

**LAS VEGAS REDEVELOPMENT AGENCY**

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**Tax Increment Revenue Bonds Series 2009A**

**BOND PURCHASE AGREEMENT**

March 18, 2009

Las Vegas Redevelopment Agency  
400 Stewart Avenue  
Las Vegas, Nevada 89101

Ladies and Gentlemen:

Stone & Youngberg LLC (the “Underwriter”), acting not as a fiduciary or agent, but on behalf of itself, offers to enter into this bond purchase agreement (the “Bond Purchase Agreement”) with the City of Las Vegas Redevelopment Agency (the “Agency”), which will be binding upon the Agency and the Underwriter upon the acceptance hereof by the Agency. This offer is made subject to its acceptance by the Agency by execution of this Bond Purchase Agreement and its delivery to the Underwriter on the date hereof. All terms used herein and not otherwise defined shall have the respective meanings given to such terms in the Indenture(as hereinafter defined).

1. Purchase and Sale. Subject to the terms and conditions, and in reliance upon the representations, warranties and agreements hereinafter set forth, the Agency hereby agrees to sell to the Underwriter, all (but not less than all) \$\_\_\_\_\_ aggregate principal amount of the Agency’s Tax Increment Revenue Bonds, Series 2009A ( “the Bonds”). The Bonds shall be issued pursuant to the Indenture of Trust, dated as of March 15, 2009 (the “Indenture”) between the Agency and U.S. Bank National Association (the “Trustee”) and shall be dated, shall have the maturities, shall bear interest at the rates per annum, shall be subject to redemption prior to maturity, and shall be issued and secured under the provisions of the Indenture. The Bonds shall be payable as provided in the Indenture.

2. Public Offering. The Underwriter agrees to make a bona fide public offering of all the Bonds initially at the public offering prices or yields set forth in Exhibit A. Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices or yields as it deems necessary in connection with the marketing of the Bonds, provided that the Underwriter shall not change the interest rates set forth in Exhibit A. The Bonds may be offered and sold to certain dealers at prices or yields lower than such initial public offering prices or yields.

3. Delivery of Official Statement. The Agency has delivered or caused to be delivered to the Underwriter prior to the execution of this Bond Purchase Agreement, copies of its preliminary official statement relating to the Bonds (the “Preliminary Official Statement”). Such Preliminary Official Statement is the official statement heretofore deemed final by the Agency for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”) and approved by resolution of the Agency for distribution by the Underwriter.

Within seven (7) business days from the date hereof, and in any case prior to the Closing (as hereinafter defined), the Agency shall deliver to the Underwriter the Agency's final official statement, executed on its behalf by an authorized representative of the Agency, which final official statement shall consist of the Preliminary Official Statement together with the information permitted to have been omitted therefrom by paragraph (b)(1) of the Rule and together also with such amendments or supplements as shall have been approved by the Agency and the Underwriter (the "Official Statement").

4. The Closing. At 8:00 a.m., Nevada time, on \_\_\_\_\_ 2009, or at such other time or on such other day as shall have been mutually agreed upon by the Agency and the Underwriter, the Agency will deliver (i) to The Depository Trust Company in New York, New York, for the account of the Underwriter, the Bonds in definitive form (all Bonds being in book-entry form, registered in the name of Cede & Co., and having the CUSIP numbers assigned to them printed thereon), duly executed by the officers of the Agency as provided for in the Indenture and (ii) to the Underwriter, at the Las Vegas City Hall (or at such other place as may be mutually agreed upon by the Agency and the Underwriter) the other documents herein mentioned. The Underwriter will accept such delivery and pay the purchase price of the Bonds by federal wire transfer to the order of the Trustee on behalf of the Agency. This payment and delivery, together with the delivery of the aforementioned documents, is herein called the "Closing."

5. Agency Representations, Warranties and Covenants. The Agency represents, warrants and covenants to the Underwriter that:

(a) Due Organization, Existence and Authority. The Agency is a public body, corporate and politic, organized and existing under the laws of the State of Nevada (the "State"), including the Community Redevelopment Law, with full right, power and authority to issue the Bonds and to execute, deliver and perform its obligations under the Bonds, this Bond Purchase Agreement, the Indenture, and the Continuing Disclosure Certificate with respect to the Bonds in substantially the form attached to the Preliminary Official Statement (the "Continuing Disclosure Certificate" and, together with this Bond Purchase Agreement and the Indenture, the "Agency Documents"), and to carry out and consummate the transactions contemplated by the Bonds, the Agency Documents and the Official Statement.

(b) Due Authorization and Approval. By all necessary official action, the Agency has duly authorized and approved the execution and delivery of, and the performance by the Agency of the obligations contained in, the Bonds, the Official Statement, and the Agency Documents; and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered, the Bonds and the Agency Documents will constitute the legally valid and binding obligations of the Agency enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally. The Agency has complied, and will at the Closing be in compliance in all respects, with the terms of the Agency Documents.

(c) Official Statement Accurate and Complete. The Preliminary Official Statement was as of its date, and the Official Statement is, and at all times subsequent to the date of the Official Statement up to and including the Closing will be, true and correct in all material respects; and the Official Statement does not contain, and up to and including the Closing will not contain, any

misstatement of any material fact and does not omit, and up to and including the Closing will not omit, any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading.

(d) Underwriter's Consent to Amendments and Supplements to Official Statement. The Agency will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The Agency will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(e) Redevelopment Area, Redevelopment Plan and Tax Revenues. The City or the Agency, as applicable, has duly and validly taken, or caused to be taken, all proceedings necessary under the Constitution and laws of the State, including the Community Redevelopment Law,: (i) to enable the Agency to function in the City, (ii) to form the Redevelopment Area, (iii) to approve and adopt the Redevelopment Plan and (iv) to be entitled, under and pursuant to the provisions of the Community Redevelopment Law, to receive the "taxes," as defined in NRS Section 279.674, levied on the taxable property in the Redevelopment Area, except to the extent that such taxes are required pursuant to the Community Redevelopment Law to be allocated and paid to the agencies levying such taxes

(f) No Breach or Default. As of the time of acceptance hereof and as of the time of the Closing, except as otherwise disclosed in the Official Statement, the Agency is not and will not be in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Agency is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and, as of such times, except as disclosed in the Official Statement, the authorization, execution and delivery of the Agency Documents, and the Bonds and compliance with the provisions of each of such agreements or instruments do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance agreement or order to which the Agency (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the Bonds and the Agency Documents.

(g) No Litigation. As of the time of acceptance hereof and the Closing, except as disclosed in the Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or threatened (i) in any way questioning the corporate existence of the Agency or the titles of the officers of the Agency to their respective offices; (ii) in any way questioning the existence of the Redevelopment Area, the validity or enforceability of the Redevelopment Plan or the right of the Agency to receive the taxes

allocable to it as described in paragraph (e) of this Section; (iii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds or the Agency Documents or the consummation of the transactions contemplated thereby or hereby, or contesting the exclusion of the interest on the Bonds from taxation or contesting the powers of the Agency or its authority to issue the Bonds; (iv) which may result in any material adverse change relating to the Agency; or (v) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. There is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in the preceding sentence.

6. Closing Conditions. The Underwriter has entered into this Bond Purchase Agreement in reliance upon the representations, warranties and covenants herein and the performance by the Agency of its obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriter's obligations under this Bond Purchase Agreement to purchase and pay for the Bonds shall be subject to the following additional conditions:

(a) Bring-Down Representation. The representations, warranties and covenants of the Agency contained herein shall be true, complete and correct both at the date hereof and at the time of the Closing, as if made at the time of the Closing.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing the Agency Documents and the Redevelopment Plan shall be in full force and effect, and shall not have been amended, modified or supplemented except with the written consent of the Underwriter.

(c) Termination Events. The Underwriter shall have the right to terminate this Bond Purchase Agreement, without liability therefor, by notification to the Agency if at any time at or prior to the Closing:

(i) any event shall occur which causes any statement contained in the Official Statement to be materially misleading or results in a failure of the Official Statement to state a material fact necessary to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading; or

(ii) the marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation in or by the Congress of the United States or by the State, or the amendment of legislation pending as of the date of this Bond Purchase Agreement in the Congress of the United States, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee

on Taxation of the Congress of the United States, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any Federal or State court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or State authority materially adversely affecting the federal or State tax status of the Agency, or the interest on bonds or notes or obligations of the general character of the Bonds; or

(iii) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State or any court of the United States shall be rendered which, in the reasonable opinion of the Underwriter, materially adversely affects the market price of the Bonds; or

(iv) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

(v) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which restrictions materially adversely affect the Underwriter's ability to trade the Bonds; or

(vi) a general banking moratorium shall have been established by federal or State authorities; or

(vii) the United States has become engaged in hostilities or there has occurred any other outbreak of hostilities or a national or international calamity or crisis, or there has occurred any escalation of existing hostilities, calamity or crisis, financial or otherwise, the effect of which on the financial markets of the United States being such as, in the reasonable opinion of the Underwriter, would affect materially and adversely the ability of the Underwriter to market the Bonds at the prices or yields set forth in Exhibit A; or

(viii) any rating of bonds of the City or the Agency have been downgraded, suspended or withdrawn by a national rating service, which, in the Underwriter's reasonable opinion, materially adversely affects the marketability or market price of the Bonds; or

(ix) the commencement of any action, suit or proceeding described in paragraph (g) of Section 5 hereof which, in the judgment of the Underwriter, materially adversely affects the market price of the Bonds; or

(x) there shall be in force a general suspension of trading on the New York Stock Exchange.

(d) Closing Documents. At or prior to the Closing, the Underwriter shall receive with respect to the Bonds (unless the context otherwise indicates) the following documents:

(i) *Bond Opinion*. An approving opinion of Bond Counsel, dated the date of the Closing and substantially in the form appended to the Official Statement, together with a letter from Bond Counsel, dated the date of the Closing and addressed to the Underwriter, to the effect that the foregoing opinion addressed to the Agency may be relied upon by the Underwriter to the same extent as if such opinion were addressed to the Underwriter;

(ii) *Supplemental Opinion*. A supplemental opinion or opinions of Bond Counsel, dated the date of the Closing and addressed to the Underwriter, in form and substance acceptable to the Underwriter, and substantially to the following effect:

(A) The Agency Documents and the Bonds have been duly authorized, executed and delivered by the Agency and constitute the valid, legal and binding agreements of the Agency enforceable in accordance with their respective terms;

(B) The statements contained in the Official Statement pertaining to the Bonds under the captions “INTRODUCTION,” “THE 2009 BONDS,” “SECURITY FOR THE BONDS,” and “APPENDIX ”B” – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE” (except the information concerning The Depository Trust Company (“DTC”) provided by DTC, as to which no view need be expressed) and excluding statements contained under any other caption to which reference is made under such captions, as to which no view need be expressed, insofar as such statements purport to summarize certain provisions of the Bonds, the Indenture, the Community Redevelopment Law, and the approving opinion of Bond Counsel, present accurate summaries of such provisions; and

(C) The Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Indenture is exempt from qualification to the Trust Indenture Act of 1939, as amended;

(iii) *Agency Counsel Opinion*. An opinion of the Agency’s Counsel, dated the date of the Closing and addressed to the Underwriter, in form and substance acceptable to the Underwriter, substantially to the following effect:

(A) The Agency is a public body corporate and politic duly organized and validly existing under the laws of the State and is duly authorized to function in the City;

(B) The Redevelopment Area has been duly and validity formed, , the Redevelopment Plan has been duly and validly approved and is in full force and effect as approved, and the Agency is entitled under the Constitution and laws of the State, including the Community Redevelopment Law, to receive the “taxes,” as defined in NRS Section 279.674, levied on the taxable property in the Redevelopment Area, except to the extent that such taxes are required pursuant to the

Community Redevelopment Law to be allocated and paid to the agencies levying such taxes;

(C) The Agency's Counsel has no reason to believe that the statements contained in the Official Statement (except for any financial statements, engineering, demographic, economic, engineering or statistical data and any statements of trends, forecasts, estimates, projections, assumptions, or any expressions of opinion, and information concerning The Depository Trust Company ("DTC") provided by DTC contained in the Official Statement and its Appendices, as to which no view need be expressed), contained any untrue statement of a material fact or omitted any material fact required to be stated therein or necessary to make the statements in the Official Statement, in light of the circumstances under which they were made, not misleading;

(D) Except as otherwise disclosed in the Official Statement and to the best knowledge of such counsel after due inquiry, there is no litigation, proceeding, action, suit, or investigation at law or in equity before or by any court, governmental agency or body, pending or threatened against the Agency, challenging the creation, organization or existence of the Agency, or the validity of the Agency Documents or seeking to restrain or enjoin the repayment of the Bonds or in any way contesting or affecting the validity of the Agency Documents or contesting the authority of the Agency to enter into or perform its obligations under any of the Agency Documents, or which, in any manner, questions the right of the Agency to use the Pledged Revenues for repayment of the Bonds or affects in any manner the right or ability of the Agency to collect or pledge the Pledged Revenues; and

(E) Except as disclosed in the Official Statement, there are no outstanding bonds, notes or other obligations of the Agency which are payable out of Pledged Revenues or any of the funds and revenues pledged to the payment of the Bonds and to which the Bonds will be subordinate;

(iv) *Agency Certificate.* A certificate of the Agency, dated the date of the Closing, signed on behalf of the Agency by a duly authorized officer of the Agency to the following effect:

(A) The representations, warranties and covenants of the Agency contained herein are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing and the Agency has complied with all of the terms and conditions of this Bond Purchase Agreement required to be complied with by the Agency at or prior to the date of the Closing; and

(B) No event affecting the Agency has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(v) *Trustee's Certificate.* A certificate of the Trustee, dated the date of Closing, addressed to the Agency and the Underwriter, in form and substance acceptable to the Underwriter, to the following effect:

(A) The Trustee is duly organized and existing as a national banking association under the laws of the United State of America, having the full power and authority to enter into and perform its duties under the Indenture;

(B) The Trustee is duly authorized to enter into the Indenture; and

(C) To the best knowledge of the Trustee, after due inquiry, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental agency, public board or body pending against the Trustee or threatened against the Trustee which in the reasonable judgment of the Trustee would affect the existence of the Trustee or in any way contesting or affecting the validity or enforceability of the Indenture or contesting the powers of the Trustee or its authority to enter into and perform its obligations under such agreements;

(vi) *Special Counsel Letter.* A letter of the Agency's Special Counsel, dated the date of the Closing, addressed to the Agency and the Underwriter and in form and substance acceptable to them, to the effect that, based upon the information provided to the Special Counsel in the course of its participation in the preparation of the Official Statement, and without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, the Special Counsel has no reason to believe that the Official Statement, as of the date of the Official Statement omitted, or as of the date hereof omits, to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(vii) *Rating.* Evidence that the Bonds have been rated "A" by Standard & Poor's, a division of The McGraw-Hill Companies.

(viii) *Documents.* An original executed copy of each of the Agency Documents, the Ordinance and the resolutions approving the Agency Documents, which shall be delivered and in full force and effect;

(ix) *Other Documents.* Such other documents, certificates or instruments as may be reasonably requested by Bond Counsel or the Agency's Special Counsel as an incident to the rendering of its opinion hereunder.

If the Agency shall be unable to satisfy the conditions contained in this Bond Purchase Agreement, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriter or the Agency shall be under any further obligation hereunder.

7. Expenses. Whether or not the Underwriter accept delivery of and pay for the Bonds as set forth herein, the Underwriter shall be under no obligation to pay, and the Agency shall pay or cause to be paid out of any legally available funds of the Agency all expenses incident to the performance of the Agency's obligations hereunder, including but not limited to: the cost of

preparing and delivering the Bonds to the Underwriter; the cost of printing, distribution and delivery of the Preliminary Official Statement and the Official Statement in such reasonable quantities as may be requested by the Underwriter; the fees and disbursements of the Trustee, Bond Counsel, the Agency's Special Counsel, the Financial Advisor and any accountants, engineers, appraisers or other experts or consultants the Agency has retained in connection with or the Bonds; and any other expenses not specifically enumerated in the following paragraph.

Whether or not the Bonds are delivered to the Underwriter as set forth herein, the Agency shall be under no obligation to pay, and the Underwriter shall pay the cost or preparation of any "Blue Sky" or legal investment memoranda; expenses to qualify the Bonds for sale under any "Blue Sky" or other state securities laws and all other expenses incurred by the Underwriter in connection with its public offering and distribution of the Bonds (except those specifically enumerated in the preceding paragraph), including the fees and disbursements of its counsel and any advertising expenses.

8. Conditions to the Obligations of the Agency. The Agency's obligations under this Bond Purchase Agreement to sell and to deliver the Bonds shall be subject to performance by the Underwriter of the obligations to be performed by the Underwriter hereunder and to each condition described in Section 6 being fulfilled.

9. Notice. Any notice or other communication to be given to the Agency under this Bond Purchase Agreement may be given by delivering the same in writing to Las Vegas Redevelopment Agency, 400 Stewart Avenue, Las Vegas, Nevada, 89101, Attention: Executive Director, and any notice or other communication to be given to the Underwriter under this Bond Purchase Agreement may be given by delivering the same in writing to Stone & Youngberg LLC, 515 South Figueroa Street, Suite 1800, Los Angeles, California 90071, Attention: Stephen E. Heaney.

10. Entire Agreement. This Bond Purchase Agreement, when accepted by the Agency, shall constitute the entire agreement among the Agency and the Underwriter and is made solely for the benefit of the Agency and the Underwriter (including the successors or assigns of the Underwriter). No other person shall acquire or have any right hereunder by virtue hereof, except as provided herein. The representations, warranties and agreements of the Agency set forth in or made pursuant to this Bond Purchase Agreement shall not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing or termination of this Bond Purchase Agreement and regardless of any investigations made by or on behalf of the Underwriter (or statements as to the results of such investigations) concerning such representations and statements of the Agency and regardless of delivery of and the payment for the Bonds.

11. Counterparts. This Bond Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

12. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

13. State of Nevada Law Governs. The validity, interpretation and performance of this Bond Purchase Agreement shall be governed by the laws of the State.

Very truly yours,

**STONE & YOUNGBERG LLC**

By: Stone & Youngberg LLC

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Stephen E. Heaney, Managing Director

Accepted as of the date first stated above at \_\_\_\_ p.m. Las Vegas time:

CITY OF LAS VEGAS REDEVELOPMENT AGENCY

By: \_\_\_\_\_  
Its: Chairman

Attest:

By: \_\_\_\_\_  
Secretary

**EXHIBIT A**

**PURCHASE PRICE**

The purchase price of the Bonds shall be \$\_\_\_\_\_, which is the principal amount of the Bonds, \$\_\_\_\_\_, plus original issue premium of \$\_\_\_\_\_, and less Underwriter's discount of \$\_\_\_\_\_.

**MATURITY SCHEDULE**

<u>Dates Maturing</u>	<u>Amounts Maturing</u>	<u>Interest Rate (per annum)</u>	<u>Yield</u>
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