

CITY OF LAS VEGAS REDEVELOPMENT AGENCY

TAXABLE TAX INCREMENT SUBORDINATE LIEN NOTE

DATED: June 30, 2008

No. 1

MATURITY DATE: June 30, 2027

REGISTERED OWNER: SP Sahara Development, LLC

PRINCIPAL AMOUNT: \$20,912,093.77

INTEREST RATE: SEVEN AND NINE TENTHS PERCENT (7.90%) PER ANNUM

The City of Las Vegas Redevelopment Agency (the "Agency"), a public body corporate and politic duly organized and existing under the laws of the State of Nevada, for value received, hereby promises to pay, but solely from the special sources hereinafter designated, to the Registered Owner designated above, on the following dates in the following principal installments:

<u>DATE</u>	<u>PRINCIPAL AND INTEREST DUE</u>
June 30, 2008	\$2,114,117.00
June 30, 2009	\$2,114,117.00
June 30, 2010	\$2,114,117.00
June 30, 2011	\$2,114,117.00
June 30, 2012	\$2,114,117.00
June 30, 2013	\$2,114,117.00
June 30, 2014	\$2,114,117.00
June 30, 2015	\$2,114,117.00
June 30, 2016	\$2,114,117.00
June 30, 2017	\$2,114,117.00
June 30, 2018	\$2,114,117.00
June 30, 2019	\$2,114,117.00
June 30, 2020	\$2,114,117.00
June 30, 2021	\$2,114,117.00
June 30, 2022	\$2,114,117.00
June 30, 2023	\$2,114,117.00
June 30, 2024	\$2,114,117.00
June 30, 2025	\$2,114,117.00
June 30, 2026	\$2,114,117.00
June 30, 2027	\$2,114,117.00

and in like manner to pay interest on said Principal Amount from the date hereof at the Interest Rate specified above, payable annually on June 30 of each year, commencing June 30, 2008, until the earlier of the maturity date listed above or such time as said Principal Amount is paid, unless this Note shall have been called for prior prepayment and payment hereof shall have been made or provided for. The principal of this Note is payable in lawful money of the United States of America upon presentation and surrender hereof at the office of the City Treasurer of the City of Las Vegas Nevada (the "Treasurer") as paying agent under the Resolution pursuant to which this Note (the "Note") is issued and secured or at such other office as may be designated by the Treasurer. Payment of interest on this Note and other payments of principal shall be made by check or draft mailed by the Treasurer to the person in whose name this Note is registered in the registration records of the Treasurer (the "Registered Owner") at the address appearing thereon at the close of the business on the business day next proceeding the date such interest is paid. All such interest payments shall be made in lawful money of the United States of America If any payment date is on a Saturday, Sunday or Legal Holiday, payment (by mail) shall be made on the next succeeding business day.

The Note is issued by the Agency pursuant to and in full compliance with the Constitution and laws of the State of Nevada, particularly the Nevada Community Redevelopment Law, consisting of NRS 279.382 to 279.680, inclusive (the "Act"), and pursuant to a resolution duly adopted by the Agency (the "Resolution") for the purpose of defraying a portion of the costs a redevelopment project (the "Agency Improvements") located in an area (the "Redevelopment Area") within the boundaries of the City of Las Vegas, Clark County, Nevada.

This Note is payable exclusively from Available Accrued Taxes as defined in the Owner Participation Agreement, dated as of June 15, 2005, between the Agency and SP Sahara Development, LLC. By accepting this Note, the owner hereby agrees that it has no other source to look for payer, and the Agency shall not be in default hereunder if the owner of this Note is not paid the principal and interest hereon when due because of the fact the Available Accrued Taxes are insufficient for making that payment however; any unpaid amounts due shall accrue from year to year until the Maturity Date and any available Accrued Taxes which are over and above what is needed for paying that current year's principal and interest on this Note and the amount required to pay Superior Bonds as described below shall be utilized for the purpose of paying such prior years' accrued and unpaid principal and interest requirements with respect to this Note.

Any amounts due hereunder which have not been paid on or before the Maturity Date because of an insufficiency of Available Accrued Taxes shall cease to be due and payable thereafter and this Note shall be at that time deemed to be paid in full.

The payment of the Available Accrued Taxes for the payment of the principal and interest on this Note is subordinate and junior to the lien of the Agency Debt, described below. Payments of the principal and interest on the Note shall be made only if Available Accrued Taxes remain available to the Agency after the payment of the Agency's Pre-Existing Debt and Agency's Future Debt (as defined below) and failure to pay the principal of or interest on this Note as a result of the need to apply Available Accrued Taxes to Agency's Pre-Existing Debt and

Agency's Future Debt (collectively "Agency Debt") should not be a default hereunder, but the amount not paid shall accrue from year to year until the maturity date and any Available Accrued Taxes which are over and above the amount that is needed for paying that current year's principal and interest on this Note and the amount required to pay the Agency Debt in that current year shall be utilized for the purpose of paying such prior years accrued and unpaid principal and interest requirements with respect to this Note. All unpaid principal and interest that remains due on the Maturity Date hereof will cease to be owed and the Agency will owe no additional money after the Maturity Date hereof.

Payment of the Notes from Available Accrued Taxes will be subordinate to the repayment of the Agency's pre-existing debt ("Agency's Pre-Existing Debt"), which is outstanding at the time such Note is issued, other than Agency debt to the City of Las Vegas, including any debt issued after such date for the purpose of refunding the then outstanding principal balance of such Agency's Pre-Existing Debt.

Payment of the Notes from Available Accrued Taxes will also be subordinate to the repayment of the Agency's debt ("Agency's Future Debt", which term does not include any Agency debt owed to the City of Las Vegas) which is issued hereafter as parity or subordinate Additional Parity Obligations or Subordinate Obligations as defined in and issued in accordance with the Indenture of Trust dated June 1, 1995 pursuant to which the Agency's Series 1995B Bonds were issued if; and only if, the chief financial officer of the Agency files a certificate prior to any issuance of such Agency's Future Debt establishing that the reasonably projected aggregated amount of the incremental increase in property taxes to be generated by all property within the City of Las Vegas Redevelopment Area over the remaining term of the then outstanding Notes, minus the aggregate amount of such incremental taxes to be set aside for low-income housing pursuant to NRS 279.685 and minus the aggregate remaining debt service on all then outstanding Notes, equals at least 115% of the reasonably projected debt service on all then outstanding Agency's Pre-Existing Debt and on all then outstanding as well as the proposed to be issued Agency's Future Debt in each year in which a Note is to be outstanding.

This Note and all similar notes requiring payment from a portion of the tax increment on a specified parcel(s) of property in the City of Las Vegas Redevelopment Area shall share pro-rata, according to the relative unpaid principal amount of all of such notes, in any reduction in payments caused by a need to use tax increment to pay Agency Debt.

Principal of and interest on the Note shall not constitute an indebtedness of the City, the Agency, the State of Nevada or any other political subdivision thereof and neither the City, the State nor any political subdivision thereof other than the Agency shall be liable thereon, nor shall the principal of or interest on the Note constitute a general obligation of the Agency or be payable out of any funds or property of the Agency other than Available Accrued Taxes.

Reference is hereby made to the Resolution for a further and more detailed description of the Available Accrued Taxes, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Agency, the Registered Owners of the Note, and the terms upon which the Note is issued and secured.

Except upon an assignment pursuant to Section 107 of the Agreement or to a Depository on behalf of a Recognized Lender, or any other Acquiring Party or an Equity Acquiring Party pursuant to Section 1000 of the Agreement, this Note shall not be assigned by the Registered Owner to anyone other than those defined as Developer in the Agreement without the Agency's written consent, which the Agency may withhold in its sole discretion.

This Note may be prepaid in whole or in part at any time. Notice of prepayment shall be given by mailing a copy of the prepayment notice not less than 30 days prior to the date fixed for prepayment to the Registered Owner at the address shown on the registration records maintained by the Treasurer. The amount called for prepayment will cease to bear interest after the specified prepayment date.

The Resolution imposes limitations and conditions on the rights of any Registered Owner to enforce the provisions of the Resolution or the Note. The Resolution permits, subject to certain conditions and limitations and with certain exceptions as provided therein, the amendment thereof and the modification of the rights and obligations of the Agency.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the adoption of the Resolution and the issue of this Note do exist, have happened and have been performed in due time, form and manner as required by law.

This Note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the certificate of authentication hereon shall have been manually signed on behalf of the Treasurer.

This Note shall not be amended or modified without the written consent of each Recognized Lender.

IN WITNESS WHEREOF, the City of Las Vegas Redevelopment Agency has caused this Note to be executed in its name by the facsimile or manual signature of its Chairperson and

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its corporate seal or a facsimile thereof to be impressed, imprinted or otherwise reproduced hereon and attested by the facsimile or manual signature of its Secretary, all as of the date set forth above.


CITY OF LAS VEGAS
REDEVELOPMENT AGENCY

By: 
OSCAR B. GOODMAN, Chairperson

ATTEST:


BEVERLY K. BRIDGES, CMC, Secretary

APPROVED AS TO FORM:

 6/4/08
Date

TREASURER'S CERTIFICATE OF AUTHENTICATION

Date of authentication and registration:

This Note is issued pursuant to the within mentioned Resolution, and has been duly registered in the registration records kept by the undersigned Treasurer.

CITY TREASURER OF THE CITY OF
LAS VEGAS, NEVADA

City Treasurer

ASSIGNMENT FORM

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Note and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the records kept for registration of the within Note, with full power of substitution in the premises.

The undersigned certifies and warrants that the assignment made hereby is permitted by the Owner Participation Agreement, dated as of June 15th, 2005, between the Agency and SP Sahara Development, LLC, and that all consents required thereby prior to this assignment have been obtained.

Dated: _____

Signature Guaranteed:

Name of Transferee:

Address of Transferee:

Social Security or other tax
identification number of
Transferee:

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within Note in every particular, without alteration or enlargement or any change whatsoever.

Exhibit A

(Legal Description of Parcel)

(See Attachment "A")

LEGAL DESCRIPTION - PHASE I

A PARCEL OF LAND LYING IN THE SOUTH HALF (S 1/2) OF THE SOUTHEAST QUARTER (SE 1/4) OF SECTION 04, TOWNSHIP 21 SOUTH, RANGE 01 EAST, M.D.M., CITY OF LAS VEGAS, CLARK COUNTY, NEVADA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER (SE 1/4) OF THE SOUTHEAST QUARTER (SE 1/4) OF SAID SECTION 04; THENCE NORTH $03^{\circ}40'55''$ EAST, 40.01 FEET TO THE SOUTHWEST CORNER OF LOT 10 BLOCK 9 OF THE MEADOWS ADDITION TO THE CITY OF LAS VEGAS, AS RECORDED IN BOOK 3 PAGE 40 OF PLATS CLARK COUNTY OFFICIAL RECORDS. SAME POINT BEING ON THE NORTH RIGHT-OF-WAY LINE OF SAHARA AVENUE (WIDTH VARIES); THENCE ALONG SAID NORTH RIGHT-OF-WAY LINE SOUTH $87^{\circ}30'06''$ EAST, 188.44 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH $87^{\circ}30'06''$ EAST, 146.07 FEET; THENCE NORTH $83^{\circ}19'18''$ EAST, 62.70 FEET; THENCE SOUTH $87^{\circ}30'06''$ EAST, 92.71 FEET TO A POINT OF TANGENCY OF A 25.00 FOOT RADIUS CURVE CONCAVE TO THE SOUTHWEST; THENCE CURVING RIGHT, SOUTHEASTERLY, AN ARC DISTANCE OF 18.09 FEET, THROUGH A CENTRAL ANGLE OF $36^{\circ}52'10''$ TO A POINT ON A REVERSE CURVE, HAVING A 25.00 FOOT RADIUS, CONCAVE TO THE NORTHEAST; THENCE CURVING LEFT, SOUTHEASTERLY, AN ARC DISTANCE OF 16.09 FEET THROUGH A CENTRAL ANGLE OF $35^{\circ}52'18''$ TO A POINT ON A 64.00 FOOT COMPOUND CURVE, CONCAVE TO NORTHWEST; THENCE CURVING LEFT, NORTHEASTERLY, ALONG SAID CURVE AN ARC DISTANCE OF 82.97 FEET THROUGH A CENTRAL ANGLE OF $88^{\circ}01'54''$ TO A TANGENT POINT ON THE WEST RIGHT-OF-WAY LINE OF FAIRFIELD AVENUE (80 FEET WIDE); THENCE NORTH $04^{\circ}28'00''$ EAST, 208.39 FEET TO A POINT OF TANGENCY OF A 20.00 FOOT RADIUS CURVE CONCAVE TO THE SOUTHWEST; THENCE CURVING LEFT, NORTHWESTERLY, ALONG SAID CURVE AN ARC DISTANCE OF 31.73 FEET, THROUGH A CENTRAL ANGLE OF $90^{\circ}54'46''$ TO A POINT OF TANGENCY ON THE SOUTH RIGHT-OF-WAY LINE OF CINCINNATI AVENUE (50 FEET WIDE); THENCE ALONG SAID SOUTH RIGHT-OF-WAY LINE; NORTH $86^{\circ}26'46''$ WEST, 289.26 FEET; THENCE DEPARTING THE SOUTH RIGHT-OF-WAY LINE OF CINCINNATI AVENUE, SOUTH $02^{\circ}29'39''$ WEST, 145.00 FEET; THENCE SOUTH $62^{\circ}29'14''$ WEST, 30.40 FEET; THENCE SOUTH $27^{\circ}30'48''$ EAST, 23.98 FEET TO THE BEGINNING OF A 19.50 FOOT RADIUS CURVE, CONCAVE TO THE SOUTHWEST; THENCE CURVING RIGHT, SOUTHERLY, ALONG SAID CURVE AN ARC DISTANCE OF 10.21 FEET THROUGH A CENTRAL ANGLE OF $30^{\circ}00'23''$ TO A POINT OF TANGENCY; THENCE SOUTH $02^{\circ}29'38''$ WEST, 17.97 FEET TO THE BEGINNING OF A 24.00 FOOT RADIUS CURVE CONCAVE TO THE NORTHWEST; THENCE CURVING RIGHT, SOUTHWESTERLY, ALONG SAID CURVE AN ARC DISTANCE OF 30.00 FEET THROUGH A CENTRAL ANGLE OF $71^{\circ}37'06''$ TO A POINT ON A 76.00 FOOT RADIUS REVERSE CURVE, CONCAVE TO THE SOUTHEAST; THENCE CURVING LEFT, SOUTHWESTERLY, ALONG SAID CURVE AN ARC DISTANCE OF 68.57 FEET THROUGH A CENTRAL ANGLE OF $50^{\circ}11'00''$ TO A POINT ON A 24.50 FOOT RADIUS REVERSE CURVE, CONCAVE TO THE NORTHWEST; THENCE CURVING RIGHT, SOUTHWESTERLY, ALONG SAID CURVE AN ARC DISTANCE OF 13.52 FEET THROUGH A CENTRAL ANGLE OF $31^{\circ}36'46''$ TO THE POINT OF BEGINNING ON THE AFOREMENTIONED NORTH RIGHT-OF-WAY LINE OF SAHARA AVENUE WHERE THE RADIUS POINT BEARS NORTH $34^{\circ}27'32''$ WEST.

CONTAINS 2.05 ACRES (89,113 SQUARE FEET) MORE OR LESS.

[Form of Prepayment Panel]

The following installments of principal (or portions thereof) of this Note have been prepaid in accordance with the terms of the Resolution authorizing the issuance of this Note.

Date of
Prepayment

Principal
Prepaid

Signature of
Treasurer