A Complete Appraisal, Summary Report of an Assumed Vacant Parcel, Currently Improved with the Sierra Madre Apartment Complex

Currently Owned by:
Craig Rubin (et al)

Property generally located at
454 Sierra Vista Drive, Las Vegas, Clark County, Nevada

For the Purpose of
Developing an Opinion of the "As Is" Market Value, in Fee Simple Interest, as of September 27, 2005

Date of Appraisal Report
September 30, 2005

File Number
262-05-GA

Anderson Valuation Group
1601 S. Rainbow Blvd, Ste 230
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702.307.0888

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Anderson Valuation Group, LLC
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September 30, 2005

Mr. Craig Rubin
Rubin and Associates
4258 Corte de Sausalito
San Diego, California 92130

RE: **File No. 262-05-GA**
Tax ID #75-3174818

Dear Mr. Rubin:

In compliance with your request and authorization I have inspected the property which can commonly be identified as the Sierra Madre Apartments, and the site upon which this development exists, located at 454 Sierra Vista Drive, Las Vegas, Clark County, Nevada, for the purpose of preparing this complete appraisal, summary report. The Clark County Assessor identifies the property as Assessor's Parcel Number 162-15-101-020 and this is a location adjacent east of recently constructed Marriottt Renaissance Hotel and adjacent south of the Las Vegas Convention Center, one of the world's largest convention facilities. This is a location in Census Tract 2403 and zip code 89109.

As will be outlined within the context of this appraisal, the existing apartment is no longer considered to represent the highest and best use of this site as vacant. The value of the property, as currently improved, is exceeded, in my opinion, by the market value of the underlying land. It should be noted, a relatively recent transaction occurred on this property in May 2005 and the reported acquisition price was $6,250,000.00. As will be demonstrated in the context of this analysis, it is my opinion that this acquisition price is below current market levels and was likely below market levels at the date of acquisition. Furthermore, the subject site is currently zoned R-5 which is a high density, multi-family configuration. Sites located adjacent east and west of the subject site are zoned H-1 which is typical zoning in the Las Vegas tourist corridor area, a Limited Apartment and Resort District.

This appraisal is based on the extraordinary assumption that an H-1 zoning could be obtained on this site, similar to adjoining parcels, which is typical in the vicinity allowing for tourist commercial type development similar to the existing Marriott Renaissance Hotel to the west or potential high rise condominium, time share or a similar improvement.

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Data setting forth the analysis used and descriptive details are included in the body of this report. Based on an analysis of all the data utilized I have developed an opinion of the "As Is" market value of the subject property which reflects a value of the property in accordance with the highest and best use conclusion as vacant for tourist commercial type development, therefore incorporating costs of future demolition and interim contributory value of the apartments quantified as interim net income, as of the effective date of valuation, at:

Ten Million Eight Hundred Seventy Thousand Dollars
($10,870,000.00)

This appraisal report has been prepared as a complete appraisal, summary report intended to comply with Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice, as adopted by the Appraisal Foundation. This report is also intended to comply with the Code of Professional Ethics of the Appraisal Institute. The intended use of this report is to assist in asset management and the intended users include Craig Rubin and his nominees. No other use or users are intended by this appraiser.

This appraisal report must be used in conjunction with the following enclosed descriptive details, appraisal procedures and analysis and is, therefore, not considered a report standing on its own merit.

Thank you for giving me the opportunity to appraise this property for you

Sincerely,
Anderson Valuation Group, LLC

Glenn M Anderson, MAI, SRA
Certified General Appraiser
Nevada License № A.0000555-CG
Expiration Date: January 31, 2006

GMA/tb