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FILED FOR RECORDING
AT THE REQUEST OF

First American Title

2005 MAY 10 AM 9 12

LINCOLN COUNTY RECORDER
FEE 41.00 DEPCA
LESLIE BOUCHER

APN# 001-04-501-006 and 001-04-701-035

Recording Requested by and Return to:

Name: Hinshaw & Culbertson

Address: 3100 Piper Jaffray Tower, 222 South Ninth Street

City/State/Zip: Minneapolis, MN 55402

Deed of Trust, Assignment of Leases and Rents,
Security Agreement and Fixture Filing
(Title on Document)

This Document is being recorded as a result of the Modification of the Loan secured by this Deed of Trust to include property in Lincoln County. Said Modification is being recorded concurrently herewith.

This page added to provide additional information required by NRS 111.312 Sections 1-2 (Additional recording fee applies).

This cover page must be typed or printed clearly in black ink only.

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APN: 001-04-501-006 and
001-04-701-035

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**DEED OF TRUST
ASSIGNMENT OF LEASES AND RENTS,
SECURITY AGREEMENT AND FIXTURE FILING**

Dated as of October 3, 2001

in the amount of \$10,000,000.00

**among PARADISE CANYON LLC
a Nevada limited liability company (the "Grantor") and
NEVADA TITLE COMPANY, a Nevada corporation (the "Trustee") and
FIRST NATIONAL BANK, FULDA, MINNESOTA,
as the Lender herein named (the "Beneficiary")**

LOCATION OF PREMISES:

Mesquite, Nevada

**Recording requested by and after recording, please return to:
Mail Tax Statements to:**

**Hinshaw & Culbertson
Attn: David R. Mylrea
3100 Piper Jaffray Tower
222 South Ninth Street
Minneapolis, Minnesota 55402**

This instrument was prepared by the above-named attorney.

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01229

**DEED OF TRUST ASSIGNMENT OF LEASES AND
RENTS, SECURITY AGREEMENT AND FIXTURE FILING**

THIS DEED OF TRUST SECURES CREDIT IN THE MAXIMUM AMOUNT OF \$10,000.00.00, TOGETHER WITH INTEREST THEREON AND OTHER AMOUNTS HEREIN DESCRIBED. INTEREST ON THE AMOUNT SECURED HEREBY MAY FLUCTUATE FROM TIME TO TIME.

THE PARTIES TO THIS DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING, made this 3rd day of October, 2001 are Paradise Canyon LLC, a Nevada limited liability company (the "Grantor") having its office at 401 Paradise Parkway, Suite 20, Mesquite, Nevada 89027, Nevada Title Company, a Nevada corporation (the "Trustee") having its offices at 3320 West Sahara Ave., Suite #200, Las Vegas, Nevada 89102 and First National Bank, Fulda, Minnesota, as Lender (the "Beneficiary") having its offices at 109 North St. Paul Avenue, Fulda, Minnesota 56131.

ARTICLE 1. GRANT

1.1 **GRANT.** Upon the terms and conditions in this Deed of Trust, Grantor irrevocably grants, bargains, sells, conveys, assigns, mortgages and warrants to Trustee in Trust, with the Power of Sale, all of Grantor's right, title and interest, whether now owned or hereafter acquired, in all of the real property located in the County of Clark, State of Nevada described on "Exhibit A" attached hereto and made a part hereof (the "Land") including and together with, without limitation:

(a) all right, title and interest of Grantor whether now owned or hereafter acquired, in or to any real property lying within the right of way of any street, open or proposed, which adjoins any of said Land and any and all sidewalks, bridges, elevated walkways, tunnels and alleys adjacent to, connecting or used in connection with any of said Land;

(b) all right, title and interest of Grantor whether now owned or hereafter acquired, in or to, all buildings, structures and all other improvements and fixtures that are, or that may be hereafter erected or placed on, or in, the Land (collectively, the "Improvements");

(c) all right, title and interest of Grantor, whether now owned or hereafter acquired in and to all of the present and future accretions, alluvions, avulsions, batture and other littoral rights in, to, and with respect to, the Land and the Wolf Creek (collectively, the "Littoral Rights");

(d) all water rights and conditional water rights that are now, or may hereafter be, appurtenant to, used in connection with or intended for

use in connection with the Land, the Improvements, and the Littoral Rights including, without limitation: (i) ditch, well, pipeline, spring and reservoir rights, whether or not adjudicated or evidenced by any well or other permit; (ii) all rights with respect to groundwater underlying the Land; (iii) any permit to construct any water well, water from which is intended to be used in connection with the Land, and (iv) all of Grantor's right, title and interest under any decreed or pending plan of augmentation or water exchange plan (collectively, the "Water Rights", and together with the Land, the Improvements, and the Littoral Rights, are herein referenced as the "Real Estate");

(e) all right, title and interest of Grantor as lessor, sublessor, licensor, concessionaire, franchisor or similar party under all leases, subleases, licenses, concessions, franchises and other use or occupancy agreements now or hereafter relating to any of the Real Estate and all renewals, extensions, amendments, restatements and other modifications thereof (collectively, the "Occupancy Agreements");

(f) all present and future rents, issues, products, earnings, revenues, payments, profits, royalties and other proceeds and income of the Real Estate, and of any activities conducted thereon or in connection therewith, regardless of whether such proceeds or income accrue by virtue of the Occupancy Agreements, or otherwise (collectively, the "Rents");

(g) all tenements, easements, hereditaments and appurtenances now, or hereafter, belonging to or in any wise appertaining to the Real Estate and/or the Rents and the reversion and reversions, remainder and remainders thereof and all the estate, right, title, interest or other claim which Grantor now has or hereafter may acquire of, in and to the Real Estate, the Occupancy Agreements, the Rents and/or any part thereof, with the appurtenances thereto (collectively, the "Other Interests"); and

(h) the Personal Property which is referred to by Article 4 below.

The Real Estate, the Occupancy Agreements, the Rents and the Other Interests are hereinafter collectively referred to as the "Real Property".

TO HAVE AND TO HOLD the Real Property, properties, rights and privileges hereby conveyed or assigned, or intended so to be, unto Trustee, and its successors and assigns, in fee simple forever for the uses and purposes herein set forth subject only to Permitted Encumbrances (as defined in the Loan Agreement)

ARTICLE 2. OBLIGATIONS SECURED

2.1 **OBLIGATIONS SECURED.** Grantor makes this Deed of Trust for the purpose of securing the following obligations (collectively, the "Obligations"):

(a) Payment when due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including payment of amounts that would become due but for the operation of the automatic stay under Section 362 (a) of the Bankruptcy Code, 11 U.S.C. S 362(a)), of: (i) the principal sum which is, at any time, advanced and unpaid under the Loan (as defined in the Loan Agreement), not to exceed Ten Million and NO/100 Dollars (\$10,000,000.00) at any one time; (ii) interest and other charges accrued on said principal sum, or accrued on interest and other charges then outstanding under the Loan (all including, without limitation, interest and other charges that would accrue on such obligations, but for the filing of a petition in bankruptcy with respect to Grantor); and (iii) any other obligations of Grantor under the Note referred to below: all according to the terms of that certain Promissory Note dated concurrently herewith made by Grantor payable to the order of First National Bank, Fulda, Minnesota (herein referred to as either the "Lender" or the "Beneficiary"), according to the tenor and effect of said Note, and all renewals, extensions, amendments, restatements, replacements, substitutions and other modifications thereof (hereinafter collectively referred to as the "Note").

(b) Payment and performance of every obligation, covenant, promise and agreement of Grantor herein contained or incorporated herein by reference, including any sums paid or advanced by Beneficiary (which are defined below) pursuant to the terms hereof.

(c) Payment of the expenses and costs incurred or paid by Beneficiary in the preservation and enforcement of the rights and remedies of Beneficiary and the duties and liabilities of Grantor hereunder, including, but not by way of limitation, reasonable attorney's fees, court costs, witness fees, expert witness fees, collection costs, and reasonable costs and expenses paid by Beneficiary in performing for Grantor's account any obligation of said Grantor.

(d) Payment of additional sums and interest thereon which may hereafter be loaned to Grantor pursuant to the Loan Agreement when evidenced by a promissory note or Note which recite that this Deed of Trust is security therefor.

(e) Performance and payment of every obligation, warranty, representation, covenant, agreement and promise of Grantor contained in that certain Loan Agreement (the "Loan Agreement") executed

concurrently, or substantially concurrent, herewith by Grantor, and Beneficiary in its capacity as the Lender, as well as performance and payment of every, obligation, warranty, representation, covenant, agreement and promise of Grantor contained in all extensions, renewals, amendments, restatements and other modifications of the Loan Agreement.

2.2 FUTURE ADVANCES. This Deed of Trust is given for the purpose of securing, among other things, loan advances which the Beneficiary may make to or for Grantor pursuant and subject to the terms and provisions of the Loan Agreement. The parties hereto intend that, in addition to any other debt or obligation secured hereby, this Deed of Trust shall secure unpaid balances of loan advances made after this Deed of Trust is delivered to the office of the County Recorder of Clark County, Nevada, whether made pursuant to an obligation of Beneficiary or otherwise, such advances shall be secured to the same extent as if such future advances were made on the date hereof, although there may be no advance made at the time of execution hereof and although there may be no indebtedness outstanding at the time any advance is made. Such loan advances may or may not be evidenced by the Note executed pursuant to the Loan Agreement.

2.3 OBLIGATIONS. The term "Obligations" is used herein in its broadest and most comprehensive sense and shall be deemed to include, without limitation, all protective advances and all sums advanced to protect the Property or the lien of this Deed of Trust or otherwise disbursed or incurred under the terms of the Loan Documents (as defined in the Loan Agreement), all interest and charges, prepayment charges (if any), late charges and loan fees at any time accruing or assessed on any of the Obligations.

2.4 INCORPORATION. All terms of the Obligations and the documents evidencing such obligations are incorporated herein by this reference. All persons who may have or acquire an interest in the Property (which is defined by Article 4 below), or any portion thereof, shall be deemed to have notice of the terms of the Obligations, which terms include without limitation, provisions which: (i) provide that the rate of interest on one or more Obligations may vary from time to time; and (ii) permit borrowing, repayment and reborrowing.

ARTICLE 3. ASSIGNMENT OF LEASE AND PAYMENTS

3.1 ASSIGNMENT. Grantor hereby irrevocably assigns to mortgagee all of Grantor's right, title and interest in, to and under: (a) the Occupancy Agreements and, to the extent not included within the Occupancy Agreements, all leases, subleases, licenses, concessions, franchises and other use or occupancy agreements now or hereafter relating to the Real Property and all renewals, extensions, amendments, restatements and other modifications thereof (all of which are collectively referred to herein as the "Leases"); and (b) the Rents and, to the extent not included within the Rents, all present and future rents, issues, products, earnings, revenues, payments, profits, royalties and other proceeds and income of the Real Property and of any activities conducted thereon: (all of which

are collectively referred to herein as the "Payments"). Upon any Default (as defined by Article 7 below), Beneficiary shall be entitled to receive pursuant to the foregoing assignment, and Grantor shall be obligated to deliver to Beneficiary or its designee, (including any receiver), any and all Payments collected by Grantor which remain in the possession or control of Grantor, whether or not commingled with other funds of Grantor, and whether collected by Grantor before or after the occurrence of the Default.

3.2 GRANT OF LICENSE. Beneficiary confers upon Grantor a license ("License") to collect and retain the Payments as they become due and payable, until the occurrence of a Default (as hereinafter defined). Upon a Default, the License shall be automatically revoked and Beneficiary may collect and apply the Payments pursuant to Article 7 below, without notice and without taking possession of the Real Property. Grantor hereby irrevocably authorizes and directs the lessees under the Leases to rely upon and comply with any notice or demand by Beneficiary for the payment to Beneficiary of any rental or other sums which may at any time become due under the Leases, or for the performance of any of the lessees' undertakings under the Leases, and the lessees shall have no right or duty to inquire as to whether any Default has actually occurred or is then existing hereunder. Grantor hereby relieves the lessees from any liability to Grantor by reason of relying upon and complying with any such notice or demand by Beneficiary.

3.3 EFFECT OF ASSIGNMENT. The foregoing irrevocable assignment shall not cause Beneficiary to be: (a) a mortgagee in possession; (b) responsible or liable for the control, care, management or repair of the Real Property, or for performing any of the terms, agreements, undertakings, obligations, representations, warranties, covenants and conditions of the Leases; (c) responsible or liable for any waste committed on the Real Property, by the lessees under any of the Leases or any other parties; (d) responsible or liable for any dangerous or defective condition of the Real Property, or (e) responsible or liable for any negligence in the management, upkeep, repair or control of the Real Property resulting in loss or injury or death to any, lessee, licensee, employee, invitee or other person. Beneficiary shall not directly or indirectly be liable to Grantor or any other person as a consequence of: (i) the exercise or failure to exercise any of the rights, remedies or powers granted to Beneficiary hereunder; or (ii) the failure or refusal of Beneficiary to perform or discharge any obligation, duty or liability of Grantor arising under any of the Leases.

3.4 REPRESENTATIONS AND WARRANTIES. Grantor represents and warrants that: (a) to Grantor's knowledge, all existing Leases are in full force and effect and are enforceable in accordance with their respective terms, and no breach, default or event which would constitute a breach or default after notice or the passage of time, or both, exists under any existing Leases on the part of any party; (b) no rent or other payment under any existing Lease has been paid by any lessee for more than one (1) month in advance; and (c) none of the Grantor's interests under any of the Leases has been transferred or assigned.

3.5 **COVENANTS.** Grantor covenants and agrees at Grantor's sole cost and expense to: (a) perform the lessor's obligations contained in the Leases and enforce by all available remedies performance by the lessees of the obligations of the lessees contained in the Leases; and (b) execute and record (or cause to be executed and recorded) such additional assignments of any Lease or specific subordinations of any Lease to this Deed of Trust, in form and substance acceptable to Beneficiary, as Beneficiary may reasonably request. Grantor shall not, without Beneficiary's prior written consent or as otherwise permitted by any provision of the Loan Agreement: (i) execute any other assignment relating to any of the Leases; or (ii) subordinate or agree to subordinate any of the Leases to pay any other mortgage or encumbrance. Any such action in violation of this Section 3.5 shall be null and void.

ARTICLE 4. SECURITY AGREEMENT AND FIXTURE FILING

4.1 **SECURITY INTEREST.** Grantor hereby grants and assigns to Beneficiary a security interest, to secure payment and performance of all of the Obligations in, and to, all right, title and interest of Grantor which is now owned or hereafter acquired in or to any of the following described personal property (collectively, the "Personal Property"):

(a) All present and future chattels, furniture, furnishings equipment, fixtures, building materials, building contents and building components, all of every kind and nature, and other tangible personal property: (i) which is used in connection with, situate in or on, affixed to, or incorporated into any portion of the Real Property; (ii) which is used in connection with, situate in or on, affixed to, or incorporated into, any building, structure or other improvement that is now or that may be hereafter constructed on or under the Real Property; (iii) in which Grantor otherwise has or acquires an interest; all including, without limitation: (aa) all lumber, bricks, cement, masonry, steel, doors, windows, fasteners, nails, bolts, scaffolding, tools, construction supplies, construction tools and equipment and all other building materials, supplies and equipment of any kind or nature; (bb) all air conditioning, heating, electrical, lighting, fire fighting and fire prevention, plumbing, food and beverage preparation, laundry, security, sound, signaling, telephone, television, entertainment stage, window washing, irrigation, storage, shop, landscaping, signage and other equipment and fixtures, of whatever kind or nature, consisting of, without limitation, air conditioners, compressors, fans, duct work, thermostats, furnaces, boilers, radiators, burners, wiring, conduits, cables, generators, transformers, switching gear, lighting fixtures, sprinkler systems and other fire extinguishing equipment, fire alarms and other fire detection equipment, piping, pumps, valves, sinks, toilets, tubs, motors, carts, elevators and other lifts, ovens, refrigerators, dishwashers and dishwashing equipment, fabric washing and drying equipment, lock and key systems, surveillance and entry detection systems, speakers, intercoms

and public address systems, hardware, shelving, maintenance and repair equipment and all other similar items; (cc) all furniture, furnishings, wall coverings, floor coverings, window coverings, artwork and decorative items including, without limitation, casino, guest room, bathroom, lobby, bar, restaurant, storage, retail, meeting, convention, leisure, recreation, office, administrative and other furniture, furnishings, wall coverings, floor coverings, window coverings, artwork and decorative items; (dd) all hotel equipment and supplies, including without limitation, televisions, radios, telephones, linen, bedding; amenities, carts, recreational equipment, leisure equipment and all other equipment and supplies utilized in the occupation or renting of hotel guest rooms and public areas; (ee) all bar and restaurant equipment and supplies, including, without limitation, kitchen and bar appliances, pots, pans, plates, dishes, cups, glasses, serving utensils, cooking utensils and all other equipment and supplies used in the operation of bars and/or restaurants; (ff) all equipment and supplies including, without limitation utilized in operation of a golf course, driving range and golf professional shop; (gg) all office and administrative equipment and supplies including, without limitation, office appliances, filing cabinets, computers, peripheral computer equipment and other data processing and storage equipment, stationery and other office supply items, and other office and administrative equipment and supplies; (hh) all golf carts, indoor and outdoor recreational equipment and supplies; (ii) all tools and other maintenance and repair equipment; (jj) all landscaping equipment and supplies; and (kk) all equipment and supplies utilized in connection with any other activity engaged in by Grantor at the Real Property:

(b) All present and future supplies, inventory and merchandise which is used in connection with, or in the conduct of, the business of Grantor or in which Grantor has or acquires an interest, including, without limitation: (i) all present and future goods held for sale or lease or to be furnished under a contract of service, all raw materials, work in process and finished goods, all packing materials, supplies and containers relating to or used in connection with any of the foregoing, and all bills of lading, warehouse receipts or documents of title relating to any of the foregoing; (ii) all food stuffs, beverages, prepared food and other similar items; and (iii) all golf course amenities, cleaning supplies, office supplies, consumables and similar items;

(c) All present and future goods, which are not otherwise set forth herein, and which are used in connection with, or in the conduct of, the business of Grantor or in which Grantor has or acquires an interest;

(d) All present and future accounts, accounts receivable, rentals, deposits, rights to payment, instruments, documents, chattel paper, security agreements, guaranties, undertakings, surety bonds, insurance

policies and notes and drafts which are owned, or used in connection with, or in the conduct of, the business of Grantor, or in which Grantor has or acquires an interest, however created or arising;

(e) All present and future contracts, or agreements and all other present and future general intangibles which are owned, or used in connection with, or in the conduct of, the business of Grantor, or in which Grantor has or acquires an interest, including, without limitation: (aa) all leases and purchase contracts for equipment, furniture and/or fixtures of any kind and character relating to the Real Property, and/or the businesses conducted thereon; and (bb) all goodwill, choses in action, trade secrets, customer lists, trademarks, trade names and service marks, patents, copyrights, technology, processes, and proprietary information which are owned, or used in connection with, or in the conduct of, the business of Grantor, or in which Grantor has or acquires an interest.

(f) All present and future deposit accounts which are owned, or used in connection with, or in the conduct of, the business of Grantor, or in which Grantor has or acquires an interest including, without limitation, any demand, time, savings, passbook or like account maintained with any bank, savings and loan association, credit union or like organization, and all money, cash and cash equivalents of Grantor, whether or not deposited in any such deposit account, including, but not limited to, the Debt Service Reserve Account, as defined in the Loan Agreement;

(g) All present and future revenues, receipts, payments and income of any nature whatsoever, in which Grantor now owns or hereafter acquires an interest, regardless of whether such items are derived from or received with respect to greens fees, cart rentals, driving range fees, golf pro-shop revenues, hotel rooms, banquet facilities, convention facilities, retail premises, bars, restaurants, casinos or any other facilities on the Real Property and regardless of whether such items are derived from any other source;

(h) All present and future books and records which are owned, or used in connection with, or in the conduct of, the business of Grantor, or in which Grantor, has or acquires an interest including, without limitation, books of account and ledgers of every kind and nature, all electronically recorded data relating to the business of Grantor, all receptacles and containers for such records, and all files and correspondence;

(i) All present and future investment property, stocks, bonds, debentures, securities, subscription rights, options, warrants, puts, calls, certificates, partnership interests, joint venture interests, investments

and/or brokerage accounts which are owned, or used in connection with, or in the conduct of, the business of Grantor, or in which Grantor has or acquires an interest and all rights, preferences, privileges, dividends, distributions, redemption payments, or liquidation payments with respect thereto;

(j) All right, title and interest of Grantor in and to all leases, licenses, concessions, or similar agreements whether or not specifically herein described which now or may hereafter pertain to the Real Property and all amendments to the same, including, but not limited to the following: (aa) all payments due and to become due under such agreements, whether as rent, damages, insurance payments, condemnation awards, or otherwise; (bb) all claims, rights, powers, privileges and remedies under such agreements; and (cc) all rights of the Grantor under such leases to exercise any election or option, or to give or receive any notice, consent, waiver or approval, or to accept any surrender of the premises or any part thereof, together with full power and authority in the name of Grantor or otherwise, to demand and receive, enforce, collect, or receipt for any or all of the foregoing, to endorse or execute any checks or any instruments or orders, to file any claims or to take any action which Beneficiary may deem necessary or advisable in connection therewith;

(k) All plans, specifications, soil reports, engineering reports, land planning maps, surveys, and any other reports, exhibits or plans used or to be used in connection with the construction, planning, operation or maintenance of the Real Property, together with all amendments and modifications thereof;

(l) The Water Rights;

(m) All present and future accessions, appurtenances, components, repairs, repair parts, spare parts, replacements, substitutions, additions, issue and/or improvements to or of or with respect to any of the foregoing;

(n) All rights, remedies, powers and/or privileges of Grantor with respect to any of the foregoing; and

(o) Any and all proceeds and products of any of the foregoing, including, without limitation, all money, accounts, general intangibles, deposit accounts, documents, instruments, chattel paper, goods, insurance proceeds, and any other tangible or intangible property received upon the sale or disposition of any of the foregoing.

SUBJECT, HOWEVER, to the following:

(i) the right of Grantor to sell or otherwise dispose of Personal Property in the ordinary course of business, free and clear of the lien hereof, provided, and to the extent, that such sale or other disposition is permitted under the terms of the Loan Agreement; and

(ii) as to the fixtures and equipment covered hereby, the leases and/or purchase money security interests pursuant to which Grantor has acquired an interest in such fixtures and equipment provided, and to the extent, that such leases and/or purchase money security interests are permitted under the terms of the Loan Agreement.

The Real Property and the Personal Property described hereinabove are hereinafter collectively referred to as the "Property". The parties intend for this Deed of Trust to create a lien on and security interest in the Property, and, as provided in Article 3 hereof entitled Assignment of Leases and Payments, an absolute assignment of the Leases and Payments, all in favor of Beneficiary. To the extent any of said Property, Leases and Payments are not encumbered by a perfected lien or security interest created above, and are not absolutely assigned by the assignment set forth in Article 3 above, it is the intention of the parties that such Property, Leases and/or Payments shall constitute "proceeds, product, offspring, rents or profits" (as defined in and for the purposes of Section 552(b) of the United States Bankruptcy Code, as such section may be modified or supplemented) of the Property.

4.2 FIXTURE FILING.

As to all of the above described Personal Property which is or which hereafter becomes a "fixture under applicable law, this Deed of Trust constitutes a fixture filing under Section 9-402 of the UCC, as it may be amended or recodified from time to time. The address of Beneficiary from which information may be obtained concerning the security interest granted hereunder and the mailing address of Grantor are as follows:

Beneficiary: First National Bank, Fulda, Minnesota
as the Lender herein named
109 North St. Paul Avenue
Fulda, Minnesota 56131
Attention: Joseph E. Grandgeorge, President

Grantor: Paradise Canyon LLC
401 Paradise Parkway, Suite 20
Mesquite, Nevada 89027
Attention: Dennis C. Rider

4.3 REPRESENTATIONS AND WARRANTIES. Grantor represents and warrants that (subject to Permitted Encumbrances): (a) Grantor has good title to the Personal Property; and (b) Grantor has not previously assigned or encumbered the Personal Property, and no financing statement covering any of the Personal Property has been delivered to any other person or entity.

4.4 RIGHTS OF MORTGAGEE. In addition to Beneficiary's rights as a "Secured Party" under the UCC, Beneficiary may, but shall not be obligated to, at any time without notice (except as provided below) and at the expense of Grantor: (a) give notice to any person of Beneficiary's rights hereunder and enforce such rights at law or in equity; (b) insure, protect, defend and preserve the Personal Property or any rights or interests of Beneficiary therein; and (c) inspect the Personal Property at reasonable times and upon reasonable prior notice. Notwithstanding the above, in no event shall Beneficiary be deemed to have accepted any property other than cash in satisfaction of any obligation of Grantor to Beneficiary unless Beneficiary shall make an express written election of said remedy under the UCC, or other applicable law.

4.5 RIGHTS OF MORTGAGEE ON DEFAULT. Upon the occurrence of a Default under this Deed of Trust, then in addition to all of Beneficiary's rights as a "Secured Party" under the UCC or otherwise at law:

(a) Beneficiary may (i) upon written notice, require Grantor to assemble any or all of the Personal Property and make it available to Beneficiary at the Real Property; (ii) without prior notice (except as otherwise required by applicable law), enter upon the Property or other place where any of the Personal Property may be located and take possession of, and/or collect any or all of the Personal Property, and store the same at locations acceptable to Beneficiary at Grantor's expense; and/or (iii) upon ten (10) days' prior written notice to Grantor (except with respect to Personal Property which is perishable, which threatens to decline speedily in value, or which is of a type customarily sold on a recognized market, in which case no such notice shall be required) sell, assign, or otherwise dispose of, and deliver, at any place or in any lawful manner, all or any part of the Personal Property and bid and become purchaser at any such sales; and

(b) Beneficiary may, for the account of Grantor and at Grantor's expense: (i) upon ten (10) days' prior written notice to Grantor, operate, use, consume, sell or dispose of the Personal Property as Beneficiary reasonably deems appropriate for the purpose of performing any or all of the Obligations; (ii) upon ten (10) days' prior written notice to Grantor, enter into any agreement, compromise, or settlement, including insurance claims, which Beneficiary may reasonably deem desirable or proper with respect to any of the Personal Property; (iii) endorse, collect and receive any right to payment of money owing to Grantor under or from the Personal Property; and (iv) endorse and deliver evidences of title for, and

receive, enforce and collect by legal action or otherwise, all indebtedness and obligations now or hereafter owing to Grantor in connection with or on account of any or all of the Personal Property.

4.6 POWER OF ATTORNEY. Grantor hereby irrevocably appoints Beneficiary as Grantor's attorney-in-fact (such agency being coupled with an interest), and as such attorney-in-fact Beneficiary may, without the obligation to do so, in Beneficiary's name, or in the name of Grantor, prepare, execute and file or record financing statements, continuation statements, applications for registration and like papers necessary to create, perfect or preserve any of Beneficiary's security interests and rights in or to any of the Personal Property, and, upon a Default hereunder, take any other action required of Grantor; provided, however, that Beneficiary as such attorney-in-fact shall be accountable only for such funds as are actually received by Beneficiary.

ARTICLE 5. PROTECTION OF SECURITY OF DEED OF TRUST; RELEASE

5.1 PROTECTION OF SECURITY OF DEED OF TRUST. To protect the security of this Deed of Trust, Grantor agrees that by execution of this Deed of Trust and the Note secured thereby, provisions one (1) through sixteen (16) inclusive of the Deed of Trust recorded in Book 142 as Document No. 901210 in the official records of the office of the Clark County Nevada Recorder hereby are adopted and incorporated herein and made a part hereof as though set forth herein at length: that the Grantor will observe these provisions; and that the references to property, obligations, and parties in said provisions shall be construed to refer to the Property, Obligations, and parties set forth in this Deed of Trust.

5.2 RELEASE OF DEED OF TRUST. The Beneficiaries of this Deed of Trust shall, when all of the Obligations secured by this Deed of Trust have been paid in full, deliver a request for reconveyance and cancellation of indebtedness to the Trustee. The Trustee shall reconvey, without warranty, the estate held by the Trustee in the Property.

ARTICLE 6. RIGHTS AND DUTIES OF THE PARTIES

6.1 CERTAIN REPRESENTATIONS AND WARRANTIES OF GRANTOR. Grantor represents, warrants and covenants that:

(a) This Deed of Trust creates a first priority mortgage lien and/or, to the extent applicable, a first priority security interest on the Land and all of the Property which is in addition to the Land, subject only to Permitted Encumbrances (as defined in the Loan Agreement); and

(b) Grantor has no interest in any real property, not encumbered hereby, which is utilized in any material manner in connection with the use and/or operation of the Real Property, or which is necessary and required for the use and operation of said Real Property.

6.2 PAYMENT OF OBLIGATIONS. Grantor shall pay when due, or cause to be paid when due: (i) the principal of, and interest on, the indebtedness evidenced by the Note; (ii) all charges, fees and other sums as provided in the Loan Documents (as defined in the Loan Agreement) including, without limitation, all reasonable costs, fees and expenses of this Deed of Trust incurred by Beneficiary in connection with any Default; (iii) the principal of, and interest on, any future advances secured by this Deed of Trust; and (iv) the principal of, and interest on, any other indebtedness secured by this Deed of Trust.

6.3 COMPLIANCE WITH LAWS. Grantor shall comply in all material respects with all applicable material existing and future laws, rules, regulations, orders, ordinances and requirements of all applicable governmental authorities, and with all recorded covenants and restrictions affecting the Real Property.

6.4 MAINTENANCE OF PROPERTY. Except to the extent that any of the following would be prohibited under, or would constitute a violation of, the terms and conditions of the Loan Agreement, Grantor agrees: (a) to properly care for and keep said Property in good condition and repair; (b) not to remove, demolish or substantially alter the Property, except upon the prior written consent of Beneficiary; (c) to complete promptly and in a good and workmanlike manner any building or other improvement which may be constructed on the Real Property, and to pay when due all claims for labor performed and materials furnished therefor (subject to Grantor's right to contest the validity or amount of mechanic's and/or materialman's liens in accordance with the Loan Agreement); (d) not to commit or permit any waste or deterioration of the Property (ordinary wear and tear, casualty and condemnation excepted); (e) not to commit, suffer or permit any act to be done, or condition to exist, in or upon said Property in material violation of any law, covenant, condition or restriction now, or hereafter, affecting said Property (including any which require alteration or improvement thereof); (f) to keep and maintain all grounds, sidewalks, roads, parking and landscaped areas situate on the Property in good and neat order and repair; (g) not to drill or extract or enter into any lease for the drilling for or extraction of oil, gas or other hydrocarbon substances or any mineral, of any kind or character on or from the Property or any part thereof; (h) not to apply for, willingly suffer or permit any subdivision, change in zoning, change in land use regulation, or inclusion within a general improvement district or similar assessment mechanism, with regard to any portion of the Real Property without the prior written consent of Beneficiary; and (i) except as otherwise permitted in the Loan Agreement, to do all other acts, in a timely and proper manner, which, from the character or use of the Property, may be reasonably necessary to maintain and preserve its value, the specific enumerations herein not excluding the general.

6.5 INSURANCE. During the continuance of this Deed of Trust, Grantor shall obtain, or cause to be obtained, and shall maintain or cause to be maintained, at all times throughout the term of the Loan, at its own cost and expense, and shall deposit with Beneficiary, Certificates of Insurance, each in a form and substance, and at such times, as is required under Section 6 of the Loan Agreement. All monies received from "All Risk"

insurance policies (including flood and earthquake policies) covering any of the Property shall be: (i) paid directly to Beneficiary and retained by Beneficiary or released to Grantor by Beneficiary; or (ii) paid directly to Grantor; all in accordance with Section 6.02 of the Loan Agreement. Nothing in this Deed of Trust shall be deemed to excuse Grantor from restoring, repairing and maintaining the Property, as herein provided, regardless of whether or not insurance proceeds are available for restoration, whether or not any such proceeds are sufficient in amount, or whether or not the Property can be restored to the same condition and character as existed prior to such damage or destruction.

6.6 TAXES AND ASSESSMENTS. Grantor shall pay all taxes, assessments and other governmental charges or levies affecting said Property, or any part thereof, in the manner required by the Loan Agreement except such taxes, assessments and other governmental levies as are being contested in good faith in the manner provided in the Loan Agreement.

6.7 LIEN CLAIMS. If any mechanic's lien or materialman's lien shall be recorded, filed or suffered to exist against the Property or any interest therein by reason of any work, labor, services or materials supplied, furnished or claimed to have been supplied and furnished in connection with any work of improvement upon the Property, said lien or claim shall be paid, released or otherwise discharged of record to the extent required by, and in accordance with the Loan Agreement.

6.8 EASEMENTS. If an easement or other incorporeal right (collectively, an "Easement") constitutes any portion of the Real Property, Grantor shall not amend, change, terminate or modify such Easement, or any right thereto or interest therein, without the prior written consent of Beneficiary, which consent may be withheld in Beneficiary's sole discretion, and any such amendment, change, termination or modification without such prior written consent shall be deemed void and of no force or effect. Grantor agrees to perform all obligations and agreements with respect to said Easement and shall not take any action or omit to take any action which would effect or permit the termination thereof. Upon receipt of notice, or otherwise becoming aware, of any default or purported default under any Easement, by any party thereto, Grantor shall promptly notify Beneficiary in writing of such default or purported default and shall deliver to Beneficiary copies of all notices, demands, complaints or other communications received or given by Grantor with respect to any such default or purported default.

6.9 PERFORMANCE BY BENEFICIARY. Should Grantor fail to make any payment or perform any act which it is obligated to make or perform hereunder or under the Loan Agreement, then Beneficiary, at its election, upon giving reasonable notice to Grantor, and without releasing Grantor from any obligation hereunder, may make such payment or perform such act and incur any liability, or expend whatever amounts, in its discretion, it may deem necessary therefor. All sums incurred or expended by Beneficiary, under the terms hereof, shall become due and payable by Grantor to Beneficiary, on the next interest or installment payment date under the Note secured

hereby and shall bear interest until paid at an annual percentage rate equal to the Default Rate expressed in the Note. In no event shall such payment or performance of any such act by Beneficiary be construed as a waiver of the default occasioned by Grantor's failure to make such payment(s) or perform such act(s).

6.10 ACTIONS AFFECTING PROPERTY. Grantor promises and agrees that if, during the existence of this Deed of Trust, there shall be commenced or pending any suit or action affecting said Property, or any part thereof, or the title thereto, or if any adverse claim for or against said Property, or any part thereof, be made or asserted, it will appear in and defend any such matter purporting to affect the security of this Deed of Trust and will pay all costs and damages arising because of such action.

6.11 EMINENT DOMAIN. Any award of damages in connection with any condemnation or similar actions in regard to said Property, or any part thereof, shall be: (i) paid directly to Beneficiary and shall be retained by Beneficiary or released to Grantor by Beneficiary; or (ii) paid directly to Grantor; all in accordance with the Loan Agreement.

6.12 SUBROGATION. To the extent that any sums advanced by Beneficiary are used to pay any outstanding lien, charge or prior encumbrance against the Property, such sums shall be deemed to have been advanced by Beneficiary at the request of Grantor and Beneficiary shall be subrogated to any and all rights and liens held by any owner or holder of such outstanding liens, charges and prior encumbrances, regardless of whether said liens, charges or encumbrances are released.

6.13 DUE ON SALE. If Grantor shall be voluntarily, or involuntarily, divested of title or possession of any Property, by merger or otherwise, or shall lease, sell, convey, further encumber or in any other manner voluntarily or involuntarily alienate any of its interest in any of the Property, or shall enter into an agreement to do any of the foregoing, other than as permitted herein, or in the Loan Agreement, any indebtedness or obligation secured hereby, irrespective of the maturity date expressed in the Note evidencing the same, shall at the option of Beneficiary, and upon the giving of any notice which may be required under the Loan Agreement, immediately become due and payable.

6.14 PARTIAL OR LATE PAYMENT. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment, when due, of all other sums so secured or to declare Default, as herein provided, for failure to so pay.

6.15 RIGHT OF BENEFICIARY TO APPEAR. If, during the existence of this Deed of Trust, there be commenced or pending any suit or action affecting the Property, or any part thereof, or the title thereto, or if any adverse claim for or against the Property, or any part thereof, be made or asserted, Beneficiary (unless such suit, action or claim is being contested in good faith by Grantor and Grantor shall have established and maintained adequate reserves in accordance with generally accepted accounting principles for the full payment and satisfaction of such suit or action if determined

adversely to Grantor), may appear or intervene in the suit or action and retain counsel therein and defend same, or otherwise take such action therein as they may be advised, and may settle or compromise same or the adverse claim; and in that behalf and for any of the purposes may pay and expend such sums of money as the Beneficiary may deem to be necessary and Grantor shall reimburse Beneficiary for such sums expended, together with accrued interest thereon, at the Default Rate which is defined in the Note.

6.16 RELEASES, EXTENSIONS, MODIFICATIONS AND ADDITIONAL SECURITY. Without notice to or the consent, approval or agreement of any persons or entities having any interest at any time in the Property or in any manner obligated under the Obligations ("Interested Parties"), Beneficiary may, from time to time, release any person or entity from liability for the payment or performance of any Obligation, take any action or make any agreement extending the maturity or otherwise altering the terms or increasing the amount of any Obligation, or accept additional security or release all or a portion of the Property and other security for the Obligations. None of the foregoing actions shall release or reduce the personal liability of any of said Interested Parties, or release or impair the priority of the lien of this Deed of Trust upon the Property.

6.17 RIGHT OF INSPECTION. Beneficiary, its agents and employees, may enter the Real Property at any reasonable time, upon reasonable advance notice, for the purpose of inspecting the Real Property and ascertaining Grantor's compliance with the terms hereof.

ARTICLE 7. DEFAULT PROVISIONS

7.1 DEFAULT. For all purposes hereof, the term "Default" shall mean the existence of any Event of Default as defined by Section 7 of the Loan Agreement.

7.2 RIGHTS AND REMEDIES. At any time after Default, Beneficiary shall have all the following rights and remedies (in addition to (and without limiting) any rights and remedies that are available hereunder, or under applicable law):

(a) With or without notice, to declare all Obligations immediately due and payable;

(b) With or without notice, and without releasing Grantor from any Obligation, and without becoming a mortgagee in possession, to cure any breach or Default of Grantor and, in connection therewith, to enter upon the Real Property and do such acts and things as Beneficiary or Trustee deems necessary or desirable to protect the security hereof, including, without limitation: (i) to appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary; (ii) to pay, purchase, contest or compromise any encumbrance, charge, lien or claim of lien which, in the sole judgment of Beneficiary or Trustee, is or may be senior in priority to this Deed of Trust, the judgment of Beneficiary or Trustee being

conclusive as between the parties hereto: (iii) to obtain insurance; (iv) to pay any premiums or charges with respect to insurance required to be carried under the Loan Documents; and (v) to employ counsel, accountants, contractors and other appropriate persons;

(c) To commence and maintain an action or actions in any court of competent jurisdiction to foreclose this Deed of Trust or to obtain specific enforcement of the covenants of Grantor hereunder, and Grantor agrees that such covenants shall be specifically enforceable by injunction or any other appropriate equitable remedy and that for the purposes of any suit brought under this subparagraph, Grantor waives the defense of laches and any applicable statute of limitations;

(d) To apply to a court of competent jurisdiction for and obtain appointment of a receiver of the Real Property as a matter of strict right and without regard to the adequacy of the security for the repayment of the Obligations, the existence of a declaration that the Obligations are immediately due and payable, or the filing of a notice of default, and Grantor hereby consents to such appointment;

(e) To enter upon, possess, manage and operate the Real Property or any part thereof, to take and possess all documents, books, records, papers and accounts of Grantor or the then owner of the Real Property, to make, terminate, enforce or modify Leases of the Real Property upon such terms and conditions as Beneficiary deems proper, to make repairs, alterations and improvements to the Real Property as necessary, in Beneficiary's sole judgment, all to protect or enhance the security hereof;

(f) To execute a written notice of such Default and of its election to cause the Real Property to be sold to satisfy the Obligations. As a condition precedent to any such sale, Beneficiary shall give, post and record such notices as Nevada law then requires. When the minimum period of time required after such notices has elapsed, Beneficiary and/or Trustee, without notice to or demand upon Grantor except as required by law, shall sell the Real Property at the time and place of sale fixed by it in the notice of sale, at one or several sales, either as a whole or in separate parcels and in such manner and order, all as Beneficiary in its sole discretion may determine, at public auction to the highest bidder for cash, in lawful money of the United States, payable at time of sale. Neither Grantor nor any other person or entity other than Beneficiary or Trustee shall have the right to direct the order in which the Real Property is sold. Subject to requirements and limits imposed by law, Beneficiary may from time to time postpone sale of all or any portion of the Real Property by public announcement at such time and place of sale. Beneficiary and/or Trustee shall deliver to the purchaser at such sale a deed conveying the

Real Property or portion thereof so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Beneficiary or Grantor may purchase at the sale:

(g) To resort to and realize upon the security hereunder and any other security now or later held by Beneficiary and/or Trustee concurrently or successively and in one or several consolidated or independent judicial actions or lawfully taken non-judicial proceedings, or both, and to apply the proceeds received upon the Obligations all in such order and manner as Beneficiary determines in its sole discretion;

(h) Upon sale of the Real Property pursuant to the power of sale granted herein or at any judicial or non-judicial foreclosure, Beneficiary may credit bid (as determined by Beneficiary in its sole and absolute discretion) all or any portion of the Obligations. In determining such credit bid, Beneficiary may, but is not obligated to, take into account all or any of the following: (i) appraisals of the Real Property as such appraisals may be discounted or adjusted by Beneficiary in its sole and absolute underwriting discretion; (ii) expenses and costs incurred by Beneficiary with respect to the Real Property prior to foreclosure; (iii) expenses and costs which Beneficiary anticipates will be incurred with respect to the Real Property after foreclosure, but prior to resale, including, without limitation, costs of structural reports and other due diligence, costs to carry the Real Property prior to resale, costs of resale (e.g. commissions, attorneys' and paralegals' fees, and taxes), costs of any hazardous materials clean-up and monitoring, costs of deferred maintenance, repair, refurbishment and retrofit, costs of defending or settling litigation affecting the Real Property, and lost opportunity costs (if any), including the time value of money during any anticipated holding period by Beneficiary; (iv) declining trends in real property values generally and with respect to properties similar to the Real Property; (v) anticipated discounts upon resale of the Real Property as a distressed or foreclosed property; (vi) the fact of additional collateral (if any), for the Obligations; and (vii) such other factors or matters that Beneficiary (in its sole and absolute discretion) deems appropriate. In regard to the above, Grantor acknowledges and agrees that: (w) Beneficiary is not required to use any or all of the foregoing factors to determine the amount of its credit bid; (x) this Section does not impose upon Beneficiary any additional obligations that are not imposed by law at the time the credit bid is made; (y) the amount of Beneficiary's credit bid need not have any relation to any loan-to-value ratios specified in the Loan Documents or previously discussed between Grantor and Beneficiary; and (z) Beneficiary's credit bid may be (at Beneficiary's sole and absolute discretion) higher or lower than any appraised value of the Real Property.

(i) The rights and remedies of Beneficiary and/or Trustee upon the occurrence of one or more Defaults (whether such rights and remedies are conferred by statute, by rule of law, by this Deed of Trust, by any Loan Document, as defined in the Loan Agreement, or otherwise) may be exercised by Beneficiary and/or Trustee, in the sole discretion of Beneficiary, either alternatively, concurrently, or consecutively in any order. The exercise by Beneficiary and/or Trustee of any one or more of such rights and remedies shall not be construed to be an election of remedies nor a waiver of any other rights and remedies Beneficiary might have unless, and limited to the extent that, Beneficiary shall so elect or so waive by an instrument in writing delivered to Grantor. Without limiting the generality of the foregoing, to the extent that this Deed of Trust covers both Real Property and Personal Property, Beneficiary and/or Trustee may, in the sole discretion of Beneficiary, either alternatively, concurrently, or consecutively in any order:

(i) proceed as to both the Real Property and Personal Property in accordance with Beneficiary's and Trustee's rights and remedies in respect of the Real Property; or

(ii) proceed as to the Real Property in accordance with Beneficiary's and Trustee's rights and remedies in respect of the Real Property and proceed as to the Personal Property in accordance with Beneficiary's and Trustee's rights and remedies in respect of the Personal Property.

If Beneficiary should elect to proceed as to both the Real Property and Personal Property collateral in accordance with Beneficiary's and/or Trustee's rights and remedies in respect to the Real Property:

(i) all, or any portion of, the Real Property and all, or any portion of, the Personal Property may be sold, in the manner and at the time(s) and place(s) provided in this Deed of Trust, in one lot, or in separate lots consisting of any combination or combinations of Real Property and Personal Property, as the Beneficiary may elect, in the sole discretion of Beneficiary.

(ii) Grantor acknowledges and agrees that a disposition of the Personal Property collateral in accordance with Beneficiary's rights and remedies in respect of Real Property, as hereinabove provided, is a commercially reasonable disposition of said collateral.

If Beneficiary should elect to proceed as to the Personal Property collateral in accordance with Beneficiary's rights and remedies with respect to personal property, Beneficiary shall have all the rights and remedies conferred on a secured party by the UCC.

7.3 APPLICATION OF PROCEEDS. All sums received by Beneficiary or Trustee, shall be applied in payment of the Obligations in the order set forth by the Loan Agreement; provided, however, Beneficiary and/or Trustee shall have no liability for funds not actually received by Beneficiary.

7.4 NO CURE OR WAIVER. Neither Beneficiary's nor any receiver's entry upon and taking possession of all or any part of the Real Property, nor any collection of rents, issues, profits, insurance proceeds, condemnation proceeds or damages, other security or proceeds of other security, or other sums, nor the application of any collected sum to any Obligation, nor the exercise or failure to exercise of any other right or remedy by Beneficiary or Trustee, or any receiver, shall cure or waive any breach, Default or notice of default under this Deed of Trust, or nullify the effect of any notice of default or sale (unless all Obligations then due have been paid and performed and Grantor has cured all other defaults), or impair the status of the security, or prejudice Beneficiary in the exercise of any right or remedy, or be construed as an affirmation by Beneficiary of any tenancy, lease or option or a subordination of the lien of this Deed of Trust.

7.5 PAYMENT OF COSTS, EXPENSES AND ATTORNEYS' AND PARALEGALS' FEES. Grantor agrees to pay to Beneficiary and Trustee immediately and upon demand all reasonable costs and expenses incurred by Beneficiary and expenses incurred by the Trustee in connection with the exercise of the rights and remedies provided for herein and/or in any of the other Loan Documents (including, without limitation, court costs, appraisal fees and reasonable attorneys' and paralegals' fees, whether incurred in litigation or not, and all whether internal costs, external costs or both) with interest from the date such amounts are demanded hereunder until said sums have been paid, at the Default Rate set forth by the Loan Agreement.

7.6 POWER TO FILE NOTICES AND CURE DEFAULTS. Grantor hereby irrevocably appoints Beneficiary and/or Trustee, and their successors and assigns, as its attorney-in-fact, which agency is coupled with an interest, (a) to execute and/or record any notices of completion, cessation of labor, or any other notices that Beneficiary deems appropriate to protect Beneficiary's interest, (b) upon the issuance of a deed pursuant to the foreclosure of this Deed of Trust or power of sale granted herein, or the delivery of a deed in lieu of foreclosure, to execute all instruments of assignment or further assurance with respect to the Leases and Payments in favor of the grantee of any such deed, as may be necessary or desirable for such purpose, (c) to prepare, execute and file or record financing statements, continuation statements, applications for registration and like papers necessary to create, perfect or preserve Beneficiary's security interests and rights in or to any of the Personal Property and any other property or interests securing the payment and the performance of the Obligations, and (d) upon the occurrence of an event, act or omission which, with notice or passage of time or both, would constitute a Default, Beneficiary or Trustee may perform any obligation of Grantor hereunder;

provided however, that: (i) Beneficiary as such attorney-in-fact shall only be accountable for such funds as are actually received by Beneficiary; and (ii) Beneficiary and Trustee shall not be liable to Grantor or any other person or entity for any failure to act under this Section.

ARTICLE 8. MISCELLANEOUS PROVISIONS

8.1 ADDITIONAL PROVISIONS. The Loan Documents contain or incorporate by reference the entire agreement of the parties with respect to matters contemplated herein and supersede all prior negotiations. The Loan Documents grant further rights to Beneficiary and contain further agreements and affirmative and negative covenants by Grantor which apply to this Deed of Trust and to the Property and such further rights and agreements are incorporated herein by this reference.

8.2 MERGER. No merger shall occur as a result of Beneficiary's acquiring any other estate in, or any other lien on, the Property unless Beneficiary consents to a merger in writing.

8.3 WAIVER OF MARSHALING RIGHTS. Grantor, for itself and for all parties claiming through or under Grantor, and for all parties who may acquire a lien on or interest in the Property, hereby waives all rights to have the Property and/or any other property which is now or later may be security for any Obligation ("Other Property") marshaled upon any foreclosure of this Deed of Trust or on a foreclosure of any Other Property. Beneficiary shall have the right to sell, and any court in which foreclosure proceedings may be brought shall have the right to order a sale of, the Real Property and any or all of the Personal Property or Other Property as a whole or in separate parcels, in any order that Beneficiary may designate.

8.4 WAIVER OF RIGHTS OF REDEMPTION AND REINSTATEMENT. Grantor, for itself and for all parties claiming through or under Grantor, and for all parties who may acquire a lien on or interest in the Property, hereby waives any and all rights of redemption and reinstatement under law and under any order or decree of foreclosure of this Deed of Trust, and all such rights of redemption and reinstatement of Grantor and of all other persons, are and shall be deemed to be hereby waived to the full extent permitted by the provisions of the applicable law.

8.5 EXERCISE OF REMEDIES. Notwithstanding any of the terms or provisions contained in this Deed of Trust (or in any of the other Loan Documents), if at any time after the occurrence of a Default under any of the Loan Documents (but prior to the time (if any) that said Default has been cured to the satisfaction of Beneficiary), Beneficiary or Trustee has commenced to exercise one or more of its remedies provided for herein (or provided in any of the other Loan Documents or available at law or in equity), Beneficiary will not be precluded from continuing to exercise all of its rights and remedies upon said Default (notwithstanding the fact that Grantor may have cured, attempted to cure or be in the process of curing said Default). It is the intention of the

parties hereto that (to the extent permitted by law) once Beneficiary or Trustee has commenced to exercise one or more of its rights or remedies (upon a Default), said Default cannot be cured, unless Beneficiary expressly agrees in writing to accept said cure and to cease the exercise of said rights and remedies.

8.6 RULES OF CONSTRUCTION. The term: (i) "Real Property" means all and any part of the Real Property and any interest in the Real Property; (ii) "Personal Property" means all and any part of the Personal Property and any interest in the Personal Property; and (iii) "Property" means all and any part of the Property and any interest in the Property.

8.7 SUCCESSORS IN INTEREST. The terms, covenants, and conditions herein contained shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto; provided, however, that this section does not waive or modify any restrictions on transfer contained herein or in any of the other Loan Documents.

8.8 GOVERNING LAW. This Deed of Trust shall, in all respects, be governed by and construed in accordance with the internal laws of the State of Nevada and applicable federal law. All references herein to the "UCC" shall be to the Uniform Commercial Code as enacted in the State of Nevada.

8.9 NOTICES. All notices, reports, demands, requests and other communications authorized or required under this Deed of Trust to be given to Grantor or Beneficiary, shall be given in the manner and to the addresses specified in the Loan Agreement for the giving of notices. Grantor shall forward to Beneficiary, without delay, any notices, letters or other communications delivered to the Real Property or to Grantor naming Beneficiary, "Lender" or any similar designation as addressee, or which could reasonably be deemed to affect the ability of Grantor to perform its obligations to Beneficiary under the Note, the Loan Agreement or any other Loan Documents.

8.10 MAXIMUM INDEBTEDNESS; FUTURE ADVANCES. This Deed of Trust shall secure not only existing indebtedness but also such future advances, whether such advances are obligatory or to be made at the option of Beneficiary, or otherwise, to the same extent as if such future advances were made on the date of the execution of this Deed of Trust.

8.11 SEVERABILITY. If any provision or obligation under this Deed of Trust shall be determined by a court of competent jurisdiction to be invalid, illegal or unenforceable, that provision shall be deemed severed from the Deed of Trust and the validity, legality and enforceability of the remaining provisions or obligations shall remain in full force as though the invalid, illegal or unenforceable provision had never been a part of the Deed of Trust.

8.12 TIME. Time is of the essence of each and every term of this Deed of Trust.

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8.13 LIMITATION OF TRUSTEE'S FEES. Notwithstanding any statutory provision to the contrary, Trustee agrees that it shall not charge more than One Thousand Dollars (\$1,000) in the aggregate for any trustee's fee or fees resulting from a trustee's sale held pursuant to this Deed of Trust.

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT CAN BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT.

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IN WITNESS WHEREOF, Grantor has executed this Deed of Trust as of the day and year set forth above.

GRANTOR

**PARADISE CANYON LLC,
a Nevada limited liability company**

By: CORCHA, LLC, a Nevada limited liability company, as Member and Manager

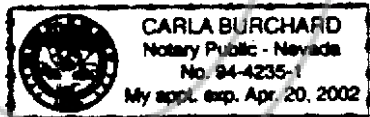
By: Douglas C. Clemetson
Name: Douglas C. Clemetson
Its: Managing Member

By: MESQUITE PROPERTIES, a Nevada corporation, as Member and Manager

By: Dennis C. Rider
Name: Dennis C. Rider
Its: President

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On this 3 day of October, 2001, before me, a Notary Public in and for said county, personally appeared Douglas C. Clemetson, to me personally known, who being by me duly (sworn or affirmed), did say that he is the Managing Member of Corcha, LLC, a Nevada limited liability company, a Member and Manager of Paradise Canyon LLC, a Nevada limited liability company, that said instrument was signed on behalf of Paradise Canyon, LLC by authority of its Members and Managers and that the said Members and Managers acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company by it voluntarily executed.

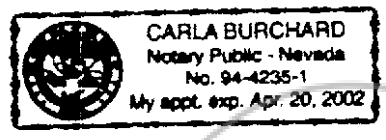


Carla Burchard
Notary Public

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STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On this 3 day of October, 2001, before me, a Notary Public in and for said county, personally appeared Dennis C. Rider, President of Mesquite Properties, a Nevada corporation, to me personally known, who being by me duly (sworn or affirmed), did say that Mesquite Properties is a Member and Manager of Paradise Canyon LLC, a Nevada limited liability company, that said instrument was signed on behalf of the said limited liability company by authority of its Members and Managers and that the said Members and Managers acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company by it voluntarily executed.



Carla Burchard
Notary Public

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EXHIBIT A

LEGAL DESCRIPTION

THOSE PORTIONS OF SECTIONS 3 AND 4, TOWNSHIP 13 SOUTH,
RANGE 71 EAST, M.D.M., DESCRIBED AS FOLLOWS:

PARCELS ONE (1) AND FOUR (4) AS SHOWN BY MAP THEREOF IN FILE
98 OF PARCEL MAPS, PAGE 1, AS AMENDED BY CERTIFICATE OF
AMENDMENT RECORDED JUNE 7, 2000 IN BOOK 20000607 AS
DOCUMENT NO. 01473, IN THE OFFICE OF THE COUNTY RECORDER,
CLARK COUNTY, NEVADA.

TOGETHER WITH A NON-EXCLUSIVE EASEMENT FOR ACCESS,
INGRESS, EGRESS AND CROSS PARKING AS ESTABLISHED BY CROSS-
PARKING EASEMENT AND UTILITIES EASEMENT AGREEMENT
RECORDED April 4, 2001 IN BOOK 2001004 AS DOCUMENT NO.
1227, IN THE OFFICE OF THE COUNTY RECORDER, CLARK
COUNTY, NEVADA.



1003 NOV 14 2001

HC26DS2 1097 2646226 v2

CLARK COUNTY, NEVADA
JUDITH A. VANDEVER, RECORDER
RECORDED AT REQUEST OF:
NEVADA TITLE COMPANY
10-04-2001 14:03 KGP
OFFICIAL RECORDS
BOOK: 20011004 INST: 01229
FEE: 40.00 RPT: .00