

DEED OF TRUST WITH ASSIGNMENT OF RENTS  
AND SECURITY AGREEMENT

THIS DEED OF TRUST AND SECURITY AGREEMENT, hereinafter referred to as "Deed of Trust", made this 15<sup>th</sup> day of March, 1985, by and between HARVEY'S WAGON WHEEL, INC., a Nevada corporation, Debtor and Trustor, (hereinafter referred to as "Trustor"), and LAWYERS TITLE OF NORTHERN NEVADA, a Nevada corporation, Trustee, (hereinafter referred to as "Trustee"), and FIRST INTERSTATE BANK OF NEVADA, N.A., FIRST INTERSTATE BANK OF CALIFORNIA, NATIONAL BANK OF DETROIT, FIRST INTERSTATE BANK OF DENVER, N.A., FIRST INTERSTATE BANK OF WASHINGTON, N.A., FIRST INTERSTATE BANK OF UTAH, N.A., Secured Parties and Beneficiaries (hereinafter collectively referred to as "Beneficiary").

W I T N E S S E T H:

THAT TRUSTOR:

(a) Grants the following described real property and collateral to Trustee, in trust, with power of sale, to have and to hold the same unto Trustee and its successors in interests upon the trusts, covenants and agreements herein expressed; and

(b) Grants a security interest in the following described collateral which the Trustor now has or may hereafter acquire to Beneficiary pursuant to the Nevada Uniform Commercial Code--Secured Transactions:

DESCRIPTION OF COLLATERAL

All that certain real property, and the interests therein, situate in the County of Douglas, State of Nevada, that is more particularly described on that certain exhibit marked "Exhibit A", affixed hereto and by this reference incorporated herein and made a part hereof, together with all buildings, structures and all other improvements and fixtures that are, or that may be hereafter, erected or placed thereon or therein, and all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in any wise appertaining, and the rents, issues and profits thereof (subject, however, to the right, power and authority hereinafter given to or conferred upon Beneficiary to collect and apply such rents, issues and profits), and all the estate, right, title, property, possession, interest or other claim or demand, in law or in equity which Trustor now has or may hereafter acquire, in or to the said property, or any part thereof, with appurtenances; and

Together with any and all other rights pertaining to or appurtenant to the said real property, and the interests therein, specifically including, but not by way of limitation, together with all rights of Trustor in and to those certain real properties described on that certain exhibit marked "Exhibit B", affixed hereto and by this reference incorporated herein and made a part hereof, specifically including, but not by way of limitation, all rights of Trustor in and to Parcel One as set forth on Exhibit B hereto as Lessee under that certain lease dated as of the 9th day of July 1973, amended April 27, 1979 and February 28, 1985 wherein Park Cattle Co., a Nevada corporation, is lessor and Trustor is lessee and all extensions, amendments, additions and modifications thereto, and further specifically including, but not by way of limitation all rights of Trustor in and to Parcel Two as set forth on Exhibit B hereto, as Lessee under that certain lease dated the 28th day of February, 1985, wherein Park Cattle Co., a Nevada corporation, is lessor and Trustor is lessee, and all extensions, amendments, additions and modifications thereto, and further specifically including, but not by way of limitation, all rights of Trustor in and to Parcel Three as set forth on Exhibit B hereto as Lessee under that certain lease dated the 28th day of February, 1985, wherein Park

Cattle Co., a Nevada corporation, is lessor and Trustor is lessee, and all extensions, amendments, additions and modifications thereto.

Together with any and all other rights pertaining to or appurtenant to the said real property, and the interests of Trustor therein.

Together with all water rights and rights to the use of water that are now or that may be hereinafter used in connection with the said property, or any part thereof, or any improvements or appurtenances thereto.

All chattels, furnishings, equipment, fixtures, personal property, and all other contents of every kind and nature, including gaming equipment, tables and slots, that shall be placed upon or purchased for the purpose of constructing or furnishing any building or structure that is now or that may be hereinafter erected on the real property particularly described on Exhibits A and B attached hereto and made a part hereof, including all construction materials and supplies and further including machinery and equipment now or which may hereafter be used in the operation or construction of the premises, including, but not by way of limitation, heating and lighting equipment and fixtures, generators, oil burners, furnaces, piping, heating, refrigeration, plumbing, air conditioning, gas and electrical equipment, apparatus and fixtures, sprinkler systems and other fire prevention or extinguishing equipment or apparatus which are now or may hereafter be located at the premises and all additions to, substitutions for renewals and proceeds of any of the foregoing, together with all attachments, substituted parts, accessories, accessions, improvements and replacements thereof, including the equity of Trustor in any such item that is subject to a purchase money or other prior security interest. (All such personal property, such additions, substitutions and proceeds being sometimes hereinafter collectively referred to as the "Project Personal Property".)

Together with Trustor's right, title and interest in and to all leases, licenses, concessions, or similar agreements whether or not specifically herein described which now or may hereafter pertain to the premises and all amendments to the same, including, but not limited to:

(a) All payments due and to become due under such leases, whether as rent, damages, insurance payments, condemnation awards, or otherwise;

(b) All claims, rights, powers, privileges and remedies of the debtor under such leases; and

(c) All rights of the Trustor under such leases to exercise any election or option, or to give or receive any notice, consent, waiver or approval, or to accept any surrender of the premises or any part thereof, together with full power and authority in the name of the Trustor, or otherwise, to demand and receive, enforce, collect, or receipt for any or all of the foregoing, to endorse or execute any checks or any instruments or orders, to file any claims or to take any action which Secured Party may deem necessary or advisable in connection therewith.

Together with all deposits, bills, notes and accounts and charges receivable, credits, claims, securities and documents of all kinds, and all instruments, contract rights, general intangibles, tradenames, trademarks and all proceeds and products thereof, excepting therefrom any and all cash on hand and in banks.

Together with all plans, specifications, soil reports, engineering reports, land planning maps, surveys, and any other reports, exhibits or plans used or to be used in connection with the construction, planning, operation or maintenance of the subject premises, together with all amendments and modifications thereof.

SUBJECT, HOWEVER, to the following:

(i) The right of Trustor to sell or otherwise dispose of or repair or replace any personalty in the ordinary course of business, free and clear of the lien hereof;

(ii) The leases and/or purchase money security interests pursuant to which Trustor has acquired an interest in the fixtures or personalty covered hereby; and

(iii) The permitted encumbrances described on that certain exhibit marked "Exhibit C", affixed hereto and by this reference incorporated herein and made a part hereof.

FOR THE PURPOSE OF SECURING:

First: Payment of the principal sum of \$70,000,000.00, together with interest thereon, together with accrued interest, if any, which may be added to principal, according to the terms of a promissory note of even date herewith made by Trustor payable to the order of Beneficiary, according to the tenor and effect of said promissory note, and all renewals, extensions and modifications of said promissory note.

Second: Payment and performance of every obligation, covenant, promise and agreement of Trustor herein contained or incorporated herein by reference, including any sums paid or advanced by Beneficiary pursuant to the terms hereof.

Third: The expenses and costs incurred or paid by Beneficiary in the preservation and enforcement of the rights and remedies of Beneficiary and the duties and liabilities of Trustor hereunder, including, but not by way of limitation, attorney's fees, court costs, witness fees, expert witness fees, collection costs, and costs and expenses paid by Beneficiary in performing for Trustor's account any obligation of said Trustor.

Fourth: Payment of additional sum and interest thereon which may hereafter be loaned to Trustor when evidenced by a promissory note or notes that this Deed of Trust is security therefor.

Fifth: Performance of every obligation, covenant, agreement and promise of Trustor contained in that certain Loan Agreement executed by Trustor and Beneficiary concurrently herewith (hereinafter the "Loan Agreement").

AND THIS INDENTURE FURTHER WITNESSETH:

1. Trustor agrees to properly care for and keep said property in good condition and repair; not to remove or demolish any building thereon; to complete in a good and workmanlike manner any building which may be constructed thereon, and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws, ordinances and regulations relating to any alterations or improvements made thereon; not to commit or permit any waste thereof; not to commit, suffer or permit any act to be done in or upon said property in violation of any law, covenant, condition or restriction affecting said property; to cultivate, irrigate, fertilize, fumigate, prune and/or do any other act or acts, all in a timely and proper manner, which, from the character or use of said property, may be reasonably necessary, the specific enumerations herein not excluding the general.

2. Trustor agrees to pay and discharge all costs, fees and expenses of this trust incurred in connection with any default by Trustor.

3. During the continuance of this trust, Trustor covenants to maintain all insurance in the manner and to the extent required under the terms of the Loan Agreement. The policy or policies of said insurance shall be delivered to Beneficiary or to the collection agent

of Beneficiary, as further security, and in default thereof, Beneficiary may procure such insurance and/or make such repairs, and expend for either of such purposes such sum or sums as Beneficiary shall deem necessary. The amount collected by Beneficiary under any fire or other insurance policy shall be applied in the manner set forth in the Loan Agreement. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

4. To pay: at least ten (10) days before default or delinquency, all taxes and assessments affecting said property, or any part thereof, immediately and in full all liens, encumbrances, charges and claims, with interest, on said property, or any part thereof, which now or hereafter appear to be prior or superior hereto; and all costs, fees and expenses of this trust and that in default thereof, Beneficiary may, without demand or notice, pay the same, and Beneficiary shall be sole judge of the legality or validity of such taxes, assessments, charges or encumbrances, and the amount necessary to be paid in satisfaction or discharge thereof. Provided, however, Trustor shall not be required to satisfy the obligations mentioned in paragraph 4 hereinabove if Trustor shall, in good faith, contest such obligation by, or defend enforcement of such obligation in legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the property, or any part thereof, if Trustor shall furnish to Beneficiary the bond of a surety company satisfactory to Beneficiary in an amount satisfactory to Beneficiary, securing Beneficiary against any loss, damage or penalty whatsoever in any way arising from the failure of Trustor to pay the same.

5. Trustor assigns to Beneficiary the lessor's interest in any and all leases of said property, or any portion thereof, now or hereafter entered into by Trustor and gives to and confers upon Beneficiary the right, power and authority during the continuation of this trust, to collect the rents, issues and profits of said property, reserving unto Trustor the right prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any obligation or agreement hereunder, to collect and retain such rents, issues and profits as they may become due and payable. Upon any such default, Beneficiary may at any time by a receiver to be appointed by a court, enter upon and take possession of said property, or any part thereof, sue for or otherwise collect such rents, issues and profits, including those past due or unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness and/or obligations secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, or any part thereof, the collection of such rents, issues and profits or the application thereof as aforesaid, shall not cure or constitute a waiver of any default or notice of default hereunder or invalidate any act done pursuant to such notice.

6. Trustor hereby represents that there is no assignment or pledge of any leases of, or rentals or income from, said premises now in effect, and covenants that, until said indebtedness is fully paid, he will not make any such assignment or pledge to anyone other than Beneficiary and will not, without the prior written approval of Beneficiary, consent to a cancellation of any of said leases having at the time an unexpired term of more than two years, or to a release or reduction of the liability of any lessee under such a lease.

7. Should the Trustor fail to make any payment or perform any act which he is obligated to make or perform hereby, then the Trustee, or Beneficiary, at the election of either of them, without demand or notice to the Trustor, or any successor in interest of the Trustor, or any of them and without releasing Trustor from any obligation hereunder, may make such payment or perform such act and incur any liability, or expend whatever amounts, in its absolute discretion, it may deem necessary therefor. All sums incurred or expended by the Trustee, or Beneficiary, under the terms hereof, shall become immediately due and payable by the Trustor to the Trustee, or Beneficiary, when so incurred or expended, and shall bear interest

until paid at an annual percentage rate equal to the rate expressed on the Promissory Notes secured hereby. In no event shall payment by Trustee or Beneficiary be construed as a waiver of the default occasioned by Trustor's failure to make such payment or payments.

8. Trustor promises and agrees that if, during the existence of this trust, there be commenced or pending any suit or action affecting said property, or any part thereof, or the title thereto, or if any adverse claim for or against said property, or any part thereof, be made or asserted, he will appear in and defend any such matter purporting to affect the security and will pay all costs and damages arising because of such action.

9. Any award of damages in connection with any condemnation for public use of, or injury to said property, or any part thereof, is hereby assigned and shall be paid to Beneficiary, who may apply or release such moneys received by him in the same manner and with the same effect as herein provided for disposition of proceeds of insurance.

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

11. At any time, and from time to time, without liability therefor and without notice to Trustor, upon written request of Beneficiary and presentation of this Deed of Trust and the notes secured hereby for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby or the effect of this Deed of Trust upon the remainder of said property, Trustee may: reconvey any part of said property; consent in writing to the making of any map or plat thereof; join in granting any easement thereon, or join in any extension agreement or subordination agreement in connection herewith.

12. The Beneficiary may without notice to or consent of Trustor extend the time of the payment of any indebtedness secured hereby to any successor in interest of the Trustor without discharging the Trustor from liability thereon. If the Trustor shall sell, contract to sell or convey or create or permit to exist any mortgage, pledge, security interest or other encumbrance (except for purchase money security interests) or lease and/or lease with an option to extent for a total period in excess of three (3) years or lease with an option to purchase or in any other manner alienate any real or personal property hereby encumbered or any part thereof, or shall enter into any agreement for the same, or any interest therein, or shall be divested of his title in any manner or way, whether voluntary or involuntary or by merger without the written consent of Beneficiary being first had and obtained, any indebtedness or obligation secured hereby, irrespective of the maturity dates expressed in any notes evidencing the same, at the option of Beneficiary, and without demand or notice, shall immediately become due and payable.

13. Upon receipt of written request from Beneficiary reciting that all sums secured hereby have been paid and upon surrender of this Deed of Trust and the Notes secured hereby to Trustee for cancellation and retention, or such other disposition as Trustee, in its sole discretion, may choose, and upon payment of its fees, the Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truth thereof. The Grantee in such reconveyance may be described in general terms as "the person or persons legally entitled thereto".

14. Should Trustor default in the payment of any indebtedness secured hereby, or in the performance of any of the covenants and agreements herein contained or incorporated herein by reference, Beneficiary may declare all sums secured hereby immediately due and payable.

A default by Trustor upon any term of this Deed of Trust or any note it secures shall be deemed a default upon all notes secured hereby and shall entitle Beneficiary to all remedies provided herein, including, but not limited to, the right to demand payment in full upon the note secured hereby and the right to declare any acceleration of the unpaid balance of the note secured hereby.

15. That if, during the existence of the trust, there be commenced or pending any suit or action affecting the encumbered premises, or any part thereof, or the title thereto, or if any adverse claim for or against the premises, or any part thereof, be made or asserted, the Trustee or Beneficiary may appear or intervene in the suit or action and retain counsel therein and defend same, or otherwise take such action therein as they may be advised, and may settle or compromise same or the adverse claim; and in that behalf and for any of the purposes may pay and expend such sums of money as the Trustee or Beneficiary may deem to be necessary.

16. That if default be made in the performance of the obligation, or in the payment of the debt, or interest thereon, or any part thereof, or in the payment of any of the other moneys agreed to be paid, or of any interest thereon, or if any of the conditions or covenants in this Deed of Trust be violated, and if the notice of breach and election to sell, required by Chapter 107 of the Nevada Revised Statutes, be first recorded, then Trustee, its successors or assigns, on demand by Beneficiary, shall sell the above-granted premises, in order to accomplish the objects of these trusts, in the manner following, namely:

The Trustee shall first give notice of the time and place of such sale, in the manner provided by the laws of this State for the sale of real property under execution, and may from time to time postpone such sale by such advertisement as it may deem reasonable, or without further advertisement, by proclamation made to the persons assembled at the time and place previously appointed and advertised for such sale, and on the day of sale so advertised, or to which such sale may have been postponed, the Trustee may sell the property so advertised, at public auction, at the time and place specified in the notice, either in the county in which the property, or any part thereof, to be sold, is situated, or at the principal office of the Trustee, in its discretion, to the highest cash bidder. The beneficiary, obligee, creditor, or the holder or holders of the promissory note or notes secured thereby may bid and purchase at such sale. The Beneficiary may, after recording the notice of breach and election, waive or withdraw the same or any proceedings thereunder, and shall thereupon be restored to his former position and have and enjoy the same rights as though such notice had not been recorded.

17. That the Trustee, upon such sale, shall make (without warranty), execute and, after due payment made, deliver to purchaser or purchasers, his or their heirs or assigns, a deed or deeds of the premises so sold which shall convey to the purchaser all the title of the Trustor in the trust premises, and shall apply the proceeds of the sale thereof in payment, firstly, of the expenses of such sale, together with the reasonable expenses of the trust, including counsel fees, in a reasonable amount, which shall become due upon any default made by Trustor in any of the payments aforesaid; and also such sums, if any, as Trustee or Beneficiary shall have paid, for procuring a search of the title to the premises, or any part thereof, subsequent to the execution of the deed of trust; and in payment, secondly, pro rata of the obligations or debts secured, and interest thereon then remaining unpaid, and the amount of all other moneys with interest thereon herein agreed or provided to be paid by Trustor; and the balance or surplus of such proceeds of sale it shall pay to Trustor, its successor or assigns.

18. That in the event of a sale of the premises conveyed or transferred in trust, or any part thereof, and the execution of a deed or deeds therefor under such trust, the recital therein of default, and of recording notice of breach and election of sale, and of the elapsing of the 3-month period, and of the giving of notice of sale,

and of a demand by Beneficiary that such sale should be made, shall be conclusive proof of such default, recording, election, elapsing of time, and of the due giving of such notice, and that the sale was regularly and validly made on due and proper demand by Beneficiary; and any such deed or deeds with such recitals therein shall be effectual and conclusive against Trustor, its successors and assigns, and all other persons; and the receipt for the purchase money recited or contained in any deed executed to the purchaser as aforesaid shall be sufficient discharge to such purchaser from all obligation to see to the proper application of the purchase money, according to the trusts aforesaid.

19. That the Beneficiary or assigns may, from time to time, appoint another trustee, or trustees, to execute the trust created by the Deed of Trust or other conveyance in trust.

Upon the recording of such certified copy or executed and acknowledged instrument, the new trustee or trustees shall be vested with all the title, interest, powers, duties and trusts in the premises vested in or conferred upon the original trustee. If there be more than one trustee, either may act alone and execute the trusts upon the request of the Beneficiary, and all his acts thereunder shall be deemed to be the acts of all trustees, and the recital in any conveyance executed by such sole trustee of such request shall be conclusive evidence thereof, and of the authority of such sole trustee to act.

20. Trustor agrees to pay any deficiency arising from any cause after application of the proceeds of the sale held in accordance with the provisions of the covenants hereinabove adopted by reference.

21. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. It is expressly agreed that the Trust created hereby is irrevocable by Trustor.

22. Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law, reserving, however, unto the Trustee, the right to resign from the duties and obligations imposed herein whenever Trustee, in its sole discretion, deems such resignation to be in the best interest of the Trustee. Written notice of such resignation shall be given to Trustor and Beneficiary.

23. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. Whenever the context so requires, the term "property" includes personal and/or real property and the term "building" includes a mobile home. The term "Beneficiary" includes any future holder of the note secured hereby. The term "Trustor" includes the term "Grantor".

24. The rights and remedies of Beneficiary upon the occurrence of one or more defaults by Trustor (whether such rights and remedies are conferred by statute, by rule of law, by this Deed of Trust, or otherwise) may be exercised by Beneficiary, in the sole discretion of Beneficiary, either alternatively, concurrently, or consecutively in any order. The exercise by Beneficiary, or Trustee at the express direction of Beneficiary, of any one or more of such rights and remedies shall not be construed to be an election of remedies nor a waiver of any other rights and remedies Beneficiary might have unless, and limited to the extent that, Beneficiary shall so elect or so waive by an instrument in writing delivered to Trustee. Without limiting the generality of the foregoing, to the extent that this Deed of Trust covers both real and personal property, Beneficiary may, in the sole discretion of Beneficiary, either alternatively, concurrently, or consecutively in any order:

(a) Proceed as to both the real and personal property in accordance with Beneficiary's rights and remedies in respect to the real property; or

(b) Proceed as to the real property in accordance with Beneficiary's rights and remedies in respect to the real property and proceed as to the personal property in accordance with Beneficiary's rights and remedies in respect to the personal property.

Beneficiary may, in the sole discretion of Beneficiary, appoint Trustee as the agent of Beneficiary for the purpose of disposition of the personal property in accordance with the Nevada Uniform Commercial Code--Secured Transactions.

If Beneficiary should elect to proceed as to both the real and personal property collateral in accordance with Beneficiary's rights and remedies in respect to real property:

(a) All the real property and all the personal property may be sold, in the manner and at the time and place provided in this Deed of Trust and Security Agreement, in one lot, or in separate lots consisting of any combination or combinations of real and personal property, as the Beneficiary may elect, in the sole discretion of Beneficiary.

(b) Trustor acknowledges and agrees that a disposition of the personal property collateral in accordance with Beneficiary's rights and remedies in respect to real property, as hereinabove provided, is a commercially reasonable disposition of the collateral.

If Beneficiary should elect to proceed as to the personal property collateral in accordance with Beneficiary's rights and remedies in respect to personal property, Beneficiary shall have all the rights and remedies conferred on a secured party by NRS 104.9501 to NRS 104.9507, both inclusive.

25. Trustor hereby appoints Beneficiary the attorney-in-fact of Trustor to prepare, sign, file and record one or more financing statements; any documents of title or registration, or like papers, and to take any other action deemed necessary, useful or desirable by Beneficiary to perfect and preserve Beneficiary's security interest against the rights or interests of third persons.

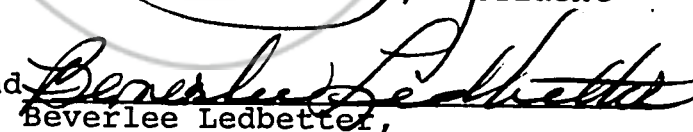
26. This Deed of Trust, Assignment of Rents and Security Agreement has been executed pursuant to and is subject to the terms of that certain Loan Agreement executed by Trustor and Beneficiary concurrently herewith and Trustor agrees to observe and perform all provisions contained therein.

IN WITNESS WHEREOF, Trustor has executed this instrument the day and year first above written.

DEBTOR and TRUSTOR:

HARVEY'S WAGON WHEEL, INC.,  
a Nevada corporation,

By   
William B. Ledbetter, President

And   
Beverlee Ledbetter,  
Secretary-Treasurer





**PARCEL 1:**

All that certain piece or parcel of land situate in the Northeast Quarter of the Southeast Quarter of Section 27, Township 13 North, Range 18 East, M.D.B.&M., County of Douglas, State of Nevada, described as follows:

BEGINNING at the intersection of the California-Nevada State Line with the Westerly line of U. S. Highway 50; thence North 27°57'22" East along the Westerly line of said U. S. Highway 50, a distance of 154.80 feet; thence North 56°30' West, a distance of 291.50 feet; thence North 27°57'22" East, a distance of 266.35 feet to a point on the Northerly line of parcel conveyed to HARVEY GROSS, et al, by Deed recorded June 2, 1944, in Book W of Deeds, Page 597, Douglas County, Nevada, records; thence along the Northerly line of said parcel North 80°14'14" West, a distance of 613.15 feet to the Northeasterly corner of parcel conveyed to WILLIAM McCALLUM, et al, by Deed recorded November 24, 1952, in Book A-1 of Deeds, Page 351, Douglas County, Nevada, records; thence along the Northeasterly and Southeasterly line of said McCallum Parcel, the two following courses and distances; South 48°43'15" East, a distance of 211.24 feet and South 41°16'45" West, a distance of 50.00 feet to a point on said California-Nevada State Line; thence South 48°43'15" East along the last mentioned line, a distance of 697.47 feet to the point of beginning, said parcel being further shown as Parcel No. 1 of that certain Record of Survey filed for record in the office of the County Recorder on June 29, 1971, as File No. 60370, in Book 102, Page 544.

**PARCEL 2:**

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

That portion of the Southeast Quarter of Section 27, Township 13 North, Range 18 East, M.D.B.&M., that is described as follows:

COMMENCING at a point on the Westerly right of way line of the Nevada State Highway U. S. Route 50, which is 154.80 feet North 27°57'22" East to the intersection of the California-Nevada State Line boundary with the Westerly right of way of the Nevada State Highway U. S. Route 50; thence first course North 27°57'22" East, a distance of 389.99 feet to a point on the Westerly right of way line of the Nevada State Highway U. S. Route 50; thence second course North 80°14'14" West, a distance of 305.48 feet; thence third course South 27°57'22" West, a distance of 266.35 feet; thence fourth course South 56°30' East, a distance of 291.50 feet to the point of beginning, said land being further shown as Parcel No. 2 on that certain Record of Survey filed for record in the office of the County Recorder of Douglas County, Nevada, on June 29, 1971, as File No. 60370, in Book 102, Page 544.

**Exhibit "A" - cont.**

EXCEPTING THEREFROM a parcel of land located within a portion of Section 27, Township 13 North, Range 18 East, M.D.B.&M., Douglas County, Nevada, being more particularly described as follows:

COMMENCING at a point lying at the intersection of the California-Nevada State line and the Westerly right of way line of U. S. Highway 50; thence North 27°57'22" East, 449.50 feet along the Westerly right of way line of U. S. Highway 50 to the point of beginning; thence North 62°02'38" West, 289.93 feet to the Northwest corner of Parcel 2 as shown on the map filed within the Official Records of Douglas County, Nevada, on June 29, 1971, in Book 102, Page 544, as Document No. 60370; thence South 80°14'14" East, 305.18 feet along the Northerly line of said Parcel 2 to a point on the Westerly right of way line of U. S. Highway 50; thence South 27°57'22" West, 95.29 feet along said Westerly right of way line of U. S. Highway 50 to the point of beginning.

**PARCEL 3:****EXHIBIT B**

A parcel of land located within a portion of Section 27, Township 13 North, Range 18 East, M.D.B.&M., Douglas County, Nevada, being more particularly described as follows:

COMMENCING at a point lying at the intersection of the California-Nevada State Line and the Westerly right of way line of U. S. Highway 50; thence North  $48^{\circ}42'34''$  West, 990.12 feet along the California-Nevada State Line to the point of beginning; thence North  $48^{\circ}42'34''$  West, 117.90 feet along the California-Nevada State Line; thence North  $30^{\circ}18'30''$  East, 172.01 feet; thence North  $70^{\circ}15'01''$  West, 157.23 feet; thence North  $29^{\circ}43'25''$  West, 86.29 feet; thence North  $00^{\circ}50'44''$  East, 33.27 feet; thence North  $62^{\circ}26'55''$  West, 72.14 feet to a point on the Easterly right of way line of Stateline Loop Road; thence North  $23^{\circ}57'13''$  East, 121.09 feet along said Easterly right of way line; thence along said Easterly right of way line, 144.33 feet along the arc of a curve to the right, having a central angle of  $07^{\circ}04'04''$ , and a radius of 1170.00 feet (chord bears North  $27^{\circ}29'15''$  East, 144.24 feet); thence South  $62^{\circ}03'50''$  East, 1396.61 feet to a point on the Westerly right of way line of U. S. Highway 50; thence South  $27^{\circ}57'22''$  West, 296.01 feet along the Westerly right of way of U. S. Highway 50; thence North  $62^{\circ}02'38''$  West, 289.93 feet; thence North  $80^{\circ}14'14''$  West, 709.00 feet to the point of beginning.

**PARCEL 4:**

A parcel of land located within a portion of Section 27, Township 13 North, Range 18 East, M.D.B.&M., Douglas County, Nevada, being more particularly described as follows:

COMMENCING at a point lying at the intersection of the California-Nevada State Line and the Westerly right of way line of U. S. Highway 50; thence North  $48^{\circ}42'34''$  West, 1108.02 feet along the California-Nevada State Line to the point of beginning; thence North  $48^{\circ}42'34''$  West, 306.26 feet along the California-Nevada State Line to a point on the Easterly right of way line of Stateline Loop Road; thence North  $23^{\circ}57'13''$  East, 154.41 feet along the Easterly right of way line of Stateline Loop Road; thence South  $62^{\circ}26'55''$  East, 72.14 feet; thence South  $00^{\circ}50'44''$  West, 33.27 feet; thence South  $29^{\circ}43'25''$  East, 86.29 feet; thence South  $70^{\circ}15'01''$  East, 157.23 feet; thence South  $30^{\circ}18'30''$  West, 172.01 feet to the point of beginning.

**PARCEL 5:**

A parcel of land located within a portion of Section 27, Township 13 North, Range 18 East, M.D.B.&M., El Dorado County, California, being more particularly described as follows:

COMMENCING at a point lying at the intersection of the California-Nevada State Line and the Westerly right of way line of U. S. Highway 50; thence North  $48^{\circ}42'34''$  West, 1104.38 feet along the California-Nevada State Line to the point of beginning; thence South  $88^{\circ}32'23''$  West, 290.89 feet along the Northerly right of way line of Stateline Avenue; thence along the Easterly right of way line of Stateline Loop Road, 37.84 feet along the arc of a curve to the right, having a central angle of  $108^{\circ}24'37''$ , and a radius of 20.00 feet (chord bears North  $37^{\circ}15'44''$  West, 32.44 feet); thence continuing along the Easterly right of way line of Stateline Loop Road, 75.86 feet along the arc of a non-tangent compound curve, having a central angle of  $07^{\circ}00'36''$ , and a radius of 620.00 feet (chord bears North  $20^{\circ}26'55''$  East, 75.81 feet); thence North  $23^{\circ}57'13''$  East, 125.90 feet to a point on the California-Nevada State Line; thence departing said Easterly right of way line of Stateline Loop Road, South  $48^{\circ}42'34''$  East, 309.89 feet along the California-Nevada State Line to the point of beginning.

## EXHIBIT C.

NOTE: THE FOLLOWING EXCEPTIONS AFFECT PARCEL 1 HEREIN:

1. Taxes for the fiscal year July 1, 1984 to July 1, 1985, Parcel No. 7-140-05-6, in the total amount of \$429,398.93, together with personal property taxes and assessments and other taxes collected therewith, a lien, now due and payable. The first, second and third quarterly installments in the amount of \$107,349.73, each, have been paid. The fourth quarterly installment in the amount of \$107,349.74, is due the first Monday in March, 1985.  
(AFFECTS THIS AND OTHER PROPERTY)
2. Any future assessments, charges or fees which may hereinafter be levied by reason of said premises lying within Douglas County Sewer Improvement District No. 1.
3. Any loss or damage arising out of the fact that the said premises may be situate within the boundaries of any present or future general improvement, special assessment, water or sewer districts, the existence of which is not, at the date hereof, a matter of public record.
4. A possible easement in favor of CONTINENTAL TELEPHONE COMPANY, as disclosed by the recordation of a Notice of Completion affecting said land, recorded November 1, 1961, in Book 9 of Deeds, Page 197, Douglas County, Nevada, records.
5. Right of way 10.00 feet in width, to construct, operate and maintain electric and communication underground facilities, and necessary appurtenances, as conveyed to SIERRA PACIFIC POWER COMPANY, a Nevada corporation; CONTINENTAL TELEPHONE COMPANY OF NEVADA, a Nevada corporation, and TAHOE T.V. CABLE, a corporation, by Deed recorded in Book 80, Page 51, Document No. 49717, Official Records of Douglas County, Nevada.
6. A 5 foot sewer line along the Northerly boundary line of said parcels, as disclosed by conversation with the DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT NO. 1, the exact location of said sewer line not disclosed of record.
7. Rights of way, easements, encroachments, notes, provisions and the effects thereof, as set forth and delineated on that certain A.L.T.A. Survey on Harvey's Hotel, done by Jere E. Williams, R.E. No. 2219, as Drawing No. 411.

NOTE: THE FOLLOWING EXCEPTIONS AFFECT PARCEL 2 HEREIN:

8. Taxes for the fiscal year July 1, 1984 to July 1, 1985, Parcel No. 7-140-05-6, in the total amount of \$429,398.93, together with personal property taxes and assessments and other taxes collected therewith, a lien, now due and payable. The first, second and third quarterly installments in the amount of \$107,349.73, each, have been paid. The fourth quarterly installment in the amount of \$107,349.74, is due the first Monday in March, 1985.  
(AFFECTS THIS AND OTHER PROPERTY)
9. Liens that may be imposed by reason of failure to pay Lodgers Occupancy Tax, levied by the County of Douglas, State of Nevada, under Provision of Chapter 639, Nevada Statutes.
10. Any future assessments, charges or fees which may hereinafter be levied by reason of said premises lying within Douglas County Sewer Improvement District No. 1.
11. Any loss or damage arising out of the fact that the said premises may be situate within the boundaries of any present or future general improvement, special assessment, water or sewer districts, the existence of which is not, at the date hereof, a matter of public record.
12. Right of way for electric power lines and rights incidental and appurtenant thereto, granted to SIERRA PACIFIC POWER COMPANY, by document recorded June 12, 1958, in Book I, Page 32, Agreement Records of Douglas County, Nevada, the width of said easement not defined of record.
13. A possible easement in favor of CONTINENTAL TELEPHONE COMPANY, as disclosed by the recordation of a Notice of Completion affecting said land, recorded November 1, 1961, in Book 9 of Deeds, Page 197, Douglas County, Nevada, records.
14. Right of way 10.00 feet in width, to construct, operate and maintain electric and communication underground facilities, and necessary appurtenances, as conveyed to SIERRA PACIFIC POWER COMPANY, a Nevada corporation; CONTINENTAL TELEPHONE COMPANY OF NEVADA, a Nevada corporation; and TAHOE T.V. CABLE, a corporation, by Deed recorded in Book 80, Page 51, Document No. 49717, Official Records of Douglas County, Nevada.

15. A 5 foot sewer line along the Northerly boundary line of said parcels, as disclosed by conversation with the DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT NO. 1, the exact location of said sewer line not disclosed of record.
16. Rights of way, easements, encroachments, notes, provisions and the effects thereof, as set forth and delineated on that certain A.L.T.A. Survey on Harvey's Hotel, done by Jere E. Williams, R.E. No. 2219, as Drawing No. 411.

NOTE: THE FOLLOWING EXCEPTIONS AFFECT PARCELS 3 AND 4 HEREIN:

17. Taxes for the fiscal year July 1, 1984 to July 1, 1985, Parcel No. 7-140-03-1, in the total amount of \$55,209.26, together with personal property taxes and assessments and other taxes collected therewith, a lien, now due and payable. The first, second and third quarterly installments in the amount of \$13,802.31, each, have been paid. The fourth quarterly installment in the amount of \$13,802.33, is due the first Monday in March, 1985.  
(AFFECTS A PORTION OF SAID PREMISES)
18. Taxes for the fiscal year July 1, 1984 to July 1, 1985, Parcel No. 7-140-07, in the total amount of \$6.28, together with personal property taxes and assessments and other taxes collected therewith, a lien, now due and payable. The first, second and third quarterly installments in the amount of \$1.57, each, have been paid. The fourth quarterly installment in the amount of \$1.57, is due the first Monday in March, 1985.  
(AFFECTS A PORTION OF SAID PREMISES)
19. Taxes for the fiscal year July 1, 1984 to July 1, 1985, Parcel No. 7-140-05-6, in the total amount of \$429,398.93, together with personal property taxes and assessments and other taxes collected therewith, a lien, now due and payable. The first, second and third quarterly installments in the amount of \$107,349.73, each, have been paid. The fourth quarterly installment in the amount of \$107,349.74, is due the first Monday in March, 1985.  
(AFFECTS A PORTION OF SAID PREMISES)
20. Any future assessments, charges or fees which may hereinafter be levied by reason of said premises lying within Douglas County Sewer Improvement District No. 1.
21. Any loss or damage arising out of the fact that the said premises may be situate within the boundaries of any present or future general improvement, special assessment, water or sewer districts, the existence of which is not, at the date hereof, a matter of public record.
22. A right of way for public highway, with all rights incidental and appurtenant thereto, and containing a waiver of claims for damage or compensation for, and on account of the establishment of said highway, as granted to THE STATE OF NEVADA, by D. W. PARK, by document recorded July 13, 1932, in Book T of Deeds, Page 339, Douglas County, Nevada, records.
23. Right of way for electric power lines and all rights incidental and appurtenant thereto, granted to SIERRA PACIFIC POWER COMPANY, by document recorded June 12, 1958, in Book I, Page 32, Agreement Records of Douglas County, Nevada, the width of said easement not disclosed of record.
24. A possible easement in favor of CONTINENTAL TELEPHONE COMPANY, as disclosed by the recordation of a Notice of Completion affecting said land, recorded November 1, 1961, in Book 9 of Deeds, Page 197, Douglas County, Nevada, records.
25. Easement and right of way to construct, operate and maintain underground pipelines and/or mains, for the purpose of conveying sewage under the surface of said lands, and any necessary appurtenances, granted to DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT NO. 1, by Easement recorded October 25, 1965, in Book 35, Page 354, Document No. 29878, Official Records of Douglas County, Nevada.
26. License granted to SAHARA-TAHOE CORPORATION, by PARK CATTLE COMPANY and BROOKS PARK, for constructing and maintaining a sewage disposal pipe, and for incidental purposes related thereto, subject to the terms, conditions and rights as set forth in said License, recorded October 26, 1965, in Book 35, Page 412, Document No. 29907, Official Records of Douglas County, Nevada.
27. Memorandum of Agreement dated March 31, 1967, executed by PARK CATTLE COMPANY and ROBERT L. PRUETT and MARGARET PARK PRUETT, on the terms and conditions contained therein, recorded April 22, 1968, in Book 58, Page 541, Document No. 40713, Official Records of Douglas County, Nevada. (Said document contains no legal description.)

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28. A right of way to construct, operate and maintain electric overhead and underground facilities, and necessary appurtenances, granted to SIERRA PACIFIC POWER COMPANY, a corporation, by document recorded October 15, 1968, in Book 62, Page 599, Document No. 42621, Official Records of Douglas County, Nevada.
29. Easement Agreement executed by PARK CATTLE CO. and DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT NO. 1, upon the terms and conditions contained therein, recorded June 5, 1970, in Book 76, Page 413, Document No. 48327, Official Records of Douglas County, Nevada.
30. Easement Agreement executed by PARK CATTLE CO. and DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT NO. 1, upon the terms and conditions contained therein, recorded June 5, 1970, in Book 76, Page 416, Document No. 48328, Official Records of Douglas County, Nevada.
31. Record of Survey affecting a portion of said land and other property, recorded June 29, 1971, in Book 102, Page 544, Document No. 60370, Official Records of Douglas County, Nevada.
32. An unrecorded Lease dated April 1, 1973, by and between PARK CATTLE CO., a Nevada corporation, as Lessor, and HARVEY'S WAGON WHEEL, INC., as Tenant, as disclosed by the Deed of Trust shown under Item 34 herein.
- .  
A Collateral Assignment of the Lessor's Interest under said unrecorded Lease, executed by PARK CATTLE CO., INC., in favor of FIRST NATIONAL BANK OF NEVADA, upon the terms and conditions contained therein, recorded December 23, 1977, in Book 1277, Page 1172, Document No. 16085, Official Records of Douglas County, Nevada.
- .  
A Memorandum of Agreement by and between PARK CATTLE CO., Landlord, and HARVEY'S WAGON WHEEL, INC., Tenant, upon the terms and conditions contained therein, recorded December 23, 1977, in Book 1277, Page 1184, Document No. 16087, Official Records of Douglas County, Nevada.  
(AFFECTS A PORTION OF SAID LAND)
33. A Financing Statement executed by PARK CATTLE CO., Debtor, in favor of FIRST NATIONAL BANK OF NEVADA, Secured Party, recorded January 27, 1978, in Book 178, Page 1651, Document No. 17103, Official Records of Douglas County, Nevada. Said Financing Statement is secured by the Lessor's Interest in the Lease described hereinabove, and other personal property.  
(AFFECTS A PORTION OF SAID LAND AND OTHER PROPERTY)
34. A Deed of Trust dated December 7, 1977, executed by PARK CATTLE CO., a Nevada corporation to LAWYERS TITLE INSURANCE CORPORATION, a Virginia corporation, Trustee, to secure an indebtedness of \$25,000,000.00, in favor of FIRST NATIONAL BANK OF NEVADA, a National Banking Association, and any other amounts payable under the terms thereof, recorded December 23, 1977, in Book 1277, Page 1145, Document No. 16083, Official Records of Douglas County, Nevada.  
(AFFECTS THE LESSOR'S INTEREST UNDER AN UNRECORDED LEASE REFERENCED THEREIN ONLY)
- .  
Amendment of Deed of Trust, Assignment of Rents and Security Agreement and Amendment of Promissory Note Secured Thereby dated November 14, 1978, pertaining to said Deed of Trust executed by PARK CATTLE CO., a Nevada corporation, recorded January 19, 1979, in Book 179, Page 1029, Document No. 29159, Official Records of Douglas County, Nevada.
- .  
Second Amendment of Deed of Trust, Assignment of Rents and Security Agreement and Amendment of Promissory Note Secured Thereby, dated September 30, 1981, pertaining to said Deed of Trust executed by PARK CATTLE CO., a Nevada corporation, recorded December 3, 1981, in Book 1281, Page 432, Document No. 63053, Official Records of Douglas County, Nevada.
- .  
Third Amendment of Deed of Trust, Assignment of Rents and Security Agreement and Amendment of Promissory Note Secured Thereby, dated January 19, 1983, pertaining to said Deed of Trust executed by PARK CATTLE CO., a Nevada corporation, recorded January 27, 1983, in Book 183, Page 1254, Document No. 075449, Official Records of Douglas County, Nevada.
35. Loan Agreement executed by FIRST NATIONAL BANK OF NEVADA, Lender, and PARK CATTLE CO., a Nevada corporation, Borrower, upon the terms and conditions contained therein, recorded December 23, 1977, in Book 1277, Page 1160, Document No. 16084, Official Records of Douglas County, Nevada.
36. Right of way for public roadway, together with an Agreement affecting abutter's rights, in favor of DOUGLAS COUNTY, NEVADA, recorded September 6, 1978, in Book 978, Page 249, Document No. 24881, Official Records of Douglas County, Nevada.

37. A Notice of Non-Responsibility executed by PARK CATTLE CO., dated September 15, 1983, and recorded September 15, 1983, in Book 983, Page 1113, Document No. 86944, Official Records of Douglas County, Nevada.
38. Rights of way, easements, encroachments, notes, provisions and the effects thereof, as set forth and delineated on that certain A.L.T.A. Survey on Harvey's Hotel, done by Jere E. Williams, R.E. No. 2219, as Drawing No. 411.
39. Leases, terms, conditions, provisions and the effects thereof, as set forth in that certain Second Amendment to Lease Agreement, dated January \_\_\_\_, 1985, between PARK CATTLE CO., Landlord, and HARVEY'S WAGON WHEEL, INC., Tenant, as evidenced by Memorandum of Lease recorded \_\_\_\_\_, 1985, Official Records.  
(AFFECTS A PORTION OF SAID PREMISES AND OTHER PROPERTY)
40. Leases, terms, conditions, provisions and the effects thereof, as set forth in that certain Net Lease Agreement, dated February \_\_\_\_, 1985, between PARK CATTLE CO., Landlord, and HARVEY'S WAGON WHEEL, INC., Tenant, as evidenced by Memorandum of Lease recorded \_\_\_\_\_, 1985, Official Records.  
(AFFECTS A PORTION OF SAID PREMISES AND OTHER PROPERTY)

NOTE: THE FOLLOWING EXCEPTIONS AFFECT PARCEL 5 HEREIN:

41. General and Special Taxes for the fiscal year July 1, 1984 to July 1, 1985, including any personal property taxes collected therewith, a lien, now due and payable:

ASSESSED VALUATION	QUARTERLY INSTALLMENTS	STATUS
\$295,669.00	1st \$ 1,569.11	PAID
	2nd 1,569.11	NOT PAID

AP NO. 29-010-20

(AFFECTS THIS AND OTHER PROPERTY)

42. The real property described herein is situate within the boundaries of South Tahoe Public Utility District and is subject to taxes, assessments or charges thereof. Further information may be obtained from the District Office of South Tahoe Public Utility District, P. O. Box AU, South Lake Tahoe, CA., 95705, (916) 544-6474.
43. A right of way for public road purposes, granted to THE CITY OF SOUTH LAKE TAHOE, by Deed recorded March 27, 1979, in Book 1740, Page 489, Official Records.
44. Rights of way, easements, encroachments, notes, provisions and the effects thereof, as set forth and delineated on that certain A.L.T.A. Survey on Harvey's Hotel, done by Jere E. Williams, R.E. No. 2219, as Drawing No. 411.
45. Leases, terms, conditions, provisions and the effects thereof, as set forth in that certain Net Lease Agreement, dated February \_\_\_\_, 1985, between PARK CATTLE CO., Landlord, and HARVEY'S WAGON WHEEL, INC., Tenant, as evidenced by Memorandum of Lease recorded \_\_\_\_\_, 1985, Official Records.  
(AFFECTS A PORTION OF SAID PROPERTY)

REQUESTED BY

LAWYERS TITLE

IN OFFICIAL RECORDS OF  
DOUGLAS COUNTY, NEVADA

85 MAR 18 P1:21

SUZANNE BEAUDREAU  
RECORDER

\$1900 PAID Ju DEPUTY

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