

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Jennifer Shaw, Esq.
Loeb and Loeb
10100 Santa Monica Boulevard
Suite 2200
Los Angeles, California 90067

SPACE ABOVE THIS LINE FOR RECORDER'S USE

ASSIGNMENT OF SALES AGREEMENTS

THIS ASSIGNMENT OF SALES AGREEMENTS made as of this 17th day of ~~June~~ *November*, 1980, by GLENBROOK PROPERTIES, INC., a Nevada corporation whose address is P.O. Box 2838, Glenbrook, Nevada 89413 ("Assignor"), to CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association whose address is 231 South LaSalle Street, Chicago, Illinois 60693 ("Assignee"), is made with reference to the following:

A. Assignor has executed a Promissory Note Secured by Deed of Trust (the "Note") of even date herewith in the original principal sum of \$1,353,000.00 payable to the order of Assignee, which is secured by a Deed of Trust, Assignment of Rents and Security Agreement (the "Mortgage") executed by Assignor, among others, as Trustor in favor of Assignee as Beneficiary, which is to be recorded concurrently herewith covering certain real property (the "Property") located in the County of Douglas, State of Nevada, more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference.

B. Assignee has required, as a condition to Assignee's making the loan evidenced by the Note secured by the Mortgage, this specific Assignment of Sales Agreements as additional security for the performance by Assignor of each and all of Assignor's obligations set forth in the Note, the Mortgage, this Assignment and all other documents and instruments evidencing, securing or relating to said loan.

NOW, THEREFORE, in consideration of the premises and for the purposes aforesaid, and other valuable consideration, the receipt and sufficiency of which Assignor hereby acknowledges:

1. Assignor hereby assigns and transfers to Assignee and creates in favor of Assignee a security interest under the Nevada Uniform Commercial Code, in and to the following:

(a) All of the right, title and interest of Assignor in and to any and all contracts or agreements, whether now or hereafter executed, for the purchase and sale

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of individual condominiums and/or land parcels on the Property, together with all deposits made thereunder and all proceeds, sums or payments thereon and also together with any and all guarantees of the buyers' obligations under any thereof and under any and all modifications and extensions thereof. Each of said contracts or agreements together with any and all guarantees, modifications and extensions thereof are hereinafter referred to as the "Sales Agreements".

(b) The right to the use and possession of and the right to rent, let or lease any or all of the furniture, which word shall be construed as including all of the furniture, furnishings, fitting, attachments, appliances, machinery, equipment, devices and appurtenances of every kind and description now or hereafter affixed to, attached to, located in or on the Property and available for the use of the buyers under the Sales Agreements or the operation of the Property in or to which Assignor has any right, title or interest.

(c) The right to the use and possession of the Property and all the rents, which word shall be construed as including any and all of the rents, issues, profits and avails now due and which may hereafter become due under or by virtue of any of the Sales Agreements, any leases, whether written or oral, covering portions of the Property, or any agreements for the letting of or the use or occupancy of any part of the Property or furniture, which agreements may have been heretofore or may hereafter be made or agreed to between Assignor (or any other owner of the Property or furniture) and any tenant or occupant of any part of the Property or furniture, or which may be made or agreed to by Assignee under the power herein granted.

2. This Agreement is made for the purpose of securing:

(a) Payment of all sums now or at any time hereafter due to Assignee and secured by the Mortgage.

(b) Performance and discharge of each and every obligation, covenant and agreement of Assignor contained in this Assignment, the Note, the Mortgage and all other documents and instruments evidencing, securing or relating to the indebtedness evidenced by the Note.

3. To protect the security of this Assignment, Assignor hereby covenants and agrees:

(a) Faithfully to abide by, perform and discharge each and every obligation, covenant and agreement of each of the Sales Agreements which is to be performed by the seller thereunder.

(b) That Assignor will not, without the prior written consent of Assignee receive under any of the Sales Agreements any payments which are not held in a neutral depository pending consummation of the purchase and sale pursuant to a Sales Agreement. Any attempt to exercise any such right without the written authority and consent of

Assignee thereto being first had and obtained shall be void and ineffective as against Assignee and shall constitute a breach of the terms hereof entitling Assignee to declare all sums secured hereby immediately due and payable.

(c) At Assignor's sole cost and expense, to appear in and defend any action or proceeding arising under, growing out of or in any manner connected with any of the Sales Agreements or the obligations, duties or liabilities of seller, buyer or any guarantor thereunder, and to pay all costs and expenses of Assignee, including reasonable attorneys' fees, in any such action or proceeding in which Assignee may appear.

(d) That should Assignor fail to make any payment or do any act as herein provided, then Assignee, without obligation so to do and without notice to or demand on Assignor and without releasing Assignor from any obligation hereunder, may make or do the same in such manner and to such extent as Assignee may deem necessary to protect the security hereof, including specifically and without limiting Assignee's general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Assignee, and also the right to perform and discharge each and every obligation, covenant and agreement of Assignor contained in any of the Sales Agreements; and in exercising any such powers, to pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees.

(e) To pay immediately upon demand all sums expended by Assignee under the authority hereof, together with interest thereon at the default rate specified in the Note, and the same shall be added to the indebtedness evidenced by the Note and shall be secured hereby and by the Mortgage.

4. Assignor hereby covenants and warrants to Assignee that (a) Assignor has not executed any prior assignment of the Sales Agreements and that Assignor is entitled to receive the purchase price provided thereunder and to enjoy all other rights mentioned herein, and that Assignor has free right to transfer to Assignee such rights, interest, powers and authorities as are herein granted or conferred; (b) Assignor has not performed any act or executed any instrument which might prevent Assignee from operating under any of the terms and conditions hereof, or which would limit Assignee in such operation; (c) Assignor has not accepted any payments under any of the Sales Agreements except as may have been deposited with the neutral depository referred to in Paragraph 3(b) above.

5. To protect further the security of this assignment, Assignor further agrees, with respect to the Property, that in the event of any default hereunder, under the Note, or under the Mortgage, after giving effect to any curative provisions herein or therein provided:

Assignor hereby irrevocably constitutes and appoints Assignee, effective upon the occurrence of a default under this Assignment, the Note, the Mortgage or any other

document or instrument securing or pertaining to the loan evidenced by the Note, the true and lawful attorney-in-fact in Assignor's name and stead (a) to collect for deposit all payments due under any of the Sales Agreements; (b) to use such measures, legal or equitable, as in Assignee's discretion may be deemed necessary or appropriate to enforce the payment of any sums due thereunder or any security given in connection therewith; (c) to secure and maintain the use or possession of the Property or furniture or any part of either; (d) to fill any and all vacancies and to rent, lease or let the Property or furniture or any part thereof at Assignee's discretion, hereby granting full power and authority to Assignee to use and apply said sums for the following purposes in such order of priority as Assignee deems proper: (i) for the purposes of the payment of any taxes, assessments and charges of any nature whatsoever that may be levied or assessed in connection with the Property; (ii) to the payment of premiums on policies of insurance covering the whole or any part of the Property or the furniture as may be required by the Mortgage or any other security instrument securing the Note; (iii) to the payment of any and all indebtedness, liability or interest of Assignor secured by the Mortgage, whether now existing or hereafter to exist; (iv) to the purchase of or the payment for such furniture as may be deemed by Assignee to be necessary or advisable for the Property; (v) to the payment of all expenses in the care and management of the Property, including such repairs, alterations, additions or improvements to the Property and the furniture or any part of either as may be deemed necessary or advisable by Assignee; (vi) to the payment of attorneys' fees, court costs, labor, charges or expenses incurred in connection with any and all things which Assignee may do or cause to be done by virtue hereof; and (vii) to the payment of such interest and principal on the indebtedness secured by the Mortgage or interest on any of the foregoing, as may be deemed necessary or advisable by Assignee.

In furtherance of these provisions, Assignor hereby grants to Assignee full power and authority to make contracts for the care and management of the whole or any part of the Property or furniture, in such form and providing for such compensation as may be deemed advisable by Assignee. Assignor, for the performance or execution of any or all of these presents, hereby further grants to Assignee the full power and authority as the attorney-in-fact of Assignor to constitute, appoint, authorize and substitute in Assignee's place and stead one attorney-in-fact or more for Assignor to do, execute, perform and finish for Assignor and in its name all and singular those things which shall be necessary or advisable or which Assignor's attorney or its substitute shall deem necessary or advisable concerning these presents as thoroughly, amply and fully as Assignor could do concerning the same being personally present. Assignor hereby agrees that whatever its said attorney or its substitute or substitutes shall do or cause to be done concerning these presents is hereby ratified and confirmed.

6. Upon or at any time after default in the payment of any indebtedness secured hereby or in the performance of any obligation, covenant or agreement contained

herein or in the Mortgage or other security instrument, Assignee may declare all sums secured hereby immediately due and payable and may, at its option, without notice (and irrespective of whether a declaration of default under the Mortgage has been delivered to the appropriate party thereunder, or remedies under other security instruments have been exercised thereunder), except as provided hereinafter, exercise all rights and remedies contained in the Mortgage or other instruments securing the Note, and, in addition, without regard for the adequacy of security for the indebtedness hereby secured, either in person or by agent, with or without notice, bring any action or proceeding or, by a receiver to be appointed by a court, enter upon, take possession of, manage and operate the Property or any part thereof, make, enforce, modify and accept the surrender of any Sales Agreements, obtain and evict tenants, fix or modify purchase prices or rents, and do any acts which Assignee deems proper to protect the security hereof, and either with or without taking possession of said Property, in Assignee's own name, sue for or otherwise collect and receive all payments under any of the Sales Agreements and all rents, issues and profits (if any), including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, upon any indebtedness secured hereby, and in such order as Assignee may determine. The entering upon and taking possession of the Property, the collection of such payments or rents, issues and profits, and the application thereof as aforesaid, shall not cure or waive any default or waive, modify or affect any notice of default under the Mortgage or invalidate any act done pursuant to such notice.

7. Notwithstanding anything to the contrary set forth herein, Assignor shall not be in default hereunder unless and until such default has continued for a period of ten (10) calendar days after written notice thereof from Assignee to Assignor specifying the nature thereof.

8. Assignee shall not be obligated to perform or discharge any obligations, duties or liabilities arising under any of the Sales Agreements or agreements assigned hereunder or arising under or by reason of this Assignment. No failure or delay in exercising any of said rights, remedies or powers of Assignee shall constitute a waiver thereof or a waiver of any default of Assignor. Assignor shall and does hereby agree to indemnify Assignee against and hold Assignee harmless from any and all liability, loss or damage which Assignee may or might incur under any of the Sales Agreements or under or by reason of this Assignment and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligation or undertaking on Assignee's part to perform or discharge any of the terms, covenants or agreements contained in any of the Sales Agreements. Should Assignee incur any such liability, loss or damage under any of the Sales Agreements or under or by reason of this Assignment, or in the defense against any such claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, together with interest at the rate then applicable under the Note shall be secured hereby and by the Mortgage

and other security instruments securing the Note, and Assignor shall reimburse Assignee therefor immediately upon demand, and upon the failure of Assignor so to do, Assignee may declare all sums secured hereby immediately due and payable.

9. Until the indebtedness secured hereby shall have been paid in full, Assignor covenants and agrees to use due diligence to attempt to sell, pursuant to Sales Agreements, all of the houses and/or lots located on the Property, and upon demand to transfer and assign to Assignee any and all subsequent Sales Agreements upon all or any part of the Property, upon the same or substantially the same terms and conditions as are herein contained, and to make, execute and deliver to Assignee upon demand any and all instruments that may be necessary or desirable therefor, but the terms and provisions of this Assignment shall apply to any such subsequent Sales Agreements upon the Property, whether or not so assigned and transferred.

10. Upon the payment in full of all indebtedness secured hereby, as evidenced by the recording of a full reconveyance of the Mortgage, this Assignment shall become and be void and of no effect.

11. This Assignment shall inure to the benefit of the named Assignee and its successors and assigns and shall bind Assignor and Assignor's successors and assigns. The term "Sales Agreements" as used herein means not only any Sales Agreements hereby assigned, but also any subsequently executed by Assignor or Assignor's successors, covering the Property or any part thereof. In this Assignment, whenever the context so requires, the neuter gender includes the masculine or feminine, and the singular number includes the plural, and vice versa.

12. All notices, demands or documents which are required or permitted to be given or served hereunder shall be in writing and shall be served by certified or registered mail, postage prepaid, to Assignor at the address appearing above, and to Assignee at the address appearing above. Such addresses may be changed from time to time by either party by serving notice as above provided. Service of any such notice or demand shall be deemed complete on the day of actual delivery as shown by the addressee's registry or certification receipt or at the expiration of the second (2nd) day after the date of mailing, whichever is earlier in time.

13. Assignor will execute upon request of Assignee any and all instruments requested by Assignee to carry these presents into effect.

14. Assignor hereby additionally covenants and agrees:

(a) That during the life of these presents and also during any proceedings brought to enforce the Note or the Mortgage, Assignor will not, except in the ordinary course of business, remove or cause to be removed from the Property any of the furniture and will not look to Assignee for any damage to the same.

(b) Assignee shall not be required to seek the appointment of a receiver or to institute any proceedings of any kind, possessory or otherwise, to secure or enjoy the full benefits of this Assignment.

(c) These presents shall in no way operate or prevent Assignee from pursuing any remedy which it now or hereafter may have because of any present or future breach of the terms or conditions of the Mortgage or the Note or any extension of either or any other security instrument securing the same.

(d) Assignor hereby shall instruct each and every present and future buyer under a Sales Agreement to pay all unpaid sums agreed to be paid to the neutral depository referred to in Paragraph 3(b), above.

(e) Assignor shall not make or execute any other Assignment of Sales Agreements during the life of this Assignment, without the prior written consent of Assignee.

(f) In the event of any inconsistency between any of the provisions of this instrument and the Mortgage, the provisions of this instrument shall govern.

(g) Assignee's omission or failure to give any notice of or under this Assignment to Assignor or any buyer, tenant or occupant of the Property or any part thereof, or to collect any payment of such rents, issues, income or profits therefrom, or any part thereof, shall not constitute or be deemed a waiver of any of Assignee's rights hereunder.

15. In the event any provisions of this Assignment or the application thereof to Assignor or any other persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Assignment or the application of such provision or provisions to Assignor or such other persons or circumstances other than those as to whom or which it is held invalid or unenforceable shall not be affected thereby and each and every provision of this Assignment shall be valid and enforceable to the fullest extent permitted by law. This Assignment shall be governed by and construed in accordance with the laws of the State of Nevada.

16. In the event of any litigation between the parties hereto to enforce any provisions of this Assignment or any right of either party hereunder, the unsuccessful party in such litigation shall pay to the successful party all costs and expenses, including reasonable attorneys' fees, incurred therein by the successful party.

17. It is understood that so long as there shall exist no default by Assignor in the payment of any indebtedness evidenced by the Note or in the performance of any obligation, covenant or agreement contained herein or in any other document or instrument securing or pertaining to the Note, Assignor shall have the right to collect all sums payable to the seller under the Sales Agreements and to

exercise all of the rights of the seller thereunder, but only as trustee for the benefit of Assignee; and Assignor shall apply the amounts so collected (other than refundable deposits) first to the payment of interest and principal and all other sums payable under the Note, the Mortgage and this Assignment, and thereafter, so long as no default as hereinabove provided has occurred, the balance of said amounts so collected shall be retained by Assignor for its own account. Nothing contained in this Assignment shall be construed to make Assignee a mortgagee in possession unless and until Assignee actually takes possession of the Property either in person or through an agent or receiver.

IN WITNESS WHEREOF, Assignor has caused this Assignment of Sales Agreements to be executed as of the day and year first above written.

GLENBROOK PROPERTIES, INC.
a Nevada corporation

By *[Signature]*
Its vice president.

By _____
Its _____

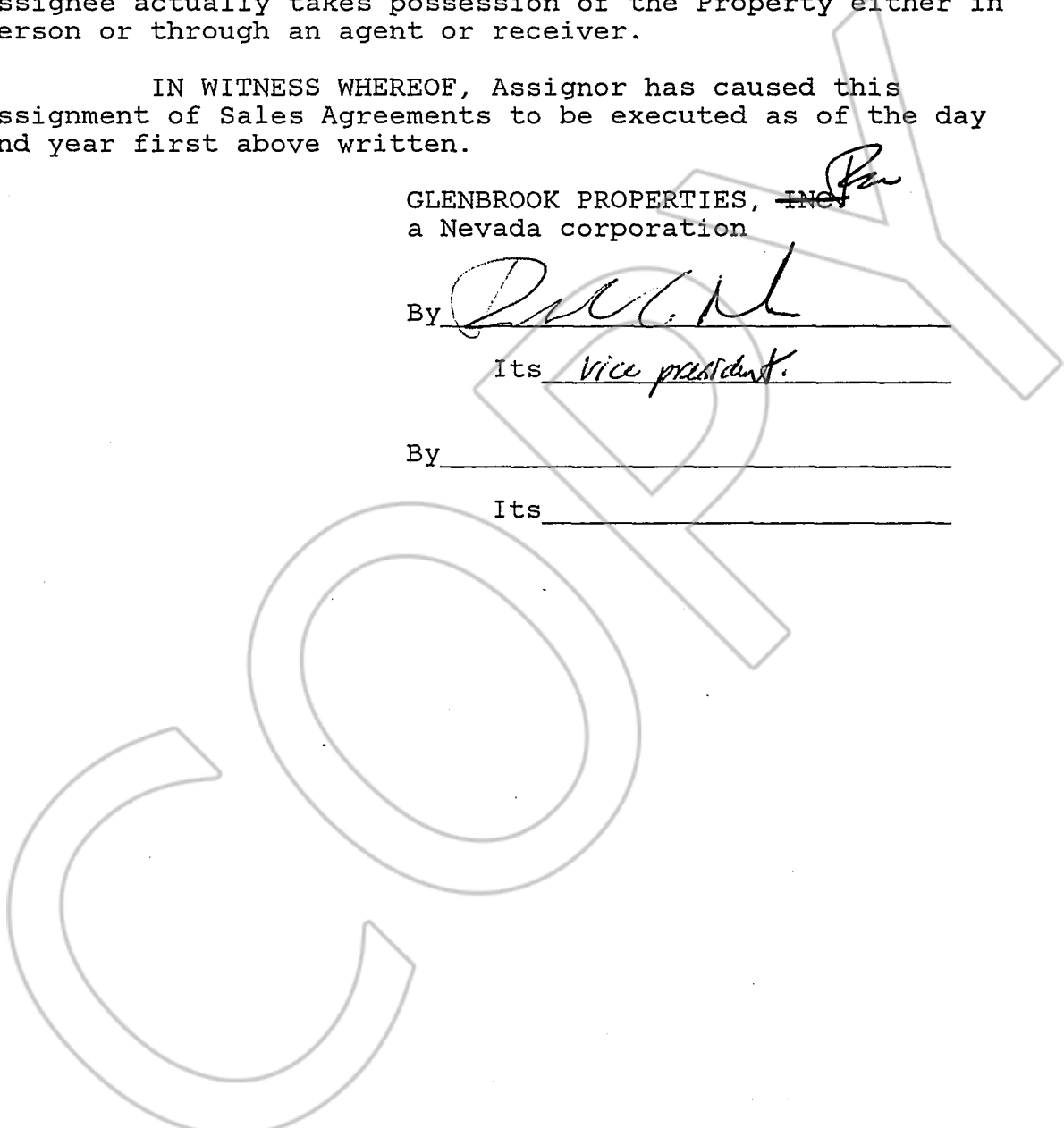


EXHIBIT "A"

LEGAL DESCRIPTION

All that certain lot, piece or parcel of land situate in the County of Douglas, State of Nevada, described as follows:

PARCEL ONE:

That portion of the S.E. 1/4 of Section 10, T.14, R. 18 E., M.D.B. & M., that is described as Parcels 1, 3 and 4 as shown on Parcel Map for GLENBROOK PROPERTIES, filed in the office of the County Recorder of Douglas County, Nevada on April 9, 1979, as File No. 31-389.

EXCEPTING THEREFROM any portion thereof that may be below the ordinary high water line of Lake Tahoe.

ALSO EXCEPTING THEREFROM that portion of Parcel 3 described hereinabove that is within the boundaries of Parcel D, as such Parcel D is described in Parcel Two hereinbelow.

PARCEL TWO:

That portion of the S.E. 1/4 of Section 10 T. 14 N., R. 18 E., M.D.B. & M., that is described as Parcels A, B, C and D, as shown on Parcel Map for GLENBROOK PROPERTIES/GLENBROOK INN, filed in the office of the County Recorder of Douglas County, Nevada on June 25, 1980 as File No. 45690.

EXCEPTING THEREFROM any portion thereof that may be below the ordinary high water line of Lake Tahoe.

PARCEL THREE:

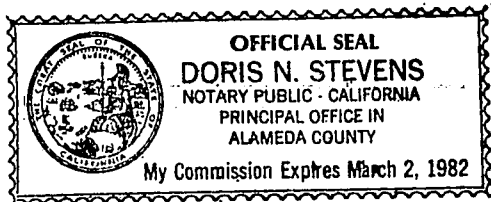
A leasehold as created by that certain lease dated October 15, 1980, between THE GLENBROOK COMPANY, a Nevada corporation, as lessor, and GLENBROOK PROPERTIES, a Nevada corporation, as lessee, for the term of 55 years from October 1, 1980, upon the provisions therein contained, recorded October 15, 1980 in Book 1080, Page 1237 as Instrument No. 49687, in the office of the County Recorder of Douglas County, Nevada. The land affected by said lease is described as follows:

Parcels A, B, C and D as shown on the Parcel Map of GLENBROOK PROPERTIES recorded June 25, 1980, as File No. 45690, in Book 680, Page 2533, Official Records of Douglas County, Nevada.

STATE OF California)
)
COUNTY OF Alameda) ss.

On this 28th day of Nov., 1980,
before me, the undersigned, a Notary Public in and for said
State, personally appeared Ronald C. Nahas,
known to me to be the Vice President of GLENBROOK
PROPERTIES, the corporation that executed the within
instrument, and known to me to be the person who executed
the same on behalf of such corporation, and acknowledged to
me that such corporation executed the within instrument
pursuant to its by-laws or a resolution of its board of
directors.

WITNESS my hand and official seal.



(SEAL)

Doris N. Stevens
Notary Public in and for
said State

REQUESTED BY
SIERRA LAND TITLE CORP.
IN OFFICIAL RECORDS OF
DOUGLAS CO. NEVADA
\$ 12.00 pd.
1980 DEC -4 PM 1:11

MARIE A. RABEL
RECORDER
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