



SETTING THE RECORD STRAIGHT

Redevelopment of Badlands Golf Course

In recent weeks various communications fraught with inaccuracies and misrepresentations have been anonymously disseminated to Queensridge homeowners. Despite the open invitation by EHB Companies to provide accurate and detailed information related to the Project, no efforts were made by the anonymous authors to contact our representatives to verify the accuracy of the statements made. We encourage all homeowners to engage in a direct dialogue with EHB Companies to allow for a transparent exchange of information and facts. Below you will find accurate information correcting the deliberate falsehoods being circulated. If you still have questions and/or concerns, please do not hesitate to contact Jennifer Knighton at jknighton@ehbcompanies.com or 702-940-6930 to schedule a time to speak or meet with an EHB Companies executive.

Project Submission Status

Commencing in August of 2015, entitlement applications were submitted to the City of Las Vegas. These applications included a change to the existing R-PD7 zoning (Residential Planned Development – up to 7.49 units per acre) on the Property, which is currently operated as a golf course under a lease by a third party operator. The change would allow for 3,020 luxury multi-family units on the easternmost 70 acres (The Seventy) and up to 60 estate lots on the remaining 180 acres adjacent to Queensridge (The Preserve). **The applications are consistent with presentations made to Queensridge and One Queensridge Place homeowners beginning in August of 2015. Various City departments are reviewing the submissions and will be subject to the approval of the Planning Commission and City Council.**

Dispelling the Conspiracy Theory

On September 8, 2015, the Planning Commission reviewed agenda item #24 (GPA-60759) in which the City of Las Vegas, as the requesting applicant, was seeking to amend its General Plan to allow for changes to the PCD (Planned Community Development) designation. This amendment would have allowed the Planning Department to use its discretion in density limits for any given project.

EHB Companies did have an application pending to change the Property's General Plan designation from PR-OS (Park/Recreation/Open Space) to PCD. **However, neither the amendment to the City's General Plan (again initiated by the City,**

not EHB Companies) nor the amendment of the Property's General Plan designation, would have changed the density requests within EHB Companies' pending entitlement applications, nor eliminated the mandatory neighborhood meetings, various City departments' reviews and Planning Commission and City Council public hearings.

Litigation

On December 15, 2015, a meritless lawsuit was filed by Jack B. Binion, Frank A. Schrek, Duncan R. Lee and Irene Lee, Robert N. and Nancy Peccole, Trustees of the Robert N. and Nancy Peccole Trust, Turner Investments LTD, Roger P. and Carolyn G. Wagner and Trustees of the Wagner Family Trust, all of whom own homes directly adjacent to the golf course.

The lawsuit questions the validity of the City of Las Vegas' process for review and approval of parcel maps. If the City's process for approval of parcel maps were found non-compliant with Nevada law, then all parcel maps processed in the same manner, estimated to be in the thousands, would be rendered invalid. **The lawsuit has no merit. However, as stated very candidly by Yohan Lowie at the August 2015 neighborhood meetings, any litigation filed, irrespective of merit, does and will affect the plans for the Property.**

Density

The Property is zoned R-PD7 which classification allows for up to 7.49 units per acre. This zoning was verified by the City of Las Vegas in a Zoning Verification Letter provided to EHB Companies on December 30, 2014, prior to EHB Companies' acquisition of Fore Stars Ltd, the then owner of the Property.

In lieu of pursuing construction of up to 1,900 homes throughout the Property, the pending entitlement applications seek to reduce the density on the 180 acres (The Preserve) by building only 1 unit per 3 acres on average (up to 60 estate lots), while concurrently providing luxury multifamily near the Alta/Rampart corridor's existing commercial and multifamily.

Total Number of Units

The total number of units being requested is 3,080, comprised of up to 60 estate lots in The Preserve and 3,020 luxury multi-family units in The Seventy. There is no longer a consideration for a 2 for 1 exchange on assisted living units.

Property Values

Appraisers recognize that there is no single variable (i.e. the loss of a golf course) that determines the value of any given property. In order to reach a sound conclusion on valuation, appraisers perform extensive research and consider multiple variables, in this case including the replacement of a golf course with multi acre estates, the permanent preservation of open space through deed restrictions or

conservation easements, the addition of extensive landscaping improvements and the reduction of the epidemic security concerns that plague Queensridge.

Furthermore, no comparative scenarios, including the development of the Property under the existing R-PD7 zoning by merchant builders and public park/desert conditions created by the shutdown of the golf course, have been cited by Project opponents, thereby allowing homeowners to make an informed opinion as to what is ultimately best for the community. **One factor that is indisputable is that the present uncertainty surrounding the direction of the development of the Property has a negative impact on Queensridge homes values. Any litigation will serve to further delay the certainty and marketability of Queensridge homes.**

Preservation

Under the present application, approximately 50% of the entire Property and approximately 65% (120 acres) of The Preserve will be permanently preserved under conservation easements or deed restrictions. The Preserve will be extensively landscaped (whereas today the golf course is only 35% green and the remainder native) and calls for the planting of approximately 7,500 trees, whereas presently there are only 1,014.

FEMA Flood Zone

Approximately 75% of the Property is NOT in the FEMA flood zone and is currently buildable without FEMA reclassification. The Master Drainage Study, which has been submitted to the City of Las Vegas, as required, contains a flood mitigation plan for the entire Property, which includes sixty-seven (67) acres that are within the FEMA flood zone. Included in the FEMA designated flood zone are portions of residential properties along the golf course including 15 lots on Orient Express, 4 lots on Kings Gate Court, 3 lots on Winter Palace Drive and 3 HOA common areas. These properties will benefit from the construction of underground drainage culverts, similar to those under Tivoli Village, as they will be removed from the FEMA flood designation zone.

Traffic

A Master Traffic Study has been submitted and traffic impacts will be held to the same standards and review process as any other project requesting entitlements from the City. It is also important to remember that the traffic study reflects demands associated with a fully complete development. Traffic generated by the proposed development will occur over the course of many years allowing for a gradual impact on City roadways.

Community Safety, Security and Welfare

The redevelopment of the Property will have a significantly positive impact on the safety, security and welfare of Queensridge by removing the vulnerabilities that currently exist due to both the proximity to a public golf course and the pedestrian accessible drainage culverts under Charleston Blvd.

and Hualapai Way. The proposed drainage plans include the installation of underground drainage culverts that will safely contain water flow below ground. An established and more secure perimeter will be created by removing the open culvert access (6' x 25' on Charleston Blvd. and 8' x 16' on Hualapai Way), heightening a portion of the existing walls along the golf course to 10 feet or more and installing a 10 foot wall between The Preserve and The Seventy. These efforts will help deter opportunistic criminals who now enter the public golf course with great ease.

Development Agreement

The Development Agreement, which memorializes the terms and conditions of the Project, continues to be negotiated with the City. It is an ongoing process and the final document will be far more comprehensive than the initial draft. The proposed final agreement will be posted on the City's and EHB Companies websites prior to the Planning Commission hearing. If approved, it will become a binding contract between the applicants and the City of Las Vegas.

Construction Timing, Access and Impact

Work will commence no sooner than 16 months from today. The process of rough grading and installation of underground drainage culverts will take approximately 6-9 months for each of the seven segments of The Preserve and 6-12 months for The Seventy. Once complete, what will remain on The Preserve will include single family home construction similar to that presently taking place on Kings Gate Court and on The Seventy, construction on a scale equal to or less than that of One Queensridge Place.

Construction cannot and will not take place 24 hours a day, 7 days a week throughout the course of the Project. Construction is subject to noise ordinances, which limits the allowable timeframe to 11 hours/day on The Preserve and an exception of 16 hours/day on The Seventy to allow for expedited construction. EHB Companies built 40% of the custom homes in Queensridge, Tivoli Village and One Queensridge Place and has always worked cooperatively with the adjacent neighbors to ensure that interruption is minimized.

In addition, the Property's rough grading is expected to be balanced and therefore fill dirt related to this operation will not be transported in or out and roads will not be damaged. **Construction equipment will access the site from Hualapai Way or Alta Drive, NOT through the Queensridge north and/or south gates.**

Earth Processing

Earth processing will be limited to 16 hours per day and will occur only during the 6-8 months that rough grading will occur. Given that the facility will be located at least 500 feet from any residential structure, **impact on existing homeowners will be minimized.** EHB Companies is also required to obtain approval from the Clark County Department of Air Quality Management for all aspects of earthwork, processing and storage, and **all aspects of construction are subject to City noise ordinances.**

School Impact

The Project will not have a substantial impact on area schools and is not expected to require any additional school sites. If additional capacity is ultimately needed, the Clark County School District has a process for the planning and absorption of any additional students.

Ongoing Availability to Project Information

EHB Companies has and will continue to provide project information to any member of the community interested in learning about the proposed development. We strongly encourage you to speak with us directly to ensure that all of your questions have been addressed.

A Final Note

Over the last 20 years, EBH Companies has helped define Queensridge as one of the premier neighborhoods in Las Vegas and is responsible for building almost 40% of the custom homes in Queensridge and community landmarks such as One Queensridge Place and Tivoli Village. All principals and executives currently live in Queensridge or One Queensridge Place. There is simply no other group of individuals who has invested more or who currently have a vested interest as much as those at EHB Companies.