

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING ("**MOU**") is made as of the 20 day of June, 2007, by and between REI Neon, LLC, a Michigan limited liability company ("**REI**"), and the CITY OF LAS VEGAS (the "**City**"). REI and the City are sometimes referred to herein collectively as the "**Parties**."

RECITALS

A. REI has entered into agreements to purchase approximately eighty-five (85) acres of real property in Las Vegas, County of Clark, Nevada, as more particularly described on Exhibit "A" attached hereto and incorporated herein by reference (the "**Property**").

B. REI directly, or through its affiliates or subsidiaries, (each a "Developer") would like to construct on the Property in multiple phases a project that would qualify for financial assistance as a Tourism Improvement District (a "**TID**") project pursuant to Chapter 271A of the Nevada Revised Statutes (the "**Project**"), which will include a professional sports arena if the Developer is selected by the City to build such arena.

C. REI has been advised by potential sources of debt and equity for the Project that in assessing the financial feasibility of the Project, they have included an expectation that the public entities that will benefit from the construction of the improvements, infrastructure and amenities that will comprise the Project will participate in the cost of such improvements, infrastructure and amenities.

D. As an incentive for REI to cause the construction of the Project, and in order to assist the City with their revitalization of the downtown area, REI has requested, and the City has agreed, that the Parties enter into this MOU to memorialize their agreement to cooperate in the examination of a TID in connection with certain improvement costs that the Developers will incur in the construction and development of the Project.

NOW, THEREFORE, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, REI and the City agree as follows:


1.1 **Cooperation**.

a) The Parties agree that if the Developer is selected by the City to build a professional sports arena, the Parties will cooperate in good faith to examine the desirability and feasibility of a TID to assist REI to construct and develop Qualified Improvements (as defined in NRS 271A.050) for the Project.

b) The Parties understand that (i) the determinations required by NRS 271A.080 must be made by the City Council of the City, the Nevada Commission on Tourism,

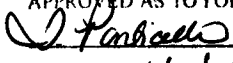
IN WITNESS WHEREOF, the parties hereto have executed this MOU on the day and year first above written.

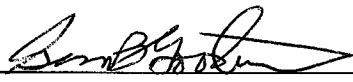
REI:

By: 
Name: JILL FERRARA
Title: MEMBER

CITY:

CITY OF LAS VEGAS
a Nevada municipal corporation

APPROVED AS TO FORM

6/12/07^{Date}

By: 
Name: OSCAR GOODMAN
Mayor

ATTEST:

By: 
Name: BEVERLY BRIDGES
City Clerk

EXHIBIT "A"

THE PROPERTY

All that certain real property situated in the County of Clark, State of Nevada, described as follows:

Assessor Parcel Nos.:

16203110109	16203110089	16204607002
16203110108	16203210001	16204607004
16203105001	16203210021	16204607019
16203110110	16203210002	16204607021
16203110112	16203210020	16204607006
16203110107	16203210019	16204607015
16203110113	16203210003	16204607007
16203110106	16203210018	16204607008
16203110114	16203210004	16204606002
16203110105	16203210017	16204607010
16203110115	16203210016	16204607011
16203110117	16203210005	16204607012
16203110118	16203210006	16204607014
16203110102	16203210007	16204607013
16203110119	16203210015	16204607016
16203110101	16203210014	16204607017
16203110120	16203210008	16204607018
16203110100	16203210009	16204606003
16203110099	16203210010	16204608001
16203110098	16203210011	16204608002
16203110121	16203210013	16204608003
16203110097	16203110116	16204608004
16203110122	16203199052	16204606004
16203110095	16203110132	16204608005
16203110096	16204506008	16204606005
16203110123	16204506007	16204608006
16203110094	16204506003	16204608007
16203110124	16204507008	16204608008
16203110125	16204599038	16204608009
16203110093	16204507002	16204608010
16203110126	16204507003	16204608016
16203110092	16204507004	16204608011
16203110127	16204507005	16204608012
16203110091	16204507010	16204608013
16203110129	16204507011	16204608014
16203110128	16204606001	16204608015
16203110090	16204607001	16204608017
16203110130	16204607003	

