

## **SECOND AMENDMENT TO EXCLUSIVE NEGOTIATION AGREEMENT**

THIS SECOND AMENDMENT TO EXCLUSIVE NEGOTIATION AGREEMENT (“Second Amendment”) is entered into this 19<sup>TH</sup> day of MARCH, 2008, by the City of Las Vegas, a Nevada municipal corporation (hereinafter “City”), and CIM LL Las Vegas, LLC, a Nevada limited liability company (hereinafter “Developer”).

WHEREAS, the City and Developer entered into an Exclusive Negotiation Agreement dated July 18, 2007 (hereinafter “ENA”) to negotiate exclusively with Developer in connection with the proposed purchase and development of the Site and to draft a mutually acceptable DDA at the conclusion of the Negotiation Period of the ENA; and

WHEREAS, the City and Developer entered into a First Amendment to Exclusive Negotiation Agreement dated November 29, 2007 (hereinafter “First Amendment”) to restate the Negotiation Period of the ENA (hereinafter “Negotiation Period”) and extend the time for Developer to complete and provide to the City a master plan for development of the Site (the ENA and First Amendment are collectively referred to as the “Initial Agreement”); and

WHEREAS, Developer still desires to undertake development of the Site; and

WHEREAS, Developer still has a controlling interest in the Lady Luck Hotel and Casino; and

WHEREAS, the Scope of Development is still based on a development program encompassing the Site, the timely renovation and reopening of the Lady Luck Hotel and Casino and associated properties, and adjacent properties the Developer or the City may identify, including but not limited to the City-owned parking structure located at Ogden Avenue and 3<sup>rd</sup> Street; and

WHEREAS, Developer has previously provided the City with a \$100,000 Developer's Deposit as defined in the Initial Agreement; and

WHEREAS, the duration of the Negotiation Period under the Initial Agreement runs up to and including March 19, 2008; and

WHEREAS, the Initial Agreement requires that the Developer complete and provide to the City a master plan for development of the Site by no later than March 19, 2008; and

WHEREAS, the Developer and City mutually desire to extend the Negotiation Period, as well as the time for Developer to complete and provide to the City a master plan for development of the Site; and

WHEREAS, capitalized terms which are defined in this Second Amendment have the meanings given them in the Initial Agreement.

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

I. Section 2.B., Negotiation Period, is hereby deleted in its entirety and the following substituted in lieu thereof:

B. Negotiation Period.

The duration of this ENA shall run from July 18, 2007, up to and including June 4, 2008 (hereinafter "Negotiation Period").

II. Section 2.C.i., Master Plan for Site, is hereby deleted in its entirety and the following substituted in lieu thereof:

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") by no later than

June 4, 2008, which Master Plan may include consideration of other properties adjacent to the Site as part of the contemplated development as may reasonably be necessary to accomplish the financial and planning goals of both the City and the Developer.

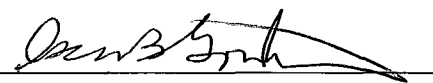
The Master Plan shall strongly consider and be attentive to the historic nature of the Federal Building-Post Office, including its national historic designation, located on the Site. In addition, the Master Plan shall clearly indicate each distinct phase of the development, as well as, the specific development 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.

III. Developer Ownership. Pursuant to Resolution R-105-99 adopted by the City of Las Vegas, effective October 1, 1999, Developer warrants that it has disclosed on the form attached hereto as Exhibit "A", all principals, including, partners or members of Developer, as well as all persons and entities holding more than 1% interest in Developer or any principal, partner or member of the same. Throughout the Negotiation Period hereof, Developer shall provide written notification of any material change in the above disclosure within 15 days of any such change.


IV. Effect. Except as expressly set forth in this Second Amendment, the Initial Agreement shall remain in full force and effect in all respects. In the event of any conflict between the terms of this Second Amendment and the Initial Agreement, this Second Amendment shall govern and control.

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment as of the date set forth above.

City of Las Vegas

By   
Oscar B. Goodman, Mayor

ATTEST:

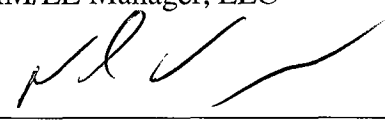

  
Beverly K. Bridges, CMC  
City Clerk

APPROVED AS TO FORM:

 3/7/08  
Deputy City Attorney

CIM LL Las Vegas, LLC  
a Nevada Limited Liability Company

By: CIM/LL Manager, LLC

By   
Nicholas V. Morosoff 

“Developer”

Exhibit "A"

**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 <sup>or</sup> any principal <sup>in</sup> CIM/LL Las Vegas, LLC, are the following:

<u>FULL NAME</u>	<u>BUSINESS ADDRESS</u>	<u>BUSINESS PHONE</u>
1. <u>CIM/LL Manager, LLC</u>	6922 Hollywood Blvd, Suite 900 Hollywood, CA 90028	323-860-4900
2. <u>CIM Fund III, L.P.</u>	same	same
3. <u>CIM Fund III, GP LLC</u>	same	same
4. <u>CIM Group, Inc.</u>	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	323-860-4900
6. <u>Richard Ressler</u>	same	same
7. <u>Avraham Ayi Shemesh</u>	same	same
8. <u>Shaul Kuba</u>	same	same
9. <u>Charles E. Garner</u>	same	same
10. <u>John Given</u>	same	same
11. <u>Monica Yamada</u>	same	same



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California }  
County of Los Angeles

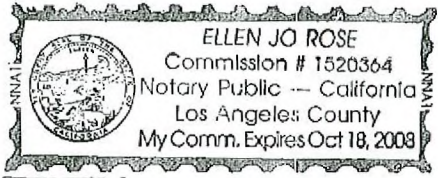
On 3/3/08 before me, Ellen Jo Rose  
Date Here Insert Name and Title of the Officer

personally appeared Nicholas V. Morosoff  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal Above

Signature [Handwritten Signature]  
Signature of Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Disclosure of Principals

Document Date: 3/3/08 Number of Pages: 2

Signer(s) Other Than Named Above: none

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Nicholas V. Morosoff

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: LLC Officer



Signer Is Representing: CIM/LL Las Vegas, LLC

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_