

EXCLUSIVE NEGOTIATION AGREEMENT

THIS EXCLUSIVE NEGOTIATION AGREEMENT ("ENA" or "Agreement") is entered into this 18th day of July, 2007, by and between the City of Las Vegas, a Nevada municipal corporation (hereinafter "City") and CIM LL Las Vegas, LLC, a Nevada limited liability company or its assignee to be comprised of any partnership or limited liability company which may be formed in the future by and between an affiliate of CIM Group, Inc., and The Henry Brent Company, LLC, the current owner of the Lady Luck Hotel and Casino (hereinafter "Developer"), on the terms and provisions set forth below.

WHEREAS, Developer desires to undertake to develop certain real property depicted on Exhibit "A" attached hereto and incorporated herein (hereinafter "Site"); and

WHEREAS, Developer has acquired or is acquiring a controlling interest in the Lady Luck Hotel and Casino; and

WHEREAS, Developer desires to continue exclusive negotiations with the City concerning the Developer's plans for the development of the Site WITH THE INTENT TO ENTER INTO A "DISPOSITION AND DEVELOPMENT AGREEMENT" AT THE CONCLUSION OF THE NEGOTIATION PERIOD, as defined hereafter.

NOW, THEREFORE, for and in consideration of the mutual agreements, which are hereinafter contained, the parties do hereby agree as follows:

1. Mandatory Terms to any Disposition and Development Agreement will include:

A. 3rd Street Pedestrian Bridge

The Developer will agree to study (and present, or make available to the City for its review and inspection, results of its studies) regarding design, cost, operational and constructability impacts of removing and/or relocating, as well as alternative design treatments of the existing 3rd Street Pedestrian Bridge between the east and west towers of the Lady Luck Casino Hotel.

2. Negotiations

A. Good Faith Negotiations

The City and Developer agree for the Negotiation Period set forth below to negotiate diligently and in good faith to prepare a Disposition and Development Agreement (hereinafter "DDA") for the Site located in downtown Las Vegas as shown on the Legal Description of Exhibit "A". All terms and conditions of the DDA, other than the terms and conditions in Section 1.A. above, will be defined and negotiated in good faith by the City and the Developer during the entire Negotiation Period. The City further agrees, for the Negotiation Period set forth below, not to negotiate with any other person or entity regarding development of the Site or any portion thereof.

B. Negotiation Period

The duration of this ENA shall run from the date stated in the introductory paragraph above up to and including November 17, 2007 (hereinafter "First Negotiation Period"). If upon expiration of the First Negotiation Period, Developer and the City have not reached mutual agreement as to the scope, conceptual plan, and business terms for acquisition of the Site, then this Agreement shall automatically terminate. If the Parties have reached agreement on the above points, the Term of this ENA shall be extended to March 19, 2008 ("Second Negotiation Period") to complete and sign a DDA, subject to City Council approval.

C. Tasks to be Performed by Developer during First Negotiation Period

i. Master Plan for Site.

The Developer, at Developer's expense, shall complete and provide to the City, or make available for review and inspection by the City, a master plan for development of the Site (the "Master Plan") no later than November 17, 2007. The Developer shall provide the City with access to a draft copy of the Master Plan no later than October 3, 2007.

The Master Plan shall strongly consider and be attentive to the historic nature of the Federal Building-Post Office, including its national historic designation, located on the Site. In addition, the Master Plan shall clearly indicate each distinct phase of the development, as well as, the specific development items that will occur in each phase and corresponding timeline for accomplishing said development items. Phase 1 of the Master Plan shall be limited specifically to the unencumbered portion of the Site currently being used as a park.

ii. No later than August 31, 2007, Developer shall provide to the City, or make available for review by the City, the following:

- a) A plan for new equity and/or debt financing for the Lady Luck Hotel and Casino,
- b) A schedule for selection of Lady Luck Hotel and Casino operating companies, and
- c) A schedule and scope for design, permitting, construction, and completion of improvements.

iii. No later than October 17, 2007,, the Developer shall provide to the City, or make available for review by the City, a proposal setting forth business terms for acquisition and redevelopment of the properties in the Site. The proposal shall include an economic rationale, schedule of closing and development, proposed consideration to be paid by the Developer, and actions to be taken by the City, precedent to closing.

D. Tasks to be fully performed by the Developer during the Second Negotiation Period are:

i. Selecting hotel and casino operating companies and providing evidence to the City of operating agreements for the Lady Luck Hotel and Casino.

ii. Providing evidence to the City of construction contracts and financing agreements to complete the renovation of the Lady Luck Hotel and Casino.

iii. Submitting plans for building permits to start construction on the renovation of the Lady Luck Hotel and Casino.

iv. Submitting complete and final documentation of a DDA, subject only to approval by the City Council.

All of the above required documentation in Sections D.i. - iii. shall be in sufficient detail and clarity for the City to determine that the construction on the renovation of the Lady Luck Hotel and Casino will progress to completion.

E. INTENTIONALLY DELETED

F. Deed Restrictions and Contractual Obligations

The portion of the Site designated as Parcel 2 on the Legal Description of Exhibit "A" includes approximately 2.00 acres ("Deed Restricted Acreage") that are subject to certain deed restrictions for historical monument purposes only in perpetuity as more fully set forth in the Quitclaim Deed dated May 13, 2002, attached as Exhibit "B" to this Agreement, and recorded in the Office of the County Recorder, Clark County, Nevada in Book No. 20020514, Instrument No. 00962. As such, negotiation of the terms and conditions of the DDA will most likely result in the Deed Restricted Acreage being excluded from conveyance to the Developer and the Scope of Development unless, during the ENA process, Developer can clearly demonstrate that public objectives can be achieved by including the Deed Restricted Acreage in the Scope of Development. In addition, Parcel 1 is subject to certain contractual obligations pursuant to an Interlocal Agreement between the City and Regional Transportation Services for the operation of mass transportation services in Clark County, Nevada. Developer acknowledges that a copy of the Interlocal Agreement has been delivered to the Developer as Exhibit "C" that is attached to this Amended Agreement.

All terms and conditions of the DDA will be defined and negotiated subject to the Master Plan, as well as, any and all existing deed restrictions or contractual obligations on the Site.

3. Development Concept

A. Scope of Development

The negotiations hereunder shall be based on a development program encompassing the Site, the timely renovation and reopening of the Lady Luck Hotel and Casino and associated properties, and additional adjacent properties the Developer or the City may identify, including but not limited to the City-owned parking structure located at Ogden Avenue and 3rd Street. The design, architecture and exact dimensions of the real property to be developed will be defined during the negotiation of the DDA based upon the acceptability of the Master Plan (including phasing of development) to the City, at its sole discretion.

B. Developer's Findings, Determinations, Studies and Reports

Developer shall provide to the City monthly progress reports which shall be made no later than the 15th of each calendar month of this ENA describing the status of Developer's performance since the preceding report, including the Master Plan, any reports and studies completed, and the expected progress to be made in the next succeeding period. Upon reasonable notice, as requested by the City, Developer agrees to make oral progress reports advising the City and/or the Las Vegas City Council on the Master Plan, all matters and all studies being made by Developer. Upon entering into a DDA, ALL NON-PROPRIETARY REPORTS AND STUDIES (INCLUDING, BUT NOT LIMITED TO, THE MASTER PLAN, APPRAISAL REPORTS, ENVIRONMENTAL STUDIES, GEOTECHNICAL STUDIES AND MARKET STUDIES) SHALL BECOME THE PROPERTY OF THE CITY.

4. Deposit and Purchase Price

As a requirement of the Exclusive Negotiation Agreement between the City and Frank Wright Plaza LLC, a good faith deposit in the total sum of One Hundred Thousand Dollars (\$100,000.00) was submitted to the City to ensure that Frank Wright Plaza LLC would proceed diligently in good faith to negotiate and perform all of their obligations under the ENA (hereinafter "Deposit"). Developer represents and warrants that the Frank Wright Plaza LLC agrees that their Deposit shall be used as the Developer's good faith deposit of \$100,000 required of this ENA ("Developer's Deposit") and shall obtain a written consent and authorization to use Frank Wright Plaza LLC's Deposit for the Developer's Deposit. As such, the Developer agrees to indemnify the City in the event Frank Wright Plaza LLC has any claim or dispute regarding the return or disposition of their Deposit. In the event that Frank Wright Plaza LLC does not agree to authorize the use and transfer their Deposit for the Developer's Deposit required under this ENA, then Developer shall no later than the date this ENA is approved by the Las Vegas City Council submit the \$100,000 Developer Deposit to the City in order to comply with this Section. If the Developer has negotiated in good faith which shall include but not be limited to, attending all project meetings, responding to information requests by City and willingly providing any information and concept plans to further the negotiations and the development project as contemplated and described in Section 2.A. above, the Deposit shall be returned to Developer upon the termination of the negotiations. If Developer has not negotiated in good faith as reasonably determined by the City, the Deposit may be retained by City. Failure to agree on the terms and conditions of the DDA shall not in itself be considered lack of good faith.

The purchase price and/or other consideration to be paid by Developer under the DDA will be established as a result of negotiations between City and Developer. Such purchase price and/or other consideration will be based upon such factors as market conditions, density of development, costs of development, risks of City, risks of Developer, estimated Developer profit, public purpose and/or fair market value for the uses permitted to be developed and financial requirements of City, and will be subject to approval by the Las Vegas City Council after a public hearing as required by law. All other terms relevant to the disposition of the Site, including but not limited to additional deposits, shall be determined during the negotiation period as described in this ENA.

5. Developer

A. Nature of Developer

Developer is CIM LL Las Vegas, LLC, a Nevada limited liability company. If Developer forms a partnership or limited liability company in the future by and between an affiliate of CIM Group, Inc. and the Henry Brent Company, LLC, the current owner of the Lady Luck Hotel and Casino, who shall be assigned this ENA, such assignment shall require the prior written approval of the City.

B. Office of Developer

The principal office of Developer is:

6922 Hollywood Blvd., 9th Floor
Hollywood, CA 90028
Attention: John Given

C. Full Disclosure of Principals

Developer is required to make full disclosure to City of its principals, officers, major stockholders, major partners, joint venture partners, key managerial employees and other associates, and all other material information concerning Developer and its associates. Any significant change in the principals, associates, partners, joint venture, negotiators, development manager, consultants, professionals and directly-involved managerial employees of Developer is subject to the approval of City.

Pursuant to Resolution R-105-99 adopted by the Las Vegas City Council effective October 1, 1999, Developer warrants that it has disclosed, on the form attached hereto as Exhibit "D", all principals, including, partners or members of CIM LL Las Vegas, LLC, as well as all persons and entities holding more than 1% interest in said company or any principal, partner or member of the same, including any assignee of this ENA. Throughout the term hereof, Developer shall provide written notification of any material change in the above disclosure within 15 days of any such change, pursuant to Section 12 (Notices).

6. Developer's Financial Capacity

A. Financial Ability

Prior to execution of the DDA, Developer shall submit to City satisfactory evidence of its ability to finance and complete the development, if not already provided pursuant to Section 2.C. above.

B. Construction Financing

Developer's proposed method of obtaining construction financing for the development of the Site shall be submitted concurrently with Developer's proposed DDA to City for approval, if not already provided pursuant to Section 2.D. above.

C. Long-Term Development Financing

Developer's proposed method of obtaining long-term development financing shall be submitted concurrently with Developer's proposed DDA to City for approval, if not already provided pursuant to Section 2.D. above.

D. Full Disclosure of Financing

Developer will be required to make and maintain full disclosure to City of its methods of financing to be used in the development of the Site.

7. Developer's Responsibilities

A. Return of Site to Original Condition

Developer hereby agrees to return the Site to its original condition upon completion of any investigations requiring access to the Site. This includes replacement of any dust palliative which may be disturbed by vehicles and personnel permitted to access the Site.

B. Indemnification and Hold Harmless

Developer will indemnify and hold harmless the City, its officers, employees and agents from and against any claims, demands or causes of action caused by Developer or persons acting on behalf of Developer in carrying out their responsibilities in accessing the Site.

8. City's Responsibilities

A. City Assistance and Cooperation

City shall cooperate fully in providing Developer with appropriate information and assistance.

B. RIGHT TO ENTER

AS SET FORTH IN EXHIBIT "E," CITY GIVES DEVELOPER THE RIGHT TO ENTER THE SITE, SUBJECT TO CURRENT TENANT APPROVALS, TO CARRY OUT ITS DUE DILIGENCE INSPECTION OF THE SITE AND THE DEVELOPER ACKNOWLEDGES AND UNDERSTANDS THE CONDITIONS AND EXCEPTIONS UNDER WHICH SAID RIGHT IS GRANTED.

9. Real Estate Commission

The City shall not be liable for any real estate commission or brokerage fees, which may arise here from. Developer represents that it has engaged no broker, agent or finder in connection with this transaction, and Developer agrees to hold City harmless from any claim by any broker or finder retained by Developer.

10. Limitations of this ENA

By its execution of this ENA, City is not committing itself to or agreeing to undertake:

A. The disposition of land to Developer; or,

B. Any other acts or activities requiring the subsequent independent exercise of discretion by the City or any City department or board thereof.

This ENA does not constitute a disposition of property or exercise of control over property by City. Execution of this ENA by City is merely an ENA to enter into a period of exclusive negotiations according to the terms hereof, reserving final discretion and approval by City and the Las Vegas City Council as to any and all proceedings and decisions in connection therewith.

11. Conflict of Interest

A. An official of the City, who is authorized in such capacity and on behalf of the City to negotiate, make, accept or approve, or take part in negotiating, making, accepting, or approving this ENA, payments under this ENA, or work under this ENA, shall not be directly or indirectly interested personally in this ENA or in any part hereof. No officer, employee, architect, attorney, engineer or inspector of, or for the City, who is authorized in such capacity and on behalf of the City to exercise any legislative, executive, supervisory or other similar functions in connection with this ENA, shall become directly or indirectly interested personally in this ENA or in any part hereof, any material supply contract, subcontract, insurance contract, or any other contract pertaining to this ENA.

B. Each party represents that it is unaware of any financial or economic interest of any public officer or employee of the City relating to this ENA. Notwithstanding any other provision of this ENA, if such interest becomes known, the City may immediately terminate this ENA for default or convenience, based on the culpability of the parties.

C. Developer represents and warrants that it has, in accordance with the current policy of City, disclosed the ownership and principals of Developer on Exhibit "D", "Disclosure of Principals", and that it has a continuing obligation to update this disclosure whenever there is a material change in the information.

12. Notices

All legal notices required pursuant to the terms and conditions of this ENA shall be in writing, unless an emergency situation dictates otherwise. Any notice required to be given under the terms of this ENA shall be deemed to have been given when (i) received by the party to whom it is directed by hand delivery or personal service, (ii) transmitted by facsimile with confirmation of transmission, or (iii) sent by U.S. mail via certified mail-return receipt requested at the following addresses:

If to Developer:

CIM LL Las Vegas, LLC
c/o CIM Group, Inc.
6922 Hollywood Blvd.
Ninth Floor
Los Angeles, CA 90028-6117
Attention: John Given

With a copy to:

CIM Group, Inc.
6922 Hollywood Blvd.
Ninth Floor
Los Angeles, CA 90028-6117
Attention: General Counsel

If to City:

Scott Adams-Director
City of Las Vegas
Office of Business Development
400 Stewart Avenue, Second Floor
Las Vegas, 89101
Phone: (702) 229-6551
FAX: (702) 385-3128

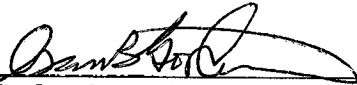
And

Kathy Rainey-Manager
City of Las Vegas
Purchasing & Contracts
400 Stewart Avenue
Las Vegas, NV 89101
Phone: (702) 229-6021
Fax: (702) 384-9964


An original signed copy, via U. S. Mail, shall follow facsimile or electronic transmissions.

IN WITNESS WHEREOF, the parties hereto have caused this Exclusive Negotiation Agreement to be executed on the date set forth above.

City of Las Vegas

By 
Oscar B. Goodman, Mayor

ATTEST:

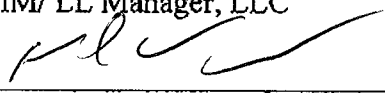

Beverly K. Bridges, CMC
City Clerk

APPROVED AS TO FORM:

 7/10/07
Date

CIM LL Las Vegas, LLC
A Nevada Limited Liability Company

By: CIM/LL Manager, LLC

By 
"Developer"

Nicholas V. Morosoff
Secretary

EXHIBIT "A"

Legal Description

- Parcel 1: Assessor Description: PT SW4 SE4 SEC 27 20 61
APN: 139-34-501-008
Estimated Parcel Size: 2.84 acres
- Parcel 2: Assessor Description: PT NW4 NE4 SEC 34 20 61
APN: 139-34-501-007
Estimated Parcel Size: 2.00 acres
- Parcel 3: Assessor Description: PT NW4 NE4 SEC 34 20 61
APN: 139-34-501-004
Estimated Parcel Size: 0.65 acres

Federal Building and Post
 301 E. Stewart Avenue
 Las Vegas, NV 89101
 GSA Control No. 9-G-NV-017

APN 139-34-501-002

RECORDING REQUESTED BY:

U.S. General Services Administration
 Public Buildings Service
 Property Disposal Division (9PR)
 450 Golden Gate Avenue, Fourth Floor East
 San Francisco, CA 94102-3434

**WHEN RECORDED, MAIL DOCUMENT
 AND TAX STATEMENT TO:**

The City of Las Vegas
 Real Estate & Asset Management
 400 Stewart Avenue, 4th Floor
 Las Vegas, Nevada 89101

QUITCLAIM DEED

THIS INDENTURE, made this 13th day of May, 2002 between the **UNITED STATES OF AMERICA**, acting by and through the Administrator of General Services, under and pursuant to the powers and authority contained in the provisions of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, and regulations and orders promulgated thereunder, (hereinafter referred as "GRANTOR"), and the **CITY OF LAS VEGAS**, a municipal corporation (herein referred to as "GRANTEE").

GRANTOR, without monetary consideration, but for and in consideration of the perpetual use and maintenance of the Property herein described as and for a historic monument, and for no other purpose, all in accordance with the Program of Preservation and Utilization dated October 5, 2001, a copy of which is on file in the Department of the Interior, National Park Service, Oakland, California and in the Office of the General Services Administration, Region 9, San Francisco, California, by these presents does remise, release and quitclaim, unto said GRANTEE, its successors and assigns all that certain real property, commonly know as the Las Vegas Federal Building and Post Office, a property that is listed on the National Register of Historic Places, situated in the City of Las Vegas, Clark County, State of Nevada, described in Exhibit "A" attached hereto and made a part hereof (the "Property").

SUBJECT TO all covenants, conditions, restrictions, easements, rights-of-way, reservations and encumbrances, whether or not of record, and any facts which a physical inspection or accurate survey of the Property may disclose.

GRANTOR HEREBY RESERVES unto itself, its successors and assigns, and by acceptance of this Instrument, and as further consideration for this conveyance, **GRANTEE** covenants and agrees for itself, its successors and assigns and every successor in interest to the Property hereby conveyed, or any part thereof, that the said **GRANTEE** will abide by and be subject to each of the following covenants, conditions, restrictions, reservations and limitations (hereinafter sometimes collectively referred to as "Covenants and Conditions"), each and all of which shall be covenants running with the land.

GRANTOR shall be deemed a beneficiary of each and all of the following Covenants and Conditions, without regard to whether it remains the owner of any land or interest therein in the locality of the Property hereby conveyed, and shall have a right to enforce each and all of the following Covenants and Conditions in any court of competent jurisdiction; provided, however, that the **GRANTOR** shall have no affirmative duty to any successor in title to the Property, or any portion thereof, to enforce any of the following Covenants and Conditions herein agreed.

1. The real Property and improvements shall forever be used and maintained as and for historical monument purposes and for those purposes only in perpetuity in accordance with the application and approved Program of Preservation and Utilization hereinbefore referred to. Said Program of Preservation and Utilization may be amended from time to time at the request of the **GRANTEE** or the **GRANTOR** with the written concurrence of the other party and such amendment shall be added to and become a part of the aforesaid approved Program of Preservation and Utilization. In the event the Property ceases to be used or maintained for that purpose, all or any portion of the Property shall, in its then existing condition, at the option of the **GRANTOR**, revert to the **GRANTOR**.
2. All plans and specifications for repair and rehabilitation of the building must be developed in accordance with the Secretary of the Interior's Standards for the Treatment of Historic Properties. This includes any plans or changes developed prior to the adaptive reuse of the building as described in the application of the City of Las Vegas. All such plans must be submitted to the National Park Service, Cultural Resources Team, 1111 Jackson Street, Oakland, CA 94607-4807, for review and approval prior to construction.
3. A preservation maintenance plan shall be developed and used by the City of Las Vegas prior to the adaptive reuse of the building by the City of Las Vegas. The plan shall be submitted to the National Park Service for review and approval prior to

its use. A copy of the final plan shall be submitted to the Nevada State Historic Preservation Office.

4. A final Preservation and Utilization Plan for the use of the building; as described in the application, shall be submitted when it is completed, but prior to the commencement of construction.
5. A final Financial Plan, including projected annual budget, shall be submitted when it is completed, but prior to the commencement of construction.
6. Beginning from the date of transfer, the City of Las Vegas shall provide biennial reports to the National Park Service in the format provided by the National Park Service. This report shall not preclude the City and the National Park Service from conducting mutual consultation and discussions in the rehabilitation and administration of the building.
7. Other than as provided in the approved final Preservation and Utilization Plan, the Property shall not be sold, leased, assigned or otherwise disposed of except to another eligible governmental agency that the Secretary of Interior agrees in writing can assure the continued use and maintenance of the property for historic monument purposes subject to the same terms and conditions described herein. However, nothing in this provision shall preclude GRANTEE from providing facilities and services compatible with the approved plan, mentioned herein, through concession agreements entered into with third parties provided the prior concurrence of the Secretary of the Interior is obtained in writing to such agreements.
8. The United States of America shall have the right during any national emergency, including any existing national emergency, to full unrestricted use of the Property conveyed without charge; provided, the United States of America shall bear the entire cost of maintenance of all Property it so uses. It shall pay fair rental for use of improvements added by the GRANTEE without federal aid.
9. GRANTEE agrees to comply with the requirements of Public Law 90-480 (82 Stat. 718) the Architectural Barriers Act of 1968 as amended by Public Law 91-205 of 1970 (84 Stat. 49) to assure that development of facilities on conveyed surplus properties for historic monument purposes are accessible to the physically disabled; and, further assure in accordance with Public Law 93-112, The Rehabilitation Act of 1973 (87 Stat. 394) that no otherwise qualified disabled individual shall solely by reasons of his/her handicap be excluded from the participation in, be denied benefits of or be subject to discrimination under any program or activity receiving Federal financial assistance.

10. NOTICE REGARDING HAZARDOUS SUBSTANCE ACTIVITY

Pursuant to 40 CFR 373.2 and Section 120(h)(3)(A)(i) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (CERCLA)(42 U.S.C. §9620(h)(3)(A)(i)), and based upon a complete search of agency files, the United States gives notice that no hazardous substances have been released or disposed of or stored for one year or more on the Property.

(a) GRANTOR warrants that all remedial action necessary to protect human health and the environment has been taken before the date of this conveyance. GRANTOR warrants that it shall take any additional response action found to be necessary after the date of this conveyance regarding hazardous substances located on the Property on the date of this conveyance.

This covenant shall not apply:

- (1) in any case in which GRANTEE, its successor(s) or assign(s), or any successor in interest to the Property or part thereof is a Potentially Responsible Party (PRP) with respect to the Property immediately prior to the date of this conveyance; or
- (2) to the extent but only to the extent that such additional response action or part thereof found to be necessary is the result of an act or failure to act of the GRANTEE, its successor(s) or assign(s), or any party in possession after the date of this conveyance that either:
 - (i) results in a release or threatened release of a hazardous substance that was not located on the Property on the date of this conveyance; or
 - (ii) causes or exacerbates the release or threatened release of a hazardous substance the existence and location of which was known and identified to the applicable regulatory authority as of the date of this conveyance.
- (b) In the event GRANTEE, its successor(s) or assign(s), seeks to have GRANTOR conduct any additional response action, and, as a condition precedent to GRANTOR incurring any additional cleanup obligation or related expenses, the GRANTEE, its successor(s) or assign(s), shall provide GRANTOR at least 45 days written notice of such a claim and provide credible evidence that:
 - (1) the associated contamination existed prior to the date of this conveyance; and the need to conduct any additional response action or part thereof was not the result of any act or failure to act by the GRANTEE, its successor(s) or assign(s), or any party in possession.

(c) GRANTOR reserves a right of access to all portions of the Property for environmental investigation, remediation or other corrective action. This reservation includes the right of access to and use of available utilities at reasonable cost to GRANTOR. These rights shall be exercisable in any case in which a remedial action, response action or corrective action is found to be necessary after the date of this conveyance, or in which access is necessary to carry out a remedial action, response action, or corrective action on adjoining property. Pursuant to this reservation, the United States of America, and its respective officers, agents, employees, contractors and subcontractors shall have the right (upon reasonable advance written notice to the record title owner) to enter upon the Property and conduct investigations and surveys, to include drilling, test-pitting, borings, data and records compilation and other activities related to environmental investigation, and to carry out remedial or removal actions as required or necessary, including but not limited to the installation and operation of monitoring wells, pumping wells, and treatment facilities. Any such entry, including such activities, responses or remedial actions, shall be coordinated with record title owner and shall be performed in a manner that minimizes interruption with activities of authorized occupants.

11. NOTICE OF THE PRESENCE OF LEAD-BASED PAINT

The GRANTEE is hereby informed and does acknowledge that the building on the Property and existing on the date of this Deed were constructed prior to 1978 and, as with all such property, a lead-based paint hazard may be present. Lead exposure is especially harmful to young children. GRANTEE covenants and agrees, that improvements on the PROPERTY existing as of the date of this conveyance will not be used as residential dwellings. GRANTOR assumes no liability for damages for property damage, personal injury illness, disability, or death, to GRANTEE, its successors or assigns, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with lead-based paint on the Property described in this deed, whether GRANTEE, and its successors or assigns, have properly warned or failed to properly warn the individual(s) injured. GRANTEE further agrees to protect, indemnify, defend and hold harmless the GRANTOR, except for employees of the GRANTOR that work within the Property, from any and all loss, judgment, claims, demands, expenses or damages, of whatever nature which might arise or be made against the GRANTOR, due to, or relating to the presence of lead-based paint on the Property and related abatement activities, or the disposal of any material from the abatement process.

12. ASBESTOS COVENANT

GRANTEE covenants and agrees, on behalf of themselves, their successors and assigns, that in their use and occupancy of the Property, or any part thereof, they will comply with all Federal, state and local laws relating to asbestos; and that GRANTEE assumes no liability for damages for personal injury, illness, disability or death, to the GRANTEE, or to GRANTEE's successors, assigns, employees, invitees, or to any other person subject to the control or direction of GRANTEE, its successors or assigns, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with asbestos on the Property described in this deed, whether the GRANTEE, its successors or assigns has or have properly warned or failed properly to warn the individual(s) injured.

13. NONDISCRIMINATION COVENANT

The program for or in connection with which the Property, or any part thereof, is transferred to the GRANTEE shall be subject to and conducted in compliance with, and the GRANTEE shall comply with and require any other person or any legal entity, who through contractual or other arrangements with the GRANTEE is authorized to perform activities or provide services or benefits under said program, to comply with all requirements imposed by or pursuant to the regulations of the Department of the Interior (43 CFR Part 17) issued under the provisions of Title VI of the Civil Rights Act of 1964. This agreement shall be subject in all respects to the provisions of said regulations. GRANTEE shall promptly take and continue to take such action as may be necessary to effectuate this Covenant. The United States shall have the right at any time and from time to time to seek judicial enforcement of this Covenant. As a material condition of this Covenant, in the event that the GRANTEE fails to comply or to cause others to comply with this Covenant, as to all or any portion of the Property, then the Property shall, in its then existing condition, at the option of the United States, revert to the United States.

GRANTEE covenants for itself, its heirs, successors, and assigns and every successor in interest to the Property hereby conveyed, or any part thereof, that the said GRANTEE and such heirs, successors, and assigns shall not discriminate upon the basis of race, color, religion, sex or national origin in the use, occupancy, sale or lease of the Property, or in their employment practices conducted thereon. This covenant shall not apply, however, to the lease or rental of a room or rooms within a family dwelling unit; nor shall it apply with respect to religion to premises used primarily for religious purposes. The United States of America shall be deemed a beneficiary of this covenant without regard to whether it remains the owner of any

land or interest therein in the locality of the Property hereby conveyed and shall have the sole right to enforce this covenant in any court of competent jurisdiction.

14. **GRANTEE** further covenants and agrees that the Covenants and Conditions contained herein shall be inserted by **GRANTEE** in any deed or other legal instrument by which **GRANTEE** divests itself of either the title conveyed herein or any other lesser estate in the Property, or any part thereof including, without limitation, any lease, other than a lease with the **GRANTOR**.

15. **GRANTOR** expressly reserves a right of access to, and entrance upon, the above-described Property in order to determine compliance with the terms of this conveyance.

In the event of violation of any of the Covenants or Conditions, in addition to any remedy now or hereafter provided by law, the **GRANTOR** or its authorized agent may institute a suit to enjoin such violation or for damages by reason of any breach thereof. In addition, in the event that there is a breach of any of the Covenants or Conditions herein contained by the **GRANTEE**, whether caused by the legal or other inability of the **GRANTEE**, to perform said Covenants or Conditions, or otherwise, all right, title and interest in and to the Property, or any portion thereof, in its then existing condition, at the option of the Secretary of the Interior, or his or her successor in function, shall revert to and become the property of the United States. In addition to all other remedies for such breach, the Secretary of the Interior shall have the right of immediate entry upon the Property, or any portion thereof, and the **GRANTEE** shall forfeit all right, title and interest in said Property, and in any and all of the tenements, hereditaments and appurtenances thereunto belonging. Notwithstanding the foregoing; the failure of the Secretary of the Department of the Interior, or his or her successor in function, to require in any one or more instances complete performance of any of the Covenants or Conditions of this indenture shall not be construed as a waiver or a relinquishment of the future performance of such Covenants or Conditions, but the obligations of the **GRANTEE** with respect to such future performance, shall continue in full force and effect.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and, except as otherwise provided herein, the reversion(s), remainder(s), rents, issues, and profits thereof, and also all the estate, right, title, interest, property possession, claim and demand whatsoever, in law as well as in equity, of the said **GRANTOR**, of, in or to the foregoing Property, and every part and parcel thereof, with the appurtenances.

ACCEPTANCE of the delivery of this Deed shall constitute conclusive evidence of the agreement of the **GRANTEE** to be bound by the Covenants and Conditions, and to perform the obligations herein set forth.

REFERENCE to any particular authorized official, agency or address of the GRANTOR herein may be changed at any time and from time to time by a signed, written notification to GRANTEE from an authorized representative of GRANTOR.

SAID PROPERTY transferred hereby was duly determined to be surplus, and was assigned to the General Services Administration for disposal pursuant to the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, and applicable rules, orders and regulations promulgated thereunder.

TO HAVE TO HOLD, all and singular, the said premises, with the improvements thereon, unto the said GRANTEE, its successors and assigns.

IN WITNESS WHEREOF, the GRANTOR has caused this indenture to be executed as of the day and year first above written.

UNITED STATES OF AMERICA
Acting by and through the
ADMINISTRATOR OF GENERAL SERVICES

BY: Clark Van Epps
CLARK VAN EPPS
Director, Property Disposal Division (9PR)
U.S. General Services Administration

CERTIFICATE OF ACKNOWLEDGMENT

STATE OF CALIFORNIA

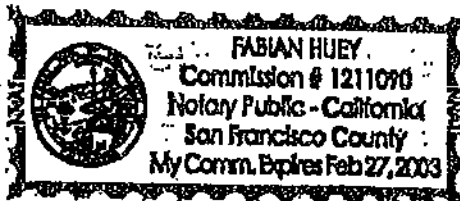
City and County of San Francisco

)
(ss:
)

On this 9th day of May, 2002, before me, Fabian Huey, a Notary Public in and for the City and County of San Francisco, State of California, personally appeared Clark Van Epps, a Contracting Officer, Property Disposal Division, GSA, Pacific Rim Region, personally known to me, to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed, on behalf of the United States of America, by and through the Administrator of General Services, the within instrument in his authorized capacity, and that by his signature on the instrument the person, or entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

(SEAL)



Fabian Huey
Notary Public
In and for the City and County of
San Francisco, State of California

dy

CERTIFICATE OF RECORDATION

I, JACKIE S. BARTAKIAN, of the office of the County Recorder of the Clark County, State of Nevada, did receive for recordation the following instrument:
Quitclaim Deed dated MAY 14, 2002, between the UNITED STATES OF AMERICA, GRANTOR, and the CITY OF LAS VEGAS, GRANTEE. I further certify that the said document was recorded as Document No. 00962, in Book 20020514, at Page N/A of the Official Records of the said County, on the 14TH day of MAY, 2002.

JUDITH A. VANDEVER
Recorder

(SEAL)

By *Jackie S. Bartakian*
Deputy Recorder

Return Copy To:
U.S. General Services Administration
Property Disposal Division (9PR)
450 Golden Gate Avenue, 4th Floor
San Francisco, California 94102-3440

JUDITH A. VANDEVER OF
CLARK COUNTY, NEVADA
CERTIFIES THIS IS A
TRUE COPY IF IMPRESSED
WITH RECORDER'S SEAL.

2002 MAY 14 A 11:39

Judith A. Vandever

EXHIBIT "A"

Legal Description

That portion of the Northeast Quarter (NE ¼) of Section 34, Township 20 South, Range 61 East, M.D.M., Clark County, Nevada described as follows:

Commencing at the Northeast Corner of Block 33, Clark's Las Vegas Townsite, as said Townsite is shown on map in the Office of the County Recorder of said County; Thence along the prolongation of the Southeasterly line of said block, North 28°13' East 80 Feet; Thence North 61°47' West 580 Feet to the True Point of Beginning; Thence continuing North 61°47' West 350 Feet; Thence North 28°13' East 250 Feet; Thence South 61°47' East 350 Feet; Thence South 28°13' West 250 Feet to the True Point of Beginning.

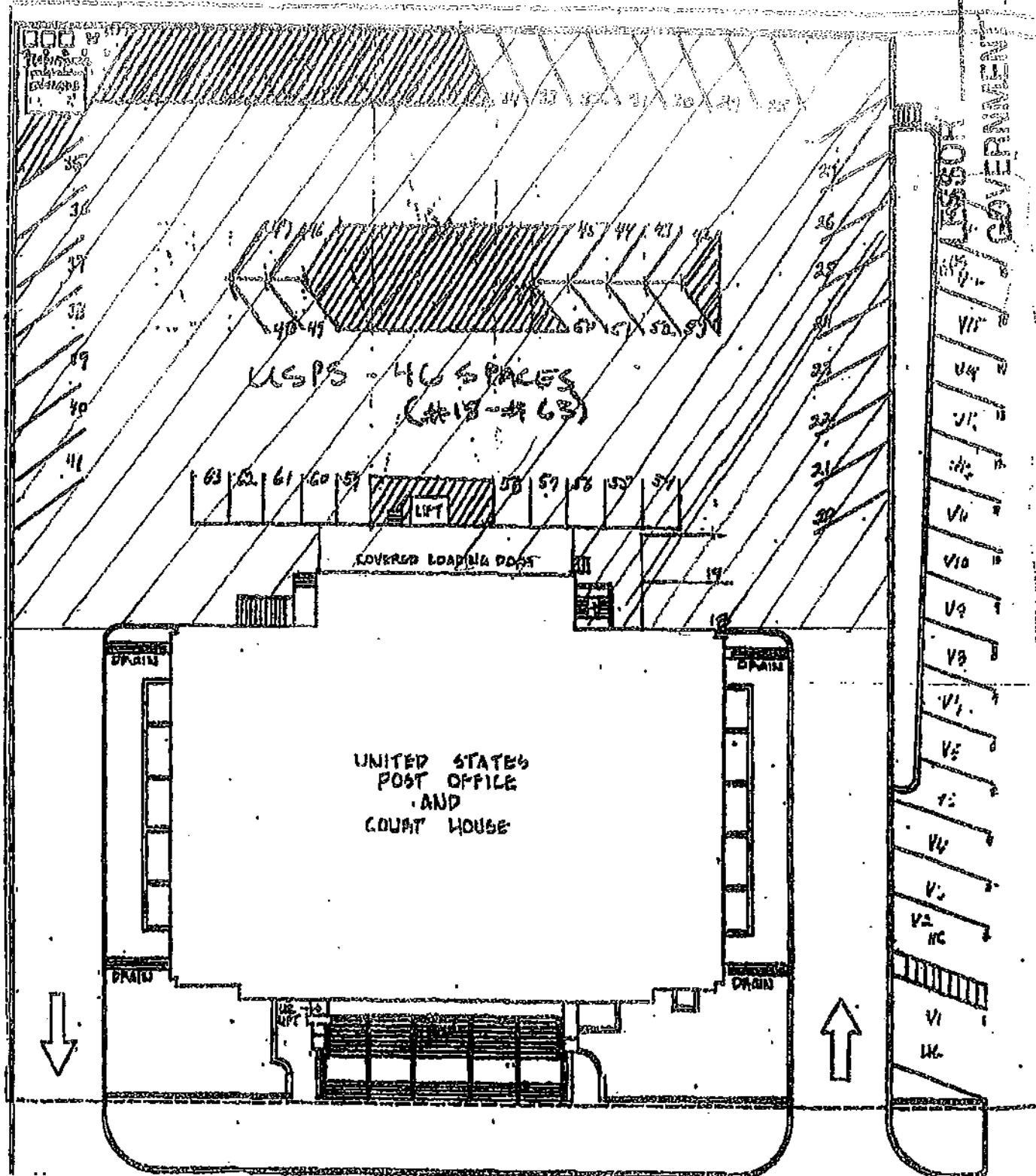
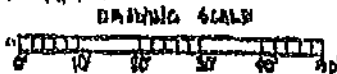


EXHIBIT "A"
PAGE 5 OF 6

STEWART AVENUE

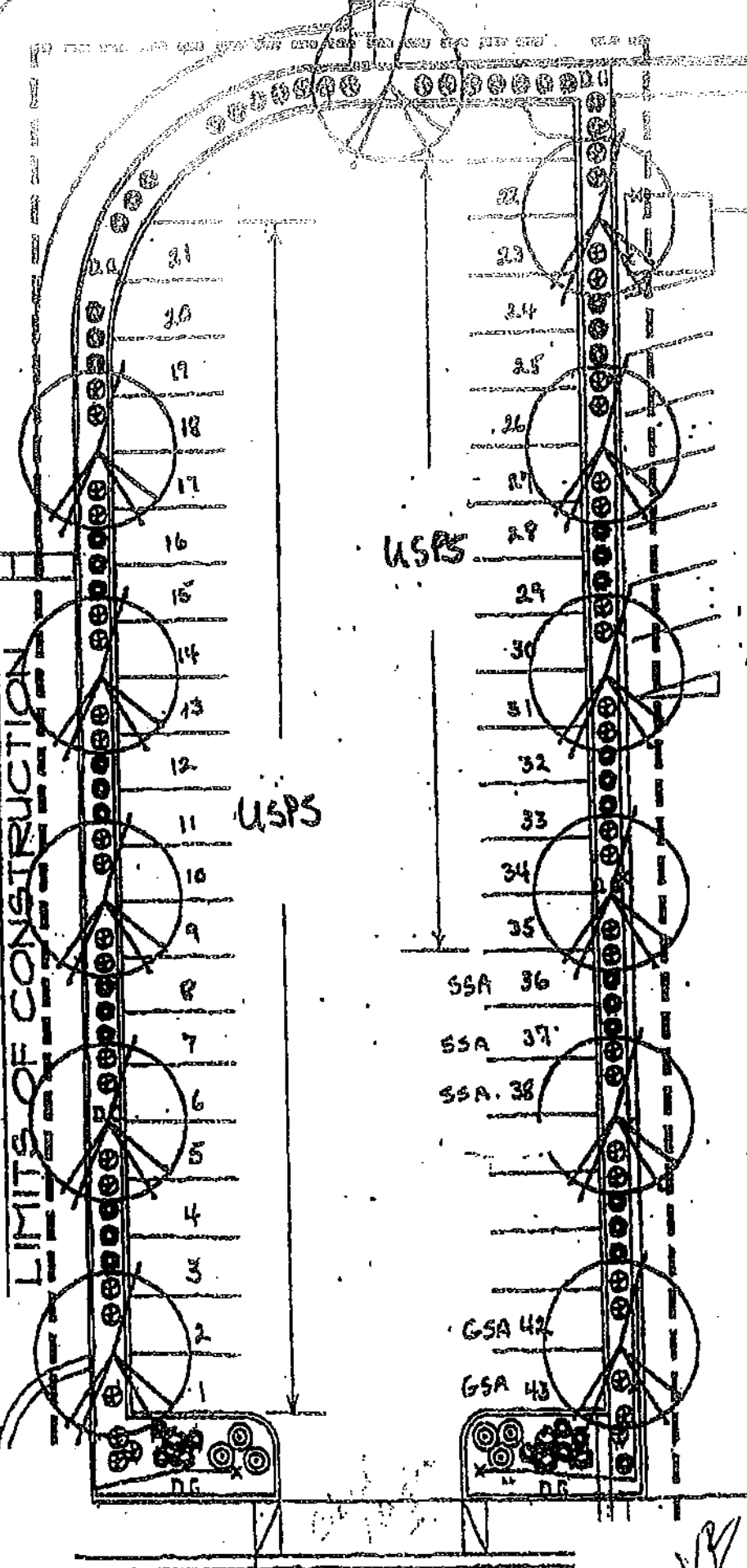
EXCLUSIVE USE OF USPS



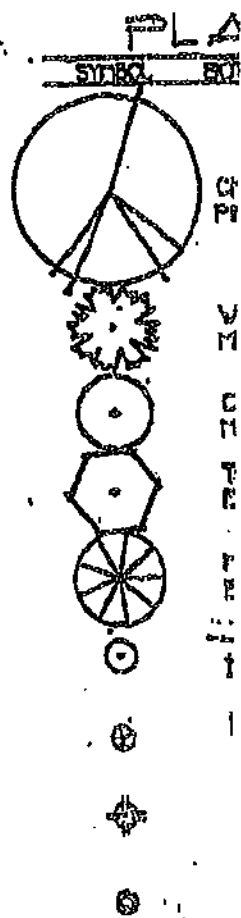
NOTES

- PARKING SPACE NUMBERS INDICATED DO NOT REPRESENT ACTUAL SPACE MARKINGS
- ARROWS INDICATE DIRECTION OF TRAFFIC FLOW
- UNMARKED PARKING SPACES RESERVED FOR GOVERNMENT VEHICLES
- DOTTED LINES REPRESENT PROPERTY LINE.

LIMITS OF CONSTRUCTION



LESSOR
GOVERNMENT



LESSOR *VP* GOVERNMENT *RM*

Scale: 1/4" = 1'-0"

EXHIBIT "C"

INTERLOCAL AGREEMENT

DOWNTOWN TRANSPORTATION CENTER

THIS INTERLOCAL AGREEMENT is made this ^{21ST} day of ~~December~~ 2005, by and between the REGIONAL TRANSPORTATION COMMISSION OF CLARK COUNTY, NEVADA, hereinafter referred to as the "RTC," and the City of Las Vegas, Nevada, a municipal corporation of the State of Nevada, whose address is 400 Stewart Avenue, Las Vegas, Nevada 89101, hereinafter referred to as "CITY."

WHEREAS, the RTC has entered into grant agreements with the Federal Transit Administration (previously known as the Urban Mass Transportation Administration and hereinafter referred to as "FTA") for federal funding participation in mass transit projects under sections of the Urban Mass Transportation Act of 1964, as amended; and

WHEREAS, the CITY, financed in part by a grant from FTA through the RTC, has constructed a 10,000 square foot building on CITY real estate, commonly known as and referred to as the "Downtown Transportation Center," 300 North Casino Center Boulevard, Las Vegas, Nevada 89101, to provide a terminal facility for mass transit vehicles and a central transfer location for passengers in the Clark County mass transit system; and

WHEREAS, the RTC, under said grant agreement with FTA, and acting in the capacity as the FTA Designated Recipient, provided the means for the CITY to obtain FTA monies to construct the Downtown Transportation Center; and

WHEREAS, FTA, pursuant to Section 3 of the Urban Mass Transportation Act of 1964, as amended, requires the RTC to have, maintain, and exercise satisfactory continuing control over the use, administration, and maintenance of the Downtown Transportation Center; and

WHEREAS, for the purposes of FTA, an Interlocal Agreement for the use, administration, maintenance, and repair of the Downtown Transportation Center constitutes, in part, satisfactory continuing control; and

WHEREAS, the RTC anticipates, with the use of the Downtown Transportation Center, the operation of mass transportation services in Clark County, Nevada which may be complemented by the services and facilities of the CITY; and

WHEREAS, the RTC desires to engage the CITY to provide specified transportation center services, hereinafter described; and

WHEREAS, the RTC wishes to relocate the probe facilities for the Citizens Area Transit (CAT) coaches to the South Strip Terminal located at 6675 S. Gilesie Road;

NOW THEREFORE, it is agreed:

ARTICLE I - SCOPE OF WORK

- A. The CITY will operate and maintain the Downtown Transportation Center as a terminal facility for mass transit vehicles and a central transfer location for passengers of the Clark County mass transit system in accordance with the Scope of Work attached hereto as Exhibit "A" and made part of this Interlocal Agreement by this reference. The CITY agrees to make the Downtown Transportation Center available to all vehicles and passengers of the mass transit system in Clark County, Nevada. The term "mass transit" is used herein according to the definition promulgated by FTA.
- B. The RTC will support and maintain fare collection for nine (9) fare boxes to be operated by the CITY. Fare collection will be provided at the Downtown Transportation Center, located at 300 North Casino Center Boulevard. CITY staff will perform the daily probing of the revenue vehicles. At a minimum of once per week, RTC staff will collect all fares and download all probe information. All fares collected will be counted, prepared and deposited into an account designated by the CITY. The RTC will provide an actual counted revenue figure deposited to the CITY on a daily basis. The CITY shall designate where this information will be delivered or facsimiled. The City may, at its sole discretion, add buses to serve the Downtown corridor and, as such, request that the RTC add fare box collection to those added buses at a per bus assessment of \$65.00 each per month.
- C. The RTC will collect all data from the fare collection system. Data collected from the fare collection system shall be sent to the CITY. All data collected on the CITY operated routes will be delivered or facsimiled on a daily basis to a designated CITY representative.
- D. The RTC will perform all maintenance on nine (9) fare boxes at the Integrated Bus Maintenance Facility (IBMF), located at 3216 Citizens Way, North Las Vegas, Nevada 89030. Maintenance will include all labor and spare parts for nine (9) fare boxes.

ARTICLE II - CONSIDERATION

Consideration by the RTC to the CITY:

- A. The RTC agrees to pay to the CITY of Las Vegas a sum of money equal to fifty (50) percent of the operating expenses of the DTC reasonably necessary to perform the duties detailed in Article 1, Scope of Work. The expenses include, but are not limited to, salaries, materials and supplies for the following services: administration; custodial; building maintenance; driveway and grounds maintenance; and armed security. The City will invoice the RTC monthly for the actual amount of all expenses due, net of a credit for 50% of farebox revenues generated on the City Ride buses. Included with the invoice will be backup material indicating the total revenues, total expenses and the portion due the City by the RTC for the month.

- B. In no event shall the total amount of payments due to the CITY from the RTC for the operation of the DTC and buses exceed one million dollars \$1,000,000 per year for the entire three (3) year term of this Interlocal Agreement.
- C. The CITY shall apply any and all revenue generated by DTC concessions and advertising sales and City Ride bus fares and advertising sales exclusively to the budgeted, transit expenses of the DTC and City Ride buses. The CITY shall apply 50% of the farebox revenue generated on City Ride buses to the budgeted transit expenses of the City Ride buses and credit 50% of the total revenue to the RTC on each monthly invoice. The CITY shall have the option of accounting for the expenses and revenue of the DTC and City buses through the CITY'S general fund accounting system in conformity with the requirements of ARTICLE III of this Interlocal Agreement.
- D. During the term of this Interlocal Agreement, the RTC shall have the right of approval of any and all concession and advertising agreements affecting the DTC or City Ride buses entered into by the CITY and third parties. Each such Agreement shall contain the following express condition: "This Agreement is subject to the written approval of the Regional Transportation Commission." The RTC shall not unreasonably withhold approval of any such Agreement, and written requests for approval by the CITY to the RTC shall be deemed to have been granted in the event that the RTC does not respond to a request within sixty (60) days of receipt.

Consideration by the CITY to the RTC:

- A. The CITY agrees to perform the duties detailed in Article I of this Agreement, Scope of Work, and shall be responsible for paying fifty (50) percent of the expenses thereof. The CITY may offset all or part of its fifty (50) percent share of the expenses with revenue collected from the concessions at the DTC.
- B. The CITY agrees to pay the RTC a sum of money equal to \$590.00 per month for the operating expenses of the RTC reasonably necessary to perform the duties detailed in Article 1 (B) (C) (D), Scope of Work. The expenses include, but are not limited to, salaries, materials and supplies for the following services: Fare Collection, Data Collection and Fare Collection Equipment Maintenance. The CITY shall pay the RTC monthly payments for each year of the agreement.
- C. In the event the fare box has a malfunction or jam, the CITY must contact the RTC revenue equipment maintenance staff at 264-0531 or 264-0533. The RTC agrees to respond to such maintenance requests within one (1) hour of initial telephone call.

ARTICLE III - RECORDS AND ACCOUNTING

The CITY shall maintain fiscal accounting records, in conformity with generally accepted accounting principles, of all operations, maintenance, and repairs of and to the Downtown Transportation Center. The CITY shall have an independent outside auditor prepare an annual audit of its records as provided under OMB Circular A-1 28 or subsequent regulations as required by FTA, two copies of which shall be submitted to the RTC within 30 days after, their completion.

The records maintained by the CITY shall also show the account and source of all revenue derived from the operations of the Downtown Transportation Center, and the CITY shall furnish such information to the RTC upon request. In addition, use of said funding assistance shall cause the CITY to contribute toward the Disadvantaged Business Enterprise (DBE) spending requirements as established pursuant to Section 105(c) of the Surface Transportation Assistance Act.

Any Federal funds expended in connection with DTC and City bus operations shall be included in the RTC's basis for purposes of establishing annual DBE goals under Section 105 (c) of the Surface Transportation Assistance Act and DBE regulations.

ARTICLE IV - TERM

The CITY shall begin providing Downtown Transportation Center services mentioned herein on January 1, 2006, and shall continue providing said services through December 31, 2008.

ARTICLE V - INDEMNIFICATION AND INSURANCE

The CITY agrees subject to the limitations set forth in Chapter 41 of the Nevada Revised Statutes to indemnify, defend and hold the RTC, its officers, employees, and agents harmless from and against any and all demands, claims, and suits for personal injury, death, damage, loss or destruction is in any way caused or alleged to be caused by the CITY's use, operation, maintenance, or repair of the Downtown Transportation Center.

The CITY further agrees subject to the limitations set forth in Chapter 41 the Nevada Revised Statutes to indemnify, defend and hold harmless the RTC, its officers, employees, and agents from and against any and all suits, actions, legal or administrative proceeding, claims, demands, damages, liabilities, interest, attorney fees, costs, and expenses of whatsoever kind arising out of the CITY's performance of this Interlocal Agreement including the CITY's violation or alleged violation of any federal, state, or local law or regulation. No such indemnification shall be required with respect to any and all injury, loss, or damage caused due to the negligence of the RTC, its successor, or assigns.

The CITY, at its own expense, shall obtain and maintain for the duration of the Interlocal Agreement fire insurance on the Downtown Transportation Center in the amount necessary to cover the actual cash value of the real property and on its contents funded by the FTA grant.

The CITY will provide the RTC with certificates of insurance for the coverages listed above and endorsements establishing coverage required by this Interlocal Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer and licensed by the State of Nevada.

The insurance certificates supplied by the CITY must provide for a 30 day notice to the RTC before the implementation of a proposal to cancel the required insurance coverages. The notice requirement does not waive the insurance requirements contained therein. In addition, the CITY shall notify the RTC within 30 days of any reduction in coverage or limits.

Alternatively, the CITY may insure the Downtown Transportation Center by self-insurance, which provides equivalent coverage as the above insurance provisions for the protection of the property. Notification shall be to the RTC if the CITY is exercising this alternative.

The RTC agrees subject to the limitations set forth in Chapter 41 of the Nevada Revised Statutes to indemnify, defend and hold the CITY, its officers, employees, and agents harmless from and against any and all demands, claims, and suits for personal injury, death, or destruction of any property which injury, death, damage, loss or destruction is in any way caused or alleged to be caused by the RTC's use of the Downtown Transportation Center.

The RTC further agrees subject to the limitations set forth in Chapter 41 of the Nevada Revised Statutes to indemnify, defend and hold harmless the CITY, its officers, employees, and agents from and against any and all suits, actions, legal or administrative proceeding, claims, demands, damages, liabilities, interest, attorney fees, costs, and expenses of whatsoever kind arising out of the RTC's performance of this Interlocal Agreement including the RTC's violation or alleged violation of any federal, state, or local law or regulation. No such indemnification shall be required with respect to any and all injury, loss, or damage caused due to the negligence of the CITY, its successor, or assigns.

ARTICLE VI - CAPITAL EQUIPMENT AND BUILDINGS

The CITY agrees to keep and operate all necessary equipment and buildings for the provision of transportation services as described in the attached Scope of Work Exhibit "A". All real and personal property funded by said FTA grant shall be maintained by the CITY in good condition and working order according to builders' and manufacturers' suggestions and at a high level of cleanliness, safety, and mechanical soundness. Periodic inspections and inventory by the RTC and the U.S. Department of Transportation or their respective designees will be permitted during normal working hours.

The CITY shall maintain and use all real and personal property for mass transit purposes in accordance with the requirements of applicable Federal grant agreements signed by the RTC and with Federal laws and regulations.

ARTICLE VII - ASSIGNMENT

Assignment of this Interlocal Agreement is not permitted without the written mutual approval of the RTC and the CITY.

ARTICLE VIII - TERMINATION

A. Convenience

1. For Convenience: This Interlocal Agreement may be terminated if both of the parties to the Interlocal Agreement agree to such early termination.
2. For Convenience: The RTC may terminate this Agreement with one hundred eighty (180) days written notice to the CITY, should the RTC develop an alternative location for the operations conducted at the DTC.
3. For Convenience: The CITY may terminate this Agreement with one hundred eighty (180) days written notice to the RTC, should the CITY develop an alternative use for the operations conducted at the DTC.

B. Cause

1. For Cause: The RTC may, by ninety (90) days written notice to the CITY, terminate this Interlocal Agreement for any of the following reasons:
 - A. The CITY discontinues the use of the real and personal property providing the service under this Interlocal Agreement.
 - B. The CITY uses funds provided under this Interlocal Agreement for any purpose other than transportation as described in the Scope of Work.
 - C. The timely rendition of services by the CITY is for any reason rendered impossible or illegal.
 - D. The CITY defaults in the substantial performance of any of its obligations under this Interlocal Agreement
 2. For Cause: The CITY may, by ninety (90) days written notice to the RTC, terminate this Interlocal Agreement for any of the following reasons:
 - A. The CITY discontinues the use of the real and personal property providing the service under this Interlocal Agreement.
 - B. The RTC defaults in the substantial performance of any of its obligations under this Interlocal Agreement.
- C. In the event of termination for either convenience or cause, the issue of property management and disposition shall be determined pursuant to the procedure set forth in ARTICLE XVI.

ARTICLE IX - INTEREST OF MEMBERS OR DELEGATES TO CONGRESS.

No member of or delegate to the Congress of the United States shall be admitted to any share or part of this Interlocal Agreement or to any benefit arising there from.

ARTICLE X - PROHIBITED INTEREST.

No member, officer, or employee of the CITY or the RTC during his or her tenure and for a period of one year thereafter shall have any interest, direct or indirect, in this Interlocal Agreement or the proceeds thereof.

ARTICLE XI - MOTOR VEHICLE SAFETY.

Motor vehicles procured as project equipment will comply with the Motor Vehicle Safety Standards as established by the U.S. Department of Transportation.

ARTICLE XIII - DISCRIMINATION.

Pursuant to the Rehabilitation Act of 1973 (Public Law 93-112, 29 U.S.C. 790 et.seq.), as amended, the CITY will comply with all requirements of Section 504 of the Act and the USDOT regulation (49 CFR; Part 27 and 609) implementing the Act, which prohibits discrimination on the basis of disabilities. The CITY will comply with all requirements of the Americans with Disabilities Act of 1990 (Public Law 101-336, 104 U.S.C. 327, et.seq.).

The services and employment opportunities offered or furnished by the CITY shall be made available for all eligible persons without regard to race, color, creed, religion, sex, age, national origin, marital status, or disabilities. All personnel activities of the CITY shall be conducted in a manner, which will assure equal employment opportunity for all. Such activities will be based solely on individual merit and fitness of applicants and employees without regard to race, color, creed, religion, sex, age, national origin, marital status, disabilities, political affiliation, or other non-merit factors.

ARTICLE XIV - SUBCONTRACTS.

The CITY shall include in all subcontracts entered into pursuant to this Interlocal Agreement all of the provisions contained in Articles VII through XIII, inclusive. In addition, the section entitled "Methods by which Contractors and Subcontractors will be Required to Comply with Applicable DBE Requirements" of the RTC's Disadvantaged Business Enterprise (DBE) Program shall be followed by the CITY in any advertisement or invitation to bid for any procurement, using FTA monies, other than the purchase of manufactured vehicles under this Interlocal Agreement.

ARTICLE XV - GENERAL CONDITIONS.

It is further agreed by and between the RTC and the CITY as follows:

- A. That in entering into this Interlocal Agreement, the CITY and/or its employees, agents, or representatives acquire no status, rights, or benefits as an employee of the RTC, it being expressly understood and agreed that the CITY shall perform all undertakings and professional services herein prescribed and contemplated as an independent contractor.
- B. That this Interlocal Agreement may not be enlarged, modified, or altered except by a written document, which is signed by the parties as an amendment hereto.
- C. That no waiver of any breach of this Interlocal Agreement shall be held or construed to be a waiver or any subsequent breach thereof.
- D. That it is expressly understood and agreed by the parties hereto that the only expenditures to be made by the RTC under and by virtue of this Interlocal Agreement shall be the charges and fees specifically provided herein.

ARTICLE XVI - USE AND CONTROL OF THE FACILITY

- A. In General.-The RTC shall have the right to exercise satisfactory continuing control and supervision over the Facility and all Project equipment at the Facility, in accordance with FTA requirements and grant conditions, and shall have the right to make the Facility and all Project equipment available to the RTC or to any entity which succeeds the CITY in providing services to the RTC pursuant to a mass transit service contract, in the event that the CITY is in breach of this Interlocal Agreement or fails to negotiate in good faith for a renewal of this Interlocal Agreement.
- B. Period of Control.-The RTC's right to exercise control over the Facility and all Project equipment at the Facility shall continue for as long as the Facility and all Project equipment is needed, in the judgment of the RTC, for the original FTA project or program or other transportation activities or operations of the RTC, and shall include any time period necessary to dispose of the Facility and equipment as excess Project property under FTA requirements and procedures. Such right shall continue without regard to whether or not this agreement is extended or renewed in the future.
- C. Lease Payment. - In the event that an entity-other than the CITY uses the Facility for the operation of mass transit services under contract with the RTC in the future, the RTC and the CITY agree to meet for the purposes of negotiating in good faith whether lease payments should be made to the CITY for use of such facility, and if such lease payments are to be made, the amount of such payments.

- D. Agreement Regarding Use. - The RTC shall not use the Facility or permit anything to be done in or about the Facility, which will in any way conflict with any law, statute, ordinance, or governmental rule or requirements of any duly constituted public authority now in force or hereafter enacted or promulgated.
- E. Alterations and Additions.-The RTC shall not make any alterations, additions, or improvements to the Facility without obtaining prior authorization from the CITY, which authorization shall not be unreasonably withheld.
- F. Property Review.-The RTC may, at any time after the date of this Agreement, determine that the Facility constitutes excess property that is no longer needed for the purposes specified in the applicable grants or related RTC transportation purposes, after consultation with the CITY.

ARTICLE XVII - PROPERTY MANAGEMENT AND DISPOSITION

- A. Property Status and Disposition.
 - 1. The RTC shall consult with CITY prior to declaring that the vehicles, the Facility, or the Project equipment constitute excess property for Federal grant purposes. If the RTC determines that any such property constitutes excess property, the RTC and CITY shall attempt to negotiate a mutually acceptable disposition proposal or plan for submission to the FTA.
 - 2. If the parties are unable to agree upon a disposition proposal or plan, the RTC may seek any necessary disposition instructions or approval from the FTA. In such case, the RTC will include in its submission to FTA the independent views of the CITY regarding appropriate disposition of the property involved. In addition, the CITY may assert whatever other rights it possesses by reason of its interest in such property.
- B. Agreement to Comply. In the event that the FTA provides disposition instructions or approvals with respect to the vehicles, the Facility, or the Project equipment, CITY agrees to comply with the terms of such instructions or approval.

CITY and RTC agree that the RTC may use, treat, and dispose of the vehicles, the Facility and Project Equipment in accordance with Sections 12 and 13 of the Federal Transit Administration Master Agreement (Form FTA MTA(1), October 1, 1994), Sections 18.31 and 18.32 of the Common Grant Rule (49 CFR 18.31, 18.32), and Section 7 of Chapter I of FTA Circular 5010.1A.

ARTICLE XVIII - NOTICES

Any and all notices, demands, or other communication required or desired to be given hereunder shall be in writing and shall be validly given or made to another party if served either personally or by facsimile transmission, or if deposited in the United States mail certified or registered, postage prepaid, return receipt requested. If such notice, demand or other communication be serviced personally or by facsimile transmission, service shall be conclusively deemed made at the time of such personal service or transmission. The Notices shall be deemed received upon actual receipt. The Notices shall be directed to the parties at their respective address shown below, or such other address as either party may specify in writing to the other party in the manner described above:

CITY : City of Las Vegas
Field Operations/ Fleet & Transportation Services
Attn: Manager
2950 Ronemus Drive
Las Vegas, Nevada 89128

COPY TO: City of Las Vegas
Field Operations/Facilities Management Division
Attn: Real Estate & Utilities Superintendent
400 East Stewart Avenue, 4th Floor
Las Vegas, Nevada 89101

RTC : Regional Transportation Commission of Southern Nevada
Barrick Neill, Transit Operations Administrator
600 S. Grand Central Parkway, Suite 350
Las Vegas, NV 89106-4512

COPY TO: Regional Transportation Commission of Southern Nevada
Terry Cordell, Chief Financial Officer
600 S. Grand Central Parkway, Suite 350
Las Vegas, NV 89106-4512

Any party hereto may change his address for the purpose of receiving notices, demands and other communications as herein provided by written notice given in the manner aforesaid to the other party or parties hereto. After opening of escrow a copy of all notices, demands and other communications shall be provided to the escrow office, in the same manner as to the Parties.

ARTICLE XIX – MODIFICATIONS OR AMENDMENTS. This Agreement may not be amended or modified except by a written instrument executed by the parties hereto.

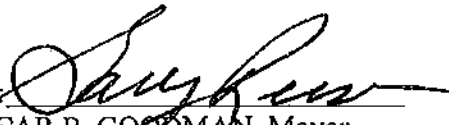
Upon approval of this Agreement by the City Council and after it has been fully executed by signature of all parties, the RTC designates the Superintendent of Facilities Managements' Real Estate & Utilities Section in conjunction with the City Clerk who shall have the authority to

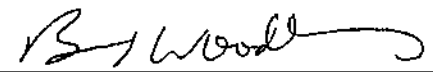
complete and execute any additional documents necessary for the completion of the intent of this contractual obligation during the original term of this Interlocal Agreement, such as amendments, document requiring signature authority, adjustments to monetary revenue or expenditure not to exceed ten thousand (\$10,000.00) dollars, filing and recording of appropriate documents with the County Recorders Office or the County Tax Assessors Office, and recordings and filing with the City Clerk's Office. No amendment, change or modification of this Agreement shall be valid unless in writing and signed by all parties hereto.

IN WITNESS WHEREOF the parties hereto have caused this Interlocal Agreement to be executed on the year and date first herein above written.

CITY OF LAS VEGAS

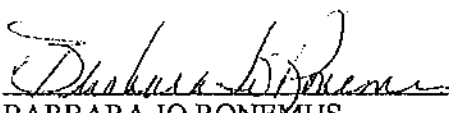
REGIONAL TRANSPORTATION
COMMISSION OF SOUTHERN NEVADA

BY: 
~~OSCAR B. GOODMAN, Mayor~~
Gary Reese, Mayor Pro-Tem

BY: 
Chairman

ATTEST

ATTEST:


BARBARA JO RONEMUS
City Clerk


Executive Secretary

APPROVED AS TO FORM:

APPROVED AS TO FORM

BY:  11/18/05
DEPUTY CITY ATTORNEY

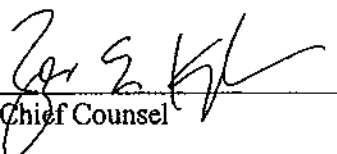

Chief Counsel

EXHIBIT "A"

SCOPE OF WORK

- A. Management, maintenance, and repair of all real and personal property, including appurtenant grounds.
- B. Administration of retail space leasing.
- C. Facility promotional advertising and marketing.
- D. Maintain and promote the facility to readily accommodate Clark County mass transit services such as, but not limited to, Fixed Route, Transit Demand Management, and Paratransit services.
- E. Provide and maintain facility services such as, but not limited to, the following:
 - 1 ticket sales facilities
 - 2. passenger rest room facilities
 - 3 transit service vehicle drivers' comfort station.
 - 4. The CITY shall provide armed security presence during all operating hours. In addition, a guard shall be present during any RTC bulk cash transfers.
 - 5. Service hours and days: 7:00 A.M. - 5:30 P.M. seven days per week, except for Christmas and New Year's Day, when the facility will be closed.

EXHIBIT "D"

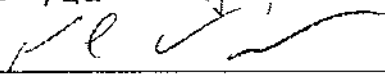
DISCLOSURE OF PRINCIPALS

The principals and partners of CIM / LL Las Vegas, LLC, and all persons and entities holding more than 1% (one percent) interest in CIM / LL Las Vegas, LLC, or any principal of CIM / LL Las Vegas, LLC, are the following:

	<u>FULL NAME</u>	<u>BUSINESS ADDRESS</u>	<u>BUSINESS PHONE</u>
1.	CIM / LL Manager LLC	6922 Hollywood Blvd. Suite 900 Hollywood, CA 90028	323-860-4900
2.	CIM Fund III, L.P.	same	same
3.	CIM Fund III, GP LLC	same	same
4.	CIM Group Inc.	same	same
5.	Limited Partners of CIM Fund III, L.P. (Various)	C/O CIM Group, Inc. 6922 Hollywood Blvd. Suite 900 Hollywood, CA 90028	same
6.	Richard Ressler	same	same
7.	Avi Shemesh	same	same
8.	Shaul Kuba	same	same
9.	Charles E. Garner	same	same
10.	John Given	same	same
11.	Monica Yamada	same	same
12.	Kelly Eppich	same	same
13.	Nick Morosoff	same	same
14.	Jeffrey Kreshek	same	same

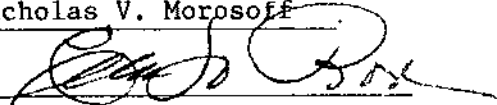
14. _____
 Jeffrey Rosen same same
15. _____
 Terry Wachsner same same
16. _____
 Mary Anderson same same
17. _____

I hereby certify under penalty of perjury, that the foregoing list is full and complete.

CIM/LL Las Vegas, LLC
 By: CIM/LL Manager, LLC
 By: 
Nicholas V. Morosoff
Secretary

State of California
 County of Los Angeles

Subscribed and sworn to before me this 9th day of July, 2007
 by Nicholas V. Morosoff


 Notary Public Ellen Jo Rose



