

127783

FILED FOR RECORDING
AT THE REQUEST OF

Ticor Title of Nevada

2006 NOV 6 AM 3 54

LINCOLN COUNTY RECORDER
FEE \$161.00 DEP
LESLIE BOUCHER

APN # 001-04-501-011, 001-04-701-035, 008-261-06

Clark Fee & Lincoln Fee.

Recording Requested by and Return to:

Rabecca Rich Esc #06003523-RR
TICORTITLE OF NEVADA, INC.
Commercial Division
5441 Kietzke Lane, Suite 100
Reno, NV 89511
Ph: 775-824-3232
Fx:775-824-3233

First Amended and Restated
Deed of Trust

(Title on Document)

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.

Julieta Aliconar Title #6516099-JA1
Ticor Title
777 North Rainbow Blvd. #150
Las Vegas, NV 89107
Ph:702-932-0777
Fx: 702-932-0814

A.P.N. 001-04-501-011; 001-04-701-035;
008-261-06

WHEN RECORDED MAIL TO:

DORFINCO CORPORATION
11575 GREAT OAKS WAY, SUITE 210
ALPHARETTA, GEORGIA 30022
ATTN: DIVISION COUNSEL – GOLF FINANCE

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

Dated for reference purposes as of October 31, 2006

From

PARADISE CANYON, LLC,
a Nevada limited liability company
having an office at

403 Paradise Parkway
Mesquite, Nevada 89027

("Grantor")

to

DORFINCO CORPORATION,
a Delaware corporation,
having an office at
11575 Great Oaks Way, Suite 210
Alpharetta, Georgia 30022

("Beneficiary")

LOCATION OF PREMISES
Wolf Creek Golf Course
Clark and Lincoln Counties, Nevada

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

THIS DOCUMENT CONSTITUTES A FIXTURE FILING IN ACCORDANCE WITH THE NEVADA UNIFORM COMMERCIAL CODE AND SHALL BE FILED IN THE OFFICIAL RECORDS OF CLARK COUNTY AND LINCOLN COUNTY RECORDERS OFFICE, STATE OF NEVADA.

THIS FIRST AMENDED AND RESTATED DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS AND FIXTURE FILING ("Deed of Trust"), is dated for reference purposes as of October 31, 2006, by PARADISE CANYON, LLC, a Nevada limited liability company, with an office and principal place of business at 403 Paradise Parkway, Mesquite, Nevada 89027 ("Grantor"), to TICOR TITLE OF NEVADA, INC. ("Trustee"), for the use and benefit of DORFINCO CORPORATION, a Delaware corporation ("Beneficiary"), and constitutes an amendment and restatement in its entirety of that certain Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing, dated October 3, 2001, executed by Grantor in favor of First National Bank, a national bank, ("FNB"), and recorded on October 4, 2001, in the Official Records of Clark County, Nevada, in Book No. 20011004, as Document No. 01229, as amended by that certain Notice of First Modification of Note Secured by Deed of Trust, dated effective as of July 15, 2003 and recorded in the Official Records of Clark County, Nevada on August 8, 2003, in Book No. 20030808, Instrument No. 02769, and as further amended by that certain Modification and Supplement to Deed of Trust, dated April 7, 2005, by and between Borrower and FNB, and recorded on May 10, 2005, in the Official Records of Clark County, Nevada, in Book No. 20050510, as Document No. 04607, and in the Official Records of Lincoln County, Nevada, in Book No. 201, Pages 212-285, as Document No. 124579 (collectively, the "FNB Deed of Trust"). Capitalized terms used herein without definition shall have the meaning ascribed to such terms in the Loan Agreement (as defined below). The FNB Deed of Trust is hereby amended and restated in its entirety, as follows:

1. Grant and Assignment. For good and valuable consideration, Grantor hereby irrevocably and unconditionally grants, transfers and assigns to Trustee, in trust, with power of sale and right of entry and possession, that certain real property located in the County of Clark and the County of Lincoln, State of Nevada, and more particularly described in Exhibit "A," attached hereto and incorporated herein by reference, together with all easements, rights, privileges, franchises and appurtenances thereto belonging or in any way pertaining to the Land, and any and all rights of first refusal, options and rights of first offer or similar rights and options, all of the estate, right, title, interest, claim and demand whatsoever of Grantor therein or thereto, either in law or equity, in possession or in expectancy, now or hereafter acquired (the "Land");

TOGETHER with all right, title and interest of Grantor in and to all streets, roads and public places, all easements and rights of way, public or private, tenements, hereditaments, rights and appurtenances, now or hereafter used in connection with, belonging to or appurtenant to the Land, and including, without limitation, all minerals, oil, gas and other hydrocarbon substances thereon or therein, before extraction, along with all rights to surface and subsurface entry, including, without limitation, any consumptive use permits issued by water management districts or other governmental agencies, and all of Grantor's right, title and interest in and to any and all licenses and permits pertaining to the use of reclaimed wastewater on the Land and all development rights or credits, oil, gas and mineral rights and all rights applicable or appurtenant to the Land; all oil, gas, other minerals and accounts constituting as-extracted collateral; air rights, water rights and allocations (of whatever kind or character, surface or underground, appropriative, riparian, decreed or vested); mineral rights, timber rights and development rights, and any land lying in the streets, alleys, strips, gores, roads or avenues, open or proposed, in front of or adjoining the Land and Improvements (collectively, the "Appurtenances");

TOGETHER with all buildings, structures, appurtenances and improvements now located or hereafter to be placed or constructed on the Land, including, without limitation, an 18-hole golf course, driving range, practice facility and related improvements located on the Land ("Golf Course"), the permanent clubhouse and related improvements located on the Land ("Clubhouse"), the maintenance facility and related improvements located on the Land including, without limitation, the satellite Maintenance Facility ("Maintenance Facility"), the cart storage facility and related improvements located on the Land ("Cart Storage Facility"), the approximate 2,800 square foot "snack shack" facility and related improvements located on the Land ("Snack Shack Facility"), the public park facility with designated picnic areas, nature and walking trails and related improvements located on the Land ("Park Facilities"), all equipment, apparatus, machinery, fittings, appliances and Fixtures (as defined below), all Capital Improvements and any additions to, substitutions for, changes in or replacements of the whole or any part thereof, whether or not physically affixed to the Land or any building or structure thereon, including such of the foregoing as may be used in connection with the generation or distribution of or to provide or supply air, water, heat, gas, electricity, power, light, fuel or refrigeration or for ventilation or sanitary purposes or for the exclusion of vermin or insects, or for the removal of dust, refuse or garbage now or at any time hereafter affixed to, attached to, placed upon or used in any way in connection with the use, enjoyment, occupancy or operation of the Land or the structures, buildings or improvements thereon or any portion thereof; all water, irrigation, sprinkler, frost protection, sanitary and storm sewer systems now or hereafter located by, over and/or upon the Land or any part thereof, and which water systems include all water mains, service laterals, hydrants, valves and appurtenances, and which sewer systems include all sanitary sewer lines, including mains, laterals, manholes and appurtenances; and all additions to, substitutions for, changes in or replacements of the whole or any part thereof (collectively, the "Improvements");

TOGETHER with all equipment, machinery, fixtures, chattels, furniture, furnishings, inventory, merchandise, supplies and other articles of tangible personal property, and any additions to, substitutions for, changes in or replacements of the whole or any part thereof, together with all warranties associated therewith, now or at any time hereafter affixed to, attached to, placed upon or used in any way in connection with the use, enjoyment, occupancy or operation of the Land or the Improvements thereon or any portion thereof, or that in some fashion are deemed to be "Fixtures" to the Land or Improvements under the laws of the State of Nevada, including the Uniform Commercial Code of the State of Nevada, as amended from time to time (collectively, the "UCC"), including, without limitation, all materials and equipment now or hereafter delivered to the Land and intended to be installed in or about the same; all gas, electric and other utility equipment and fixtures, radiators, heaters, frost protection equipment, fans, ducts, compressors, engines, machinery, boilers, ranges, plumbing and heating equipment and fixtures; all light fixtures, chandeliers, draperies, curtains, window shades, window blinds, window screens, awnings and storm sashes, drapery and curtain rods and brackets, venetian blinds, carpeting and other floor coverings and paneling; all fire sprinklers, fire extinguishers and any other safety equipment, alarm and security systems; all built-in furniture and installations, escalators, elevators, shelving, partitions, door tops, vaults, dumb waiters, washers, dryers, sinks, water heaters, water fountains, mirrors, mantels, pictures, refrigerators, ice-making machines, ovens, cooking apparatus and appurtenances, disposals, restaurant and kitchen furniture, furnishings, equipment, inventory and supplies; pro shop furniture, furnishings, equipment, inventory, merchandise and supplies; golf equipment, inventory, merchandise and supplies; golf carts, battery chargers and related equipment and supplies; tennis equipment and nets, inventory, merchandise and supplies; maintenance equipment, tools, inventory and supplies; computers and computer software and data, computer control lines and systems, audio/visual or communication equipment, telephone equipment, office equipment (including tables, chairs, planters, desks, sofas, shelves, lockers and cabinets), office machines, office furnishings and snack bar equipment; all pools, spas, pool and spa operation maintenance equipment and apparatus, satellite dishes, antennas and related distribution equipment and apparatus; all gazebos, trees, plants, landscaping, landscaping equipment, tools and supplies, frost protection, sprinkler and irrigation systems, facilities and equipment, valves and rotors, maintenance equipment and supplies, together with all items of Personal Property (as defined below) to the extent that they may be deemed "Fixtures" under any and all laws, statutes, codes, ordinances, regulations, enactments, decrees, judgments and orders of any courts, boards, agencies, commissions, offices or authorities of any nature whatsoever for or by any federal, state, county, district, municipal, or other political subdivision thereof or other governmental or quasi-governmental body,

agency, authority or district exercising executive, legislative, judicial, regulatory or administrative functions (each, a "Governmental Authority" or collectively "Governmental Authorities"), whether now or later in existence and all additions to, substitutions for, changes in or replacements of the whole or any part thereof; and all Fixtures, as that term is defined in Article 9 of the UCC, as such definition may be amended from time to time (collectively, the "Fixtures").

TOGETHER with all right, title and interest of Grantor in and to any and all equipment, machinery, vehicles, fixtures, chattels, furniture, furnishings, instruments (including, but not limited to, all promissory notes), inventory, supplies and other articles of tangible and intangible personal property (including, but not limited to, all payment intangibles), and any additions to, substitutions for, changes in or replacements of the whole or any part thereof and commingled goods relating thereto, together with all warranties associated therewith, now or at any time hereafter affixed to, attached to, placed upon or used in any way in connection with the use, enjoyment, occupancy or operation of the Land or the Improvements or any portion thereof, including, but not limited to, all materials and equipment now or hereafter delivered to the Land or the Improvements and intended to be installed in or about the same; all gas, electric and other utility equipment and fixtures, radiators, heaters, incinerators, fans, ducts, compressors, engines, machinery, boilers, ranges, plumbing and heating equipment and fixtures; all light fixtures, chandeliers, draperies, curtains, window shades, window blinds, window screens, awnings and storm sashes, drapery and curtain rods and brackets, venetian blinds, carpeting and other floor coverings and paneling; all fire sprinklers, fire extinguishers and any other safety equipment, alarm and security systems; all built-in furniture and installations, escalators, elevators, shelving, partitions, door-tops, vaults, dumb-waiters, washers, dryers, sinks, water heaters, water fountains, mirrors, mantels, pictures, refrigerators, ice-making machines, ovens, cooking apparatus and appurtenances, disposals, restaurant and kitchen furniture, furnishings, equipment, inventory and supplies; pro shop furniture, furnishings, equipment, inventory, merchandise and supplies; golf equipment, inventory, merchandise and supplies; golf carts, battery chargers and related equipment and supplies; tennis equipment and nets, inventory, merchandise and supplies; maintenance equipment, tools, inventory and supplies; computers and computer software and data, web sites relating to the Golf Course and its related Improvements and facilities, computer control lines and systems, audio/visual or communication equipment, telephone equipment, telephone numbers, office equipment (including tables, chairs, planters, desks, sofas, shelves, lockers and cabinets), office machines, office furnishings and snack bar equipment; all pools, spas, pool and spa operation maintenance equipment and apparatus, satellite dishes, antennas and related distribution equipment and apparatus; all gazebos, trees, plants, landscaping and landscaping equipment, tools and supplies, sprinkler and irrigation systems, facilities and equipment, valves and rotors, maintenance equipment and supplies; all inventory and merchandise; all accounts, deposit accounts, all deposit and impound accounts established with Beneficiary now or in the future pursuant to the terms and conditions of the Note (as defined below), this Deed of Trust or the other Loan Documents (as defined below), all disbursed proceeds of financing commitments, money, other rights to payment and performance (including all of Grantor's right, title and interest in and to any proceeds arising out of that certain adversary proceeding brought in the United States Bankruptcy Court, District of Nevada, entitled The Opulent Group v. Paradise Canyon, LLC, Adversary Proceeding No. 06-01094-BAM, brought under the Opulent Bankruptcy, pursuant to which Borrower holds a contingent claim to all or a portion of certain proceeds that have been set aside by such court in an escrow account with Chicago Title Company, in the amount of Six Hundred Thousand Dollars (\$600,000.00) (hereinafter the "Escrowed Funds"), and all of Grantor's right, title and interest in and to the Escrowed Funds, if any), all accounts receivable, contract rights, securities and certificated securities, all certificates of deposit of Grantor in Beneficiary's possession and all bank accounts of Grantor with Beneficiary and their proceeds; if any, all of Grantor's trade names (including the trade names "Wolf Creek Golf Course," "Wolf Creek at Paradise Canyon," "Wolf Creek Golf Club," and "Terrace At Wolf Creek," and any and all derivative forms thereof, whether or not registered), trademarks, symbols, service marks (including, without limitation, the service marks "Terrace At Wolf Creek," and "Wolf Creek") and goodwill associated with the Land and the Improvements and any and all state and federal applications and registrations now or later used in connection with the use or operation of the Land and the Improvements; and all Accounts, Chattel Paper, Deposit Accounts, Documents, Equipment, Goods, General Intangibles, Instruments, Inventory, Investment Property, Letters of Credit, Letter of Credit Rights, Supporting Obligations, and Proceeds, as those terms are defined in Article 9 of the UCC, as such definition may be amended from time to time, and all products and

proceeds (including, but not limited to, all insurance payments) of or relating to all of the foregoing property, and all records and data of any kind relating to any of the foregoing (including embedded software and all equipment, inventory and software to utilize, create, maintain and process any such records and data on electronic media (collectively, the "Personal Property");

TOGETHER with all right, title and interest of Grantor in and to all refunds, rebates, reimbursements (including, without limitation, Grantor's rights in and to the Escrowed Funds), reserves, deferred payments, deposits, letters of credit, bonds, surety bonds, cost savings, governmental subsidy payments, *governmentally registered credits (such as emissions reduction credits)*, other credits, waivers and payments, whether in cash or in kind, due from or payable by: (i) any Governmental Authority; or (ii) any insurance or utility company relating to any or all of the Property (as defined below) or arising out of the satisfaction of any conditions imposed upon or the obtaining of any approvals for the development of the Land and/or the Improvements; all refunds, rebates, reimbursements, credits and payments of any kind due from or payable by any Governmental Authority for any taxes, special taxes, assessments, or similar governmental or quasi-governmental charges or levies imposed upon Grantor with respect to the Land or the Improvements or arising out of the satisfaction of any conditions imposed upon or the obtaining of any approvals for the development of the Land and/or the Improvements; and any and all awards or payments, including interest thereon, and the right to receive the same as a result of the exercise of the right of eminent domain, the alteration of the grade of any street or any other injury to, taking of or decrease in the value of the Land and/or the Improvements (collectively, the "Reimbursements");

TOGETHER with all right, title and interest of Grantor in and to all permits, licenses (including liquor and other alcoholic beverage licenses to the extent allowed by law), registrations, authorizations, bonds, privileges, franchises, concessions, entitlements, approvals, land use rights, development rights, *certificates of occupancy and other rights and approvals, including, without limitation the 8-Acre Parcel Easement Agreement*, whether of Governmental Authorities and/or any other person, and all applications for any of the foregoing, arising out of or related to the Land or the Improvements, and/or the ownership, operation, maintenance, management, construction and/or development of the Land or the Improvements, whether now existing or hereafter arising or acquired, including, without limitation, those specifically set forth in and attached to the Certificate of Borrower and Guarantors (as defined below) (collectively, the "Permits and Licenses");

TOGETHER with all right, title and interest of Grantor in and to all contracts, agreements (including, without limitation, management agreements, leasing agreements, licensing agreements, sponsorship agreements, utility contracts, maintenance contracts, service contracts, warranties and operating agreements and deposits for the foregoing), insurance policies, appraisals, reports, certifications, studies and assessments which relate in any way to the Property, whether now existing or hereafter arising or acquired; all membership, sponsorship and/or license agreements now existing or hereafter created which grant the holder thereof any rights to use the Real Property or any portion thereof including, without limitation, all contracts and agreements in connection with tournaments, banquets, weddings, bar mitzvahs, bat mitzvahs, special events and other similar types of group outings or functions (collectively, the "TBSE Contracts"); and all architectural, engineering and similar plans, specifications, drawings, renderings, profiles, studies, shop drawings, reports, plats, surveys, construction contracts, subcontracts, bids and the like relating to the Land and/or the Improvements; including, without limitation, each and all of the Relocation Project Plans and Specifications and each and all of the Relocation Project Budgets, all of Grantor's right, title and interest in all declarations of covenants, conditions and restrictions as may affect or otherwise relate to the Real Property; and all rights and benefits under any of the foregoing, now or at any time hereafter entered into by Grantor, any manager, member, officer or any other person on behalf of Grantor, which relate in any way to the Real Property (collectively the "Contracts");

TOGETHER with all right, title and interest of Grantor in and to all proceeds (including claims or demands thereto) from: (i) all membership initiation fees and deposits, membership transfer fees, membership dues, member food and beverage minimums, guest fees and all other revenue derived from any source whatsoever arising out of or related to the Real Property or any portion thereof including,

without limitation, green fees, equipment rental fees, golf cart fees, food and beverage receipts, driving range receipts, retail sales receipts, TBSE Contract receipts, deposits, late fees and charges and all other revenues and receipts of any kind whatsoever; (ii) the conversion, voluntary or involuntary, of the Land, Appurtenances, Improvements, Fixtures, Personal Property, Reimbursements, Permits and Licenses, Contracts, Leases and Rents or any part thereof into cash or liquidated claims including, without limitation, proceeds of all present and future fire, hazard or casualty insurance policies and all condemnation awards or payments in lieu thereof made by any public body or decree by any court of competent jurisdiction for taking or for degradation of the value in any condemnation or eminent domain proceeding; (iii) all judgments, awards of damages and settlements hereafter made, causes of action and the proceeds thereof of all types for any damage or injury to the Land, Appurtenances, Improvements, Fixtures, Personal Property, Reimbursements, Permits and Licenses, Contracts, Leases and Rents or any part thereof including, without limitation, causes of action arising in tort or contract and causes of action for fraud or concealment of a material fact, relating or pertaining to the Property; (iv) all rights to the payment of money, including the Escrowed Funds, any deposits and escrow proceeds arising out of the sale or other disposition of all or any portion of the Property, together with any and all receivables now or hereafter due to Grantor in connection with any such sales or dispositions; (v) all loan commitments issued to Grantor in connection with any sale or financing of the Property; (vi) all supplements, modifications and amendments to the foregoing; and (vii) all "Proceeds," as that term is defined in Article 9 of the UCC, as such definition may be amended from time to time (collectively, the "Proceeds"). Grantor and Beneficiary hereby acknowledge and agree that the Proceeds constitute "proceeds, product, offspring or profits" ("BC Profits"), for purposes of Section 552(b) of the United States Bankruptcy Code, as amended ("Bankruptcy Code").

IN ADDITION, Grantor absolutely, irrevocably, presently and unconditionally grants, conveys, transfers and assigns to Beneficiary all right, title and interest of Grantor in and to any and all existing and future room occupancy agreements, tenancies, leases, subleases, licenses, concession agreements, rental agreements or other oral or written contracts and agreements relating to use and possession of any of the Land or the Improvements (including, without limitation, all TBSE Contracts), together with all modifications, extensions, replacements and renewals thereof and all guarantees of and security for the obligations of any and all lessees under such leases and agreements, together with all memberships and/or licenses now existing or hereafter created which grant the holder thereof any rights to use the Real Property or any portion thereof (collectively "Leases"), and any and all membership initiation fees and deposits, membership transfer fees, membership dues, member food and beverage minimums, guest fees and all other revenue derived from any source whatsoever arising out of or related to the Real Property or any portion thereof including, without limitation, green fees, equipment rental fees, golf cart fees, food and beverage receipts, driving range receipts, retail sales receipts, TBSE Contract receipts, deposits, late fees and charges and all other revenues and receipts of any kind whatsoever; and any and all existing and future rents, including, without limitation, all security deposits and other deposits, base rents, additional rents, percentage rents, advance rents, parking revenue, parking or common area maintenance reimbursements or payments, tax and insurance reimbursements or payments, late charges, liquidated damages, cancellation premiums, proceeds from loss of rents and/or business interruption insurance policies and monies due for services, materials or installations; and any and all rights and claims of any kind which Grantor may have under the Leases; and any awards payable to Grantor in lieu of rent pursuant to any bankruptcy, insolvency or reorganization court proceeding involving any lessees under the Leases, together with all royalties, issues, profits, revenue, income and proceeds therefrom and all guarantees, deposits (to the full extent permitted by law) and other security therefor (collectively "Rents"). Grantor and Beneficiary hereby acknowledge and agree that Rents constitute BC Profits for purposes of Section 552(b) of the Bankruptcy Code.

The Land, Appurtenances, Improvements, Fixtures, Personal Property, Reimbursements, Permits and Licenses, Contracts, Proceeds, Leases, Rents and all other right, title and interest of Grantor described above are hereinafter collectively referred to as "Property." The Land, the Appurtenances, the Improvements and the Fixtures shall sometimes collectively be referred to herein as the "Real Property."

2. Secured Obligations.

(a) Grantor makes this Deed of Trust for the purpose of securing:

(i) Payment of all indebtedness and the performance of all other obligations contained in that certain First Amended and Restated Promissory Note, of even date herewith, in the original principal sum of Eight Million Two Hundred Thousand Dollars (\$8,200,000.00), made by Grantor to the order of Beneficiary, together with all extensions, renewals and modifications of the same (the "Note"), to evidence a loan (the "Loan") made by Beneficiary to Grantor;

(ii) Payment of all indebtedness and the performance of all other obligations of Grantor under this Deed of Trust, together with all extensions, renewals and modifications of the same; including payment of all sums expended or advanced by Beneficiary hereunder, together with interest thereon at the rate set forth in this Deed of Trust;

(iii) Payment of all indebtedness and the performance of all other obligations of Grantor under the following documents, agreements and instruments, each of even date herewith, together with all extensions, renewals and modifications of the same:

(A) That certain Purchase, Sale and Assignment of Loan Documents (Wolf Creek Golf Course), executed by and between Grantor, Beneficiary and FNB ("Assignment of Loan and Loan Documents");

(B) That certain Allonge to Promissory Note; executed by FNB in favor of Beneficiary;

(C) That certain First Amended and Restated Loan Agreement by and between Grantor and Beneficiary (the "Loan Agreement");

(D) That certain Leasehold Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing, executed by Grantor in favor of Lender (the "Leasehold Deed of Trust");

(E) That certain Subordination Agreement (UCC Debt), executed by Grantor and Subordinate Lienholder (UCC) in favor of Beneficiary.

(F) That certain Subordination Agreement (DIP Financing), executed by Grantor and Subordinate Lienholder (DIP Financing) in favor of Beneficiary.

(G) That certain Subordination Agreement (Legal Fees/Costs), executed by Grantor and Subordinate Lienholder (Legal Fees/Costs) in favor of Beneficiary.

(H) That certain Assignment of Contracts and Permits and Licenses made by Grantor in favor of Beneficiary;

(I) That certain Assignment of Water Agreements made by Grantor in favor of Beneficiary;

(J) Subject to Section 2(b) below, that certain Certificate of Borrower and Guarantors, made by Grantor, as Borrower, and Guarantor (as defined in Section 2(b) below), for the benefit of Beneficiary ("Certificate of Borrower and Guarantors");

(K) That certain Assignment of Claim in Holdback Account made by Grantor in favor of Beneficiary;

- (L) That certain Conditional Assignment of Trademark Rights (Federal);
- (M) That certain Conditional Assignment of Trademark Rights (State);
- (N) That certain Post Closing Agreement made by Grantor in favor of Beneficiary;
- (O) That certain Escrow agreement to Ensure Delivery of Intercreditor Agreements, made by Grantor in favor of Beneficiary; and

(P) Subject to Section 2(b) below, such other documents, agreements and instruments of the dates specified therein which by their terms evidence or secure the Note and/or the Loan, together with all extensions, renewals and modifications of the same.

The Note, this Deed of Trust and all of the other documents, agreements and instruments described in this Section 2(a)(iii), together with all extensions, renewals and modifications of the same, shall collectively be referred to as the "Loan Documents."

(iv) Payment of all sums advanced or paid by Beneficiary under any provision of this Deed of Trust, or to protect the security of this Deed of Trust, together with interest thereon as herein provided;

(v) The payment of all future loans or advances made by Beneficiary to Grantor (or any successor-in-interest to Grantor as the owner of all or any part of the Property), pursuant to one or more of the Loan Documents or otherwise, when such loan or advance is evidenced by a writing which states that it is secured by this Deed of Trust, together with all extensions, renewals and modifications of the same;

(vi) All extensions, renewals and modifications (if any) of one or more of the obligations secured hereby including, without limitation: (i) modifications of the required principal payment dates or interest payment dates, deferring or accelerating payment dates wholly or partly; and (ii) extensions, renewals and modifications at a different rate of interest whether or not, in the case of a note or other contract, the extension, renewal or modification is evidenced by a new or additional promissory note or other contract.

(b) The indebtedness and other obligations secured by this Deed of Trust are herein collectively called the "Secured Obligations." All persons who may have or acquire an interest in the Property shall be deemed to have notice of, and shall be bound by, the terms of the Note, this Deed of Trust and all other Loan Documents and each of the Secured Obligations and all extensions, renewals and modifications thereof, as the same may be amended from time to time. Notwithstanding the foregoing, the Loan Documents exclude: (i) that certain Environmental Indemnity Agreement, dated of even date herewith (the "EIA") made by Grantor in favor of Beneficiary, together with all extensions, renewals and modifications of the same; (ii) that certain Guaranty Agreement, dated of even date herewith, made by Cory David Clemetson, an individual and Chadley Jason Clemetson, an individual (collectively, the "Guarantor"), in favor of Beneficiary, together with all extensions, renewals and modifications of the same (the "Guaranty Agreement"); (iii) that certain Completion Guaranty, dated of even date herewith, made by Guarantor in favor of Beneficiary, together with all extensions, renewals and modifications of the same (the "Completion Guaranty"); and (iv) the Certificate of Borrower and Guarantors, insofar as it imposes any obligations upon Guarantor.

3. Leases and Rents.

(a) Assignment of Leases and Rents. For the purposes of securing the full and timely payment and performance of the Secured Obligations, Grantor hereby irrevocably grants, bargains, transfers, conveys and assigns to Beneficiary the Leases and Rents, to be effective to create a present first lien priority security interest in existing and future Leases and Rents of the Property under the laws of the State of Nevada.

(b) No Responsibility. The assignment of the Leases and Rents pursuant to this Deed of Trust is intended to confer upon Beneficiary all rights, and impose upon Grantor all duties and obligations, under the laws of the State of Nevada, as the same may be amended from time to time, or any successor statute, and is intended to be construed in accordance with said statutory requirements. Neither the Assignment of Leases and Rents set forth above nor any other provision of any of the Loan Documents shall impose upon Beneficiary any duty to produce Rents from the Real Property or cause Beneficiary to be: (i) a "mortgagee in possession" for any purpose; (ii) responsible for performing any of the obligations of the landlord or lessor under any Lease; or (iii) responsible or liable for any waste by any lessees or any other parties, for any dangerous or defective condition of the Real Property, for any negligence in the management, upkeep, repair or control of the Real Property or for any other act or omission by any other person.

(c) Beneficiary's Rights Not Contingent. Beneficiary's rights to the Rents and Leases are not contingent upon and may be exercised without possession of the Property. Grantor and Beneficiary further agree that, during the term of this assignment, the Rents shall not constitute property of Grantor (or of any estate of Grantor) within the meaning of Section 541 of the Bankruptcy Code, as amended from time to time.

(d) Grantor's Right to Collect Rents. So long as an Event of Default, as said term is defined in the Loan Documents, does not exist under any of the Loan Documents, Beneficiary grants Grantor permission to enforce the Leases, to operate, maintain, repair and restore the Property, and to collect, retain, use and hold the Rents, all subject to and in accordance with this Deed of Trust and the other Loan Documents. Except as otherwise provided in this Deed of Trust or the Loan Documents, Grantor shall apply any Rents it receives to the payments as they become due on the Secured Obligations, taxes, assessments, water charges, sewer expenses and other governmental charges levied, assessed or imposed on the Property, insurance premiums, operation and maintenance charges relating to the Property, and other obligations of Grantor under the Leases before using such proceeds for any other purpose.

(e) Termination of Grantor's Rights. At any time an Event of Default exists, the rights granted to Grantor under Section 3(d) hereof shall be automatically revoked and Beneficiary shall have the rights set forth in the laws of the State of Nevada, regardless of whether declaration of default has been delivered to Trustee, and Beneficiary shall have the right to enforce its rights to receive Rents under this assignment and to terminate the rights granted to Grantor in Section 3(d) hereof. Upon the occurrence of such an Event of Default, Grantor shall promptly deliver to Beneficiary all Rents then held by Grantor, and Beneficiary shall immediately be entitled to receive and apply all Rents. After such enforcement, Beneficiary in its sole discretion may apply any Rents collected as provided in Section 3(h) hereof. Failure of or discontinuance by Beneficiary at any time, or from time to time, to collect any Rents shall not in any manner affect the subsequent enforcement by Beneficiary at any time, or from time to time, of the right, power and authority to collect the Rents. The receipt and application by Beneficiary of all such Rents, after execution and delivery of declaration of default and demand for sale or during the pendency of trustee sale proceedings under the Deed of Trust, shall not cure such breach or default, nor affect such sale proceedings or any sale made under the Deed of Trust. Nothing in this assignment, nor the exercise of the right by Beneficiary to collect the Rents pursuant hereto, shall be, or shall be construed to be, an affirmation by Beneficiary of any Lease. If the Rents are insufficient to meet the costs, if any, of taking control of the operation and management of the Property and collecting the Rents, any funds expended by Beneficiary for such purposes shall be deemed an advance by Beneficiary to Grantor, secured by this Deed of Trust. Unless Beneficiary and Grantor agree in writing to other payment terms,

such amounts shall be payable on notice from Beneficiary to Grantor requesting payment, and shall bear interest from the date of disbursement at the Default Rate (as defined in the Note) stated in the Note. From and after the occurrence of an Event of Default, any and all Rents collected or received by Grantor shall be accepted and held for Beneficiary in trust and shall not be commingled with Grantor's funds and property, but shall be promptly paid over to Beneficiary.

(f) Remedies Upon an Event of Default. At any time an Event of Default exists and without regard to the adequacy of any security for the obligations secured hereby, Beneficiary shall have the right, in addition to the rights granted pursuant to this Section 3, to collect all or any portion of the Rents assigned hereby in person, by agent or through a court appointed receiver or pursuant to a notice to the lessees or by any other means set forth in the laws of the State of Nevada. Such rights shall include, without limitation, any and all of the following:

(i) The right to notify the lessees under the Leases, with or without taking possession of the Property, to demand that all Rents under such Leases thereafter be paid to Beneficiary;

(ii) The right to (A) enter into possession of the Property, either by a court appointed receiver or by any other legally permissible means; (B) assume control with respect to and to pay all expenses incurred in connection with the development, construction, operation, maintenance, repair or restoration of the Property; (C) enforce all Leases and to collect all Rents due thereunder, and to apply all Rents received by Beneficiary as set forth herein; (D) amend, modify, extend, renew and terminate any or all Leases or to execute new Leases; and (E) do all other acts which Beneficiary shall determine, in its sole discretion, to be necessary or desirable to carry out the purposes of and enforce this assignment; and

(iii) The right to specifically enforce the provisions of this assignment and, if Beneficiary shall so select, to obtain the appointment of a receiver pursuant to and in accordance with the provisions of this Deed of Trust.

(g) Leases. Grantor and Beneficiary agree that all lessees under any Leases shall be bound by and required to comply with the provisions of this assignment. In connection therewith, Grantor and Beneficiary further agree as follows:

(i) If requested by Beneficiary, Grantor shall: (A) notify each lessee under any Lease now or hereafter affecting all or any portion of the Real Property of the existence of this assignment and the rights and obligations of Grantor and Beneficiary hereunder; (B) provide each present or future lessee with a copy of this assignment; and (C) obtain each lessee's agreement to be bound and comply with the provisions hereof.

(ii) All leases hereafter executed with respect to the Property or any portion thereof shall contain a reference to this assignment and shall state that such lessee shall be bound by and shall comply with the provisions hereof.

(iii) At any time an Event of Default exists, Beneficiary may, at its option, send any lessee a notice in compliance with the laws of the State of Nevada to the effect that: (A) an Event of Default has occurred and that Beneficiary has revoked Grantor's right to collect the Rents; (B) Beneficiary has elected to exercise its rights under this assignment and under the laws of the State of Nevada; and (C) such lessee is thereby directed to thereafter make all payments of Rents and to perform all obligations under its Lease for the benefit of Beneficiary or as Beneficiary shall direct.

(iv) Upon receipt of any such notice from Beneficiary, each lessee is hereby instructed by Grantor and Beneficiary to comply with the provisions of such notice, to make all payments of Rents and to perform all obligations under the Lease to and for the benefit of Beneficiary or as Beneficiary shall direct. Such notice and direction shall remain effective until the first to occur of (A) the receipt by lessee of a subsequent notice from Beneficiary to the effect that such Event of Default has

been cured or that Beneficiary has appointed Grantor to act as agent for Beneficiary pursuant to this assignment; (B) the appointment of a receiver pursuant to this assignment, in which event such lessee shall thereafter make payments of Rents and perform all obligations under the Leases as may be directed by such receiver; or (C) the issuance of an order of a court of competent jurisdiction terminating this assignment or otherwise directing such lessee to pay Rents and perform its obligations in a manner inconsistent with said notice.

(v) Each lessee shall be entitled to rely upon any notice from Beneficiary and shall be protected with respect to any payment of Rents made pursuant to such notice.

(vi) Each lessee who receives a notice from Beneficiary pursuant to this assignment shall not be required to investigate or determine the validity or accuracy of such notice or the validity or enforceability of this assignment. Grantor hereby agrees to indemnify, defend and hold such lessee harmless from and against any and all loss, claim, damage or liability arising from or related to payment of Rents or performance of obligations under any Lease by such lessee made in good faith in reliance on and pursuant to such notice.

(vii) The payment of Rents to Beneficiary pursuant to any such notice and the performance of obligations under any Lease to or for the benefit of Beneficiary shall not cause Beneficiary to assume or be bound by the provisions of such Lease, including, but not limited to, any duty to return any security deposit to the lessee under such Lease unless and to the extent such security deposit was paid to Beneficiary by Grantor. Grantor hereby releases all claims of any kind or nature against Beneficiary arising out of any management, operation and maintenance pursuant to this Deed of Trust. It is not the intention of the parties hereto that an entry by Beneficiary upon the Real Property under the terms of this Deed of Trust shall make Beneficiary a party in possession in contemplation of the law, except at the option of Beneficiary.

(viii) The provisions of this Section 3(g) are expressly made for the benefit of and shall be binding on and enforceable by each lessee under any Lease now or hereafter affecting all or any portion of the Real Property.

(h) Application of Rents. All Rents received by Beneficiary pursuant to this assignment shall be applied by Beneficiary, in its sole discretion, to any of the following:

(i) First, to pay any costs and expenses of collection of the Rents or otherwise enforcing or defending the terms of, or Beneficiary's rights under, this assignment of Leases and Rents, including, without limitation, reasonable attorneys' fees and costs, that may be incurred by Beneficiary;

(ii) Second, to pay any costs and expenses incurred by Beneficiary in connection with the development, construction, operation, maintenance, repair or restoration of the Property, including, without limitation, debt service, insurance and taxes;

(iii) Third, to the payment of any indebtedness then owing by Grantor to Beneficiary;

(iv) Fourth, to the establishment of reasonable reserves for working capital and for anticipated or projected costs and expenses of the Property, including, without limitation, Capital Improvements which may be necessary or desirable or required by law; and

(v) Thereafter, to remit the remainder, if any, to the person or persons entitled thereto.

(vi) In connection herewith, Grantor further agrees that all Rents received by Beneficiary from any lessee may be allocated, if Beneficiary so elects, to the payment of all current

obligations of such lessee under its Lease and not to amounts which may be accrued and unpaid as of the date of revocation of Grantor's license to collect such Rents. Beneficiary may, but shall have no obligation to, pursue any lessee for the payment of Rents which may be due under its Lease with respect to any period prior to the exercise of Beneficiary's rights under this assignment or which may become due thereafter. Beneficiary shall not be liable to any lessee for the payment or return of any security deposit under any Lease unless and to the extent that such security deposit has been paid to and received by Beneficiary, and Grantor agrees to indemnify, defend and hold harmless Beneficiary, its officers, directors, shareholders, agents, and employees, any parent, subsidiary or affiliated company of Beneficiary, owners of participation interests in the Loan or the Loan Documents, any purchasers who acquire all or part of the Real Property at any foreclosure sale, any recipient of a deed or assignment in lieu of foreclosure of all or part of the Real Property and the officers, directors, shareholders, partners, members, managers, employees and agents of each of them, and the successors and assigns of each of the foregoing, from and against any and all losses, claims, actions, suits, damages, expenses (including attorneys' fees and costs), or liabilities arising out of any claim by a lessee with respect thereto. Grantor further agrees that the collection of Rents by Beneficiary and the application of such Rents by Beneficiary to the costs, expenses and obligations referred to herein shall not cure or waive any default or Event of Default or invalidate any act done (including, but not limited to, any sale of all or any portion of the Property or any property now or hereafter securing the Loan), in response to or as a result of such Event of Default or pursuant to any notice of default or notice of sale issued pursuant to this Deed of Trust.

(i) Appointment of Grantor as Agent.

(i) Upon the occurrence of an Event of Default, Beneficiary may, at its option, appoint Grantor to act as agent for Beneficiary for the purpose of: (A) managing and operating the Property and paying all expenses incurred in connection therewith and approved by Beneficiary; (B) enforcing the provisions of the Leases; and (C) collecting all Rents due thereunder.

(ii) If Beneficiary so elects, Beneficiary shall give written notice thereof to Grantor to act as agent of Beneficiary for the purpose or purposes specified in such notice. Grantor shall promptly comply with all instructions and directions from Beneficiary with respect thereto. Grantor shall not be entitled to any management fee, commission or other compensation unless expressly agreed to in writing by Beneficiary.

(iii) All Rents collected by Grantor as agent for Beneficiary shall be immediately deposited in an insured account established with Beneficiary. All such Rents collected by Grantor and all amounts deposited in such account, including interest thereon, shall be the property of Beneficiary, and Grantor shall not be entitled to withdraw any amount from such account without the prior written consent of Beneficiary.

(iv) The agency hereby created shall be for the purpose of implementing the provisions of this assignment and collecting the Rents due Beneficiary hereunder. Nothing contained herein shall place upon Beneficiary the responsibility for the management, control, operation, repair, maintenance or restoration of the Property, nor shall Beneficiary be liable under or be deemed to have assumed Grantor's obligations with respect to the Leases. Beneficiary may at any time terminate the agency relationship with Grantor by written notice to Grantor.

(j) Covenants Regarding Leases and Rents. Grantor covenants and agrees as follows:

(i) Grantor shall not: (A) amend, modify or change in any material respect, any term, covenant or condition of any Lease in existence on the date of this Deed of Trust without the prior written consent of Beneficiary; or (B) enter into any new Lease of the Property from and after the date of this Deed of Trust without the prior written consent of Beneficiary. Grantor shall submit to Beneficiary, for Beneficiary's prior written approval, the final proposed written form of any new Lease or any amendment or modification to an existing Lease accompanied by any additional tenant estoppel or certification requested by Beneficiary. Assuming Beneficiary approves in writing any proposed new Lease

or any amendment or modification to an existing Lease, within five (5) Calendar Days after executing a new Lease or an amendment or modification to an existing Lease, Grantor shall deliver an executed copy of the same to Beneficiary certifying that such is a true, correct and complete copy of such new Lease or amendment or modification to an existing Lease.

(ii) Grantor shall, at Grantor's sole cost and expense: (A) fulfill or perform each and every condition, obligation and covenant of each Lease to be fulfilled or performed by the lessor thereunder; (B) give prompt notice to Beneficiary of any notice of default by the lessor or the lessee thereunder received by Grantor together with a complete copy of any such notice; (C) enforce the performance of each and every obligation, covenant and condition thereof by the lessee thereunder to be performed.

(iii) Grantor shall not: (A) waive or release any lessee of or from its covenants or obligations under the Leases; (B) cancel, terminate or consent to any surrender of any Lease; (C) commence any action or any summary proceedings for dispossession of any of the lessees under the Leases; or (D) exercise any right of repossession of the leased premises in any of the Leases, in each case without Beneficiary's prior written consent.

(iv) Grantor shall not permit the payment of Rents in any form other than lawful money of the United States of America. Grantor shall not accept any deposit or prepayment of Rent in excess of thirty (30) Calendar Days in advance, other than deposits or prepayments received for TBSE Contracts, which may be accepted by Beneficiary up to one (1) year in advance. Beneficiary at any time may require that all deposits and prepayments be delivered to Beneficiary.

(v) Each Lease shall provide for the subordination, in form and substance satisfactory to Beneficiary, of such Lease to this Deed of Trust and all extensions, renewals and modifications hereof. In addition, each Lease shall provide that, in the event of the enforcement by Trustee or Beneficiary of the remedies provided at law or by this Deed of Trust, each lessee under the Leases shall, if requested by Beneficiary as a result of such enforcement, automatically become the lessee of such successor and attorn to such successor, without any change in the terms or other provisions of the respective Lease; provided, such successor shall not be: (A) bound by any payment of rent or other sum more than thirty (30) Calendar Days in advance, except payments in the nature of a security deposit; (B) bound by any amendment or modification to any material term, covenant or condition of any Lease made without the prior written consent of Beneficiary; and (C) liable for damages or any act or omission of Grantor or any prior lessor.

(vi) If Grantor becomes aware that any lessee proposes to do, or is doing, any act that may give rise to set-off rights against Rents, Grantor shall immediately (A) take such measures as shall be reasonably calculated to prevent the accrual of any such rights of set-off; (B) notify Beneficiary of all measures so taken and of the amount of any set-offs claimed by such lessees; and (C) within ten (10) Calendar Days after the accrual of any set-off rights against Rents, reimburse lessees who have acquired such rights, in full, or take such other measures as shall effectively discharge such set-offs and ensure that Rents due thereafter shall continue to be payable without claims of set-off or deduction.

(vii) If any Lease is terminated before its stated term has expired, all payments made by the lessee in conjunction with such termination (including, but not limited to, voluntary buyout or termination payments, or payments made by or on the lessee's behalf, incident to the lessee's rejecting the Lease in accordance with the federal Bankruptcy Code (or similar state creditors' rights laws)), shall be made directly to Beneficiary, and Grantor shall have no right to any such payments.

(viii) Upon request by Beneficiary, Grantor shall provide Beneficiary with true, correct and complete copies of all Leases, all books, records, financial statements and other information relating to the Leases, the collection of all Rents, and the disposition and disbursement thereof, together with such other information relating to the Leases or to the lessees thereunder as Beneficiary shall reasonably request.

(ix) Grantor hereby represents and warrants that the assignment hereby granted is a first priority assignment and that no other assignments of all or any portion of the Rents or the Leases exist or remain outstanding. Grantor agrees to take such action and to execute, deliver and record such documents as may be reasonably necessary to evidence such assignment, and to establish the priority thereof and to carry out the intent and purpose hereof. If requested by Beneficiary, Grantor shall execute a specific assignment of any Lease now or hereafter affecting all or any portion of the Real Property.

(x) Nothing contained herein shall operate or be construed to obligate Beneficiary to perform any of the terms, covenants and conditions contained in any Lease or otherwise to impose any obligation upon Beneficiary with respect to any Lease, including, but not limited to, any obligation arising out of any covenant of quiet enjoyment therein contained in the event the lessee under any such Lease shall have been joined as a party defendant in any action to foreclose and the estate of such lessee shall have been thereby terminated. Prior to actual entry into and taking possession of the Property by Beneficiary, this assignment shall not be construed to obligate or operate to place upon Beneficiary any responsibility for the operation, control, care, management or repair of the Property or any portion thereof. The execution of this assignment by Grantor shall constitute conclusive evidence that all responsibility for the operation, control, care, management and repair of the Property is and shall be that of Grantor, prior to such actual entry and taking of possession.

Provided there is no uncured Event of Default, the provisions of Sections 3(j)(i), (iii), (iv), (v) and (vii) hereof shall not be applicable to TBSE Contracts and/or Memberships.

4. Covenants of Grantor. Grantor covenants, warrants and agrees to and with Beneficiary and Trustee as follows:

(a) Further Acts. Grantor, at its own cost and without expense to Trustee or Beneficiary, will do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignments, transfers and assurances as Trustee or Beneficiary shall from time to time reasonably require, for the better assuring, conveying, assigning, transferring and confirming unto Trustee and Beneficiary the property and rights hereby conveyed or assigned or intended now or hereafter so to be, or which Grantor may be or may hereafter become bound to convey or assign to Trustee or Beneficiary, or for carrying out the intention or facilitating the performance of the terms of this Deed of Trust, or the filing, registering or recording this Deed of Trust and, on demand, Grantor will execute and deliver, and hereby authorizes Trustee or Beneficiary to execute in the name of Grantor to the extent Grantor may lawfully do so, one or more financing statements, chattel mortgages or comparable security instruments, to evidence more effectively the lien hereof upon the Property; and each instrument of further assurance, to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect the lien hereof upon, the title of Trustee to, and the security interest of Beneficiary in the Property.

(b) Filing Fees. Grantor will pay all filing, registration and recording fees, and all expenses incident to the execution and acknowledgment of this Deed of Trust, and any deed of trust supplemental hereto, any security instrument with respect to the Personal Property, and any instrument of further assurance, and all federal, state, county and municipal stamp taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Note, this Deed of Trust, any deed of trust supplemental hereto, any security instrument with respect to the Personal Property or any instrument of further assurance.

5. Hazardous Substances.

(a) Definitions. For the purposes of this paragraph the following terms shall have the following meanings. The term "Hazardous Substances" shall mean, in the broadest and most comprehensive sense, all hazardous wastes, toxic substances, pollutants, contaminants, radioactive materials, flammable explosives, other such materials including, without limitation, substances defined as

"hazardous substances," "hazardous materials," "toxic substances," "toxic pollutants," or "infectious waste" in any Environmental Laws and, without limitation, asbestos, polychlorinated biphenyls, urea formaldehyde foam insulation, petroleum products (including any products or by-products therefrom, such as gasoline, diesel fuel and petroleum hydrocarbon products), lead-based paints, and any material containing or constituting any of the foregoing, and any such other substances, materials and wastes which are regulated now or in the future under any Environmental Laws.

The term "Environmental Law(s)" shall mean: (i) the Resource Conservation and Recovery Act, as amended by the Hazardous and Solid Waste Amendments of 1984 (RCRA, 42 U.S.C. Sections 6901 *et seq.*); (ii) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 (CERCLA, 42 U.S.C. Sections 9601 *et seq.*); (iii) the Federal Clean Water Act, as amended (CWA, 33 U.S.C. Sections 1251, *et seq.*); (iv) the Safe Drinking Water Act (14 U.S.C. Sections 1401, *et seq.*); (v) the Toxic Substances Control Act (TSCA, 15 U.S.C. Sections 2601 *et seq.*); (vi) the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, *et seq.*); (vii) the Emergency Planning and Community Right to Know Act of 1986 (42 U.S.C. Sections 11001, *et seq.*); (viii) the Clean Air Act (42 U.S.C. Sections 7401, *et seq.*); (ix) the Endangered Species Act (16 U.S.C. Sections 1531, *et seq.*); (x) the Occupational Safety and Health Act of 1970 (OSHA, 29 U.S.C. Sections 65, *et seq.*); (xi) Nevada Revised Statutes Chapters 444, 445A, 445B, 445C, 459 and 590 and NRS Section 40.504, 618.750 through 618.850, inclusive, and NRS 477.045, as any of the foregoing may now or hereafter be amended; (xii) any regulations promulgated pursuant to Items (i) through (xi) above; (xiii) any similar local, state or federal laws, rules, ordinances or regulations either in existence as of the date hereof, or enacted or promulgated after the date of this Agreement, that concern the management, control, storage, discharge, treatment, containment, removal, remediation and/or transport of substances or materials that are or may become a threat to public health or the environment; or (xiv) any common law theory involving materials or substances which are (or alleged to be) hazardous to human health or the environment, based on nuisance, trespass, negligence, strict liability or other tortious conduct.

(b) Representations and Warranties. Grantor hereby represents and warrants to Beneficiary that, except as described in the Certificate of Borrower and Guarantors, "to the Best Knowledge of Grantor" (as such phrase is defined below): (i) no Hazardous Substances are currently located at, in, on, under or about the Real Property in a manner which violates any Environmental Law or which requires cleanup, remedial or other corrective action of any kind under any Environmental Law; (ii) the Real Property is not in violation of or threatened by an investigation by any Governmental Authority under any Environmental Laws; (iii) no releasing, emitting, discharging, leaching, dumping or disposing of any Hazardous Substances from the Real Property onto or into any other property or from any other property onto or into the Real Property has occurred or is occurring in violation of any Environmental Law; (iv) no notice of violation, lien, complaint, suit, order or other notice with respect to the Real Property is presently outstanding under any Environmental Law; (v) the Real Property and the operation thereof are in full compliance with all Environmental Laws; (vi) no real property adjoining the Land is being used, or has ever been used at any previous time, for the disposal, storage, treatment, processing, or other handling of Hazardous Substances, nor is any other real property adjoining the Land affected by Hazardous Substances contamination; and (vii) Grantor has conducted an appropriate inquiry into previous uses and ownership of the Real Property and after such inquiry determined that no Hazardous Substances have been disposed of, transported, or released on or at the Real Property. Whenever the phrase "to the Best Knowledge of Grantor" or similar phrase is used in this Deed of Trust, it shall mean the actual or constructive knowledge, after reasonable inquiry, of Grantor and its Affiliates, and their respective officers, directors, shareholders, members and managers, as applicable.

The foregoing representations and warranties shall be continuing and shall be true and correct for the period from the date of this instrument to the release of this Deed of Trust, whether by payment of the indebtedness secured hereby, or by foreclosure or by action in lieu of foreclosure, and these representations and warranties shall survive such release.

(c) Covenants. Grantor shall comply, and shall cause all lessees or other occupants of the Real Property and other third parties in possession of or using the Real Property under Grantor, to

comply in all respects, with all Environmental Laws, and will not generate, release, store, handle, process, dispose of or otherwise use, and will not permit any lessee or other occupant of the Real Property or any other third party to generate, release, store, handle, process, dispose of or otherwise use, Hazardous Substances at, in, on, under or about the Real Property in violation of any Environmental Law. Without in any way constituting a limitation on the covenants and obligations of Grantor under this Deed of Trust, Grantor hereby covenants and agrees not to store any Hazardous Substances within any area of the Real Property which lies within a one hundred (100) year flood plain. Grantor shall notify Beneficiary promptly in the event of any reportable spill or other release of any Hazardous Substances at, in, on, under or about the Real Property, will promptly forward to Beneficiary copies of any notices received by Grantor relating to alleged violations of any Environmental Law and will promptly pay when due any fine or assessment against Grantor, Beneficiary or the Real Property relating to any Environmental Law. If at any time it is determined that the operation or use of the Real Property violates any applicable Environmental Law or that there are Hazardous Substances located at, in, on, under or about the Real Property which, under any Environmental Law, require special handling in collection, storage, treatment or disposal, or any other form of cleanup or corrective action, Grantor shall, within thirty (30) Calendar Days after receipt of notice thereof from any Governmental Authority or from Beneficiary, take, at its sole cost and expense, such actions as may be necessary to fully comply in all respects with all Environmental Laws; provided, however, that if such compliance cannot reasonably be completed within such thirty (30) Calendar Day period, Grantor shall commence such necessary action within such thirty (30) Calendar Day period and shall thereafter diligently and expeditiously proceed to fully comply in all respects and in a timely fashion with all Environmental Laws. If Grantor fails to timely take, or to diligently and expeditiously proceed to complete in a timely fashion, any such action, Beneficiary may, in its sole and absolute discretion, make advances or payments towards the performance or satisfaction of the same, but shall in no event be under any obligation to do so. All sums so advanced or paid by Beneficiary (including, without limitation, reasonable counsel and consultant fees and expenses, investigation and laboratory fees and expenses, and fines or other penalty payments) and all sums advanced or paid in connection with any judicial or administrative investigation or proceeding relating thereto, will immediately, upon demand, become due and payable from Grantor and shall bear interest at the Default Rate from the date any such sums are so advanced or paid by Beneficiary until the date any such sums are repaid by Grantor to Beneficiary. Grantor will execute and deliver, promptly upon request, such instruments as Beneficiary may deem useful or necessary to permit Beneficiary to take any such action, and such additional notes and mortgages, as Beneficiary may require to secure all sums so advanced or paid by Beneficiary.

(d) Liens. If a lien is filed against the Real Property by any Governmental Authority resulting from the need to expend or the actual expending of monies arising from an action or omission, whether intentional or unintentional, of Grantor or for which Grantor is responsible, resulting in the releasing, spilling, leaking, leaching, pumping, emitting, pouring, emptying or dumping of any Hazardous Substances into the waters or onto land or into the air located within or without the State where the Real Property is located, then Grantor will, within thirty (30) Calendar Days from the date that Grantor is first given notice that such lien has been placed against the Real Property (or within such shorter period of time as may be specified by Beneficiary if such Governmental Authority has commenced steps to cause the Real Property to be sold pursuant to such lien) either: (a) pay the claim and remove the lien; or (b) furnish a cash deposit, bond, or such other security with respect thereto as is satisfactory in all respects to Beneficiary and is sufficient to effect a complete discharge of such lien on the Real Property. If this Deed of Trust is foreclosed, or if the Real Property is sold pursuant to the provisions of this Deed of Trust, or if Grantor tenders a deed or assignment in lieu of foreclosure or sale, Grantor shall deliver the Real Property to the purchaser at foreclosure or sale or to Beneficiary, its nominee, or wholly owned subsidiary, as the case may be, in a condition that complies in all respects with all Environmental Laws.

(e) Tests and Studies.

(1) Grantor hereby authorizes Beneficiary, any prospective bidder at any foreclosure sale and their respective officers, directors, employees, agents and independent contractors to enter upon all or any portion of the Real Property (including, without limitation, following the occurrence of a default hereunder) for the purpose of conducting such tests, inspections, inquiries, examinations, studies, analyses, samples, surveys, and other information gathering activities (collectively, the "Tests

and Studies") with respect to the Real Property as any of them may from time to time deem necessary or appropriate, including, without limitation, Tests and Studies with respect to the presence of Hazardous Substances in or around the Real Property and the occurrence of any actual, proposed or threatened storage, existence, release, removal, remediation, handling or transportation of any Hazardous Substances in or around the Real Property. Except in case of an emergency, when the Grantor or any lessee has abandoned the Real Property or following an Event of Default, or if it is impracticable to do so, Beneficiary shall give Grantor reasonable advance written notice of Beneficiary's intent to enter the Real Property and Beneficiary shall enter the Real Property only during normal business hours. Grantor hereby covenants and agrees to cooperate fully with such parties in their efforts to conduct the Tests and Studies, and further covenants and agrees to make available to such parties such portions of the Real Property as any of them may designate. If Beneficiary is unreasonably refused the right of entry and inspection by the Grantor or any lessee of the Real Property, or is otherwise unable to enter and conduct Tests and Studies on the Real Property without a breach of peace, Beneficiary may obtain an order from a court of competent jurisdiction, the appointment of a receiver, or both, to enable Beneficiary to exercise its rights under this section. Beneficiary's rights and remedies set forth herein are in addition to any other rights and remedies that Beneficiary may have under the laws of the State of Nevada. The decision of Beneficiary as to whether there exists a release or threatened release of Hazardous Substances onto the Real Property shall be deemed reasonable and conclusive as between the parties hereto. The results of all Tests and Studies shall be and at all times remain the property of Beneficiary; provided, however, that Beneficiary shall provide copies thereof to Grantor upon written request. Under no circumstances shall Beneficiary have any obligation whatsoever to disclose or otherwise make available to any other party such results or any other information obtained by them in connection with such Tests and Studies.

(2) Notwithstanding the provisions of subsection (1) above, Beneficiary hereby reserves the right, and Grantor hereby expressly authorizes Beneficiary to make available to any Governmental Authority, any investor at any foreclosure sale of the Real Property, any institutional Beneficiary which is a prospective purchaser of the loan or a portion thereof and any auditor or examiner of Beneficiary's business, any and all information which Beneficiary may have with respect to the Real Property, whether provided by Grantor or any third party or obtained as a result of Tests and Studies, including, without limitation, environmental reports, surveys and engineering reports. Grantor consents to Beneficiary notifying any such party of the availability of any or all of the Tests and Studies and the information contained therein. Grantor acknowledges that Beneficiary cannot control or otherwise assure the truthfulness or accuracy of the Tests and Studies, and that the release of Tests and Studies, or any information contained therein, to prospective bidders at any foreclosure sale of the Real Property may have a material and adverse effect upon the amount which a party may bid at such sale. Grantor agrees that Beneficiary shall have no liability whatsoever as a result of delivering any or all of the Tests and Studies or any information contained therein to any third party, and Grantor hereby releases, remises and forever discharges Beneficiary from any and all claims, damages, or causes of action, arising out of, connected with or incidental to the Tests and Studies or the delivery thereof.

(3) Except as provided below, all costs and expenses incurred by Beneficiary pursuant to this section including, without limitation, costs of consultants and contractors, costs of repair of any physical injury to the Real Property normal and customary to the Tests and Studies, court costs and attorneys' fees, whether incurred in litigation or not and whether before or after judgment, shall be payable by Grantor and, to the extent advanced or incurred by Beneficiary, shall be reimbursed to Beneficiary by Grantor upon demand. It is the parties' intention that Beneficiary be responsible only for the cost of repair of physical injury to the Real Property that was not reasonable or necessary to the conducting of the Tests and Studies in accordance with normal and customary procedures. Any and all costs and expenses incurred or advanced by Beneficiary pursuant to this section, together with interest thereon at the rate then applicable under the Note, shall be secured by this Deed of Trust and shall enjoy the same priority as the original principal amount of the Note. Notwithstanding the foregoing, Grantor shall not be responsible for the costs of Tests and Studies conducted more frequently than once each year unless such Tests and Studies were conducted due to a reasonable belief by Beneficiary that: (i) Grantor's representations and warranties in Section 5(b) above were materially untrue when made or as of the date of such Tests and Studies; (ii) Grantor shall have breached any material covenant contained in Section 5(c) above; or (iii) any other Event of Default shall have occurred and be continuing hereunder.

(f) **Indemnification.** Grantor will defend, indemnify, and hold harmless Beneficiary, and its officers, directors, shareholders, agents, and employees, any parent, subsidiary or affiliated company of Beneficiary, owners of participation interests in the Loan or the Loan Documents, any purchasers who acquire all or part of the Real Property at any foreclosure sale, any recipient of a deed or assignment in lieu of foreclosure of all or part of the Real Property and the officers, directors, shareholders, partners, members, managers, employees and agents of each of them, and the successors and assigns of each and all of the foregoing, from and against any and all claims, demands, penalties, causes of action, fines, liabilities, losses, settlements, damages, costs, or expenses of whatever kind or nature, known or unknown, foreseen or unforeseen, contingent or otherwise (including, without limitation, counsel and consultant fees and expenses, investigation and laboratory fees and expenses, court costs, and litigation expenses) directly or indirectly arising from or out of, or in any way related or attributable to: (i) any breach by Grantor of any of the provisions of this section; (ii) the presence, disposal, spillage, discharge, emission, leakage, generation, release, or threatened release of any Hazardous Substances which is at, in, on, under, about, from or affecting the Real Property including, without limitation, any damage or injury resulting from any such Hazardous Substances to or affecting the Real Property or the soil, water, air, vegetation, buildings, personal property, persons or animals located on the Land or on any other property or otherwise, either prior to or after the date of this Deed of Trust and either prior to, during or after the time that Grantor became owner of the Real Property; (iii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to any such Hazardous Substances, either prior to or after the date of this Deed of Trust and either prior to, during or after the time that Grantor became owner of the Real Property; (iv) any lawsuit brought or threatened, settlement reached, or order, consent decree or directive of or by any Governmental Authority relating to such Hazardous Substances, either prior to or after the date of this Deed of Trust and either prior to, during or after the time that Grantor became owner of the Real Property; or (v) any violation of any Environmental Law, whether such violation occurred prior to or after the date of this Agreement and regardless of whether such violation occurred prior to, during or after Grantor became owner of the Real Property. The aforesaid indemnification shall, notwithstanding any exculpatory or other provision of any nature whatsoever to the contrary set forth in the Note, this Deed of Trust or any other document or instrument now or hereafter executed and delivered in connection with the Loan, constitute the personal recourse undertakings, obligations and liabilities of Grantor. The aforesaid indemnification shall not be applicable to any claim, demand, penalty, cause of action, fine, liability, settlement, damage, cost or other expense of any type whatsoever occasioned, arising and caused solely and directly as the result of the gross negligence or willful misconduct of Beneficiary, its nominee or wholly owned subsidiary or their respective employees or agents and irrespective of whether occurring prior or subsequent to the date upon which Beneficiary, its nominee or wholly owned subsidiary acquires possession of the Real Property by foreclosure of this Deed of Trust, a sale of the Real Property pursuant to the provisions of this Deed of Trust, acceptance of a deed or assignment in lieu of foreclosure or sale or otherwise. Except as hereinabove specifically provided to the contrary in this section, the obligations and liabilities of Grantor under this section shall survive and continue in full force and effect and shall not be terminated, discharged or released, in whole or in part, irrespective of whether the Secured Obligations have been paid in full and irrespective of any foreclosure of this Deed of Trust, sale of the Real Property pursuant to the provisions of this Deed of Trust or acceptance by Beneficiary, its nominee or wholly owned subsidiary of a deed or assignment in lieu of foreclosure or sale and irrespective of any other fact or circumstance of any nature whatsoever.

6. **Taxes and Assessments.** Subject to the provisions of Sections 12 and 54 below, Grantor shall pay prior to delinquency all taxes, assessments, levies, utilities and charges of any kind or nature whatsoever imposed by any governmental or quasi-public authority or utility company which are (or, if not paid, may become) a lien upon or cause a loss in value of any interest in any of the Property. Grantor shall also pay prior to delinquency all taxes, assessments, levies and charges imposed by any Governmental Authority upon Beneficiary by reason of its interest in any Secured Obligation or in any of the Property or by reason of any payment made to Beneficiary hereunder or pursuant to any Secured Obligation; but Grantor shall have no obligation to pay or discharge taxes which may be imposed from time to time upon this Deed of Trust and which are measured by and imposed upon Beneficiary's income. Grantor shall promptly furnish Beneficiary official receipts from the appropriate authority or other proof

satisfactory to Beneficiary evidencing the payment thereof, unless Grantor has made all "Payments" as required by Section 12 below, in which event no such proof shall be required.

7. Insurance.

(a) Types of Insurance. Grantor, at its sole cost and expense, shall obtain and keep in full force and effect the policies of insurance set forth on Exhibit "B," attached hereto and incorporated herein by reference.

(b) Failure to Provide; Cancellation or Reduction. Should any insurance required by Beneficiary be cancelled, reduced or non-renewed, or if Grantor fails to provide such required insurance, Beneficiary may, at its sole discretion, procure insurance and the cost thereof shall be additional indebtedness of Grantor under this Deed of Trust. Grantor shall immediately reimburse Beneficiary for any premiums or other costs associated with obtaining insurance which Beneficiary may pay, together with interest thereon at a rate equal to the Default Rate under the Note.

(c) Form of Policies. All insurance required hereby shall be provided by policies written in terms, amounts, deductibles and by companies and otherwise in form and content satisfactory to Beneficiary. Beneficiary shall be named as an additional insured on all liability policies; and losses under all other policies shall be payable to Beneficiary pursuant to a 438BFU Lender's Loss Payable Endorsement satisfactory to Beneficiary. All such policies shall contain a waiver of subrogation clause for the benefit of Beneficiary. Grantor shall deliver to Beneficiary annually during the term of this Deed of Trust certificates for all policies of insurance required hereunder evidencing compliance with the provisions of this Deed of Trust. All such policies shall contain the following provisions: (i) that Beneficiary's coverage as provided for hereunder shall remain in effect regardless of any violations of such policies' terms and provisions by Grantor or any other party; and (ii) that such policies may not be cancelled or amended (including any reduction of the scope or limits of coverage) without at least thirty (30) Calendar Days' prior written notice to Beneficiary accompanied, in the case of amendments, by a new certificate evidencing the insurance as amended. Upon Beneficiary's request, Grantor shall cause all bills, statements or other documents relating to the foregoing insurance to be sent or mailed directly to Beneficiary.

(d) Documentation. On a calendar quarter basis, and at least thirty (30) Calendar Days prior to the expiration of each such policy, Grantor shall furnish Beneficiary with evidence satisfactory to Beneficiary of the payment of premiums and the re-issuance of a policy or policies continuing such insurance in force as required by this Deed of Trust.

(e) Transfer of Title. In the event of a foreclosure sale hereunder, the purchaser of the Property shall succeed to all rights of Grantor, including any rights to the proceeds of insurance and to unearned premiums, in and to all policies of insurance assigned to Beneficiary pursuant hereto.

8. Insurance and Condemnation Proceeds.

(a) Assignment to Beneficiary. All awards of damages and all other compensation payable directly or indirectly by reason of a condemnation for public or private use affecting any interest in any of the Property and all proceeds of any insurance policies payable by reason of loss of or damage to any part of the Property shall be governed by the terms hereof and paid to Beneficiary. Beneficiary shall be entitled to settle and adjust all claims under insurance policies provided hereunder and to collect and receive the proceeds from any such policies; and Beneficiary may deduct and retain from the proceeds of any insurance the amount of all expenses incurred by Beneficiary (including, without limitation, reasonable attorneys' fees and costs) in connection with any settlement or adjustment. In the event any insurance company fails to disburse directly and solely to Beneficiary but disburses instead either solely to Grantor or to Grantor and Beneficiary jointly, Grantor agrees immediately to endorse and transfer such proceeds to Beneficiary. Upon the failure of Grantor to endorse and transfer such proceeds as aforesaid, Beneficiary may execute such endorsements or transfers for and in the name of Grantor and Grantor hereby unconditionally and irrevocably appoints Beneficiary as Grantor's agent and attorney-in-fact,

which appointment is coupled with an interest and irrevocable, to endorse and transfer such proceeds to Beneficiary. Grantor hereby unconditionally and irrevocably waives all rights, if any, of a property owner under the provisions of the laws of the State of Nevada, as the same may be amended from time to time, or now or hereafter granted under any successor statute, providing for the allocation of condemnation proceeds between a property owner and a lien holder.

(b) Definitions. For purposes of this section, the following terms and phrases shall have the meanings indicated:

(i) "Restoration" means the restoration, repair, replacement or rebuilding of the Improvements to a value, condition and character equal to or greater than that immediately prior to the damage, destruction or "Taking" (as defined below), all in accordance with then applicable law, including building codes and zoning ordinances.

(ii) "Taking" means the taking of all or any part of the Real Property, or any interest therein or right accruing thereto, as the result of the exercise of the right of condemnation or eminent domain, or change of grade affecting the Improvements or any part thereof. A conveyance in lieu of or in anticipation of the exercise of any such right of condemnation or eminent domain shall be considered a Taking.

(c) Material Loss. In the event of any damage to the Property or any part thereof, Grantor shall promptly give written notice of such damage to Beneficiary, describing the nature and extent of such damage and setting forth the best estimate of the cost of Restoration (and such temporary repairs and property protection). Subject to the Beneficiary making the Net Casualty Insurance Proceeds (as defined below) available to Grantor in accordance with the provisions of Section 8(d) hereof, Grantor, at Grantor's expense, shall promptly commence and complete the Restoration within one hundred eighty (180) Calendar Days after the date of damage or destruction; provided, however, if Grantor diligently pursues completion of the Restoration during said one hundred eighty (180) Calendar Day period but is unable to complete the Restoration during such time period, Grantor shall have an additional reasonable period of time in which to complete the Restoration, but in no event beyond three hundred sixty (360) Calendar Days from the date of damage or destruction. All insurance proceeds on account of any damage to the Property shall be payable to, and deposited with, Beneficiary. Subject to the conditions set forth below, Beneficiary, at its sole option: (i) may apply such insurance proceeds upon the Note, or any other Secured Obligation, in such order as Beneficiary may determine; (ii) may use such insurance proceeds, without reducing the principal balance of the Note or any other Secured Obligation, to accomplish the Restoration; (iii) may release such insurance proceeds, without reducing the principal balance of the Note or any other Secured Obligation, to Grantor; or (iv) any such amount may be divided in any manner among any such application, use or release. No such application, use or release shall, however, extend or postpone the due date of installments under the Note or change the amount of such installments or cure or waive any Event of Default or notice of Event of Default under the Loan Documents or invalidate any act done pursuant to such notice. Any unapplied, undisbursed insurance proceeds remaining with Beneficiary shall inure to the benefit of and pass to the owner or purchaser of the Property or any part of it at any foreclosure or trustee's sale under any of the Loan Documents (or, in the case of the Personal Property alone, at any public or private sale under any of the Loan Documents).

(d) Restoration. In the event that Grantor requests that the insurance proceeds be used to accomplish the Restoration, subject to Beneficiary's approval pursuant to Section 8(c) hereof, then any "Net Casualty Insurance Proceeds" (i.e., the casualty insurance proceeds remaining after reimbursement of Beneficiary for any reasonable costs and expenses of Beneficiary, including reasonable attorneys' fees and costs, for collection thereof) received by Beneficiary shall be applied to the cost of Restoration and disbursed in accordance with the conditions set forth in subsection (e) below or in any other manner approved by Beneficiary if, but only if, each of the following conditions is satisfied: (i) no Event of Default exists hereunder; (ii) the Net Casualty Insurance Proceeds, together with such additional funds as Grantor shall have deposited with Beneficiary (and which Grantor shall be required to deposit with Beneficiary within one hundred twenty (120) Calendar Days after the occurrence of such casualty), are sufficient, in the reasonable judgment of Beneficiary, to pay all costs of: (1) the Restoration; and (2)

interest under the Note and all other operating expenses of the Real Property during the Restoration period, after the application of any business interruption or rent loss insurance available to Grantor and Beneficiary; (iii) the anticipated date for completion of Restoration shall, in the reasonable judgment of Beneficiary, be within the time parameters set forth in Section 8(c) hereof; and (iv) each of the insurance companies from which the Net Casualty Insurance Proceeds are received shall have waived in writing all right of subrogation for the benefit of Grantor and Beneficiary.

(e) Disbursement. In the event insurance proceeds shall be eligible for disbursement, the same shall be disbursed by Beneficiary upon the following terms and conditions:

(i) Supervision of Work. The work shall be in the charge of an architect or engineer approved by Beneficiary ("Architect") before Grantor commences any work, other than temporary work to protect property or prevent interference with business, and Beneficiary shall have approved the construction contract and plans and specifications for such work, which plans and specifications shall provide, to the extent feasible, that, upon completion of such, the Real Property shall be at least equal in value and general utility as existed prior to the damage or destruction; and complete copies of the plans and specifications for the work, approved by all Governmental Authorities whose approval is required, and bearing the signed approval thereof by the Architect and accompanied by the Architect's signed estimate, bearing the Architect's seal, of the entire cost of completing the work, shall be delivered to Beneficiary;

(ii) Payment Requests. Each request for payment shall be made upon seven (7) Calendar Days' prior notice to Beneficiary and shall be accompanied by a certificate to be made by such architect or engineer stating that: (A) all of the work completed has been done in compliance with the approved plans and specifications; (B) the sum requested is justly required to reimburse Grantor for payments by Grantor to, or is justly due to, the contractor, subcontractors, materialmen, laborers, engineers, architects or other persons rendering services or materials for the work (giving a brief description of such services and materials) and, when added to all sums previously paid out by Beneficiary, does not exceed the value of the work done to the date of such certificate; and (C) the amount of such proceeds remaining with Beneficiary shall be sufficient on completion of the work to pay for the same in full (giving in such detail, as Beneficiary may require, an estimate of the cost of such completion);

(iii) Lien Releases. Each request shall be accompanied by waivers of lien in accordance with the laws of the State of Nevada and satisfactory to Beneficiary covering that part of the work for which payment or reimbursement is being requested and, if required by Beneficiary, by a search prepared by a title company satisfactory to Beneficiary, that there has not been filed with respect to the Real Property any mechanics', materialmen's or other lien or instrument for the retention of title in respect of any part of the work not discharged of record;

(iv) Certificates of Occupancy. The request for any payment after the work has been completed shall be accompanied by a copy of any certificate or certificates required by law to render occupancy of the Improvements and use of the Real Property legal;

(v) Permits and Approvals. Grantor shall deliver to Beneficiary certified or photostatic copies of all permits and approvals required by law in connection with the commencement and conduct of the work; and

(vi) Bonded. If the total cost of the work exceeds One Hundred Thousand Dollars (\$100,000.00), Grantor shall deliver to Beneficiary a surety bond for and/or guaranty of the payment for and completion of the work, which bond or guaranty shall be in form satisfactory to Beneficiary and shall be signed by a surety or sureties, or guarantor or guarantors, as the case may be, who are acceptable to Beneficiary, and in an amount not less than the Architect's estimate of the entire cost of completing the work, less the amount of insurance proceeds, if any, then held by Beneficiary for application toward the cost of the work.

(f) Condemnation. In the event of a partial Taking such that the Real Property is subject to Restoration, all proceeds and awards shall be paid to Beneficiary to accomplish the Restoration in the event that Grantor requests and satisfies the conditions for the same; and such amount shall be disbursed as set forth in the immediately preceding subsections (as the same applies to the application of the Net Casualty Insurance Proceeds, with each reference therein to insurance proceeds deemed to include a reference to condemnation proceeds and awards). In the event of a total Taking or in the event of a partial Taking where Grantor does not elect or qualify to apply such award or proceeds to the Restoration, such amount shall be applied as follows, in the order of priority indicated:

- (i) To reimburse Beneficiary for all reasonable costs and expenses, including reasonable attorneys' fees, incurred in connection with collecting such proceeds;
- (ii) To the payment of the accrued and unpaid interest on the Note;
- (iii) To the payment of the unpaid principal of the Note;
- (iv) To the payment of the balance of any other Secured Obligations; and
- (v) The balance, if any, shall be paid to Grantor.

9. Liens, Encumbrances and Charges. Subject to Section 54 below, Grantor shall immediately discharge any lien, claim or encumbrance which is not set forth in the Beneficiary's Title Policy or approved by Beneficiary in writing that has or may attain priority over this Deed of Trust. Grantor shall pay at or prior to maturity all obligations secured by or reducible to liens or encumbrances which shall now or hereafter encumber or appear to encumber all or any interest in any of the Property, whether senior or subordinate hereto. Upon the occurrence of any Event of Default hereunder, Beneficiary shall have the right, but shall not be obligated, to pay, without notice to Grantor, such payments and charges, and Grantor shall, on demand, reimburse Beneficiary for amounts so paid. In addition, upon default of Grantor in the performance of any other terms, covenants, conditions or obligations by it to be performed under any such prior or subordinate lien, encumbrance, lease or security interest, Beneficiary shall have the right, but shall not be obligated, to cure such default in the name and on behalf of Grantor. All sums advanced and expenses incurred at any time by Beneficiary pursuant to this section or as otherwise provided under the terms and provisions of this Deed of Trust or under applicable law shall bear interest from the date that such sum is advanced or expense incurred, to and including the date of reimbursement, computed at an interest rate equal to the Default Rate under the Note.

10. Assignment of Causes of Action, Awards and Damages. All causes of action, and all sums due or payable to Grantor for injury or damage to the Property, or as damages incurred in connection with the transactions in which the Loan secured by this Deed of Trust was made, including, without limitation, causes of action and damages for breach of contract, fraud, concealment, construction defects or other torts, or compensation for any conveyance in lieu of condemnation, are assigned to Beneficiary, and all proceeds from such causes of action and all such sums shall be paid to Beneficiary for credit against the Indebtedness secured by this Deed of Trust. Grantor shall notify Beneficiary immediately on receipt by Grantor of notice that any such sums have become due or payable and, immediately on receipt of any such sums, shall promptly remit such sums to Beneficiary. After deducting all reasonable expenses, including reasonable attorneys fees, incurred by Beneficiary in recovering or collecting any sums under this Section 10, Beneficiary may apply or release the balance of any funds received by it under this Section 10, or any part of such balance, as it elects. Beneficiary, at its option, may appear in and prosecute in its own name any action or proceeding to enforce any cause of action assigned to it under this Section 10 and may take any compromise or settlement in such action whatsoever. Grantor covenants that it shall execute and deliver to Beneficiary such further assignments of any such compensation awards, damages or causes of action as Beneficiary may request from time to time. If Beneficiary fails or does not elect to prosecute any such action or proceeding and Grantor elects to do so, Grantor may conduct the action or proceeding at its own expense and risk.

11. Defense of Deed of Trust; Litigation. Grantor will, at its sole cost and expense, appear in and defend any and all actions and proceedings which purport to affect title to the Property or any part thereof or affect the security interest and priority of Beneficiary therein. Grantor shall give Beneficiary prompt written notice of the assertion of any claim, the filing of any action or proceeding, the occurrence of any damage to the Property or any condemnation offer or action or any other action or proceeding affecting or purporting to affect the Property, this Deed of Trust, Beneficiary's security for the performance of the Secured Obligations, or the rights or powers of Beneficiary or Trustee under the Loan Documents. Despite any other provision of this Deed of Trust, Grantor agrees that if Beneficiary reasonably believes that Grantor is not taking adequate steps to protect the Property, Beneficiary or Trustee may (but is not obligated to) commence, appear in, prosecute, defend, compromise and settle, in Beneficiary's or Grantor's name, and as attorney-in-fact for Grantor, and incur necessary costs and expenses, including attorneys' fees in so doing, any action or proceeding affecting or purporting to affect, the Property, this Deed of Trust, Beneficiary's security for performance of the Secured Obligations or the rights or powers of Beneficiary or Trustee under the Loan Documents, and that if Beneficiary elects not to do so, Grantor shall commence, appear in, prosecute and defend any such action or proceeding. Grantor shall pay all costs and expenses of Beneficiary, including costs of evidence of title and attorneys fees, in any such action or proceeding in which Beneficiary or Trustee may appear or for which legal counsel is sought, whether by virtue of being made a party defendant or otherwise, and whether or not the interest of Beneficiary in the Property is directly questioned in such action or proceeding, including, without limitation, any action for the condemnation or partition of all or any portion of the Property and any action brought by Beneficiary to foreclose this Deed of Trust or to enforce any of its terms or provisions. All sums advanced and expenses incurred at any time by Beneficiary pursuant to this section or as otherwise provided under the terms and provisions of this Deed of Trust or under applicable law shall bear interest from the date that such sum is advanced or expense incurred, to and including the date of reimbursement, computed at an interest rate equal to the Default Rate.

12. Impounds. Grantor shall establish and maintain with Beneficiary an impound account ("Impound Account") for the payment of real estate taxes and assessments and insurance on the Property and as additional security for the indebtedness secured hereby; provided, however, that deposits for insurance premiums shall not be required so long as (i) the insurance required to be provided hereunder is being provided in accordance with Section 7 hereof; and (ii) there shall exist no Event of Default (as defined below) under this Deed of Trust or under any of the Loan Documents.

(a) Taxes and Insurance. Upon the Funding Date (as defined in the Note), Grantor shall deposit in the Impound Account an amount determined by Beneficiary to be necessary to ensure that there will be on deposit with Beneficiary in the Impound Account an amount which, when added to the Monthly Payments subsequently required to be deposited with Beneficiary pursuant to Section 12(b)(i) hereof, will be sufficient to pay the next due semi-annual installments of real estate taxes and assessments on the Real Property. Upon an Event of Default under this Deed of Trust or under any of the Loan Documents, Grantor shall, upon notice from Beneficiary, deposit in the Impound Account an amount determined by Beneficiary to be necessary to ensure that there will be on deposit with Beneficiary in the Impound Account an amount which, when added to the Monthly Payments subsequently required to be deposited with Beneficiary pursuant to Section 12(b)(ii) hereof, will be sufficient to pay the next annual installments of insurance on the Real Property.

(b) Monthly Payments. Grantor shall pay to Beneficiary, concurrently with and in addition to the Monthly Payment due under the Note and until the Note and all other indebtedness secured hereby is fully paid and performed, deposits in an amount equal to: (i) one-twelfth (1/12) of the amount of the annual real estate taxes and assessments that will next become due and payable on the Real Property; and (ii) after an Event of Default, commencing on the first Monthly Payment date under the Note following said default, and continuing thereafter on each subsequent Monthly Payment date under the Note, an amount equal to one-twelfth (1/12) of the amount of the annual premiums that will next become due and payable on insurance policies which Grantor is required to maintain hereunder, each as estimated and determined by Beneficiary (collectively "Payments"). Notwithstanding anything to the contrary herein, if the amount of the Monthly Payment being paid at any time pursuant to this Section 12(b), multiplied by the number of subsequent Monthly Payments, when added to the amount held on

deposit at such time, will be insufficient to pay, thirty (30) days prior to delinquency, the next annual installments of taxes and assessments due and payable and/or insurance premiums, if applicable, then Grantor shall immediately deposit the amount of the deficiency, and any failure to do so shall be deemed to be an Event of Default under this Deed of Trust.

(c) Responsibility. Grantor shall be responsible for ensuring the receipt by Beneficiary, at least thirty (30) days prior to the respective due dates for payment thereof, of all bills, invoices and statements for all taxes, assessments and insurance premiums, if applicable, to be paid from the Impound Account, and Beneficiary shall pay the Governmental Authority or other party entitled thereto directly to the extent funds are available for such purpose in the Impound Account. Subject to Section 12(f) below, Beneficiary shall be obligated to pay all such taxes, assessments and insurance premiums (if applicable), on a timely basis, provided, however, that there is no Event of Default and Grantor has previously delivered to Beneficiary sufficient deposits to the Impound Account for such payments.

(d) Reliance. In making any payment from the Impound Account, Beneficiary shall be entitled to rely on any bill, statement or estimate procured from the appropriate public office or insurance company or agent without any inquiry into the accuracy of such bill, statement or estimate and without any inquiry into the accuracy, validity, enforceability or contestability of any tax, assessment, valuation, sale, forfeiture, tax lien or title or claim thereof.

(e) Impound Account. The Impound Account shall not, unless otherwise explicitly required by applicable law, be or be deemed to be escrow or trust funds, but, at Beneficiary's option and in Beneficiary's discretion, may either be held in a separate account or be commingled by Beneficiary with the general funds of Beneficiary. No interest on funds contained in the Impound Account shall be paid by Beneficiary to Grantor. The Impound Account is solely for the protection of Beneficiary and entails no responsibility on Beneficiary's part beyond the payment of taxes, assessments and insurance premiums following receipt of bills, invoices or statements therefor in accordance with the terms hereof and beyond the allowing of due credit for the sums actually received. The existence of the Impound Account shall not limit Beneficiary's rights under any other provision of this Deed of Trust or any other agreement or statute or rule of law. The relationship between Grantor and Beneficiary with respect to the Impound Account shall be one of debtor and creditor, and Beneficiary shall not be a trustee, special depository or any other fiduciary acting for the benefit of Grantor. Upon assignment of this Deed of Trust by Beneficiary, any funds in the Impound Account shall be turned over to the assignee and any responsibility of Beneficiary, as assignor, with respect thereto shall terminate.

(f) Excess or Insufficient Funds. If the total funds in the Impound Account shall exceed the amount of payments actually applied by Beneficiary for the purposes of the Impound Account, such excess may be credited by Beneficiary on subsequent payments to be made hereunder or, at the option of Beneficiary, refunded to Grantor. If, however, the Impound Account shall not contain sufficient funds to pay the sums required when the same shall become due and payable, Grantor shall immediately deposit with Beneficiary within ten (10) Calendar Days after receipt of written notice thereof, the full amount of any such deficiency. If Grantor shall fail to deposit with Beneficiary the full amount of such deficiency as provided above, Beneficiary shall have the right, but not the obligation, to make such deposit and all amounts so deposited by Beneficiary, together with interest thereon at the Default Rate under the Note from the date incurred by Beneficiary until actually paid by Grantor, shall be immediately paid by Grantor on demand and shall be secured by this Deed of Trust and by all of the other Loan Documents securing all or any part of the indebtedness evidenced by the Note. If there is a default under this Deed of Trust which is not cured within any applicable grace or cure period, Beneficiary may, but shall not be obligated to, apply at any time the balance then remaining in the Impound Account against the Secured Obligations in whatever order Beneficiary shall subjectively determine.

(g) No Cure or Waiver. No such application of the Impound Account shall be deemed to cure any Event of Default hereunder. Upon full payment of the Secured Obligations in accordance with the terms and conditions hereof or at such earlier time as Beneficiary may elect, the

balance of the Impound Account then in Beneficiary's possession shall be paid over to Grantor and no other party shall have any right or claim thereto.

13. Inspection of Property. Grantor hereby covenants and agrees that, in addition to any rights Beneficiary may have under the laws of the State of Nevada, Beneficiary may make or authorize other persons, including, but not limited to, appraisers and prospective purchasers at any foreclosure sale commenced by Beneficiary and/or the USGA Turf Advisory Service (or by another entity satisfactory to Beneficiary), to enter on or inspect the Real Property at reasonable times and for a reasonable duration, with all reasonable costs of same being borne by Grantor and cause a written report to be prepared and delivered to Beneficiary in connection therewith within ten (10) Calendar Days following the completion of such inspection. Grantor shall permit all such entries and inspections to be made as long as Beneficiary has given Grantor written notice of such inspection at least twenty-four (24) hours before the entry and inspection.

14. Compensation; Exculpation. Grantor shall pay to Beneficiary reasonable compensation for services rendered by Beneficiary or its agents which relate to this Deed of Trust including, without limitation, preparation of any statement of any Secured Obligation. Beneficiary shall not directly or indirectly be liable to Grantor or any other person as a consequence of: (a) the exercise of the rights, remedies or powers granted to Beneficiary under this Deed of Trust; (b) the failure or refusal of Beneficiary to perform or discharge any obligation or liability of Grantor under any agreement related to the Property or under this Deed of Trust; or (c) any loss sustained by Grantor or any third party resulting from Beneficiary's failure to lease the Real Property after an Event of Default or from any other act or omission of Beneficiary in managing the Real Property after an Event of Default unless the loss is caused by the willful misconduct and/or bad faith of Beneficiary.

15. General Indemnification. Grantor shall indemnify and hold harmless Beneficiary and its officers, directors, shareholders, agents, and employees, any parent, subsidiary or affiliated company of Beneficiary, owners of participation interests in the Loan or the Loan Documents, any purchasers who acquire all or part of the Property at any foreclosure sale, any recipient of a deed or assignment in lieu of foreclosure of all or part of the Property and the officers, directors, shareholders, partners, members, managers, employees and agents of each of them, and the successors and assigns of each of the foregoing, from and against all losses, damages, liabilities, claims, causes of action, judgments, court costs, attorneys' fees and other legal expenses, cost of evidence of title, cost of evidence of value, and other expenses which Beneficiary may suffer or incur: (a) by reason of this Deed of Trust or any of the other Loan Documents; (b) in performance of any act required or permitted hereunder, under any of the other Loan Documents or by law, unless the loss is caused by the gross negligence or willful misconduct of Beneficiary or any other indemnified party; (c) as a result of any failure of Grantor to perform any of Grantor's obligations; or (d) by reason of any alleged obligation or undertaking on Grantor's part to perform or discharge any of the representations, warranties, conditions, covenants or other obligations contained herein or in any of the other Loan Documents.

16. Estoppel Certificate. Grantor shall, at any time and from time to time upon not less than ten (10) Calendar Days prior written notice from Beneficiary, execute, acknowledge and deliver to Beneficiary a statement: (a) certifying that this Deed of Trust and the other Secured Obligations are unmodified and in full force and effect or, if modified, stating the nature thereof and certifying that each Secured Obligation, as so modified, is in full force and effect and the date to which principal, interest and other sums secured hereby have been paid; and (b) acknowledging that Beneficiary is not in breach of any of its obligations under this Deed of Trust or any of the other Loan Documents or specifying such breach if any is claimed. Any such certificate may be conclusively relied upon by Beneficiary and any prospective purchaser or assignee of any Secured Obligation. Grantor's failure to deliver such certificate within such time shall be conclusive upon Grantor that: (i) the Secured Obligations are in full force and effect, without modification, except as may be represented by Beneficiary; and (ii) there are no such breaches by Beneficiary.

17. Further Assurances. Grantor shall promptly make, execute, acknowledge and deliver, in form and substance reasonably satisfactory to Beneficiary, all additional instruments, agreements and

other documents, and Grantor shall do all other acts, as may at any time hereafter be reasonably requested by Beneficiary to effectuate and carry out the purposes of this Deed of Trust and each of the Secured Obligations.

18. Expenses and Fees. All reasonable expenses, costs and other liabilities, including reasonable attorneys' fees, which Beneficiary or Trustee may incur: (a) in enforcing, defending or construing this Deed of Trust (or its priority) or any of the other Loan Documents; (b) subject to the last sentence of Section 5(e)(3) of this Deed of Trust and Section 5.12(c) of the Loan Agreement, for any inspection, evaluation, appraisal, survey or other service in connection with any of the Property; (c) for any title examination or title insurance policy relating to the title to any of the Property; or (d) in the exercise by Beneficiary of any rights or remedies granted by this Deed of Trust or any of the other Loan Documents, shall be paid by Grantor upon demand by Beneficiary, together with interest thereon, from the date of expenditure until payment in full, at the Default Rate under the Note. Notwithstanding the foregoing, Grantor shall not be obligated to pay any costs, fees or expenses associated with or in connection with any assignment, sale or transfer of the Loan by Beneficiary.

19. Assignment by Beneficiary. Beneficiary shall have the right at any time and from time to time during the term of the Loan to sell, assign, syndicate or otherwise transfer and/or dispose of all or any portion of its interest in the Loan to any third party or parties. To the extent of any assignment by Beneficiary, Beneficiary shall be fully relieved of any and all liability of any nature whatsoever to Grantor, or its successors or assigns, in any way relating to the Loan and arising after the date of such assignments. As used in this Deed of Trust, the term "Beneficiary" shall include Beneficiary, its successors, assigns, endorsees and participants. In the event Grantor, or its successors or assigns, asserts any claim (including, without limitation, counterclaims and third party claims) or seeks any relief in any way relating or pertaining to the Loan, including any such claim relating to any act or omission by Beneficiary, or its successors or assigns, or the officers, directors, shareholders, employees, agents or attorneys of any of the foregoing, such claim or relief may be sought or asserted only against the then-holder and owner of the Note or this Deed of Trust, Grantor, for Grantor and its successors and assigns, expressly covenants not to sue, make claim or seek relief against any prior holder of the Note or this Deed of Trust, or any officer, director, shareholder, employee, agent or attorney of any past, present or future holder or participant of the Note or this Deed of Trust, Grantor shall not seek to recover in connection with any such claim, and Grantor waives its right to seek or recover, any nominal, consequential, punitive or exemplary damages, it being agreed that any damage award shall be limited to actual damages proved by Grantor. Those parties other than Beneficiary which are described in this Section 19 are intended beneficiaries hereof. Notwithstanding anything in this Deed of Trust, the Note, or any other document evidencing, securing or setting forth the terms of the Loan evidenced by the Note, the terms of this Section 19 shall survive indefinitely, notwithstanding any payment of the obligations secured hereby or any satisfaction, cancellation or release of this Deed of Trust and shall not be subject to any term or provision of any such document limiting the liability of Grantor.

20. Beneficiary's Powers. Beneficiary may commence, appear in, defend or prosecute any assigned claim or action; and Beneficiary may adjust, compromise, settle and collect all claims and awards assigned to Beneficiary, but shall not be responsible for any failure to collect any claim or award regardless of the cause of the failure. Without affecting the liability of any other person liable for the payment of any obligation herein mentioned, and without affecting the lien or charge of this Deed of Trust upon any portion of the Property not then or theretofore released as security for the full amount of the Secured Obligations, Beneficiary may, from time to time and without notice: (a) release any person so liable; (b) extend the maturity or alter any of the terms of any such obligation; (c) grant other indulgences; (d) release or reconvey, or cause to be released or reconveyed, at any time and at Beneficiary's option, any parcel, portion or all of the Property; (e) take or release any other or additional security for any Secured Obligation; or (f) compromise or make other arrangements with debtors in relation thereto.

21. Trustee's Powers. At any time, or from time to time, without liability therefor and without notice, upon written request of Beneficiary and without altering or affecting the obligations and liability of Grantor or any other person for payment of the Note or any other sums secured by this Deed of Trust and the Loan Documents, or the lien of this Deed of Trust upon the remainder of the Property, or any right or

power of Beneficiary or Trustee with respect to the remainder of the Property, Trustee may: (a) reconvey or release any part of the Property from the lien of this Deed of Trust; (b) consent in writing to the making of any map or plat thereof; (c) join in granting any easement thereon; or (d) join in any extension agreement or any agreement subordinating the lien or charge hereof. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Grantor agrees to pay a reasonable Trustee's fee for full or partial reconveyance, together with a recording fee if the Trustee, at its option, elects to record said reconveyance.

22. Security Agreement; Fixture Filing.

(a) Uniform Commercial Code Security Agreement. This Deed of Trust is intended to be and shall constitute a security agreement under the UCC for any of the Property that, under governmental requirements, may be subject to a security interest under the UCC, and Grantor grants to Beneficiary a security interest in such Property (collectively, the "Collateral"). Grantor authorizes Beneficiary to file financing statements (including any amendments to existing financing statements, as applicable), in all states, counties and other jurisdictions as Beneficiary may elect, without Grantor's signature if permitted by law. Grantor agrees that Beneficiary may file this Deed of Trust, or a copy of it, in the real estate records or other appropriate index and in the Offices of the Secretary of State of the State of Nevada, and such other states as Beneficiary may elect, as a financing statement for any of the items specified above as part of the Property. Any reproduction of this Deed of Trust or executed duplicate original of this Deed of Trust, or a copy certified by a County Recorder in the State of Nevada, or of any other security agreement or financing statement, shall be sufficient as a financing statement. Grantor agrees that Beneficiary may file one or more UCC financing statements in the Offices of the Secretary of State of the State of Nevada and/or such other states as Beneficiary may elect. Grantor agrees to execute and deliver to Beneficiary, at Beneficiary's request, any UCC financing statements, and any extensions, renewals and amendments, and copies of this Deed of Trust in such form as Beneficiary may require, to perfect a security interest with respect to the Property. Grantor shall pay all costs of filing such UCC financing statements and any extensions, renewals, amendments and releases of such statements, and shall pay all reasonable costs and expenses of any record searches for financing statements that Beneficiary may reasonably require. Without the prior written consent of Beneficiary, Grantor shall not create or suffer to be created any other security interest in the Collateral, including any replacements and additions. The lien hereof will automatically attach, without further act, to all of Grantor's right, title and interest in and to any after-acquired property attached to and/or used in connection with the ownership and operation of the Real Property or any part thereof.

(b) Right of Set-Off. Grantor hereby specifically acknowledges and agrees that the security interest in and to the Collateral as set forth above does and shall include, and Grantor hereby expressly grants Beneficiary a contractual security interest in and hereby assigns, conveys, delivers, pledges and transfers all of Grantor's right, title and interest in and to Grantor's accounts with Beneficiary (whether checking, savings, or other type of account), including, without limitation, all accounts held jointly with someone else and all accounts Grantor may open in the future, excluding, however, all accounts for which the grant of a security interest would be prohibited by law. To the extent permitted by applicable law, Grantor authorizes Beneficiary to charge or setoff all indebtedness under the Loan Documents against any and all such accounts.

(c) Legal Name; Addresses; Organizational Number. Grantor's exact legal name is as set forth in the first paragraph of this Deed of Trust. Grantor is a limited liability company, and its organizational identification number is LLC409-1999. Grantor maintains a place of business at the Real Property in the State of Nevada, and at the address set forth in this Deed of Trust. Grantor will immediately notify Beneficiary in writing and in no event later than five (5) Calendar Days, of any change in its exact legal name, place of business, or of any change whatsoever in its organizational structure, including, without limitation, any mergers, conversions or sale of any membership interest.

(d) Additional Rights of Beneficiary. In addition to Beneficiary's rights under the UCC, Beneficiary may, but shall not be obligated to, at any time without notice and at the expense of

Grantor: (i) give notice to any person of Beneficiary's rights hereunder and enforce such rights; (ii) insure, protect, defend and preserve the Collateral and any rights or interest of Beneficiary therein; (iii) inspect the Collateral; and (iv) endorse, collect and receive any right to payment of money owing to Grantor under or from the Collateral. Beneficiary shall have no duty or obligation to make or give any presentments, demand for performance, notices of nonperformance, notices of protest or notices of dishonor in connection with any of the Collateral.

(e) Remedies. Upon the occurrence of any Event of Default, Beneficiary shall have the remedies of a secured party under the UCC and, at Beneficiary's option, may also invoke the remedies in Section 25 of this Deed of Trust as to such items. In exercising any of these remedies, Beneficiary may proceed against the items of Collateral separately or together and in any order whatsoever, without in any way affecting the availability of Beneficiary's remedies under the UCC or of the remedies in Section 25 of this Deed of Trust.

(f) Fixture Filing. This Deed of Trust constitutes a financing statement filed as a fixture filing under the Nevada Revised Statutes, Section 104.9502, as amended from time to time, in the official records of the county in which the Real Property is located with respect to any and all Fixtures included within the term "Property" and with respect to any goods or other personal property that may now be or hereafter become Fixtures. PARTS OF THE PERSONAL PROPERTY ARE, OR ARE TO BECOME, FIXTURES ON THE PROPERTY.

(g) No Impairment of Deed of Trust. Grantor and Beneficiary agree that the filing of a financing statement and/or amendments to existing financing statements in the records normally having to do with personal property shall never be construed as in any way derogating from or impairing this Deed of Trust. It is the intention of the parties that everything used in connection with the production of income from the Property or adapted for use therein or which is described or reflected in this Deed of Trust is and shall be, at all times and for all purposes and in all proceedings, both legal or equitable, regarded as part of the real estate subject to the lien hereof, irrespective of whether: (i) any such item is physically attached to improvements located on such Real Property; (ii) serial numbers are used for the better identification of certain items capable of being thus identified in a recital contained herein; or (iii) any such item is referred to or reflected in any financing statement so filed at any time. Similarly, the mention in any such financing statement of: (A) the rights in, or the proceeds of, any fire or hazard insurance policy; (B) Grantor's interest as lessor in any present or future lease, sublease or rights to income derived from the use and/or occupancy of the Property, whether pursuant to a lease, sublease or otherwise; or (C) any award in eminent domain proceedings for taking or for loss of value or for any cause of action or proceeds thereof in connection with any damage or injury to the Property or any part thereof shall never be construed as in any way altering any of the rights of Beneficiary as determined by this instrument or impugning the priority of Beneficiary's lien granted hereby or by any other recorded document, but such mention in such financing statement is declared to be for the protection of Beneficiary in the event any court shall at any time hold with respect to matters (A) and (B) hereinabove that notice of Beneficiary's priority of interest, to be effective against a particular class of persons, including, without limitation, the Federal government and any subdivision or entity of the Federal government, must be filed in the personal property records or other commercial code records. The information contained herein is provided in order that this Deed of Trust shall comply with the requirements of the UCC for instruments to be filed as financing statements. The "Debtor" is Grantor herein and the "Secured Party" is Beneficiary herein. The principal place of business of the Debtor is 403 Paradise Parkway, Mesquite, Nevada 89027, the mailing address of Debtor and Secured Party are as set forth in Section 40 of this Deed of Trust, and the types or items of collateral are as described hereinabove.

(h) Removal or Replacement of Collateral. Grantor shall not permit any of the Collateral to be removed from the Real Property without the prior written consent of Beneficiary unless: (i) the removal is in the ordinary course of business; or (ii) the replacements for such items of Collateral are of equivalent value and quality, and (A) Grantor acquires such replacements and has good and clear title to such replacements free and clear of any and all liens, encumbrances, security interests, ownership interests, claims of title (contingent or otherwise) or charges of any kind or the rights of any such conditional sellers, vendors or any other third parties have been expressly subordinated, at no cost to

Beneficiary, to the lien and security interest granted hereby in a manner satisfactory to Beneficiary, and (B) Beneficiary acquires a perfected first priority security interest in such replacement Collateral.

(i) Purchase Money Security Interest in Fixtures. In the event that: (i) Grantor intends to purchase any Goods (including any Goods to replace existing Collateral), which may become Fixtures to the Real Property, or any part thereof; and (ii) such Goods will be subject to a security interest held by a seller or any other party, and (iii) the purchase price of such Goods, whether in one transaction or in a series of related transactions, is Twenty-Five Thousand Dollars (\$25,000.00), or more, Grantor shall, before executing any security agreement or other document evidencing such security interest, obtain the prior written approval of Beneficiary, and all requests for such written approval shall be in writing and contain the following information:

- (A) A description of the Collateral to be replaced, added to, installed or substituted;
- (B) The address at which the Collateral will be replaced, added to, installed or substituted; and
- (C) The name and address of the proposed holder and proposed amount of the security interest; and any failure of Grantor to obtain such approval shall be a material breach of Grantor's covenants under this Deed of Trust, and shall, at the option of Beneficiary, entitle Beneficiary to all rights and remedies provided for herein upon default. No consent by Beneficiary pursuant to this section shall be deemed to constitute an agreement to subordinate any right of Beneficiary in the Fixtures or other Property covered by this Deed of Trust.

(j) Failure to Pay. If at any time Grantor fails to make any payment on an obligation secured by a security interest in any Collateral, Beneficiary, at its option, may at any time pay the amount secured by such security interest and the amount so paid shall be: (i) secured by this Deed of Trust and shall be a lien on the Property having the same priorities as the liens and security interests created by this Deed of Trust; and (ii) payable on demand with interest at the Default Rate under the Note from the time of such payment. If Grantor shall fail to make such payment to Beneficiary within ten (10) days after demand, the entire principal sum secured thereby with all unpaid accrued interest and late charges or other amounts owing thereunder, shall, at the option of Beneficiary, become due and payable immediately.

(k) Control Agreement. Following the receipt of a request from Beneficiary, Grantor will cooperate with Beneficiary (including, without limitation, executing and delivering all documents, agreements and instruments in connection therewith), in obtaining a control agreement in form and substance satisfactory to Beneficiary with respect to Collateral consisting of: Deposit Accounts; Investment Property; Letters of Credit; Letter of Credit Rights; and Electronic Chattel Paper.

(l) Chattel Paper. Grantor will not create any Chattel Paper without placing a legend on the Chattel Paper acceptable to Beneficiary indicating that Beneficiary has a security interest in the Chattel Paper.

23. Transfers.

(a) Due on Sale or Encumbrance. Grantor agrees that neither Grantor, nor any member of Grantor, shall directly or indirectly "Transfer" the Property, whether voluntary, involuntary or by operation of law, or suffer or permit the same, without Beneficiary's prior written consent. As used herein, "Transfer" shall mean:

(i) Any sale, transfer, conveyance, hypothecation, encumbrance or vesting of the Property or any part thereof or interest therein, or any lease or sublease of all or substantially all of the Property, to or in any Person, whether voluntary, involuntary, by operation of law or otherwise;

(ii) Any sale, transfer, assignment, conveyance, hypothecation, encumbrance or vesting of any membership interest or other legal or beneficial ownership interest in Grantor or any partnership interest, membership interest, stock interest or other legal or beneficial ownership interest in any member of Grantor, to any Person, whether voluntary, involuntary, by operation of law or otherwise. Notwithstanding the foregoing, the restriction and limitation contained in this Section 23(a)(ii) shall not be applicable to and the term "Transfer" shall not include one transaction or a series of related transactions involving less than thirty-five percent (35%) of the membership interests or other legal or beneficial ownership interests in Grantor or any person or entity which owns a majority of the membership interests or other legal or beneficial ownership interests in Grantor.

(iii) Any sale, transfer, assignment, conveyance, hypothecation, encumbrance or vesting of any membership interest or other legal or beneficial ownership interest in Manager, or any partnership interest, membership interest, stock interest or other legal or beneficial interest in any member, partner or shareholder of Manager, to any Person, whether voluntary, involuntary, by operation of law or otherwise. Notwithstanding the foregoing, the restriction and limitation contained in this Section 23(a)(iii) shall not be applicable to one transaction or a series of related transactions involving less than thirty-five percent (35%) of the membership interests or other legal or beneficial ownership interests in Manager, or any person or entity which owns a majority of the membership interests or other legal or beneficial ownership interests in Manager.

(iv) The execution and delivery by Grantor of any mortgage, deed of trust, security agreement, financing statement or other security instrument covering all or any portion of the Property.

(v) The execution and delivery by Grantor of any easements or rights of way agreements affecting property lines or similar agreements affecting the Real Property.

(vi) The execution of any agreements to do any of the foregoing.

(b) **Acceleration.** Grantor acknowledges and agrees that the creditworthiness and expertise of Grantor in owning and operating the Property is a material factor in Beneficiary's decision to make the Loan. Accordingly, if any Transfer occurs without Beneficiary's prior written consent, then, at its sole option, Beneficiary may, by written notice to Grantor, declare all Secured Obligations immediately due and payable. Grantor shall notify Beneficiary promptly in writing of all Transfers.

(c) **Default Rate.** Upon the occurrence of any Transfer without Beneficiary's prior written consent, which consent may be withheld by Beneficiary in its sole discretion, and without waiving Beneficiary's right to declare all Secured Obligations immediately due and payable, all Secured Obligations shall bear interest at the Default Rate under the Note.

24. **Event of Default.** Each of the following events is an "Event of Default" hereunder:

(a) **Monthly Payment.** The failure of Grantor to timely pay to Beneficiary any Monthly Payment (as defined in the Note) due under the Note as and when first due, and the failure of Grantor to cure the same on or before the ninth (9th) Calendar Day after such Monthly Payment was due.

(b) **Multiple Defaults.** The failure of Grantor to timely pay any Monthly Payment under the Note on or before the ninth (9th) Calendar Day after such Monthly Payment was due (assuming Beneficiary was previously willing to accept a cure of such Event of Default, which election shall be made by Beneficiary in its sole and absolute discretion), on three (3) or more occasions during any consecutive twelve (12) calendar month period or on five (5) or more occasions during any consecutive twenty-four (24) month period.

(c) **Other Payments.** The failure of Grantor to timely pay to Beneficiary any other Secured Obligation as and when first due and the failure of Grantor to cure the same on or before the

ninth (9th) Calendar Day after the date of written notice from Beneficiary to Grantor that such Secured Obligation was due.

(d) Failure to Perform or Comply. The failure by Grantor to timely perform or comply with any other term, obligation, covenant or condition contained in this Deed of Trust and the failure of Grantor to cure such breach within thirty (30) Calendar Days after the date of receipt of written notice thereof from Beneficiary provided, however, if such cure cannot reasonably be completed within such thirty (30) Calendar Day period, such cure period shall be extended for up to sixty (60) additional Calendar Days, provided Grantor commences such cure within such initial thirty (30) Calendar Day period and thereafter diligently pursues such cure to completion.

(e) Transfer. The occurrence of any Transfer prohibited by this Deed of Trust.

(f) Lien. The enactment of any law which deducts from the value of the Property for the purpose of taxation any lien thereon or imposes upon Beneficiary the payment of the whole or any part of the taxes, assessments, charges or liens herein required to be paid by Grantor or changes in any way the laws relating to the taxation of deeds of trust or debts secured by deeds of trust or Beneficiary's interest in the Property or the manner of collection of taxes so as to affect this Deed of Trust or any other Secured Obligation or the holder thereof or imposes a tax, other than a Federal or state income tax, on or payable by Trustee or Beneficiary by reason of their ownership of the Secured Obligations and, in such event, Grantor, after demand by Beneficiary, does not pay such taxes or assessments or reimburse Beneficiary therefor or, in the opinion of counsel for Beneficiary, it makes it unlawful to require Grantor to make such payment or the making of such payment results in the imposition of interest costs beyond the maximum amount permitted by applicable law.

(g) Subordinated Debts; Subordination Agreements. The occurrence of a breach, violation or default by Grantor under the Subordinated Debts and/or the Subordinated Loan Documents, where such event of default is not cured within the applicable cure period, if any; and/or the occurrence of any other event which would invalidate the Subordination Agreements and/or otherwise cause or result in the subordination of the Loan to the Subordinated Debts; and/or any amendment, modification or change of the Subordinated Loan Documents, or any waiver, forgiveness or release of any other party under the Subordinated Loan Documents from any covenants or obligations to be performed by such third party thereunder, without the prior written consent of Beneficiary.

(h) Other Event of Default. The occurrence of any other event constituting an Event of Default pursuant to this Deed of Trust or the occurrence of any event constituting an event of default pursuant to the other Loan Documents.

25. Remedies. Upon the occurrence of an Event of Default under this Deed of Trust or upon the occurrence of any event constituting an event of default under any of the other Loan Documents, Beneficiary may at any time, at its option and in its sole discretion, declare all Secured Obligations to be due and payable without notice, presentment, protest, demand or action of any nature whatsoever (each of which is hereby expressly waived by Grantor), and the same shall thereupon become immediately due and payable, including any prepayment charge or fee payable under the terms of any Secured Obligation, court costs and attorneys' fees hereunder; provided, however, upon the occurrence of any Event of Default set forth in Sections 6.1(f) and 6.1(g) of the Loan Agreement, all Secured Obligations shall automatically be immediately due and payable. Beneficiary may also do any or all of the following, to the fullest extent permitted by law, although it shall have no obligation to do any of the following:

(a) Entry. Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court and without regard to the adequacy of Beneficiary's security, enter upon and take possession of the Property, or any part thereof, and do any acts which Beneficiary deems reasonably necessary or desirable to preserve the value, marketability or rentability of the Property, or to increase the income therefrom or to protect the security hereof and, with or without taking possession of any of the Property, sue for or otherwise collect all rents and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including

attorneys' fees and expenses, upon the Secured Obligations, all in such order as Beneficiary may determine. The collection of Rents and the application thereof shall not cure or waive any Event of Default or notice thereof or invalidate any act done in response thereto or pursuant to such notice.

(b) Appointment of Receiver. As a matter of right and without notice to Grantor or any one claiming under Grantor, and without regard to the then value of the Property or the interest of Grantor therein, apply to any court having jurisdiction to appoint a receiver or receivers of the Property, and Grantor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of Beneficiary in case of entry as provided herein and shall continue as such and exercise all such powers until the later of the date of confirmation of sale of the Property or the date of expiration of any redemption period unless such receivership is sooner terminated.

(c) Judicial Foreclosure. Bring an action in any court of competent jurisdiction to judicially foreclose this Deed of Trust or to enforce any of the Secured Obligations secured hereby.

(d) Power of Sale. Elect to sell by power of sale all or any portion of the Property in any manner permitted under applicable law. For any sale under the power of sale granted by this Deed of Trust, Beneficiary shall cause Trustee to record and give all notices required by law. After compliance with such notice requirements, and upon the expiration of such time as is required by law, Trustee may sell the Property upon any terms and conditions specified by Beneficiary and permitted by applicable law. Trustee may, and upon request of Beneficiary shall, from time to time, postpone the sale by public announcement thereof at the time and place noticed therefor. If the Real Property consists of several lots, parcels or interests, Beneficiary may designate the order in which the same shall be offered for sale or sold. Grantor waives all rights to direct the order in which any of the Property will be sold in the event of any sale under this Deed of Trust, and also any of right to have any of the Property marshaled upon any sale. In the case of a sale under this Deed of Trust, the Property, real, personal and mixed, may be sold in one parcel or more than one parcel. The sale or sales by Beneficiary of less than the whole of the Property shall not exhaust the power of sale herein granted, and Beneficiary is specifically empowered to make successive sale or sales under such power until the whole of the Property shall be sold. Should Beneficiary desire that more than one such sale or other disposition be conducted, Beneficiary may, at its option, cause the same to be conducted simultaneously, or successively on the same day, or at such different days or times and in such order as Beneficiary may deem to be in its best interest. Any person, including Grantor, Trustee or Beneficiary, may purchase at the sale. Upon any sale, Trustee shall execute and deliver to the purchaser or purchasers a deed or deeds conveying the property so sold, but without any covenant or warranty whatsoever, express or implied, whereupon such purchaser or purchasers shall be let into immediate possession. Beneficiary, from time to time before the trustee's sale pursuant to this section, may rescind any notice of breach or default and of election to cause to be sold the Property by executing and delivering to Trustee a written notice of such rescission, which notice, shall also constitute a cancellation of any prior declaration of default and demand for sale. The exercise by Beneficiary of such right of rescission shall not constitute a waiver of any breach or default then existing or subsequently occurring or impair the right of Beneficiary to execute and deliver to Trustee, as above provided, other declarations of default and demand for sale, and notices of breach or default, the obligations hereof, nor otherwise affect any provision, covenant or condition of the Note and/or of this Deed of Trust or any of the rights, obligations or remedies of the parties thereunder or hereunder.

After foreclosure of this Deed of Trust, any sale of the Property or any portion thereof, Grantor will be divested of any and all interest and claim thereto, including any interest or claim to all insurance policies, bonds, loan commitments and other intangible property covered hereby. Additionally, after a sale of all or any portion of the Property, Grantor will be considered a tenant at sufferance of the purchaser of the same, and said purchaser shall be entitled to immediate possession thereof, and if Grantor shall fail to vacate the Property immediately, the purchaser may and shall have the right, without further notice to Grantor, to go into any court of competent jurisdiction in any city or county in which the Property is located and file an action in ejectment, which action shall lie against Grantor or its assigns or legal representatives, as a tenant at sufferance. This remedy is cumulative of any and all remedies the purchaser may have hereunder or otherwise.

(e) Waiver of Redemption, Notice and Marshalling of Assets. To the fullest extent permitted by law, Grantor hereby irrevocably and unconditionally waives and releases: (i) all benefits that might accrue to Grantor by any present or future laws exempting the Property from attachment, levy or sale on execution or providing for any appraisal, valuation, stay of execution, exemption from civil process, redemption or extension of time for payment; (ii) all notices of any Event of Default (except as may be specifically provided for under the terms hereof), presentment, demand, notice of intent to accelerate, notice of acceleration and any other notice of Beneficiary's election to exercise or the actual exercise of any right, remedy or recourse provided for under the Loan Documents; (iii) any right to appraisal or marshaling of assets or a sale in inverse order of alienation; and (iv) the administration of estates of decedents, or other matter to defeat, reduce or affect the right of Beneficiary under the terms of this Deed of Trust to sell the Property for the collection of the Secured Obligations (without any prior or different resort for collection) or the right of Beneficiary, under the terms of this Deed of Trust, to the payment of the indebtedness out of the proceeds of sale of the Property in preference to every other person and claimant whatever (only reasonable expenses of such sale being first deducted).

(f) Uniform Commercial Code. Exercise any or all of the remedies available to a secured party under the UCC including, but not limited to:

(i) Either personally or by means of a court-appointed receiver, take possession of all or any of the Collateral and exclude therefrom Grantor and all others claiming under Grantor and thereafter hold, store, use, operate, manage, maintain and control, make repairs, replacements, alterations, additions and improvements to and exercise all rights and powers of Grantor in respect to the Collateral; and in the event Beneficiary demands or attempts to take possession of the Collateral in the exercise of any of its rights hereunder, Grantor promises and agrees promptly to turn over and deliver complete possession thereof to Beneficiary;

(ii) Without notice to or demand upon Grantor, make such payments and do such acts as Beneficiary may deem necessary to protect its security interest in the Collateral including, without limitation, paying, purchasing, contesting or compromising any encumbrance, charge or lien which is prior or superior to the security interest granted hereunder, and in exercising any such powers or authority, to pay all expenses incurred in connection therewith;

(iii) Require Grantor to assemble the Collateral or any portion thereof at a place designated by Beneficiary and promptly deliver such Collateral to Beneficiary or an agent or representative designated by Beneficiary. Beneficiary, its agents and representatives, shall have the right to enter upon any or all of Grantor's premises and property to exercise Beneficiary's rights hereunder; and

(iv) Sell, lease or otherwise dispose of the Collateral at public sale, with or without having the Collateral at the place of sale, and upon such terms and in such manner as Beneficiary may determine; and Beneficiary may be a purchaser at any such sale. In any sale, lease or other disposition of any Collateral, Beneficiary shall have the right to disclaim any or all warranties of any kind, if applicable, which by law may be disclaimed, and no such disclaimer shall be considered to affect the commercial reasonableness of such sale, lease or other disposition. Beneficiary shall not be deemed to have accepted any property other than cash in satisfaction of any Secured Obligation unless Beneficiary shall make an express written election of said remedy.

(g) Application of Proceeds. The proceeds of any sale under this Deed of Trust shall be applied in the following manner:

(i) First, payment of the costs and expenses of the sale, including, but not limited to, Trustee's fees, legal fees and disbursements, title charges and transfer taxes, and payment of all expenses, liabilities and advances of Trustee, together with interest on all advances made by Trustee at the maximum rate permitted to be charged by Trustee under applicable law;

(ii) Second, payment of all sums expended by Beneficiary under the terms of this Deed of Trust and not yet repaid, together with interest on such sums at the Default Rate set forth in the Note;

(iii) Third, payment of the Secured Obligations of Grantor secured by this Deed of Trust, in any order that Beneficiary chooses; and

(iv) Fourth, the remainder, if any, to the person or persons legally entitled to it.

(h) Remedies are Cumulative. All remedies contained in this Deed of Trust are cumulative, and Beneficiary has the right to exercise all other remedies provided by law, in equity, or in any other agreement between Grantor and Beneficiary. No delay or failure by Beneficiary to exercise any right or remedy under this Deed of Trust shall be construed to be a waiver of that right or remedy or of any default by Grantor. Beneficiary may exercise any one (1) or more of its rights and remedies at its option without regard to the adequacy of its security.

(i) Payment of Expenses. Grantor shall pay all of Beneficiary's and Trustee's expenses incurred in any efforts to enforce any terms of this Deed of Trust, whether or not any lawsuit is filed, including, but not limited to, reasonable legal fees and costs, foreclosure costs, escrow fees, filing fees, recording fees, and title charges.

(j) No Cure or Waiver. Neither Beneficiary's nor Trustee's nor any receiver's entry upon and taking possession of all or any part of the Property, nor any collection of Rents, Proceeds, other security or proceeds of other security, or other sums, nor the application of any collected sums to any Secured Obligation, nor the exercise of any other right or remedy by Beneficiary or Trustee or any receiver shall cure or waive any breach, Event of Default or notice of default under this Deed of Trust, nor nullify the effect of any notice of default or sale (unless all Secured 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 or Trustee 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.

(k) Power to File Notices and Cure Defaults. Subject to any notice and cure rights set forth herein or in any of the Loan Documents, Grantor hereby irrevocably appoints Beneficiary and its successors and assigns as Grantor's attorney-in-fact, which agency is coupled with an interest: (i) to execute and record any notices of completion, cessation of labor, or any other notices that Beneficiary deems appropriate to protect Beneficiary's interest; and (ii) upon the occurrence of an Event of Default, to perform any obligation of Grantor hereunder; provided that (A) Beneficiary, as such attorney-in-fact, shall only be accountable for such funds as are actually received by Beneficiary; and (B) Beneficiary shall not be liable to Grantor or any other person or entity for any failure to act under this section.

(l) Actions by Trustee or Beneficiary. If Grantor fails to make any payment or to do any act as and in the manner provided in any of the Loan Documents and such failure is not remedied by Grantor, Beneficiary and/or Trustee, each in its absolute and sole discretion, without obligation so to do, without releasing Grantor from any obligation, and with only such notice to or demand upon Grantor as may be reasonable under the then existing circumstances, but in no event exceeding ten (10) Calendar Days' prior written notice, may make or do the same in such manner and to such extent as either may deem necessary or appropriate. In connection therewith (without limiting their general powers, whether conferred herein, in another Loan Document or by law), Beneficiary and Trustee shall have and are hereby given the right, but not the obligation: (i) to enter upon and take possession of the Property; (ii) to make additions, alterations, repairs and improvements to the Real Property that they or either of them may consider necessary or appropriate to keep the Real Property in good condition and repair; (iii) to appear and participate in any action or proceeding affecting or which may affect the security hereof or the rights or powers of Beneficiary or Trustee; (iv) to pay, purchase, contest or compromise any Lien or Encumbrance or alleged Lien or Encumbrance, whether superior or junior to this Deed of Trust; and (v) in exercising such powers, to pay necessary expenses (including, without limitation, expenses of

employment of counsel or other necessary or desirable consultants). Grantor shall, immediately upon demand therefor by Beneficiary and Trustee, or either of them, pay to Beneficiary and Trustee an amount equal to all respective costs and expenses incurred by them in connection with the exercise by either Beneficiary or Trustee or both of the foregoing rights (including, without limitation, costs of evidence of title, court costs, appraisals, surveys and receiver's, trustee's and attorneys' fees), together with interest thereon from the date of such expenditures at the Default Rate under the Note. "Lien or Encumbrance" means each and all of the following in respect of the Property: leases, other rights to occupy or use, mortgages, deeds of trust, pledges, security agreements, assignments, assignments as security, conditional sales, title retention arrangements or agreements, conditions, covenants and restrictions, and other charges, liens, encumbrances or adverse interests, whether voluntarily or involuntarily created and regardless of whether prior or subordinate to any estate, right, title or interest granted to Trustee or Beneficiary in this Deed of Trust, excluding from the foregoing the Permitted Encumbrances. "Person" means any natural person, unincorporated association, corporation, partnership, joint venture, trust, other legal entity, or any Governmental Authority.

(m) Preference. Any monies Beneficiary pays because of an asserted preference claim in Grantor's bankruptcy will become a part of the Secured Obligations evidenced and secured by this Deed of Trust.

(n) Equity of Redemption. In the event that Grantor has an equity of redemption and the Property is sold pursuant to the power of sale or otherwise under or by virtue of this section, the purchaser may, during any redemption period allowed, make such repairs or alterations on said Property as may be reasonably necessary for the proper operation, care, preservation, protection and insuring thereof. Any sums so paid together with interest thereon from the time of such expenditures at the Default Rate under the Note shall be added to and become a part of the amount required to be paid for redemption from such sale.

(o) Other Remedies. Exercise all other rights and remedies under this Deed of Trust and each of the other Loan Documents.

26. No Offset. Under no circumstances shall Grantor fail or delay to perform (or resist the enforcement of) any of its obligations in connection with any of the Loan Documents because of any alleged offsetting claim or cause of action against Beneficiary (or any indebtedness or obligation of Beneficiary) which has not been confirmed in a permanent injunction or final judgment of a court of competent jurisdiction (sustained on appeal, if any), against Beneficiary, and Grantor hereby waives any such rights of setoff (or offset) which it might otherwise have with respect to any such claims or causes of action against Beneficiary (or any such obligations or indebtedness of Beneficiary), unless and until such right of setoff is confirmed and liquidated by such a permanent injunction or final judgment. Grantor further waives any right that it might otherwise have to require a marshalling of any security of Beneficiary or to direct the order in which Beneficiary pursues its rights or remedies with respect to any of its security.

27. Releases, Extensions, Modifications and Additional Security. Without notice to or the consent, approval or agreement of Grantor, any subsequent owner of any part of the Property, any maker, surety, guarantor, or endorser of this Deed of Trust or any other Secured Obligation, or any holder of a lien or other claim on all or any part of the Property, whether senior or subordinate hereto, Beneficiary may, from time to time, do one or more of the following: release any person's liability for the payment of any Secured Obligation, take any action or make any agreement extending the maturity or otherwise altering the terms or increasing the amount of any Secured Obligation, or accept additional security or release all or a portion of the Property and other security for any Secured Obligation. No such release of liability, taking of additional security, release of security, change in terms or conditions of any Secured Obligation, or other action shall release or reduce the liability of Grantor, subsequent purchasers of all or any part of the Property, or makers, sureties, guarantors or endorsers of this Deed of Trust or any other Secured Obligation, under any covenant of this Deed of Trust or any other Secured Obligation, or release or impair the priority of the lien of this Deed of Trust upon any of the Property.

28. No Waiver. Any failure by Beneficiary to insist upon the strict performance by Grantor of any of the terms and provisions of any of the Loan Documents or government requirements or any waiver by Beneficiary of any right or remedy granted to Beneficiary under the Loan Documents or government requirements as to any transaction or occurrence shall not be deemed to be a waiver of any future transaction or occurrence or of the rights and remedies of Beneficiary under the terms and provisions of any of the Loan Documents; and Beneficiary, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Grantor of any and all of the terms and provisions of each of the Loan Documents. The acceptance by Beneficiary of any sum after any Event of Default shall not constitute a waiver of the right to require prompt performance of all of the covenants and conditions contained in any of the Loan Documents. The acceptance by Beneficiary of any sum secured by this Deed of Trust after its due date or any sum less than the sum then due shall be deemed an acceptance on account only and shall not constitute a waiver of the obligation of Grantor to pay the entire sum then due, Grantor's failure to pay said entire sum due shall be and continue to be an Event of Default notwithstanding such acceptance of such lesser amount on account, Beneficiary shall be entitled to exercise all rights conferred upon it following an Event of Default notwithstanding such acceptance. Notwithstanding the foregoing, no waiver by Beneficiary of any rights or remedy provided by the Loan Documents or governmental requirements shall be effective unless such waiver is in writing and executed by Beneficiary.

29. Taxation of Deed of Trust. In the event of the enactment of any law deducting from the value of the Property any mortgage lien on it, or imposing on Beneficiary the payment of all or part of the taxes, charges or assessments previously paid by Grantor under this Deed of Trust, or changing the law relating to the taxation of mortgages, debts secured by mortgages or Beneficiary's interest in the Property so as to impose new incidents of tax on Beneficiary, then Grantor shall pay such taxes or assessments or shall reimburse Beneficiary for them; provided, however, that if in the opinion of Beneficiary's counsel such payment cannot lawfully be made by Grantor, then Beneficiary may, at Beneficiary's option, declare all sums secured by this Deed of Trust to be immediately due and payable without notice to Grantor. Beneficiary may invoke any remedies permitted by this Deed of Trust.

30. Joint and Several. If Grantor consists of more than one party, such parties shall be jointly and severally liable under any and all obligations, covenants and agreements of Grantor contained herein.

31. Cumulative. The rights and remedies of Beneficiary arising under this Deed of Trust and the other Loan Documents shall be separate, distinct and cumulative to all other rights and remedies provided by this Deed of Trust or by governmental requirements, and none of them shall be in exclusion of the others, and each may be exercised concurrently, independently or successively, in any order whatsoever. No act of Beneficiary shall be construed as an election to proceed under any one provision to the exclusion of any other provision, notwithstanding anything herein or otherwise to the contrary. Any specific enumeration of powers of Beneficiary, or of acts to be done or not to be done by Grantor, shall not be deemed to exclude or limit the general. All covenants hereof shall be construed as affording to Beneficiary rights additional to and not exclusive of the rights conferred under any applicable law.

32. Beneficiary's Statement. Beneficiary shall furnish any statement required by law regarding the obligations secured hereby or regarding the amount held in any trust or reserve fund hereunder. For any such statement, Beneficiary may charge a reasonable fee, not to exceed the maximum amount permitted by law at the time of the request therefore.

33. Reconveyance. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and the Note to Trustee for cancellation, and upon payment of its fees, Trustee shall reconvey, without warranty, the Property then held hereunder. The recitals in any such reconveyance of any matters or facts shall be conclusive proof of the truth thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

34. Substitution. Beneficiary may substitute the Trustee hereunder in any manner now or hereafter provided by law or, in lieu thereof, Beneficiary may from time to time, by an instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed and acknowledged by Beneficiary and recorded in the office of the recorder of the county or counties in which the Land and Improvements are situated, shall be conclusive proof of proper substitution of such successor Trustee, who shall thereupon and without conveyance from the predecessor Trustee, succeed to all its title, estate, rights, powers and duties.

35. Governing Law; Jurisdiction and Venue. This Deed of Trust shall be governed by and construed in accordance with the laws of the State of Nevada, except to the extent that the UCC provides for the application of the law of the state of Grantor's formation. Grantor acknowledges and agrees that all actions or proceedings arising in connection with this Deed of Trust and the other Loan Documents shall be tried and litigated only in the state or federal courts of record located in the State of Nevada, with venue to be in Clark County, Nevada. Grantor waives any right Grantor may have to assert the doctrine of forum non conveniens or to object to such venue.

36. Severability. If any provision of this Deed of Trust or any other Loan Document or the application thereof to any person or circumstance shall, to any extent, be held to be void, invalid, illegal or unenforceable in any respect, the remainder of the provisions of this Deed of Trust or any of the Loan Documents or the application of such provision to persons or circumstances other than those to which it shall have been held void, invalid, illegal or unenforceable, shall not be affected thereby (the provisions of the Deed of Trust and the Loan Documents being severable in any such instance), but shall continue to be valid and enforceable to the fullest extent permitted by applicable law.

37. Successors and Assigns. Each of the covenants and obligations of Grantor set forth in this Deed of Trust and each of the other Loan Documents shall run with the Land and shall bind Grantor, the successors and assigns of Grantor and all subsequent encumbrances and lessees of the Property and shall inure to the benefit of Beneficiary, and its respective successors and assigns.

38. Captions. The captions or headings at the beginning of each section hereof are for the convenience of the parties and are not a part of this Deed of Trust.

39. No Third Party Beneficiaries. This Deed of Trust is made and entered into for the sole protection and benefit of the parties hereto, and no other person or entity shall be a direct or indirect beneficiary of, or shall have any direct or indirect cause of action or claim in connection with, this Deed of Trust or any of the other Loan Documents.

40. Notices. All notices, requests and other communications to either party hereunder shall be in writing and shall be given to such party at its address set forth below or such other address as such party may hereafter specify for the purpose of notice. Each such notice, request or other communication shall be deemed to have been given and/or received, as applicable: (a) if given by certified mail, when such notice is deposited in the United States Mail with adequate first class postage prepaid, addressed as aforesaid; (b) if given by overnight delivery, when deposited with a nationally recognized overnight delivery service such as Federal Express or Airborne with all fees and charges prepaid, addressed as provided below; (c) if given by facsimile transmission, when transmitted, provided that an original of such transmission is also sent to the intended addressee by means of the methods described in Sections 40(a), (b) or (d); or (d) if given by any other means, when delivered at the address specified herein:

Beneficiary:

Dorfinco Corporation
11575 Great Oaks Way, Suite 210
Alpharetta, Georgia 30022
Attn: Division Counsel – Golf Finance
Fax: (770) 360-1458

With a copy to: Dorfinco Corporation
11575 Great Oaks Way, Suite 210
Alpharetta, Georgia 30022
Attn: President – Golf Finance
Fax: (770) 360-1467

With a copy to: Foley & Lardner LLP
402 West Broadway, Suite 2300
San Diego, California 92101
Attn: Van A. Tengberg, Esq.
Fax: (619) 234-3510

Grantor: Paradise Canyon, LLC
403 Paradise Parkway
Mesquite, Nevada 89027
Attn: General Manager
Fax: (702) 345-6716

With a copy to: Kolesar & Leatham, Chtd.
3320 West Sahara Avenue, Suite 380
Las Vegas, Nevada 89102
Attn: James B. MacRobbie, Esq.
Fax: (702) 362-9472

Rejection or other refusal to accept or the inability to deliver because of a change of address of which no notice was given shall be deemed to be receipt of the notice, request or communication sent. The addresses set forth above may be changed as to any party by such party delivering to the other parties at least thirty (30) Calendar Days written notice as to such change of address.

41. Request Notice of Default. Grantor requests that a copy of any notice of default and any notice of sale under this Deed of Trust be mailed to Grantor at its address specified in the preceding section.

42. Mechanics' Liens. Grantor shall pay from time to time when due, all lawful claims and demands of mechanics materialmen, laborers and others that, if unpaid, might result in or permit the creation of a lien on the Real Property or any part of it, or on the Rents arising therefrom, and in general shall do or cause to be done everything necessary so that the lien and security interest of this Deed of Trust shall be fully preserved, at Grantor's expense and without expense to Beneficiary; provided, however, that if any laws or regulations empower Grantor to discharge of record any mechanics', laborer's, materialmen's or other lien against the Real Property by the posting of a bond or other security, Grantor shall not have to make such payment if Grantor posts such bond or other security on the earlier of ten (10) Calendar Days after the filing or recording of same or within the time prescribed by law, so as not to place the Real Property in jeopardy of a lien or forfeiture.

43. Subrogation. Beneficiary shall be subrogated to any mechanic's or vendor's lien, superior titles, mortgages, deeds of trust, liens, encumbrances, rights, equities and charges of all kinds heretofore or hereafter existing on the Property, notwithstanding their release of record, to the extent that the same are paid or discharged from the proceeds of the Loan, but in no event shall the foregoing provision result in Beneficiary recovering more than the full amount of the Secured Obligations.

44. Waivers. To the fullest extent permitted by applicable law, Grantor hereby waives the benefit of all laws now existing or hereafter enacted providing for the pleading of any statute of limitation as a defense to any Secured Obligation or extending the time for the enforcement of the collection of any Secured Obligation; and Grantor agrees that Grantor shall not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any stay of execution, extension or marshalling in the event of foreclosure of the liens and security interests hereby created. To

the fullest extent permitted by law, Grantor waives: (a) the benefit of all laws now existing or that may hereafter be enacted providing for any appraisal before sale of any portion of the Property; and (b) all rights of redemption, valuation, appraisal, stay of execution, notice of election to mature or declare due the Obligations and marshaling in the event of foreclosure of the liens hereby created; and (c) all rights and remedies Grantor may have or be able to assert by reason of the laws of the State of Nevada pertaining to the rights and remedies of sureties. Neither the acceptance of any partial or delinquent payment or performance, nor the failure to exercise any rights upon a default, shall be a waiver of Grantor's obligations hereunder. Beneficiary's consent to any act or omission by Grantor will not be a consent to any other or subsequent act or omission or a waiver of the need for such consent in any future or other instance. No provision of this Deed of Trust may be changed, discharged, terminated or waived except in a writing signed by the party against whom enforcement of the change, discharge, termination or waiver is sought.

45. Acts or Omissions. Beneficiary shall not be liable or responsible for its acts or omissions under this Deed of Trust, except for Beneficiary's own gross negligence or willful misconduct, or be liable or responsible for any acts or omissions of any agent, attorney or employee of Beneficiary, if selected with reasonable care, except for such agent's, attorney's or employee's own gross negligence or willful misconduct.

46. Amendments. This Deed of Trust contains (or incorporates) the entire agreement of the parties hereto with respect to the matters discussed herein, and this Deed of Trust may only be modified or amended by a written instrument executed by Grantor and Beneficiary.

47. Survival of Warranties. All representations, warranties, covenants and agreements of Grantor hereunder shall survive the delivery of this Deed of Trust and shall continue in full force and effect until the full and final payment and performance of all of the Secured Obligations.

48. Time. Time is of the essence of each provision of this Deed of Trust.

49. Continuation of Payments. Notwithstanding any Taking by eminent domain or other governmental action causing injury to, or decrease in value of, the Property and creating a right to compensation therefor, Grantor shall continue to make the required payments of principal and interest on the Note and all other payments required by the Loan Documents. If, prior to the receipt by Beneficiary of such award or compensation, the Property shall have been sold in any action or proceeding to foreclose this Deed of Trust, Beneficiary shall have the right to receive said award or compensation to the extent of any deficiency found to be due upon such sale, with interest thereon, whether or not a deficiency judgment on this Deed of Trust shall have been sought or recovered, together with reasonable counsel fees and the costs and disbursements incurred by Beneficiary in connection with the collection of such award or compensation.

50. Sums Advanced to Bear Interest and to be Secured by Deed of Trust. At Beneficiary's request, Grantor shall immediately pay any sums advanced or paid by Beneficiary or Trustee under any provision of this Deed of Trust or the other Loan Documents. Until so repaid, all such sums and all other sums payable to Beneficiary or Trustee shall be added to, and become a part of, the Secured Obligations secured by this Deed of Trust and bear interest from the date of advancement or payment by Beneficiary or Trustee at the Default Rate as provided in the Note. All sums advanced by Beneficiary under this Deed of Trust or the other Loan Documents, whether or not required to be advanced by Beneficiary under the terms of this Deed of Trust or the other Loan Documents, shall conclusively be deemed to be mandatory advances required to preserve and protect this Deed of Trust and Beneficiary's security for the performance of the Secured Obligations shall be secured by this Deed of Trust to the same extent and with the same priority as the principal and interest payable under the Note.

51. Authorized Agents. In exercising any right or remedy or taking any action provided in this Deed of Trust, Beneficiary may act through its employees, agents or independent contractors, as Beneficiary expressly authorizes.

52. Specific Performance. At any time, Beneficiary may commence and maintain an action in any court of competent jurisdiction for specific performance of any of the covenants and agreements contained herein, and may obtain the aid and direction of the court in the performance of any of the covenants and agreements contained herein, and may obtain orders or decrees directing the execution of the same and, in case of any sale hereunder, directing, confirming or approving its or Trustee's acts and granting it such relief as may be warranted in the circumstances.

53. Intentionally deleted.

54. Contest. Grantor shall have the right to protest by proper proceeding any claim, encumbrance, demand, levy, tax, assessment, law, ordinance, rule, regulation or requirement asserted by a third party against the Property, provided that, and only for so long as, Grantor shall give prior written notice of such contest to Beneficiary and prosecute such contest diligently and in good faith, and such contest shall operate to prevent the collection or other realization of the contested matter and the sale or forfeiture of the Property or any part thereof to satisfy the same, and such contest shall not expose Beneficiary or Trustee to any civil or criminal penalty or liability or any impairment of the security of Beneficiary. Upon Beneficiary's or Trustee's demand, Grantor shall furnish Beneficiary with a surety bond or other adequate security satisfactory to Beneficiary and sufficient both to indemnify Beneficiary against the liability and hold the Property free from adverse effect in the event the contest is not successful.

55. Beneficiary's Consent. All documents, agreements, instruments and other matters required to be provided or submitted to Beneficiary pursuant to the terms and conditions of this Deed of Trust and/or the other Loan Documents shall be in form and substance satisfactory to Beneficiary, in Beneficiary's sole and absolute discretion. Without limiting the foregoing, all matters subject to Beneficiary's review and consent or approval pursuant to this Deed of Trust and/or the other Loan Documents shall be reviewed and approved or disapproved by Beneficiary in its sole and absolute discretion, unless otherwise expressly provided to the contrary in this Deed of Trust and/or any of the other Loan Documents. Notwithstanding the foregoing, whenever Beneficiary's review and consent or approval are required pursuant to this Deed of Trust and/or any of the other Loan Documents, and this Deed of Trust and/or such other Loan Documents provide that Beneficiary's consent and approval shall not be unreasonably withheld, the term "not unreasonably withheld" (or any such similar phrase), shall mean Beneficiary shall use reasonable business judgment in making such determination.

56. WAIVER OF JURY TRIAL. FOR AND IN CONSIDERATION OF THE LOAN, GRANTOR, BEING EXPERIENCED IN SOPHISTICATED REAL ESTATE VENTURES, AND HAVING CONSULTED WITH COUNSEL OF ITS CHOOSING, HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY ACTION OR PROCEEDING: (1) BROUGHT BY GRANTOR, BENEFICIARY OR ANY OTHER PERSONS RELATING TO: (A) THE LOAN; OR (B) THE LOAN DOCUMENTS; OR (2) TO WHICH BENEFICIARY IS A PARTY. GRANTOR HEREBY AGREES THAT THIS DEED OF TRUST CONSTITUTES A WRITTEN CONSENT TO WAIVER OF TRIAL BY JURY, AND GRANTOR DOES HEREBY CONSTITUTE AND APPOINT BENEFICIARY ITS TRUE AND LAWFUL ATTORNEY IN FACT, WHICH APPOINTMENT IS IRREVOCABLE AND COUPLED WITH AN INTEREST FOR THE PURPOSE THEREOF, AND GRANTOR DOES HEREBY AUTHORIZE AND EMPOWER BENEFICIARY, IN THE NAME, PLACE, AND STEAD OF GRANTOR, TO FILE THIS DEED OF TRUST WITH THE CLERK OR JUDGE OF ANY COURT OF COMPETENT JURISDICTION AS A WRITTEN CONSENT TO WAIVER OF TRIAL BY JURY. GRANTOR ACKNOWLEDGES THAT ITS WAIVER OF TRIAL BY JURY HAS BEEN MADE KNOWINGLY, INTENTIONALLY AND WILLINGLY BY GRANTOR AS PART OF A BARGAINED FOR LOAN TRANSACTION. GRANTOR WILL NOT SEEK TO CONSOLIDATE ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED, WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT OR HAS NOT BEEN WAIVED. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS DEED OF TRUST.

57. Counterparts. This Deed of Trust may be executed in counterparts and each such counterpart shall be deemed an original, and all such counterparts together shall constitute one and the same agreement.

58. Entire Agreement. This Deed of Trust, including any schedules or exhibits hereto and the other Loan Documents, constitute the entire agreement between Grantor and Beneficiary with respect to the subject matter contained herein. This Deed of Trust supersedes all previous representations, arrangements, agreements and understandings, whether written or oral, relating to the subject matter hereof by and between Grantor and Beneficiary.

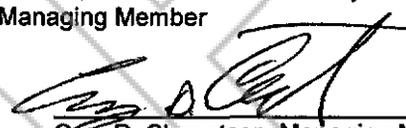
IN WITNESS WHEREOF, this Deed of Trust has been duly executed, acknowledged and delivered by Grantor as of the day and year set forth in the Acknowledgment below.

GRANTOR PLEASE NOTE: UPON THE OCCURRENCE OF A DEFAULT, NEVADA PROCEDURE PERMITS THE TRUSTEE TO SELL THE PROPERTY AT A SALE HELD WITHOUT SUPERVISION BY ANY COURT AFTER EXPIRATION OF A PERIOD PRESCRIBED BY LAW. UNLESS YOU PROVIDE AN ADDRESS FOR THE GIVING OF NOTICE, YOU MAY NOT BE ENTITLED TO OR MAY NOT RECEIVE ON A TIMELY BASIS, IF AT ALL, NOTICE OF THE COMMENCEMENT OF SALE PROCEEDINGS. BY EXECUTION OF THIS DEED OF TRUST, YOU CONSENT TO SUCH PROCEDURE. BENEFICIARY URGES YOU TO GIVE PROMPT NOTICE OF ANY CHANGE IN YOUR ADDRESS SO THAT YOU MAY RECEIVE PROMPTLY ANY NOTICE GIVEN PURSUANT TO THIS DEED OF TRUST.

GRANTOR:

PARADISE CANYON, LLC,
a Nevada limited liability company

By: NEO, LLC, a Nevada limited liability company,
Its Managing Member

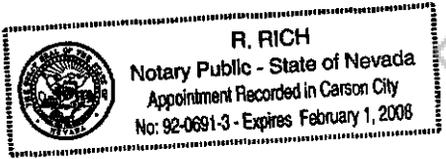
By: 
Cory D. Clemetson, Managing Member

ACKNOWLEDGMENT

STATE OF Nevada
COUNTY OF Waller) SS.

On November 1, 2006, before me, R Rich, a Notary Public in and for the said Waller County and State, personally appeared Cory D. Clemenson, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

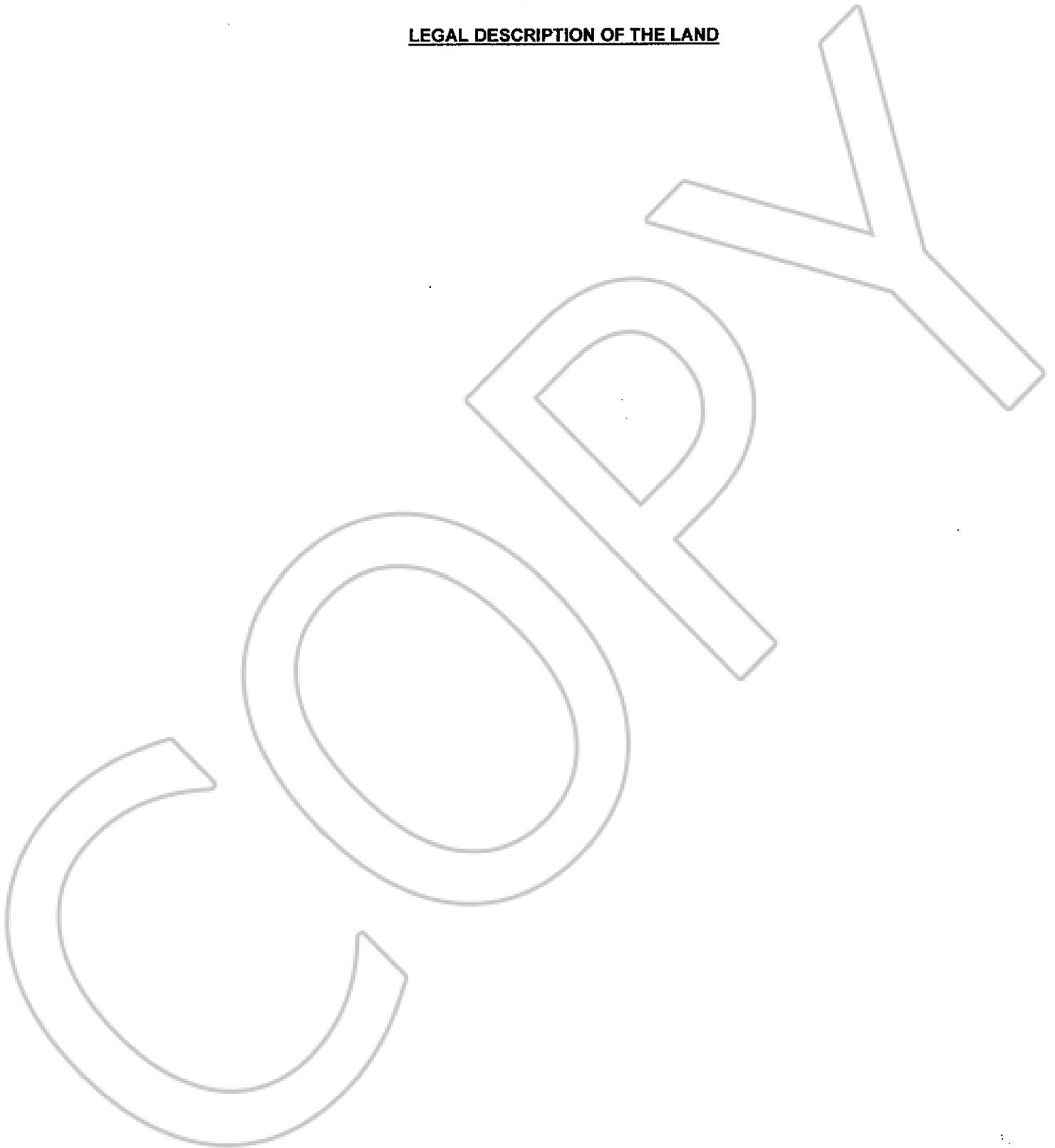


R Rich
SIGNATURE OF NOTARY

[SEAL]

EXHIBIT "A"

LEGAL DESCRIPTION OF THE LAND



SDCA_292648.5

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL I:

PARCEL I-A:

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

LOT B AS SHOWN BY MAP THEREOF ON FILE IN FILE 109 OF PARCEL MAPS, PAGE 1, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

PARCEL I-B:

AN EASEMENT FOR INGRESS AND EGRESS OVER AN UNDEFINED PORTION OF PARCEL FOUR (4) AS SHOWN BY MAP THEREOF ON FILE IN FILE 2 OF MISCELLANEOUS MAPS, PAGE 47, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

PARCEL I-C:

A NON-EXCLUSIVE EASEMENT FOR ACCESS, INGRESS, EGRESS, UTILITIES AND CROSS PARKING AS SET FORTH IN THAT CROSS PARKING EASEMENT AND UTILITIES EASEMENT AGREEMENT RECORDED OCTOBER 4, 2001 IN BOOK 20011004 AS DOCUMENT NO. 01227, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

PARCEL II:

PARCEL II-A:

THAT PORTION OF THE NORTHEAST QUARTER (NE ¼) OF THE SOUTHEAST QUARTER (SE ¼) OF SECTION 4, TOWNSHIP 13 SOUTH, RANGE 71 EAST, M.D.M., DESCRIBED AS FOLLOWS:

PARCEL FOUR (4) AS SHOWN BY MAP THEREOF ON FILE 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 OF CLARK COUNTY, NEVADA.

PARCEL II-B:

A NON-EXCLUSIVE EASEMENT FOR ACCESS, INGRESS, EGRESS, UTILITIES AND CROSS PARKING AS SET FORTH IN THAT CROSS PARKING EASEMENT AND UTILITIES EASEMENT AGREEMENT RECORDED OCTOBER 4, 2001 IN

BOOK 20011004 AS DOCUMENT NO. 01227, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

PARCEL III:

GOVERNMENT LOTS 2, 4 AND 5 OF SECTION 33, AND GOVERNMENT LOT 9 OF SECTION 34, TOWNSHIP 12 SOUTH, RANGE 71 EAST, M.D.B. & M., LINCOLN COUNTY, NEVADA.

PARCEL IV:

A NON-EXCLUSIVE EASEMENT OVER THOSE PORTIONS AND FOR THOSE PURPOSES AS SET FORTH IN THAT CERTAIN "MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR PARADISE CANYON RESORT" RECORDED JUNE 6, 2001 IN BOOK 20010606 AS DOCUMENT NO. 01743 IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA, AS APPURTENANT TO PARCELS I, II AND III HEREINABOVE.

PARCEL V:

A NON-EXCLUSIVE EASEMENT OVER THOSE PORTIONS AND FOR THOSE PURPOSES AS SET FORTH IN SECTION 17 OF THAT CERTAIN "DECLARATION OF CONDOMINIUM AND VACATION OWNERSHIP INSTRUMENT, THE CLASSICS AT PARADISE CANYON" RECORDED JANUARY 2, 2002 IN BOOK 20020102 AS DOCUMENT NO. 01991 IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA, AS APPURTENANT TO PARCELS I, II AND III HEREINABOVE.

PARCEL VI:

A NON-EXCLUSIVE EASEMENT FOR ACCESS, PEDESTRIAN AND VEHICULAR INGRESS AND EGRESS, UTILITIES AND INCIDENTAL PURPOSES AS SET FORTH IN THAT CERTAIN "GRANT OF EASEMENT" RECORDED NOVEMBER 1, 2006 IN BOOK 20061101 AS DOCUMENT NO. 02590 IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA, AS APPURTENANT TO PARCELS I, II AND III HEREINABOVE.

EXHIBIT "B"

INSURANCE COVERAGE REQUIREMENTS

1. **All-Risk Extended Coverage.** Insurance against loss or damage by fire, lightning, hurricane tornado and wind damage, vandalism and malicious mischief, and against such other hazards as are presently included in so-called "all risk extended coverage" and against other such insurable hazards as, under good insurance practices, from time to time are insured against for the properties of similar character and location; the amount of the foregoing insurance shall be equal to the full replacement value of all Improvements and Personal Property and with an inflation adjustment endorsement and shall have a deductible of not more than One Thousand Dollars (\$1,000.00);
2. **Public Liability.** Comprehensive public liability insurance including, without limitation, coverage against claims for personal injury, bodily injury, death or property damage occurring on, in or about the Real Property and the adjoining streets, sidewalks and passageways, in amounts not less than One Million Dollars (\$1,000,000.00) per person and Two Million Dollars (\$2,000,000.00) per occurrence and shall have a deductible of not more than One Thousand Dollars (\$1,000.00);
3. **Worker's Compensation.** During the course of any construction or repair: (A) workers' compensation insurance (including employer's liability insurance) for all persons engaged on or with respect to the Property in such amounts as are satisfactory to Beneficiary or, if such limits are established by law, in such amounts; (B) builder's completed value risk insurance against "all risks of physical loss" during construction, covering the total value of work performed and equipment, supplies and materials furnished; and (C) any other insurance coverage required by Beneficiary, in an amount equal to or greater than the lesser of (A) the principal balance of the Note, or (B) the maximum limit of coverage available for the Property under the National Flood Insurance Reform Act of 1994, as each may be added;
4. **Business Interruption.** Business interruption insurance and loss of rental value insurance in an amount not less than one hundred percent (100%) of twelve (12) months' average gross income for the Property;
5. **Flood.** If at any time any Improvement is in an area identified by the Department of Housing and Urban Development (or by any other rule, ordinance, statute, or law of the county in which the Real Property is located or the State of Nevada, as an area having special flood hazards, flood insurance (without extended coverage), in an amount equal to or greater than the lesser of: (A) the principal balance of the Note; or (B) the maximum limit of coverage available for the Property under the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973 or the National Flood Insurance Reform Act of 1994;
6. **Boiler and Machinery.** Boiler and machinery insurance covering air tanks, boilers, machinery, pressure piping, heating, air conditioning and elevator equipment and escalator equipment, if the Improvements contain equipment of such nature, and insurance against loss of occupancy or use arising from any such breakdown, in such amounts and with a deductible as approved by Beneficiary;
7. **Tees and Greens.** Tees and greens insurance in the amount of not less than Ten Thousand Dollars (\$10,000.00) per hole for tee boxes and Ten Thousand Dollars (\$10,000.00) per green;
8. **Earthquake.** Earthquake insurance in such amounts and with a deductible as approved by Beneficiary. In the event the Land or any portion thereof is or becomes located in a zone designated by any Governmental Authority or insurance board as an area of heightened seismic risk, earthquake insurance in such amounts and with a deductible as approved by Beneficiary;

9. Excess Liability. Excess liability umbrella insurance with a limit of not less than Five Million Dollars (\$5,000,000.00) over primary insurance per occurrence;

10. Builder's Risk. During the period in which any construction activities are ongoing, builder's risk insurance in form, content and amount reasonably acceptable to Beneficiary; and

11. Other Insurance. Such other insurance, in such form and such amounts, as may from time to time be required by Beneficiary.

COPY