adjustment category generally reflects differences between the comparables and the Subject in such areas as site configuration (shape), availability of utilities, or topography. All sales appear to have functional shapes, access to utilities and are level/buildable sites; therefore, no adjustment is warranted.

Zoning/Use – All the sites were similarly zoned to allow for development of uses similar to the Subject’s highest and best use as vacant. We concluded no adjustments for differences in zoning/use.

Adjustment Chart

Adjustments	Sale #1	Sale #2	Sale #3	Sale #4	Sale #5
Sale Price	\$261,959	\$326,700	\$325,380	\$435,601	\$322,397
Effective Sale Price	=	=	=	=	=
Property Rights	=	=	=	=	=
Financing	=	=	=	=	=
Condition of Sale	=	=	=	=	=
Marketing Conditions (Time)	=	=	+	+	+
Location	+	+	+	-	-
Physical Characteristics	+	-	=	-	=
Development Potential/Zoning	=	=	=	=	=
Comparability	Inferior	Similar	Inferior	Superior	Similar
Net Adjustment	+	=	+	-	=

Land Value Conclusion

Based on the preceding analysis and adjustments, the four of the five comparable sales establish a narrow range of value. Comparable #5 is provided the most reliance being the most proximate and requiring the least amount of adjustment. We relied on Sale #2 being a recent transaction and program for development with a charter school. Taking all of these factors into consideration, it is our opinion that the applicable unit value is \$325,000 per acre. This results in an indicated land value as follows:

12.14 Acres @ \$325,000 Per Acre (rounded)

\$3,950,000

Excess Land

The entire tract contains 12.14 acres with Phase I and Phase II complete. The balance of the site located in the northwest section of the site is unimproved and proposed for the development of Phase III which includes the remaining high school floor plate, gymnasium, and parking lot. We have estimated this land area to be 2.47 acres. Given the fact that the a majority of the roadways, curb and gutter and final grading have been completed, it is our opinion that there is no discount for this section of the site and its value is concluded to be \$325,000 per acre – the same as the larger sections of the entire ownership that have been developed to date.

Cost of Improvements

The most pertinent information is data provided by the school development team. A number of expert reports including plans, specifications, environmental, and geotechnical have been reviewed. We examined the contract prices paid for the development of Phase I and Phase II from the General Contractor – Nevada General Construction and Ethos Three Architecture. For support of this construction contract, we have reviewed data from:

1. Four charter school projects recently developed in Las Vegas – adjusted for inflation,
2. Our files which include over fifty (50) school development projects throughout a five state area, and;
3. Reviewed Section #18 (schools) of the Marshal Valuation Manual – a nation cost estimating service utilized by the appraisal industry.

Direct (Hard) Construction Costs

With the above referenced data, we were able to make an estimation of the replacement costs for the two-story, three building campus containing 93,816 square feet. We have estimated the direct reproduction/replacement costs (base) to be \$9,381,600 or \$100.00 per square foot. The contributory value of the site finished areas (playgrounds, recreation field, landscaping and parking lots) is estimated to be \$1,740,010 or \$4.00 per square foot applicable to the site area not covered by the building envelope. The final direct cost is for fire sprinkler system (wet) to be \$328,356 or \$3.50 per square foot. The Direct Construction Costs (replacement), when totaled are \$11,121,610 or \$118.55 per square foot.

Indirect (Soft) Costs

These costs or fees account from charges from: 1) architecture, 2) engineering, 3) other professional services, 4) miscellaneous (other) costs; and 5) contingency fee calculated to be \$3,966,500 or approximately 27.5% of the total direct costs. This percentage is higher than a typical charter school, which are usually in the 20% to 25% range – primarily contributed to the extensive miscellaneous costs associated with the development – specifically on and off-site development issues and professional studies. We have also estimated a construction contingency expense at 8.09% of the Total Direct Replacement Costs New or \$900,000 (\$9.59 per square foot). The total estimated Indirect Costs are \$3,966,500 or \$42.28 per square foot.

Summary of Costs

Total replacement costs are shown below.

Direct Costs	\$11,121,610	\$118.46 PSF
Indirect Costs	<u>\$3,966,500</u>	<u>\$42.28 PSF</u>
Total Replacement Costs	\$15,088,110	\$160.83 PSF

Entrepreneurial Profit

Entrepreneurial or developer's profit provides the incentive for the developer to bring together the land, labor, management, and financing. In this project, the developer is taking all the risk associated with the return based upon a long-term lease with the school. This lease document includes an option to purchase by the school within the first three years after commencement of the lease. We have interviewed developers active in this classification of real estate development/investment and well as national survey information and concluded that an entrepreneur's profit percentage or risk reward of 15.0% is reasonable. This percentage is applied to the land purchase/value, direct costs and indirect cost total or \$2,855,716 - \$30.44 per square foot.

Replacement Cost New

Based on the foregoing analysis, the Subject's replacement cost new is estimated at \$17,943,826 or \$191.27 per square foot.

Estimate of Accrued Depreciation

Accrued depreciation is the difference between the cost new of improvements and the current value of those improvements. Depreciation includes value losses in three basic categories: (1) physical deterioration; (2) functional obsolescence; and (3) external obsolescence.

Physical deterioration is the result of aging and normal wear and tear on a structure, which reduce its value. Impairments may be curable or incurable.

Functional obsolescence is the adverse effect on value resulting from design defects that impair the structure's usefulness. It can be caused by changes over the years that have made some aspect of the structure, material, or design obsolete by current standards.

External obsolescence is the adverse effect on value resulting from influences outside the property itself. These include changing property or land-use patterns and adverse economic climates.

Physical Curable Deterioration

The two buildings in Phase I were completed 13 months ago and our observation of the physical condition is good to excellent. Phase II was completed in the past two months and are in excellent condition. We have concluded that there are no items of physical curable deterioration in the Subject Property.

Physical Incurable Deterioration

Given the recent completion dates of the two Phases, we have not concluded any deduction for Physical Incurable Deterioration.

Functional Obsolescence

The Subject Property was recently constructed, was designed by a registered architect who has experience in designing school campuses. Our observation is that the floor plan has no functional deficiencies; therefore, we have concluded no deduction for functional obsolescence.

External Obsolescence

In a previous section of the report, we discussed the demand for charter school facilities in the greater Las Vegas region. We also discussed the accelerated pace at which the school reached its enrollment levels and the number of students on the waiting list. It has been discussed that there will be a Phase III developed (*Not a Part of this Valuation*) which includes the remaining high school floor plan and a gymnasium. These finishes are forecast to bring the total enrollment to its capacity of 2,250 students in the next two to three years. We have concluded no adjustment for economic obsolescence.

The final step in the Cost Approach methodology is to add the value concluded for the site or \$3,950,000.

On the following page is a chart detailing our estimate of the Cost Approach valuation technique and is concluded at \$21,900,000 - Rounded.

COST APPROACH SUMMARY - "AS-IS"
SKY POINTE CAMPUS
7078 SKYPOINTE DRIVE
LAS VEGAS, CLARK COUNTY, NEVADA

PROPERTY CHARACTERISTICS AND ASSUMPTIONS				
Type of Building in Marshall Valuation Service		School		
Quality in Marshall Valuation Service		Average Class C		
Elementary Building		45,789		
Middle School Building		35,185		
High School Building		12,842		
Total Building Square Footage		93,816		
Site Area		528,818	SF	
Site Area Finished (Playgrounds, Play Field, Landscaping, Parking)				
Undisturbed Site Area		435,002	SF	
Entrepreneurial Incentive (Profit)		15.0%		
BASE REPRODUCTION DIRECT COSTS				
		<u>Per Unit Cost</u>	<u>Total</u>	<u>PSF of GLA</u>
Buildings Phase I & II	\$	100.00	\$ 9,381,600	
On Site Improvements & Landscaping (Contributory)	\$	4.00	\$ 1,740,010	
Fire Sprinkler System	\$	3.50	\$ 328,356	
TOTAL BASE REPLACEMENT COST NEW			\$ 11,121,610	\$ 118.55
ADDITIONAL INDIRECT COSTS NOT INCLUDED IN BASE COSTS				
Architectural Fees		3.78%	\$ 420,000	\$ 4.48
Engineering Fees		2.40%	\$ 266,500	
Professional Fees & Permits (Survey, Title, Legal, & Environmental)		2.34%	\$ 260,000	\$ 2.77
Site Development Fees		6.92%	\$ 770,000	\$ 8.21
Miscellaneous & Other Costs		12.14%	\$ 1,350,000	\$ 14.39
Contingency Fees		8.09%	\$ 900,000	\$ 9.59
TOTAL INDIRECT REPRODUCTION COSTS NEW		35.66%	\$ 3,966,500	\$ 42.28
TOTAL REPLACEMENT COSTS NEW				
TOTAL DIRECT AND INDIRECT COSTS			\$ 15,088,110	\$ 160.83
ENTREPRENEURIAL PROFIT			\$ 2,855,716	
REPRODUCTION COST NEW - PLUS PROFIT			\$ 17,943,826	\$ 191.27
ACCRUED DEPRECIATION				
Physical Curable Deterioration			\$ -	
Physical Incurable Deterioration			\$ -	\$ -
Functional Curable Obsolescence			\$ -	
Functional Incurable Obsolescence			\$ -	\$ -
External Obsolescence			\$ -	
TOTAL Accrued Depreciation			\$ -	\$ -
VALUE ESTIMATE BY THE COST APPROACH				
DEPRECIATED COST OF IMPROVEMENTS			\$ 17,943,826	\$ 191.27
LAND VALUE - PER SF (Rounded)	\$	7.50	\$ 3,950,000	\$ 42.10
ADD: FURNITURE, FIXTURES & EQUIPMENT (FF&E)			\$ -	\$ -
VALUE ESTIMATE BY COST APPROACH			\$ 21,893,826	\$ 233.37
	Rounded		\$ 21,900,000	\$ 233.44

SALES COMPARISON APPROACH

The Sales Comparison Approach includes a set of procedures through which the appraiser derives a value indication by comparing the property being appraised to similar or comparable properties which have recently been sold or are currently offered for sale, applying appropriate units of comparison, and making adjustments (based on the elements of comparison) to the sales prices of the comparables.

Our research of comparable sales data for the state of Nevada is extremely limited. While the charter school development activity has been strong over the past two years there are no good comparable sales in which to compare the newly developing Subject Property too. The typical adjustment criteria are for time, location, and physical characteristics. We have no market data or paired sales data that would allow a supportable adjustment process to be completed. Therefore, we have not formed a conclusion of value utilizing this appraisal approach.

INDICATED VALUE – SALES COMPARISON APPROACH Not Utilized

Option to Purchase

The option to purchase the property is based upon the an adjustment of 113.5% of total construction costs (direct and indirect costs) plus the value of the vacant land if purchased within 180 days of the lease Commencement Date or 125% of Construction Costs after 180 days – February 28, 2014. The range of the option purchase price(s) based on our opinion of direct and indirect costs plus the vacant land price would be \$19,100,000 to \$20,935,000 (ROUNDED).

INCOME APPROACH – SUPPORT

There are a number of charter schools that are under lease agreements in the greater Las Vegas area. Below is a discussion of the lease on the Subject Property followed by lease information on four charter schools in the region. From this data, we compared and contrasted an indication of the reasonableness of the contract market rental rate for the Subject Property.

Sky Point Academy – Subject Property

The Sky Point Academy is being developed in three Phases with this valuation taking into account on the first two Phases. Following is the important points of the lease contract:

Phase I:

1 – Landlord	Boyer Sky Point Academy, LLC
2 – Tenant -	Somerset Academy of Las Vegas
3 - Contract Date	November 21, 2012
4 – Lease Start Date	September 1, 2013
5 – Lease Termination Date	August 31, 2033
6 – Option to Extend	1 five year option
7 – Building Size	60,500 Square Feet (Phase I)
8 – Annual Rent	\$1,346,700 (\$22.26 Per Square Foot)
9 – Annual Rent Escalation	Consumer Price Index (CPI) with 3.0% minimum
10 – Option to Purchase	Within 3 Years
11 – Option Price	Current net rent capitalized at 8.0%
12 – Expense Provision	Net to Ownership (taxes, insurance, utilities, R&M)
13 – Free Rent	Initial 2 months Year 1 and first two months Year 2

Phase II – First Amendment to Lease Agreement:

1 – Landlord	Boyer Sky Point Academy, LLC
2 – Tenant -	Somerset Academy of Las Vegas
3 - Contract Date	January 23, 2014
4 – Lease Start Date	September 1, 2014
5 – Lease Termination Date	August 31, 2033
6 – Option to Extend	1 five year option
7 – Building Size	90,500 Square Feet (Phase II)
8 – Annual Rent	\$1,821,916 (\$20.13 Per Square Foot)
9 – Annual Rent Escalation	Consumer Price Index (CPI) with 3.0% minimum beginning September 1, 2015
10 – Option to Purchase	Within 3 Years of Phase I Commencement
11 – Option Price	Current net rent capitalized at 8.0%
12 – Expense Provision	Net to Ownership (taxes, insurance, utilities, R&M)
13 – Free Rent	None

Comparable Lease Information – Charter Schools

In the paragraphs to follow, we have charted lease data from four recently completed charter schools in the Las Vegas region. The result of this analysis is the support and reasonableness of the contracted lease rate on the Subject property of \$1,821,916 annually or \$20.13 per square foot, which is then capitalized into an estimate of market value via the Income Approach.

Lease #1 - Doral Saddleback Charter School – 9625 West Saddle Avenue

1 – Landlord	CA Las Vegas 9625 WSA, LLC
2 – Tenant -	Doral Academy of Nevada
3 - Contract Date	April 13, 2013
4 – Lease Start Date	September 1, 2013
5 – Lease Termination Date	June 30, 2042 (29 Years)
6 – Option to Extend	None
7 – Building Size	57,019 Square Feet
8 – Annual Rent	\$616,500 (6/1/2014) Year 6 \$993,814 (\$17.43 PSF)
9 – Annual Rent Escalation	Irregular – Varies from. 3.0% to 20.87% annually until Lease year 6 when it stabilizes at 2.25%)
10 – Option to Purchase	Yes – (Between the 43 rd Month and the 72 nd Month)
11 – Option Price	Varies from \$10,989,464 to \$11,071,561
12 – Expense Provision	Net
13 – Free Rent	None

Lease #2 - Doral Cactus Charter School – 9025 West Cactus Road

1 – Landlord	CA Las Vegas Cactus Road, LLC
2 – Tenant -	Doral Academy of Nevada
3 - Contract Date	November 1, 2013
4 – Lease Start Date	September 1, 2014
5 – Lease Termination Date	June 30, 2043
6 – Option to Extend	None
7 – Building Size	53,000 Square Feet
8 – Annual Rent	\$666,000 (9/1/2014) Year 6 \$965,870 (\$18.22 PSF)
9 – Annual Rent Escalation	Irregular – Varies from. 4.61% to 19.44% annually until Lease year 6 when it stabilizes at 2.20%)
10 – Option to Purchase	Yes - (Between 37 th Month and 60 th Month)
11 – Option Price	Varies from \$11,267,043 to \$11,323,427
12 – Expense Provision	Net
13 – Free Rent	None

Lease #3 - Somerset of Las Vegas – Stephanie Campus – 50 North Stephanie Road

1 – Landlord	CA Las Vegas Stephanie Road, LLC
2 – Tenant -	Somerset Academy of Las Vegas
3 - Contract Date	December 20, 2013
4 – Lease Start Date	September 1, 2014
5 – Lease Termination Date	June 30, 2043
6 – Option to Extend	None
7 – Building Size	51,254 Square Feet
8 – Annual Rent	\$639,900 (9/1/2014) Year 5 \$989,593 (\$18.22 PSF)
9 – Annual Rent Escalation	Irregular – Varies from. 5.51% to 17.25% annually until Lease year 6 when it stabilizes at 2.20%)
10 – Option to Purchase	Yes - (Between 37 th Month and 60 th Month)
11 – Option Price	Varies from \$11,230,051 821,106 to \$11,905,036
12 – Expense Provision	Net
13 – Free Rent	None

Lease #4 - Somerset of Las Vegas – Losee Campus – 4650 Losee Road

1 – Landlord	CA Las Vegas Losee Road, LLC
2 – Tenant -	Somerset Academy of Las Vegas
3 - Contract Date	November 1, 2013
4 – Lease Start Date	September 1, 2014
5 – Lease Termination Date	June 30, 2043
6 – Option to Extend	None
7 – Building Size	135,104 Square Feet
8 – Annual Rent	\$904,500 (9/1/2014) Year 6 \$2,076,428 (\$15.37 PSF)
9 – Annual Rent Escalation	Irregular – Varies from. 5.51% to 17.25% annually until Lease year 6 when it stabilizes at 2.20%)
10 – Option to Purchase	Yes - (Between 37 th Month and 60 th Month)
11 – Option Price	Varies from \$23,482,443 to \$26,676,593
12 – Expense Provision	Net
13 – Free Rent	None

The four leased properties vary in size from 51,254 square feet to 135,104 square feet. Three of the comparables are newly constructed facilities, while Lease #1 is a higher education designed building that was remodeled into the charter school. The rental rates are wide ranging being from a low of \$15.37 per square foot to \$18.22 per square foot with net lease provisions. The differences in the lease rates can be in part attributable to the price paid for the land, the requirement and costs of offsite improvements, and the level(s) of site and interior finishes. The lease rate of the Subject Property is approximately 10.5% higher than the two highest comparables.

From our inspection of the comparable leases, it is quite apparent that the off and on site costs required for the Subject Property were more expensive. Additionally, Sky Pointe Phase II included the development of the remainder of the middle school floor plan and a portion of the high school. It is commonly known that the cost of developing a middle school or high school is higher due to finishes necessary for science rooms, a higher level of computer technology, and more versatile classrooms and activity areas.

Selection of the Capitalization Rate

As earlier indicated there have been a lack of charter school sales in the Las Vegas area, primarily due to the facts that this is a “Special Purpose” real estate classification where this classification of property seldom, if every sells on the open market unless is categorized as distressed.

We have completed a number of assignments in Arizona, Utah and Colorado where school building have been constructed, leased to the school entity which has an option to purchase at some future date. The capitalization rates we have reviewed varied from 7.5% to 8.5 % with a majority being 8.0%. The comparable leases we analyzed and the projected purchase prices of the four comparable leases indicated a range of 7.8% to 9.0%.

Lastly, we have compared and contrasted the desired return rates for real estate investments having similar risk levels. This data is included in local investor surveys and national surveys authored by PriceWaterhouse Coopers and many of the larger brokerage companies and financial institutions.

Based on this information and analysis, we have concluded that 8.0% is a reasonable capitalization rate for the Subject Property. By dividing the contract market rent for Phases I & II of $\$1,821,916 \div 8.0\% = \$22,775,000$ (rounded).

RECONCILIATION AND FINAL VALUE ESTIMATE

The analysis of the Subject as a “Special Purpose” property is more accurately portrayed by using the Cost Approach valuation technique. We were unable to analyze data to estimate values using the Sales Comparison. We had adequate information to compete an analysis of the Income Approach, but given the number of assumptions made and the higher level of rental rate assigned to the Subject Property as compared to the comparables, we have place less reliance on this valuation technique.

Below is a summation of our findings and conclusions;

Cost Approach	\$21,900,000
Sales Comparison	NOT CONCLUDED
Income Approach	\$22,775,000

Based on this information and analysis, it is concluded that the “as is” market value of the Sky Pointe campus property, as of October 21, 2014, was:

TWENTY ONE MILLION NINE HUNDRED THOUSAND DOLLARS
(\$21,900,000)

Furniture, Fixtures, and Equipment (FF&E)

The estimated value of the furniture, fixtures, and equipment to operate the school includes the inventory for Phase I and Phase II. The client has provided us with a listing of these items which total \$1,250,000 which equates to \$880 per student. We have not included an adjustment of market value for the furniture, Fixtures, and Equipment (FF&E) since they are currently in a financial lease agreement with Vectra Bank. Under the agreement with the bank they can be acquired in the future for a moderate cost/price.

EXPOSURE AND MARKETING TIME

Reasonable exposure time is one of a series of conditions in most market value definitions. Exposure time is always presumed to precede the effective date of the appraisal. Exposure time may be defined as follows:

The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.¹

Exposure time is different for various types of real estate and under various market conditions. The estimate of the time period for reasonable exposure is an integral part of the analysis conducted during the appraisal assignment. The estimate can be based on one or more of the following:

- statistical information about days on market;
- information gathered through sales verification; and
- interviews of market participants.

Marketing time differs from exposure time, which is always assumed to precede the effective date of an appraisal. Reasonable marketing time may be defined as follows:

An estimate of the amount of time it might take to sell a property interest in real estate at the estimated market value level during the period immediately after the effective date of an appraisal.²

Related information garnered through this process include other market conditions that may affect marketing time, such as the identification of typical buyers and sellers for the type of real estate involved and typical equity investment levels and/or financing terms. The reasonable marketing time is a function of price, time, use, and anticipated market conditions such as changes in the cost and availability of funds; not an isolated estimate of time alone.

¹Appraisal Standards Board of The Appraisal Foundation, *Statement on Appraisal Standards No. 6 (SMT-6)*, September 16, 1992.

²Appraisal Standards Board of the Appraisal Foundation, *Advisory Opinion G-7*; September 16, 1992.

The market for “Special Purpose” properties like the Subject cannot be estimated from market data, especially from the fact that the utilization of the building in its current configuration. This classification of real estate is so rarely transacted and the terms or the sale are far reaching.

Given my experience in this market segment that if the school were put on the market for sale, it would likely take in excess of 24 months to secure a purchaser, which could potential include a private school organization.

We believe the reasonable exposure/ marketing time for the Subject Property would be in excess of 24 months.

QUALIFICATIONS OF JOHN L. EMMERLING, MAI

EMPLOYMENT HISTORY – Past 25 Years

2009-Present	President Trophy Property Company 2224 South Queen Street Lakewood, Colorado 80227
2001 – 2008	Partner Daniels Emmerling Real Estate Services, LLP Englewood, Colorado
1998 - 2001	Director of Valuation Services THK Associates, Inc. Aurora, Colorado
1997-1998	Director of Valuation Services Joseph Farber and Company, Inc. Denver, Colorado
1983-1997	Director/Manager Valuation Advisory Services Cushman & Wakefield of Colorado, Inc. Denver, Colorado

PROFESSIONAL EXPERIENCE

John L. Emmerling, MAI has 36 years experience in the real estate industry. After completing his degree at the University of Colorado, majoring in real estate and marketing, his career began appraising single-family residences. In 1983, he received his MAI designation and opened the Denver appraisal office for Cushman & Wakefield. As part of this national network, he coordinated multi-property assignments throughout the U.S. and has completed appraisal assignments in most all of the western states.

Experience in the various property types include:

Office Buildings	Charter Schools
Shopping Centers	Hotels/Motels
Golf Courses & Resort Properties	Industrial Facilities
Apartments	Congregate Care
Mobile Home Parks	Mini-warehouse
Special Purpose	Subdivisions and Vacant Land

Valuation techniques include feasibility, leasehold/leased fee, Discounted Cash Flow analysis, and other computer assisted applications.

PROFESSIONAL ASSOCIATIONS

Member of the Appraisal Institute (MAI Designation)
State of Colorado - Certified General Appraiser #CGO1313487
State of Colorado - Licensed Associate Broker (Inactive)
State of Arizona – Certified General Real Estate Appraiser #31981
State of Nevada – Temporary Appraiser Permit # ATMP.0012700.CG

EDUCATION

Bachelor of Science in Real Estate and Marketing, 1972
University of Colorado
Boulder, Colorado

AIREA/Appraisal Institute Courses and Seminars

Real Estate Appraisal Principles
Capitalization Theory and Techniques
Case Studies and Report Writing
Litigation Valuation
Residential Valuation
Standards of Professional Practice - Parts A&B
Electronic Spreadsheet
Water Rights Valuation
Ad Valorem Tax and Assessed Values
Cash Equivalency
Evaluation - Commercial Construction
Fair Lending and the Appraiser

EXPERT WITNESS

Qualified as an expert witness in real estate valuation - US Bankruptcy court, Federal District Court, Adams, Boulder, Denver, Arapahoe, and Jefferson County District Courts - Colorado. District Court – Arizona.

ARTICLES

New Technology Continues to Effect Change in Appraisal - Colorado Real Estate Journal - 1996
Real Estate Tax Appeal - Denver Business Journal - 1996
An Advisory Services Panel Report – Victorian Square – Sparks Nevada, Urban Land Institute - 2000

ADDENDUM

SUBJECT PHOTOGRAPHS

LEGAL DESCRIPTION

MARKET STUDIES – MOODY’S AND FASTFACTS

**SOMERSET ACADEMY SCHOOL ACCOUNTABILITY
REPORT**

**CONTRACTOR’S BID – CONSTRUCTION COSTS –
PHASE I & PHASE II**

5-YEAR BUDGET & ENROLLMENT GROWTH PLAN

DEMOGRAPHICS – LAS VEGAS

APPRAISER’S STATE LICENSE

LIST OF CHARTER SCHOOLS APPRAISED

SUBJECT PHOTOGRAPHS



Exterior View – Northeast Elementary School



Exterior View – East of School Campus



Exterior View – East of High and Middle School



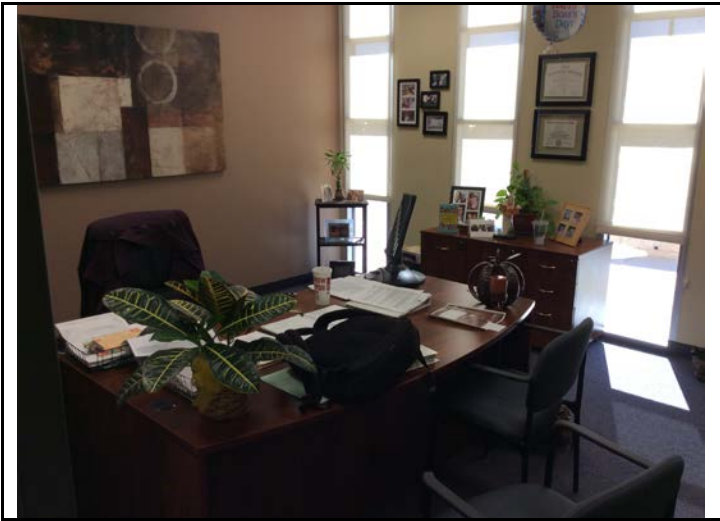
Exterior View – Southeast of Elementary and Middle School



Exterior View – Northeast of Elementary School



Exterior View – Northwest of Elementary School



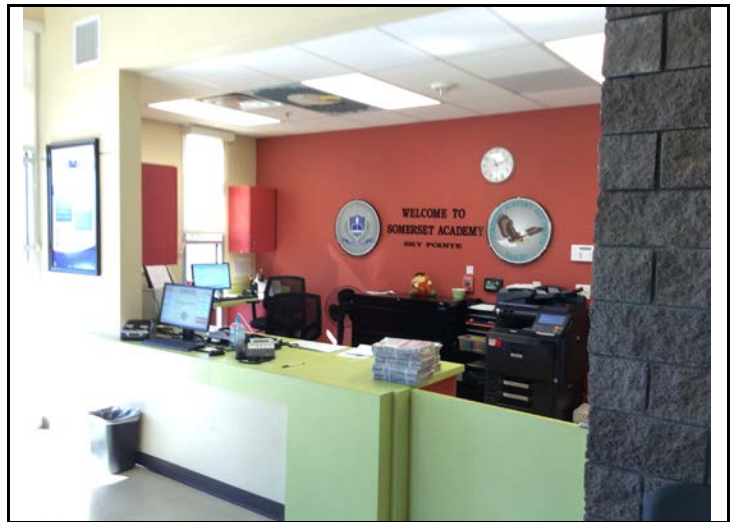
Typical Office



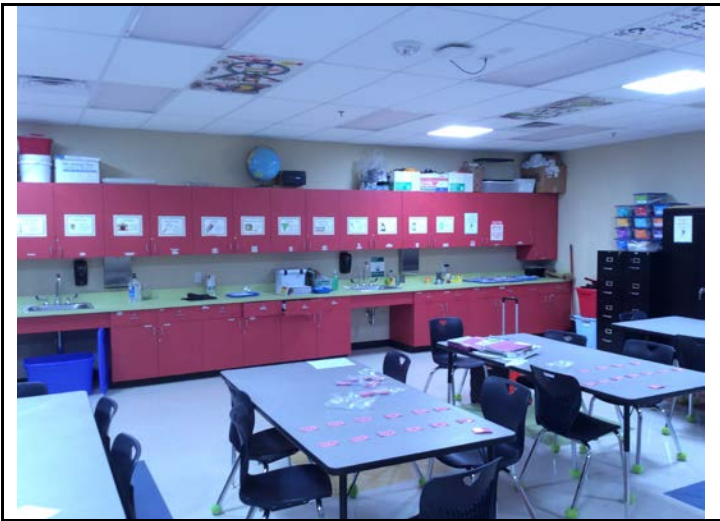
Typical Classroom



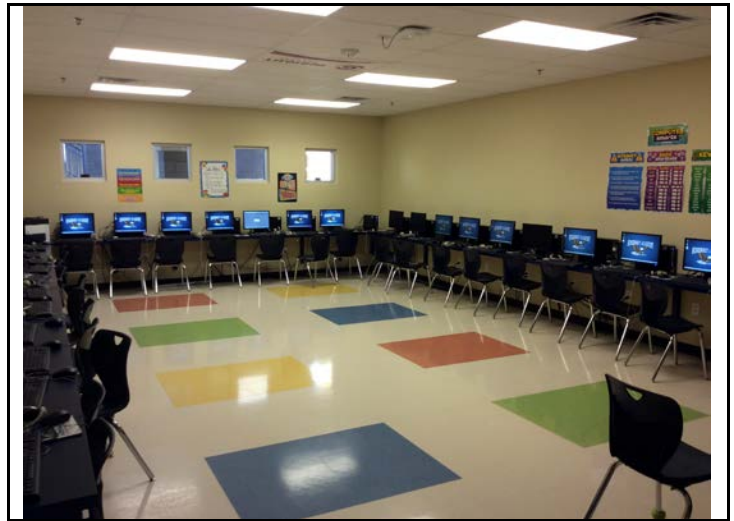
Conference Room



Reception/Lobby



Science Room



Computer Lab



Clinic



Staff Work Room



Middle School Multi-purpose Room – Cafeteria



Elementary School Multi-purpose Cafeteria



Kitchen



Computer Lab



Science Classroom



Science Prep Room



Staff Lounge



Media – Library Room



Playground Near Middle School



Elementary School Playground



View North Across Recreation Field



View Northeast Playground – Middle School



View South – Middle School to Right



View South on Sky Pointe Drive



View to East of North Parking Lot



View to West of Phase II – Excess Land



View to North Along East Side Elementary



View to West of South Parking Lot



View North - Access Road to Elkhorn Road



View North Along Sky Pointe Drive



View North - Recreation Field
Senior High in Background



View West of Recreation Field

LEGAL DESCRIPTION

EXHIBIT "A"

LEGAL DESCRIPTION

A PORTION OF THE NORTHWEST QUARTER (NW 1/4) OF THE NORTHWEST QUARTER (NW 1/4) OF SECTION 21, TOWNSHIP 19 SOUTH, RANGE 60 EAST, M.D.M., CITY OF LAS VEGAS, CLARK COUNTY, NEVADA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID NORTHWEST QUARTER (NW 1/4); THENCE SOUTH 00°42'46" WEST ALONG THE EAST LINE OF SAID NORTHWEST QUARTER (NW 1/4), A DISTANCE OF 68.11 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF ELKHORN ROAD, SAME BEING THE POINT OF BEGINNING;
THENCE CONTINUING SOUTH 00°42'46" WEST ALONG SAID EAST LINE, 1208.52 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST QUARTER (NW 1/4); THENCE DEPARTING SAID EAST LINE, NORTH 87°07'40" WEST ALONG THE SOUTH LINE OF SAID NORTHWEST QUARTER (NW 1/4), A DISTANCE OF 402.92 FEET; THENCE DEPARTING SAID SOUTH LINE NORTH 36°30'52" WEST, 398.33 FEET; THENCE NORTH 27°25'02" WEST, 63.25 FEET; THENCE NORTH 36°30'52" WEST, 199.50 FEET; THENCE SOUTH 53°29'08" WEST, 10.00 FEET; THENCE NORTH 36°30'52" WEST, 264.68 FEET; THENCE SOUTH 89°17'14" EAST, 912.22 FEET; THENCE NORTH 00°42'46" EAST, 291.43 FEET TO THE BEGINNING OF A CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 128.00 FEET; THENCE NORTHERLY 62.26 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27°52'01" TO THE BEGINNING OF A REVERSE CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 147.50 FEET, A RADIAL LINE TO SAID BEGINNING BEARS SOUTH 62°50'45" WEST; THENCE NORTHERLY 77.45 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30°05'02"; THENCE NORTH 02°55'48" EAST, 20.92 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 20.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, 15.36 FEET THROUGH A CENTRAL ANGLE OF 43°59'37" TO SAID SOUTH RIGHT-OF-WAY LINE OF ELKHORN ROAD; THENCE SOUTH 86°34'54" EAST ALONG SAID SOUTH RIGHT-OF-WAY LINE, 86.19 FEET TO THE POINT OF BEGINNING.)

NOTE: THE ABOVE METES AND BOUNDS LEGAL DESCRIPTION WAS PREPARED BY ROB FOLEY, TRI-CORE SURVEYING, LLC, 6761 W. CHARLESTON BLVD. LAS VEGAS, NEVADA 89146

ASSESSOR'S COPY

PARCEL 2
EXHIBIT "A"

EXPLANATION

THIS LAND DESCRIPTION DESCRIBES A PARCEL OF LAND GENERALLY LOCATED EAST OF US HIGHWAY 95 AND SOUTH OF ELKHORN ROAD.

LEGAL DESCRIPTION

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PARCEL 2 AS SHOWN BY MAP THEREOF ON FILE IN THE CLARK COUNTY RECORDER'S OFFICE IN FILE 118, PAGE 98 OF PARCEL MAPS

END OF DESCRIPTION

ASSESSOR'S COPY

MARKET STUDIES – MOODY’S AND FASTFACTS

LAS VEGAS-PARADISE NV

Data Buffet® MSA code: MLAS

ECONOMIC DRIVERS  	EMPLOYMENT GROWTH RANK 2013-2015: 42 (1st quintile) 2013-2018: 38 (1st quintile) <i>Best=1, Worst=392</i>	RELATIVE COSTS LIVING: 99% BUSINESS: 83% <i>U.S.=100%</i>	VITALITY RELATIVE: 127% RANK: 32 <i>U.S.=100% Best=1, Worst=384</i>
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BUSINESS CYCLE STATUS ANALYSIS



- ### STRENGTHS & WEAKNESSES
- STRENGTHS**
- » Unparalleled gaming and entertainment infrastructure.
 - » No personal income tax.
 - » Strong population growth.
- WEAKNESSES**
- » Overreliance on consumer spending for growth.
 - » High volatility.
 - » Relatively low educational attainment.

FORECAST RISKS

SHORT TERM  LONG TERM 

RISK EXPOSURE 2014-2019 **10** 1st quintile *Highest=1 Lowest=384*

- UPSIDE**
- » State property tax cap gets modified, boosting local government finances.
 - » Low business costs drive faster growth in services outside of tourism.
- DOWNSIDE**
- » Weaker U.S. consumer spending bogs down tourism hiring.
 - » Waning investor demand and more foreclosures inhibit house price and residential construction recovery.

MOODY'S RATING
Aa1 COUNTY AS OF JAN 17, 2014

Recent Performance. Record numbers of tourists and a rebound in net migration are helping Las Vegas-Paradise recover quickly. After slowing last year, tourism is heating up as the metro area is on pace to accommodate more than 41 million visitors, breaking 2012's record. This improvement, along with the population rising by 1.5% per annum in 2012 and 2013, is sustaining demand for all types of private services and producing employment growth nearly twice the U.S. average. However, the average work-week continues to fall and hourly earnings gains are average at best, signaling that a large portion of jobs are lower-paying and/or part time. House price appreciation has slowed considerably from 35% year over year in July 2013 to 11% currently, as investor demand has waned. Although house price appreciation has helped local government coffers, homebuilders have yet to react.

Construction. Although construction will not drive growth as it did a decade ago, builders will expand for some time, creating a large number of well-paying jobs. After six consecutive years of layoffs, which reduced the industry's footprint from 12% to 4.5% of total payrolls, builders have steadily hired over the last 18 months, in response to demand for new retail and apartment space as well as renovations to the Strip and public infrastructure investment. Though some of the nonresidential projects like the SLS Las Vegas and Downtown Summerlin have reached completion, the pipeline of projects on the Strip still looks promising. MGM, the metro area's largest employer, is planning to build a 20,000-seat arena in addition to a new complex for dining, entertainment and recreation. Genting, a Malaysian casino operator, is spending \$4 billion on Resorts World Las Vegas, an Asian-themed resort with gaming, retail, restaurants, and various recreation opportunities. Finally, with house prices and apartment rents

steadily rising and population growth expected to remain robust, it is only a matter of time before homebuilding awakens from its slumber. Residential construction, once a crucial part of the metro area's economic base, will be a key source of jobs.

Tourism. The new construction projects on the Strip bode well for LAS's bread-and-butter industry. A rising level of tourists, both from neighboring states and outside of the region, confirms that while legalized gaming has been replicated elsewhere, no other U.S. location rivals LAS's lavish casinos, nationally known entertainment, upscale retailers, dining, and premier nightlife. This superiority has translated into a renewed optimism by the business community and ensures that hiring will remain steady in retail trade and leisure/hospitality.

Locals. If an adverse economic shock were to derail the tourist boom, LAS has little else to sustain its recovery. As one of the least diverse metro areas, LAS is driven exclusively by its draw as a tourist destination and a place to reside. If the flow of tourists were to slow, jobs in construction, retail trade and leisure/hospitality would be threatened. Locals would struggle to sustain the current pace of consumer spending since most have below-average credit, while per capita disposable income is still far from normal. Furthermore, high-paying job opportunities will continue to be scarce, as the share of residents with an associate's, bachelor's or graduate degree is subpar.

Las Vegas-Paradise's recovery will remain strong as an increasing pull of migrants and tourists drives robust private service demand. Longer term, the metro area's unparalleled tourism assets and strong appeal as a retirement destination will ensure above-average job growth.

*Gregory Bird
 August 2014*

*1-866-275-3266
 help@economy.com*

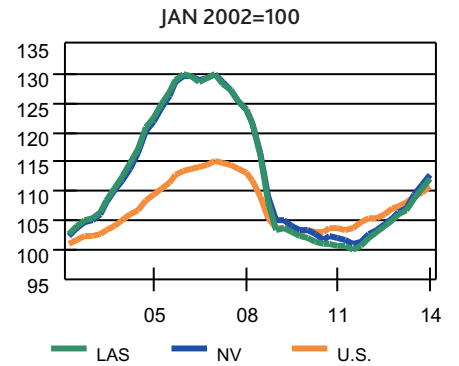
2008	2009	2010	2011	2012	2013	INDICATORS	2014	2015	2016	2017	2018	2019
92.5	83.6	81.7	81.2	82.7	84.7	Gross metro product (C09\$ bil)	86.8	90.6	94.1	96.8	98.7	100.6
-3.5	-9.6	-2.2	-0.7	1.9	2.5	% change	2.5	4.4	3.8	2.9	2.0	1.9
912.3	826.8	803.7	808.3	824.8	848.6	Total employment (ths)	877.1	904.3	931.1	954.8	970.3	984.6
-1.7	-9.4	-2.8	0.6	2.0	2.9	% change	3.4	3.1	3.0	2.5	1.6	1.5
7.0	11.9	14.1	13.6	11.7	10.0	Unemployment rate (%)	7.7	6.3	6.2	5.9	5.5	5.0
0.5	-6.2	-0.1	1.8	3.9	3.1	Personal income growth (%)	5.5	8.1	8.3	7.5	6.2	5.0
57.0	53.8	51.2	48.7	49.4	50.4	Median household income (\$ ths)	51.7	53.9	55.9	58.1	60.3	62.0
1,912.3	1,939.4	1,953.1	1,966.6	1,997.7	2,027.9	Population (ths)	2,061.4	2,104.0	2,154.8	2,208.4	2,262.9	2,318.3
2.4	1.4	0.7	0.7	1.6	1.5	% change	1.7	2.1	2.4	2.5	2.5	2.4
26.9	10.5	-1.2	0.5	18.9	17.0	Net migration (ths)	21.4	30.4	38.5	41.3	42.1	43.0
5,840	3,777	4,623	3,817	6,108	7,067	Single-family permits (#)	6,142	8,314	14,702	16,510	16,463	15,103
6,697	1,911	851	1,330	1,267	1,506	Multifamily permits (#)	2,498	3,274	5,147	4,867	5,220	5,221
219.1	143.8	137.9	124.8	134.3	173.5	Existing-home price (\$ ths)	194.6	204.4	213.5	219.8	226.6	235.8

ECONOMIC HEALTH CHECK

	Feb 14	Mar 14	Apr 14	May 14	Jun 14	Jul 14
Employment, change, ths	3.6	4.4	1.5	0.7	0.4	1.8
Unemployment rate, %	8.7	8.7	8.1	8.0	7.8	7.8
Labor force participation rate, %	62.8	63.1	62.8	62.9	62.7	62.5
Employment-to-population ratio, %	57.3	57.6	57.7	57.8	57.8	57.7
Average weekly hours, #	33.6	33.6	33.4	33.3	33.5	33.3
Industrial production, 2007=100	99.1	100.0	100.0	100.4	100.9	100.5
Residential permits, single-family, #	6,348	5,673	6,125	5,876	7,329	10,185
Residential permits, multifamily, #	3,687	3,597	4,704	4,210	311	4,453

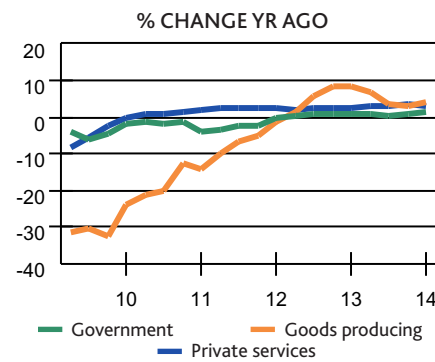
Sources: BLS, Census Bureau, Moody's Analytics

BUSINESS CYCLE INDEX



Source: Moody's Analytics

CURRENT EMPLOYMENT TRENDS

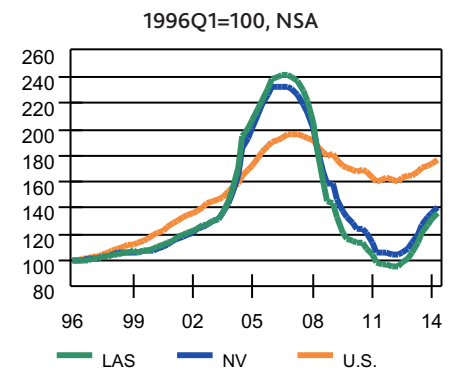


Sources: BLS, Moody's Analytics

	Nov 13	Mar 14	Jul 14
Total	2.9	3.5	3.1
Construction	6.6	3.0	6.7
Manufacturing	2.2	3.1	2.3
Trade	3.7	6.1	4.7
Trans/Utilities	2.1	2.8	2.1
Information	-6.3	4.2	-5.7
Financial Activities	3.2	1.3	1.7
Prof & Business Svcs.	2.7	5.2	4.8
Edu & Health Svcs.	5.0	4.0	5.8
Leisure & Hospitality	2.8	3.0	1.8
Other Services	-0.6	0.9	0.8
Government	1.1	1.3	1.4

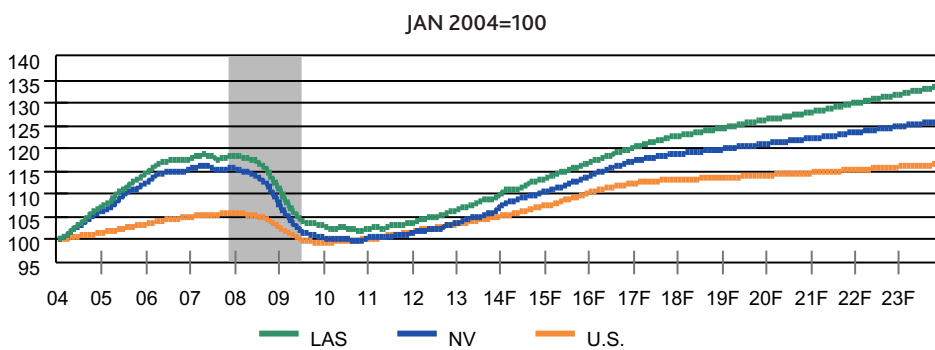
Sources: BLS, Moody's Analytics

HOUSE PRICE



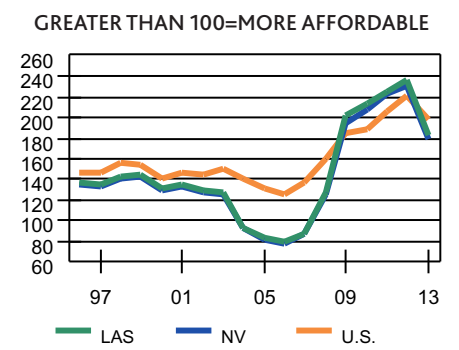
Sources: FHFA, Moody's Analytics

RELATIVE EMPLOYMENT PERFORMANCE



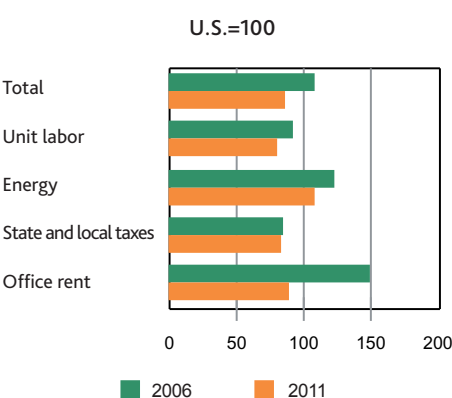
Sources: BLS, Moody's Analytics

HOUSING AFFORDABILITY INDEX



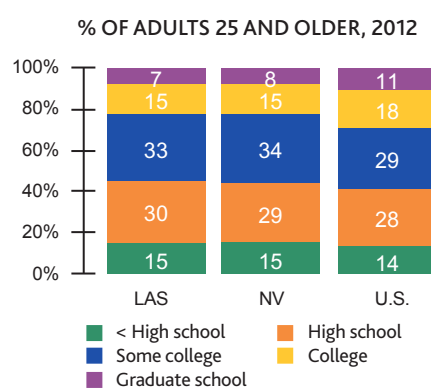
Sources: NAR, Moody's Analytics

BUSINESS COSTS



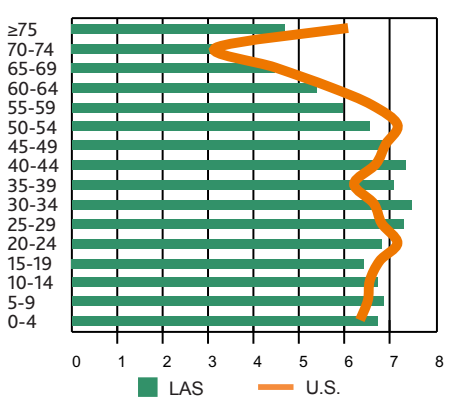
Source: Moody's Analytics

EDUCATIONAL ATTAINMENT



Sources: Census Bureau, Moody's Analytics

POPULATION BY AGE, %



Sources: Census Bureau, Moody's Analytics

EMPLOYMENT & INDUSTRY		MIGRATION FLOWS																																																																																												
<p style="text-align: center; margin: 0;">TOP EMPLOYERS</p> <table border="1" style="width:100%; border-collapse: collapse; font-size: small;"> <tr><td>MGM Resorts International</td><td style="text-align: right;">52,506</td></tr> <tr><td>Caesars Entertainment Corp.</td><td style="text-align: right;">24,000</td></tr> <tr><td>Station Casinos Inc.</td><td style="text-align: right;">13,000</td></tr> <tr><td>Nellis Air Force Base</td><td style="text-align: right;">12,384</td></tr> <tr><td>Wynn Las Vegas LLC</td><td style="text-align: right;">11,720</td></tr> <tr><td>Boyd Gaming Corp.</td><td style="text-align: right;">9,100</td></tr> <tr><td>Las Vegas Sands Corp.</td><td style="text-align: right;">8,630</td></tr> <tr><td>Las Vegas Metropolitan Police Department</td><td style="text-align: right;">7,000</td></tr> <tr><td>Wal-Mart Stores Inc.</td><td style="text-align: right;">6,475</td></tr> <tr><td>The Valley Health System</td><td style="text-align: right;">5,267</td></tr> <tr><td>Cosmopolitan of Las Vegas</td><td style="text-align: right;">4,373</td></tr> <tr><td>SuperValu Inc.</td><td style="text-align: right;">4,024</td></tr> <tr><td>University Medical Center of S. 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Lake Havasu, AZ	1,313																																																																																													
Honolulu, HI	1,121																																																																																													
Reno, NV	1,041																																																																																													
New York, NY	1,007																																																																																													
Total in-migration	68,389																																																																																													
Los Angeles, CA	5,866																																																																																													
Riverside, CA	3,156																																																																																													
Phoenix, AZ	2,618																																																																																													
San Diego, CA	2,053																																																																																													
Santa Ana, CA	1,687																																																																																													
Denver, CO	1,283																																																																																													
Chicago, IL	1,105																																																																																													
Salt Lake City, UT	1,080																																																																																													
Seattle, WA	1,059																																																																																													
Reno, NV	1,015																																																																																													
Total out-migration	72,761																																																																																													

COMPARATIVE EMPLOYMENT AND INCOME

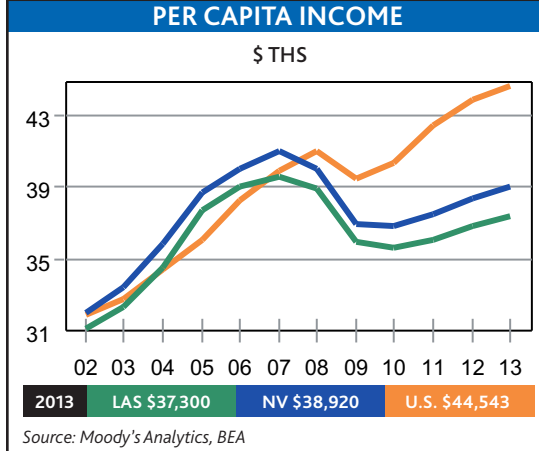
Sector	% of Total Employment			Average Annual Earnings		
	LAS	NV	U.S.	LAS	NV	U.S.
Mining	0.0%	1.3%	0.6%	\$53,968	\$87,471	\$126,685
Construction	4.8%	4.9%	4.3%	\$69,933	\$66,635	\$58,586
Manufacturing	2.4%	3.4%	8.8%	\$63,412	\$63,219	\$77,169
Durable	59.1%	63.4%	62.8%	nd	\$68,871	\$78,430
Nondurable	40.9%	36.6%	37.2%	nd	\$53,334	\$75,058
Transportation/Utilities	4.3%	4.6%	3.7%	\$63,962	\$61,191	\$64,250
Wholesale Trade	2.4%	2.8%	4.2%	\$72,619	\$71,858	\$79,805
Retail Trade	11.8%	11.5%	11.1%	\$33,794	\$32,841	\$32,229
Information	1.1%	1.1%	2.0%	\$59,538	\$61,028	\$96,294
Financial Activities	5.1%	4.8%	5.8%	\$22,019	\$21,454	\$47,849
Prof. and Bus. Services	13.1%	12.7%	13.6%	\$55,414	\$53,702	\$63,688
Educ. and Health Services	9.3%	9.5%	15.5%	\$55,201	\$54,691	\$51,543
Leisure and Hosp. Services	31.5%	27.6%	10.4%	\$42,217	\$39,372	\$24,522
Other Services	2.9%	2.8%	4.0%	\$34,638	\$35,235	\$33,733
Government	11.2%	12.8%	16.0%	\$81,073	\$78,668	\$71,281

Sources: Percent of total employment — BLS, Moody's Analytics, 2013, Average annual earnings — BEA, Moody's Analytics, 2012

NET MIGRATION, #

	2010	2011	2012	2013
Domestic	-6,705	-5,420	12,315	10,524
Foreign	5,452	5,929	6,606	6,506
Total	-1,253	509	18,921	17,030

Sources: IRS (top), 2011, Census Bureau, Moody's Analytics



HIGH-TECH EMPLOYMENT

	Ths	% of total
LAS	18.6	2.2
U.S.	6,431.1	4.7

HOUSING-RELATED EMPLOYMENT

	Ths	% of total
LAS	83.7	9.9
U.S.	12,401.4	9.1

Source: Moody's Analytics, 2013

LEADING INDUSTRIES BY WAGE TIER

	NAICS Industry	Location Quotient	Employees (ths)
HIGH	5511 Management of companies & enterprises	1.2	15.8
	6221 General medical and surgical hospitals	0.5	14.9
	6211 Offices of physicians	0.8	12.6
	GVF Federal Government	0.7	12.0
MID	7211 Traveler accommodation	14.7	167.0
	GVL Local Government	0.7	66.3
	GVS State Government	0.5	17.5
LOW	4853 Taxi and limousine service	22.7	10.9
	5617 Services to buildings and dwellings	1.5	18.2
	4481 Clothing stores	2.2	14.4
	4451 Grocery stores	0.9	14.3
5613 Employment services	0.5	12.3	

Source: Moody's Analytics, 2014

THE BOTTOM LINE... Values in the new and resale home segments trended north during the month of August 2014. The new home market experienced a 10.6-percent gain from the prior year while resale closing prices were up 12.9 percent. The mix of sales within the resale market continues to evolve as fewer distressed transactions move through the system. Non-distressed sales accounted for 4 out of 5 transactions while reporting substantially higher price points compared to distressed activity (i.e., auction, bank and short sales). The sales mix, pricing trends and supply-demand fundamentals suggest increased stability within the southern Nevada housing market. A key area to watch going forward includes the motivations and actions of large investor groups. Cash buyers have become a significantly smaller share of overall activity, with price points remaining elevated relative to the trough in the economic cycle. The timing of dispositions that allows investors to realize their gains will be important to the housing equation. We have yet to see a bulk release of assets; and, given the longer view of most, a flood of inventory is not expected in the near term. A rebalancing between investor returns and end-user demand will be a key consideration in supply and pricing levels going forward. Much of the pain in the southern Nevada has passed – it will be important to avoid a repeat performance.

 **NEW HOME HIGHLIGHTS**

- **NEW HOME CLOSINGS:** A total of 553 new home closings were reported in August 2014, up from 478 in July, but 26.8 percent below levels reported one year earlier. Through the first eight months of the year, sales are off 24.2 percent.
- **NEW HOME PRICING:** Median new home prices continued to press north to \$294,640 in August (+10.6 percent from the prior year). On a price-per-square-foot basis, the average in August was \$131.66, up 7.0 percent from one year ago.
- **NEW HOME SUPPLY:** The number of new home permits moderated in August when compared to recent months. Permits totaled 537 in August, which was 16.2 percent of the pace reported in August 2013. Through the first eight months of 2014, permitting volumes are down 4.8 percent.

NEW HOME MARKET SNAPSHOT

	Value	Annual Growth
Median Home Price	\$294,640	+10.6%
Average Price Per Square Foot	\$131.66	+7.0%
No. of Closings - Month	553	-26.8%
No. of Closings - Year-to-Date	3,760	-24.2%
No. of Closings - Last 12 Months	5,875	-19.5%
New Home Permits - Month	537	-16.2%
New Home Permits - Year-to-Date	4,673	-4.8%
New Home Permits - Last 12 Months	6,539	-3.3%
Active Subdivisions	165	+7.8%
Average Sales per Subdivision	3.35	-32.1%

 **EXISTING HOME HIGHLIGHTS**

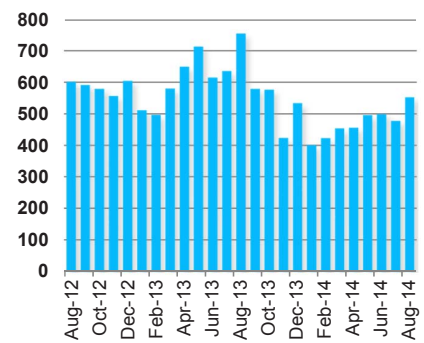
- **EXISTING (RESALE) HOME CLOSINGS:** A total of 3,609 resale closings took place in August, down from July (-6.3 percent) and the prior year (-15.1 percent). Through the first eight months, sales volumes are down 11.5 percent.
- **EXISTING (RESALE) HOME PRICING:** Median prices in the resale market edged up to \$175,000 in August compared to \$173,927 in July and \$155,000 last year. The average price per square foot in August was \$115.56 (+13.7 percent year-over-year).
- **RESALE AVAILABILITY (MLS LISTINGS):** The Multiple Listing Service (MLS) reported 9,949 resale units, or 3.3 months of effective availability. Both metrics are up from July and the same month of the prior year.
- **BANK FORECLOSURES (REPOSSESSIONS):** Foreclosure volumes remain relatively soft at 145 units in August (-12.1 percent from last year).

EXISTING (RESALE) HOME MARKET SNAPSHOT

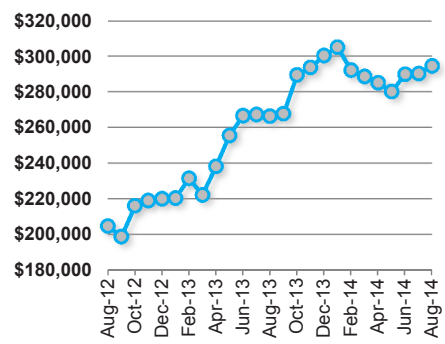
	Value	Annual Growth
Median Home Price	\$175,000	+12.9%
Average Price Per Square Foot	\$115.56	+13.7%
No. of Closings - Month	3,609	-15.1%
No. of Closings - Year-to-Date	29,121	-11.5%
No. of Closings - Last 12 Months	43,777	-10.0%
Bank Repossessions - Month	145	-12.1%
Bank Repossessions - Year-to-Date	1,844	+21.0%
Bank Repossessions - Last 12 Months	2,836	+18.4%
MLS Listings (Available)	9,949	+19.6%
Effective MLS Inventory (in Months)	3.3	+24.7%

New Home Sales

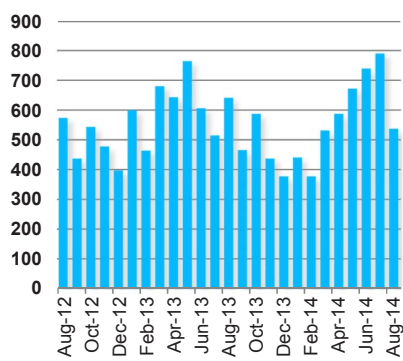
New Home Sales



Median New Home Prices



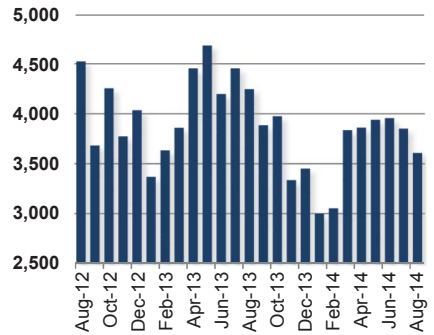
New Home Permits



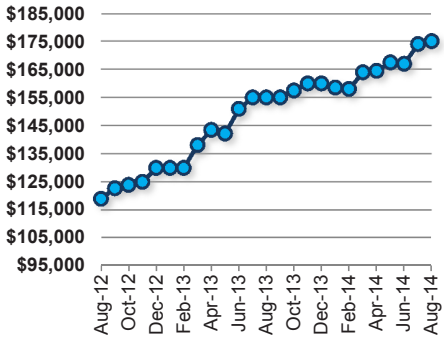
	New Home Closings		New Home Median Closing Prices		New Home Avg \$/SqFt		New Home Permits		Active Subdivisions		Average Sales Per Subdivision	
Aug-12	602	59.7%	\$204,737	3.5%	\$105.44	8.6%	573	70.0%	206	-14.2%	2.92	86.0%
Sep-12	592	48.7%	\$198,845	-3.1%	\$102.64	4.0%	437	73.4%	186	-22.8%	3.18	92.7%
Oct-12	580	79.6%	\$216,045	9.4%	\$103.98	5.6%	543	175.6%	184	-24.3%	3.15	137.1%
Nov-12	557	60.5%	\$219,000	5.7%	\$109.56	14.7%	477	90.8%	181	-24.6%	3.08	112.8%
Dec-12	605	65.8%	\$219,963	4.1%	\$108.21	16.1%	397	3.4%	184	-21.7%	3.29	111.7%
Jan-13	512	138.1%	\$220,355	4.0%	\$116.05	26.0%	599	169.8%	168	-28.5%	3.05	233.1%
Feb-13	497	73.8%	\$231,573	17.9%	\$119.45	25.2%	463	96.2%	152	-36.9%	3.27	175.5%
Mar-13	581	67.0%	\$222,201	8.7%	\$114.09	15.9%	680	32.3%	153	-32.0%	3.80	145.5%
Apr-13	650	85.7%	\$238,194	17.5%	\$109.08	14.8%	643	7.9%	151	-31.4%	4.30	170.6%
May-13	714	72.9%	\$255,565	29.1%	\$113.79	18.3%	764	16.8%	155	-29.9%	4.61	146.5%
Jun-13	616	65.1%	\$266,725	37.6%	\$116.21	12.5%	606	-6.5%	151	-30.4%	4.08	137.3%
Jul-13	636	35.9%	\$267,254	30.9%	\$118.86	21.0%	514	-6.4%	152	-28.3%	4.18	89.5%
Aug-13	755	25.4%	\$266,389	30.1%	\$122.99	16.6%	641	11.9%	153	-25.7%	4.93	68.9%
Sep-13	580	-2.0%	\$267,856	34.7%	\$126.08	22.8%	465	6.4%	155	-16.7%	3.74	17.6%
Oct-13	577	-0.5%	\$289,521	34.0%	\$127.70	22.8%	587	8.1%	153	-16.8%	3.77	19.6%
Nov-13	424	-23.9%	\$293,738	34.1%	\$125.20	14.3%	437	-8.4%	154	-14.9%	2.75	-10.5%
Dec-13	534	-11.7%	\$300,469	36.6%	\$123.57	14.2%	377	-5.0%	153	-16.8%	3.49	6.1%
Jan-14	401	-21.7%	\$305,125	38.5%	\$125.67	8.3%	440	-26.5%	152	-9.5%	2.64	-13.4%
Feb-14	423	-14.9%	\$292,225	26.2%	\$125.47	5.0%	377	-18.6%	149	-2.0%	2.84	-13.2%
Mar-14	454	-21.9%	\$288,674	29.9%	\$127.87	12.1%	531	-21.9%	164	7.2%	2.77	-27.1%
Apr-14	456	-29.8%	\$285,089	19.7%	\$126.45	15.9%	587	-8.7%	164	8.6%	2.78	-35.4%
May-14	496	-30.5%	\$280,168	9.6%	\$132.89	16.8%	672	-12.0%	165	6.5%	3.01	-34.7%
Jun-14	499	-19.0%	\$290,000	8.7%	\$130.31	12.1%	739	21.9%	170	12.6%	2.94	-28.0%
Jul-14	478	-24.8%	\$290,357	8.6%	\$129.12	8.6%	790	53.7%	170	11.8%	2.81	-32.8%
Aug-14	553	-26.8%	\$294,640	10.6%	\$131.66	7.0%	537	-16.2%	165	7.8%	3.35	-32.1%

Note: Growth rate (%) reflects year-over-year changes

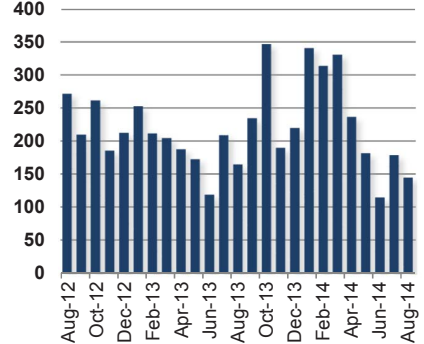
Existing Home Sales



Median Existing Home Prices



Foreclosures (REOs)



Existing Home Sales

	Existing Home Closings		Median Closing Prices		Existing Home Avg \$/SqFt		Bank Repossessions		Available MLS Listings (Resale)		Effective MLS Inventory (in months)	
Aug-12	4,526	-21.1%	\$119,000	14.5%	\$81.80	18.7%	272	-81.9%	4,911	-62.7%	1.4	-56.2%
Sep-12	3,684	-26.0%	\$122,781	17.0%	\$79.60	16.1%	210	-81.0%	4,930	-61.4%	1.6	-51.3%
Oct-12	4,257	1.4%	\$124,000	18.1%	\$79.67	18.3%	262	-71.8%	4,767	-61.0%	1.3	-57.8%
Nov-12	3,776	-17.4%	\$125,000	21.4%	\$82.09	23.3%	186	-81.1%	4,694	-57.7%	1.5	-53.8%
Dec-12	4,036	-21.7%	\$130,000	23.9%	\$83.88	24.9%	213	-76.4%	4,516	-57.2%	1.3	-53.7%
Jan-13	3,371	-23.7%	\$130,000	30.0%	\$87.59	34.5%	253	-75.2%	4,226	-55.7%	1.6	-44.3%
Feb-13	3,637	-16.0%	\$130,000	28.7%	\$86.96	32.1%	212	-65.8%	4,022	-48.9%	1.3	-41.0%
Mar-13	3,862	-27.1%	\$138,151	31.6%	\$90.42	34.1%	205	-42.4%	4,193	-28.9%	1.2	-42.6%
Apr-13	4,456	-4.3%	\$143,500	34.1%	\$96.84	41.2%	188	-27.1%	4,316	-8.9%	1.2	-8.6%
May-13	4,685	-3.1%	\$142,150	26.9%	\$95.43	26.3%	173	-57.6%	4,806	5.0%	1.3	12.9%
Jun-13	4,199	-9.9%	\$151,000	31.3%	\$99.52	27.3%	119	-62.0%	5,750	24.0%	1.6	33.8%
Jul-13	4,455	9.2%	\$155,000	33.6%	\$101.96	27.7%	209	-26.7%	7,667	62.7%	2.2	60.7%
Aug-13	4,249	-6.1%	\$155,000	30.3%	\$101.68	24.3%	165	-39.3%	8,319	69.4%	2.6	94.7%
Sep-13	3,888	5.5%	\$154,995	26.2%	\$102.07	28.2%	235	11.9%	8,842	79.4%	2.8	80.3%
Oct-13	3,976	-6.6%	\$157,500	27.0%	\$104.88	31.6%	347	32.4%	8,631	81.1%	3.3	146.8%
Nov-13	3,339	-11.6%	\$160,000	28.0%	\$104.12	26.8%	190	2.2%	8,536	81.8%	3.3	122.5%
Dec-13	3,453	-14.4%	\$160,000	23.1%	\$104.50	24.6%	220	3.3%	8,288	83.5%	3.0	128.7%
Jan-14	3,002	-10.9%	\$158,500	21.9%	\$102.90	17.5%	341	34.8%	8,291	96.2%	3.4	115.7%
Feb-14	3,058	-15.9%	\$158,000	21.5%	\$103.11	18.6%	314	48.1%	8,397	108.8%	3.5	167.4%
Mar-14	3,837	-0.6%	\$164,000	18.7%	\$106.27	17.5%	331	61.5%	8,377	99.8%	2.8	135.0%
Apr-14	3,863	-13.3%	\$164,454	14.6%	\$107.32	10.8%	237	26.1%	8,549	98.1%	2.8	132.9%
May-14	3,942	-15.9%	\$167,500	17.8%	\$109.77	15.0%	182	5.2%	8,991	87.1%	2.7	108.7%
Jun-14	3,958	-5.7%	\$167,000	10.6%	\$111.27	11.8%	115	-3.4%	9,034	57.1%	2.9	74.5%
Jul-14	3,852	-13.5%	\$173,927	12.2%	\$110.27	8.2%	179	-14.4%	9,816	28.0%	3.1	39.2%
Aug-14	3,609	-15.1%	\$175,000	12.9%	\$115.56	13.7%	145	-12.1%	9,949	19.6%	3.3	24.7%

Note: Growth rate (%) reflects year-over-year changes

Existing Home Sales

- NON-DISTRESSED SALES (79.9%):** Non-distressed sales, sometimes referred to as equity sales or transactions that do not fall within one of the other three distressed categories listed below, account for nearly 4 out of 5 transactions. Transaction volumes were up 1.1 percent from the prior year while pricing was 9.1 percent higher. Values remained flat at \$180,000 from July to August. The price per square foot pressed north to \$120 (up from \$114 in July).
- BANK-OWNED PROPERTIES (6.7%):** The number of REO home sales dipped slightly in August to a total of 241 transactions. The median price reached \$150,000 in August, which was 3.5 percent ahead of the prior year and 1.2 percent higher than July. The average price per square foot was \$97.
- SHORT SALES (9.0%):** The number of successful short sales totaled 326 in August, which accounted for nearly 1 in 10 transactions. The median price of short sales held steady at \$155,000 from July to August. The average price per square foot was \$103 in August 2014.
- AUCTION SALES (4.4%):** The number of homes being acquired at auction (by non-lenders) comprises a relatively modest share of overall activity. A total of 159 units closed with a median price of \$133,800, the lowest value across all segments. The average price per square foot was also the lowest among sales types at \$89.

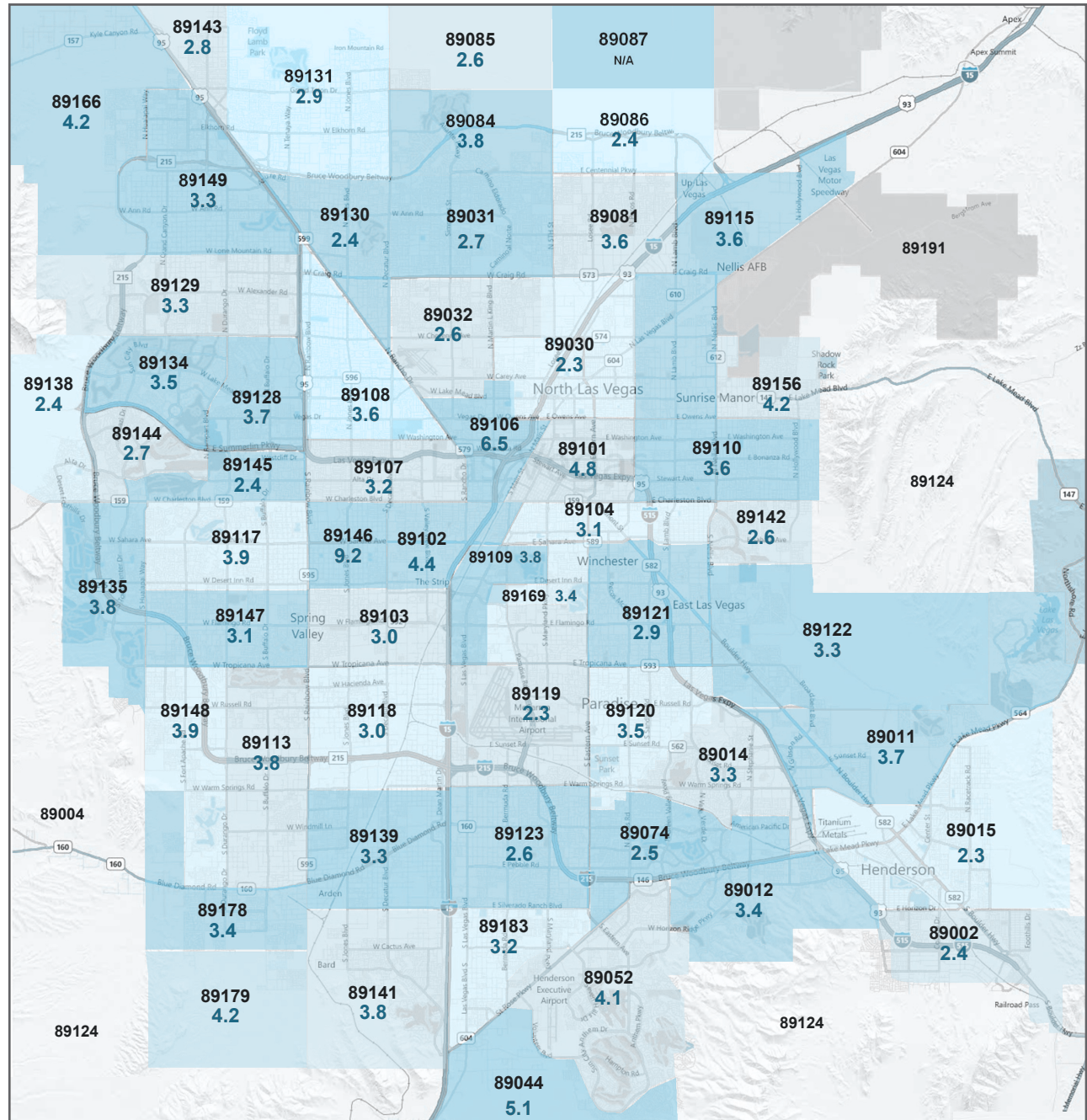
	NUMBER OF SALES					MEDIAN CLOSING PRICE				
	Distressed Sales Categories			Non-Distressed	Total All Types	Distressed Sales Categories			Non-Distressed	Total All Types
	Auction	REO	Short Sale			Auction	REO	Short Sale		
Aug-12	321	768	1,486	1,951	4,526	\$109,000	\$127,000	\$112,000	\$125,000	\$119,000
Sep-12	224	548	1,315	1,597	3,684	\$112,250	\$127,690	\$115,500	\$130,000	\$122,781
Oct-12	290	572	1,493	1,902	4,257	\$113,850	\$130,800	\$117,900	\$126,250	\$124,000
Nov-12	231	494	1,235	1,816	3,776	\$111,000	\$137,013	\$118,500	\$128,000	\$125,000
Dec-12	167	484	1,514	1,871	4,036	\$110,100	\$140,000	\$129,450	\$130,000	\$130,000
Jan-13	235	449	911	1,776	3,371	\$127,000	\$149,000	\$120,000	\$134,945	\$130,000
Feb-13	242	377	1,103	1,915	3,637	\$120,250	\$134,000	\$126,000	\$137,000	\$130,000
Mar-13	222	364	1,094	2,182	3,862	\$120,050	\$143,846	\$125,000	\$146,000	\$138,151
Apr-13	226	419	1,115	2,696	4,456	\$135,550	\$145,900	\$125,118	\$150,000	\$143,500
May-13	313	376	1,137	2,859	4,685	\$110,100	\$145,501	\$133,000	\$150,000	\$142,150
Jun-13	252	314	1,015	2,618	4,199	\$133,013	\$140,376	\$135,000	\$163,000	\$151,000
Jul-13	378	316	933	2,828	4,455	\$125,639	\$158,250	\$137,000	\$165,000	\$155,000
Aug-13	247	344	807	2,851	4,249	\$119,000	\$144,950	\$137,000	\$165,000	\$155,000
Sep-13	276	290	604	2,718	3,888	\$120,600	\$143,250	\$140,000	\$162,000	\$154,995
Oct-13	268	292	643	2,773	3,976	\$120,050	\$142,250	\$149,500	\$165,000	\$157,500
Nov-13	158	309	531	2,341	3,339	\$119,412	\$138,000	\$149,000	\$168,000	\$160,000
Dec-13	147	334	544	2,428	3,453	\$136,300	\$145,250	\$155,000	\$164,950	\$160,000
Jan-14	171	336	385	2,110	3,002	\$133,000	\$145,000	\$158,500	\$163,100	\$158,500
Feb-14	189	326	333	2,210	3,058	\$133,406	\$145,728	\$153,000	\$164,900	\$158,000
Mar-14	279	410	371	2,777	3,837	\$126,494	\$151,000	\$158,000	\$170,000	\$164,000
Apr-14	262	430	378	2,793	3,863	\$124,129	\$144,950	\$159,250	\$172,000	\$164,454
May-14	191	427	395	2,929	3,942	\$119,000	\$155,000	\$155,000	\$175,000	\$167,500
Jun-14	184	393	344	3,037	3,958	\$130,300	\$142,000	\$155,500	\$175,000	\$167,000
Jul-14	163	402	359	2,928	3,852	\$134,791	\$148,200	\$155,000	\$180,000	\$173,927
Aug-14	159	241	326	2,883	3,609	\$133,800	\$150,000	\$155,000	\$180,000	\$175,000

Effective Housing Inventory

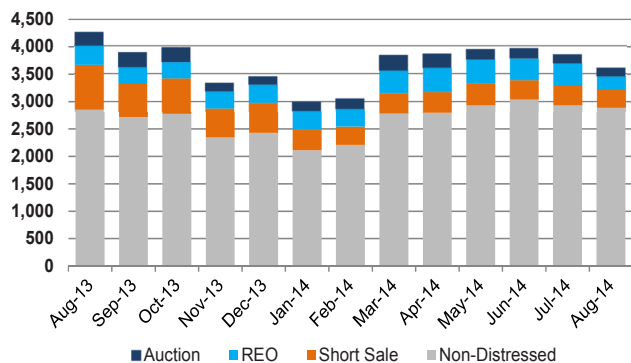
By Zip Code (in Months)

Zip Code	Inventory	Zip Code	Inventory
89002	2.4	89119	2.3
89011	3.7	89120	3.5
89012	3.4	89121	2.9
89014	3.3	89122	3.3
89015	2.3	89123	2.6
89030	2.3	89128	3.7
89031	2.7	89129	3.3
89032	2.6	89130	2.4
89044	5.1	89131	2.9
89052	4.1	89134	3.5
89074	2.5	89135	3.8
89081	3.6	89138	2.4
89084	3.8	89139	3.3
89085	2.6	89141	3.8
89086	2.4	89142	2.6
89101	4.8	89143	2.8
89102	4.4	89144	2.7
89103	3.0	89145	2.4
89104	3.1	89146	9.2
89106	6.5	89147	3.1
89107	3.2	89148	3.9
89108	3.6	89149	3.3
89109	3.8	89156	4.2
89110	3.6	89166	4.2
89113	3.8	89169	3.4
89115	3.6	89178	3.4
89117	3.9	89179	4.2
89118	3.0	89183	3.2

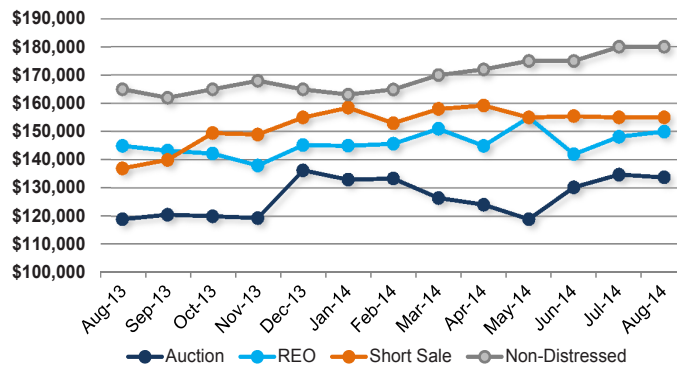
Note: Effective inventory (in months) is computed based on available (non-contingent) listings in the Greater Las Vegas Association of Realtors' Multiple Listing Service (MLS) and resale closings in the MLS.



EXISTING HOME CLOSINGS By Type



By Price



SalesTraq is a comprehensive residential real estate research and analysis solution. For more than two decades, SalesTraq has been providing home pricing, sales and development data to real estate agents, homebuilders, appraisers, buyers and investors. Our firm also maintains an archive catalogue of nearly 20,000 floor plans of Nevada homes. The following highlights our products and services:

SALESTRAQ STANDARD: A database of new residential construction in southern Nevada providing an easy-to-navigate search feature. The product also includes access to nearly 20,000 searchable floor plans, which is ideal for listing presentations, brochures and more.

SALESTRAQ PRO: In addition to the features of SalesTraq Standard, the professional version includes reporting functions for residential permits, new home closing data, existing (resale) home closings, final mapped lots and raw land sales activity.

FASTFACTS MONTHLY REPORT: The monthly statistical publication on relevant housing market information trends new and existing housing data. Information spans supply and demand factors, including foreclosure activity and breakdowns of the type of transactions taking place.

NEW HOME LINK: This marketing and research tool for REALTORS® assists agents and their clients in identifying relevant new home communities and properties. This powerful tool also allows for increased communication between buyers and their agents.

CUSTOM MARKET RESEARCH: For those with more diverse research and analysis requirements, our team of analysts are available to provide professional consulting services. Our services include: pricing and absorption analyses, market analyses, feasibility studies, market segmentation assessments, product positioning and other research project-specific assignments.

CRYSTAL BALL SEMINARS: Known for providing timely, accurate and insightful presentations, Crystal Ball Seminars is dedicated to an interactive learning and information sharing experience. The seminars are also recognized for networking and business development opportunities.

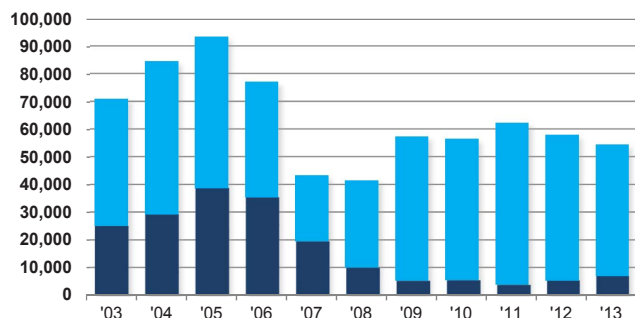
Key Statistics

Resale Closings	Closings				Pricing	
	Month		12 Months		Median	Avg PSF
Auction Sales	159	4%	2,447	6%	\$133,800	\$89
Short Sales	326	9%	5,213	12%	\$155,000	\$103
REO Sales	241	7%	4,190	10%	\$150,000	\$97
Non-Distressed Sales	2,883	80%	31,927	73%	\$180,000	\$120
Total	3,609	100%	43,777	100%	\$175,000	\$116



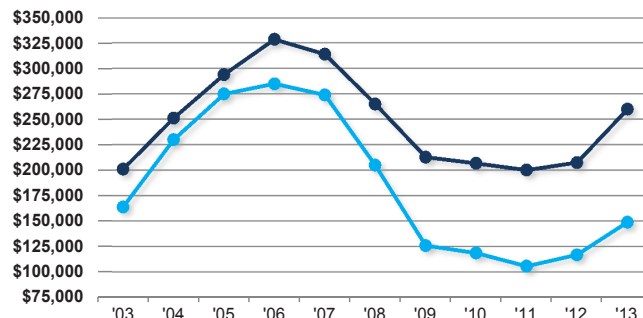
Home Closings

RESALE HOMES NEW HOMES



Median Home Prices

RESALE HOMES NEW HOMES



**SOMERSET ACADEMY SCHOOL ACCOUNTABILITY
REPORT**

Somerset Academy of Las Vegas

State Charter School Authority

7038 Sky Pointe Drive

Las Vegas, NV 89131

Ph: 702-478-8888, Fax: N/A

G. Jefferson, J. Barlow, R. Farmer, J. Lea, E. Kelley,

Principal

Grade Levels: K-8

Website: www.somersetacademyoflasvegas.org



2013-2014 School Accountability Report

For more information visit www.nevadareportcard.com

Mission Statement

Somerset Academy is dedicated to providing equitable, high quality education for all students. Our purpose is to promote a culture that maximizes student achievement and foster the development of accountable, 21st century learners in a safe and enriching environment.

Principal's Highlights

Somerset Academy of Las Vegas is made up of four campuses in the Las Vegas Valley. Somerset Academy is proud of the following achievements at its schools:

- Consistent assessment and tracking for mastery according to the Nevada Academic Content Standards.
- Technology is used for the delivery of instruction, communication, complete inquiry projects, and increase overall student engagement and achievement.
- Special programs such as Math Night, Literacy Night, Science Fair, Multi-Cultural Festivals, Battle of the Books, and a Talent Show are held annually.
- Professional development is provided in a conference-style format in order to differentiate to the needs of each teacher and each campus.
- Accelerated Reader program is implemented as a reading incentive program for students.
- Academic planning is provided for all students in grades 5 - 9 to create their pathway in determining career and education goals.
- Various after school clubs and activities which include athletic teams are part of the culture at Somerset Academy.
- Intervention and enrichment activities are provided to students who are below standards or exceeding standards.
- Somerset Academy is currently going through the Accreditation process through AdvancEd.

Goals and Objectives

Goal 1

Overall Math proficiency scores will increase in order to show growth.

Objective(s):

Somerset Academy will increase the overall proficiency rate in mathematics in order to increase the median growth percentile school-wide.

Goal 2

Students with IEPs showed a 7% decrease in Reading proficiency when comparing CRT results from spring of 2012 to spring of 2013.

Objective(s):

Somerset Academy will increase the overall proficiency rate in reading/ELA in order to increase the median growth percentile school-wide.

School Communication Efforts

Parents are invited into the school to support the programs and initiatives at any time. Newsletters are sent home regularly throughout the school year. Weekly emails are sent to parents and families which explain upcoming events. Information is updated on schools' websites (www.somersetacademyoflasvegas.com) on a regular basis as well as each school's Facebook page. We consistently work to maintain communication about student progress through parent portals and progress reports. Parent organizations are established at each school which focus on supporting the school through fundraising efforts. Parent Advisory Committees are designed to discuss the direction of the school and create future plans. Each family is asked to provide 30 service hours in support of the school and strengthen its programs.

Demographics and Student Information

Data are provided by the Nevada Department of Education from the state student information system. Gender, race/ethnicity, and special student populations are reported as of count day.

	#	Ethnicity														Gender			
		Am In/ AK Native		Asian		Hispanic		Black		White		Pacific Islander		Two or More Races		Male		Female	
		#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
State	451,730	4,782	1.06%	25,264	5.59%	183,212	40.56%	44,795	9.92%	162,544	35.98%	5,994	1.33%	25,139	5.57%	232,790	51.53%	218,940	48.47%
State Sponsored Public Schools	15,928	215	1.35%	968	6.08%	2,566	16.11%	1,498	9.40%	9,813	61.61%	330	2.07%	536	3.38%	7,788	48.90%	8,140	51.10%
Somerset Academy of Las Vegas	3,012	45	1.49%	114	3.78%	481	15.97%	232	7.70%	2,025	67.23%	71	2.36%	44	1.46%	1,527	50.70%	1,485	49.30%

Data as of: Count Day

** indicates that the data was not available.

^ indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

District totals do not include state or district sponsored charter school data. (2008-Current)

'N/A' indicates that this population was not present.

Special Populations

	#	IEP		ELL		FRL		Migrant	
		#	%	#	%	#	%	#	%
State	451,730	51,946	11.50%	67,836	15.02%	239,170	52.95%	77	0.02%
State Sponsored Public Schools	15,928	1,055	6.62%	350	2.20%	4,387	27.54%	0	0.00%
Somerset Academy of Las Vegas	3,012	207	6.87%	113	3.75%	452	15.01%	0	0.00%

Data as of: Count Day

IEP= Students with disabilities

^ indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

ELL= Students who are English Language Learners

'N/A' indicates that this population was not present.

FRL= Students qualifying for Free/Reduced Price Lunch

** indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Student Average Daily Attendance (ADA)

Student Average Daily Attendance (ADA) is the percentage of the school enrollment in attendance on an "average school day" as of the 100th day of school.

	All Students	Am In/ AK Native	Asian	Hispanic	Black	White	Pacific Islander	Two or More Races	IEP	ELL	FRL
State	94.90%	93.30%	97.00%	94.80%	93.60%	94.90%	94.80%	94.80%	93.40%	95.40%	94.40%
State Sponsored Public Schools	95.60%	93.90%	97.80%	95.60%	95.70%	95.60%	96.10%	95.00%	95.20%	95.70%	94.60%
Somerset Academy of Las Vegas	97.70%	97.90%	97.30%	98.10%	98.30%	97.80%	98.30%	-	-	93.10%	94.70%

ADA Data as of: First 100 days of instruction

IEP = Students with disabilities

^ indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

ELL = Students who are English Language Learners

'N/A' indicates that this population was not present.

FRL = Students qualifying for Free/Reduced Price Lunch

** indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Transiency, Truancy, and Discipline

	Transiency		Discipline	
	Transiency Rate**	# of Students	# of Students	
			Habitual Disciplinary Problems	Habitual Truants
State	26.70%	136	1,899	
State Sponsored Public Schools	27.10%	28	114	
Somerset Academy of Las Vegas	0.00%	10	0	

	# of Incidents (Suspensions or Expulsions)					
	Violence to Students	Violence to Staff	Weapons	Dist. Controlled Substances	Possession/ Use Controlled Substances	Possession/ Use of Alcohol
State	5,588	274	440	86	1,248	271
State Sponsored Public Schools	28	2	8	0	2	2
Somerset Academy of Las Vegas	3	0	1	0	0	0

	# of Incidents Bullying			# of Incidents Cyber Bullying		
	Incidents Reported	Incidents Determined to be so after an investigation	Incidents Suspension/ Expulsion	Incidents Reported	Incidents Determined to be so after an investigation	Incidents Suspension/ Expulsion
State	3,754	3,189	725	544	532	208
State Sponsored Public Schools	34	48	22	11	6	5
Somerset Academy of Las Vegas	0	0	0	2	1	1

Data as of: End of school year

* indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

**N/A indicates that this population was not present.

*** indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Discipline and Transiency incidents are reported at the school where the action occurred.

**The purpose of some alternative programs is to enroll students for a short period of time until they can reenroll in a comprehensive school; therefore, transiency rates may be greater than 100% or N/A. Data reported as of the end of the school year.

Retention

	K		1		2		3		4		5		6		7		8	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
State	655	1.90%	1,027	2.80%	480	1.40%	296	0.90%	133	0.40%	71	0.20%	355	1.00%	510	1.50%	566	1.60%
State Sponsored Public Schools	-	-	-	-	-	-	10	0.80%	-	-	10	0.80%	10	0.70%	15	1.10%	27	2.10%
Somerset Academy of Las Vegas	-	-	0	0.00%	0	0.00%	-	-	0	0.00%	0	0.00%	-	-	0	0.00%	0	0.00%

Data as of: Count Day

* indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

**N/A indicates that this population was not present.

*** indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Because of the changes in law (NAC 387.659) in 2009-2010 that affected the way credit deficient students are identified, results prior to this date and post this date cannot be compared.

Student/Teacher Ratio

	All Schools*	Kindergarten**	1st Grade	2nd Grade	3rd Grade	4th Grade	5th Grade	6th Grade	7th Grade	8th Grade
State	21:1	20:1	19:1	19:1	20:1	24:1	24:1	24:1	19:1	19:1
State Sponsored Public Schools	26:1	24:1	24:1	24:1	24:1	25:1	27:1	22:1	19:1	21:1
Somerset Academy of Las Vegas	22:1	27:1	23:1	22:1	23:1	21:1	23:1	13:1	10:1	11:1

Data as of: December 1st

* Indicates data not presented for groups fewer than 10. This data is suppressed due to FERPA regulations.

**N/A' Indicates that this population was not present.

*** Indicates that the data was not available.

*+ Teachers may serve multiple grade levels as needed. Student/Teacher Ratio is reported for the school as a whole.

**+ Kindergarten ratios are based on the number of classes, not teachers.

District totals do not include state or district sponsored charter school data. (2008-Current)

Summary of Standards-Based Test Performance

Nevada uses criterion referenced tests (CRTs) and the High School Proficiency Exam (HSPE) to measure student achievement relative to Nevada's academic standards. For grade specific assessment results and other assessment information, refer to the Nevada Report Card Website at www.nevadareportcard.com.

ED = Percentage of students performing in the lowest range of achievement (Emergent/Developing)

AS = Percentage of students performing in the Approaches Standards range of achievement

MS = Percentage of students performing in the Meets Standards range of achievement

ES = Percentage of students performing in the highest range of achievement (Exceeds Standards)

K-8	Reading				Writing				Mathematics				Science			
	ED	AS	MS	ES	ED	AS	MS	ES	ED	AS	MS	ES	ED	AS	MS	ES
State	19%	19%	37%	25%	49%	18%	23%	10%	19%	25%	44%	13%	18%	22%	41%	20
State Charters	15%	17%	38%	30%	0%	0%	100%	0%	18%	23%	44%	15%	16%	18%	40%	26
Somerset Academy of Las Vegas	7%	14%	42%	37%	0%	0%	0%	0%	7%	18%	55%	20%	7%	14%	44%	35

Data as of: December 1st

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**N/A' Indicates that this population was not present.

*** Indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Per-Pupil Expenditures 2012-2013

The Nevada Department of Education in consultation with In\$ite adjusted the formula used to calculate per pupil expenditures beginning with the 2009-2010 Annual Reports of Accountability. Therefore, we have two appropriate comparisons sets; comparisons 2003-04 SY through 2008-09 SY and comparisons of 2009-10 SY and forward.

Somerset Academy of Las Vegas Total Cost Per Pupil = \$5129 District Total Cost Per Pupil = \$8274

	Instruction		Instruction Support		Operations		Leadership		Total Expenditures	
	\$	%	\$	%	\$	%	\$	%	\$	%
State	\$4,799.00	58.00%	\$968.00	11.70%	\$1,874.00	22.60%	\$633.00	7.60%	\$8,274.00	100.00%
Somerset Academy of Las Vegas	\$3,107.00	60.60%	\$320.00	6.20%	\$1,352.00	26.40%	\$351.00	6.80%	\$5,129.00	100.00%

**N/A' Indicates that this population was not present.

*** Indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

Schools only showing up with \$0 are new and data was not collected for prior year.

NDE in consultation with In\$ite adjusted formula used to calculate per pupil expenditures with the Annual Reports of Accountability, rendering comparisons between the year and past years data.

Personnel Information

Classes Not Taught by Highly Qualified Teachers

Highly qualified teachers hold a minimum of a bachelor's degree, are licensed to teach in the State of Nevada, and have demonstrated competence in their teaching area. Data were obtained from the Office of Teacher Licensure as of May 2014.

	English/ Reading/ Lang. Arts	Mathematics	Science	Social Studies	Foreign Languages	Arts	Elementary	Poverty Level
	%	%	%	%	%	%	%	
State	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
State Sponsored Public Schools	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Somerset Academy of Las Vegas	N/A	N/A	N/A	N/A	N/A	N/A	N/A	L

Teacher Data as of: May 1st (2008-Current)

'N/A' indicates that this population was not present.

'*' indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

(H) = High Poverty School - defined as being within the bottom quartile throughout the state of percentages of students who qualify for free or reduced-price lunch

(L) = Low Poverty School - defined as being within the top quartile throughout the state of percentages of students who qualify for free or reduced-price lunch

Teacher ADA and Licensure Information

	Average Daily Attendance	Teachers Providing Instruction		
		# Pursuant to NRS 391.426	# Pursuant to Waiver	# w/ 6 Endorsement
State	95.80%	N/A	N/A	N/A
State Sponsored Public Schools	97.40%	N/A	N/A	N/A
Somerset Academy of Las Vegas	99.60%	N/A	N/A	N/A

Teacher Data as of: May 1st (2008-Current)

'N/A' indicates that this population was not present.

'*' indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008-Current)

(H) = High Poverty School - defined as being within the bottom quartile throughout the state of percentages of students who qualify for free or reduced-price lunch

(L) = Low Poverty School - defined as being within the top quartile throughout the state of percentages of students who qualify for free or reduced-price lunch

Parent/Teacher Conference Attendance

	Accountability Year	Parent/Teacher Conference Attendance
Somerset Academy of Las Vegas	2014	95.00%
Somerset Academy of Las Vegas	2012	92.00%

Data as of: Fall

'N/A' indicates that this population was not present.

'*' indicates that the data was not available.

District totals do not include state or district sponsored charter school data. (2008- Current)

School NSPF Results: 5 Star Rating

Somerset Acad ES

Information on the ratings or rankings of schools in the Nevada School Performance Framework (NSPF) can be found via the Nevada School Performance Framework website at <http://nspf.doe.nv.gov/>

A 5-Star School is among the highest performing schools in Nevada in student proficiency and/or student growth on the State assessments. The school is acknowledged for its achievement with public recognition and has autonomy in school planning and decision-making.

Performance Indicators	Points Earned	Points Eligible
Growth Measure of Achievement	26	40
Status Measure of Achievement	27	30
Reduction in Achievement Gaps	16	20
Other Indicators	10	10
Total Index Score	[Points Earned(79)/Points Eligible(100)] X 100 = 79.00	

School NSPF Results: 5 Star Rating

Somerset Acad MS

Information on the ratings or rankings of schools in the Nevada School Performance Framework (NSPF) can be found via the Nevada School Performance Framework website at <http://nspf.doe.nv.gov/>

A 5-Star School is among the highest performing schools in Nevada in student proficiency and/or student growth on the State assessments. The school is acknowledged for its achievement with public recognition and has autonomy in school planning and decision-making.

Performance Indicators	Points Earned	Points Eligible
Growth Measure of Achievement	32	40
Status Measure of Achievement	27	30
Reduction in Achievement Gaps	20	20
Other Indicators	8	10
Total Index Score	[Points Earned(87)/Points Eligible(100)] X 100 = 87.00	

Note: District totals do not include state or district sponsored charter school data.

The development of this annual state accountability report is a joint effort among the Nevada Department of Education and Nevada school districts. This report is provided to the public as required by the federal No Child Left Behind Act and NRS 385.347. A comprehensive listing of all accountability data, including student test data, may be accessed on the Nevada Annual Reports of Accountability website at www.nevadareportcard.com.

**CONTRACTOR'S BID – CONSTRUCTION COSTS – PHASE I &
PHASE II**

Cost Code	Description	Total Budget	Contract Budget to Date	Non-Contract Budget to Date	Actual Cost to Date	Retainage Payable	Paid To Date	Cost to Complete
PROJECT 316	BOYER SKYPOINTE ACADEMY, L.C.							
ENTITY 376	BOYER SKYPOINTE ACADEMY, L.C.							
JOB 376A	Boyer Skypointe Academy, L.C.							
PHASE 01	Charter School							
35-1100	LAND PURCHASE COSTS	\$1,750,000.00	\$0.00	\$1,750,000.00	\$1,660,428.38	\$0.00	\$1,660,428.38	\$89,571.62
MAJOR COST CODE TOTALS:		\$1,750,000.00	\$0.00	\$1,750,000.00	\$1,660,428.38	\$0.00	\$1,660,428.38	\$89,571.62
40-1011	SITE CONST - AREA A CONTRACT PMTS	\$2,801,434.00	\$0.00	\$2,801,434.00	\$1,319,538.61	\$0.00	\$1,319,538.61	\$1,481,895.39
40-4011	CORE & SHELL - A CONTRACT PMTS	\$5,390,700.00	\$0.00	\$5,390,700.00	\$7,137,589.96	\$0.00	\$7,137,589.96	(\$1,746,889.96)
MAJOR COST CODE TOTALS:		\$8,292,134.00	\$0.00	\$8,292,134.00	\$8,457,128.57	\$0.00	\$8,457,128.57	(\$164,994.57)
50-1000	DESIGN COSTS	\$0.00	\$0.00	\$0.00	\$26,892.61	\$0.00	\$26,892.61	(\$26,892.61)
50-1010	GEOTECHNICAL / SOILS ANALYSIS	\$3,600.00	\$0.00	\$3,600.00	\$0.00	\$0.00	\$0.00	\$3,600.00
50-1020	OTHER SITE DESIGN FEES	\$3,600.00	\$0.00	\$3,600.00	\$0.00	\$0.00	\$0.00	\$3,600.00
50-1105	ARCHITECTURAL	\$211,930.00	\$0.00	\$211,930.00	\$512,185.96	\$0.00	\$512,185.96	(\$300,255.96)
50-1110	CIVIL ENGINEERING	\$107,500.00	\$0.00	\$107,500.00	\$49,418.93	\$0.00	\$49,418.93	\$58,081.07
50-1115	STRUCTURAL ENGINEERING	\$39,000.00	\$0.00	\$39,000.00	\$0.00	\$0.00	\$0.00	\$39,000.00
50-1120	MECHANICAL ENGINEERING (PLUMBING	\$110,250.00	\$0.00	\$110,250.00	\$0.00	\$0.00	\$0.00	\$110,250.00
50-1125	ELECTRICAL ENGINEERING	\$9,750.00	\$0.00	\$9,750.00	\$0.00	\$0.00	\$0.00	\$9,750.00
50-1305	SECURITY CONSULTANT	\$52,500.00	\$0.00	\$52,500.00	\$0.00	\$0.00	\$0.00	\$52,500.00
50-1620	MONUMENT / PYLON SIGNS	\$7,500.00	\$0.00	\$7,500.00	\$7,024.87	\$0.00	\$7,024.87	\$45,475.13
50-1700	CONSTRUCTION RELATED COSTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,500.00
50-1710	SPECIAL INSPECTIONS REQUIRED BY IE	\$51,490.00	\$0.00	\$51,490.00	\$130.00	\$0.00	\$130.00	(\$130.00)
50-2000	FEES & PERMITS	\$0.00	\$0.00	\$0.00	\$39,325.00	\$0.00	\$39,325.00	\$12,165.00
50-2005	ZONING RELATED FEES	\$10,000.00	\$0.00	\$10,000.00	\$93,537.76	\$0.00	\$93,537.76	(\$83,537.76)
50-2010	PLAN REVIEW FEE	\$50,000.00	\$0.00	\$50,000.00	\$0.00	\$0.00	\$0.00	\$10,000.00
50-2030	BUILDING PERMIT	\$42,522.00	\$0.00	\$42,522.00	\$6,725.40	\$0.00	\$6,725.40	\$43,274.60
50-2040	CONNECTION FEES	\$0.00	\$0.00	\$0.00	\$17,088.27	\$0.00	\$17,088.27	\$25,433.73
50-2041	WATER CONNECTION FEE	\$128,000.00	\$0.00	\$128,000.00	\$317,088.05	\$0.00	\$317,088.05	(\$317,088.05)
50-2043	SEWER CONNECTION FEE	\$262,350.00	\$0.00	\$262,350.00	\$259,420.85	\$0.00	\$259,420.85	\$128,000.00
50-2078	TRANSPORTATION IMPACT FEE	\$25,000.00	\$0.00	\$25,000.00	\$0.00	\$0.00	\$0.00	\$25,929.16
50-2330	BUILDER'S RISK INSURANCE	\$5,000.00	\$0.00	\$5,000.00	\$23,886.00	\$0.00	\$23,886.00	\$18,886.00
50-2340	CM TRAVEL & EXPENSE	\$3,600.00	\$0.00	\$3,600.00	\$7,928.85	\$0.00	\$7,928.85	(\$4,328.85)
50-2380	PRINTS / PLANS	\$2,000.00	\$0.00	\$2,000.00	\$22.72	\$0.00	\$22.72	\$1,977.28
50-3040	CONSTRUCTION CONTINGENCY	\$569,091.00	\$0.00	\$569,091.00	\$569.49	\$0.00	\$569.49	\$568,521.51

Database: BOYERCOMPANY
 Run for budget type: STD|
 Run for cost list: REV|
 Run for journal entry types: A|

Job Cost Actual to Budget Summary
 For Period: 01/12 through 10/14

Page: 2
 Date: 10/31/2014
 Time: 10:19 AM

Cost Code	Description	Total Budget	Contract Budget to Date	Non-Contract Budget to Date	Actual Cost to Date	Retainage Payable	Paid To Date	Cost to Complete
MAJOR COST CODE TOTALS:								
		\$1,694,983.00	\$0.00	\$1,694,983.00	\$1,361,244.76	\$0.00	\$1,361,244.76	\$333,738.24
50-1100	LEGAL	\$34,500.00	\$0.00	\$34,500.00	\$42,313.29	\$0.00	\$42,313.29	(\$7,813.29)
50-1450	CONSTRUCTION LOAN INTEREST COST	\$144,070.00	\$0.00	\$144,070.00	\$121,510.65	\$0.00	\$121,510.65	\$22,559.35
50-1800	SETUP FEE	\$123,489.00	\$0.00	\$123,489.00	\$0.00	\$0.00	\$0.00	\$123,489.00
50-1900	CONSTRUCTION MANAGEMENT FEE	\$42,774.00	\$0.00	\$42,774.00	\$42,838.30	\$0.00	\$42,838.30	(\$65.30)
50-3000	MISC SOFT COSTS	\$100,000.00	\$0.00	\$100,000.00	\$114,154.45	\$0.00	\$114,154.45	(\$14,154.45)
50-5000	SOFT COST CONTINGENCY	\$125,000.00	\$0.00	\$125,000.00	\$29,672.00	\$0.00	\$29,672.00	\$95,328.00
MAJOR COST CODE TOTALS:								
		\$559,833.00	\$0.00	\$559,833.00	\$350,489.69	\$0.00	\$350,489.69	\$219,343.31
PHASE TOTALS:								
		\$12,306,950.00	\$0.00	\$12,306,950.00	\$11,829,291.40	\$0.00	\$11,829,291.40	\$477,658.60
PHASE	02 Charter School							
40-1011	SITE CONST - AREA A CONTRACT PMTS	\$430,139.00	\$0.00	\$430,139.00	\$419,813.78	\$0.00	\$419,813.78	\$10,325.22
40-4011	CORE & SHELL - A CONTRACT PMTS	\$3,191,047.00	\$0.00	\$3,191,047.00	\$2,758,573.02	\$0.00	\$2,758,573.02	\$432,473.98
40-4021	CORE & SHELL - B CONTRACT PMTS	\$30,000.00	\$0.00	\$30,000.00	\$0.00	\$0.00	\$0.00	\$30,000.00
MAJOR COST CODE TOTALS:								
		\$3,651,186.00	\$0.00	\$3,651,186.00	\$3,178,386.80	\$0.00	\$3,178,386.80	\$472,799.20
50-1000	DESIGN COSTS	\$0.00	\$0.00	\$0.00	\$1,510.00	\$0.00	\$1,510.00	(\$1,510.00)
50-1100	A & E FEES	\$200,650.00	\$0.00	\$200,650.00	\$161,427.36	\$0.00	\$161,427.36	\$39,222.64
50-1205	A&E REIMBURSABLES	\$10,000.00	\$0.00	\$10,000.00	\$9,308.56	\$0.00	\$9,308.56	\$691.44
50-1510	UTILITIES TO SITE	\$10,000.00	\$0.00	\$10,000.00	\$28,603.00	\$0.00	\$28,603.00	(\$18,603.00)
50-1710	SPECIAL INSPECTIONS REQUIRED BY IE	\$15,000.00	\$0.00	\$15,000.00	\$20,159.00	\$0.00	\$20,159.00	(\$5,159.00)
50-2000	FEES & PERMITS	\$0.00	\$0.00	\$0.00	\$4,283.90	\$0.00	\$4,283.90	(\$4,283.90)
50-2005	ZONING RELATED FEES	\$5,000.00	\$0.00	\$5,000.00	\$0.00	\$0.00	\$0.00	\$5,000.00
50-2010	PLAN REVIEW FEE	\$5,000.00	\$0.00	\$5,000.00	\$988.00	\$0.00	\$988.00	\$4,012.00
50-2030	BUILDING PERMIT	\$15,000.00	\$0.00	\$15,000.00	\$0.00	\$0.00	\$0.00	\$15,000.00
50-2073	SEWER IMPACT FEE	\$125,000.00	\$0.00	\$125,000.00	\$151,763.17	\$0.00	\$151,763.17	(\$26,763.17)
50-2078	TRANSPORTATION IMPACT FEE	\$45,000.00	\$0.00	\$45,000.00	\$0.00	\$0.00	\$0.00	\$45,000.00
50-2330	BUILDER'S RISK INSURANCE	\$9,000.00	\$0.00	\$9,000.00	\$7,575.00	\$0.00	\$7,575.00	\$1,425.00
50-2340	CM TRAVEL & EXPENSE	\$8,000.00	\$0.00	\$8,000.00	\$1,804.59	\$0.00	\$1,804.59	\$6,195.41
50-2350	CM MILEAGE	\$363.00	\$0.00	\$363.00	\$0.00	\$0.00	\$0.00	\$363.00
50-2360	CM TELEPHONE	\$1,560.00	\$0.00	\$1,560.00	\$0.00	\$0.00	\$0.00	\$1,560.00

Job Cost Actual to Budget Summary
 For Period: 01/12 through 10/14

Database: BOYERCOMPANY
 Run for budget type: STD
 Run for cost list: REV
 Run for journal entry types: A

Cost Code	Description	Total Budget	Contract Budget to Date	Non-Contract Budget to Date	Actual Cost to Date	Retainage Payable	Paid To Date	Cost to Complete
50-2370	CM MAIL / OVERNIGHT DELIVERY	\$364.00	\$0.00	\$364.00	\$0.00	\$0.00	\$0.00	\$364.00
50-2381	COPIES	\$520.00	\$0.00	\$520.00	\$163.81	\$0.00	\$163.81	\$356.19
50-2382	ELECTRONIC STORAGE	\$1,800.00	\$0.00	\$1,800.00	\$0.00	\$0.00	\$0.00	\$1,800.00
50-3040	CONSTRUCTION CONTINGENCY	\$201,193.00	\$0.00	\$201,193.00	\$0.00	\$0.00	\$0.00	\$201,193.00
MAJOR COST CODE TOTALS:		\$653,450.00	\$0.00	\$653,450.00	\$387,496.39	\$0.00	\$387,496.39	\$265,953.61
60-1100	LEGAL	\$50,000.00	\$0.00	\$50,000.00	\$0.00	\$0.00	\$0.00	\$50,000.00
60-1400	CONSTRUCTION LOAN FEE	\$34,987.00	\$0.00	\$34,987.00	\$34,175.00	\$0.00	\$34,175.00	\$612.00
60-1450	CONSTRUCTION LOAN INTEREST COST	\$54,424.00	\$0.00	\$54,424.00	\$0.00	\$0.00	\$0.00	\$54,424.00
60-1800	SETUP FEE	\$46,649.00	\$0.00	\$46,649.00	\$0.00	\$0.00	\$0.00	\$46,649.00
60-1900	CONSTRUCTION MANAGEMENT FEE	\$24,205.00	\$0.00	\$24,205.00	\$0.00	\$0.00	\$0.00	\$24,205.00
60-3000	MISC SOFT COSTS	\$100,000.00	\$0.00	\$100,000.00	\$0.00	\$0.00	\$0.00	\$100,000.00
60-5000	SOFT COST CONTINGENCY	\$50,000.00	\$0.00	\$50,000.00	\$0.00	\$0.00	\$0.00	\$50,000.00
MAJOR COST CODE TOTALS:		\$360,265.00	\$0.00	\$360,265.00	\$34,175.00	\$0.00	\$34,175.00	\$326,090.00

Phase	Total Budget	Contract Budget to Date	Non-Contract Budget to Date	Actual Cost to Date	Retainage Payable	Paid To Date	Cost to Complete
PHASE TOTALS:	\$4,864,901.00	\$0.00	\$4,664,901.00	\$3,600,058.19	\$0.00	\$3,600,058.19	\$1,084,842.81

Grand Total	Total Budget	Contract Budget to Date	Non-Contract Budget to Date	Actual Cost to Date	Retainage Payable	Paid To Date	Cost to Complete
GRAND TOTALS:	\$16,971,851.00	\$0.00	\$16,971,851.00	\$15,429,349.59	\$0.00	\$15,429,349.59	\$1,542,501.41

CONSTRUCTION DRAW 376,196
 SINKER WORK IN WAREHOUSES 100,000
 PREPARE TITLES 25,499
 INSURANCE 17,326
 UTILITIES DURING CONSTRUCTION 8,481
 SET-UP FEE 169,718
 INTEREST DURING CONST. 313,200
 16,434,769 -

5-YEAR BUDGET & ENROLLMENT GROWTH PLAN

DEMOGRAPHICS – LAS VEGAS

DEMOGRAPHICS



City of Las Vegas Economic and Urban Development Department & Redevelopment Agency

Economic and Urban Development Department

The Economic and Urban Development Department creates, coordinates and encourages new development and redevelopment throughout the city of Las Vegas. It increases and diversifies the city's economy and creates jobs through business attraction, retention and expansion programs. This expanded department now includes the Parking Division. The newly reorganized and consolidated Parking Division has begun work on modernizing parking meters, online customer service, downtown parking locator assistance and aiding developers with their parking-related plans.

The EUD coordinates with the Las Vegas Redevelopment Agency (RDA) on day-to-day operations, economic development, job creation and long-term strategic goals.

Las Vegas Redevelopment Agency

The Las Vegas Redevelopment Agency (RDA) promotes the redevelopment of downtown Las Vegas and surrounding older commercial districts by working with developers, property owners and the community to accomplish beneficial revitalization efforts, create jobs and eliminate urban decay.

The city of Las Vegas currently has two designated redevelopment areas. Redevelopment Area 1 encompasses 3,948 acres. The area roughly includes the greater downtown Las Vegas area east of I-15, south of Washington Avenue, north of Sahara Avenue and west of Maryland Parkway. It also includes the Charleston Boulevard, Martin L. King Boulevard and Eastern Avenue corridors.

A new Redevelopment Area 2 (RDA 2) was officially adopted during the Aug. 15, 2012 meeting of the Las Vegas City Council. The RDA 2 designation gives the Las Vegas Redevelopment Agency the powers to redevelop, rehabilitate and revitalize this area. This new RDA 2 designation also allows the Redevelopment Agency to provide qualified owners/operators with certain business incentives. Redevelopment Area 2 covers Sahara Avenue from I-15 to Decatur Boulevard, Charleston Boulevard from Rancho Drive to Rainbow Boulevard and Decatur Boulevard from Sahara Avenue to U.S. 95.

Although the RDA is legally a separate entity from the city of Las Vegas, city council members sit on its board and provide input on projects.

Contact Information:

495 S. Main St.

Sixth Floor

Las Vegas, NV 89101

Tel: 702.229.6551

702.229.6100

Web: www.lvrda.org

Web: www.lasvegasnevada.gov/EUD

Web: www.facebook.com/lvbusiness



DEMOGRAPHICS

City of Las Vegas and Clark County Government Summary

	Las Vegas	Clark County ⁽¹⁾
Population (2012)	594,294	2,008,654
Existing Land Use (sq. miles)	135.8	7891.4
Population Density (per sq. mile)	4,376	255
Government Structure	Council/Manager	County Commission and Council/Manager ⁽²⁾
Planning Commission	Yes	Yes and City Council ⁽³⁾
Industrial Plan Approval	Yes	Yes ⁽⁴⁾
Zoning Regulations	Yes	Yes
Industrial Bond Financing Limit	\$10,000,000	\$10,000,000 - \$20,000,000 ⁽⁵⁾
Local Adopted Budget ⁽⁶⁾ (Total Expenditures):		
FY 2010-11	\$1,517,700,900	\$9,007,196,700
FY 2011-12	\$1,370,802,900	\$8,446,574,900
FY 2012-13	\$1,199,946,100	\$8,385,971,400
Combined Tax Rate (Operating):	2.7135	Varies based on local tax district
Full-time Equivalent Employees	3,098	20,242
Total Property Tax Rate ⁽⁷⁾		
FY 2010-11	\$3.2782	Varies based on local tax district
FY 2011-12	\$3.2782	Varies based on local tax district
FY 2012-13	\$3.2782	Varies based on local tax district

⁽¹⁾ Clark County is comprised of five incorporated cities (Boulder, Henderson, Las Vegas, Mesquite and North Las Vegas) and Unincorporated Clark County (31 areas/townships).

⁽²⁾ Unincorporated Clark County is governed by a commission and Clark County's five cities have a council/manager structure.

⁽³⁾ Planning in the city of Mesquite is conducted through a city council and the rest of the governmental jurisdictions in Clark County have a planning commission.

⁽⁴⁾ City council and staff for the city of Mesquite.

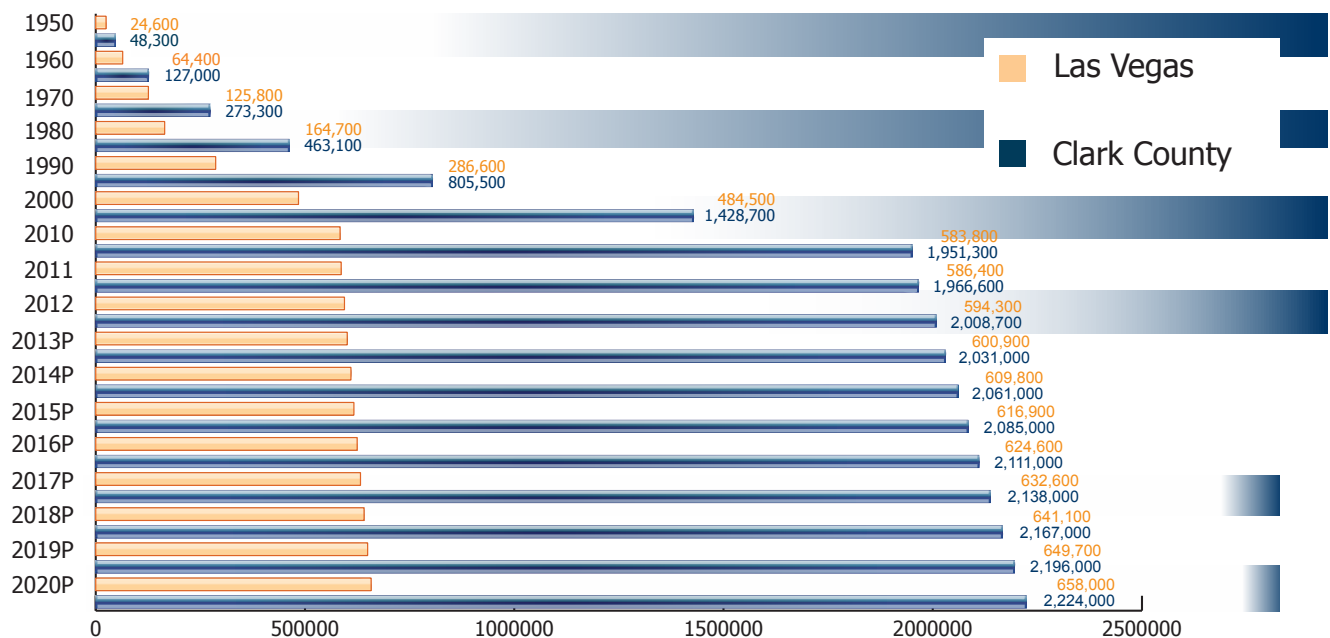
⁽⁵⁾ Bond limit is \$20,000,000 for the city of Henderson and \$10,000,000 for the rest of Clark County's jurisdictions.

⁽⁶⁾ Based on the county and locality adopted budget reports for each jurisdiction. Does not account for all service budgets in Clark County (e.g., airport, convention and visitors, fire/emergency, redevelopment, transportation, so forth).

⁽⁷⁾ Per every \$100 of assessed value. Entities that provide services for individual tax districts that comprise the Total Property Tax Rate are grouped into various tax rates: Combined Tax Rate, County Tax Rate, Combined Special District Tax Rate, School Tax Rate and State Tax.

Sources: Individual entities (November 2013).

Population Estimates and Projections



Sources: 2010 Census; Clark County Comprehensive Planning Department; Center for Business and Economic Research at UNLV; RCG Economics (November 2013).

DEMOGRAPHICS

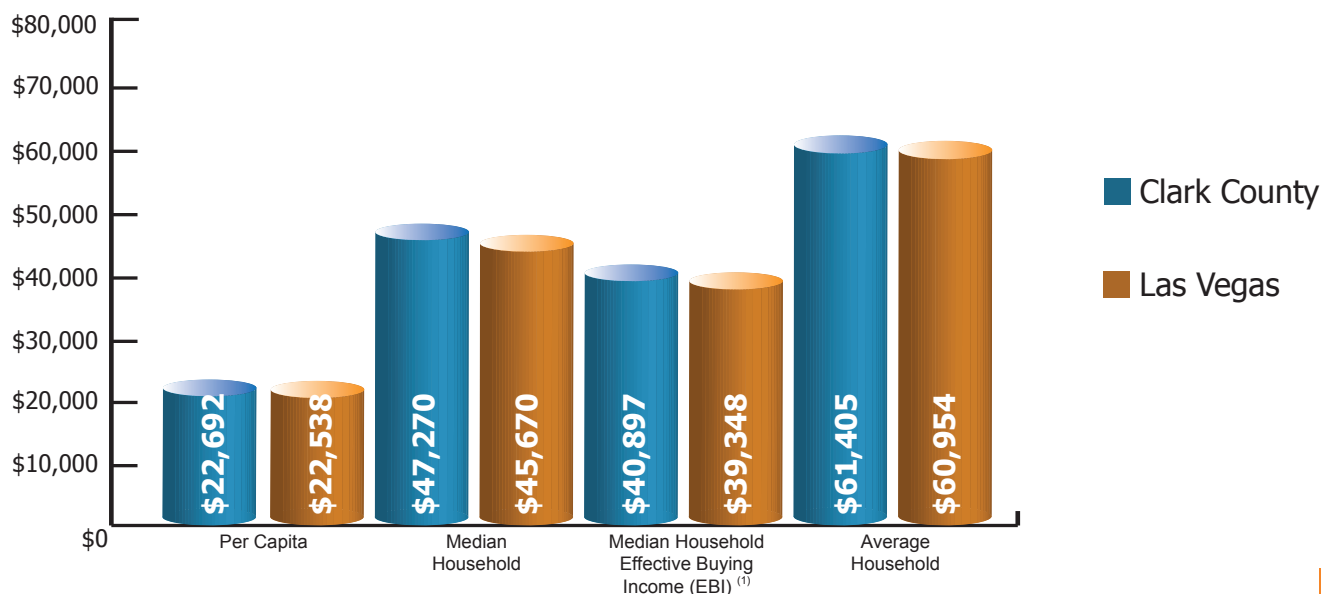
Las Vegas Population Change and Household Income by Zip Code

Zip Code	Population 2011	Population 2012	% Change	Median Household Income
89101	42,763	40,516	-5.3%	\$22,479
89102*	33,774	35,054	3.8%	\$29,781
89104*	34,618	34,724	0.3%	\$29,452
89106	31,260	25,849	-17.3%	\$27,864
89107	36,419	38,323	5.2%	\$40,971
89108	72,086	74,723	3.7%	\$39,707
89110*	73,633	74,636	1.4%	\$41,458
89117*	51,415	54,272	5.6%	\$46,982
89124*	7,844	6,996	-10.8%	\$76,429
89128	36,255	36,616	1.0%	\$46,594
89129*	49,058	52,253	6.5%	\$56,772
89130	29,299	31,517	7.6%	\$60,542
89131*	43,540	44,588	2.4%	\$76,358
89134	24,797	24,463	-1.3%	\$49,370
89138	12,292	12,630	2.7%	\$81,353
89143	12,054	13,565	12.5%	\$70,283
89144	19,021	18,462	-2.9%	\$70,794
89145	25,522	25,773	1.0%	\$47,441
89146*	17,991	18,613	3.5%	\$40,615
89149*	33,521	33,521	0.0%	\$63,791
89166*	8,417	9,384	11.5%	\$66,552

*Zip code includes other areas outside of Las Vegas boundaries.

Sources: Clark County Comprehensive Planning Department; Nielsen Claritas – 2013 estimates (November 2013).

Clark County and Las Vegas Residents' Income



⁽¹⁾ EBI: Personal income (wages, salaries, interest, dividends, rental income, and pension) after federal, state, and local taxes.

Source: Neilson Claritas – 2013 estimates (November 2013).

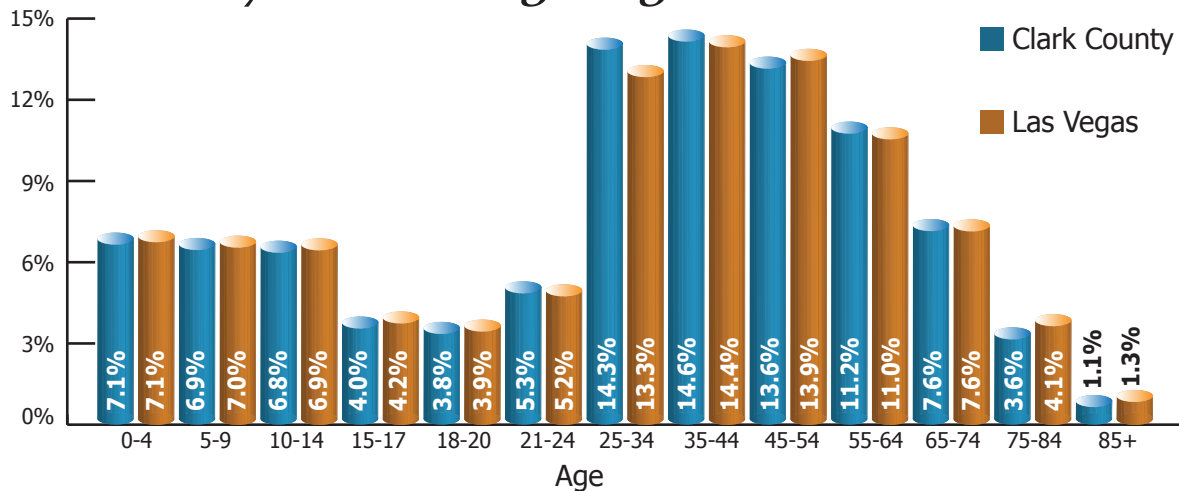
DEMOGRAPHICS

Clark County and Las Vegas Resident Profiles

	Clark County	Las Vegas
Race and Ethnicity	%	%
White	45.0	45.9
African American/Black	10.3	10.6
American Indian	0.4	0.4
Asian	9.3	6.2
Pacific Islander	0.7	0.6
Hispanic/Latino	30.9	33.2
More than one race	3.3	3.0
Other	0.2	0.2
Gender	%	%
Female	49.7	49.7
Male	50.3	50.3
Marital Status (Age 15+)	%	%
Never Married	32.2	31.6
Married, Spouse Present	42.9	42.3
Married, Spouse Absent	6.3	6.7
Divorced	13.5	13.8
Widowed	5.1	5.6
Education (Age 25+)	%	%
< 9th Grade	6.9	8.2
Some High School, No Diploma	9.4	10.0
HS Graduate (Incl. Equivalency)	29.5	28.9
Some College, No Degree	25.4	24.9
Associate Degree	7.0	6.8
Bachelor's Degree	14.6	13.6
Master's Degree	4.8	5.0
Professional School Degree	1.6	1.8
Doctorate Degree	0.7	0.8
Avg. Length of Residence (Years)	8.9	9.6

Sources: Neilsen Claritas – 2013 estimates (November 2013).

Clark County and Las Vegas Age Distribution



Source: Neilsen Claritas – 2013 estimates (November 2013).

Clark County and Las Vegas Resident Profiles

	Clark County	Las Vegas
Household Size	%	%
1-Person	25.5	26.5
2-Persons	31.5	30.6
3-Persons	16.2	15.8
4-Persons	12.9	12.8
5+ Persons	7.5	7.6
6+ Persons	3.7	3.8
7+ Persons	2.8	3.0
Avg. Household Size	2.7	2.7
Avg. Adults Per Household-18+	2.1	2.8
Household Income	%	%
< \$15,000	12.5	14.3
\$15,000 - \$24,999	12.0	12.7
\$25,000 - \$34,999	12.3	12.3
\$35,000 - \$49,999	16.1	15.0
\$50,000 - \$74,999	19.9	19.3
\$75,000 - \$99,999	12.0	11.3
\$100,000 - \$124,999	6.6	6.3
\$125,000 - \$149,999	3.1	3.0
\$150,000 - \$199,999	3.5	3.5
\$200,000 - \$499,999	1.7	1.9
\$500,000+	0.3	0.3
Type of Home	%	%
Single Family	58.8	60.2
Duplex and 3/4-Plex	2.2	3.0
Mobile Home	3.0	1.1
Apartments	21.1	22.3
Condo/Townhome	14.9	13.4
Occupied Housing Tenure	%	%
Owner Occupied	57.1	56.6
Renter Occupied	42.9	43.4

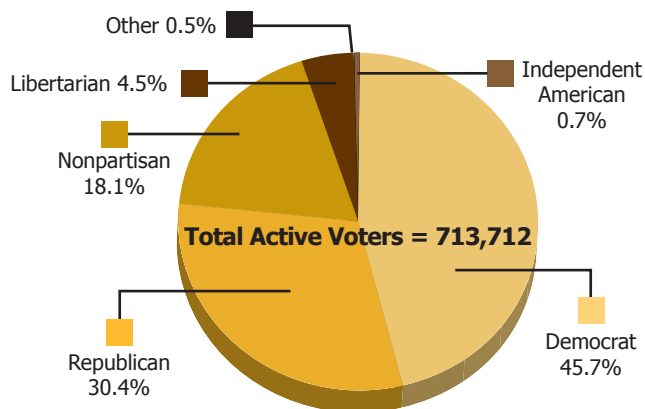
Sources: Clark County Comprehensive Planning Department; Neilsen Claritas – 2013 estimates (November 2013).

Population and Housing

Year	Population		Housing Units	
	Clark	Las Vegas	Clark	Las Vegas
2008	1,986,100	599,100	784,700	235,800
2009	2,006,300	607,900	796,300	239,800
2010	1,951,300	606,700	814,900	240,700
2011	1,966,600	586,400	817,300	241,300
2012	2,008,700	594,300	820,400	241,200

Source: Clark County Comprehensive Planning Department (November 2013).

Clark County Voter Registration



Source: Clark County Election Department (November 2013).
Note: All registered voters (active and inactive) totaled = 950,371.

DEMOGRAPHICS

Newcomer Data

Las Vegas Valley ⁽¹⁾

Newcomer Profile: 2012



Household Income Distribution	%	Children Per Household (Under 18)	%
Under \$15,000	8.2	0	64.2
\$15,000 - \$24,999	16.5	1	6.3
\$25,000 - \$34,999	12.2	2	8.7
\$35,000 - \$49,999	17.4	3	11.3
\$50,000 - \$74,999	16.0	4+	9.4
\$75,000 - \$99,999	10.0	Education of Adults	%
\$100,000 +	19.6	Some High School, No Diploma	12.6
Median Household Income	\$46,234	High School Graduate (or GED)	32.8
Marital Status	%	Some College, No Degree	20.8
Never Married	39.4	Associate Degree	5.4
Married, Spouse Present	42.2	Bachelor's Degree	10.9
Married, Spouse Absent	3.2	Graduate Degree	17.7
Widowed	5.8	Employment Status	%
Divorced	9.3	Full time	35.4
Age of Adults	%	Part-time	16.0
18 - 24	13.3	Homemaker	9.8
25 - 34	22.9	Student	26.3
35 - 44	17.7	Retired	12.5
45 - 54	11.9	Unemployed	32.5
55 - 64	13.9		
65+	20.4		
Median Age	42.0		

⁽¹⁾ The Las Vegas valley in this table includes Boulder City.

Source: 2013 Las Vegas Perspective.



Clark County Newcomers' States of Origin: 2012

Top Ten States of Origin

- | | | | | |
|---------------|-------------|-------------|-------------|------------|
| 1. California | 2. Arizona | 3. Florida | 4. Texas | 5. Utah |
| 6. Washington | 7. Illinois | 8. New York | 9. Colorado | 10. Hawaii |

Source: Center for Business and Economic Research at UNLV (November 2013).

Retiree Profile



Las Vegas Valley⁽¹⁾ Retiree Profile: 2012

Household Income Distribution	%	Type of Home	%
Under \$15,000	15.5	Single Family	76.8
\$15,000 - \$24,999	17.1	Apt/Condo/Townhome	20.9
\$25,000 - \$34,999	13.1	Plex (2-4 Units)	1.0
\$35,000 - \$49,999	15.7	Mobile Home	1.3
\$50,000 - \$74,999	14.5	Length of Residence	%
\$75,000 - \$99,999	6.0	Newcomer	5.5
\$100,000 +	18.1	1 Year or Longer	94.5
Median Household Income	\$45,927	Persons Per Household	%
Marital Status	%	1	32.5
Never Married	8.0	2	46.9
Married, Spouse Present	60.0	3	15.5
Married, Spouse Absent	1.3	4	4.0
Widowed	16.4	5+	1.1
Divorced	14.3	Average Household Size (Persons)	2.3
Gender	%	Home Ownership	%
Female	47.1	Own	76.9
Male	52.9	Rent	23.1
Male/Female Ratio	0.89		

⁽¹⁾ The Las Vegas valley in this table includes Boulder City.

Source: 2013 Las Vegas Perspective.



DEMOGRAPHICS

2013 Metro Area Rankings

Comparison of Las Vegas MSA to Selection of Western Metros									
Rankings for Select Western U.S. Areas ⁽¹⁾ (Total metros ranked = 23)									
Metro Area	Population	Gross Metro Product Growth	Rank	Employment Growth	Rank	Unemployment Rate Change	Rank	Housing Price Growth	Rank
Albuquerque, NM	902,794	7.0%	17	1.2%	23	-1.3%	1	0.8%	23
Bakersfield-Delano, CA	856,158	10.8%	6	12.9%	2	-4.7%	20	13.2%	8
Boise City-Nampa, ID	635,964	7.8%	15	7.1%	8	-2.9%	5	17.0%	3
Colorado Springs, CO	668,353	9.2%	10	4.5%	16	-1.6%	2	3.4%	22
Denver-Aurora-Broomfield, CO	2,645,209	8.5%	14	7.6%	6	-2.2%	3	8.0%	17
Fresno, CA	947,895	4.0%	22	2.6%	22	-4.4%	17	8.3%	16
Las Vegas-Paradise, NV	2,000,759	5.7%	18	4.9%	13	-4.6%	18	16.6%	4
Los Angeles-Long Beach-Santa Ana, CA	13,052,921	8.6%	12	5.1%	12	-3.0%	6	8.4%	12
Modesto, CA	521,726	4.7%	21	3.1%	20	-4.9%	21	15.1%	5
Ogden-Clearfield, UT	562,356	8.8%	11	7.7%	5	-3.6%	9	5.0%	21
Oxnard-Thousand Oaks-Ventura, CA	835,981	2.9%	23	4.6%	14	-3.6%	10	8.3%	14
Phoenix-Mesa-Glendale, AZ	4,329,534	10.1%	7	6.3%	10	-3.2%	7	24.1%	1
Portland-Vancouver-Hillsboro, OR-WA	2,289,651	21.8%	1	6.4%	9	-3.8%	13	7.3%	18
Provo-Orem, UT	550,461	14.2%	4	14.2%	1	-3.6%	11	8.3%	15
Riverside-San Bernardino-Ontario, CA	4,350,096	8.5%	13	3.5%	17	-4.6%	19	12.3%	10
Sacramento-Arden-Arcade-Roseville, CA	2,196,482	5.5%	19	3.2%	19	-4.3%	15	14.5%	6
Salt Lake City, UT	1,161,715	12.6%	5	9.4%	4	-3.7%	12	8.3%	13
San Diego-Carlsbad-San Marcos, CA	3,177,063	9.9%	8	4.5%	15	-3.5%	8	10.2%	11
San Francisco-Oakland-Fremont, CA	4,455,560	9.4%	9	7.1%	7	-4.2%	14	12.8%	9
San Jose-Sunnyvale-Santa Clara, CA	1,894,388	20.2%	2	10.6%	3	-5.1%	22	13.4%	7
Seattle-Tacoma-Bellevue, WA	3,552,157	15.2%	3	6.1%	11	-4.4%	16	6.4%	19
Stockton, CA	702,612	5.0%	20	3.4%	18	-5.3%	23	18.5%	2
Tucson, AZ	992,394	7.6%	16	2.6%	21	-2.7%	4	5.8%	20

Sources: Brookings Metro Monitor; U.S. Census Bureau - 2012 American Community Survey (November 2013).

⁽¹⁾ Select metro areas in the Western United States (Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming).

Gross Metro Product Growth represents the total value of goods and services produced in an area. Read as the growth rate from that area's trough during recession.

Employment Growth is the growth rate of total wage and salary jobs from that area's trough during recession.

Unemployment Rate Change is the decrease in the unemployment rate from that area's peak unemployment during the recession.

Housing Price Growth is the growth rate of the price of single-family homes whose mortgages have been purchased or securitized by Fannie Mae or Freddie Mac. Read as the growth rate from that area's trough during the recession.

Las Vegas Zip Code Profiles

DEMOGRAPHICS

	89101	89102*	89104*	89106	89107	89108	89110*	89117*	89124*	89128	89129*	89130	89131*	89134	89138	89143	89144	89145	89146*	89149*	89166*
POPULATION	40,516	35,054	34,724	25,849	38,323	74,723	74,636	54,272	6,996	36,616	52,253	31,517	44,588	24,463	12,630	13,565	18,462	25,773	18,613	33,521	9,384
Age																					
0 - 4	8%	9%	7%	9%	8%	8%	9%	5%	4%	6%	6%	9%	7%	9%	8%	8%	9%	5%	6%	6%	5%
5 - 9	7%	7%	7%	9%	7%	8%	9%	5%	4%	6%	6%	7%	7%	9%	7%	8%	9%	5%	6%	6%	6%
10 - 14	6%	6%	6%	8%	7%	7%	9%	5%	3%	6%	8%	6%	6%	8%	7%	7%	9%	5%	6%	8%	7%
15 - 17	4%	4%	4%	4%	5%	4%	5%	3%	3%	4%	5%	4%	4%	4%	5%	4%	5%	3%	4%	5%	5%
18 - 20	5%	4%	4%	4%	4%	4%	5%	3%	5%	4%	4%	4%	4%	4%	4%	4%	5%	3%	4%	4%	4%
21 - 24	6%	5%	5%	6%	6%	6%	6%	5%	10%	5%	5%	5%	5%	6%	6%	6%	6%	5%	5%	5%	5%
25 - 34	16%	15%	13%	14%	13%	15%	13%	14%	23%	13%	13%	15%	13%	14%	13%	15%	13%	14%	13%	13%	10%
35 - 44	15%	14%	13%	13%	13%	14%	14%	14%	19%	14%	15%	14%	13%	13%	13%	14%	14%	14%	14%	15%	14%
45 - 54	14%	12%	14%	13%	13%	13%	13%	15%	16%	15%	16%	12%	14%	13%	13%	13%	13%	15%	15%	16%	15%
55 - 64	10%	10%	12%	10%	11%	10%	9%	14%	8%	12%	12%	10%	12%	10%	11%	10%	9%	14%	12%	12%	13%
65 - 74	5%	8%	8%	6%	7%	7%	5%	9%	4%	8%	7%	8%	8%	6%	7%	7%	5%	9%	8%	7%	10%
75 - 84	2%	4%	4%	3%	4%	3%	2%	5%	1%	4%	3%	4%	4%	3%	4%	3%	2%	5%	4%	3%	5%
85+	1%	2%	1%	1%	1%	1%	1%	2%	1%	2%	1%	2%	1%	1%	1%	1%	1%	2%	2%	1%	1%
Median Age	33	35	38	33	35	34	31	41	35	39	37	41	37	64	36	33	40	40	40	35	30
Race and Ethnicity																					
White	20%	27%	29%	15%	34%	34%	21%	57%	43%	51%	62%	63%	67%	80%	58%	62%	68%	58%	43%	63%	57%
African American/Black	13%	8%	6%	38%	7%	14%	8%	9%	26%	13%	9%	10%	8%	4%	5%	10%	5%	8%	10%	9%	10%
American Indian	1%	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Asian	3%	8%	6%	4%	4%	4%	5%	13%	7%	7%	7%	5%	6%	6%	18%	7%	12%	7%	11%	7%	8%
Pacific Islander	0%	1%	1%	1%	1%	1%	0%	0%	0%	1%	1%	1%	0%	0%	0%	1%	1%	1%	1%	0%	1%
Hispanic/Latino	61%	54%	57%	40%	52%	44%	64%	16%	21%	23%	17%	18%	14%	7%	14%	16%	11%	23%	32%	15%	20%
More than one race	1%	2%	2%	3%	2%	3%	2%	4%	2%	4%	4%	4%	4%	2%	4%	5%	4%	3%	3%	4%	4%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Marital Status (Age 15+)																					
Never Married	42%	40%	36%	39%	33%	34%	36%	32%	37%	33%	26%	26%	25%	15%	31%	31%	27%	30%	34%	28%	30%
Married, Spouse Present	26%	30%	30%	28%	38%	37%	41%	43%	42%	40%	51%	52%	59%	60%	48%	49%	52%	43%	37%	49%	45%
Married, Spouse Absent	10%	8%	8%	11%	8%	9%	9%	5%	7%	6%	4%	5%	4%	3%	6%	4%	4%	8%	6%	5%	7%
Divorced	17%	15%	17%	16%	14%	14%	10%	14%	12%	15%	15%	11%	10%	9%	13%	14%	14%	13%	16%	14%	16%
Widowed	5%	7%	8%	6%	7%	6%	4%	6%	2%	6%	5%	6%	3%	12%	3%	2%	3%	5%	6%	4%	2%
Per Capita Income	\$10,845	\$15,938	\$13,760	\$13,148	\$16,566	\$17,817	\$15,167	\$27,719	\$34,805	\$25,594	\$25,336	\$26,427	\$29,646	\$38,089	\$34,859	\$23,757	\$38,967	\$25,106	\$23,173	\$28,383	\$30,271

DEMOGRAPHICS

Las Vegas Zip Code Profiles, continued...

	89101	89102*	89104*	89106	89107	89108	89110*	89117*	89124*	89128	89129*	89130	89131*	89134	89138	89143	89144	89145	89146*	89149*	89166*
Education (Age 25+)																					
< 9th Grade	23%	16%	16%	18%	14%	10%	17%	3%	3%	3%	2%	3%	1%	1%	3%	1%	1%	5%	8%	2%	1%
Some High School, No Diploma	20%	15%	15%	19%	13%	11%	16%	7%	8%	8%	6%	6%	5%	5%	3%	5%	4%	9%	10%	5%	6%
HS Graduate (Incl. Equivalency)	32%	31%	33%	32%	32%	34%	33%	25%	31%	31%	27%	31%	28%	23%	15%	30%	21%	32%	27%	25%	24%
Some College, No Degree	16%	20%	22%	18%	23%	24%	18%	28%	25%	28%	29%	30%	30%	26%	26%	30%	23%	24%	28%	32%	29%
Associate Degree	2%	6%	4%	4%	6%	6%	4%	8%	3%	7%	9%	8%	9%	7%	7%	9%	8%	8%	7%	9%	11%
Bachelor's Degree	5%	9%	7%	5%	8%	10%	8%	18%	17%	14%	17%	14%	18%	21%	27%	17%	24%	14%	13%	20%	20%
Master's Degree	1%	2%	2%	2%	3%	3%	3%	6%	8%	7%	7%	6%	7%	10%	12%	6%	11%	6%	5%	5%	6%
Professional School Degree	1%	1%	1%	1%	1%	1%	1%	3%	3%	2%	2%	1%	1%	4%	6%	1%	6%	2%	2%	2%	2%
Doctorate Degree	0%	0%	1%	0%	1%	0%	0%	1%	3%	1%	1%	1%	1%	2%	2%	1%	1%	1%	1%	1%	1%
Travel Time to Work																					
< 15 Minutes	18%	29%	18%	20%	22%	19%	15%	25%	12%	21%	14%	16%	14%	26%	19%	11%	25%	24%	25%	15%	8%
15 to 29 Minutes	44%	47%	48%	44%	48%	43%	38%	45%	38%	48%	45%	38%	36%	42%	43%	38%	41%	49%	48%	40%	41%
30 to 44 Minutes	24%	15%	21%	24%	20%	26%	34%	18%	22%	21%	26%	30%	35%	19%	26%	35%	24%	18%	18%	29%	33%
45 to 59 Minutes	5%	3%	4%	4%	4%	5%	5%	3%	11%	3%	6%	7%	8%	3%	4%	9%	4%	4%	3%	7%	10%
60+ Minutes	8%	4%	6%	8%	4%	6%	6%	4%	12%	3%	4%	4%	3%	1%	4%	5%	2%	2%	3%	4%	4%
Worked At Home	1%	2%	2%	1%	2%	2%	2%	5%	4%	5%	4%	4%	4%	8%	5%	3%	3%	2%	4%	5%	3%
HOUSEHOLDS	14,300	13,209	11,968	8,614	12,750	26,334	21,567	22,932	528	14,775	19,238	11,549	15,112	12,044	4,547	4,204	7,260	10,216	7,315	12,670	3,674
Households by Ethnicity																					
White	32%	40%	42%	19%	47%	45%	30%	64%	70%	60%	69%	70%	73%	85%	63%	68%	73%	66%	51%	69%	63%
African American/Black	15%	10%	8%	44%	9%	16%	10%	9%	4%	13%	9%	10%	8%	4%	5%	10%	5%	8%	11%	9%	11%
American Indian	1%	0%	1%	0%	1%	1%	0%	0%	2%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Asian	4%	8%	5%	4%	4%	4%	5%	11%	10%	6%	6%	4%	5%	5%	17%	6%	10%	6%	11%	6%	7%
Pacific Islander	0%	0%	0%	1%	1%	1%	0%	0%	1%	1%	1%	0%	0%	0%	0%	1%	1%	1%	1%	0%	1%
Hispanic/Latino	46%	39%	41%	30%	37%	32%	53%	12%	11%	17%	12%	13%	10%	5%	11%	12%	8%	16%	23%	12%	16%
More than one race	2%	2%	2%	2%	2%	2%	1%	3%	3%	2%	2%	2%	2%	1%	3%	3%	2%	2%	2%	2%	2%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Las Vegas Zip Code Profiles, continued...

	89101	89102*	89104*	89106	89107	89108	89110*	89117*	89124*	89128	89129*	89130	89131*	89134	89138	89143	89144	89145	89146*	89149*	89166*
Household Size																					
1-Person	39%	34%	31%	29%	27%	26%	16%	31%	22%	29%	22%	20%	14%	35%	18%	12%	24%	29%	29%	21%	26%
2-Persons	19%	26%	26%	23%	28%	28%	23%	36%	36%	33%	33%	36%	32%	47%	30%	25%	34%	34%	33%	35%	32%
3-Persons	11%	14%	13%	16%	15%	17%	17%	15%	17%	17%	18%	18%	19%	9%	19%	19%	17%	16%	16%	18%	18%
4-Persons	11%	11%	11%	13%	12%	13%	17%	10%	14%	12%	15%	14%	17%	6%	19%	20%	15%	11%	11%	14%	14%
5-Persons	9%	7%	8%	9%	9%	8%	13%	5%	8%	5%	8%	7%	10%	2%	9%	13%	7%	6%	6%	7%	6%
6-Persons	6%	4%	5%	5%	5%	4%	7%	2%	3%	2%	3%	3%	5%	1%	4%	6%	2%	3%	3%	3%	2%
7+ Persons	5%	4%	6%	5%	5%	4%	7%	1%	1%	1%	2%	2%	3%	0%	2%	4%	1%	2%	2%	2%	1%
Avg. Household Size	2.7	2.6	2.8	2.9	3.0	2.8	3.4	2.3	2.6	2.4	2.7	2.7	3.1	2.0	2.9	3.3	2.6	2.5	2.5	2.7	2.5
Household Income																					
< \$15,000	33%	22%	22%	28%	15%	15%	14%	12%	8%	11%	10%	10%	4%	9%	11%	5%	8%	13%	14%	7%	4%
\$15,000 - \$24,999	22%	21%	21%	17%	14%	16%	14%	11%	7%	13%	10%	8%	4%	14%	6%	3%	6%	11%	14%	8%	6%
\$25,000 - \$34,999	16%	15%	16%	17%	12%	14%	14%	14%	9%	14%	10%	10%	7%	13%	7%	5%	7%	11%	16%	9%	8%
\$35,000 - \$49,999	12%	15%	14%	14%	20%	16%	18%	16%	9%	16%	14%	13%	12%	15%	6%	13%	12%	18%	16%	14%	12%
\$50,000 - \$74,999	11%	14%	16%	13%	22%	21%	19%	20%	15%	20%	21%	21%	21%	18%	16%	29%	20%	21%	18%	24%	30%
\$75,000 - \$99,999	4%	6%	6%	6%	8%	9%	10%	11%	21%	11%	14%	16%	19%	11%	17%	20%	17%	12%	8%	17%	19%
\$100,000 - \$124,999	1%	3%	3%	2%	4%	5%	5%	6%	13%	6%	9%	9%	12%	8%	12%	12%	10%	6%	5%	9%	9%
\$125,000 - \$149,999	1%	1%	1%	1%	1%	2%	2%	3%	6%	3%	4%	5%	8%	4%	7%	6%	5%	3%	3%	5%	4%
\$150,000 - \$199,999	0%	2%	1%	1%	1%	2%	2%	4%	5%	3%	5%	6%	8%	4%	10%	5%	6%	3%	5%	6%	5%
\$200,000 - \$499,999	0%	1%	0%	1%	1%	1%	1%	3%	5%	2%	2%	2%	4%	4%	7%	2%	6%	2%	2%	3%	2%
\$500,000+	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%	0%	0%	0%	1%	1%	0%	2%	0%	0%	0%	0%
Median Household Income	\$22,479	\$29,781	\$29,452	\$27,864	\$40,971	\$39,707	\$41,458	\$46,982	\$76,429	\$46,594	\$56,772	\$60,542	\$76,358	\$49,370	\$81,353	\$70,283	\$70,794	\$47,441	\$40,615	\$63,791	\$66,552
Average Household Income	\$29,726	\$42,060	\$38,770	\$38,362	\$48,892	\$49,871	\$52,212	\$64,673	\$91,416	\$62,298	\$69,015	\$71,698	\$90,359	\$75,785	\$100,899	\$79,289	\$100,496	\$62,353	\$58,130	\$76,864	\$76,579
Vehicles Available per Household																					
No Vehicles	37%	19%	18%	19%	10%	10%	7%	6%	5%	8%	4%	2%	1%	3%	3%	1%	2%	5%	8%	3%	2%
1 Vehicle	38%	44%	44%	44%	40%	42%	35%	44%	24%	43%	34%	32%	23%	48%	26%	23%	34%	41%	39%	33%	32%
2 Vehicles	17%	26%	27%	22%	33%	32%	38%	36%	48%	38%	44%	44%	50%	40%	55%	60%	48%	38%	38%	43%	52%
3 Vehicles	6%	7%	7%	9%	11%	11%	13%	12%	17%	8%	12%	16%	19%	7%	14%	12%	13%	13%	11%	14%	11%
4 Vehicles	1%	2%	3%	4%	4%	4%	5%	2%	4%	3%	4%	5%	6%	1%	1%	3%	2%	3%	3%	5%	2%
5+ Vehicles	1%	1%	1%	1%	1%	1%	2%	1%	2%	0%	1%	1%	1%	1%	1%	1%	1%	1%	2%	1%	0%

DEMOGRAPHICS

Las Vegas Zip Code Profiles, continued...

	89101	89102*	89104*	89106	89107	89108	89110*	89117*	89124*	89128	89129*	89130	89131*	89134	89138	89143	89144	89145	89146*	89149*	89166*
HOUSING UNITS	17,766	15,733	13,898	11,079	13,476	28,400	23,204	23,909	1,005	16,193	19,884	11,632	16,069	12,820	4,856	4,749	8,146	11,434	7,764	14,443	4,485
Type of Home																					
Single Family	31%	27%	61%	47%	69%	53%	61%	56%	59%	53%	79%	89%	94%	82%	90%	100%	72%	60%	45%	73%	77%
Duplex or 3/4-Plex	16%	1%	6%	12%	2%	4%	3%	1%	0%	1%	0%	0%	0%	0%	0%	0%	0%	1%	2%	0%	0%
Mobile Home	0%	2%	10%	0%	0%	1%	9%	0%	39%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	1%
Apartment	48%	60%	21%	36%	20%	29%	16%	29%	0%	16%	10%	0%	2%	0%	5%	0%	6%	10%	38%	14%	0%
Townhome	1%	6%	0%	2%	5%	4%	8%	2%	0%	5%	4%	3%	2%	13%	2%	0%	4%	11%	3%	4%	0%
Condominium	4%	4%	2%	4%	4%	8%	3%	12%	1%	25%	7%	8%	2%	5%	3%	0%	18%	19%	11%	8%	22%
Housing Vacancy	20%	16%	14%	22%	5%	7%	7%	4%	47%	9%	3%	1%	6%	6%	6%	11%	11%	11%	6%	12%	18%
Occupied Housing Units	14,300	13,209	11,968	8,614	12,750	26,334	21,567	22,932	528	14,775	19,238	11,549	15,112	12,044	4,547	4,245	7,260	10,216	7,315	12,670	3,674
Vacant Housing Units	3,466	2,524	1,930	2,465	726	2,066	1,637	977	477	1,418	646	83	957	776	309	504	886	1,218	449	1,773	811
Occupied Housing Tenure																					
Owner Occupied	21%	31%	52%	37%	56%	49%	60%	49%	73%	55%	67%	79%	81%	83%	68%	80%	69%	65%	45%	70%	58%
Renter Occupied	79%	69%	48%	63%	44%	51%	40%	51%	27%	45%	33%	21%	19%	17%	32%	20%	31%	35%	55%	30%	42%
Avg. Length of Residence (Years), Owner Occupied	19.2	17.0	16.2	19.8	17.8	14.4	14.6	12.7	8.2	12.9	11.2	11.9	8.3	13.5	6.5	8.6	11.1	13.7	16.9	9.0	5.0
Avg. Length of Residence (Years), Renter Occupied	5.9	6.1	6.0	6.7	6.5	5.3	5.4	5.3	4.6	5.7	5.0	4.9	4.9	6.5	4.4	4.7	5.1	5.5	5.5	4.7	4.3

* Zip code includes other areas outside of Las Vegas boundaries.

Sources: Clark County Comprehensive Planning Department; RCG Economics; Neilsen Claritas – 2013 estimates (November 2013).

Demographic Data Collection, Estimate and Limitations November 2013

The demographic statistics used herein by RCG Economics are based on resident population and housing unit data prepared by the Clark County Department of Comprehensive Planning, dated December 2012. Using these data as baseline totals, RCG applied the various census-based economic and demographic characteristics (e.g., age, sex, race, ethnicity and household income) developed by Neilsen Claritas to derive the demographic statistics at the Zip Code, city and county levels presented. While information herein was obtained from sources deemed reliable, no representation or warranty is made to the accuracy thereof.

APPRAISER'S STATE LICENSE

TEMPORARY APPRAISER PERMIT

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE

REAL ESTATE DIVISION

NOT TRANSFERABLE

This is to Certify That: JOHN L EMMERLING

Permit Number: ATMP.0012700.CG

Has been issued a TEMPORARY PRACTICE PERMIT by the State of Nevada for a specified appraisal assignment from the issue date to the expiration date at the business address stated here in, unless the permit is sooner revoked, cancelled, withdrawn, or invalidated.

Issue Date: October 2, 2014

Expire Date: March 30, 2015

In witness whereof, THE DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION, by virtue of the authority vested in it by Chapter 645C of the Nevada Revised Statutes, has caused this Permit to be issued with its Seal printed thereon.

FOR: JOHN L EMMERLING
TROPHY PROPERTY COMPANY INC
2224 SOUTH QUEEN ST
LAKEWOOD, CO 80227

REAL ESTATE DIVISION

JOSEPH (JD) DECKER
Administrator



LIST OF CHARTER SCHOOLS APPRAISED

Listing of Charter Schools Appraised or Feasibility Studies

John L. Emmerling, MAI

2002

Stargate Charter School – Thornton, Colorado
Bromely East Charter School – Brighton, Colorado
Peak to Peak Charter School – Lafayette, Colorado

2003

Academy of Charter Schools – Westminster, Colorado
Pioneer Charter School – Fort Collins, Colorado
Aspen Academy Charter School – Highlands Ranch, Colorado

2004

Denver Lutheran High School – Denver, Colorado
Lutheran High School of the Rockies – Parker, Colorado
Heritage Christian School – Fort Collins, Colorado
Elbert County Charter School – Elizabeth, Colorado
Aurora Academy Charter School – Aurora, Colorado

2005

Commerce City Academy – Commerce City, Colorado
Community Leadership Academy – Commerce City, Colorado
Montessori School of Evergreen – Evergreen, Colorado
Woodrow Wilson Charter School – Westminster, Colorado
Ridgeview Classical Schools – Fort Collins, Colorado
Knowledge Quest Academy – Milliken, Colorado

2006

North Colorado Academy of Arts & Technology – Fort Collins, Colorado
Denver Academy – Denver, Colorado
American Leadership Academy – Spanish Fork, Utah
Carbon Valley Academy – Fredrick, Colorado

2007

Spectrum Academy School – North Salt Lake, Utah
Liberty Academy Charter School – Salem, Utah
Lakeview Academy Charter School – Saratoga Springs, Utah
Channing Hall Charter School – Draper, Utah
Challenges, Choices & Images Charter School – Denver, Colorado
Northeast Academy Charter School – Denver, Colorado
Monument Academy – Monument, Colorado
Ronald Reagan Academy – Springville, Utah
Summit Academy – Draper, Utah
Vail Christian High School – Edwards, Colorado

Listing of Charter Schools Appraised

Page 2

2008

Academy of Charter Schools – Westminster, Colorado
Denver Academy – Denver, Colorado
New Vision Charter School – Loveland, Colorado
Rockwell School – Saratoga Springs, Utah
Flagstaff Charter School – Longmont, Colorado
Twin Peaks Charter School – Longmont, Colorado
North Star Academy – Parker, Colorado

2009

Free Horizon Charter School - Golden, Colorado
Berean Academy Charter School – Sierra Vista, Arizona
Legacy Traditional School – Maricopa, Arizona
Crown Point Academy – Westminster, Colorado
High Point Academy – Aurora, Colorado

2010

Odyssey Academy Charter School – Buckeye, Arizona
American Leadership Academy – Gilbert, Arizona
Cambridge Academy (2) – Mesa & Queen Creek, Arizona
Academy of Charter Schools Pre-K-2nd – Westminster, Colorado
Twin Peaks Academy Charter School – Longmont, Colorado
Global Village Academy Charter School – Aurora, Colorado
Caprock Charter School – Grand Junction, Colorado

2011

Candeo Schools – Peoria, Arizona
Kennesaw Charter School – Kennesaw, Georgia
Highline Academy – Denver, Colorado
Monarch Montessori (Samsonite) – Denver, Colorado
DeKalb Academy – Stone Mountain, Georgia
Brooks Academy – San Antonio, Texas
Lincoln Academy – Arvada, Colorado
Stone Creek Charter School – Edwards, Colorado
AXL Academy Charter School – Aurora, Colorado

Listing of Charter Schools Appraised

Page 3

2012

Jefferson Academy – Broomfield and Westminster, Colorado
Academy for Technology and the Classics – Santa Fe, New Mexico
Explore Knowledge Academy – Las Vegas, Nevada
STEM Academy Charter School – Highlands Ranch, Colorado
SkyView Academy Charter School – Lone Tree, Colorado
University Labs Charter School – Greeley, Colorado
Littleton Preparatory Academy – Littleton, Colorado
Mountain Phoenix Charter School – Wheat Ridge Colorado
Community Leadership Academy Charter School – Commerce City, CO
American Academy 2 Charter School – Parker, Colorado
National Dance Institute of New Mexico – Santa Fe, New Mexico

2013

Boulder College of Massage Therapy – Boulder, Colorado
STEM Academy Charter School – Highlands Ranch, Colorado
Prospect Ridge Academy Charter School – Broomfield, Colorado
Rocky Mountain Classical Academy – Falcon, Colorado (Consulting)

2014

Vanguard Classical School – Lowery Campus – Denver, Colorado
Vanguard Classical School – East Campus – Aurora, Colorado
Twin Peaks Academy charter School – Longmont, Colorado
Swallows Charter Academy School – Pueblo West, Colorado
Colorado Early Colleges – Colorado Springs, Colorado
Colorado Early Colleges – Fort Collins, Colorado
Colorado Early colleges – Douglas County – Parker, Colorado

SOMERSET ACADEMY OF LAS VEGAS

Supporting Document

Meeting Date: January 8, 2015

Agenda Item: 6 – Presentation by Dr. Ruth Jacoby Regarding:

1. Somerset Mission & Vision;
2. School Administrative Structure; and
3. Roles and Responsibilities of Educational Director.

Number of Enclosures:

SUBJECT: Presentation by Dr. Ruth Jacoby Regarding:

1. Somerset Mission & Vision;
2. School Administrative Structure; and
3. Roles and Responsibilities of Educational Director.

- Action
- Appointments
- Approval
- Consent Agenda
- Information
- Public Hearing
- Regular Adoption

Presenter (s): Dr. Ruth Jacoby

Recommendation:

Proposed wording for motion/action:

Fiscal Impact: N/A

Estimated Length of time for consideration (in minutes):

Background:

Submitted By: Staff

SOMERSET ACADEMY OF LAS VEGAS

Supporting Document

Meeting Date: January 8, 2015

Agenda Item: 7 – Presentation by Staff Regarding:

1. Report on Somerset Academy Salary Structure

Number of Enclosures:

SUBJECT: Presentation by Staff Regarding:

1. Report on Somerset Academy Salary Structure.

Action

Appointments

Approval

Consent Agenda

Information

Public Hearing

Regular Adoption

Presenter (s):

Recommendation:

Proposed wording for motion/action:

Fiscal Impact: N/A

Estimated Length of time for consideration (in minutes):

Background:

Submitted By: Staff

SOMERSET ACADEMY OF LAS VEGAS

Supporting Document

Meeting Date: January 8, 2015

Agenda Item: 8 – Information and Discussion on Future Growth:

1. Presentation by Ryan Reeves regarding the growth of Academica Nevada managed schools; and
2. Presentation by Arthur Ziev on Real Estate Market and Potential Growth Sites.

Number of Enclosures:

SUBJECT: Information and Discussion on Future Growth:

1. Presentation by Ryan Reeves regarding the growth of Academica Nevada managed schools; and
2. Presentation by Arthur Ziev on Real Estate Market and Potential Growth Sites.

Action
 Appointments
 Approval
 Consent Agenda
 Information
 Public Hearing
 Regular Adoption

Presenter (s): Ryan Reeves and Arthur Ziev

Recommendation:

Proposed wording for motion/action:

Fiscal Impact: N/A

Estimated Length of time for consideration (in minutes):

Background:

Submitted By: Staff

SOMERSET ACADEMY OF LAS VEGAS

Supporting Document

Meeting Date: January 8, 2015 Agenda Item: 9 – Information and Discussion Regarding the Growth of Somerset Academy Number of Enclosures:
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SUBJECT: Information and Discussion Regarding the Growth of Somerset Academy.
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<input type="checkbox"/> Action
<input type="checkbox"/> Appointments
<input type="checkbox"/> Approval
<input type="checkbox"/> Consent Agenda
<input checked="" type="checkbox"/> Information
<input type="checkbox"/> Public Hearing
<input type="checkbox"/> Regular Adoption

Presenter (s): Ryan Reeves

Recommendation:

Proposed wording for motion/action:

Fiscal Impact: N/A

Estimated Length of time for consideration (in minutes):
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Background:

Submitted By: Staff
