



# Joint Venture Proposal



To Complete Funding of the Initial  
Land Purchase of 90 Acres of Development  
Land in Northwest Arizona

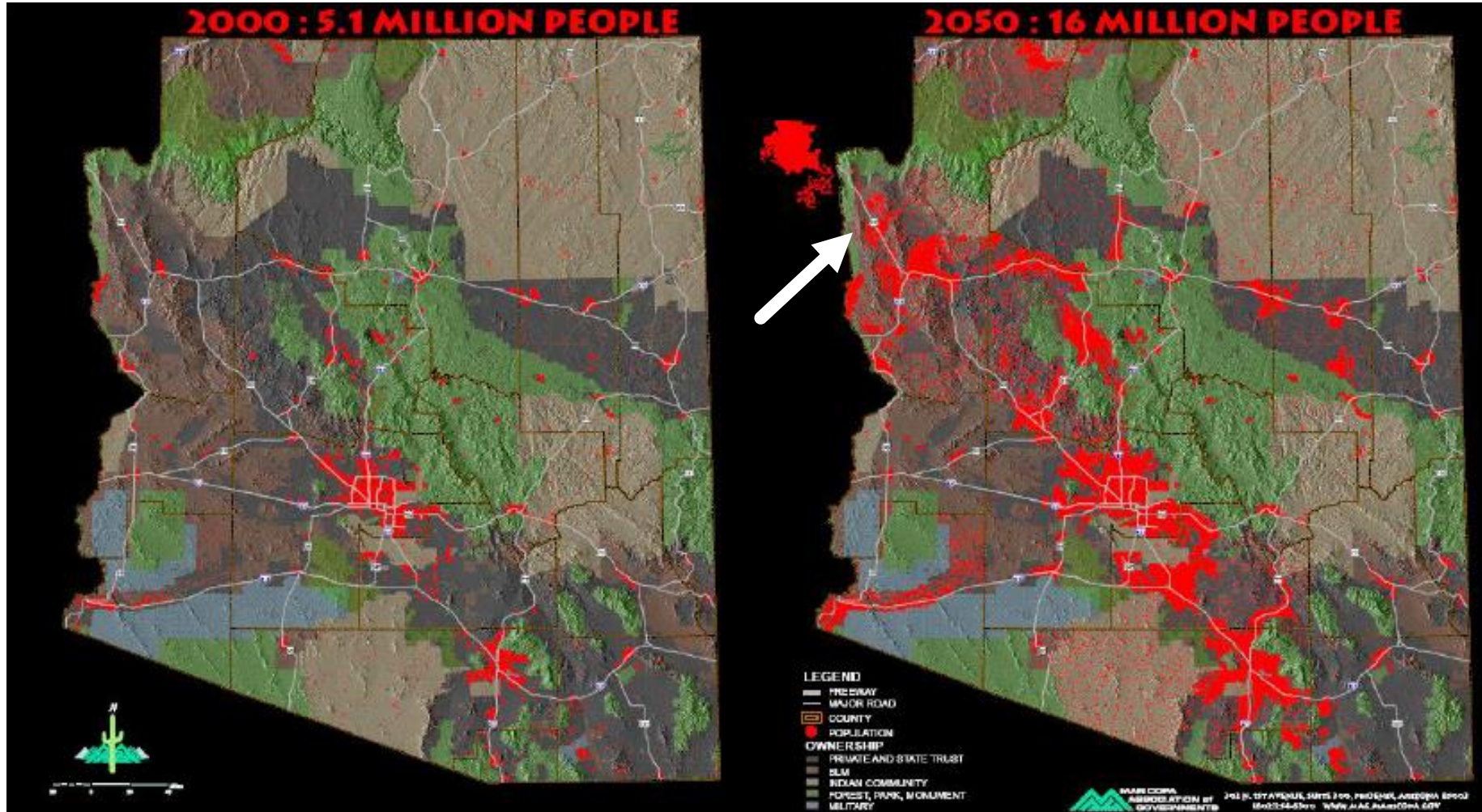
# Executive Summary

- ▶ Fund the initial purchase of 90 Acres of development land in Fort Mohave, AZ
  - ▶ Sell all or parts of the subdivided land to other developers
- OR
- ▶ construct, refinance and rent out with the option to sell final duplex/fourplex units and/or mobile home park units at full retail
  - ▶ Construct, refinance, and rent out with the option to sell final duplex and fourplex units at full retail prices upon completed construction
- ▶ Form investment joint venture relationship between the initial partners and a group of 1-4 investors to obtain final funding to support goals and outcomes
- ▶ Funding Goal:
  - ▶ \$2,000,000



# Why Invest In Arizona?

- ▶ Arizona is set to triple in size from 5.1 million in 2000 to 16 million in 2050.



# Why Invest In Northwest Arizona?

- ▶ Located in an extensively growing area of the State
- ▶ Larger cities in the area are not as profitable for development
  - ▶ Investing in Phoenix and Las Vegas is similar to investing in Vancouver
  - ▶ The building inventory in either city is limited so developers are looking elsewhere
- ▶ Fort Mohave is growing
  - ▶ Brand new commerce centres being built including: Walgreens, Walmart (April 13)
  - ▶ Dot Foods' new distribution facility in Mohave County is expected to bring over 100 new jobs to the area
- ▶ Proximity to Recreation
- ▶ Near an International Airport
- ▶ Baby Boomers are Retiring here!



# Recreation

- ▶ Avi Resort and Casino
  - ▶ Located on the Colorado River
  - ▶ 4 miles (6km) from Fort Mohave
- ▶ Laughlin
  - ▶ 14 miles (22.5km) from Fort Mohave
  - ▶ Quiet location
  - ▶ 9 major casinos located along the Colorado River



# Recreation Continued

- ▶ Many casinos along the Colorado River
- ▶ Golf
- ▶ Lake Mohave
  - ▶ 82 miles (132km) from Fort Mohave
  - ▶ Scuba diving
  - ▶ Personal watercraft
  - ▶ Hot springs
  - ▶ Fishing
  - ▶ Swimming



# Laughlin International Airport

- ▶ 12 miles (19km) from Fort Mohave
- ▶ Now servicing American Airlines
- ▶ Direct flights to many North American cities





American Airlines

## Laughlin/Bullhead City – Phoenix

Big Airport Amenities, Small Airport Convenience

### Daily Flights

4:13pm Depart IFP 5:15pm Arrive Phoenix

2:35pm Depart Phoenix 3:40pm Arrive IFP

**CRJ700** Canadair Regional Jet  
**70** All-Leather Seats  
**6** Seats in First Class  
**530** Miles per Hour Cruise Speed  
**37,000** Feet Cruise Altitude



### Skip the Las Vegas Drive

**190** Roundtrip Miles from Laughlin/Bullhead City to McCarran Airport  
**\$105** Average Roundtrip Drive Cost  
**2:52** Wasted Time – if You Don't Hit Traffic, Bad Weather, Construction...



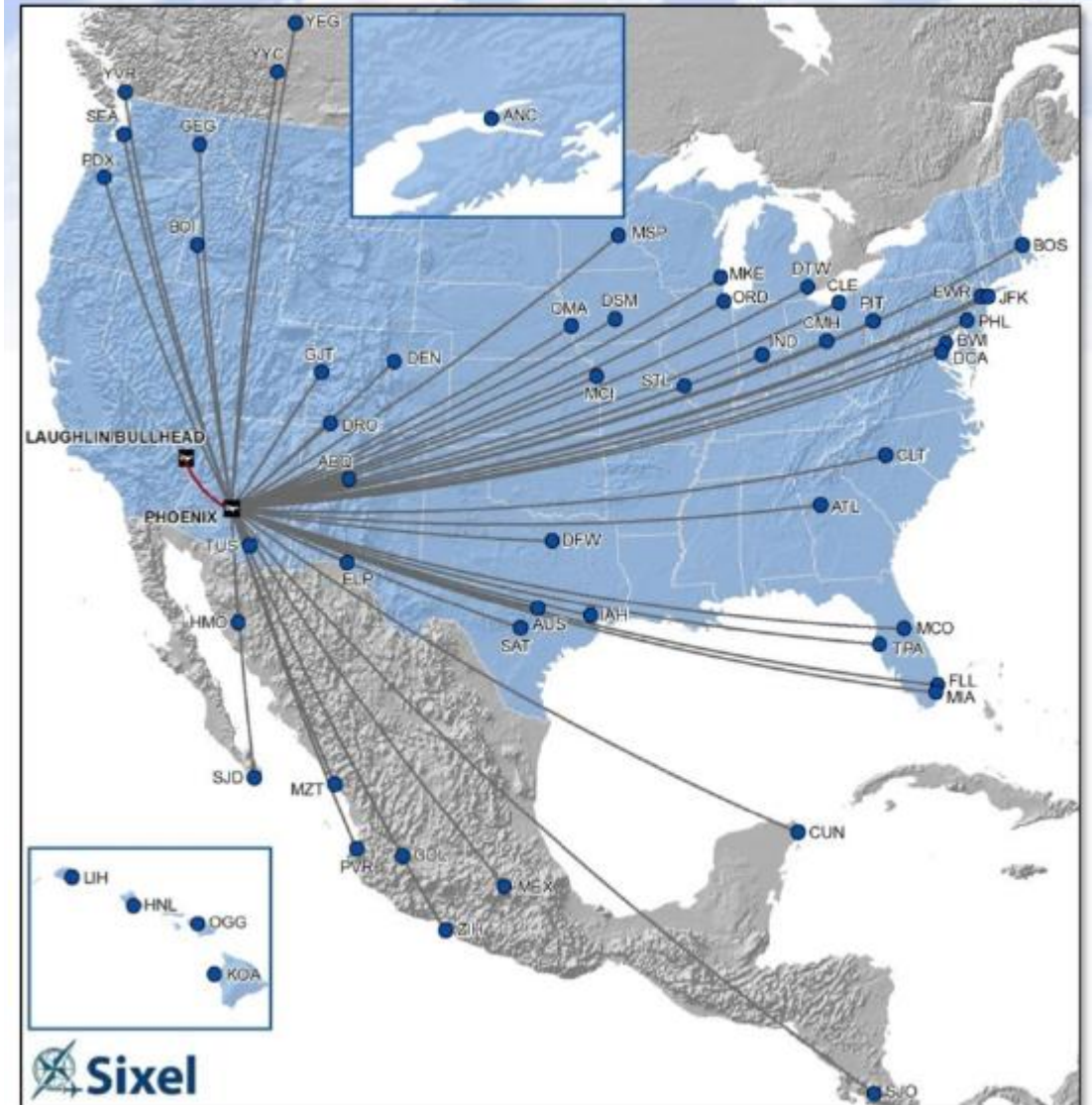
### Save Your Money For What's Important

**\$16** Cost per Day, Las Vegas Long Term Parking  
**\$10** Cost per Day, Las Vegas Economy Parking  
**\$0** Cost to Park at Laughlin-Bullhead International Airport



American Airlines

## More than 50 Cities with One Stop and a Single Ticket



# Elio Khalife



**H&R BLOCK**

**SAFEWAY** 

**CHASE** 

- ▶ Our Commercial Broker
- ▶ As founder and owner of First American Investment, LLC, Elio has closed more than \$2,000,000,000 in commercial real estate transactions. For over 28 years, he has worked with land development projects, shopping center acquisitions, financial Institutions, national retailers, partnerships and the individual investor. Elio earned his Bachelor of Economics degree from the University of California at Irvine. He holds an Arizona Real Estate Broker's License and a Nevada Real Estate License. Elio is an active member of International Council of Shopping Centers (ICSC).



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# What is New Markets Tax Credit (“NMTC”) Financing?

- ▶ It is essentially a low interest loan ( @ 1-2% interest) that is forgiven after seven years.
- ▶ The loans are given by Community Development Entities (CDE’s) - intermediaries who apply to the U.S. Treasury for the right to allocate tax credits. The CDE’s then sell the credits to Investors, and use the proceeds to make worthy investments.
- ▶ So, a company does not receive a tax credit but instead receives cash up-front to reduce its cash investment in its project(s). It is a financing gap filler, essentially providing a permanent subsidy to help make projects financially viable

# New Markets Tax Credit (NMTC) Program Eligibility and Severely Distressed Status, for CY 2015.

[details ▼](#)

Arizona > Mohave County > Bullhead City > Fort Mohave > 86426 > 04015952004

**Legend**[Hide Legend](#)

Insufficient Data

Severely Distressed - Primary

Eligible

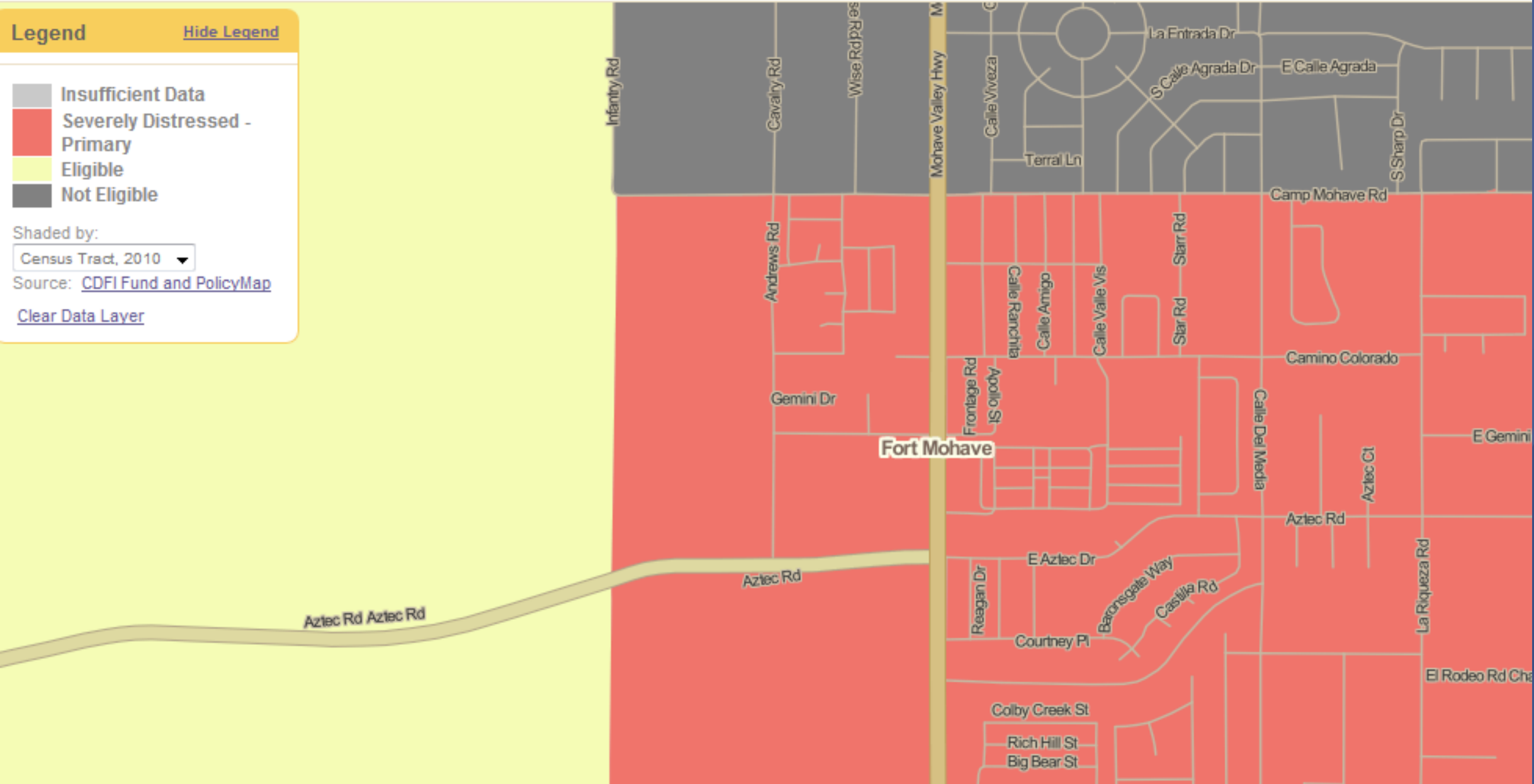
Not Eligible

Shaded by:  

Census Tract, 2010 ▼

Source: [CDFI Fund and PolicyMap](#)

[Clear Data Layer](#)



# Deal Summary

- ▶ 90 Acres of Prime Development Land
- ▶ First 20 Acres are being Zoned Small Multifamily - 54 Fourplexes - 216 Units Total (Can be Switched to Duplexes)
- ▶ Next 30 Acres are being Zoned Mobile Home Park (196 Lots)
- ▶ Final 40 Acres will be Zoned Commercial
- ▶ Total asking Price is **\$3,285,000**
- ▶ We have negotiated an Acquisition Price of \$2,750,000 (**\$535,000** in Immediate Equity)
- ▶ Includes **\$1,000,000** Seller Financing Available (\$1,750,000 + Closing Costs in Cash Needed)
- ▶ Opportunity to finalize Subdivision and Build 54 Fourplexes or 108 Duplexes valued at \$225,000 ea using the created land equity to finance construction
- ▶ Upon completion and refinance and/or sale of the Duplexes the profit allows payback in full of your down payment (est. **\$50K** in profit or **\$180K** at 80% refinance per duplex)
- ▶ The Mobile Home Park & Commercially Zoned lots along the highway, can then be sold or developed as a second and third stage of the project in 1-2 yrs.
- ▶ We are **available to stay in the deal** to manage and maximize the profits throughout the entire process

! (All prices in USD)

