

ASSIGNMENT OF RENTS AND REVENUES

THIS ASSIGNMENT OF RENTS AND REVENUES is made and entered into this 24<sup>th</sup> day of November, 1986, by and between WESDEV, INC., a Nevada corporation, Debtor and Assignor, hereinafter referred to as "Borrower", party of the first part, and SOUTHERN BANKERS MORTGAGE CORP., a Texas corporation, hereinafter referred to as "Lender", party of the second part.

R E C I T A L S:

WHEREAS:

A. Borrower is the owner of that certain real property 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 (hereinafter the "Real Property").

B. Pursuant to that certain Loan Agreement of even date herewith (hereinafter referred to as the "Loan Agreement") executed by and between Borrower and Lender, Lender has agreed, subject to the terms and conditions specified therein, to make a loan to and establish a revolving line of credit in favor of Borrower, for the purpose of providing financing for the acquisition and partial development of the Real Property more particularly therein described.

C. In this Agreement, all capitalized words and terms not defined herein shall have the respective meanings and be construed herein as provided in Section 1.01 of the Loan Agreement and any reference to a provision of the Loan Agreement shall be deemed to incorporate that provision as a part hereof in the same manner and with the same effect as if the same were fully set forth herein.

D. Borrower intends to partially develop the Real Property by the installation of the Initial Construction Plan and construction of the Project, together with the offering for sale of other portions of the Real Property.

E. Lender is willing to lend funds to Borrower for the purposes described in the Loan Agreement on the condition that all profits, earnings, payments and revenues (hereinafter "Rents and Revenues") relating to or derived from the Real Property Rents be assigned to Lender upon the terms and conditions set forth hereinbelow. The Loans will be made pursuant to the terms of the Loan Agreement.

NOW, THEREFORE, in consideration of the Loans from the Lender to the Borrower, receipt whereof is hereby acknowledged, the Borrower hereby assigns to the Lender all of the right, title and interest of the Borrower in and to the Rents as follows:

1. The Borrower has granted, bargained, sold, assigned and set over and by these presents does grant, bargain, sell, assign, transfer and set over unto the Lender, its successors and assigns all of Borrower's right, title and interest in and to the Rents and Revenues,

together with all rights, interests and privileges which the Borrower, as Landlord, or Assignor, have or may have to receive and collect the Rents and Revenues, including, without limiting the generality of the foregoing, the present and continuing right with full power and authority in its own name and in the name of Borrower or otherwise to make, claim for, enforce, collect, receive and receipt for any and all of such Rents and Revenues and to do any and all things which Borrower or any other Lessor are or may become entitled for the collection of the Rents and Revenues.

2. In addition to all rights of setoff for the collection of the Rents and Revenues herein assigned and against any monies, securities or other property given to Lender by law, Lender will have a right of setoff for the collection of such Rents and Revenues herein assigned, against all monies, securities and other property of Borrower now or hereafter in the possession of or on deposit with Lender whether held on a general or special account or deposit, or for safekeeping or otherwise; and every such right of setoff for the collection of such Rents and Revenues herein assigned may be exercised without demand upon or notice to Lessee. No right of setoff shall be deemed to have been waived by any act or conduct on the part of Lender or by any neglect to exercise such right of setoff, or by any delay in doing so; and every right of setoff shall continue in full force and effect until specifically waived or released by an instrument in writing executed by Lender.

3. No delay or failure by the Lender to exercise any right or remedy against the Borrower will be construed as a waiver of that right or remedy. All remedies of the Lender against the Borrower are cumulative.

4. It is understood and agreed that so long as there shall exist no Event of Default under the Loan Agreement there is reserved to Borrower a license to collect the Rents and Revenues as they become due, but not prior to accrual, and to remit the same in accordance with the Loan Agreement. Upon the occurrence of an Event of Default under the Loan Agreement such license granted to Borrower shall be immediately revoked without further demand or notice and Lender is hereby empowered to demand payment of the Rents and Revenues from the appropriate party.


IN WITNESS WHEREOF, the parties hereto have executed the foregoing instrument on the day and year first above written.

BORROWER:

WESDEV, INC.,  
Nevada corporation,

BY

Its


  
PRESTON KERR  
President

LENDER:

SOUTHERN BANKERS MORTGAGE a  
CORP., a Texas corporation,

BY

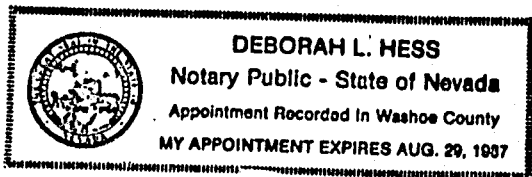
Its

  
L.C. MILBERGER  
President

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STATE OF NEVADA )  
 ) SS  
County of WASHOE )

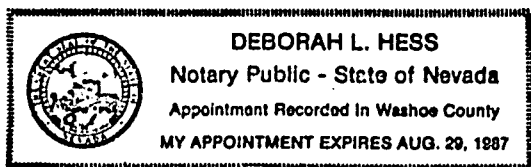
On this 24<sup>th</sup> day of November, 1986,  
personally appeared before me, a Notary Public, PRESTON  
KERR, who acknowledged that (s)he executed the  
foregoing instrument.



Deborah L Hess  
Notary Public

STATE OF NEVADA )  
 ) SS  
County of WASHOE )

On this 24<sup>th</sup> day of November, 1986,  
personally appeared before me, a Notary Public, L.C. MILBERGER  
L.C. MILBERGER, who acknowledged that (s)he executed the  
foregoing instrument.



Deborah L Hess  
Notary Public

PARCEL ONE:

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

All those portions of said land lying within the interior boundaries of the Plat of Sunridge Heights Unit 1, Phase A, recorded December 15, 1982, at Page 999 of Official Records, Douglas County, Nevada as Document No. 74054.

PARCEL TWO:

A parcel of land located within portions of Sections 7 and 8, Township 14 North, Range 20 East, Mount Diablo Baseline and Meridian, Douglas County, Nevada, described as follows:

Commencing at the Northwest Corner of Sunridge Heights Unit 1, Phase A Subdivision as shown on the Official Plat and recorded in Book 1282 on Page 999 as Document No. 74054, Douglas County, Nevada, Recorder's Office, the POINT OF BEGINNING; thence South  $88^{\circ} 54' 16''$  East, 110.00 feet; thence North  $80^{\circ} 43' 15''$  East, 61.00 feet; thence South  $88^{\circ} 54' 16''$  East, 220.00 feet; thence North  $79^{\circ} 47' 08''$  East, 50.99 feet; thence South  $88^{\circ} 54' 16''$  East, 100.00 feet; thence South  $79^{\circ} 15' 45''$  East, 116.52 feet; thence South  $68^{\circ} 17' 28''$  East, 50.06 feet; thence South  $65^{\circ} 44' 16''$  East, 115.53 feet; thence South  $54^{\circ} 25' 40''$  East, 50.99 feet; thence South  $65^{\circ} 44' 16''$  East, 240.00 feet; thence South  $30^{\circ} 44' 45''$  East, 61.03 feet; thence South  $65^{\circ} 44' 16''$  East, 105.00 feet; thence South  $24^{\circ} 15' 44''$  West, 285.00 feet; thence South  $65^{\circ} 44' 16''$  East, 462.50 feet; thence North  $24^{\circ} 15' 44''$  East, 136.00 feet; thence South  $65^{\circ} 44' 16''$  East, 400.00 feet; thence South  $24^{\circ} 15' 44''$  West, 1,093.55 feet; thence West 99.24 feet; thence North  $57^{\circ} 45' 16''$  West, 750.00 feet; thence North  $32^{\circ} 14' 44''$  East, 80.00 feet; thence North  $57^{\circ} 45' 16''$  West, 55.00 feet; thence along the arc of a curve to the right, having a delta angle of  $18^{\circ} 00' 00''$ , a radius of 632.50 feet, and an arc length of 198.71 feet; thence North  $39^{\circ} 45' 16''$  West, 50.00 feet; thence along the arc of a curve to the left having a delta angle of  $13^{\circ} 37' 31''$  a radius of 662.50 feet, and an arc length of 157.55 feet; thence North  $53^{\circ} 22' 47''$  West, 25.00 feet; thence North  $36^{\circ} 37' 13''$  East, 88.68 feet; thence along the arc of a curve to the left having a delta angle of  $90^{\circ} 50' 12''$ , a radius of 20.00 feet, and an arc length of 31.71 feet; thence along the arc of a curve, tangent to the preceding curve, having a delta angle of  $32^{\circ} 09' 48''$ , a radius of 772.50 feet, and an arc length of 433.65 feet; thence North  $88^{\circ} 54' 16''$  West, 90.00 feet; thence North  $1^{\circ} 05' 44''$  East, 780.00 feet to the POINT OF BEGINNING,

Excepting therefrom that portion of Sunridge Heights Unit 1, Phase A and recorded in Book 1282 on Page 999 as Document No. 74054, Douglas County, Nevada, Recorder's Office.

**PARCEL THREE:**

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

A parcel of land located within portions of Sections 7, 8, 17 and 18, Township 14 North, Range 20 East, Mount Diablo Baseline and Meridian, Douglas County, Nevada, described as follows:

Commencing at a point on the East line of U.S. Highway 395, which bears North  $89^{\circ}37'04''$  East 259.28 feet from the Northeast  $1/16$  corner of said Section 7, THE POINT OF BEGINNING; thence along the North line of the Southeast  $1/4$  of the Northeast  $1/4$  of Section 7, North  $89^{\circ}37'04''$  East 1061.33 feet, more or less to the  $1/16$  corner common to Sections 7 and 8; thence North  $89^{\circ}56'36''$  East along the North line of the South  $1/2$  of the Northwest  $1/4$  of Section 8, 2000 feet; thence South 340 feet; thence South  $66^{\circ}30'00''$  West 520 feet; thence South  $54^{\circ}30'00''$  West 350 feet; thence South  $18^{\circ}30'00''$  West 3450 feet; thence South  $9^{\circ}00'00''$  West 892.05 feet; thence West 1000 feet; thence North  $51^{\circ}30'00''$  West 430 feet, more or less, to a point on the West line of the Northeast  $1/4$  of Northeast  $1/4$  of said Section 18; thence along said West line North 570 feet, more or less, to the  $1/16$  corner common to Sections 7 and 18; thence North along the West line of the Southeast  $1/4$  of the Southeast  $1/4$  of Section 7, 680 feet, more or less, to a point on the East line of U.S. 395; thence along said East line North  $11^{\circ}13'44''$  East 715 feet, more or less, to the beginning of a tangent curve to the left with a radius of 5200 feet and a central angle of  $10^{\circ}08'00''$ ; thence along said curve an arc length of 919.67 feet; thence North  $01^{\circ}05'44''$  East 1763.26 feet to the Point of Beginning.

EXCEPT THEREFROM that portion of said land more particularly described as follows;

A parcel of land located within portions of Sections 7 and 8, Township 14 North, Range 20 East, Mount Diablo Baseline and Meridian, Douglas County, Nevada, described as follows:

Commencing at the Northwest Corner of Sunridge Heights Unit 1, Phase A Subdivision as shown on the Official Plat and recorded in Book 1282 on Page 999 as Document No. 74054, Douglas County, Nevada, Recorder's Office, the POINT OF BEGINNING; thence South  $88^{\circ}54'16''$  East, 110.00 feet; thence North  $80^{\circ}43'15''$  East, 61.00 feet; thence South  $88^{\circ}54'16''$  East, 220.00 feet; thence North  $79^{\circ}47'08''$  East, 50.99 feet; thence South  $88^{\circ}54'16''$  East, 100.00 feet; thence South  $79^{\circ}15'45''$  East, 116.52 feet; thence South  $68^{\circ}17'28''$  East, 50.06 feet; thence South  $65^{\circ}44'16''$  East, 115.53 feet; thence South  $54^{\circ}25'40''$  East, 50.99 feet; thence South  $65^{\circ}44'16''$  East, 240.00 feet; thence South  $30^{\circ}44'45''$  East, 61.03 feet; thence South  $65^{\circ}44'16''$  East, 105.00 feet; thence South  $24^{\circ}15'44''$  West, 285.00 feet; thence South  $65^{\circ}44'16''$  East, 482.50 feet; thence North  $24^{\circ}15'44''$  East, 136.00 feet; thence South  $65^{\circ}44'16''$  East, 400.00 feet; thence South  $24^{\circ}15'44''$  West, 1,093.55 feet; thence West 99.24 feet; thence North  $57^{\circ}45'16''$  West, 750.00 feet; thence North  $32^{\circ}14'44''$  East, 80.00 feet; thence North  $57^{\circ}45'16''$  West, 55.00 feet; thence along the arc of a curve to the right, having a delta angle of  $18^{\circ}00'00''$ , a radius of 632.50 feet, and an arc length of 198.71 feet; thence North  $39^{\circ}45'16''$  West, 50.00 feet; thence along the arc of a curve to the left having a delta angle of  $13^{\circ}37'31''$  a radius of 662.50 feet, and an arc length of 157.55 feet; thence North  $53^{\circ}22'47''$  West, 25.00 feet; thence North  $36^{\circ}37'13''$  East, 88.68 feet; thence along the arc of a curve to the left having a delta angle of  $90^{\circ}50'12''$ , a radius of 20.00 feet, and an arc length of 31.71 feet; thence along the arc of a curve, tangent to the preceding curve, having a delta angle of  $32^{\circ}09'48''$ , a radius of 772.50 feet, and an arc length of 433.65 feet; thence North  $88^{\circ}54'16''$  West, 90.00 feet; thence North  $1^{\circ}05'44''$  East, 780.00 feet to the POINT OF BEGINNING.

Further excepting there from that portion of said land, more particularly described as follows;

All those portions of said lying within the interior boundaries of the Plat of Sunridge Heights Unit 1, Phase A, recorded December 15, 1982, at Page 999 of Official Records, Douglas County, Nevada as Document No. 74054.

PARCEL FOUR:

A parcel of land located within portions of Sections 7, 8, 17, and 18 all in Township 14 North, Ranch 20 East, Mount Diablo Baseline and Meridian, Douglas County, Nevada, described as follows:

Section 7: The Southeast one-quarter of the Northeast one-quarter (SE 1/4 NE 1/4), the Northeast one-quarter of the Southeast one-quarter (NE 1/4 SE 1/4), the Southeast one-quarter of the Southeast one-quarter (SE 1/4 SE 1/4).

Section 8: The Southwest one-quarter of the Northwest one-quarter (SW 1/4 NW 1/4), the Southeast one-quarter of the Northwest one-quarter (SE 1/4 NW 1/4), the Southwest one-quarter of the Northeast one-quarter (SW 1/4 NE 1/4), the Southeast one-quarter of the Northeast one-quarter (SE 1/4 NE 1/4), the Northeast one-quarter of the Southwest one-quarter (NE 1/4 SW 1/4), the Northwest one-quarter of the Southwest one-quarter (NW 1/4 SW 1/4), the Northwest one-quarter of the Northwest one-quarter of the Southeast one-quarter (NW 1/4 NW 1/4 SE 1/4), the Southwest one-quarter of the Southwest one-quarter (SW 1/4 SW 1/4), the Southeast one-quarter of the Southwest one-quarter (SE 1/4 SW 1/4).

Section 17: The Northwest one-quarter of the Northwest one-quarter (NW 1/4 NW 1/4), the West one-half of the Northeast one-quarter of the Northwest one-quarter (W 1/2 NE 1/4 NW 1/4), the West one-half of the Southwest one-quarter of the Northwest one-quarter (W 1/2 SW 1/4 NW 1/4), the Northwest one-quarter of the Northwest one-quarter of the Southwest one-quarter (NW 1/4 NW 1/4 SW 1/4).

Section 18: The Northeast one-quarter of the Northeast one-quarter (NE 1/4 NE 1/4), the Northeast one-quarter of the Southeast one-quarter (NE 1/4 SE 1/4), the Southwest one-quarter of the Southeast one-quarter (SW 1/4 SE 1/4), the Northwest one-quarter of the Southeast one-quarter of the Southeast one-quarter (NW 1/4 SE 1/4 SE 1/4).

Excepting therefrom that portion lying West of the Easterly right-of-way of U.S. 395 as reserved for Federal Highway under the Act of November 9, 1921, as recorded in Book 3 of Patents, Page 259, Douglas County, Nevada, Recorder's Office.

Excepting therefrom that portion lying East of the Minden Branch of the Virginia and Truckee Railroad, as conveyed by the H.F. Dangberg Land and Livestock Company and recorded in Book 0 of Deeds on Page 80, Douglas County, Nevada, Recorder's Office.

And further excepting therefrom;

A parcel of land located within portions of Sections 7, 8, 17, and 18 all in Township 14 North, Ranch 20 East, Mount Diablo Baseline and Meridian, Douglas County, Nevada, described as follows:

Commencing at a point on the East line of U.S. Highway 395, which bears North 89°37'04" East 259.28 feet from the Northeast 1/16 corner of said Section 7, THE POINT OF BEGINNING; thence along the North line of the Southeast 1/4 of the Northeast 1/4 of Section 7, North 89°37'04" East 1061.53 feet, more or less to the 1/16 corner common to Sections 7 and 8; thence North 89°56'36" East along the North line of the South 1/2 of the Northwest 1/4 of Section 8, 2000 feet; thence South 340 feet; thence South 66°30'00" West 520 feet; thence South 54°30'00" West 350 feet; thence South 18°30'00" West 3450 feet; thence South 9°00'00" West 892.05 feet; thence West 1000 feet; thence North 51°30'00" West 430 feet, more or less, to a point on the West line of the Northeast 1/4 of Northeast 1/4 of said Section 18; thence along said West line North 570 feet, more or less, to the 1/16 corner common to Sections 7 and 18; thence North along the West line of the Southeast 1/4 of the Southeast 1/4 of Section 7, 680 feet, more or less, to a point on the East line of U.S. 395; thence along said East line North 11°13'44" East 715 feet, more or less, to the beginning of a tangent curve to the left with a radius of 5200 feet and a central angle of 10°08'00"; thence along said curve an arc length of 919.57 feet; thence North 01°05'44" East 1763.26 feet to the Point of Beginning.

COPY

REQUESTED BY  
**LAWYERS TITLE**  
IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

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SUZANNE BEAUDREAU  
RECORDER

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