

APN 1319-22-000-001, 1319-22-000-002, 1319-22-000-003, 1319-22-000-004

APN: 1319-15-000-015, 1319-15-000-014, 1319-15-000-013

WHEN RECORDED RETURN TO:

Walley's Partners Limited Partnership

Attn: Thomas J. Hubeny

P.O. Box 158

Genoa, NV 89411

NOTICE OF SUBSTANTIAL COMPLETION

Pursuant to the written agreement between WALLEY'S PARTNERS LIMITED PARTNERSHIP and AL SHANKLE CONSTRUCTION COMPANY, dated January 19, 2001, notice is hereby given that:

The work on the construction of Building B, Phase II, 39 Units at David Walley's Resort on real property in Douglas County, State of Nevada, more particularly described as:

See Exhibit "A" attached hereto and incorporated herein by this reference.

was substantially complete, as defined by the written agreement described above, on June 19, 2002. The construction work was begun on March 7, 2001, pursuant to the agreement described above. Under the terms of said agreement, AL SHANKLE CONSTRUCTION COMPANY was to provide all labor and materials needed for the project.

The undersigned is the legal owner of the described property and party to the above-described agreement.

DATED: June 20, 2002.

WALLEY'S PARTNERS LIMITED PARTNERSHIP

By: Valley Partners, L.L.C., General Partner

By: Sierra Resorts Group, L.L.C., Manager

By:


C. ROBERT SEWELL, Manager

0545201

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STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)

On June 20, 2002, personally appeared before me, a notary public, C. ROBERT SEWELL, personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged to me that he is the Manager of Sierra Resorts Group, L.L.C., a Nevada limited liability company, which is the manager of VALLEY PARTNERS, L.L.C., a Nevada limited liability company, which is the general partner of WALLEY'S PARTNERS LIMITED PARTNERSHIP, and who further acknowledged to me that he executed the foregoing on behalf of said limited partnership.

Patricia L. Bommarito

NOTARY PUBLIC



0545201

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LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of Douglas, described as follows:

PARCEL 1:

PARCELS A, B, C, D, E-1, and F, of the Final Subdivision Map LDA #98-05 for DAVID WALLEY'S RESORT, a Commercial Subdivision, filed for record with the Douglas County Recorder on October 19, 2000, in Book 1000, at Page 3464, as Document No. 501638, and by Certificate of Amendment recorded November 3, 2000 in Book 1100, Page 467, as Document No. 502689, Official Records of Douglas County, Nevada.

APN'S 1319-15-000-013, 1319-15-000-014, 1319-15-000-015
1319-22-000-001, 1319-22-000-002, 1319-22-000-003

TOGETHER WITH a permanent non-exclusive easement for utilities and access, FOR THE BENEFIT OF PARCEL E-1, as set forth in Quitclaim Deed recorded September 17, 1998 in Book 998, Page 3250 as Document No. 449574, Official Records, Douglas County, Nevada.

PARCEL 2:

All that real property situate in the County of Douglas, State of Nevada, described as follows:

A parcel of land located within a portion of the West one-half of the Southeast one-quarter (W1/2SE1/4) of Section 15 and the West one-half of the Northeast one-quarter (W1/2NE1/4) of Section 22, Township 13 North, Range 19 East, Mount Diablo Meridian, more particularly described as follows:

Commencing at the one-quarter corner common to Sections 15 and 22, T.13N., R19.E., M.D.M., a found 1985 BLM brass cap as shown on the Record of Survey prepared by David D. Winchell and recorded September 28, 1989 in the office of Recorder, Douglas County, Nevada as Document No. 211937; thence along the north-south centerline of said Section 15, North 00°03' 48" West, 1322.57 feet to a found 2" iron pipe, no tag; thence North 86°52'39" East, 249.87 feet to a point on the easterly right-of-way of Foothill Road, the northwest corner of Parcel E as shown on the Record of Survey for Walley's Hot Springs, Inc. recorded May 14, 1998 in the office of the Recorder, Douglas

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STEWART TITLE
Guaranty Company

County, Nevada as Document No. 439613, the POINT OF BEGINNING; thence along the boundary of said Parcel E the following courses: thence continuing North $86^{\circ}52'39''$ East, 4.38 feet to a found fence post, no tag, per Deed recorded February 28, 1977 in the office of Recorder, Douglas County, Nevada in Book 277, at Page 1249; thence South $89^{\circ}20'43''$ East, 1064.63 feet; thence South $00^{\circ}04'09''$ West, 2621.92 feet to a point on the north-south 1/16 line of the Northeast one-quarter of said Section 22; thence South $89^{\circ}11'10''$ West, 1178.84 feet to a found 1/2" rebar, no tag, a point on said easterly right-of-way of Foothill Road; thence along said easterly right-of-way along the arc of a curve to the left, nontangent to the preceding course, having a radius of 1240.00 feet, central angle of $02^{\circ}22'15''$, arc length of 51.31 feet, chord bearing North $05^{\circ}40'39''$ East, and chord distance of 51.31 feet; thence North $04^{\circ}29'31''$ East, 313.93 feet; thence along the arc of a curve to the right having a radius of 1160.00 feet, central angle of $24^{\circ}21'00''$, arc length of 492.99 feet, chord bearing North $16^{\circ}40'01''$ East, and chord distance of 489.28 feet; thence North $28^{\circ}50'31''$ East, 265.21 feet; thence along the arc of a curve to the left having a radius of 1240.00 feet, central angle of $54^{\circ}31'00''$, arc length of 1179.85 feet, chord bearing North $01^{\circ}35'01''$ East, and chord distance of 1135.85 feet; thence North $25^{\circ}40'29''$ West, 499.42 feet to the POINT OF BEGINNING.

EXCEPTING THEREFROM:

Parcels E-1 and F of the Final Subdivision Map LDA #98-05 for DAVID WALLEY'S RESORT, a Commercial Subdivision, filed for record with the Douglas County Recorder on October 19, 2000, in Book 1000, at Page 3464, as Document No. 501638, and by Certificate of Amendment recorded November 3, 2000 in Book 1100, Page 467, as Document No. 502689, Official Records of Douglas County, Nevada.

APN 1319-22-000-004

TOGETHER with a permanent non-exclusive easement for utilities and access as set forth in Quitclaim Deed recorded September 17, 1998 in Book 998, Page 3250 as Document No. 449574, Official Records, Douglas County, Nevada.

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LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada,
County of, described as follows:

"IN COMPLIANCE WITH NEVADA REVISED STATUE 111.312, THE HEREIN
ABOVE LEGAL DESCRIPTION WAS TAKEN FROM INSTRUMENT RECORDED JUNE
8, 1998, BOOK 698, PAGE 1744, AS FILE NO. 441509, RECORDED IN
THE OFFICIAL RECORDS OF DOUGLAS COUNTY, STATE OF NEVADA."

COPY

REQUESTED BY
Stewart Title of Douglas County
IN OFFICIAL RECORDS OF
DOUGLAS CO. NEVADA

2002 JUN 20 PM 3:57

LINDA SLATER
RECORDER

\$ 18.00 PAID PL DEPUTY

0545201

BK 0602 PG 06610

STEWART TITLE
Guaranty Company