APN: 1318-27-001-009 APN: 1319-27-001-011 RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:

Stewart Title Guaranty Company 1980 Post Oak Blvd.,6th Floor Houston, Texas 77056 Attn: Louis Canaras DOC # 848111

08/19/2014 12:26PM Deputy: PK
 OFFICIAL RECORD
 Requested By:

Stewart Title Las Vegas Wa
 Douglas County - NV
 Karen Ellison - Recorder

Page: 1 of 4 Fee: \$17.00

BK-814 PG-4247 RPTT: 0.00

NOTICE OF COMMENCEMENT

This Notice of Commencement is delivered this __14th__ day of August, 2014 by SMC Construction Co., a Nevada corporation (the "General Contractor") who hereby certifies:

- 1. That the address of the property at which certain improvements will be made is 50 Highway 50, Stateline, Nevada 89449, commonly known as the former Horizon Casino Resort and more particularly identified on Exhibit A attached hereto (the "Property").
- 2. That following the recordation of that certain Deed of Trust (the "<u>Deed of Trust</u>") by and among Neva One, LLC, a Nevada limited liability company (the "<u>Borrower</u>"), Stewart Title Company, as Trustee, and ABC Funding, LLC, a Delaware limited liability company, as Administrative Agent for the Lenders (as such term is defined in the Credit Agreement), on August 8, 2014 at 9:30 a.m., the General Contractor entered into a construction contract with Borrower for certain work of improvements on the Property (the "<u>Contract</u>").
- 3. That no work, services or labor have commenced or have been performed by General Contractor, or any of its subcontractors, under the Contract and no materials have been delivered to the Property at any time prior to the recordation of the Deed of Trust on August 8, 2014 at 9:30 a.m.

I certify under penalty of perjury under the laws of the United States of America that the foregoing information is true and correct.

Dated: August 14, 2014	GENERAL CONTRACTOR:
	SMC CONSTKUCTION CQ., a, Nevada
Clarification:	corporation (
SMC CONSTRUCTION CO.,	By:
a Nevada corporation	Name: Richard Schaller
/ /	Title: President

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STATE OF NEVADA

COUNTY OF Washoe

This instrument was acknowledged before me on August 14, 2014 by Richard Schaller

GINA L. JACKSON Notary Public - State of Nevada Appointment Recorded in Washoe County No: 92-4437-2 - Expires January 31, 2016

President

of

SMC Construction Co., a Nevada corporation.

Name:

Notary Public

My commission expires on: 01/31/2016

205483995 v2 #4814-7777-8204

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EXHIBIT A

Legal Description

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF DOUGLAS, STATE OF NEVADA, AND IS DESCRIBED AS FOLLOWS:

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

PARCEL 1:

A parcel of land located within a portion of the East one-half of Section 27, Township 13 North, Range 18 East, MDB&M, Douglas County, Nevada, being more particularly described as follows:

COMMENCING at a point, being the intersection of the Westerly right-of-way line of U.S. Highway 50 and the Nevada/California state line, which bears S 48°39'46" E., 991.89 feet from the General Land Office State Line Monument as shown on the Record of Survey for Park Cattle Company, Document No. 155945 of the Douglas County Recorder's Office;

Thence N. 27°59'57" E., along said Westerly right-of-way line, 745.71 feet to the True Point of Beginning;

Thence N 62°01'24" W., 1105.54 feet to a Brass Cap in concrete;

Thence N 27°58'53" E., 713.86 feet to a 5/8" rebar and cap marked LS#625 on the Southerly right-of-way line of Loop Road per Document No. 24881 of the Douglas County Recorder's Office:

Thence 161.15 feet along said Southerly right-of-way line and along the arc of a curve to the right having a central angle of 07°53'30" and a radius of 1170.00 feet, (chord bears N. 73°30'38" E., 161.02 feet);

Thence S 62°00'03" E., 990.89 feet to said Westerly right-of-way line;

Thence S. 27°59'57" W., along said Westerly right-of-way line, 826.26 feet to the POINT OF BEGINNING.

Said land is also shown on that certain Record of Survey Supporting a Boundary Line Adjustment for Park Cattle Co., filed in the office of the County Recorder of Douglas County, State of Nevada on March 27, 1992, in Book 392, Page 4659, as Document No. 274260, Official Records.

APN: 1318-27-001-009

Document Number 274257 is provided pursuant to the requirements of Section 6.NRS 111.312

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BK 814 PG-4250

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PARCEL 2:

A parcel of land located within a portion of the East one-half of Section 27, Township 13 North, Range 18, East, MDB&M., Douglas County, Nevada, being more particularly described as follows:

COMMENCING at a point, being the intersection of the Westerly right-of-way line of U.S. Highway 50 and the Nevada/California state line, which bears S. 48°39'46" E., 991.89 feet from the General Land Office State Line Monument as shown on the Record of Survey for Park Cattle Company, Document No. 155945 of the Douglas County Recorder's Office;

Thence N. 27°59'57" E., along said Westerly right-of-way line; 1571.97 feet to the True Point of Beginning;

Thence N. 62°00'03" W., 990.89 feet to the Southerly right-of-way of Loop Road per Document No. 24881 of the Douglas County Recorder's Office;

Thence 657.67 feet along said southerly right-of-way line and along the arc of a curve to the right having a central angle of 32°12'23" and a radius of 1170.00 feet, (chord bears S. 86°26'25" E., 649.04 feet), to the Northwest corner of the First Interstate Bank parcel;

Thence S. 27°59'57" W., along the Westerly line of said parcel, 187.06 feet;

Thence S. 62°00'03" E., along the Southerly line of said parcel, 400.00 feet to said Westerly right-of-way line;

Thence S. 27°59'57" W., along said Westerly right-of-way line, 81.47 feet to the POINT OF BEGINNING.

Said land is also shown on that certain Record of Survey Supporting a Boundary Line Adjustment for Park Cattle Co., filed in the office of the County Recorder of Douglas County, State of Nevada on March 27, 1992, in Book 392, Page 4659, as Document No. 274260, Official Records.

APN: 1318-27-001-011

Document Number 274258 is provided pursuant to the requirements of Section 6.NRS 111.312

205483995 v2 #4814-7777-8204