

Lincoln County

WHEN RECORDED PLEASE RETURN TO:
TOTAL DEVELOPMENT, INC.
VAN RYLIN ASSOCIATES, INC.
P.O. BOX 54848
PHOENIX, ARIZONA 85078-4848

TOTAL DEVELOPMENT, INC.)
)
) CLAIMANT,)
)
) VS.)
) NOTICE AND CLAIM OF
) MECHANICS AND MATERIALMAN LIEN
)
)
) LONGHORN CATTLE COMPANY
) OWNERS.)

STATE OF NEVADA)
) SS
COUNTY OF LINCOLN)

JIM PETRIE, being first duly sworn upon his oath deposes and say that:

1. That he is the Secretary/Treasurer of Total Development, Inc., 7753 West Golden Lane, Peoria, AZ 85345 and that he has knowledge of the facts herein stated and makes this affidavit for and on behalf of said corporation/company.

2. That claimant furnished General Contracting services, Materials and Labor in connection with the structures and improvements on the real property as described as follows:

THE LONGHORN CATTLE COMPANY LODGE
ON RAINBOW CANYON
CALIENTE, LINCOLN COUNTY, STATE OF NEVADA.

APN: 14-010-02 ACCORDING
TO LINCOLN COUNTY RECORDS, STATE OF NEVADA.

Lincoln County

3. That the names of the Owners or Reputed Owners of the hereinabove described real property and improvements thereon are Longhorn Cattle Co., 6200 South Eastern, Las Vegas, NV 89110.

4. That Claimant furnished said Materials and Labor pursuant to a written agreement with The Longhorn Cattle Company, the reputed Owner..

5. That Claimant furnished said Labor and Materials to the above described property February 17, 1995 through May 3, 1996.

6. That said agreement provided that the hereinabove referenced owner must pay the claimant in full, in cash, to be billed by the 25th and paid by the 10th of the month following. Said contractor has failed to pay claimant in full and applicable Nevada Law provides that payment be made within a reasonable period of time after completion of work regardless of whether the Owner has been paid. In any case, a reasonable period of time after completion of work by Claimant has elapsed without payment.

7. That Claimant's demand after deducting all just credits and offsets is Three Hundred Twenty Eight Thousand Two Hundred Thirty Three and 87/100 Dollars (\$328,233.87) plus Two Hundred Fifty and NO/100 Dollars (\$250.00) for collection costs which constitutes a total owing of Three Hundred Twenty Eight Thousand Four Hundred eighty Three and 87/100 Dollars (\$328,283.87), plus Eighteen percent (18%) interest from the time of claimants completion until paid, which constitutes the reasonable value of the Labor & Materials furnished by Claimant for which Claimant has not been compensated, plus reasonable attorneys' fees and all future costs incurred in the collection of the hereinabove described debt.

8. That Claimant believes that not more than Ninety days has elapsed since the completion of the improvements on the hereinabove described property.

9. That the Nevada Preliminary Notice as prescribed in Nevada Revised Statutes 108.221-108.246 wasn't required as the contract was with the owner.

10. That Claimant claims a lien upon the hereinabove described real property and on the structures and improvements thereon and the benefits of the laws of the State of Nevada relating to liens of Mechanics, Materialman, Laborers and others. For the sums due under the above-described agreement and for the purpose of fixing this lien, claimant has made this Notice and Claim of Lien and delivers the original thereof the County Recorder of Lincoln County, Nevada to be recorded as required by law and causes executed duplicate originals thereof to be served upon the Contractors, Owner and Reputed Owners if they can be found within Lincoln County, Nevada.

Jim Petrie

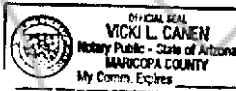
JIM PETRIE, SECRETARY/TREASURER
TOTAL DEVELOPMENT, INC.

STATE OF ARIZONA)
)SS
COUNTY OF MARICOPA)

SUBSCRIBED AND SWORN TO AND ACKNOWLEDGED BEFORE ME this 20th day
of June, 1996 by Jim Petrie Canen who acknowledges that he is the Secretary/Treasurer for
Total Development, Inc.

Vicki L. Canen

NOTARY PUBLIC
MY COMMISSION EXPIRES: 1-15-02



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AIA Document A101

Standard Form of Agreement Between Owner and Contractor

where the basis of payment is a
STIPULATED SUM

1987 EDITION

THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES; CONSULTATION WITH AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS COMPLETION OR MODIFICATION. The 1987 Edition of AIA Document A201, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified. This document has been approved and endorsed by The Associated General Contractors of America.

AGREEMENT

made as of the **2ND** day of **FEBRUARY** in the year of
Nineteen Hundred and **NINETY FIVE**

BETWEEN the Owner:
(Name and address)

**LONGHORN CATTLE CO.
C/O GARY R. DAVIS
6200 S. EASTERN AVE.
LAS VEGAS, NEVADA 89119**

and the Contractor:
(Name and address)

**TOTAL DEVELOPMENT, INC.
7753 W. GOLDEN LANE
PEORIA, AZ. 85345**

The Project is:
(Name and location)

**LONGHORN CATTLE CO. LODGE
RAINBOW CANYON
CALIENTE, NEVADA**

The Architect is:
(Name and address)

**GABLE DEVELOPMENT CO.
3135 S. INDUSTRIAL RD., STE. 218
LAS VEGAS, NEVADA 89109**

The Owner and Contractor agree as set forth below.

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AIA DOCUMENT A101 • THE NEW CONTRACTOR AGREEMENT • THIRD EDITION • AIA® • 5/1987
THE AMERICAN INSTITUTE OF ARCHITECTS • 1735 NEW YORK AVENUE, N.W. • WASHINGTON, D.C. 20006

A101-1987 1

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**ARTICLE 1
THE CONTRACT DOCUMENTS**

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement and Modifications issued after execution of this Agreement, these form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. An enumeration of the Contract Documents, other than Modifications, appears in Article 9.

**ARTICLE 2
THE WORK OF THIS CONTRACT**

The Contractor shall execute the entire Work described in the Contract Documents, except to the extent specifically indicated in the Contract Documents to be the responsibility of others, or as follows:

CONSTRUCTION OF APPROXIMATELY 6,500 SQ. FT. LOG STRUCTURE, TO INCLUDE LABOR AND MATERIALS FOR ELECTRIC, PLUMBING, HEATING & COOLING - CARPENTRY AND ANY OTHER MATERIALS OR SUB CONTRACTS REQUIRED TO COMPLETE STRUCTURE.

LOG STRUCTURE KIT PROVIDED BY OWNER.

**ARTICLE 3
DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION**

3.1 The date of commencement is the date from which the Contract Time of Paragraph 3.2 is measured, and shall be the date of this Agreement as first written above, unless a different date is stated below or provision is made for the date to be fixed in a notice to proceed issued by the Owner.

Should the date of commencement if it differs from the date of this Agreement or, if applicable, state that the date will be fixed in a notice to proceed.

FEBRUARY 15, 1995

Unless the date of commencement is established by a notice to proceed issued by the Owner, the Contractor shall notify the Owner in writing not less than five days before commencing the Work to permit the timely filing of mortgages, mechanic's liens and other security interests.

3.2 The Contractor shall achieve Substantial Completion of the entire Work not later than **JUNE 15, 1995** (and if the contract is in a number of calendar days after the date of commencement. Also list any requirements for earlier Substantial Completion if you have any items of the Work that are stated elsewhere in the Contract Documents.)

subject to adjustments of this Contract Time as provided in the Contract Documents.
to set conditions of work for liquidated damages relating to failure to complete on time.

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**ARTICLE 4
CONTRACT SUM**

4.1 The Owner shall pay the Contractor in current funds for the Contractor's performance of the Contract the Contract Sum of **TIME & MATERIALS PLUS MARKUP OF 8% & 10% PROFIT.** Dollars subject to additions and deductions as provided in the Contract Documents.

4.2 The Contract Sum is based upon the following alternates. If any, which are described in the Contract Documents and are hereby accepted by the Owner: **SEE BELOW**

State the numbers or other identification of accepted alternates. If decisions on other alternates are to be made by the Owner subsequent to the execution of this agreement, attach a schedule of such other alternates showing the amount for each and the rate with which that amount is valued.

4.3 Unit prices, if any, are as follows:

THE CONTRACT AMOUNT SHALL BE COST OF ALL LABOR - materials - SUB CONTRACTORS COST, ON SITE SUPERVISION, OR ANY OTHER COST INCURRED DIRECTLY RELATED TO THE COMPLETION OF CONSTRUCTION, INCLUDING TRAVEL EXPENSE, LODGING & RELATED EXPENSES, PLUS THE CONTRACTORS MARK UP OF 8% FOR OVERHEAD (TO INCLUDE PROJECT MANAGEMENT TIME, CLERICAL AND GENERAL OFFICE EXPENSE, LICENSING, INSURANCE & GENERAL OVERHEAD EXPENSE). AN ADDITIONAL CONTRACTORS MARK UP OF 10% FOR PROFIT WHICH MAY BE PAID AT COMPLETION OF PROJECT BY DELIVERY OF A CERTIFICATE OF OWNERSHIP OR MEMBERSHIP IN BOTH "LONGHORN CATTLE COMPANY AND "DESERT ROSE ENTERPRISES" EQUAL TO THE PROFIT AMOUNT, SHARES BEING PRICED AT \$10,000.00 PER SHARE.

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**ARTICLE 5
PROGRESS PAYMENTS**

5.1 Based upon Applications for Payment submitted to the Architect by the Contractor and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum to the Contractor as provided below, and elsewhere in the Contract Documents.

5.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

APPLICATIONS FOR PAYMENT IN THE AMOUNT OF WORK COMPLETED AND MATERIALS PURCHASED OR STORED, AND EXPENSES AND COSTS INCURRED WILL BE SUBMITTED ON OR BEFORE THE 25TH DAY OF EACH MONTH, AND ARE DUE AND PAYABLE BY THE 10TH DAY OF THE FOLLOWING MONTH.

ALL APPLICATIONS FOR PAYMENT WILL BE ACCOMPANIED BY PROPER LIEN WAIVERS FOR MATERIAL AND LABOR.

5.3 Provided an Application for Payment is received by the Architect not later than the _____ day of a month, the Owner shall make payment to the Contractor not later than the _____ day of the _____ month. If an Application for Payment is received by the Architect after the application date fixed above, payment shall be made by the Owner not later than _____ days after the Architect receives the Application for Payment.

5.4 Each Application for Payment shall be based upon the Schedule of Values submitted by the Contractor in accordance with the Contract Documents. The Schedule of Values shall allocate the entire Contract Sum among the various portions of the Work and be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. This Schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Contractor's Applications for Payment.

5.5 Applications for Payment shall indicate the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.

5.6 Subject to the provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

5.6.1 Take that portion of the Contract Sum properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Work by the share of the total Contract Sum allocated to that portion of the Work in the Schedule of Values, less retainage of _____ percent (_____ %). Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute may be included as provided in subparagraph 7.3.7 of the General Conditions even though the Contract Sum has not yet been adjusted by Change Order.

5.6.2 Add that portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction (or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing), less retainage of _____ percent (_____ %).

5.6.3 Subtract the aggregate of previous payments made by the Owner; and

5.6.4 Subtract amounts, if any, for which the Architect has withheld or nullified a Certificate for Payment as provided in Paragraph 9.5 of the General Conditions.

5.7 The progress payment amount determined in accordance with Paragraph 5.6 shall be further modified under the following circumstances:

5.7.1 Add, upon Substantial Completion of the Work, a sum sufficient to increase the total payments to _____ percent (_____ %) of the Contract Sum, less such amounts as the Architect shall determine for incomplete Work and unsettled claims; and

5.7.2 Add, if final completion of the Work is thereafter materially delayed through no fault of the Contractor, any additional amounts payable in accordance with Subparagraph 9.10.5 of the General Conditions.

5.8 Retention or limitation of retainage, if any, shall be as follows:

Upon substantial completion of the entire Work, to reduce to zero the percentage retaining from its percentage provided in Paragraph 5.6.1 and 5.6.2 above, and this to not be labeled elsewhere in the Contract Documents, nor to be provided for such retention or limitation of

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**ARTICLE 6
FINAL PAYMENT**

Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when (1) the Contract has been fully performed by the Contractor except for the Contractor's responsibility to correct nonconforming Work as provided in Subparagraph 12.2.2 of the General Conditions and to satisfy other requirements, if any, which necessitate final payment; and (2) a final Certificate for Payment has been issued by the Architect. Such final payment shall be made by the Owner not more than 30 days after the issuance of the Architect's final Certificate for Payment, or as follows:

FINAL PAYMENT WILL BE MADE TO THE CONTRACTOR WITHIN 15 DAYS AFTER OCCUPANCY OF LODGE BUILDING, EITHER IN THE WAY OF CASH, CHECK, OR SHARES OF OWNERSHIP. (SEE PAGE 3 SECTION 4.3 OF CONTRACT DOCUMENTS).

**ARTICLE 7
MISCELLANEOUS PROVISIONS**

7.1 Where reference is made in this Agreement to a provision of the General Conditions or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

7.2 Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below, or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.

(This rate of interest agreed upon, if any.)

18% ANNUAL - 1 1/2 PER MONTH ON UNPAID BALANCE PST 30 DAYS.

(This rate and requirements under the Federal Truth in Lending Act, similar state and local consumer credit laws and other regulations of the United States and the various states and territories may affect the validity of this provision. Legal advice should be obtained with respect to variations or modifications, and also regulatory requirements, such as written disclosures or notices.)

7.3 Other provisions

**ARTICLE 8
TERMINATION OR SUSPENSION**

8.1 The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of the General Conditions.
8.2 The Work may be suspended by the Owner as provided in Article 14 of the General Conditions.

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**ARTICLE 9
ENUMERATION OF CONTRACT DOCUMENTS**

9.1 The Contract Documents, except for Modifications issued after execution of this Agreement, are enumerated as follows:

9.1.1 The Agreement is this executed Standard Form of Agreement Between Owner and Contractor, AIA Document A101, 1987 Edition.

9.1.2 The General Conditions are the General Conditions of the Contract for Construction, AIA Document A201, 1987 Edition.

9.1.3 The Supplementary and other Conditions of the Contract are those contained in the Project Manual dated _____, and are as follows:

Document	Title	Pages
----------	-------	-------

9.1.4 The Specifications are those contained in the Project Manual dated as in Subparagraph 9.1.3, and are as follows:

(The Specifications herein refer to all exhibits attached to this Agreement.)

Section	Title	Pages
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9.1.5 The Drawings are as follows, and are dated

unless a different date is shown below:

(Enter in the Drawings here to refer to an addendum attached to this Agreement.)

Number	Title	Date
A-2	1ST FLOOR PLAN	NO DATE
A-3	2ND FLOOR PLAN	"
A-4	ELEVATIONS	"
A-5	BUILDING SECTIONS	"
S-1	FOUNDATION PLAN	"
S-2	1ST FLOOR FRAMING	"
S-3	2ND FLOOR FRAMING & LOW ROOF	"
S-4	ROOF FRAMING PLAN	"

9.1.6 The Addenda, if any, are as follows:

Number	Date	Page

Portions of Addenda relating to bidding requirements are not part of the Contract Documents unless the bidding requirements are also enumerated in this Article 9

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... ..

... ..

1. All work is subject to a mark up of 8% for overhead and 10% for profit.
2. Contractor is not responsible for additional cost due to change in the construction drawing by landlord, owner, city or municipal authorities or governing codes.
3. Contractor shall not be held responsible for delays in construction due to labor strikes, delays in material delivery, or any delays due to municipal codes and conditions.
4. This contract is inclusive of work descriptions, (article II), page 1.
5. If litigation or arbitration is commenced by one party against the other party, arising out of this contract agreement or performance of it, the prevailing party in such litigation or arbitration shall be entitled to recover from the other party its reasonable cost and expenses of litigation or arbitration including expert witness fees and attorney fees.
6. No later than five working days after completion of project, the owner shall inspect all work and compile a punch list. Only one (1) punch list will be accepted by contractor.
7. Future change orders or alterations may require additional construction time and additional supervision fees.
8. General Contractor not responsible for delays caused by litigations, strikes, and back order items that may occur.
9. Extension in completion time shall be equal to any time lost due to weather - rain - or acts of God.
10. Contractor exclude any blasting or special equipment necessary for excavation of rock or unusual soil conditions.

This Agreement is entered into as of the day and year first written above and is executed by at least three original copies of which one copy to be delivered to the Contractor, one to the Architect for use by the Administrator of the Contract, and the remainder to the Owner.

OWNER LONGHORN CATTLE CO.

CONTRACTOR TOTAL DEVELOPMENT, INC.

Gary R. Davis

GARY R. DAVIS, Partner
(Printed name and title)

William R. Dignan

WILLIAM R. DIGNAN, PRES.
(Printed name and title)

AIA DOCUMENT A101 - 1991 FORM CONTRACT FOR AGREEMENT BETWEEN ARCHITECT AND CONTRACTOR - AIA® - 1991
THIS AGREEMENT IS MADE THIS 18TH DAY OF JUNE 1996 AT LINCOLN COUNTY, NEW MEXICO. CONTRACT NO. 96-00000000000000000000
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COPY

105402

Van Rylin Associates

July 1, 1996

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BRITISH COLUMBIA

Yuriko Setzer

By Leslie Borchers, deputy