

Partnership Agreement

The following agreement between William Roy McAlister, an unmarried man and Davy Moores, a married man, shall determine the partnership on the property in Douglass County, Nevada.

Legal Description:

Parcel #41-140-05 specifically described as unit E as set forth on Condominium Map of Lot 8, of second amended map of Tahoe Village No. 2. Recorded February 2, 1979 as document No. 29639 official records of Douglass County, State of Nevada.

Appraised Value

The appraised value of \$75,000.00 as set forth in the appraisal by Stephan Binker, license #00015 California/Nevada is agreed to be the market value by both William Roy McAlister and Davy Moores.

Equity

The difference in the appraised value and the amount of the new loan shall represent the equity of William Roy McAlister.

Example:

\$75,000.00	Appraised value
\$52,500.00	New loan amount
\$22,500.00	William Roy McAlister Equity amount

This equity is the sole property of William Roy McAlister and under no circumstances shall it be subject to or encumbered by any debt incurred by Davy Moores or his family.

Proceeds of New Loan

All costs of the new loan shall be split 50/50 between the partners. The proceeds of the new loan above the payoff of the old loan minus all costs of the loan (split 50/50) shall go to William Roy McAlister.

Example:

\$52,500.00	New loan amount
-37,000.00 (approx.)	Pay off old loan
\$15,500.00	Approx sum
2,100.00	Cost of New loan (split 50/50)
1,050.00	Davy Moores Portion closing costs
\$14,450.00	Proceeds to William R. McAlister

\$1,000 for Repair of Sheet Rock and Carpet

In addition to closing costs William Roy McAlister agrees to pay the 1st \$1,000.00 (one thousand) of repairs on Unit E for Sheet rock and carpet repair needed at the time of agreement.

Equity Gain and Principal Reduction

Any net gain in equity realized by the sale of said property, above the \$75,000.00 (seventy-five thousand dollar) agreed value shall be shared equally on a 50/50 percent basis by the partners. Any principal reduction in the new loan shall be shared equally on the same 50/50 percent basis by the partners.

Tax Liability

Tax liability shall be determined on the basis of equity at the time of sale. I.R.S. rules shall apply.

When Either Partner Occupies Property

How Monthly Costs are Shared

The owner who occupies the property is responsible for the full amount of the loan payment (principal, interest and taxes). That partner is also entitled to the full interest write-off for tax purposes.

Lot 8 homeowner's dues (includes insurance for building) Tahoe Village Home Owner's Dues and KGID bills shall be split 50/50.

Telephone, electric, gas, and any T.V. costs above Tahoe Village Dues shall be paid by the owner who occupies the building.

When Property is Rented to a Third Party

Any net costs, those beyond rental income, shall be shared 50/50.

In this situation, interest write off shall be determined by I.R.S. rules applying to a partnership rental.

Failure to Pay by Either Owner

If either owner fails to pay their portion of any bills against said property and the other partner must pay his portion, this money should be repaid as soon as possible and simple interest of 10% (ten percent) per year shall apply.

If this money is not paid, the full amount and interest shall be deducted from the proceeds after William Roy McAlister's equity, but before the 50/50 split of the net proceeds.

Written Approval of Improvements over \$200.00

Neither partner may obligate the partnership to expenses above a \$200.00 (two hundred dollar) maximum without the written approval of the other partner.

Cost of Improvements

All improvements shall be shared 50/50 on cost of materials and paid by cash or check.

Labor Account

Davey P. Moores will be paid at the rate of \$20.00 per hour for any work he does in his specialty and he will be paid \$15.00 an hour for any work he does as a laborer. William Roy McAlister will be paid at the rate of \$12.00 an hour for any work he does as a laborer.

Any labor done on the property by either partner shall be accounted for in a labor account (kept by that partner and reviewed by the other partner and approved). This labor account shall be paid at time of sale.

The labor account shall be paid after William Roy McAlister equity but before the 50/50 split of the net proceeds.

If both partners agree this labor account may be paid by the partners prior to the sale as a 50/50 split.

Any third party labor shall be paid for by cash or check and split 50/50.

Death of Either Partner

In case of the death of either partner this agreement shall apply to the deceased partner's intended heir or heirs.

This property is held as Tenants in Common by:

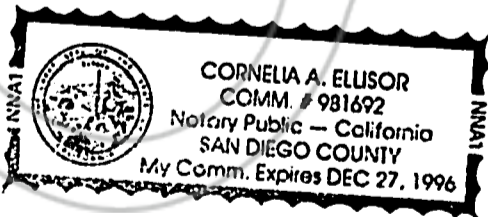
William Roy McAlister
William Roy McAlister

Date 2/2/94

STATE OF California
COUNTY OF San Diego

SUBSCRIBED AND SWORN TO BEFORE ME
THIS 2nd DAY OF Feb 1994

[Signature]
NOTARY PUBLIC



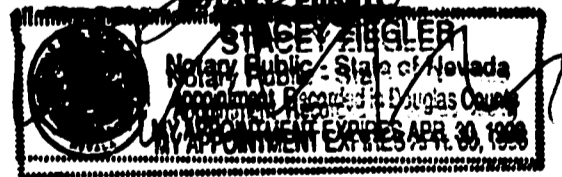
D. P. Moores
Davey P. Moores

Date 2/3/94

STATE OF NEVADA
COUNTY OF DOUGLAS

SUBSCRIBED AND SWORN TO BEFORE ME
THIS 3rd DAY OF Feb 1994

[Signature]
NOTARY PUBLIC



REQUESTED BY
WESTERN TITLE COMPANY, INC.
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

94 FEB -9 12:31

SUZANNE BEAUDREAU
RECORDER

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\$ 9.00 PAID [Signature] DEPUTY

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