

ADJACENT DEVELOPMENTS

Directly to the south of the subject one encounters six residential lots which are about ± 5 acres in size. Four of these lots have been improved with single-family homes. Extending further to the south one passes through a narrow gorge along the river before the terrain opens up once again heading towards McTarnahan Bridge. At this location some twenty to thirty ± 5 -acre lots are encountered, and buildup of this portion of the neighborhood is in the vicinity of 70% to 80%. After looping around the south end of Prison Hill and extending back to the north one encounters the Nevada Correctional Center and various Carson City residential neighborhoods. The residential neighborhoods are concentrated along Edmonds, Conte, Gentry, etc., and usually involve lots in the ± 1 -acre size category. This neighborhood is about $\pm 95\%$ built-out.

Across the Carson River to the east of the subject another fifty ± 5 -acre sites are encountered. Access to these lots is via the Mexican Dam Road which begins off of Carson River Road to the north. There are no river crossings in the immediate vicinity of the subject, the closest found about 1-1/2 miles to the north (known as Lloyd's Bridge).

In summary, the subject is located in a low-density residential neighborhood on the east side of Prison Hill west of the Carson River. About 15 to 20 years ago there were only three or four homes on both sides of the river in this neighborhood, a number that has now been increased to something more so in the vicinity of 50 to 60 homes. Virtually all of the lots in the neighborhood are 5 acres in size, and wells and septic systems are used as alternatives to city water and sewer. About half of the lots on the east side of the river are accessible over graded dirt roads, with the others accessible over paved streets. There are no paved roads on the west side of the river at all, except for the first leg of Snyder Avenue. Wildlife and waterfowl are relatively abundant along the river, and in this regard the neighborhood exhibits a rural atmosphere even though it is located in a city.

DEVELOPMENT APPROVALS

Furnished in Addenda Exhibit "D" are copies of tentative parcel map approvals that were granted in May of 2006. These tentative approvals apply to the southerly portion of the subject only, and/or the two parcels that are vested in Alpenglow and River Ranch. Both sets of approvals accommodate the creation of four lots on each tract, and/or eight lots in total. Combined with the northerly remainder (vested in Mexican Dam, LLC), one is addressing nine approved lots at a minimum. The northerly remainder is legally adaptable to additional splits under zoning, yet physical challenges would come into play on these lands. The appraiser was furnished a conceptual design of another parcel map that would divide the northerly 20-acre parcel into three tracts, thus resulting in a total of 11 parcels. After discussing this map with the owners, and the property with Carson City's Planning Director (Walter Sullivan), the appraiser believes the likelihood of achieving 11 lots is slim. Therefore, at present nine lots is a certainty, with the appraiser inclined to conclude that a tenth is possible (although the Planning Director was clear in indicating that any divisions of the northerly parcel would have to comply with Carson's Hillside Code (see Addenda Exhibit "E"). In this instance the ownership group involves a number of civil engineers who are schooled not only in the field of subdivision design, but in curing and/or mitigating physical obstacles as well. Additionally, based on the appraiser's inspection of the property, there appear to be pockets of relatively mild terrain (outside of the flood zone) on the northerly tract that could accommodate more than one homesite. With these thoughts in mind appraiser is inclined to conclude that the market would view the subject in the context of 10 potential homesites, but lacking certainty in this regard the ownership has been addressed in both contexts in valuation (i.e., 9 lots to 10 lots).

The conditions incorporated into the parcel map approvals are relatively standard and/or routine. The Engineering Department indicated that a paved street (26' in width) is required, which is somewhat unusual since one travels across at least a mile of native surface road before reaching this property. Estimated development costs furnished by the owners are based on the installation of a gravel access road, but have been adjusted by the appraiser for valuation purposes.

HIGHEST AND BEST USE

Highest and best use may be defined as the reasonably probable and legal use of vacant land, or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The highest and best use of both land, as though vacant, and property, as improved, must meet the following criteria:

1. Legally permissible
2. Physically possible
3. Financially feasible
4. Maximally productive

LEGALLY PERMISSIBLE/PHYSICALLY POSSIBLE

The appraiser has elected to address these two issues in a single section as there is the occasional crossover between the two. More directly, even though many physical limitations are curable, one is not necessarily legally empowered to pursue the cure (i.e., for example one is no longer allowed to drain wetlands [without mitigation]), a practice that was fairly common in the not-so-distant past).

The subject is currently zoned SF5A, a residential zoning that imposes a minimum site size limitation of 5 acres for the construction of a home. This zoning is in conformance with the character of the neighborhood, and the appraiser is comfortable in concluding that any attempt to change the subject's zoning would be unsuccessful. This position also takes into account the lack of infrastructure in this specific neighborhood (i.e., no water and sewer).

With 64 acres the subject is legally adaptable to the creation of 12 lots (64 acres ÷ 5 acres), but given limitations imposed by terrain the owners themselves initially targeted only 11 lots. Subsequent discussions with the owners resulted in a consensus that an 11th lot would be very difficult (if not impossible) to achieve, and as such it appears that the maximum number of lots that can be platted is 9 or 10. Appraisers are not well postured to evaluate physical constraints, but for the time being it will be assumed that 10 lots are both physically possible and legally permissible on the combined property (this matter is revisited in valuation however).

No potential uses other than residential need be explored. There are no commercial or industrial land uses in this neighborhood, nor are any likely over time given population density, traffic counts, and the road network in general. Residential development is not only legally permissible and physically possible, but the most logical use of this land as well.

FINANCIALLY FEASIBLE/MAXIMALLY PRODUCTIVE

The financial feasibility of subdividing land of virtually any sort is deemed self-evident in this region. This observation is documented by the extensive residential growth that has occurred in western Nevada for 20 years or more, and also the strong rates of value appreciation that have occurred as of late. Admittedly local markets began to soften at some point in 2005, but the margin between retail price levels and development costs remains wide, easily sufficient to accommodate a profit margin. A trend in Carson City's housing prices provided courtesy of the Northern Nevada Multiple Listing Service follows:

Carson City Home Prices
(All Districts—Used Homes)

On Average Prices:

<u>Era</u>	<u>No. of Sales</u>	<u>Average Price</u>	<u>% Change Per Period</u>	<u>Annual Change</u>
1 st Half 2002	362	\$198,279		
2 nd Half 2002	404	\$217,667	+ 9.7%	
1 st Half 2003	327	\$220,166	+ 1.1%	+11.0%
2 nd Half 2003	367	\$241,463	+10.1%	
1 st Half 2004	372	\$284,665	+17.9%	+29.3%
2 nd Half 2004	379	\$299,277	+ 5.1%	
1 st Half 2005	324	\$349,542	+16.8%	+22.8%
2 nd Half 2005	350	\$352,516	+ .1%	
1 st Half 2006	251	\$356,112	+ .1%	+ 1.9%
2 nd Half 2006	244	\$347,039	- 2.5%	

On Median Prices:

		<u>Median Price</u>		
1 st Half 2002	362	\$169,950		
2 nd Half 2002	404	\$184,250	+ 8.4%	
1 st Half 2003	327	\$192,500	+ 4.5%	+13.3%
2 nd Half 2003	367	\$209,000	+ 8.6%	
1 st Half 2004	372	\$243,073	+16.3%	+26.3%
2 nd Half 2004	379	\$269,900	+11.0%	
1 st Half 2005	324	\$312,000	+15.6%	+28.4%
2 nd Half 2005	350	\$321,250	+ 3.0%	
1 st Half 2006	251	\$329,000	+ 2.4%	+ 5.4%
2 nd Half 2006	244	\$307,500	- 6.5%	

The dramatic increase in the price of local homes was stimulated by low mortgage interest rates and purchase activity on the part of investors. The price of local homes approximately doubled over the course of five years, and the carryover impact onto the value of residential sites and subdivision land was even more pronounced. The subject is located in a suburban neighborhood where 5-acre lots are commanding prices in the vicinity of \$250,000. Lots directly on the river command premiums, and one recent sale of a riverfront site commanded a price of \$335,000. These lot prices are about three times higher than in 2003, and about four times as high as the prices that were common to 2001 and 2002. Admittedly the market has now entered into a stall or correction phase, but the current price levels continue to accommodate a handsome profit margin. The subject itself offers a good illustration of this premise. As currently envisioned the subject can be divided into six riverfront sites and three or four non-riverfront lots. If 10 lots can be achieved the gross retail sales potential of the subject will be in the vicinity of \$3,000,000, calculated as follows:

4 lots at \$250,000/lot:	\$1,000,000
6 lots at \$325,000/lot*:	<u>\$1,950,000</u>
Total:	\$2,950,000
Rounded:	\$3,000,000

* \$335,000 adjusted to account for the contributory value of a well and pump.

If the subject is only successful in platting nine lots the retail sales potential will be less, and it should also be noted that price levels could change prior to sellout (in either a positive or negative direction). The owners furnished the appraiser a cost estimate relative to constructing the one double-loaded street that will serve this project in addition to the cost of installing utilities. These costs totaled $\pm \$280,000$ but were based on the installation of a

gravel road. If pavement has to be installed (as referenced in the conditions of approval), the hard costs would increase to something in the vicinity of $\pm \$375,000$. Incorporating another $\pm \$50,000$ for engineering, surveying, filing fees, and contingencies, total development costs will equate to something in the vicinity of $\$425,000$. Selling costs (real estate commissions, closing costs, etc.) will be forecast at 7% of sales. With only these few forecasts in place, the financial feasibility of subdividing the subject becomes evident:

Gross Retail Sales:	\$3,000,000
Selling Costs (at 7% of sale):	(\$ 210,000)
Development Costs:	<u>(\$ 425,000)</u>
Residual:	\$2,365,000

The residual disclosed has to absorb the value of the land, the time and expense associated with obtaining project approvals, and developer profit requirements. No matter how one allocates the residual amongst these other components however, it remains evident that subdividing the subject is not only financially feasible, but the maximally productive use of this property as well.

Highest and Best Use:

Residential Subdivision (Into 9 to 10 Lots)

VALUATION

APPRAISAL PROCESS

Normally an appraiser has three methods that can be used to develop an opinion of value. These are commonly referred to as the Cost Approach, the Sales Comparison Approach, and the Income Capitalization Approach. The ownership being appraised involves vacant residential subdivision land. As no onsite construction has been initiated to date, the Cost Approach is not a practical manner in which to address this problem.

Subdivision land can be valued via either the Sales Comparison Approach or the Income Capitalization Approach. The income capitalization process employs a subdivision model, and/or a discounted cash flow model. Via this process an appraiser estimates the retail selling price of all the individual lots, subtracts the costs associated with developing the lots, and thereafter applies additional discounts for marketing charges, absorption, and developer profit requirements. By their nature discounted cash flow models tend to be fairly subjective due to all of the forecasts that are involved, coupled with the difficulty an appraiser has in documenting discount rates and profit margins. When adequate comparable market data is available the Sales Comparison Approach tends to be more objective and reliable. In turn, principal emphasis will be placed on the Sales Comparison Approach in this report. An abbreviated subdivision model will also be provided, primarily as a crosscheck to the value opinion developed via market comparisons.

One of the difficulties associated with a Sales Comparison Approach is that it is not always possible to match the evolutionary status of a tract of subdivision land with comparables. More directly, the value of subdivision land is constantly changing in relation to the influence of value-added items once development activities are commenced. For example, the value of subdivision land increases once map approvals are obtained from local

authorities, increases again when construction is started, etc. As of the date of this report the subject consists of subdivision land with tentative map approvals in place, and the approvals will be viewed in the context of a value-added item. The Sales Comparison Approach is described as follows:

SALES COMPARISON APPROACH

In the Sales Comparison Approach, market value is estimated by comparing the subject property to similar properties that have been sold recently or for which offers to purchase have been made. A major premise of the Sales Comparison Approach is that the market value of a property is directly related to the prices of comparable, competitive properties.

The comparative analysis in the Sales Comparison Approach focuses on differences in the legal, physical, locational, and economic characteristics of similar properties and the subject property. The analysis also addresses the differences in the real property rights conveyed, the dates of sale, the motivations of buyers and sellers, and the financing arrangements for each sales transaction, which can account for variations in prices.

In the Sales Comparison Approach, an appraiser follows a systematic procedure:

1. Research the market to obtain information on sales transactions, listings, and offerings to purchase properties similar to the subject.
2. Verify the information by confirming that the data obtained is factually accurate and that the transactions reflect arm's-length market considerations.
3. Select relevant units of comparison (e.g., dollars per acre, per square foot, or income multiplier) and develop a comparative analysis for each unit.
4. Compare the subject property and comparable sale properties using the elements of comparison and adjust the sale price of each comparable, when appropriate, or eliminate the property as a comparable.

5. Reconcile the various value indications produced from the analysis of comparables into a single value indication or a range of value. An imprecise market may indicate a range of value.

COMPARABLE DATA ACQUISITION

The records of Carson City offices were researched by the appraiser on various dates over the winter of 2006/2007. In initiating this research the appraiser attempted to find sales of unimproved residential subdivision land with densities that were reasonably similar to that of the subject's 5-acre zoning. Given dramatic increases in residential prices between 2002 and 2005 (coupled with the rare nature of the subject's 5-acre zoning), the appraiser was forced to expand the sales search geographically. For the most part there were three options in this regard, specifically the Reno/Sparks area (Washoe County) to the north, Dayton Valley to the east (Lyon County), and Carson Valley to the south (Douglas County).

The culmination of the research efforts resulted in the sales chart that follows. The readers are urged to note from the outset that only a few of these sales are comparable to the subject relative to density, and as such many of the sales will not be used in the direct comparison process (valuation). The large volume of data remains useful in disclosing the general character of the market however, in addition to documenting trends and matters that impact price. The value of the subject land will be based primarily on the four sales referenced in bold type however, the comparables that are most similar to the subject relative to density.

Subdivision Land Sales

Sale No.	General Loc./ APN	Sale Date	Sale Price	Acres/ Per Acre	Potential Lots Per Raw Lot
1	SE Carson City 10-121-08	1/04	\$ 170,000	38.00 ac. \$4,474/ac.	NA NA
2	W/S Carson Valley 1419-00-002-027	2/04	\$ 7,512,500	1,018 ac. \$7,380/ac.	57 Lots \$131,798/lot
3	SE Carson City 10-121-39 & 40	3/04	\$ 330,000	43.89 ac. \$7,519/ac.	8 Lots \$41,250/lot
4	W/S Carson Valley 1419-00-002-016	4/04	\$ 575,000	100.00 ac. \$5,750/ac.	1 Lot \$575,000/lot
5	W/S Washoe Valley 55-430-01	8/04	\$ 550,000	40.07 ac. \$13,726/ac.	1 Lot \$550,000/lot
6	W/S Carson City 7-091-72	1/05	\$ 1,100,000	82.12 ac. \$13,395/ac.	NA NA
7	W/S Washoe 55-430-06	2/05	\$ 700,000	49.92 ac. \$14,022/ac.	1 Lot \$700,000/lot
8	W/S Carson Valley 1319-02-000-008	2/05	\$11,900,000	1,038.30 ac. \$11,461/ac.	54 Lots \$220,370/lot
9	W/S Carson Valley 1419-34-002-004	4/05	\$ 3,750,000	267.78 ac. \$14,004/ac.	14 Lots \$267,857/lot
10	E/S Carson Valley 1221-00-002-003	4/05	\$ 499,000	40.00 ac. \$12,475/ac.	2 Lots \$249,500/lot
11	Steamboat Valley 49-450-04	5/05	\$ 1,180,000	117.76 ac. \$10,020/ac.	NA NA
12	W/S Carson City 7-051-76	6/05	\$ 2,846,250	374.91 ac. \$7,592/ac.	18 Lots \$158,125/lot
13	SE Carson City 10-121-44	6/05	\$ 1,223,750	64.31 ac. \$19,029/ac.	10 Lots \$122,375/lot
14	W/S Washoe 55-081-64	7/05	\$ 412,000	20.01 ac. \$20,590/ac.	4 Lots \$103,000/lot
15	W/S Carson City 7-091-74	7/05	\$ 625,000	60.11 ac. \$10,398/ac.	NA NA
16	W/S Washoe 55-430-07	11/05	\$ 1,000,000	100.68 ac. \$9,932/ac.	2 Lots \$500,000/lot
17	W/S Washoe 55-430-05	12/05	\$ 750,000	46.84 ac. \$16,012/ac.	1 Lot \$750,000/lot
18	Callahan Ranch 45-252-11	2/06	\$10,600,000	635.28 ac. \$16,686/ac.	NA NA

Sale No.	General Loc / APN	Sale Date	Sale Price	Acres/ Per Acre	Potential Lots Per Raw Lot
19	E/S Carson Valley 1312-32-001-022	2/06	\$ 750,000	37.72 ac. \$19,883/ac.	7 Lots \$107,143/lot
20	W/S Carson City 7-061-72	3/06	\$ 1,120,000	39.72 ac. \$28,197/ac.	4 Lots \$280,000/lot
21	E/S Washoe 50-351-47	10/06	\$ 1,080,000	40.00 ac. \$27,000/ac.	NA NA
22	Carson Valley 1219-01-000-023	1/07	\$ 8,000,000	491.05 ac. \$16,292/ac.	25 Lots \$320,000/lot

It needs to be noted once again that the appraiser is not implying all of these sales are comparable to the subject. The large volume of sales is insightful from other perspectives however. For example, virtually all of the sales that have occurred from 2005 forward disclose unit prices in excess of \$10,000/acre, and below \pm \$28,000/acre. As such, it is likely the value of the subject falls between these extremes. Additionally, the sales that were adaptable to the development of raw lot unit prices are clear in disclosing that the larger the lot, the higher the price per lot. Per lot prices were not calculated on all of the sales since in some instances the purchaser intends to pursue more ambitious projects than that allowed by zoning, and in other instances the influence of physical constraints on lot yield could not be accurately measured.

The four sales that offer the most comparability to the subject relative to density are Sales 13, 14, 19, and 20. Sale 3 falls in this category as well (a prior sale of a portion of the subject itself), but prior to the summer of 2005 values were changing so quickly that little weight can be placed on this dated sales price. As the appraiser will be using only four sales in the direct comparison process, a brief market analysis section will be provided to grant the readers a better understanding of the actions of this market.

MARKET BRIEF

INTRODUCTION

The subject consists of low-density subdivision land with a 5-acre zoning. This type of zoning is not only rare in Carson City, but relatively rare in western Nevada in general. The value of subdivision land always maintains some sort of a relationship to retail sales potential. Thus it is often an insightful practice to investigate the residential lot market in conjunction with a subdivision land appraisal.

Retail Prices:

Relative to the subject it is the selling price of ±5-acre homesites in southeast Carson City that is germane to the appraisal at hand. As has been noted residential prices began to level out in the latter half of 2005, and thus the appraiser will limit this aspect of the market analysis to the January 1, 2005, time era forward. The following information on lot sales was developed via the courtesy of the Northern Nevada Multiple Listing Service:

±5-Acre Lot Sales and ListingsCarson City, Douglas County, South Valleys (Washoe)Sales Activity (From 1/1/2005 through 1/19/07):

	<u>Carson City</u>	<u>Douglas County</u>	<u>Washoe County South Valleys</u>
Number of Sales	3	40	14
Price Range	\$170K to \$250K	\$125K to \$610K	\$240K to \$650K
Average Price	\$222K	\$356K	\$404K
Median Price	\$245K	\$363K	\$410K

Current Listings (As of 1/17/07):

Number of Listings	2	31	13
Average Asking Price	\$675K	\$420K	\$442K
Median Asking Price	\$675K	\$430K	\$429K

A cursory review of this chart suggests that lot prices are somewhat higher in Douglas County and Washoe Valley in comparison to Carson City. To some degree this is indeed the case, but not to the extent indicated. There are only two neighborhoods in Carson City where 5-acre lots are common, and over the last two years only three sales in Carson City were processed through the MLS. The sample in Carson is simply too small to offer any statistical accuracy.

Most of the 5-acre residential sites in Douglas County are found on the east side of the valley in what is known as the Buckeye/Pinenut region (which includes Fish Springs). Sales from these regions would be comparable to the subject's neighborhood. The data procured from Douglas County also included some 5-acre lots in the upscale Eagle Ridge development north of Genoa however, which in turn produces the higher averages and medians. One finds 5-acre lots in Washoe Valley in two locations, specifically on the east

side of the valley along Eastlake Boulevard and on the west side of the valley on both sides of old #395. If one were to remove sales from the exclusive upscale neighborhoods in west Washoe from the chart (i.e., those from Franktown Road, Will Sauer Road, etc.), the relationship between Carson City and Washoe Valley would also be much closer than it first appears. For the most part the current market for 5-acre lots in all of these areas (excluding upscale neighborhoods) ranges from about \$250,000 to \$350,000/lot, and the subject should also be able to capitalize on riverfront premiums.

A history of lot sales from the subject's immediate neighborhood is summarized on the following chart:

Lot Sales (±5-Acre Homesites—Mexican Dam Area)

Sale No.	Street	APN	Sale Date	Sale Price	Size (Acres)	Comment
L1	Arroyo Vista	10-503-06	5/99	\$ 79,900	5.02	On river, well & pump
L2	Sierra Vista	10-503-03	6/99	\$ 75,000	5.00	On river
L3	Sierra Vista	10-121-25	5/00	\$ 60,000	5.00	
L4	Sierra Vista	10-121-37	7/00	\$ 79,500	5.00	On river
L5	Rio Vista	10-503-29	10/00	\$ 61,000	5.43	
L6	Mexican Dam Rd.	10-121-21	12/00	\$ 54,000	5.38	
L7	Rio Vista	10-503-32	4/01	\$ 62,500	5.01	
L8	Sierra Vista	10-121-26	5/01	\$ 57,500	5.00	
L9	Sierra Vista	10-503-14	12/01	\$ 69,900	5.00	
L10	Sierra Vista	10-503-02	3/02	\$ 92,500	5.26	On river
L11	Rio Vista	10-503-27	4/02	\$ 76,000	5.00	
L12	Sierra Vista	10-503-09	4/02	\$ 60,000	5.00	
L13	Sierra Vista	10-121-25	8/02	\$ 85,000	5.00	
L14	Golden Eagle	10-491-18	1/03	\$118,000	5.16	
L15	Sierra Vista	10-503-43	3/03	\$112,000	5.00	
L16	Sierra Vista	10-503-37	9/03	\$ 80,000	5.00	
L17	Sierra Vista	10-503-38	12/03	\$ 85,000	5.00	
L18	Sierra Vista	10-503-37	3/04	\$115,000	5.00	
L19	Rio Vista	10-503-29	4/04	\$109,000	5.43	
L20	Rio Vista	10-503-19	6/04	\$150,000	5.31	
L21	Sierra Vista	10-503-04	5/05	\$250,000	5.00	
L22	Mexican Dam Rd.	10-503-06	8/06	\$335,000	5.02	On river, well & pump
L23	Sierra Vista	10-503-38	12/06	\$245,000	5.00	

Prior to 2003 lot prices in the subject's neighborhood were stable in the ±\$60,000 to \$90,000 price range. Appreciation is very evident thereafter, with the three most recent sales (L21-L23) disclosing prices of \$245,000, \$250,000, and \$335,000, respectively. A lot with river frontage commanded the highest price (at \$335,000) in comparison to the two off-river sites at \$245,000 and \$250,000. The riverfront tract hosted a well and pumping plant worth about ±\$15,000, suggesting the land alone was worth ±\$320,000. When compared to either L21 or L23 a riverfront premium in the vicinity of +30% is suggested.

$$\$320,000 \div \$250,000 = +28\%$$

$$\$320,000 \div \$245,000 = +31\%$$

Say: + 30%

A riverfront premium in the vicinity of +30% has been in place for quite some time, as supported by the following lot pairings:

River Pair #1	<u>Sale L2</u>	<u>Sale L6</u>	Riverfront Premium
	On River	Off River	
	\$75,000	÷ \$54,000	= +39%
River Pair #2	<u>Sale L1</u>	<u>Sale L5</u>	
	On River	Off River	
	\$79,900	÷ \$61,000	= +31%
River Pair #3	<u>Sale L10</u>	<u>Sale L9</u>	
	On River	Off River	
	\$92,500	÷ \$69,900	= +32%
River Pair #4	<u>Sale L22</u>	<u>Sale L23</u>	
	On River	Off River	
	\$335,000	÷ \$245,000	= +37%
River Pair #5	<u>Sale L22</u>	<u>Sale L21</u>	
	On River	Off River	
	\$335,000	÷ \$250,000	= +34%

Granting all of these pairings equal weight suggests that a riverfront lot commands a premium of about +30% to +35% in comparison to a non-riverfront counterpart.

In light of this observation, and the three most recent lot sales in the subject's neighborhood, the gross retail sales potential available to the subject assuming that 10 lots is about:

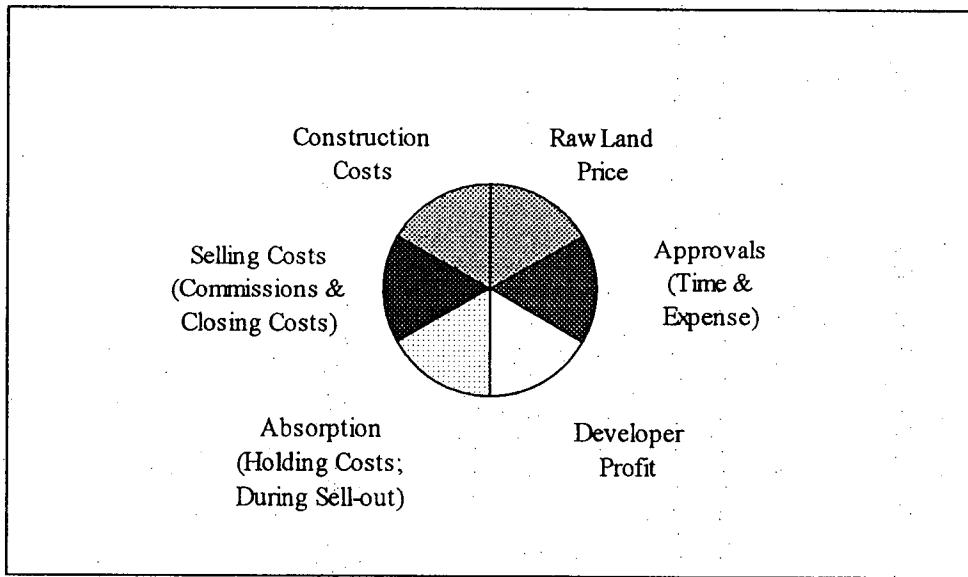
6 Riverfront Lots at \$325,000 each:	\$1,950,000
4 Off-River Lots at \$250,000 each:	<u>\$1,000,000</u>
Total:	\$2,950,000
Gross Retail Sales Potential:	\$3,000,000

Recognizing that two of the lots would be closer to 10 acres in size (as opposed to 5 acres) influenced the appraiser to round this estimate up to \$3,000,000. In addition to the one recent riverfront sale in the subject's neighborhood, the appraiser is also aware of a ±7-acre riverfront sale in Douglas County that recently sold for \$350,000 (APN 1220-25-101-002, sold 6/17/05).

The subject was purchased for \$1,223,750 in June of 2005. When divided by the estimate of gross retail sales potential (\$3,000,000), the purchase produces a wholesale/retail value relationship of 41%. This is within the bounds of reason based on the appraiser's history with similar subdivision land. As has been referenced however, the value of subdivision land reacts to value-added items, and this aspect of the market is briefly explored in the next section.

Subdivision Economics:

There are six basic components to the value of residential subdivision land which when combined equal gross retail sales. These components are graphically depicted below:



In relation to gross retail sales some of these components are fairly well set, others less so. For example, data reviewed thus far suggests that the value of the raw land can be deemed equivalent to $\pm 41\%$ of sales potential in this instance. Real estate commissions generally hover in the vicinity of 6%, which when combined with another 1% for closing costs (escrow fees, transfer tax, etc.) equates to 7% of sales. The anticipated construction and engineering costs associated with the subject are in the vicinity of \$425,000, equivalent to 14% of sales. Collectively these three items are equivalent to 62% of gross retail sales, leaving 38% for the other less evident items. Of the other three, profit requirements tend to be the most elusive, and complicating this matter even further is the fact that profit tends to accrue over the life of the project (more so than at any specific point in time).

With these initial thoughts in mind the value of the subject in its current state can be narrowed substantially. The value of the property has been enhanced over and above raw land value due to the attainment of tentative map approvals, and as such the ownership is worth more than 41% of retail sales potential. The hard costs associated with subdividing the land have not yet been incurred, nor have sale costs, the holding costs associated with absorption, etc. Combined these costs are easily equivalent to 30% of sales. Thus the value of the subject in its present state should fall somewhere between 41% and 70% of sales potential. The figure developed by the appraiser (with support to follow) is equivalent to 55% of sales.

DIRECT COMPARISON PROCESS

The direct comparison process is designed to take into account differences in price that one can attribute to differences in legal, physical, or economic differences between properties. The 22 sales originally referenced on the sales chart are principally residential subdivision lands, but the chart also references a few non-divisible sites, and more importantly only a handful of the sales are similar to the subject relative to residential density.

Although subdivision land can be analyzed on a per-acre basis, it is a more common (and reliable) practice to reduce the sales to raw lot prices. The raw lot price is calculated by dividing the selling price of the tract by the number of lots that the land can accommodate, taking into account both legal and physical limitations. The major factor that influences the per-lot price is anticipated density, and/or the average lot size. Based on 10 lots the subject's density is 6.4 acres/du. The sales that are most similar to the subject in this respect are:

Comparable Sales

Sale No.	Size	Anticipated # of Lots	Density	Per Acre	Per Lot	Location
13	64.31 ac.	10	6.4 ac/du	\$19,029/ac.	\$122,375/lot	Carson City
14	20.01 ac.	4	5.0 ac/du	\$20,590/ac.	\$103,000/lot	Washoe Valley
19	37.72 ac.	7	5.4 ac/du	\$19,883/ac.	\$107,143/lot	Carson Valley
20	40.00 ac.	4	10.0 ac/du	\$28,197/ac.	\$280,000/lot	Carson City
Subj.	64.31 ac.	10	6.4 ac/du	Sought	Sought	Carson City

Sales sheets on these four comparables can be found in Addenda Exhibit "G". The unit prices provided by these four comparables are actually more consistent than they first appear, as with a single adjustment (for water service and/or water rights) three of the sales will reflect virtually identical prices. In turn the water service adjustment will be explored first.

Water Service Adjustment

Even though none of the sales hosted water rights of any significance an adjustment for water service issues is still warranted. Carson City is now somewhat unique in western Nevada in that it is the only jurisdiction that does not require subdividers to dedicate water rights before they can proceed with a new residential subdivision. In virtually all other jurisdictions this water service burden has been passed on to the development community. Relative to this matter each jurisdiction needs to be addressed separately.

Since Sale 13 is located in Carson City, it requires no adjustment.

The sale from Washoe Valley (Sale 14) falls under the authority of Washoe County's *South Valleys Area Plan*. One of the requirements imposed by the SVAP is that all land divisions must dedicate certificated groundwater rights to Washoe County to proceed with their project. In general, 1.12 AF of water rights must be dedicated for each new lot if a community water system is available. If individual domestic wells are to be used to serve the lots the dedication requirement increases 2.02 AF/lot. Sale 14 is located in an area where there are no community systems, and in turn the higher (2.02 AF/acre) requirement comes into play. Groundwater rights in Washoe Valley are currently selling for ±\$10,000/AF, and the readers are referred to Addenda Exhibit "F" for support to this observation. In summary, in addition to the cost of the land, Sale 14 will be burdened with another ±\$20,000/lot cost to comply with the water requirements of SVAP (2.02 AF/lot x

\$10,000/AF). Since the subject is not facing a similar burden, Sale 14 will be adjusted upwards by $\pm \$20,000/\text{lot}$. An adjusted unit price of \$123,000/lot will therefore be used on this sale henceforth.

Sale 19 is located in Douglas County. In this jurisdiction a water ordinance was adopted in 1989 that also requires the dedication of 1.12 (or 2.02) AF of groundwater rights per lot to proceed with certain types of land divisions (i.e., the creation of parcels in excess of 10 acres is generally exempt). The appraiser is quite familiar with Douglas County's water markets as he has conducted a number of water-only assignments in the region over the years. Up until recently most local subdivider were afforded the liberty of approaching either the towns of Minden or Gardnerville if they needed to purchase water rights. Both of the towns were charging about \$3,000 to \$4,000/AF for groundwater rights that were of sufficient quality to comply with the ordinance. These prices were common for a number of years prior to 2005. Early in 2006 Minden increased its asking price for water rights to \$10,000/AF, and thereafter Gardnerville followed suit. A couple of water sales occurred at these prices (see Douglas County Documents 681714 and 671116, both at \$10,000/AF). In July of 2006 Minden increased its asking price for water to a little over \$12,000/AF. Minden and Gardnerville now have a near-monopolistic position relative to Carson Valley groundwater rights as the supply in the private sector has been virtually exhausted. When Sale 19 occurred the local price for water was in the vicinity of \$10,000/AF, and thus once again an adjustment of $\pm \$20,000/\text{lot}$ is warranted. The appraiser should acknowledge that Sale 19 is actually located in the Fish Springs sub-basin, an area where water rights might be even more difficult to acquire (but the appraiser has no data to prove this matter one way or the other). At $+\$20,000/\text{lot}$ the water adjusted price on Sale 19 is \$127,143/lot, the unit price that will be used on this sale henceforth.

After a single adjustment for water service three of the comparables now offer very uniform prices, specifically:

<u>Sale No.</u>	<u>Location</u>	<u>Price Per Lot</u>	<u>Water Right Adjustment</u>	<u>Adjusted Price Per Lot</u>
13	Carson City	\$122,375	-	\$122,375
14	Washoe Valley	\$103,000	+\$20,000	\$123,000
19	Douglas County	\$107,143	+\$20,000	\$127,143
29	Carson City	\$280,000	-	\$280,000*

* Included final map.

Three of the four comparables reflect unit prices from only \$122,375 to \$127,143/lot and little additional analysis is needed. The narrow price range could easily be attributed to market imperfections, and/or the superior negotiating skills of any individual seller or buyer. Sale 20 falls out of pattern, but this property benefited from the existence of a final map, and hosted larger sites (at 10 acres each) as well. In turn the appraiser will place more weight on the other three sales, all which suggest that the subject's land (without approvals) is worth about \$125,000/lot. One final adjustment is needed to account for the value enhancement that is attributable to the subject's tentative map approvals.

Value-Added—Tentative Map Approvals

From an economic perspective it is fairly evident that tentative map approvals should enhance the value of residential subdivision land. Achieving approvals takes not only time, but various engineering and surveying functions tend to occur over this era as well. These direct costs (and holding costs) most often translate into an enhancement to value. Finally, and possibly most importantly, it is the elimination of some of the risks associated with subdivision that may justify the enhancement to value.

Two sales investigated in conjunction with this assignment lends insight into value enhancement, specifically Sales 2 and 3. In February of 2004 this property sold twice on the same day (i.e., double escrow), a tract of land that is now known as Eagle Ridge at Genoa. On the initial sale the buyer paid \$5,425,000 (Sale 2), double escrowing the property to a local developer/homebuilder for \$7,512,500. Development approvals were pending when the sale closed escrow, and formal approvals were achieved only a few days following the sale. The approvals accommodated division of the property into 57 residential sites.

For the most part the first sale involved raw land, the second sale land with subdivision approvals virtually assured. The increase in value attributable to the tentative approvals is equivalent to +38.5% ($\$7,512,500 \div \$5,425,000$). The first buyer disclosed that the initial price had been negotiated about a year prior to close of escrow. The +38.5% enhancement factor therefore includes an allowance for holding costs over a year's time, a portion of the profit margin, various fees, and finally a bonus for the elimination of some project risk. As applied to the raw value developed earlier a suggested unit value for the subject with tentative map approvals is:

\$125,000/lot x 138.5%:	\$173,125
Rounded (say):	\$175,000/lot

Additional support to this unit value can be gleaned from an analysis of Sale 18. Sale 18 was comprised of two components, specifically 37 approved (and watered) residential lots, and about ±500 acres of unimproved land. The seller indicated that about 50% of the price was attributable to the approved lots, which is equivalent to ±\$143,000/lot (say ±\$150,000/lot). Since the subject offers a smaller project (at 9 to 10 lots vs. 37 lots), it is

reasonable to assume that it could capture a somewhat higher unit price. With this thought in mind, Sale 18 is deemed offer additional support to a \$175,000/lot value.

Based on 9 tentatively approved lots the subject would be worth:

9 Lots x \$175,000/Lot: \$1,575,000

Assuming that the owners could achieve 10 lots the subject would be worth:

10 Lots x \$175,000/Lot: \$1,750,000

As 10 lots represent a possibility but not a certainty, the appraiser is inclined to select a final at a mid point value between these extremes. The value of the subject via the Sales Comparison Approach is therefore estimated at:

Sales Comparison Approach Value:

\$1,650,000

INCOME APPROACH (ABBREVIATED)

As a crosscheck and/or test of reasonableness to the \$1,650,000 value opinion developed the appraiser will provide a brief and informal discounted cash flow model. The principal components of this model are \$3,000,000 in gross retail sales, a 6-month construction time frame, an 18-month absorption time frame, and an internal rate of return (inclusive of profit) of 18%. Also incorporated into the model is a 7% allowance for selling costs.

Development and/or construction costs are forecast at \$400,000 (as opposed to \$425,000), noting that some engineering and surveying functions have already been completed. This model has purposefully been labeled "informal", as supporting the absorption forecast and the IRR is currently difficult due to the slowing nature of the market. The calculations used to derive an indication of value are:

DCF Model

	<u>End of</u>	<u>12 Months</u>	<u>18 Months</u>	<u>24 Months</u>
	<u>6 Months</u>			
Gross Retail Sales		\$1,000,000	\$1,000,000	\$1,000,000
Selling & Misc. Items (7%)		(\$ 70,000)	(\$ 70,000)	(\$ 70,000)
Construction Costs	<u>(\$400,000)</u>			
Net Proceeds	<u>(\$400,000)</u>	\$ 930,000	\$ 930,000	\$ 930,000
NPV Factor (@ 18% annual)		<u>X .842</u>	<u>X .772</u>	<u>X .708</u>
Net Present Value	<u>(\$400,000)</u> +	\$ 783,060	+ \$ 717,960	+ \$ 658,440
				= \$1,759,460
				Say \$1,759,460
				Say \$1,750,000

Income Approach Value Indication:

SUMMARY AND FINAL RECONCILIATION OF VALUE

Sales Comparison Approach: \$1,650,000

Income Capitalization Approach: \$1,750,000

The readers are urged to note once again that the Income Approach was not actually offered as a separate approach to value. More so, the abbreviated discounted cash flow model was provided as a test of reasonableness and/or crosscheck to the opinion developed via the Sales Comparison Approach. The DCF model was based on 10 residential lots, which once again should be viewed in the context of an uncertainty. Thus, the DCF model is somewhat optimistic. With this in mind, and from a practical perspective, the DCF model simply enhances the appraiser's level of comfort with the value developed via the Sales Comparison Approach. The appraiser will therefore conclude with a final opinion of value for the subject of:

Final Value Opinion (aka Market Value):

\$1,650,000

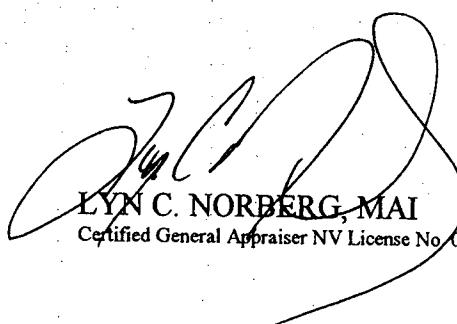
CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Practice.
8. I have made a personal inspection of the property that is the subject of this report.

9. No one provided significant real estate appraisal assistance to the person signing this report.
10. The analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice, which include the Uniform Standards of Professional Appraisal Practice.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. This report is subject to the requirements of the State of Nevada, relating to review by their duly authorized representatives.
13. As of the date of this report, Lyn C. Norberg has completed the continuing education program of the Appraisal Institute.
14. The opinion of market value (aka value) for the estate appraised in the subject property as of March 6, 2007, is:

\$1,650,000



LYN C. NORBERG, MAI
Certified General Appraiser NV License No. 00268

Report Dated: March 23, 2007

LYN C. NORBERG, MAI

QUALIFICATIONS OF LYN C. NORBERG, MAI
1761 East College Parkway, Suite 111
Carson City, NV 89706
(775) 883-6655

Appraisal Experience

Lyn C. Norberg, MAI, Real Estate Appraiser, 1990 to Present

Lee B. Smith & Associates, Real Estate Appraisers & Consultants
Associate, 1983 to 1990

Federal Land Bank Associations of Reno and Ventura
Mortgage Banker/Appraiser, 1978 to 1983

Formal Education

Bachelor of Science Degree, Banking & Finance
University of North Dakota, 1976

Appraisal Education

Appraisal Principles, Course 1A-1
AIREA, 1981; Portland, Oregon

Basic Valuation, Course 1A-2
AIREA, 1981; Portland, Oregon

Capitalization I, II, and III, Courses 1B-1, 1B-2, 1B-3
AIREA, 1981; Boulder, Colorado
AIREA, 1983; Minneapolis, Minnesota

Case Studies in Valuation, Course II-1
AIREA, 1983; Minneapolis, Minnesota

Standards of Professional Practice, Course II-3
AIREA, 1983; Palo Alto, California

Report Writing, Course II-2
AIREA, 1984; Portland, Oregon

Comprehensive Examination
AIREA, 1989; Irvine, California

Various courses, seminars, etc., 1989 - Present

AIREA - American Institute of Real Estate Appraisers; now known as the Appraisal Institute

Professional Designations

MAI, Member of the Appraisal Institute

Certified General Appraiser, State of Nevada

Licensed Real Estate Salesman, SOX Realty, Carson City, Nevada

Court Experience

Provided Expert Witness Testimony In:

Federal District Court
Reno, Nevada

U.S. Bankruptcy Court
Reno, Nevada

Nevada State Board of Equalization
Reno, Nevada

Douglas County District Court
Gardnerville, Nevada

Washoe County District Court
Reno, Nevada

Elko County District Court
Elko, Nevada

Superior Court, Eldorado County
South Lake Tahoe, California

Properties Appraised (Partial List)

Dangberg Ranch
Carson Commercial Center
Q & D Construction
Carsonite
R-Max
Winans/Yoder
Douglas Water Study
Heritage Ranch
Falline, Inc.
Sario Ranch
Apartments
Mountain Lakes

Reno Vista Ridge
Mack Ranch
Jensen Precast
Big Springs Ranch
Hi Desert RV Park
Stodieck Ranch
Parks Ranch
Bruce Industries
Hi Ho Mobile Home Park
Water Rights
Farms
Right-of-Way Acquisitions

LYN C. NORBERG, MAI

ADDENDA

LYN C. NORBERG, MAI

EXHIBIT "A"
TITLE REPORT

PRELIMINARY REPORT

Northern Nevada Title Company
512 N. Division Street
Carson City, NV 89703-4103
(775)-883-7513 FAX (775)-887-5065

To: **Carson City Parks & Recreation**
Attn: Juan Guzman

Escrow No. CC-1060746-TO
Title No. 1060746

Your No.

Property Address
2980 Snyder Avenue
Carson City, NV 89701

Assessor's Parcel Number
010-121-44

In response to the above referenced application for a policy of title insurance, Northern Nevada Title Company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulation of said Policy forms.

The printed Exceptions and Exclusions from the coverage of said Policy or Policies are available from the office which issued this report. Copies of the Policy forms should be read.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated: November 14, 2006 at 7:30 A.M.


Carey Rotoli, Title Officer

The form of policy of title insurance contemplated by this report is: CLTA Owners

The estate or interest in the land hereinafter described or referred to covered by this report is: A fee

Title to said estate or interest at the date hereof is vested in:

Mexican Dam LLC, a Nevada limited liability company

The land referred to in the report is situate in the State of Nevada, County of Carson City and is described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

CC-1060746-TO
1060746

EXHIBIT "A" ATTACHED TO PRELIMINARY TITLE REPORT DATED NOVEMBER 14, 2006

EXHIBIT "A"

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

A tract of land located in Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, Nevada, being more particularly described as follows:

Commencing at the South $\frac{1}{4}$ corner of Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, Nevada, Thence North 89°59'47" West for a distance of 1322.13 feet to a No. 5 rebar capped by PLS 2280; Thence North 00°06'00" East for a distance of 1315.77 feet to a No. 5 rebar with no cap, being the true point of beginning; Thence North 89°56'33" East for a distance of 549.56 feet to a No. 5 rebar capped by PLS 5286; Thence North 89°56'33" East for a distance of 262.67 feet (previously recorded as 6.60 feet in file #170840), to a point on the Westerly Mean High Water line of the Carson River, as verified by State Lands; Thence North 22°50'41" West for a distance of 61.81 feet to a point on the Mean High Water line; Thence North 38°28'59" West for a distance of 221.62 feet to a point on the Mean High Water line; Thence North 28°59'47" West for a distance of 156.88 feet to a point on the Mean High Water line; Thence North 28°59'47" West for a distance of 80.88 feet to a point on the Mean High Water line; Thence North 23°56'30" West for a distance of 68.88 feet to a point on the Mean High Water line; Thence North 07°20'32" West for a distance of 114.80 feet to a point on the Mean High Water line; Thence North 12°50'28" East for a distance of 88.00 feet to a point on the Mean High Water line; Thence North 34°29'28" East for a distance of 110.28 feet to a point on the Mean High Water line; Thence North 44°40'48" East for a distance of 85.11 feet to a point on the Mean High Water line; Thence North 40°11'27" East for a distance of 58.77 feet to a point on the Mean High Water line; Thence North 59°12'53" East for a distance of 85.66 feet to a point on the Mean High Water line; Thence South 35°05'12" East for a distance of 17.19 feet to a point on the Mean High Water line; Thence North 79°36'20" East for a distance of 6.04 feet to a point on the Mean High Water line; Thence continuing North-Easterly along the Westerly Mean High Water line of the Carson River to a point on the Northerly line of Parcel "C" of the Record of Survey Map Document No. 4398; Thence South 89°57'17" West along the Northerly line of said Parcel "C" for a distance of 1,282.20 feet more or less to the Northwesterly corner of said Parcel "C", being a No. 5 rebar capped by PLS 2280; Thence South 00°09'29" West for a distance of 1316.04 feet to the true point of beginning.

EXCEPTING THEREFROM a tract of land located in Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, Nevada, being more particularly described as follows:

Commencing at the South $\frac{1}{4}$ corner of Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, Nevada, Thence North 89°59'47" West for a distance of 1322.12 feet to a No. 5 rebar capped by PLS 2280; Thence North 00°06'00" East for a distance of 1315.77 feet to a No. 5 rebar with no cap, being the true point of beginning; Thence North 00°09'29" East for a distance of 62.82 feet to a No. 5 rebar capped by PLS 7880; Thence South 89°50'31" East for a distance of 49.95 feet to a No. 5 rebar capped by PLS 7880, being the beginning point of a curve to the right, where the tangent bears North 00°09'29" East; Thence along a curve to the right, an arc distance of 30.45 feet, with a radius of 60.00 feet, a delta angle of 29°04'32", on a chord of North 14°41'45" East for a distance of 30.12 feet, to a No. 5 rebar capped by PLS 7880; Thence South 60°45'59" East for a distance of 112.72 feet to a No. 5 rebar capped by PLS 7880; Thence North 51°34'31" East for a distance of 533.74 feet to a No. 5 rebar capped by PLS 7880, being a point on the

Continued...

EXHIBIT "A" CONTINUED....

Westerly Mean High Water line of the Carson River, verified by State Lands; Thence South $28^{\circ}59'47''$ East for a distance of 156.88 feet to a point on the Mean High Water line; Thence South $38^{\circ}28'59''$ East for a distance of 221.62 feet to a point on the Mean High Water line; Thence South $22^{\circ}50'41''$ East for a distance of 61.81 feet to a point, being the last point on the Westerly Mean High Water line of the Carson River; Thence South $89^{\circ}56'33''$ West for a distance of 262.67 feet (previously recorded as 6.60 feet in File #170840), to a No. 5 rebar capped by PLS 5286; Thence South $89^{\circ}56'33''$ West for a distance of 549.56 feet to a No. 5 rebar with no cap, being the true point of beginning.

Said land is further depicted as Lot 3 of that certain Record of Survey Map No. 2596 to Support a Boundary Line Adjustment for Alpenglow Development LLC, River Ranch Holdings, LTD and Mexican Dam LLC, recorded in the office of the Carson City Recorder, State of Nevada, on March 10, 2006 in Book 9 of Maps at Page 2596 as Document No. 350810, Official Records.

Note: Legal Description previously contained in Document No. 350809 recorded on March 10, 2006.

Escrow No. CC-1060746-TO

NORTHERN NEVADA TITLE COMPANY
PRELIMINARY REPORT

At the date hereof exceptions to coverage, in addition to the exclusions contained in said policy form, would be as follows:

EXCEPTIONS FROM COVERAGE

The policy, with the exception of any ALTA Lenders policy, contemplated to be issued hereunder will not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

PART I

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by public records.

PART II

- 1) Taxes for the year 2006-2007, including any secured personal property taxes and any special taxes, a lien, now due and payable.

TOTAL AMOUNT:	\$322.53
FIRST INSTALLMENT:	\$82.53 - Paid
SECOND INSTALLMENT:	\$80.00 - Paid
THIRD INSTALLMENT:	\$80.00 - Open
FOURTH INSTALLMENT:	\$80.00 - Open
ASSESSORS PARCEL NO.:	010-121-44

- 2) The lien, if any, for taxes for improvements completed or in progress, but which were not shown on the tax bill for the current year.
- 3) Liens levied by the Carson City Water and Sewer District for water, sewer and storm water utilities, by reason that subject property is located within said district. To verify payments, delinquencies or liens, contact Carson City Utilities at (775) 887-2355 extension 1020.
- 4) Notes, easements and recitals as set forth on Land Division Map No. 704, Record of Survey Map No. 894, and Lot Line Adjustment Document No. 350809 herein referred. Said notes, easements and recitals will affect the use of the herein described property and a review of said map is advised.

Continued...

Escrow No. CC-1060746-TO

**NORTHERN NEVADA TITLE COMPANY
PRELIMINARY REPORT**

At the date hereof exceptions to coverage, in addition to the exclusions contained in said policy form, would be as follows:

- 5) Any easement or claims of easement or rights of access based on prescription or by implied dedication to the public over said land or any part thereof, for access (or recreational purposes) to or upon the Carson River.
- 6) Any adverse claim based upon the assertion that:
 - a) "Said land or any part thereof is now, or at any time has been, below the ordinary high water mark of the Carson River."
 - b) "Some portion of said land has been created by artificial means or has accreted to such portions so created."
 - c) "Some portion of said land has been brought with the boundary thereof by an avulsive movement of the Carson River or has been formed by accretion to any such portion."
- 7) Such rights and easements for navigation and fishery which may exist over that portion of said land lying beneath the waters of Carson River.
- 8) Lack of record access to a public roadway.
- 9) Rights of the public, county and/or city in that portion of the herein described property lying within any street or road.
- 10) Easement, together with the rights incidental thereto,

RESERVED BY:

H.F. Dangberg Land and Live Stock Company,
a Nevada Corporation

PURPOSE:

Rights of other users of common ditches,
canals, streams in accordance with, but not
limited to historical custom and usage

RECORDED:

March 30, 1978

BOOK:

227, Official Records

PAGE:

612

DOCUMENT NO.:

78173

AFFECTS:

A portion of said land

- 11) The requirement that the following be submitted prior to the issuance of a title policy.

- a) Resolution authorizing this transaction.
- b) Copies of Articles of Organization showing who can execute on behalf of the limited liability company.

Continued...

Escrow No. CC-1060746-TO

**NORTHERN NEVADA TITLE COMPANY
PRELIMINARY REPORT**

At the date hereof exceptions to coverage, in addition to the exclusions contained in said policy form, would be as follows:

12) "Preliminary Reports" are furnished in connection with an application for title insurance and are offers to issue a title policy subject to the stated exceptions set forth in the report. The information contained herein, while deemed reliable, does not reflect the information that would be shown in an abstract of title, and no liability is assumed nor is any assurance given as to the accuracy of the vesting, legal description or items contained in or deleted from this report.

If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

NOTE: Said property was last insured in June of 2005.

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Northern Nevada Title Company
512 N. Division Street
Carson City, NV 89703

Privacy Policy Notice
as of September 20, 2005

PURPOSE OF THIS NOTICE

Northern Nevada Title Company (NNTC) and its Underwriters share your concerns about privacy. Each Company is committed to respecting the privacy of our policyholders. Therefore, in accordance with Federal and State laws and regulations, we are providing you with this notice of how we might use the information about you which we gather in the process of issuing a policy of title insurance.

Title V of the Gramm-Leach-Bliley Act (GLBA) and the laws of the State in which you reside generally prohibit us from sharing non-public personal information about you with a third party unless we provide you with this notice of our privacy policies and practices, such as the type of information that we collect about you and the categories of persons or entities to whom that information may be disclosed. In compliance with the GLBA and the laws of this State, we are providing you with this document, which notifies you of the privacy policies and practices of NNTC and its Underwriters.

OUR PRIVACY POLICIES AND PRACTICES

I. Information we collect and sources from which we collect it:

We do not collect any nonpublic personal information about you other than the following:

Information we receive from you or from your attorney or other representatives on applications or other forms;

Information about your transactions with us, our affiliates or our Underwriters.

In addition, we may collect other non public personal information about you from individuals and companies other than those proposed for coverage.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional information will be collected about you.

II. Information we disclose to third parties:

In the course of our general business practices, we may disclose the information that we collect (as described above) about you or others without your permission to the following types of institutions for the reasons described:

To a third party such as a surveying, real estate tax research or municipal data firm if the disclosure will enable that party to perform a business, professional or insurance function for us;

To an insurance institution, agent, or credit reporting agency in order to detect or prevent criminal activity, fraud or misrepresentation in connection with an insurance transaction;

To an insurance institution, agent, or credit reporting agency for either this Company or the entity to whom we disclose the information to perform a function in connection with an insurance transaction involving you;

To an insurance regulatory authority, law enforcement, or other governmental authority in order to protect our interests in preventing or prosecuting fraud, or if we believe that you have conducted illegal activities;

To an actuarial or research organization for the purpose of conducting actuarial or research studies.

The disclosures described above are permitted by law.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH AFFILIATES OR NON-AFFILIATED THIRD PARTIES FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

III. Your right to access and amend your personal information:

You have the right to request access to the personal information that we record about you. Your right includes the right to know the source of the information and the identity of the persons, institutions or types of institutions to whom we have disclosed such information within 2 years prior to your request. Your right includes the right to view such information and copy it in person, or request that a copy of it be sent to you by mail (for which we may charge you a reasonable fee to cover our costs). Your right also includes the right to request corrections, amendments or deletions of any information in our possession. The procedures that you must follow to request access to or an amendment of your information are as follows:

To obtain access to your information from Northern Nevada Title Company: You should submit a request in writing to Northern Nevada Title Company, 512 N. Division Street, Carson City, Nevada 89703. The request should include your name, address, policy number, telephone number, and the information to which you would like access. The request should state whether you would like access in person or a copy of the information sent to you by mail. Upon receipt of your request, we will contact you within 30 business days to arrange providing you with access in person or the copies that you have requested.

To obtain access to your information from the Underwriter: You should submit your written request including the specified information to the address stated above. The request should include the same information mentioned above for requests to NNTC. The request will be forwarded to the Underwriter which insured your transaction.

To correct, amend, or delete any of your information: You should submit a request in writing to the address referenced directly above. The request should include your name, address, policy number, telephone number, the specific information in dispute, and the identity of the document or record that contains the disputed information. Upon receipt of your request, we will contact you within 30 business days to notify you either that we have made the correction, amendment or deletion, or that we refuse to do so and the reasons for the refusal which you will have an opportunity to challenge.

IV. Our practices regarding information confidentiality and security:

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

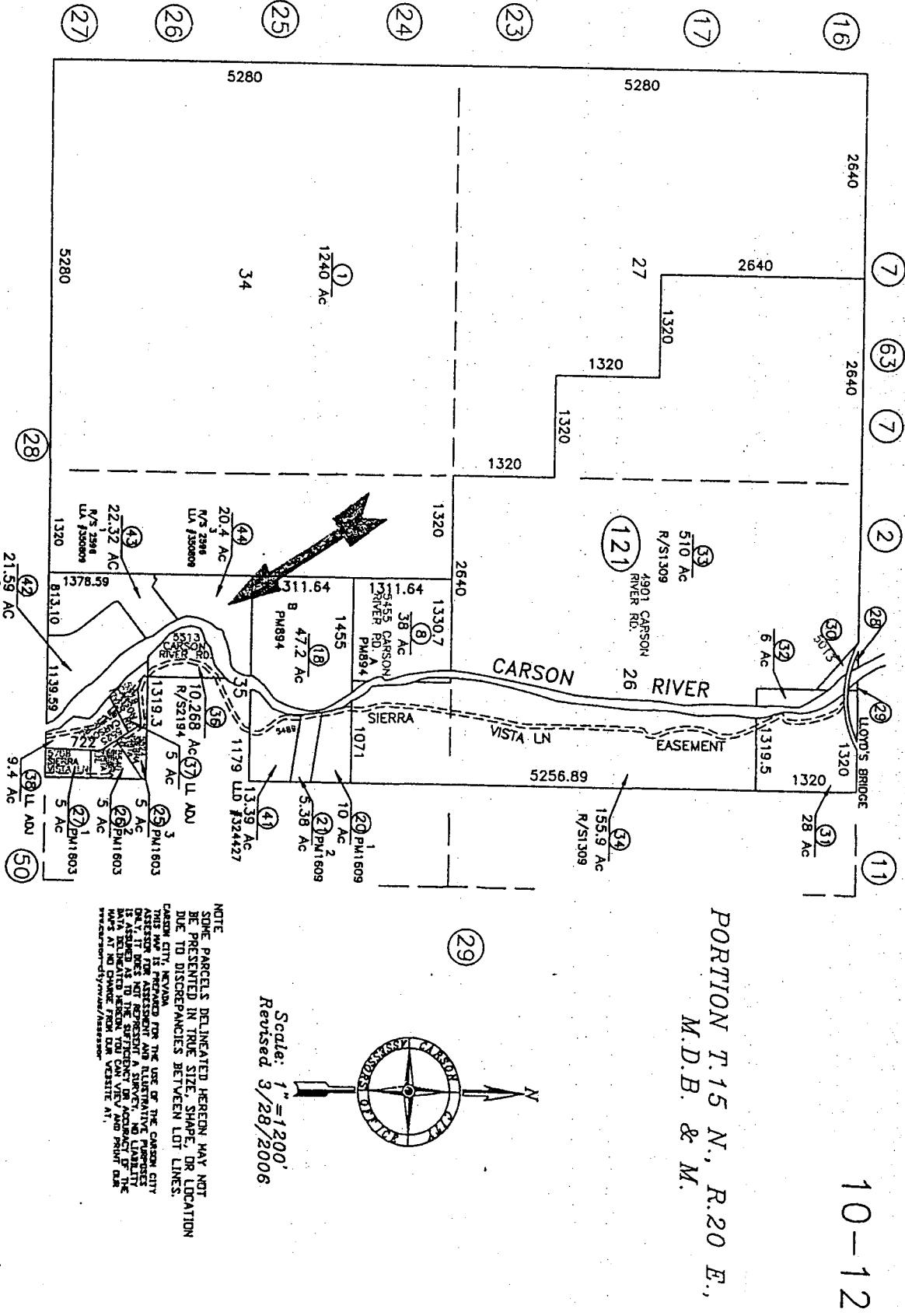
V. Our policy regarding dispute resolution:

Any controversy or claim arising out of or relating to our privacy policy, or the breach thereof, shall be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

VI. Reservation of the right to disclose information in unforeseen circumstances:

In connection with the potential sale or transfer of its interests, Northern Nevada Title Company, its Underwriters and their respective affiliates reserve the right to sell or transfer your information (including but not limited to your address, name, age, sex, zip code, state and country of residency and other information that you provide through other communications) to a third party entity that (1) concentrates its business in a similar practice or service; (2) agrees to be a successor in interest of Northern Nevada Title Company or the Underwriter with regard to the maintenance and protection of the information collected; and (3) agrees to the obligations of this privacy statement.

Northern Nevada Title Company does not represent this
plat as a survey of the land indicated herein, although
believed correct, no liability is assumed as to the
accuracy thereof.



PRELIMINARY REPORT

Northern Nevada Title Company

512 N. Division Street
Carson City, NV 89703-4103
(775)-883-7513 FAX (775)-887-5065

To: **Carson City Parks & Recreation**
Attn: Juan Guzman

Escrow No. CC-1060747-TO
Title No. 1060747

Your No.

Property Address
None Available
Carson City, NV 89701

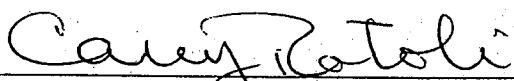
Assessor's Parcel Number
010-121-42

In response to the above referenced application for a policy of title insurance, Northern Nevada Title Company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulation of said Policy forms.

The printed Exceptions and Exclusions from the coverage of said Policy or Policies are available from the office which issued this report. Copies of the Policy forms should be read.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated: **November 16, 2006** at 7:30 A.M.


Carey Rotoli, Title Officer

The form of policy of title insurance contemplated by this report is: **CLTA Owners**

The estate or interest in the land hereinafter described or referred to covered by this report is: **A fee as to Parcel 1 and an easement as to Parcel 2**

Title to said estate or interest at the date hereof is vested in:

River Ranch Holdings, LTD, A Nevada Limited Liability Company

The land referred to in the report is situate in the State of Nevada, County of Carson City and is described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

CC-1060747-TO
1060747

EXHIBIT "A" ATTACHED TO PRELIMINARY TITLE REPORT DATED NOVEMBER 16, 2006

EXHIBIT "A"

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

PARCEL 1:

A tract of land located in Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, Nevada, being more particularly described as follows:

Beginning at the South $\frac{1}{4}$ corner of Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, NV, Thence North $89^{\circ}59'47''$ West for a distance of 770.65 feet to a No. 5 rebar capped by PLS 5286; Thence North $00^{\circ}01'00''$ East for a distance of 1316.35 feet to a No. 5 rebar capped by PLS 5286; Thence North $89^{\circ}56'33''$ East for a distance of 262.67 feet (previously recorded as 6.60 feet in File # 170840), to a point on the Westerly Mean High Water Line of the Carson River, as verified by State Lands; Thence South $27^{\circ}07'14''$ East for a distance of 31.77 feet to a No. 5 rebar capped by PLS 7880, being a point on the Westerly Mean High Water Line of the Carson River; Thence South $27^{\circ}07'14''$ East for a distance of 76.83 feet to a point on the Mean High Water line; Thence South $31^{\circ}14'15''$ East for a distance of 134.18 feet to a point on the Mean High Water line; Thence South $36^{\circ}21'37''$ East for a distance of 193.78 feet to a point on the Mean High Water line; Thence South $46^{\circ}09'46''$ East for a distance of 131.59 feet to a point on the Mean High Water line; Thence South $47^{\circ}50'17''$ East for a distance of 231.88 feet to a point on the Mean High Water line; Thence South $39^{\circ}29'12''$ East for a distance of 156.84 feet to a point on the Mean High Water line; Thence South $30^{\circ}14'41''$ East for a distance of 93.22 feet to a point on the Mean High Water line; Thence South $43^{\circ}56'54''$ East for a distance of 108.95 feet to a point on the Mean High Water line; Thence South $43^{\circ}55'48''$ East for a distance of 121.85 feet to a point on the Mean High Water line; Thence South $52^{\circ}37'17''$ East for a distance of 158.56 feet to a point on the Mean High Water line; Thence South $57^{\circ}49'34''$ East for a distance of 66.37 feet to a point on the Mean High Water line; Thence South $43^{\circ}38'09''$ East for a distance of 154.80 feet to a point on the Mean High Water line; Thence South $24^{\circ}11'05''$ East for a distance of 101.44 feet to a point on the Mean High Water line; Thence North $89^{\circ}51'48''$ West for a distance of 630.57 feet (previously recorded as 437.72 feet in File #170840), to the true point of beginning.

Along with a tract of land located in Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, Nevada, being more particularly described as follows:

Commencing at the South $\frac{1}{4}$ corner of Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, NV, Thence North $89^{\circ}59'47''$ West for a distance of 770.65 feet to a No. 5 rebar capped by PLS 5286; Thence North $00^{\circ}01'00''$ East for a distance of 628.38 feet to a point, being the true point of beginning; Thence North $38^{\circ}25'29''$ West for a distance of 262.51 feet to a No. 5 rebar capped by PLS 7880, being the beginning point of a curve to the right; Thence along a curve to the right, an arc distance of 85.50 feet, with a radius of 175.00 feet, a delta angle of $27^{\circ}59'40''$, on a chord of North $24^{\circ}25'39''$ West for a distance of 84.66 feet, to a No. 5 rebar capped by PLS 7880; Thence North $51^{\circ}34'31''$ East for a distance of 253.10 feet to a point; Thence South $00^{\circ}01'00''$ West for a distance of 440.03 feet to a point, being the true point of beginning;

Continued...

EXHIBIT "A" CONTINUED...

Excepting therefrom a tract of land located in Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, Nevada, being more particularly described as follows:

Commencing at the South $\frac{1}{4}$ corner of Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, NV, Thence North $89^{\circ}59'47''$ West for a distance of 509.02 feet to a No. 5 rebar capped by PLS 7880, being the true point of beginning; Thence North $89^{\circ}59'47''$ West for a distance of 261.63 feet to a No. 5 rebar capped by PLS 5286; Thence North $00^{\circ}01'00''$ East for a distance of 628.38 feet to a point; Thence South $38^{\circ}25'29''$ East for a distance of 255.15 feet to a No. 5 rebar capped by PLS 7880, being the beginning point of a curve to the right; Thence along a curve to the right, an arc distance of 318.55 feet, with a radius of 475.00 feet, a delta angle of $38^{\circ}25'27''$, on a chord of South $19^{\circ}12'46''$ East for a distance of 312.61 feet, to a No. 5 rebar capped by PLS 7880; Thence South $00^{\circ}00'02''$ East for a distance of 133.31 feet to a No. 5 rebar capped by PLS 7880, being the true point of beginning.

Excepting therefrom a tract of land located in Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, Nevada, being more particularly described as follows:

Commencing at the South $\frac{1}{4}$ corner of Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, NV, Thence North $89^{\circ}59'47''$ West for a distance of 770.65 feet to a No. 5 rebar capped by PLS 5286; Thence North $00^{\circ}01'00''$ East for a distance of 1068.42 feet to a point, being the true point of beginning; Thence North $00^{\circ}01'00''$ East for a distance of 247.93 feet to a No. 5 rebar capped by PLS 5286; Thence North $89^{\circ}56'33''$ East for a distance of 262.67 feet (previously recorded as 6.60 feet in File #170840), to a point on the Westerly Mean High Water line of the Carson River, as verified by State Lands; Thence South $27^{\circ}07'14''$ East for a distance of 31.77 feet to a No. 5 rebar capped by PLS 7880, being a course along the Westerly Mean High Water line of the Carson River; Thence South $51^{\circ}34'31''$ West for a distance of 353.86 feet to a point, being the true point of beginning.

Said land is further depicted as Lot 2 of that certain Record of Survey Map No. 2596 to Support a Boundary Line Adjustment for Alpenglow Development LLC, River Ranch Holdings, LTD and Mexican Dam LLC, recorded in the office of the Carson City Recorder, State of Nevada, on March 10, 2006 in Book 9 of Maps at Page 2596 as Document No. 350810, Official Records.

Note: Legal Description previously contained in Document No. 350809 recorded on March 10, 2006.

PARCEL 2:

Roadway and utility rights of way as described in Grant of Easement recorded in the office of the County Recorder of Carson City, State of Nevada, on October 1, 1984 in Book 377 at Page 233 through 244 and Page 249 through 252 as Document No.'s 30615, 30616, 30617 and 30619 and Grant of Easements recorded on May 1, 2000 as Document No's 247956 and 247957, Official Records.

NORTHERN NEVADA TITLE COMPANY
PRELIMINARY REPORT

Escrow No. CC-1060747-TO

At the date hereof exceptions to coverage, in addition to the exclusions contained in said policy form, would be as follows:

EXCEPTIONS FROM COVERAGE

The policy, with the exception of any ALTA Lenders policy, contemplated to be issued hereunder will not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

PART I

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
 Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by public records.

PART II

- 1) Taxes for the year 2006-2007, including any secured personal property taxes and any special taxes, a lien, now due and payable.

TOTAL AMOUNT:	\$416.56
FIRST INSTALLMENT:	\$104.56 Paid
SECOND INSTALLMENT:	\$104.00 Paid
THIRD INSTALLMENT:	\$104.00 Open
FOURTH INSTALLMENT:	\$104.00 Open
ASSESSORS PARCEL NO.:	010-121-42

- 2) The lien, if any, for taxes for improvements completed or in progress, but which were not shown on the tax bill for the current year.

- 3) Liens levied by the Carson City Water and Sewer District for water, sewer and storm water utilities, by reason that subject property is located within said district. To verify payments, delinquencies or liens, contact Carson City Utilities at (775) 887-2355 extension 1020.

- 4) Lack of ingress and/or egress to said land, access may be provided by the United States Department of the Interior, Bureau of Land Management over that portion of the West 1/2 of Lot 2 within the Northwest 1/4 of Section 2, Township 14 North, Range 20 East.

Continued...

NORTHERN NEVADA TITLE COMPANY
PRELIMINARY REPORT

Escrow No. CC-1060747-TO

At the date hereof exceptions to coverage, in addition to the exclusions contained in said policy form, would be as follows:

- 5) Notes, easements and recitals as set forth on Parcel Map No.'s 704 and 1035, and Record of Survey Map No.'s 894, 1306, 1307 and 2085, Lot Line Adjustment Document Nos. 170839 and 350809.
- 6) Any easement or claims of easement or rights of access based on prescription or by implied dedication to the public over said land or any part thereof, for access (or recreational purposes) to or upon the Carson River.
- 7) Any adverse claim based upon the assertion that:
 - a) "Said land or any part thereof is now, or at any time has been, below the ordinary high water mark of the Carson River."
 - b)"Some portion of said land has been created by artificial means or has accreted to such portions so created."
 - c) "Some portion of said land has been brought with the boundary thereof by an avulsive movement of the Carson River or has been formed by accretion to any such portion."
- 8) Such rights and easements for navigation and fishery which may exist over that portion of said land lying beneath the waters of Carson River.
- 9) Rights of way, easement and conditions as set forth in those certain Grants of Easements,

RECORDED: October 1, 1984
BOOK: 377, Official Records
PAGE: 233 thru 244 and 249 thru 252
DOCUMENT NO.'S: 30615, 30616, 30617 and 30619

SAID MATTER AFFECTS: Portion of said land

- 10) Terms, conditions and fees as set forth in Decision for Right-of-Way Grant,

FILE CASE NO.: N-39520
RECORDED: October 3, 1984
BOOK: 377, Official Records
PAGE: 368
DOCUMENT NO.: 30685

Assignment of Right-of-Way Grant,

RECORDED: February 4, 1985
BOOK: 386, Official Records
PAGE: 276
DOCUMENT NO.: 33372

Continued...

NORTHERN NEVADA TITLE COMPANY
PRELIMINARY REPORT

Escrow No. CC-1060747-TO

At the date hereof exceptions to coverage, in addition to the exclusions contained in said policy form, would be as follows:

11) Agreement, on the terms and conditions contained therein.

PURPOSE: Road Maintenance Agreement

EXECUTED BY: William L. Desormier, Eli H. Keeran, Jack
Foerschler and John J. Stein

RECORDED: March 16, 1989

DOCUMENT NO.: 82797, Official Records

12) Covenants, and agreements, as contained in Grants of Easements,

EXECUTED BY: William Desormier and Patricia L. Desormier

RECORDED: May 1, 2000

DOCUMENT NO.'S: 247956 and 247957

(deleting therefrom any restrictions indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin)

13) Deed of Trust, to secure an indebtedness of the amount stated therein.

ORIGINAL AMOUNT: \$343,282.00

DATED: June 20, 2005

RECORDED: June 20, 2005

DOCUMENT NO.: 338325, Official Records

TRUSTOR: River Ranch Holdings, Ltd., a Nevada limited
liability company

TRUSTEE: Western Title Company, Inc.

BENEFICIARY: Dieter Bulin and Cherrisse Hollingsworth,
husband and wife as joint tenants

SAID MATTER AFFECTS: A portion of said land and other property

14) The requirement that the following be submitted prior to the issuance of a title policy.

a) Resolution authorizing this transaction.

b) Copies of Articles of Organization showing who can execute on behalf of the limited liability company.

Continued...

NORTHERN NEVADA TITLE COMPANY
PRELIMINARY REPORT

Escrow No. CC-1060747-TO

At the date hereof exceptions to coverage, in addition to the exclusions contained in said policy form, would be as follows:

15) "Preliminary Reports" are furnished in connection with an application for title insurance and are offers to issue a title policy subject to the stated exceptions set forth in the report. The information contained herein, while deemed reliable, does not reflect the information that would be shown in an abstract of title, and no liability is assumed nor is any assurance given as to the accuracy of the vesting, legal description or items contained in or deleted from this report.

If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

NOTE: Said property was last insured in June of 2005.

oOo

Northern Nevada Title Company
512 N. Division Street
Carson City, NV 89703

Privacy Policy Notice
as of September 20, 2005

PURPOSE OF THIS NOTICE

Northern Nevada Title Company (NNTC) and its Underwriters share your concerns about privacy. Each Company is committed to respecting the privacy of our policyholders. Therefore, in accordance with Federal and State laws and regulations, we are providing you with this notice of how we might use the information about you which we gather in the process of issuing a policy of title insurance.

Title V of the Gramm-Leach-Bliley Act (GLBA) and the laws of the State in which you reside generally prohibit us from sharing non public personal information about you with a third party unless we provide you with this notice of our privacy policies and practices, such as the type of information that we collect about you and the categories of persons or entities to whom that information may be disclosed. In compliance with the GLBA and the laws of this State, we are providing you with this document, which notifies you of the privacy policies and practices of NNTC and its Underwriters.

OUR PRIVACY POLICIES AND PRACTICES

I. Information we collect and sources from which we collect it:

We do not collect any nonpublic personal information about you other than the following:

Information we receive from you or from your attorney or other representatives on applications or other forms;

Information about your transactions with us, our affiliates or our Underwriters.

In addition, we may collect other non public personal information about you from individuals and companies other than those proposed for coverage.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional information will be collected about you.

II. Information we disclose to third parties:

In the course of our general business practices, we may disclose the information that we collect (as described above) about you or others without your permission to the following types of institutions for the reasons described:

To a third party such as a surveying, real estate tax research or municipal data firm if the disclosure will enable that party to perform a business, professional or insurance function for us;

To an insurance institution, agent, or credit reporting agency in order to detect or prevent criminal activity, fraud or misrepresentation in connection with an insurance transaction;

To an insurance institution, agent, or credit reporting agency for either this Company or the entity to whom we disclose the information to perform a function in connection with an insurance transaction involving you;

To an insurance regulatory authority, law enforcement, or other governmental authority in order to protect our interests in preventing or prosecuting fraud, or if we believe that you have conducted illegal activities;

To an actuarial or research organization for the purpose of conducting actuarial or research studies.

The disclosures described above are permitted by law.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH AFFILIATES OR NON-AFFILIATED THIRD PARTIES FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

III. Your right to access and amend your personal information:

You have the right to request access to the personal information that we record about you. Your right includes the right to know the source of the information and the identity of the persons, institutions or types of institutions to whom we have disclosed such information within 2 years prior to your request. Your right includes the right to view such information and copy it in person, or request that a copy of it be sent to you by mail (for which we may charge you a reasonable fee to cover our costs). Your right also includes the right to request corrections, amendments or deletions of any information in our possession. The procedures that you must follow to request access to or an amendment of your information are as follows:

To obtain access to your information from Northern Nevada Title Company: You should submit a request in writing to Northern Nevada Title Company, 512 N. Division Street, Carson City, Nevada 89703. The request should include your name, address, policy number, telephone number, and the information to which you would like access. The request should state whether you would like access in person or a copy of the information sent to you by mail. Upon receipt of your request, we will contact you within 30 business days to arrange providing you with access in person or the copies that you have requested.

To obtain access to your information from the Underwriter: You should submit your written request including the specified information to the address stated above. The request should include the same information mentioned above for requests to NNTC. The request will be forwarded to the Underwriter which insured your transaction

To correct, amend, or delete any of your information: You should submit a request in writing to the address referenced directly above. The request should include your name, address, policy number, telephone number, the specific information in dispute, and the identity of the document or record that contains the disputed information. Upon receipt of your request, we will contact you within 30 business days to notify you either that we have made the correction, amendment or deletion, or that we refuse to do so and the reasons for the refusal which you will have an opportunity to challenge.

IV. Our practices regarding information confidentiality and security:

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

V. Our policy regarding dispute resolution:

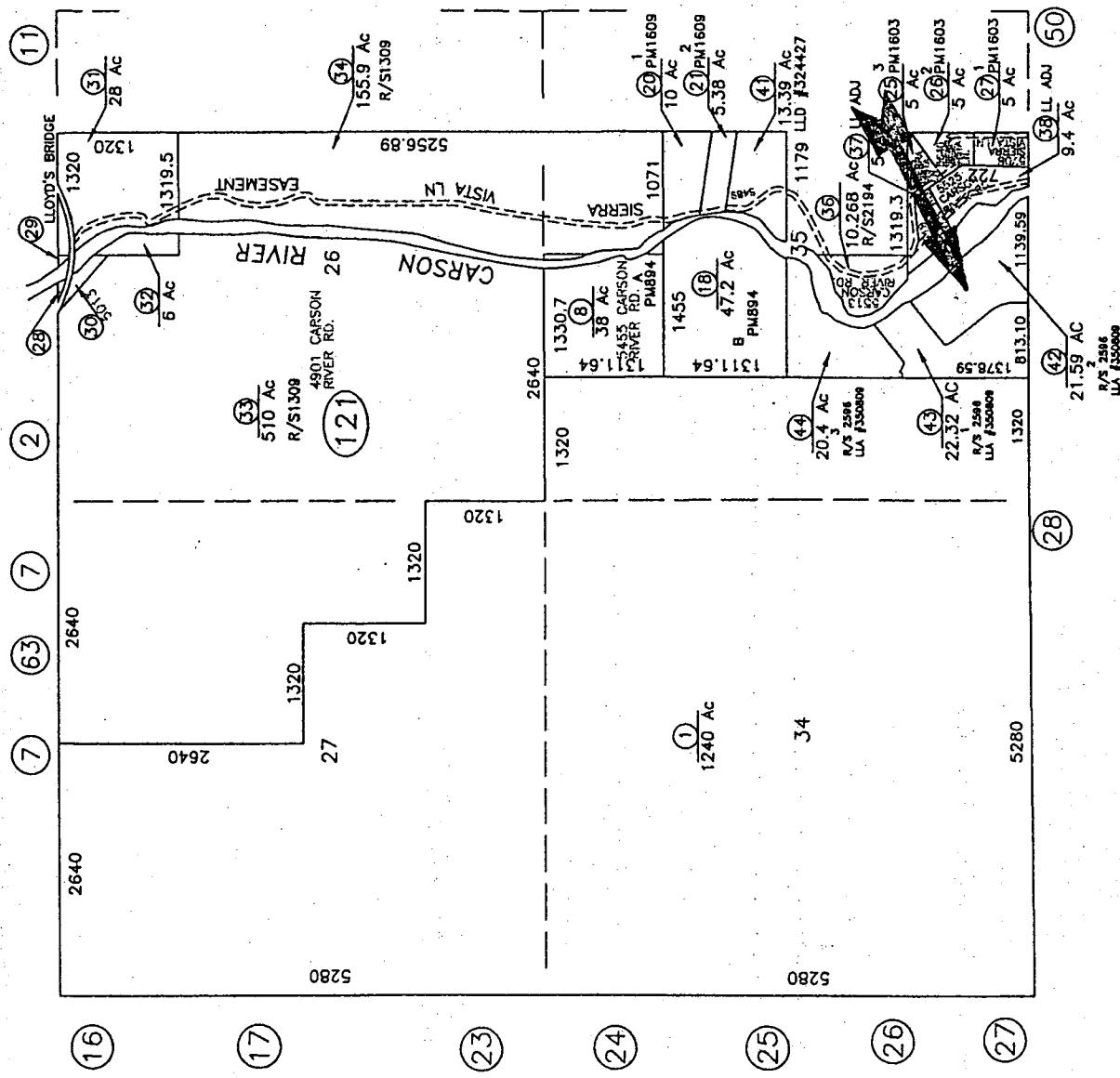
Any controversy or claim arising out of or relating to our privacy policy, or the breach thereof, shall be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

VI. Reservation of the right to disclose information in unforeseen circumstances:

In connection with the potential sale or transfer of its interests, Northern Nevada Title Company, its Underwriters and their respective affiliates reserve the right to sell or transfer your information (including but not limited to your address, name, age, sex, zip code, state and country of residency and other information that you provide through other communications) to a third party entity that (1) concentrates its business in a similar practice or service; (2) agrees to be a successor in interest of Northern Nevada Title Company or the Underwriter with regard to the maintenance and protection of the information collected; and (3) agrees to the obligations of this privacy statement.

10-12

*PORTION T.15 N., R.20 E.,
M.D.B. & M.*



NOTE
SOME PARCELS DELINEATED HEREON MAY NOT
BE PRESENTED IN TRUE SIZE, SHAPE, OR LOCATION
DUE TO DISCREPANCIES BETWEEN LOT LINES.
CARSON CITY, NEVADA
THIS IS PREPARED FOR THE USE OF THE CARSON CITY
ASSESSOR FOR ASSESSMENT AND ILLUSTRATIVE PURPOSES
ONLY. IT DOES NOT REPRESENT A SURVEY. NO LIABILITY
IS ASSUMED AND NO WARRANTY IS MADE AS TO THE
ACCURACY OF THE INFORMATION OR ACCURACY OF THE
LOT LINES. THE ASSESSOR IS NOT RESPONSIBLE FOR ANY
CHANGES MADE TO THE PROPERTY LINE OR LOT LINES.
ASSESSOR
TREASURER
TREASURER/ASSESSOR
TREASURER/ASSESSOR
TREASURER/ASSESSOR

NOT
SO
BE
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DATE
MAP
WILL

Northern Nevada Title Company does not represent this plat as a survey of the land indicated hereon, although believed correct, no liability is assumed as to the accuracy thereof.

Committed the disclaimer

Northern Nevada Title Company does not represent this
plat as a survey of the land indicated hereon, although
believed correct, no liability is assumed as to the
accuracy thereof.

PRELIMINARY REPORT

Northern Nevada Title Company

512 N. Division Street
Carson City, NV 89703-4103
(775)-883-7513 FAX (775)-887-5065

To: Carson City Parks & Recreation
Attn: Juan Guzman

Escrow No. CC-1060748-TO
Title No. 1060748

Your No.

Property Address
None Available
Carson City, NV 89701

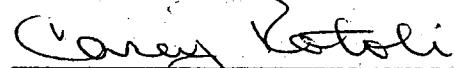
Assessor's Parcel Number
010-121-43

In response to the above referenced application for a policy of title insurance, Northern Nevada Title Company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulation of said Policy forms.

The printed Exceptions and Exclusions from the coverage of said Policy or Policies are available from the office which issued this report. Copies of the Policy forms should be read.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated: November 16, 2006 at 7:30 A.M.


Carey Rotoli, Title Officer

The form of policy of title insurance contemplated by this report is: CLTA Owners

The estate or interest in the land hereinafter described or referred to covered by this report is: A fee as to Parcel 1 and an easement as to Parcel 2

Title to said estate or interest at the date hereof is vested in:

Alpenglow Development, LLC, A Nevada Limited Liability Company

The land referred to in the report is situate in the State of Nevada, County of Carson City and is described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

CC-1060748-TO
1060748

EXHIBIT "A" ATTACHED TO PRELIMINARY TITLE REPORT DATED NOVEMBER 16, 2006

EXHIBIT "A"

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

PARCEL 1:

A tract of land located in Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, Nevada, being more particularly described as follows:

Commencing at the South $\frac{1}{4}$ corner of Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, NV, Thence North $89^{\circ}59'47''$ West for a distance of 770.65 feet to a No. 5 rebar capped by PLS 5286, being the true point of beginning;

Thence North $89^{\circ}59'47''$ West for a distance of 551.47 feet to a No. 5 rebar capped by PLS 2280; Thence North $00^{\circ}06'00''$ East for a distance of 1315.77 feet to a No. 5 rebar without a cap; Thence North $89^{\circ}56'33''$ East for a distance of 549.56 feet to a No. 5 rebar capped by PLS 5286; Thence South $00^{\circ}01'00''$ West for a distance of 1316.35 feet to a No. 5 rebar capped by PLS 5286, being the true point of beginning.

Along with a tract of land located in Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, Nevada, being more particularly described as follows:

Commencing at the South $\frac{1}{4}$ corner of Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, NV, Thence North $89^{\circ}59'47''$ West for a distance of 509.02 feet to a No. 5 rebar capped by PLS 7880, being the true point of beginning; Thence North $89^{\circ}59'47''$ West for a distance of 261.63 feet to a No. 5 rebar capped by PLS 5286; Thence North $00^{\circ}01'00''$ East for a distance of 628.38 feet to a point; Thence South $38^{\circ}25'29''$ East for a distance of 255.15 feet to a No. 5 rebar capped by PLS 7880, being the beginning point of a curve to the right; Thence along a curve to the right, an arc distance of 318.55 feet, with a radius of 475.00 feet, a delta angle of $38^{\circ}25'27''$, on a chord of South $19^{\circ}12'46''$ East for a distance of 312.61 feet, to a No. 5 rebar capped by PLS 7880; Thence South $00^{\circ}00'02''$ East for a distance of 133.31 feet to a No. 5 rebar capped by PLS 7880, being the true point of beginning.

Along with a tract of land located in Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, Nevada, being more particularly described as follows:

Commencing at the South $\frac{1}{4}$ corner of Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, NV, Thence North $89^{\circ}59'47''$ West for a distance of 770.65 feet to a No. 5 rebar capped by PLS 5286; Thence North $00^{\circ}01'00''$ East for a distance of 1068.42 feet to a point, being the true point of beginning; Thence North $00^{\circ}01'00''$ East for a distance of 247.93 feet to a No. 5 rebar capped by PLS 5286; Thence North $89^{\circ}56'33''$ East for a distance of 262.67 feet (previously recorded as 6.60 feet in File #170840), to a point on the Westerly Mean High Water line of the Carson River, as verified by State Lands; Thence South $27^{\circ}07'14''$ East for a distance of 31.77 feet to a No. 5 rebar capped by PLS 7880, being a course along the Westerly Mean High Water line of the Carson River; Thence South $51^{\circ}34'31''$ West for a distance of 353.86 feet to a point, being the true point of beginning.

Continued...

EXHIBIT "A" CONTINUED

Along with a tract of land located in Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, Nevada, being more particularly described as follows:

Commencing at the South $\frac{1}{4}$ corner of Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, Nevada, Thence North 89°59'47" West for a distance of 1322.12 feet to a No. 5 rebar capped by PLS 2280; Thence North 00°06'00" East for a distance of 1315.77 feet to a No. 5 rebar with no cap, being the true point of beginning; Thence North 00°09'29" East for a distance of 62.82 feet to a No. 5 rebar capped by PLS 7880; Thence South 89°50'31" East for a distance of 49.95 feet to a No. 5 rebar capped by PLS 7880, being the beginning point of a curve to the right, where the tangent bears North 00°09'29" East; Thence along a curve to the right, an arc distance of 30.45 feet, with a radius of 60.00 feet, a delta angle of 29°04'32", on a chord of North 14°41'45" East for a distance of 30.12 feet, to a No. 5 rebar capped by PLS 7880; Thence South 60°45'59" East for a distance of 112.72 feet to a No. 5 rebar capped by PLS 7880; Thence North 51°34'31" East for a distance of 533.74 feet to a No. 5 rebar capped by PLS 7880, being a point on the Westerly Mean High Water line of the Carson River, verified by State Lands; Thence South 28°59'47" East for a distance of 156.88 feet to a point on the Mean High Water line; Thence South 38°28'59" East for a distance of 221.62 feet to a point on the Mean High Water line; Thence South 22°50'41" East for a distance of 61.81 feet to a point, being the last point on the Westerly Mean High Water line of the Carson River; Thence South 89°56'33" West for a distance of 262.67 feet (previously recorded as 6.60 feet in File #170840), to a No. 5 rebar capped by PLS 5286; Thence South 89°56'33" West for a distance of 549.56 feet to a No. 5 rebar with no cap, being the true point of beginning.

Excepting therefrom a tract of land located in Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, Nevada, being more particularly described as follows:

Commencing at the South $\frac{1}{4}$ corner of Section 35, Township 15 North, Range 20 East, M.D.B.&M., Carson City, NV, Thence North 89°59'47" West for a distance of 770.65 feet to a No. 5 rebar capped by PLS 5286; Thence North 00°01'00" East for a distance of 628.38 feet to a point, being the true point of beginning; Thence North 38°25'29" West for a distance of 262.51 feet to a No. 5 rebar capped by PLS 7880, being the beginning point of a curve to the right; Thence along a curve to the right, an arc distance of 85.50 feet, with a radius of 175.00 feet, a delta angle of 27°59'40", on a chord of North 24°25'39" West for a distance of 84.66 feet, to a No. 5 rebar capped by PLS 7880; Thence North 51°34'31" East for a distance of 253.10 feet to a point; Thence South 00°01'00" West for a distance of 440.03 feet to a point, being the true point of beginning;

Said land is further depicted as Lot 1 of that certain Record of Survey Map No. 2596 to Support a Boundary Line Adjustment for Alpenglow Development LLC, River Ranch Holdings, LTD and Mexican Dam LLC, recorded in the office of the Carson City Recorder, State of Nevada, on March 10, 2006 in Book 9 of Maps at Page 2596 as Document No. 350810, Official Records.

Note: Legal Description previously contained in Document No. 350809 recorded on March 10, 2006.

PARCEL 2:

Roadway and utility rights of way as described in Grant of Easement recorded in the office of the County Recorder of Carson City, State of Nevada, on October 1, 1984 in Book 377 at Page 233 through 244 and Page 249 through 252 as Document No.'s 30615, 30616, 30617 and 30619 and Grant of Easements recorded on May 1, 2000 as Document No's 247956 and 247957, Official Records.

Escrow No. CC-1060748-TO

NORTHERN NEVADA TITLE COMPANY
PRELIMINARY REPORT

At the date hereof exceptions to coverage, in addition to the exclusions contained in said policy form, would be as follows:

EXCEPTIONS FROM COVERAGE

The policy, with the exception of any ALTA Lenders policy, contemplated to be issued hereunder will not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

PART I

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
 Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by public records.

PART II

- 1) Taxes for the year 2006-2007, including any secured personal property taxes and any special taxes, a lien, now due and payable.

TOTAL AMOUNT:	\$346.42
FIRST INSTALLMENT:	\$88.42 Paid
SECOND INSTALLMENT:	\$86.00 Paid
THIRD INSTALLMENT:	\$86.00 Open
FOURTH INSTALLMENT:	\$86.00 Open
ASSESSORS PARCEL NO.:	010-121-43

- 2) The lien, if any, for taxes for improvements completed or in progress, but which were not shown on the tax bill for the current year.
- 3) Liens levied by the Carson City Water and Sewer District for water, sewer and storm water utilities, by reason that subject property is located within said district. To verify payments, delinquencies or liens, contact Carson City Utilities at (775) 887-2355 extension 1020.
- 4) Lack of ingress and/or egress to said land, access may be provided by the United States Department of the Interior, Bureau of Land Management over that portion of the West 1/2 of Lot 2 within the Northwest 1/4 of Section 2, Township 14 North, Range 20 East.

Continued...

Escrow No. CC-1060748-TO

NORTHERN NEVADA TITLE COMPANY
PRELIMINARY REPORT

At the date hereof exceptions to coverage, in addition to the exclusions contained in said policy form, would be as follows:

- 5) Notes, easements and recitals as set forth on Parcel Map No.'s 704 and 1035, and Record of Survey Map No.'s 894, 1306, 1307 and 2085, Lot Line Adjustment Document Nos. 170839 and 350809.
- 6) Any easement or claims of easement or rights of access based on prescription or by implied dedication to the public over said land or any part thereof, for access (or recreational purposes) to or upon the Carson River.
- 7) Any adverse claim based upon the assertion that:
 - a) "Said land or any part thereof is now, or at any time has been, below the ordinary high water mark of the Carson River."
 - b)"Some portion of said land has been created by artificial means or has accreted to such portions so created."
 - c) "Some portion of said land has been brought with the boundary thereof by an avulsive movement of the Carson River or has been formed by accretion to any such portion."
- 8) Such rights and easements for navigation and fishery which may exist over that portion of said land lying beneath the waters of Carson River.
- 9) Rights of way, easement and conditions as set forth in those certain Grants of Easements,

RECORDED: October 1, 1984
 BOOK: 377, Official Records
 PAGE: 233 thru 244 and 249 thru 252
 DOCUMENT NO.'S: 30615, 30616, 30617 and 30619

SAID MATTER AFFECTS: Portion of said land

- 10) Terms, conditions and fees as set forth in Decision for Right-of-Way Grant,

FILE CASE NO.: N-39520
 RECORDED: October 3, 1984
 BOOK: 377, Official Records
 PAGE: 368
 DOCUMENT NO.: 30685

Assignment of Right-of-Way Grant,

RECORDED: February 4, 1985
 BOOK: 386, Official Records
 PAGE: 276
 DOCUMENT NO.: 33372

Continued...

Escrow No. CC-1060748-TO

NORTHERN NEVADA TITLE COMPANY
PRELIMINARY REPORT

At the date hereof exceptions to coverage, in addition to the exclusions contained in said policy form, would be as follows:

11) Agreement, on the terms and conditions contained therein.

PURPOSE: Road Maintenance Agreement
 EXECUTED BY: William L. Desormier, Eli H. Keeran, Jack
 Foerschler and John J. Stein
 RECORDED: March 16, 1989
 DOCUMENT NO.: 82797, Official Records

12) Covenants, and agreements, as contained in Grants of Easements,

EXECUTED BY: William Desormier and Patricia L. Desormier
 RECORDED: May 1, 2000
 DOCUMENT NO.'S: 247956 and 247957

(deleting therefrom any restrictions indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin)

13) Deed of Trust, to secure an indebtedness of the amount stated therein.

ORIGINAL AMOUNT: \$285,468.00
 DATED: June 20, 2005
 RECORDED: June 20, 2005
 DOCUMENT NO.: 338323, Official Records
 TRUSTOR: Alpenglow Development, LLC, a Nevada
 Limited Liability Company
 TRUSTEE: Western Title Company, Inc.
 BENEFICIARY: Dieter Bulin and Cherisse Hollingsworth,
 husband and wife as joint tenants

SAID MATTER AFFECTS: A portion of said land

14) Deed of Trust, to secure an indebtedness of the amount stated therein.

ORIGINAL AMOUNT: \$343,282.00
 DATED: June 20, 2005
 RECORDED: June 20, 2005
 DOCUMENT NO.: 338325, Official Records
 TRUSTOR: River Ranch Holdings, Ltd., a Nevada limited
 liability company
 TRUSTEE: Western Title Company, Inc.
 BENEFICIARY: Dieter Bulin and Cherisse Hollingsworth,
 husband and wife as joint tenants

SAID MATTER AFFECTS: A portion of said land and other property

Continued...

Escrow No. CC-1060748-TO

NORTHERN NEVADA TITLE COMPANY
PRELIMINARY REPORT

At the date hereof exceptions to coverage, in addition to the exclusions contained in said policy form, would be as follows:

- 15) The requirement that the following be submitted prior to the issuance of a title policy.
 - a) Resolution authorizing this transaction.
 - b) Copies of Articles of Organization showing who can execute on behalf of the limited liability company.
- 16) "Preliminary Reports" are furnished in connection with an application for title insurance and are offers to issue a title policy subject to the stated exceptions set forth in the report. The information contained herein, while deemed reliable, does not reflect the information that would be shown in an abstract of title, and no liability is assumed nor is any assurance given as to the accuracy of the vesting, legal description or items contained in or deleted from this report.

If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

NOTE: Said property was last insured in June of 2005.

oOo

**Northern Nevada Title Company
512 N. Division Street
Carson City, NV 89703**

**Privacy Policy Notice
as of September 20, 2005**

PURPOSE OF THIS NOTICE

Northern Nevada Title Company (NNTC) and it's Underwriters share your concerns about privacy. Each Company is committed to respecting the privacy of our policyholders. Therefore, in accordance with Federal and State laws and regulations, we are providing you with this notice of how we might use the information about you which we gather in the process of issuing a policy of title insurance.

Title V of the Gramm-Leach-Bliley Act (GLBA) and the laws of the State in which you reside generally prohibit us from sharing non public personal information about you with a third party unless we provide you with this notice of our privacy policies and practices, such as the type of information that we collect about you and the categories of persons or entities to whom that information may be disclosed. In compliance with the GLBA and the laws of this State, we are providing you with this document, which notifies you of the privacy policies and practices of NNTC and it's Underwriters.

OUR PRIVACY POLICIES AND PRACTICES

I. Information we collect and sources from which we collect it:

We do not collect any nonpublic personal information about you other than the following:

Information we receive from you or from your attorney or other representatives on applications or other forms;

Information about your transactions with us, our affiliates or our Underwriters.

In addition, we may collect other non public personal information about you from individuals and companies other than those proposed for coverage.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional information will be collected about you.

II. Information we disclose to third parties:

In the course of our general business practices, we may disclose the information that we collect (as described above) about you or others without your permission to the following types of institutions for the reasons described:

To a third party such as a surveying, real estate tax research or municipal data firm if the disclosure will enable that party to perform a business, professional or insurance function for us;

To an insurance institution, agent, or credit reporting agency in order to detect or prevent criminal activity, fraud or misrepresentation in connection with an insurance transaction;

To an insurance institution, agent, or credit reporting agency for either this Company or the entity to whom we disclose the information to perform a function in connection with an insurance transaction involving you;

To an insurance regulatory authority, law enforcement, or other governmental authority in order to protect our interests in preventing or prosecuting fraud, or if we believe that you have conducted illegal activities;

To an actuarial or research organization for the purpose of conducting actuarial or research studies.

The disclosures described above are permitted by law.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH AFFILIATES OR NON-AFFILIATED THIRD PARTIES FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

III. Your right to access and amend your personal information:

You have the right to request access to the personal information that we record about you. Your right includes the right to know the source of the information and the identity of the persons, institutions or types of institutions to whom we have disclosed such information within 2 years prior to your request. Your right includes the right to view such information and copy it in person, or request that a copy of it be sent to you by mail (for which we may charge you a reasonable fee to cover our costs). Your right also includes the right to request corrections, amendments or deletions of any information in our possession. The procedures that you must follow to request access to or an amendment of your information are as follows:

To obtain access to your information from Northern Nevada Title Company: You should submit a request in writing to Northern Nevada Title Company, 512 N. Division Street, Carson City, Nevada 89703. The request should include your name, address, policy number, telephone number, and the information to which you would like access. The request should state whether you would like access in person or a copy of the information sent to you by mail. Upon receipt of your request, we will contact you within 30 business days to arrange providing you with access in person or the copies that you have requested.

To obtain access to your information from the Underwriter: You should submit your written request including the specified information to the address stated above. The request should include the same information mentioned above for requests to NNTC. The request will be forwarded to the Underwriter which insured your transaction.

To correct, amend, or delete any of your information: You should submit a request in writing to the address referenced directly above. The request should include your name, address, policy number, telephone number, the specific information in dispute, and the identity of the document or record that contains the disputed information. Upon receipt of your request, we will contact you within 30 business days to notify you either that we have made the correction, amendment or deletion, or that we refuse to do so and the reasons for the refusal which you will have an opportunity to challenge.

IV. Our practices regarding information confidentiality and security:

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

V. Our policy regarding dispute resolution:

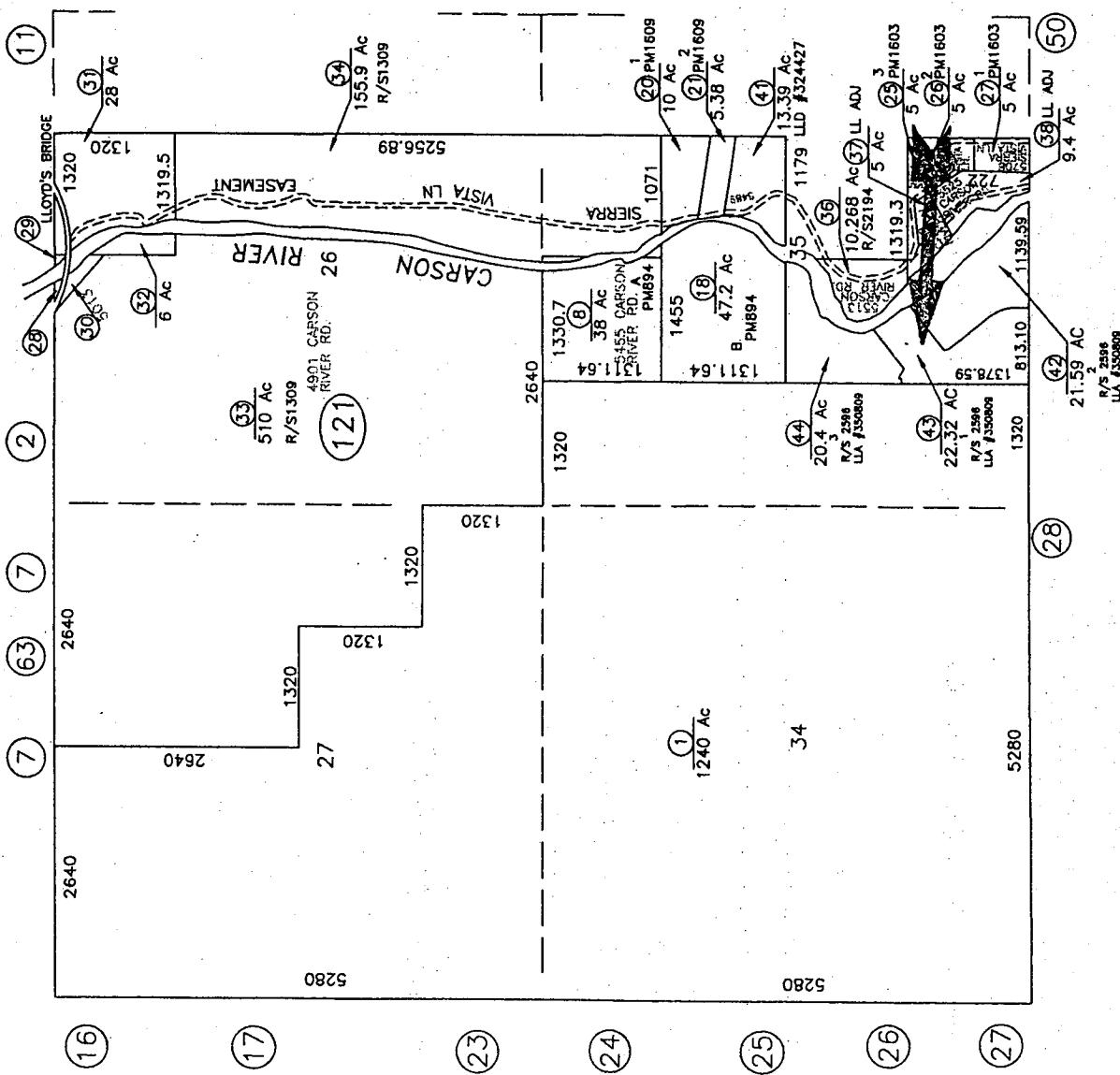
Any controversy or claim arising out of or relating to our privacy policy, or the breach thereof, shall be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

VI. Reservation of the right to disclose information in unforeseen circumstances:

In connection with the potential sale or transfer of its interests, Northern Nevada Title Company, its Underwriters and their respective affiliates reserve the right to sell or transfer your information (including but not limited to your address, name, age, sex, zip code, state and country of residency and other information that you provide through other communications) to a third party entity that (1) concentrates its business in a similar practice or service; (2) agrees to be a successor in interest of Northern Nevada Title Company or the Underwriter with regard to the maintenance and protection of the information collected; and (3) agrees to the obligations of this privacy statement.

10-12

PORTION T.15 N., R.20 E.,
M.D.B. & M.



NOTE
SOME PARCELS DELINEATED HEREON MAY NOT
BE PRESENTED IN TRUE SIZE, SHAPE OR LOCATION
DUE TO DISCREPANCIES BETWEEN LOT LINES.
CARSON CITY, NEVADA
THIS IS PREPARED FOR THE USE OF THE CARSON CITY
ASSESSOR'S OFFICE AND ILLUSTRATIVE PURPOSES
ONLY. IT IS NOT TO BE USED AS A SURVEY. NO LIABILITY
IS ASSUMED. IN THE EVENT OF A DISCREPANCY
BETWEEN THE LOT LINES AS DELINEATED HEREON, YOU CAN VIEW AND PRINT CAR-
SON CITY ASSESSOR'S LOT LINES AT
www.carsoncitynv.us/assessor

5280

Corrected the disclaimers.

Northern Nevada Title Company does not represent this plat as a survey of the land indicated hereon, although believed correct, no liability is assumed as to the accuracy thereof.

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2.5 9.10-B

BOUNDARY LINE ADJUSTMENT

DRAWN BY CONN DATE 08-09-2003
SHEET 2 OF 2
08141-1999 (MPC)

CLD SURVEYING
TITAN ENERGY & DATA
P. O. BOX 7016
CLARK, NEVADA 89016
Phone 702-867-4232
CLD SURVEYING

Northern Nevada Title Company does not represent this plat as a survey of the land indicated herein, although believed correct, no liability is assumed as to the accuracy thereof.

LYN C. NORBERG, MAI

EXHIBIT "B"
INTRODUCTORY LETTERS



Mexican Dam, LLC

January 7, 2007

Lyn C. Norberg, MAI
1761 East College Parkway, Suite 111
Carson City, Nevada 89706

RE: Appraisal of APN 10-121-44

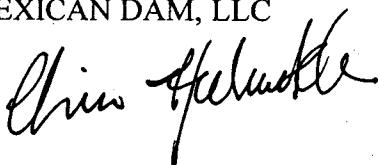
Dear Mr. Norberg:

Please consider this letter permission to enter the property as requested in your letter dated December 27, 2006. Thank you for the invitation to accompany you on the inspection of the site. We would request that you contact our representative, Mr. Mike Gilbert, who is well acquainted with the site and arrange a time to meet with him on-site. He can be reached at 775-790-0607.

Thank you for your assistance regarding this matter.

Sincerely,

MEXICAN DAM, LLC



Chris Hellwinkel, General Partner

P.O. Box 704
Minden, Nevada 89423
775.790.2802
Defcom5_us@yahoo.com

MEXICAN DAM LLC

Business Entity Information

Status:	Active	File Date:	6/10/2005 1:00:48 PM
Type:	Domestic Limited Liability Company	Corp Number:	E0367332005-0
Qualifying State:	NV	List of Officers Due:	6/30/2007
Managed By:	Managers	Expiration Date:	

Resident Agent Information

Name:	CHRIS HELLWINKEL	Address 1:	1080 CENTERVILLE LANE
Address 2:		City:	GARDNERVILLE
State:	NV	Zip Code:	89460
Phone:		Fax:	
Email:		Mailing Address 1:	
Mailing Address 2:		Mailing City:	
Mailing State:		Mailing Zip Code:	

Financial Information

No Par Share Count:	0	Capital Amount:	\$ 0
No stock records found for this company			

Officers

Include Inactive Officers

Manager - CHRIS HELLWINKEL	Address 1:	1080 CENTERVILLE LANE	Address 2:	
	City:	GARDNERVILLE	State:	NV
	Zip Code:	89460	Country:	
	Status:	Active	Email:	

Actions\Amendments

Action Type:	Articles of Organization	# of Pages:	3
Document Number:	20050225584-33	Effective Date:	
File Date: 06/10/2005			
JOB #C20050610-0873, OUT 6-13-05 VIA MEYERS COUNTER P/U, ORDER: 24-HR, LLC, 1FS, PE			
Action Type:	Initial List	# of Pages:	1
Document Number:	20050335429-83	Effective Date:	
File Date:	07/27/2005		
(No Notes for this action)			
Action Type:	Annual List	# of Pages:	1
Document Number:	20060289624-89	Effective Date:	
File Date:	05/05/2006		
(No Notes for this action)			

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ALPENGLOW DEVELOPMENT LLC

January 7, 2007

Lyn C. Norberg, MAI
1761 East College Parkway, Suite 111
Carson City, Nevada 89706

RE: Appraisal of APN 10-121-43

Dear Mr. Norberg:

Please consider this letter permission to enter the property as requested in your letter dated December 27, 2006. Thank you for the invitation to accompany you on the inspection of the site. We would request that you contact our representative, Mr. Mike Gilbert, who is well acquainted with the site and arrange a time to meet with him on-site. He can be reached at 775-790-0607.

Thank you for your assistance regarding this matter.

Sincerely,

ALPENGLOW DEVELOPMENT, LLC



Keith E. Ruben, General Partner

ALPENGLOW DEVELOPMENT LLC

Business Entity Information

Status:	Active	File Date:	6/9/2005 5:00:20 PM
Type:	Domestic Limited-Liability Company	Corp. Number:	E0364012005-9
Qualifying State:	NV	List of Officers Due:	6/30/2007
Managed By:	Managers	Expiration Date:	

Resident Agent Information

Name:	KEITH RUBEN	Address 1:	1521 MOSS CIRCLE
Address 2:		City:	GARDNERVILLE
State:	NV	Zip Code:	89410
Phone:		Fax:	
Email:		Mailing Address 1:	PO BOX 704
Mailing Address 2:		Mailing City:	GARDNERVILLE
Mailing State:	NV	Mailing Zip Code:	89423

Financial Information

No Par Share Count:	0	Capital Amount:	\$ 0
No stock records found for this company			

Officers

Include Inactive Officers

Manager - KEITH RUBEN	Address 1:	PO BOX 704	Address 2:	
	City:	MINDEN	State:	NV
	Zip Code:	89423	Country:	
	Status:	Active	Email:	

Actions\Amendments

Action Type:	Articles of Organization	# of Pages:	2
Document Number:	20050224369-03	Effective Date:	
File Date:	06/09/2005	LOBBY PU FOR KEITH RUBEN (EXPEDITE) 6-10-05 - GJJ (THIRD ENTITY - MEXICAN DAM, LLC, NOT FILABLE)	
Action Type:	Miscellaneous	# of Pages:	1
Document Number:	20050224370-35	Effective Date:	
File Date:	06/09/2005		
RESIDENT AGENT ACCEPTANCE			
Action Type:	Initial List	# of Pages:	1
Document Number:	20050335422-16	Effective Date:	
File Date:	07/27/2005	(No Notes for this action)	
Action Type:	Annual List	# of Pages:	1
Document Number:	20060290607-02	Effective Date:	
File Date:	05/04/2006	(No Notes for this action)	

January 8, 2007

Lyn C. Norberg, MAI
Appraiser/Consultant
1761 East College Parkway, Suite 111
Carson City, Nevada 89706
Ph: 775.883.6655
Fax: 775.883.8594

Re: Access to APN-10-121-42

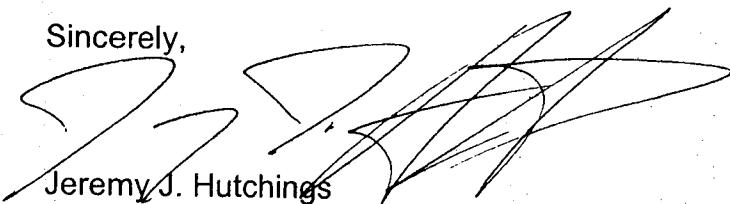
Dear Lyn:

I have been contacted by Carson City regarding the city's interest to purchase this piece of property so I am aware that the city needs to appraise the property. Please accept this letter as my permission for you to access the property for the purposes of conducting an appraisal.

Also, please be aware that Mr. Michael Gilbert (Cell: 775.790.0607) has permission to act on my behalf in matters that relate to this property. Please contact Mr. Gilbert to arrange to meet with him to discuss aspects of the property which would be pertinent to its value.

Thank you in advance for your work on this project.

Sincerely,


Jeremy J. Hutchings
River Ranch Holding

RIVER RANCH HOLDINGS, LTD.

Business Entity Information

Status:	Active	File Date:	6/9/2005 5:00:20 PM
Type:	Domestic Limited-Liability Company	Corp Number:	E0363982005-3
Qualifying State:	NV	List of Officers Due:	6/30/2007
Managed By:	Managers	Expiration Date:	

Resident Agent Information

Name:	JEREMY HUTCHINGS	Address 1:	1515 HUSSMAN
Address 2:		City:	GARDNERVILLE
State:	NV	Zip Code:	89410
Phone:		Fax:	
Email:		Mailing Address 1:	
Mailing Address 2:		Mailing City:	
Mailing State:		Mailing Zip Code:	

Financial Information

No Par Share Count:	0	Capital Amount:	\$ 0
No stock records found for this company			

Officers

Include Inactive Officers

Manager - JEREMY HUTCHINGS	Address 1:	1515 HUSSMAN	Address 2:	
	City:	GARDNERVILLE	State:	NV
	Zip Code:	89410	Country:	
Status:	Active	Email:		

Actions\Amendments

Action Type:	Articles of Organization	# of Pages:	2
Document Number:	20050224364-58	Effective Date:	
File Date: 06/09/2005			
LOBBY PU FOR KEITH RUBEN (EXPEDITE) 6-10-05 - GJJ NOTE: THIRD ENTITY - MEXICAN DAM, LLC NOT FILABLE TODAY			
Action Type:	Miscellaneous	# of Pages:	1
Document Number:	20050224365-69	Effective Date:	
File Date:	06/09/2005		
RESIDENT AGENT ACCEPTANCE			
Action Type:	Initial List	# of Pages:	1
Document Number:	20050335390-20	Effective Date:	
File Date:	07/27/2005		
(No Notes for this action)			
Action Type:	Annual List	# of Pages:	1
Document Number:	20060289892-26	Effective Date:	
File Date:	05/05/2006		
(No Notes for this action)			

LYN C. NORBERG, MAI

EXHIBIT "C"
ZONING

Carson City

condition is permitted.

3. Abandonment of Nonconforming Use. A lawful use of nonconforming land or buildings, which is operationally abandoned or discontinued for a period of 12 consecutive months or more shall not be resumed.

4. Exceptions. Nonconforming buildings which have been damaged or destroyed by natural calamity may be repaired, reconstructed, moved or altered within 1 year from the date of damage provided the repaired building is proportionate to the previous use.

5. Nonconforming Parcels. All existing legally created parcels of less square footage than required within a use district are considered legal nonconforming parcels but must meet all code requirements in that district. (Ord. 2001-23 § 2 (part), 2001).

18.04.035 Purpose of zoning districts and permitted uses.

The uses permitted in each district are those listed for such district as described in the following sections. (Ord. 2001-23 § 2 (part), 2001).

18.04.040 Single-family 5 acre (SF5A).

The purpose of the SF5A district is to provide for low-density residential units located on large lots and conveying a rural environment. These districts are consistent with the policies of the rural residential category of the master plan.

1. The primary permitted uses in the SF5A district are this list plus other uses of a similar nature:

Single-family dwelling;

Agricultural use;

Park.

2. The accessory permitted uses in the SF5A district are this list and other uses of a similar nature:

Accessory farm structure;

Accessory structure;

Animals and fowl;

Barn or stable;

Crop storage;

Farm equipment storage;

Guest building;

Home occupation;

Recreation (swimming pool, tennis court) for individual or subdivision use.

3. The conditional uses in the SF5A district which require approval of a special use permit are:

Animal shelter;

Bed and breakfast inn;

Cemetery;

Child care facility (accessory to residential use);

Church;

Commercial dog kennel within a building;

Commercial stable/riding academy;

Country club;

Golf course and driving range;

Health and fitness club;

Municipal well facility;

Nursery;

Ranch and farm hand living quarters/bunkhouses including seasonal housing;

School, K-12;

Utility substation;

Veterinary clinic;

Winery.

(Ord. 2006-4 § 10 (part), 2006: Ord. 2001-23 § 2 (part), 2001).

18.04.045 Single-family 2 Acre (SF2A), 1 Acre (SF1A) and 21,000 (SF21) residential districts purpose.

18.04.190 Residential districts intensity and dimensional standards.

All development in residential districts shall be subject to the intensity and dimensional standards set forth in the following table. These standards may be further limited or modified by other applicable sections of this code and the development standards.

Site Development Standards

Zoning Districts	Minimum Parcel Area (Acres or Square Feet)	Maximum Density	Minimum Lot Width (Feet)	Maximum Lot Depth (Feet)	Maximum Height (Feet)	Minimum Setbacks (Feet): Front	Minimum Setbacks (Feet): Side	Minimum Setbacks (Feet): Street Side	Minimum Setbacks (Feet): Rear
SF5A ⁽¹⁾	5 AC	1 per 5 AC parcel	200 ⁽⁹⁾	N/A	40*	100	50	50	50
SF2A ⁽¹⁾	2 AC	1 per 2 AC parcel	200 ⁽⁹⁾	N/A	32*	50	20	20	30
SF1A ⁽¹⁾	1 AC	1 per 1 AC	120 ⁽⁹⁾	360 ⁽⁷⁾	32*	30	15	20	30
SF21 ⁽¹⁾	21,000 SF	1 per 21,000 SF parcel	80 ⁽⁹⁾	240 ⁽⁷⁾	26*	20	10	15	20
SF12 ⁽¹⁾	12,000 SF	1 per 12,000 SF parcel	70 ⁽⁹⁾	210 ⁽⁷⁾	26*	20	10	15	20
SF6 ⁽¹⁾	6,000 SF 6,500 SF Corner	1 per 6,000 SF parcel/6,500 SF corner parcel	60 ⁽⁹⁾	180 ⁽⁷⁾ (120 cul-de-sac)	26*	20	5	10	10 ⁽³⁾
MH6 ⁽¹⁾	6,000 SF 6,500 SF Corner	1 per 6,000 SF parcel	60 ⁽⁹⁾	180 ⁽⁷⁾	26*	20	5	10	10 ⁽³⁾
MH12 ⁽¹⁾	12,000 SF	1 per 12,000 SF parcel	70 ⁽⁹⁾	210 ⁽⁷⁾	26*	20	10	15	20
MH1A ⁽¹⁾	1 AC	1 per acre	120 ⁽⁹⁾	360 ⁽⁷⁾	32*	30	15	20	30
MFD	6,000 SF	1 or 2 per 6,000 SF parcel	60 ⁽⁹⁾	150	26*	20	5 ⁽⁴⁾	10	10 ⁽³⁾
MFA ⁽⁸⁾	6,000 SF	29-36 1,200 SF of land area/1 bedroom units or studios and/or 1,500 SF of land area/2 bedroom or	60 ⁽⁹⁾	150	45*	20	10 ⁽⁴⁾⁽⁵⁾	15	20 ⁽⁵⁾

		more units								
MHP	1 AC	N/A	N/A	N/A	N/A	$10^{(6)}$	$10^{(6)}$	$10^{(6)}$	$10^{(6)}$	$10^{(6)}$
RO ⁽¹⁾	6,000 SF	7.26	60 ⁽⁹⁾	150	35*	20	$10^{(4)}$	15	20	

Additional Requirements or Allowances:

* Additional height allowed by Special Use Permit.

(1) Only 1 main building or home is allowed per 1 parcel.

(2) All portions of a structure exceeding 20 feet in height must be a minimum of 20 feet from the rear property line.

(3) All portions of a structure exceeding 20 feet in height must be a minimum of 20 feet from the rear property line.

(4) Side setback may be waived if 2 adjacent structures are connected by

LYN C. NORBERG, MAI

EXHIBIT "D"
MAP APPROVALS

ALPENGLOW DEVELOPMENT, LLC & RIVER RANCH HOLDINGS, LTD
 PARCEL MAP IMPROVEMENTS
 ENGINEER'S PRELIMINARY ESTIMATE OF PROBABLE COSTS
 R. O. ANDERSON ENGINEERING, INC.

February 8, 2007

A. SITE IMPROVEMENTS

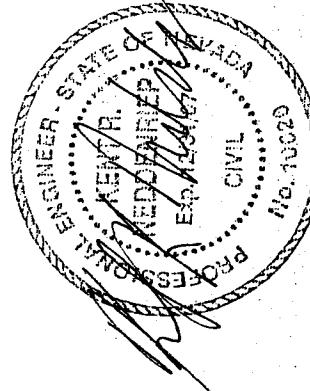
ITEM	QUANTITY	PRICE	TOTAL
1 Clear and Grubb	2 AC	\$ 3,000.00 /AC	\$ 6,000
2 Earthwork	1 LS	\$ 41,000.00 /LS	\$ 41,000
3 6" Aggregate Base Roadway	63,500 SF	\$ 0.73 /SF	\$ 46,355
4 24" culverts	3 EA	\$ 3,000.00 /EA	\$ 9,000
5 Street Sign	1 EA	\$ 350.00 /EA	\$ 350
6 Common Utility Trench	1,850 LF	\$ 24.00 /LF	\$ 44,400
7 Re-vegetation	70,000 SF	\$ 0.23 /SF	\$ 16,100
8 Erosion Control & SWPPP Compliance	1 EA	\$ 3,500.00 /EA	\$ 3,500
		SUBTOTAL FOR SITE IMPROVEMENTS \$	166,705

ENGINEERING FOR IMPROVEMENT PLANS AND INSPECTION @ 10% \$ 16,671
 SURVEY AND STAKEOUT @ 3% \$ 5,001
 PERMIT FEES @ 2.5% \$ 4,168
 TWO FINAL MAPS \$ 10,000
 POWER CONTRACT WITH SPPCO \$ 28,000
 TELEPHONE CONTRACT WITH AT&T \$ 25,000
 SUBTOTAL FOR PARCEL MAP IMPROVEMENTS \$ 255,544

CONTINGENCY @10% \$ 25,554
ENGINEER'S PRELIMINARY ESTIMATE OF PROBABLE PARCEL MAP COSTS \$ 281,099

NOTES:

Estimate is based upon the parcel map conditions of approval dated May 9, 2006 and the Site, Watershed and Grading Exhibit dated February 8, 2007 (Exhibit A).
 Estimate is for improvements required by both parcel maps but also provides the necessary improvements to enable the Mexican Dam, LLC parcel to the north, that includes 21 acres, to be split into two residential parcels.
 Power contract is based upon primary power only as home sites are expected to be greater than 300' from the roadway and SPPCO's policy for large lot subdivisions is to not provide secondary power until home sites are located. It is assumed that the home buildout will extend primary power to his preferred home site and install a transformer near the home site at a future cost per lot of approximately \$6,000.



2-8-07

**PUBLIC WORKS
DEPARTMENT**

ADMINISTRATION

3505 Butti Way
Carson City, NV 89701-3498
Ph: 775-887-2355
Fx: 775-887-2112

CONTRACTS

3505 Butti Way
Carson City, NV 89701-3498
Ph: 775-887-2355
Fx: 775-887-2112

FLEET SERVICES

3903 Butti Way, Building 2
Carson City, NV 89701-3498
Ph: 775-887-2356
Fx: 775-887-2258

OPERATIONS

(Water, Sewer, Wastewater,
Streets, Landfill, Environmental)
3505 Butti Way
Carson City, NV 89701-3498
Ph: 775-887-2355
Fx: 775-887-2112

**TRANSPORTATION/
CAPITAL PROJECTS**

3505 Butti Way
Carson City, NV 89701-3498
Ph: 775-887-2355
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**DEVELOPMENT
SERVICES**

BUILDING and SAFETY

PERMIT CENTER
2621 Northgate Lane, Suite 6
Carson City, NV 89706-1319
Ph: 775-887-2310
Fx: 775-887-2202

DEVELOPMENT ENGINEERING

2621 Northgate Lane, Suite 54
Carson City, NV 89706-1319
Ph: 775-887-2300
Fx: 775-887-2283

PLANNING

2621 Northgate Lane, Suite 62
Carson City, NV 89706-1319
Ph: 775-887-2180
Fx: 775-887-2278

CARSON CITY NEVADA
Consolidated Municipality and State Capital



NOTICE OF DECISION

DATE: May 09, 2006

PARCEL MAP NO: PM-06-067

APN: 010-121-42

PARCEL OWNER: River Ranch Holdings, Ltd

APPLICANT: Jeremy Hutchings

PARCEL MAP REVIEW COMMITTEE REVIEW DATE: May 09, 2006

SURVEYOR / ENGINEER:

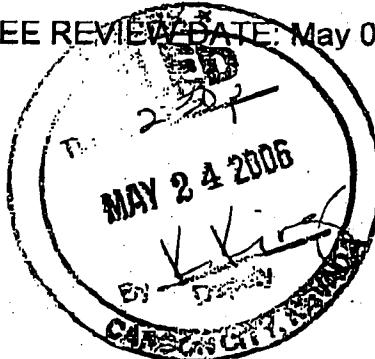
Conn Davis

CLD Surveying

P.O. Box 7316

Incline Village, NV 89452

Dear Mr. Davis:



The Carson City Parcel Map Review Committee reviewed the above noted tentative parcel map on May 09, 2006. The Planning and Community Development Department Director approved the tentative parcel map to divide the 21.59 acre parcel into four parcels, the smallest being approximately 5.22 acres, as shown on the tentative parcel map, located within the Single Family Five Acre, (SF5A) zoning district, subject to the following conditions being met prior to recording of the parcel map:

COMMUNITY DEVELOPMENT DEPARTMENT - Contact Jennifer Pruitt, AICP.

1. The final parcel map shall be in substantial compliance with the tentative map, except as modified by these conditions of approval.
2. The following notes shall be placed on the map in addition to the notes shown on the tentative map and any notes required by other departments:

The 50 foot private access/public utility easement shall not be blocked or fenced in any manner.

Setbacks shall be measured from back of easements.(50 foot Public Utility, Private Access & private Drainage Easement),(50 foot easement & ROW) and (25 foot easement & ROW).

There are no wells, septic or structures on site.

Notice of Decision
PM-08-087
River Ranch Holdings Ltd.
Page 2

Master Plan Designation of Rural Residential (RR)

3. The applicant shall submit a disk with the final map in digital format with the final parcel map.
4. The applicant shall submit proof of taxes being paid in full for the entire fiscal year with the final parcel map.
5. If a second final review is required by staff due to an incomplete final map submittal, Carson City will hire a private surveying firm to review the corrected map and note corrections for staff. The applicant will be responsible for any consulting surveying firm's review fees incurred.
6. This tentative parcel map approval shall expire on May 09, 2008 , if a final parcel map is not recorded by that date pursuant to Carson City Municipal Code Section 17.03.030. A single one-year extension may be granted by the Community Development Director prior to the expiration of the tentative map.
7. Any further subdivision of the subject parcels may require a Tentative Subdivision Map in compliance with ordinance 1987-25.

ENGINEERING AND UTILITIES - Contact Tom Grundy,

1. The applicant shall meet all requirements (see attached letter).

FIRE DEPARTMENT - Contact Bruce Van Cleemput

1. The applicant shall meet all requirements (see attached letter).

PARKS & RECREATION DEPARTMENT - Contact Vern Krahm

1. The applicant shall meet all requirements.

This is the final decision regarding your tentative parcel map application. Should you wish to appeal any portion of this decision, you may do so by filing an Appeal with the Planning and Community Development Department within 10 days from the date of this letter. Should an extension of the tentative map approval beyond two years be considered, the Director reserves the right to attach further conditions of approval.

Notice of Decision

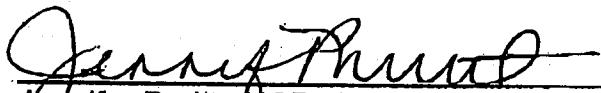
PM-06-067

River Ranch Holdings Ltd.

Page 3

Sincerely,

PLANNING AND COMMUNITY DEVELOPMENT DIVISION
Walter A. Sullivan, Director


Jennifer Pruitt
Jennifer Pruitt, AICP, Senior Planner
Parcel Map Review Committee Coordinator

ATTACHMENTS

Engineering Department comments
Fire Department comments
Building Department comments
Health Department comments
AT+T comments
SPPCO handout
sign in sheet

cc: Owner
Fire Department (Bruce Van Cleempur)
Engineering and Utilities Division (Tom Grundy)
Utilities Operations Manager (Tom Hoffert)
Tickler File

**PUBLIC WORKS
DEPARTMENT**

ADMINISTRATION
3505 Butti Way
Carson City, NV 89701-3498
Ph: 775-887-2355
Fx: 775-887-2112

CONTRACTS
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Carson City, NV 89701-3498
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FLEET SERVICES
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Carson City, NV 89701-3498
Ph: 775-887-2356
Fx: 775-887-2258

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(Water, Sewer, Wastewater,
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**TRANSPORTATION/
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**DEVELOPMENT
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Carson City, NV 89706-1319
Ph: 775-887-2300
Fx: 775-887-2283

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2621 Northgate Lane, Suite 62
Carson City, NV 89706-1319
Ph: 775-887-2180
Fx: 775-887-2278

CARSON CITY NEVADA
Consolidated Municipality and State Capital



May 12, 2006

Conn Davis, P.L.S.
CLD Surveying
PO Box 7316
Incline Village, NV 89452

RECEIVED

MAY 12 2006

CARSON CITY
COMMUNITY DEVELOPMENT

SUBJECT: Tentative Parcel Map for River Ranch Holdings, LTD
Parcel Map #06-067 APN 010-121-42, Golden Eagle Lane

Dear Conn:

Carson City Development Engineering has reviewed the submittal of the subject tentative parcel maps.

The following requirements and comments are provided for your use in determining if parcels can meet the code requirements and to assist in preparation of the final submittal for this parcel map.

Please note that Development Engineering is responsible for reviewing the final onsite and offsite improvement plans and for coordinating with other departments involved in the review process to ensure that these plans contain all appropriate requirements of the Development Engineering, Utility Operations, Street Operations, and the Regional Transportation Commission.

Engineering:

1. An engineering check will be completed by Development Engineering. Items of concern and/or needing correction found through the checking process must be resolved to City standards.
2. Show all geologic hazards, existing structures, existing and proposed drainage courses, utility easements, road rights-of-way and/or access easements, earthquake faults, required fault setbacks, *Flood zone designations* etc. on the parcel map(s) to be recorded. Increased or more concentrated drainage shall not be permitted to flow onto the property of others unless appropriate easements and drainage facilities exist.

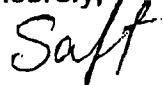
3. *Prior to map submittal for recordation, provide an engineering study for the parcel map area that establishes a setback where no encroachment of any new development will be allowed that would increase the water surface elevation of the base flood plus one foot (1'). This setback area shall coincide with the floodway of the river.(CCMC 12.09)*
4. *Per CCDS 12.4 at least two means of ingress and egress to City standards are required to serve a subdivision or development. A single cul-de-sac subdivision may be approved with only one means of access and egress. An emergency access easement or fire access easement is not a secondary means of access unless approved by the City Engineer.*
5. *Per CCMC 11.12.085 no residential construction will be permitted on any parcel of land not served, by an accessway of at least twenty-five feet (25') in width with an all-weather surface at least twenty feet (20') in width where the accessway serves fewer than five (5) parcels. If the accessway serves five (5) or more parcels, then the accessway must be at least fifty feet (50') in width with a paved section of at least twenty-six feet (26') in width.*
6. *To verify compliance with CCDS 12.11.1 please provide to engineering department complete information regarding proposed accessways, including proposed road slopes and cross sections.*
7. **Please separate Basis of Bearing and Notes and add Standard General Notes:**
 - *A Public Utility Easement is hereby granted within each parcel for the exclusive purpose of installing and maintaining utility service to that parcel and the right to exit that parcel with said utility facilities for the purpose of serving adjacent parcels at location mutually agreed upon by the owner of record at the time of and the utility company.*
 - *There are no wells, septic systems, or structures located on the property on the date of the survey.*
 - *No obstructions will be allowed within the Floodway.*
8. *Unless otherwise agreed to in a fully executed development agreement, all required improvements must be constructed or bonded at 150% of the estimated cost of construction per approved improvement plans, and unless otherwise provided in such agreement, the improvements appurtenant to this project must be completed within eighteen months following the approval of the improvement plans. In addition to providing adequate financial assurance, an improvement agreement must be signed by the applicant and approved by the Board of Supervisors prior to the recordation of the parcel map.*

Utilities:

1. PUE's (10 foot minimum width frontage) are required adjacent to all existing or proposed property lines.
2. Improvement plans shall comply with the requirements of the Development Standards, and the Standard Details and Specifications for Public Works Construction as adopted by Carson City. The applicant shall construct the required improvements or provide adequate financial assurance to Carson City prior to recording the parcel map.
3. Plans, reports and calculations must be signed and sealed by a civil engineer licensed in Nevada per State of Nevada Guidelines. Plans must be on 24" x 36" sheets with profiles and include a cover sheet and utility index sheet showing all water mains, valves, hydrants, manholes, etc.
4. The use of potable water during construction for dust control will not be allowed; reclaimed water is available. The use of potable water will be made available when the use of reclaimed water is not allowed due to environmental or health reasons. A no fee permit for reclaimed water use is available seven (7) days a week (except holidays) at the Wastewater Reclamation Plant, 3320 East Fifth Street, 887-2360. Please note that the use of reclaimed water without a valid permit is subject to substantial penalties.
5. The applicant shall provide the Utilities Department with a copy of the Utility Index Map on disk (DWG or DXF format) prior to signing the final map.

All of the above items must be resolved, bonded, or provided for in some acceptable manner prior to recording the subject parcel map, or issuing building permits on any parcel created by this map. THESE REQUIREMENTS ARE NOT IN LIEU OF APPLICABLE STATE LAWS OR LOCAL POLICIES OR ORDINANCES. If you have any questions regarding the above requirements, please contact me as soon as possible, so as not to miss the 10 day deadline for appealing conditions still unresolved.

Sincerely,



Natallia Saparava
Engineering Technician
Carson City Engineering Division
(775) 887-2305 x 1205

MEMORANDUM

DATE: April 26, 2006

TO: Planning and Community Development
Jennifer Pruitt
River Ranch Holdings, Ltd.
1515 Hussman Ave.
Gardnerville, NV 89410

FROM: Bruce Van Cleemput Assistant Chief/Fire Marshal

SUBJECT: PM-06-067 APN 10-121-42 update

We have reviewed the aforementioned project and have the following comments:

We have reviewed the aforementioned project and have the following comments:

- This project shall meet codes and ordinances pertinent to the building type and occupancy classification.
- Specific Issues:
 - * water to meet fire flow.
 - * Provide a secondary access/egress to avoid a dead end cul de sac.
 - * All weather road surface to meet engineering specifications.
 - * Comply with CCMC Title 14 requirements.

Note: Prior to any combustible construction provide the all weather surface roadway and required water for fire flow needs.

This is not a comprehensive review and is intended for information only. If you need additional assistance, please contact our office.



CARSON CITY, NEVADA

CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

MEMO TO: Parcel Map Review Committee
Heidi Eskew-Herrmann, Assistant Planner, Carson City

FROM: Teresa Hayes, Environmental Health Specialist

DATE: May 4, 2006

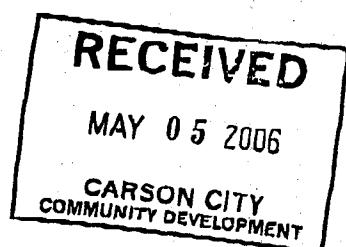
SUBJECT: PM 06-066 & PM 06-067
Location: Golden Eagle Lane
APN: 010-121-43 & 010-121-42
Owner/Applicant: Alpenglow Development, LLC
Brief Description of Project: Subdivision

Due to the proximity of these lots to the Carson River percolation tests will have to be performed to determine the suitability of these lots for building.

Although high ground water does not preclude building, the topography of these parcels in conjunction with high ground water may limit the development of these parcels. Percolations test during the planning stages of this project may help determine if these parcels meet the setback requirements for individual septic disposal systems.

Thank you

Teresa Hayes
Environmental Health Specialist
Carson City Health Department
3303 Butti Way Bldg #1
Carson City, Nevada, 89701
775.887.2190 ext 1316



HEALTH DEPARTMENT

3303 BUTTI WAY, BUILDING #1 • CARSON CITY, NEVADA 89701

Consumer Health
(775) 887-2190
Fax: (775) 887-2248

Code Enforcement
(775) 887-2190
Fax: (775) 887-2248

Human Services
(775) 887-2110
Fax: (775) 887-2248

Animal Services
3770 Butti Way
(775) 887-2171
Fax: (775) 887-2128



AT&T Nevada
645 E. Plumb Ln., Rm. C259
P.O. Box 11010
Reno, NV 89520

F: 775.333.4750

RECEIV.
APR 26 2005
CARSON CITY
COMMUNITY DEVELOPMENT

April 25, 2006

Walter Sullivan, Planning Division Director
Carson City Parcel Map Review Committee
2621 Northgate Ln., Suite #62
Carson City, NV 89706

Subject: Parcel map #PM-06-067
River Ranch Holdings, Ltd.

Dear Mr. Sullivan:

Please change our name on the signature page from SBC Nevada to Nevada Bell Telephone Company d/b/a AT&T Nevada. We also require a 5 foot wide PUE coincident with the side and rear lot lines. If these changes are made we will sign the map when it is brought to us for signature.

Sincerely

Mike L. Kinkel
Right of Way Manager

TOTAL P.10

**PUBLIC WORKS
DEPARTMENT**

ADMINISTRATION
3505 Butti Way
Carson City, NV 89701-3498
Ph: 775-887-2355
Fx: 775-887-2112

CONTRACTS
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Carson City, NV 89701-3498
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FLEET SERVICES
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Carson City, NV 89701-3498
Ph: 775-887-2356
Fx: 775-887-2258

OPERATIONS
(Water, Sewer, Wastewater,
Streets, Landfill, Environmental)
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Fx: 775-887-2112

**TRANSPORTATION/
CAPITAL PROJECTS**
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Carson City, NV 89706-1319
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DEVELOPMENT ENGINEERING
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Carson City, NV 89706-1319
Ph: 775-887-2300
Fx: 775-887-2283

PLANNING
2621 Northgate Lane, Suite 62
Carson City, NV 89706-1319
Ph: 775-887-2180
Fx: 775-887-2278

CARSON CITY NEVADA
Consolidated Municipality and State Capital



NOTICE OF DECISION

DATE: May 09, 2006

PARCEL MAP NO: PM-06-066

APN: 010-121-43

PARCEL OWNER: Alpenglow Development, LLC

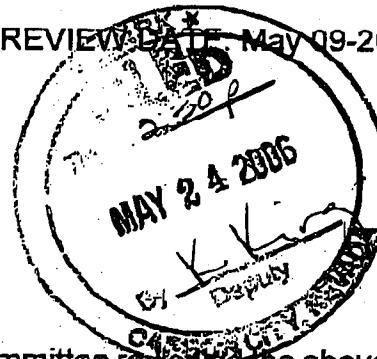
APPLICANT: Keith Ruben

PARCEL MAP REVIEW COMMITTEE REVIEW DATE: May 09-2006

SURVEYOR / ENGINEER:

Keith Ruben
P.O. Box 704
Minden, NV 897423

Dear Mr. Ruben :



The Carson City Parcel Map Review Committee reviewed the above noted tentative parcel map on May 09, 2006. The Planning and Community Development Department Director approved the tentative parcel map to divide the 20.05 -acre parcel into four parcels, the smallest being approximately 5.0 acres, as shown on the tentative parcel map, located within the Single Family Five Acres (SF5A) zoning district, subject to the following conditions being met prior to recording of the parcel map:

COMMUNITY DEVELOPMENT DEPARTMENT - Contact Jennifer Pruitt, AICP.

1. The final parcel map shall be in substantial compliance with the tentative map, except as modified by these conditions of approval.
2. The following notes shall be placed on the map in addition to the notes shown on the tentative map and any notes required by other departments:

The 50 foot private access/public utility easement shall not be blocked or fenced in any manner.

Setbacks shall be measured from back of easements.(50 foot Public Utility, Private Access & Private Drainage Easement) and (50 foot easement & ROW)

There are no wells, septic or structures on site.

Notice of Decision
PM-06-066
Alpenglow development, LLC
Page 2

Master Plan Designation of Rural Residential (RR)

3. The applicant shall submit a disk with the final map in digital format with the final parcel map.
4. The applicant shall submit proof of taxes being paid in full for the entire fiscal year with the final parcel map.
5. If a second final review is required by staff due to an incomplete final map submittal, Carson City will hire a private surveying firm to review the corrected map and note corrections for staff. The applicant will be responsible for any consulting surveying firm's review fees incurred.
6. This tentative parcel map approval shall expire on May 09, 2008, if a final parcel map is not recorded by that date pursuant to Carson City Municipal Code Section 17.03.030. A single one-year extension may be granted by the Community Development Director prior to the expiration of the tentative map.
7. Any further subdivision of the subject parcels may require a Tentative Subdivision Map in compliance with ordinance 1987-25.
8. Please show the flood way and flood zone on the plat.
9. Please show possible building envelopes on the proposed parcels.

ENGINEERING AND UTILITIES - Contact Tom Grundy,

1. The applicant shall meet all requirements (see attached letter).

FIRE DEPARTMENT - Contact Bruce Van Cleemput

1. The applicant shall meet all requirements (see attached letter).

PARKS & RECREATION DEPARTMENT - Contact Vern Krahm

1. The applicant shall meet all requirements.

Notice of Decision
PM-08-086

Alpenglow development, LLC
Page 3

This is the final decision regarding your tentative parcel map application. Should you wish to appeal any portion of this decision, you may do so by filing an Appeal with the Planning and Community Development Department within 10 days from the date of this letter. Should an extension of the tentative map approval beyond two years be considered, the Director reserves the right to attach further conditions of approval.

Sincerely,

PLANNING AND COMMUNITY DEVELOPMENT DIVISION

Walter A. Sullivan, Director



Jennifer Pruitt, AICP, Senior Planner
Parcel Map Review Committee Coordinator

ATTACHMENTS

- Engineering Department comments
- Fire Department comments
- Building Department comments
- Health Department comments
- AT+T comments
- SPPCO handout
- sign in sheet

cc: Fire Department (Bruce Van Cleemput)
Engineering and Utilities Division (Tom Grundy)
Utilities Operations Manager (Tom Hoffert)
Tickler File

MEMORANDUM

DATE: May 9, 2006

TO: Planning and Community Development
Jennifer Pruitt
Alpenglow Development
POB 704
Minden, NV 89423

FROM: Bruce Van Cleemput Assistant Chief/Fire Marshal

SUBJECT: PM-06-066 update

We have reviewed the aforementioned project and have the following comments:

- This project shall meet codes and ordinances pertinent to the building type and occupancy classification.
- Specific Issues:
 - * water to meet fire flow.
 - * Provide a secondary access/egress to avoid a dead end cul de sac.
 - * All weather road surface to meet engineering specifications.
 - * Comply with CCMC Title 14 requirements.

Note: Prior to any combustible construction provide the all weather surface roadway and required water for fire flow needs.

This is not a comprehensive review and is intended for information only. If you need additional assistance, please contact our office.

**PUBLIC WORKS
DEPARTMENT**

ADMINISTRATION

3505 Butt Way
Carson City, NV 89701-3498
Ph: 775-887-2355
Fx: 775-887-2112

CONTRACTS

3505 Butt Way
Carson City, NV 89701-3498
Ph: 775-887-2355
Fx: 775-887-2112

FLEET SERVICES

3303 Butt Way, Building 2
Carson City, NV 89701-3498
Ph: 775-887-2356
Fx: 775-887-2258

OPERATIONS

(Water, Sewer, Wastewater,
Streets, Landfill, Environmental)
3505 Butt Way
Carson City, NV 89701-3498
Ph: 775-887-2355
Fx: 775-887-2112

**TRANSPORTATION/
CAPITAL PROJECTS**

3505 Butt Way
Carson City, NV 89701-3498
Ph: 775-887-2355
Fx: 775-887-2112

**DEVELOPMENT
SERVICES**

**BUILDING and SAFETY
PERMIT CENTER**

2621 Northgate Lane, Suite 6

Carson City, NV 89706-1319

Ph: 775-887-2310

Fx: 775-887-2202

DEVELOPMENT ENGINEERING

2621 Northgate Lane, Suite 54
Carson City, NV 89706-1319
Ph: 775-887-2300
Fx: 775-887-2283

PLANNING

2621 Northgate Lane, Suite 62
Carson City, NV 89706-1319
Ph: 775-887-2100
Fx: 775-887-2278

CARSON CITY NEVADA
Consolidated Municipality and State Capital



May 12, 2006

Conn Davis, P.L.S.
CLD Surveying
PO Box 7316
Incline Village, NV 89452

RECEIVED

MAY 12 2006

CARSON CITY
COMMUNITY DEVELOPMENT

SUBJECT: Tentative Parcel Map for Alpenglow Development, LLC
Parcel Map #06-066 APN 010-121-43, Golden Eagle Lane

Dear Conn:

Carson City Development Engineering has reviewed the submittal of the subject tentative parcel maps.

The following requirements and comments are provided for your use in determining if parcels can meet the code requirements and to assist in preparation of the final submittal for this parcel map.

Please note that Development Engineering is responsible for reviewing the final onsite and offsite improvement plans and for coordinating with other departments involved in the review process to ensure that these plans contain all appropriate requirements of the Development Engineering, Utility Operations, Street Operations, and the Regional Transportation Commission.

Engineering:

1. An engineering check will be completed by Development Engineering. Items of concern and/or needing correction found through the checking process must be resolved to City standards.
2. Show all geologic hazards, existing structures, existing and proposed drainage courses, utility easements, road rights-of-way and/or access easements, earthquake faults, required fault setbacks, *Flood zone designations* etc. on the parcel map(s) to be recorded. Increased or more concentrated drainage shall not be permitted to flow onto the property of others unless appropriate easements and drainage facilities exist.

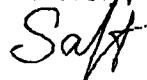
3. *Prior to map submittal for recordation, provide an engineering study for the parcel map area that establishes a setback where no encroachment of any new development will be allowed that would increase the water surface elevation of the base flood plus one foot (1'). This setback area shall coincide with the floodway of the river. (CCMC 12.09)*
4. *Per CCDS 12.4 at least two means of ingress and egress to City standards are required to serve a subdivision or development. A single cul-de-sac subdivision may be approved with only one means of access and egress. An emergency access easement or fire access easement is not a secondary means of access unless approved by the City Engineer.*
5. *Per CCMC 11.12.085 no residential construction will be permitted on any parcel of land not served, by an accessway of at least twenty-five feet (25') in width with an all-weather surface at least twenty feet (20') in width where the accessway serves fewer than five (5) parcels. If the accessway serves five (5) or more parcels, then the accessway must be at least fifty feet (50') in width with a paved section of at least twenty-six feet (26') in width.*
6. *To verify compliance with CCDS 12.11.1 please provide to engineering department complete information regarding proposed accessways, including proposed road slopes and cross sections.*
7. Please separate **Basis of Bearing** and **Notes** and add Standard General Notes:
 - *A Public Utility Easement is hereby granted within each parcel for the exclusive purpose of installing and maintaining utility service to that parcel and the right to exit that parcel with said utility facilities for the purpose of serving adjacent parcels at location mutually agreed upon by the owner of record at the time of and the utility company.*
 - *There are no wells, septic systems, or structures located on the property on the date of the survey.*
 - *No obstructions will be allowed within the Floodway.*
8. Unless otherwise agreed to in a fully executed development agreement, all required improvements must be constructed or bonded at 150% of the estimated cost of construction per approved improvement plans, and unless otherwise provided in such agreement, the improvements appurtenant to this project must be completed within eighteen months following the approval of the improvement plans. In addition to providing adequate financial assurance, an improvement agreement must be signed by the applicant and approved by the Board of Supervisors prior to the recordation of the parcel map.

Utilities:

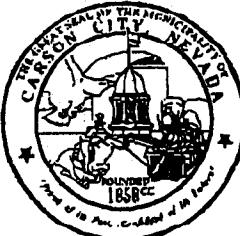
1. PUE's (10 foot minimum width frontage) are required adjacent to all existing or proposed property lines.
2. Improvement plans shall comply with the requirements of the Development Standards, and the Standard Details and Specifications for Public Works Construction as adopted by Carson City. The applicant shall construct the required improvements or provide adequate financial assurance to Carson City prior to recording the parcel map.
3. Plans, reports and calculations must be signed and sealed by a civil engineer licensed in Nevada per State of Nevada Guidelines. Plans must be on 24" x 36" sheets with profiles and include a cover sheet and utility index sheet showing all water mains, valves, hydrants, manholes, etc.
4. The use of potable water during construction for dust control will not be allowed; reclaimed water is available. The use of potable water will be made available when the use of reclaimed water is not allowed due to environmental or health reasons. A no fee permit for reclaimed water use is available seven (7) days a week (except holidays) at the Wastewater Reclamation Plant, 3320 East Fifth Street, 887-2360. Please note that the use of reclaimed water without a valid permit is subject to substantial penalties.
5. The applicant shall provide the Utilities Department with a copy of the Utility Index Map on disk (DWG or DXF format) prior to signing the final map.

All of the above items must be resolved, bonded, or provided for in some acceptable manner prior to recording the subject parcel map, or issuing building permits on any parcel created by this map. THESE REQUIREMENTS ARE NOT IN LIEU OF APPLICABLE STATE LAWS OR LOCAL POLICIES OR ORDINANCES. If you have any questions regarding the above requirements, please contact me as soon as possible, so as not to miss the 10 day deadline for appealing conditions still unresolved.

Sincerely,



Natalia Saparava
Engineering Technician
Carson City Engineering Division
(775) 887-2305 x 1205



CARSON CITY, NEVADA

CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

MEMO TO: Parcel Map Review Committee
 Heidi Eskew-Herrmann, Assistant Planner, Carson City

FROM: Teresa Hayes, Environmental Health Specialist

DATE: May 4, 2006

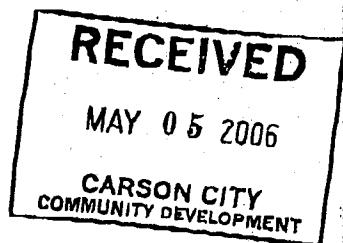
SUBJECT: PM 06-066 & PM 06-067
 Location: Golden Eagle Lane
 APN: 010-121-43 & 010-121-42
 Owner/Applicant: Alpenglow Development, LLC
 Brief Description of Project: Subdivision

Due to the proximity of these lots to the Carson River percolation tests will have to be performed to determine the suitability of these lots for building.

Although high ground water does not preclude building, the topography of these parcels in conjunction with high ground water may limit the development of these parcels. Percolations test during the planning stages of this project may help determine if these parcels meet the setback requirements for individual septic disposal systems.

Thank you:

Teresa Hayes
 Environmental Health Specialist
 Carson City Health Department
 3303 Butti Way Bldg #1
 Carson City, Nevada, 89701
 775.887.2190 ext 1316



HEALTH DEPARTMENT
 3303 BUTTI WAY, BUILDING #1 • CARSON CITY, NEVADA 89701

Consumer Health
 (775) 887-2190
 Fax: (775) 887-2248

Code Enforcement
 (775) 887-2190
 Fax: (775) 887-2248

Human Services
 (775) 887-2110
 Fax: (775) 887-2248

Animal Services
 8770 Butti Way
 (775) 887-2171
 Fax: (775) 887-2128



AT&T Nevada
645 E. Plumb Ln., Rm. C25B
P.O. Box 11010
Reno, NV 89520

F: 775.333.4750

April 25, 2006

Walter Sullivan, Planning Division Director
Carson City Parcel Map Review Committee
2621 Northgate Ln., Suite #62
Carson City, NV 89706

Subject: Parcel map #PM-06-066
Alpenglow Development, LLC

Dear Mr. Sullivan:

Please change our name on the signature page from SBC Nevada to Nevada Bell Telephone Company d/b/a AT&T Nevada. We also require a 5 foot wide PUE coincident with the side and rear lot lines. If these changes are made we will sign the map when it is brought to us for signature.

Sincerely

A handwritten signature in cursive ink that appears to read "Mike L. Kinkel".

Mike L. Kinkel
Right of Way Manager

TOTAL P.10

LYN C. NORBERG, MAI

EXHIBIT "E"
HILLSIDE CODE

Title 18 ZONING

Chapter 18.08 HILLSIDE DEVELOPMENT

18.08.005 Purpose and scope/applicability.

18.08.010 Hillside development manual.

18.08.015 Skyline area map.

18.08.020 Engineering reports, mapping, grading plans and standards required.

18.08.025 Setback variances.

18.08.030 Special use permit required.

18.08.005 Purpose and scope/applicability.

1. Purpose. The purpose of this chapter is to regulate development on hills and slopes in such a manner as to protect the public health, safety and welfare by minimizing the potential of such development to cause or contribute to landslides, erosion and sedimentation, deforestation, flooding or the aesthetic degradation of the city's natural environment. It is, therefore, the intent of Carson City to regulate development in hillside and skyline areas in order to accomplish the following:

- a. To minimize the water runoff and soil erosion problems incurred in adjustment of the terrain to meet onsite and off-site development needs;
- b. To provide for safe vehicular and pedestrian access and circulation;
- c. To ensure that the open space as shown on any development plan is consistent with the objectives of the city master plan elements;
- d. To minimize grading and cut and fill operations inconsistent with the retention of the natural character of hill areas and to shape essential grading to complement natural forms of the land;
- e. To follow an alternative approach to conventional flatland practices of development in hillside areas;
- f. To preserve significant features of hillside and skyline areas in essentially their natural state as part of a comprehensive open space system by allocating to open space and recreational use areas not suited for development as evidenced by topography, soils, geology and hydrology investigation reports; and
- g. To preserve the skyline views of the city's hill areas.

2. Scope/Applicability.

- a. Process-oriented standards are contained in this section. Design-oriented standards are contained in the development standards which is parallel in authority to this section.
- b. The provisions of this chapter apply to all development within the hillside areas or skyline areas as defined in Division 7 of the development standards, this chapter and specifically for parcels or development sites exhibiting an average fifteen (15%) percent or more slope. (Ord. 2001-23 § 2 (part), 2001).

18.08.010 Hillside development manual.

The director and city engineer shall prepare and maintain a "Hillside Development Manual," which contains technical specifications and requirements for development of parcels in areas governed by this chapter. The hillside development manual shall be adopted by resolutions of the commission and the board and shall be reviewed and revised as necessary in order to reflect the changes in technology and philosophy of development. Revisions must be proposed to the commission and approved by the board by resolution. The

hillside development manual has been incorporated into Division 7 of the development standards. (Ord. 2001-23 § 2 (part), 2001).

18.08.015 Skyline area map.

The director and city engineer shall prepare and maintain a skyline area map of those areas that are essential to the city's scenic quality and if developed without regulation would negatively effect scenic vistas. The map shall be adopted by resolutions of the commission and the board. The map shall be reviewed and revised as necessary in order to reflect the changes in technology and philosophy of development. Revisions must be proposed by the commission and approved by the board by resolution. The skyline map includes a specific reference to elevational contours. The director may consider other properties at a different elevation on a case by case basis due to unique topographical and visual conditions. (Ord. 2001-23 § 2 (part), 2001).

18.08.020 Engineering reports, mapping, grading plans and standards required.

1. Before beginning any development on a parcel in a hillside area or a skyline area, an application supplied by the city must be submitted and approved with all of the following requirements met:
 - a. A professional engineer registered in the state of Nevada must prepare and submit to the director reports on soils, geology and hydrology to be used in determining the effects of development, grading or clearing on a parcel. For the reports required by this section, the engineer may be permitted to rely on, in part, or refer to existing reports for the subject parcel which have been prepared by another professional engineer or a governmental agency including without limitation the soil conservation service, the U.S. Geological Survey, FEMA, and reports or studies prepared for the subdivision map or parcel map of which the subject parcel is a part
 - b. Topographic mapping of the site and surrounding area must be submitted to planning and community development.
 - c. A grading plan must be submitted to the director in accordance with Division 13 of the development standards.
 - d. The proposed development must comply with the standards for drainage improvements, driveways and parking, slope stabilization, revegetation, placement of utilities, buildable area standards, open space, setbacks, fire protection and maintenance of improvements as contained in the manual.
2. Before a certificate of occupancy may be issued for any structure on a parcel covered by this section, the project engineer shall certify in writing that the improvements as built are in compliance with regulation of this chapter. (Ord. 2001-23 § 2 (part), 2001).

18.08.025 Setback variances.

Setback variances may be granted by the commission subject to the following conditions:

1. That the commission finds a justifiable hardship based on appropriate documentation submitted by the applicant that:
 - a. The land within the subject setback is more suitable for development than land outside the setback, and
 - b. Development within the subject setback more substantially advances the purposes of this chapter than development outside the setback;
2. That granting of the variance shall not result in detriment to the adjacent properties of health, safety and welfare.

Written notice of the variance application must be sent by planning and community development in the manner provided for in accordance with Title 18 (Notice). (Ord. 2001-23 § 2 (part), 2001).

18.08.030 Special use permit required.

1. Development of any portion of any parcel with an average slope of thirty-three percent (33%) or more requires compliance with this chapter and the prior issuance of a special use permit. If the property is being

developed through subdivision and a tentative subdivision map has been submitted and approved, no special use permit is required.

2. Development of skylines and hilltops as designated on the skyline area map must be carefully regulated and strongly discouraged. The applicant must explore every opportunity to construct below the skyline area. If there is no other feasible alternative, the applicant may apply for approval of a special use permit before construction may take place within a skyline designated area. Development of any portion of a parcel which is in a skyline area requires compliance with this chapter, Division 7 of the development standards and the prior issuance of a special use permit. (Ord. 2001-23 § 2 (part), 2001).

[<< previous](#) | [next >>](#)

LYN C. NORBERG, MAI

EXHIBIT "F"
WASHOE VALLEY
WATER RIGHT SALES

Washoe Valley Groundwater Right Sales
(Non-Supplemental Rights)

<u>Sale No.</u>	<u>Sale Date</u>	<u>Sale Price</u>	<u>Quantity</u>	<u>Price Per AF</u>	<u>Document Parties</u>
1	7/01	\$ 244,000	61 AF	\$ 4,000/AF	2576205 NLRC/DGD
2	5/03	\$ 30,000	3.0 AF	\$10,000/AF	2858060 Serpa/Dorr
3	2/04	\$ 42,000	5.0 AF	\$ 8,400/AF	2793340 Serpa/Clark
4	5/04	\$ 43,000	4.0 AF	\$10,750/AF	3048501 Serpa/Baker
5	6/04	\$ 43,000	4.0 AF	\$10,750/AF	3048601 Serpa/Baker
6	7/04	\$ 7,825	1.0 AF	\$ 7,825/AF	3202969 Serpa/Wilcox
7	7/04*	\$1,380,000	145.4 AF	\$ 9,491/AF	3251570 CF/USA
8	8/04	\$ 10,750	1.0 AF	\$10,750/AF	3084734 Serpa/Clark
9	9/04	\$ 18,768	2.208 AF	\$ 8,500/AF	3104274 North Valley/Warren
10	11/04	\$ 32,250	3.0 AF	\$10,750/AF	3144959 DGD/Egstrom
11	6/05	\$ 932,262	92.67 AF	\$10,060/AF	3251570 CF/Serpa

*Closed 7/05, value assigned to a groundwater rights in a multifaceted sale (i.e. the sale also included land and surface water rights).

CF - Conservation Fund

DGD - DGD Development

LYN C. NORBERG, MAI

EXHIBIT "G"
COMPARABLE SALES

Land Sale Number: 02

Location: North of Genoa on west side of Jacks Valley Road

State: NV

County: Douglas

City: Carson Valley

Type: Subdivision

Legal Description: Parcel A, Document 301550, Douglas County Records

Grantor: Madcap, Inc.

Grantee: Eagle Ridge at Genoa

Date of Sale: 2/9/2004

Document No. 402-4596

Gross Acres: 1,018.00

APN: 1419-00-002-027

Land Use: Vacant

RPTT: \$29,250.00

Access: Paved

Zoning: FR-19/RA-5

Utilities: Full

Topography: Slight to Steep

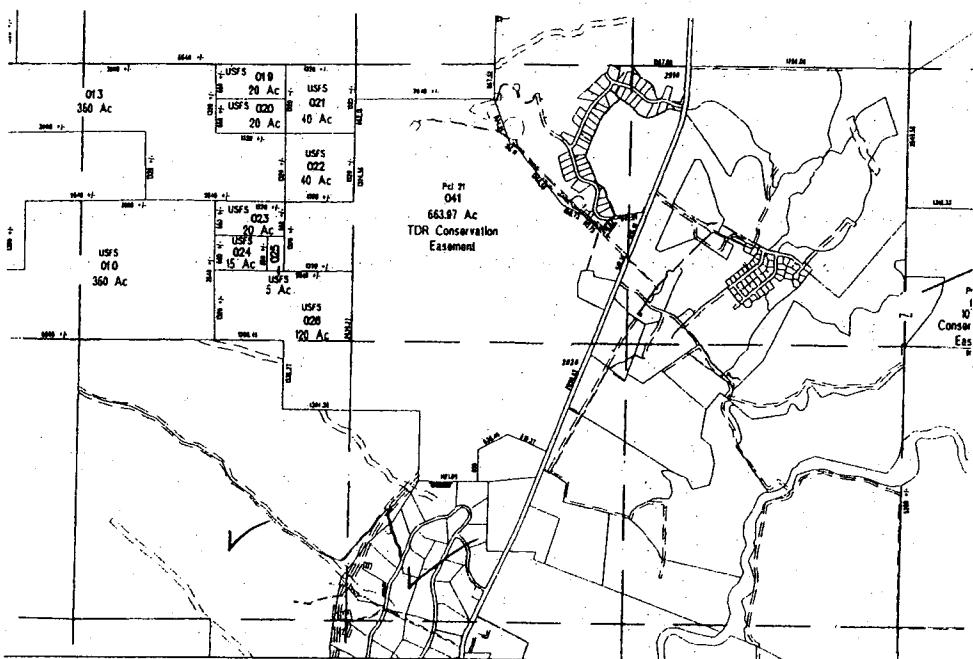
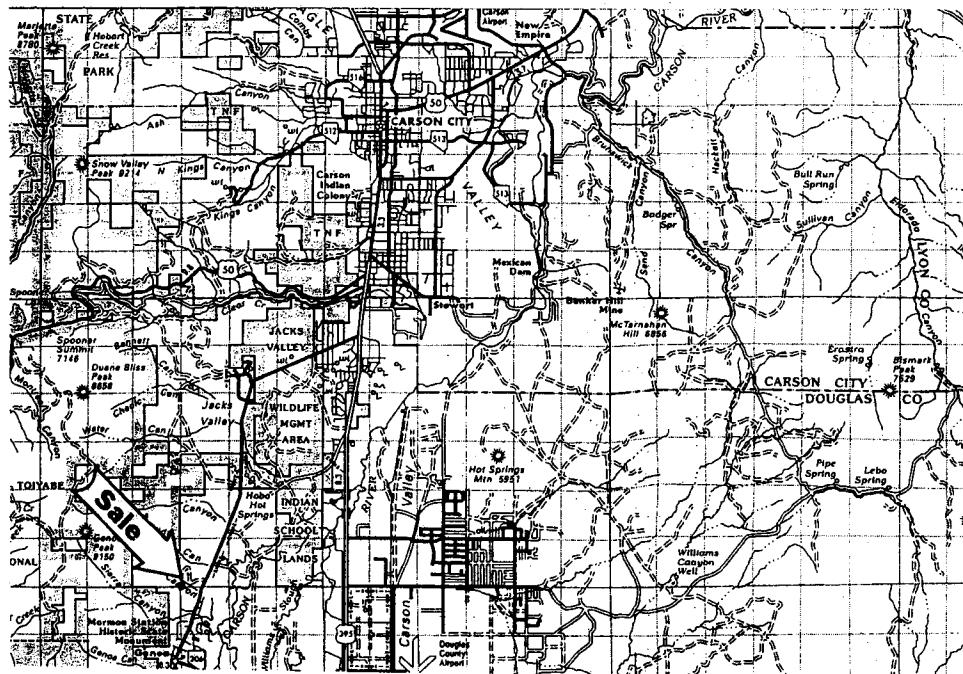
Gross Sale Price: \$7,512,500

Unit Price/Ac: \$7,380

Financing: Cash

Remarks: Zoned RA-5 (± 30 acres), and FR-19 (± 988 acres). A PUD and tentative subdivision map for 57 DU's was pending at the time of sale. Located immediately north of Genoa with $\pm 3,674'$ of frontage on the west side of Foothill Road. Has ± 157 acres of 12% or less slopes, ± 119 acres of 20% slopes, and ± 742 acres with 30% or greater slopes. Steep portion has scattered timber. \$131,798/raw lot. Prior sale on same day at \$5,425,000 was negotiated about a year earlier (without approvals).

**LYN C. NORBERG, MAI
COMP SALE**



Carson City

Land Sale Number: 13

Location: At northerly terminus of Golden Eagle Lane, in southeast portion of Carson

State: NV

County: Carson City

City: Carson

Type: Res. Subdivision

Legal Description: Refer to Deeds

Grantor: Dieter Bulin, et al.

Grantee: Mexican Dam LLC (et al.)

Date of Sale: 6/20/2005

Document No. 338326

Gross Acres: 64.31

APN: 10-121-44+

Land Use: Vacant

RPTT: \$4,773.60

Access: Graded

Zoning: SF5A

Utilities: Power & Phone

Topography: Mix

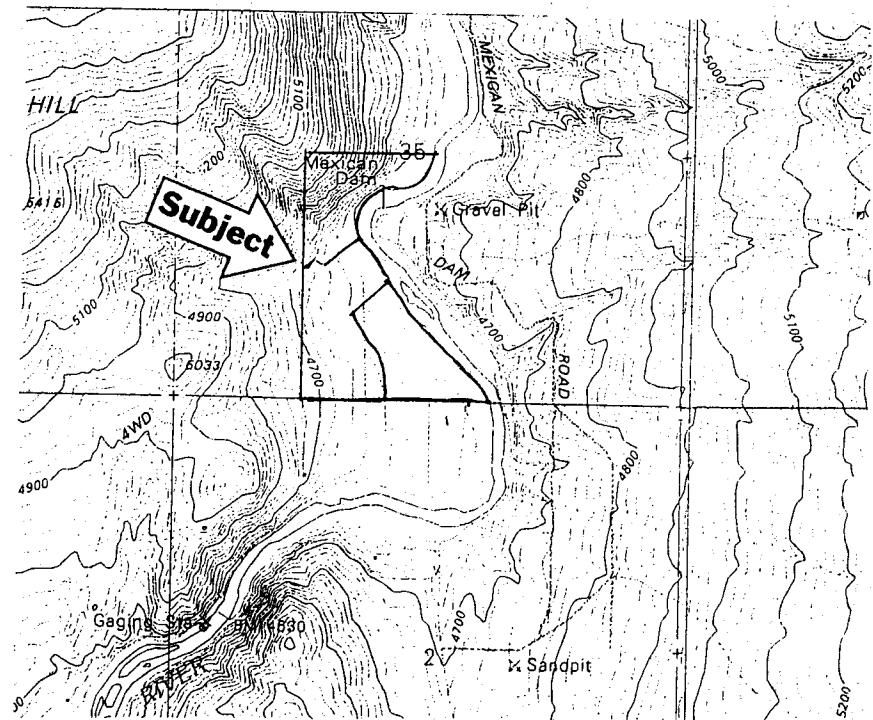
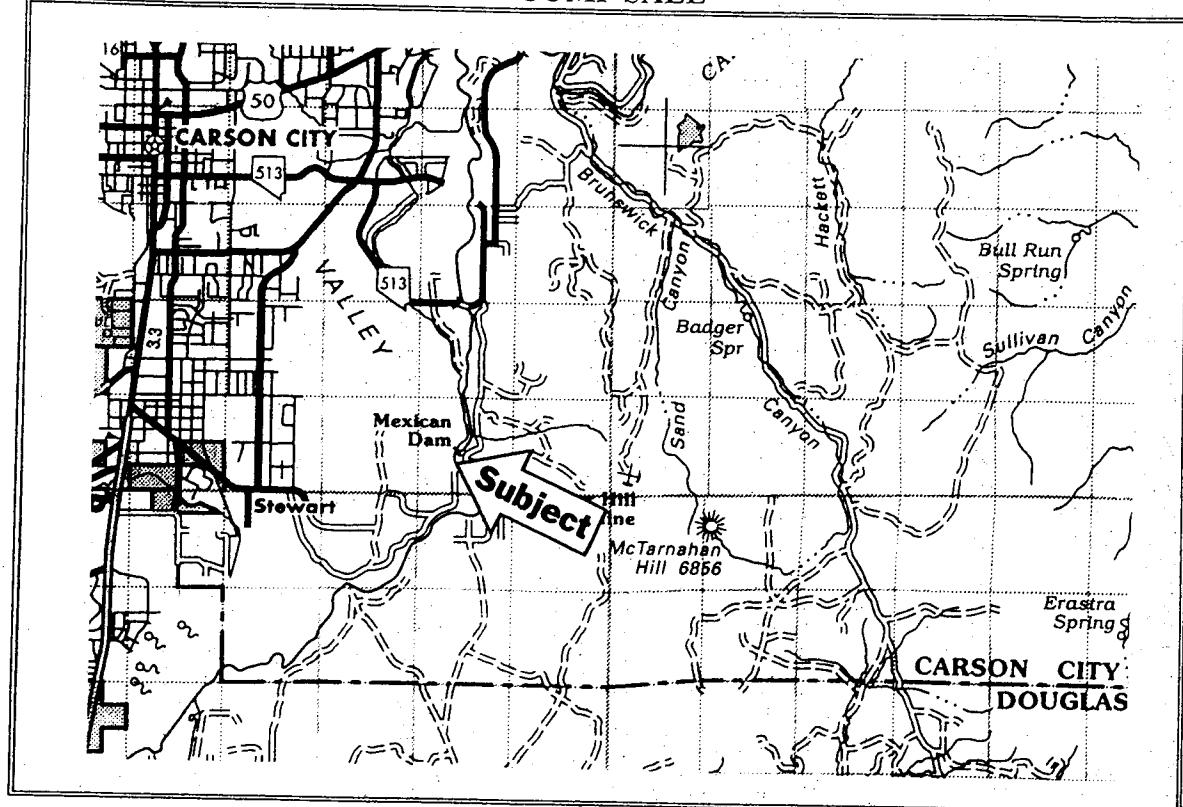
Gross Sale Price: \$1,223,750

Unit Price/Ac: \$19,029

Financing: Cash to two notes with seller that total \$628,750 (at prime plus 1.5%)

Remarks: Three separate deeds and three separate (albeit interrelated) buyers will be treated as a single sale. About 46 acres of mild terrain and 18 acres of steep terrain. Some flood plain impacts. This property has over 1/2 mile of frontage on the Carson River. Adaptable to 12 lots under zoning. Given legal and physical constraints, 9 to 10 lots is more realistic.

LYN C. NORBERG, MAI
COMP SALE



Land Sale Number: 14

Location: Hidden Lake Ranches, west side of Washoe Valley

State: NV

County: Washoe

City: Washoe Valley

Type: Suburban

Legal Description: Adjusted Parcel A4, BLA map

Grantor: RTD Realty, LLC

Document No. 3249637

Grantee: KBTE, LLC

APN: 55-081-64

Date of Sale: 7/7/2005

RPTT: \$1,689.20

Gross Acres: 20.01

Zoning: HDR

Land Use: Vacant

Topography: Level

Access: Chip seal

Unit Price/Ac: \$20,590

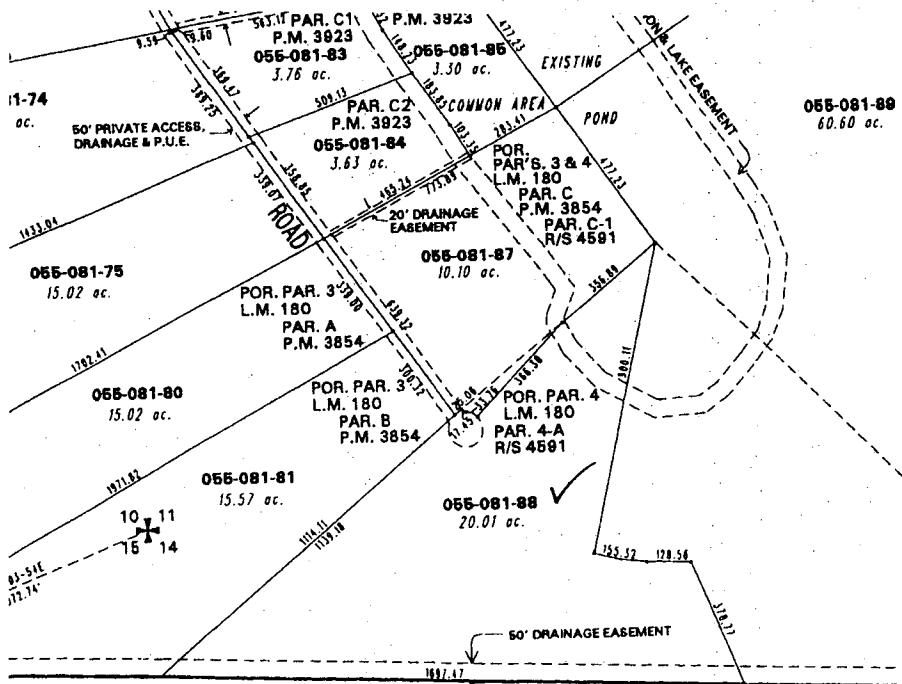
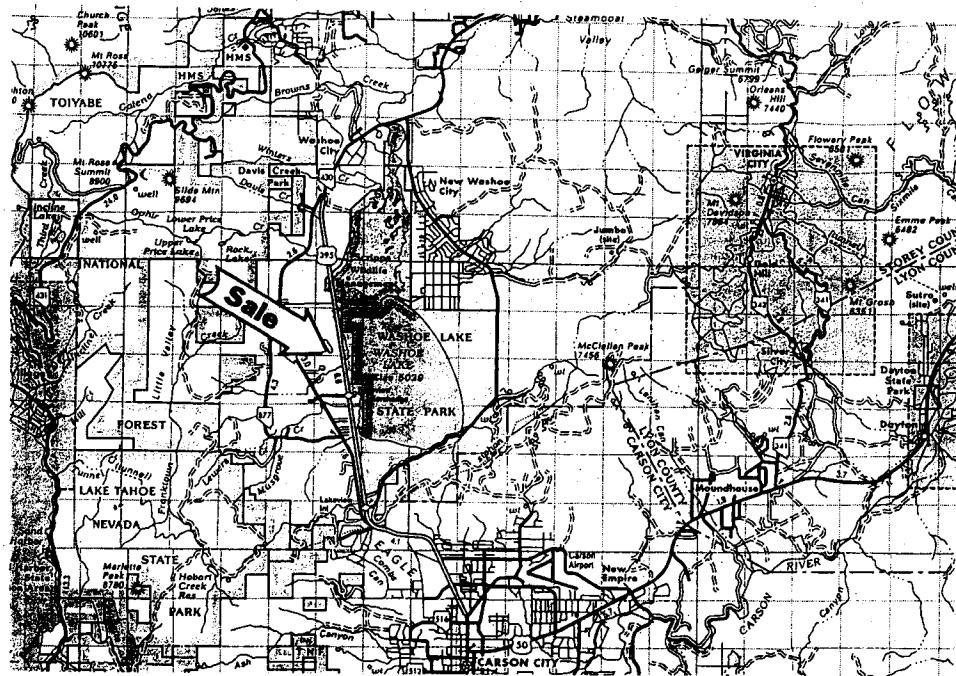
Utilities: Power, Phone

Gross Sale Price: \$412,000

Financing: \$312,000 D/T with seller

Remarks: Located within gated Hidden Lake Ranches with frontage on Hidden Lake. Adaptable to divisions under the South Valley Area Plan. This property has subsequently been divided into four ±5-acre sites, one of which sold for \$350,000 in 2006.

LYN C. NORBERG, MAI
COMP SALE



Land Sale Number: 18

Location: 5500 E. Shawna Lane (Callahan Ranch area)

State: NV

County: Washoe

City: --

Type: Res. Subdivision

Legal Description: Section 1: T17N, R19E, with exceptions

Grantor: H. Burkhart, Trustee

Grantee: Matera Ridge, LLC

Date of Sale: 2/28/2006

Document No. 3354640

Gross Acres: 635.28

APN: 45-252-11

Land Use: In Development

RPTT: \$43,460.00

Access: Paved

Zoning: HDR-GR

Utilities: Power, Phone & Water

Topography: Mix

Gross Sale Price: \$10,600,000

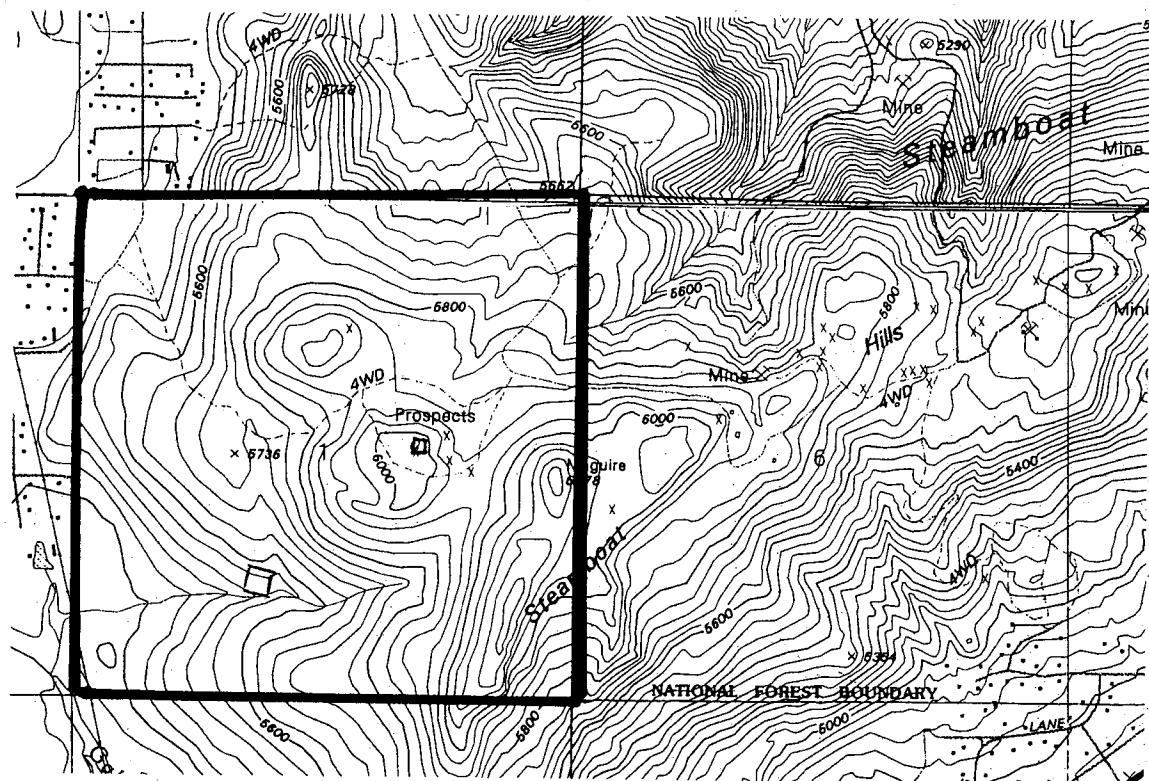
Unit Price/Ac: \$16,686

Financing: \$9,600,000 w/seller at 6.5%, due in 2 years

Remarks: This sale included 41.17 AF of groundwater rights and pending approvals for a 37-lot subdivision (with four additional remainder tracts). Principally steep lands with pockets and plateaus suitable to development. Seller indicated that about half of the price was assigned to the tentative lots, the balance to the remainder. Water service is available via a county system.

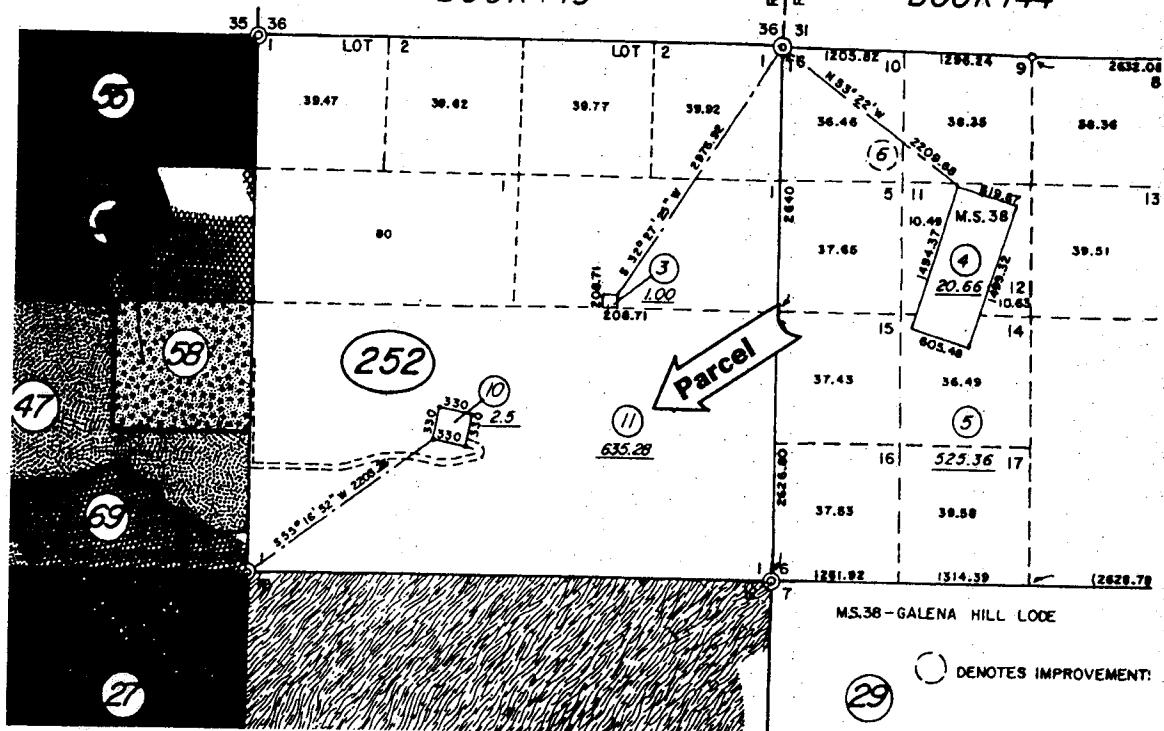
LYN C. NORBERG, MAI

COMP MAPS



BOOK 49

BOOK 144



Carson City

Land Sale Number: 19

Location: NWC of Windmill and Calle Hermosa, Fish Springs region

State: NV

County: Douglas

City: --

Type: Res. Subdivision

Legal Description: SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 32, T13N, R21E

Grantor: Walter Adamski

Grantee: David Friedman

Date of Sale: 2/7/2006

Document No. 667471

Gross Acres: 37.72

APN: 1321-32-001-011

Land Use: Vacant

RPTT: \$2,925.00

Access: Gravel

Zoning: RA5

Utilities: Power & Phone

Topography: Mild

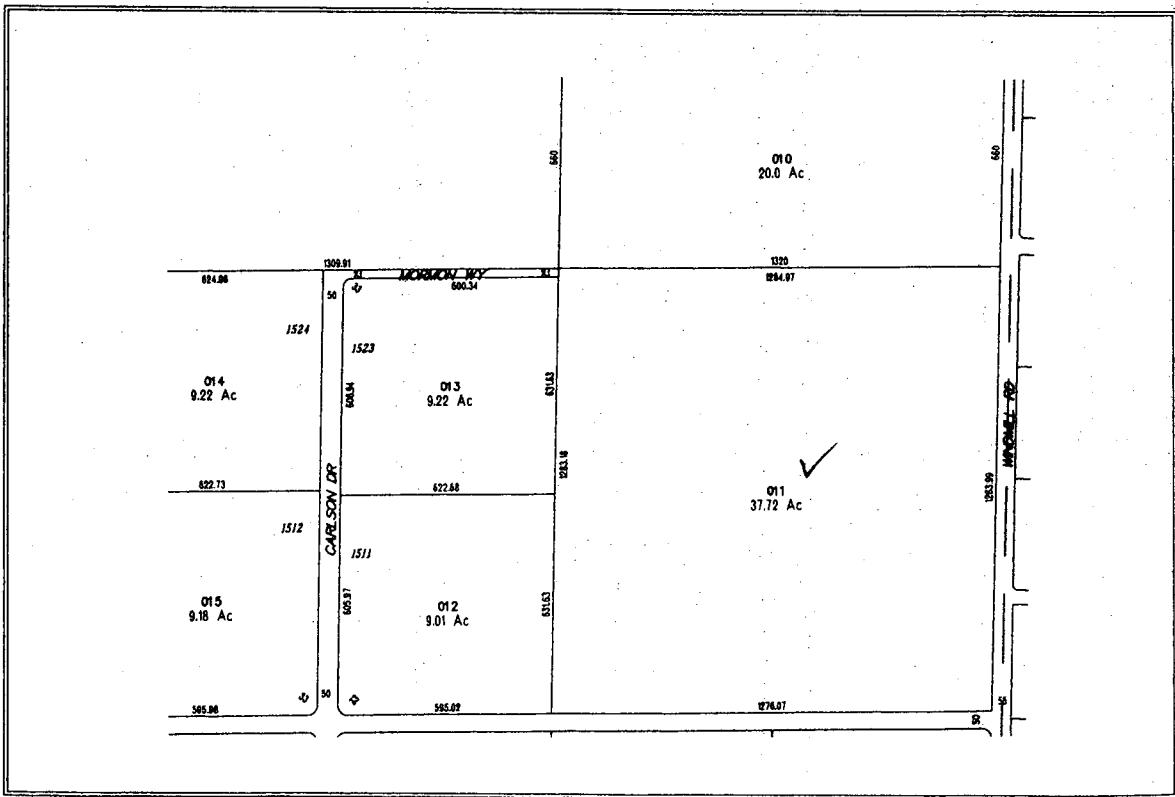
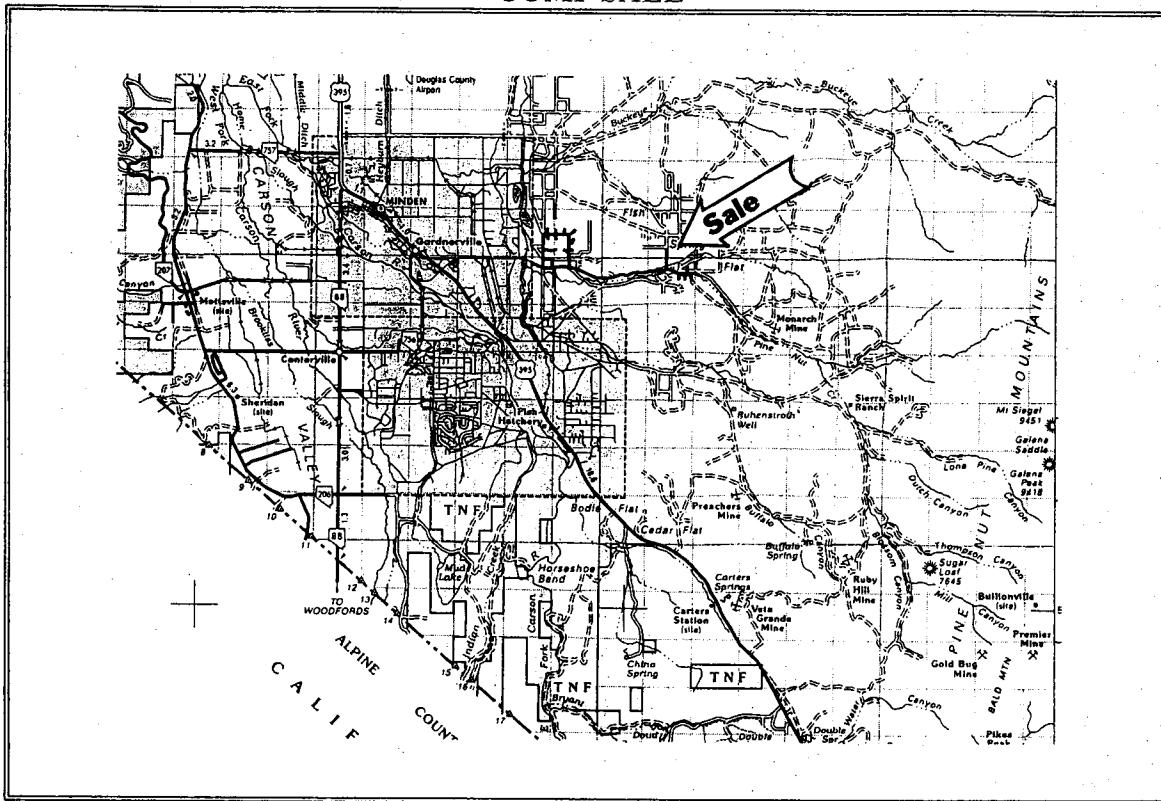
Gross Sale Price: \$750,000

Unit Price/Ac: \$19,883

Financing: Seller financed.

Remarks: Low-density subdivision land in the Fish Springs region east of Gardnerville. Adaptable (and planned) for seven \pm 5-acre homesites. Price of \$107,143/raw lot. Will require water acquisitions and dedications.

LYN C. NORBERG, MAI
COMP SALE



Land Sale Number: 20

Location: Kings Canyon region, 3/8 mile south of Kings Canyon Road

State: NV

County: Carson City

City: Carson

Type: Res. Subdivision

Legal Description: Parcels A-d of PM 2427

Grantor: Carson City

Grantee: USA

Date of Sale: 3/31/2006

Document No. 351699

Gross Acres: 39.72

APN: 7-061-72

Land Use: Vacant

RPTT:

Access: Dirt

Zoning: CR

Utilities: Comments

Topography: Sloping

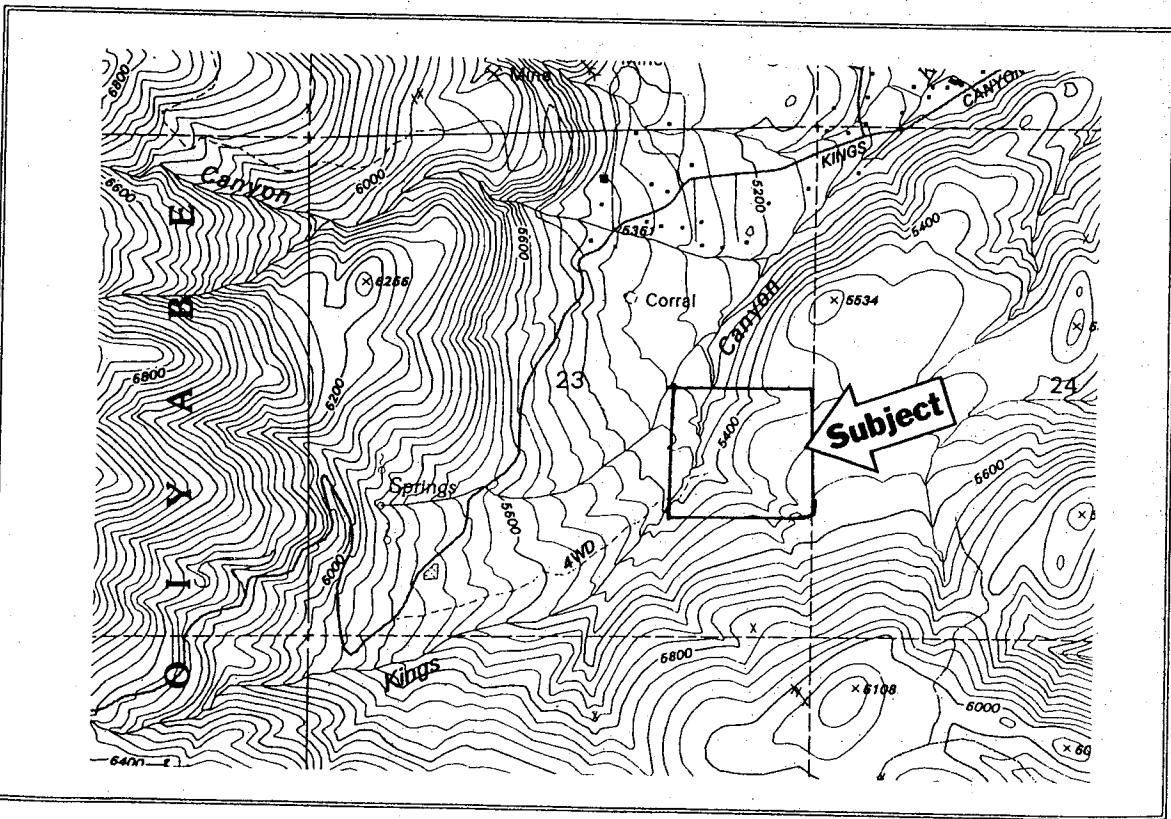
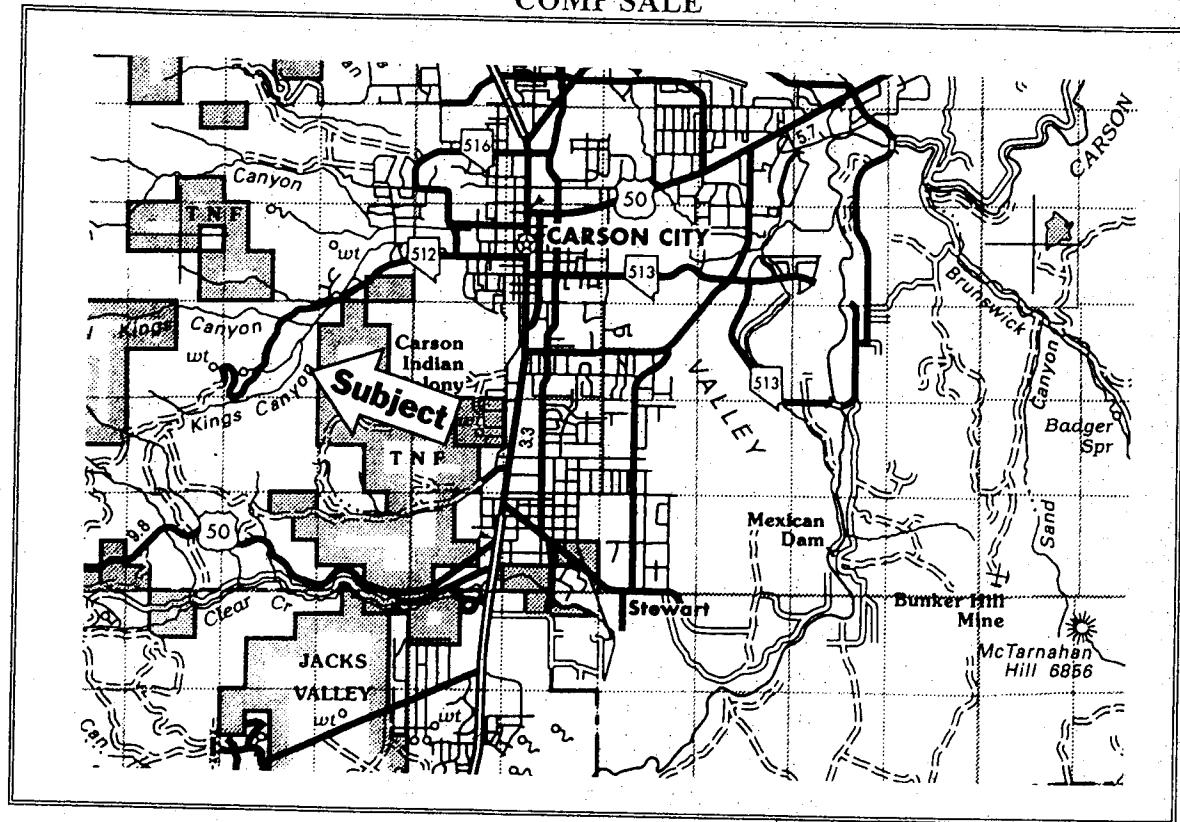
Gross Sale Price: \$1,120,000

Unit Price/Ac: \$28,197

Financing: Cash

Remarks: Sale consists of four adjacent \pm 10-acre tracts in the Kings Canyon region. The property is located about 1/4 mile from city streets and utilities. The price was based on an appraisal that took into account offsite costs. Carson City purchased this tract in March 2003 for \$740,000.

LYN C. NORBERG, MAI
COMP SALE



Carson City