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[illegible]

I, Stephen G. Siegel, being first duly sworn, depose and state under penalty of perjury as follows:

1. I am a corporate officer, managing member, or sole proprietor of the Phug I + Inn II, LLC, a company duly organized in the State of Nevada as a LLC, (Corporation/LLC/Sole Proprietorship).

The Participant is seeking the assistance of the city of Las Vegas Redevelopment Agency ("Agency") for making improvements to the property at 217 N. Las Vegas Blvd. ("Site"), as more particularly described by the VIP agreement ("Agreement") being contemplated by the city of Las Vegas Redevelopment Agency at its public hearing to be held on _____.

2. I hereby warrant that I either own the site, or have a leasehold interest in the site for a minimum of five years subsequent to the effective date of this agreement.

Assistance from the Agency will allow me to make improvements to the site which I could not otherwise do. This will result in substantial benefit to the Redevelopment Plan Area and the neighborhood adjacent to the Site because of one or more of the following reasons (check one or more):

- a. Encourage the creation of new business or other appropriate development; ☒
- b. Create jobs or other business opportunities for nearby residents; ☒
- c. Increase local revenues from desirable sources; ☒
- d. Increase levels of human activity in the redevelopment area or the immediate neighborhood in which the redevelopment area is located; ☒
- e. Possess attributes that are unique, either as to type of use or level of quality and design; ☒
- f. Require for their construction, installation or operation the use of qualified and trained labor; ☒ and
- g. Demonstrate greater social or financial benefits to the community than would a similar set of buildings, facilities, structures or other improvements not paid for by the agency. ☒

3. No other reasonable means of financing those buildings, facilities, structures or other improvements are available, because of one or more of the following reason(s) as checked by the Participant:

- a. An inducement for new businesses to locate or existing businesses to remain within the redevelopment area in which the business would ordinarily choose to locate outside the redevelopment area if the grant were not provided. Evidenced by a "but for" letter or statement from the business owner.; ☐ or
- b. There is a public objective and/or requirement that is more stringent and/or costly to undertake than a business would ordinarily embark upon. Evidenced by state or city ordinance. ☐ or
- c. There has been a lack of rehabilitation in the area and it is deemed unreasonable for the business to invest in improving the area unless the grant is provided. Evidenced by photographs of the immediate surrounding area displaying the slum and blight. ☒ or
- d. The exterior improvements to the property or business do not have a direct affect on revenues therefore making such an investment is not deemed acceptable by a customary financial institution. Evidenced by a denial letter from a financial institution. ☐ or



VIP Participant Affidavit and Employment Plan

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- e. The visual improvement of the property or addition of the business to the area is so dramatic that it is a catalyst for economic development in the area. Evidenced by a positive economic impact analysis. ☐

Participant agrees to submit to the Agency its documentation which evidences that no reasonable means of financing are available to the Participant.

4. Participant hereby warrants the following:

- a. The property on which the project is situated is free of all Mechanic's Liens at the time of application. SS (initial)
- b. The applicant has no current bankruptcy proceedings, or past bankruptcy proceedings, whether corporate or personal, within the past five years. SS (initial)
- c. The applicant has no past-due federal, state, county or city of Las Vegas tax bills at the time of application. SS (initial)
- d. The applicant has no past-due bills or debts payable to the city of Las Vegas or the Redevelopment Agency. SS (initial)

5. Participant hereby acknowledges that existing opportunities for employment within the surrounding neighborhood of the redevelopment project are limited for neighborhood residents. Most residents must travel outside the neighborhood to find employment opportunities outside the redevelopment area, via public transportation or personal vehicles. Of the existing businesses within the neighborhood, many are family owned and have been in business for a long time. These existing businesses are not in an expansion mode and are not likely to employ neighborhood residents.

Furthermore, the project will help facilitate the continued expansion of employment opportunities by setting an example to other property/business owners to renovate their property/business and help create more employment opportunities through an expansion of business and renovation of vacant storefronts. The Project will allow neighborhood residents to apply for those positions (when available) for which they are qualified for as an employment opportunity. Appropriate measures will be taken to ensure that the neighborhood is aware of any job opportunities available from the business.

DATED this 27 day of May, 2009.

Plus F+ Inn II, LLC
By: The Siegel Group Nevada, Inc. I+5: manager

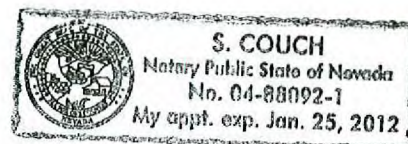
Authorized Signature: Stephen G. Siegel, President

SIGNED AND SWORN TO before

me this 27 day of May, 2009, by Stephen G. Siegel

NOTARY PUBLIC

My Commission Expires: 1/25/12



CITY OF LAS VEGAS REDEVELOPMENT AGENCY

