

ASSIGNMENT OF PERMITS, LICENSES AND CONTRACTS

THIS AGREEMENT 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 "Assignor", party of the first part, and SOUTHERN BANKERS MORTGAGE CORP., a Texas corporation, Secured Party and Assignee, hereinafter referred to as "Assignee", party of the second part.

R E C I T A L S:

WHEREAS:

A. Pursuant to that certain Loan Agreement of even date herewith (hereinafter referred to as the "Loan Agreement") executed by and between Assignor, as Borrower, and Assignee, as Lender, Assignee 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.

B. 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.

C. As additional security for the repayment of the indebtedness in the aggregate principal amount of \$3,600,000 together with the interest thereon at a rate or rates provided for in the Notes from Assignor to Assignee, and to further secure performance by Assignor of all other terms and conditions herein and in connection with the Loans made from Assignee to Assignor, the parties do desire that Assignee be granted an assignment of all assignable permits, licenses and contracts, if any, which now or may in the future pertain to or relate to, affect or be used in connection with the Real Property.

NOW, THEREFORE, in consideration of the Loan from Assignee to Assignor and of the promises and covenants contained herein, Assignor assigns to Assignee all of the right, title and interest of the Assignor in and to all assignable permits, licenses and contracts, if any, which now or may in the future pertain to, relate to, affect or be used in connection with the Real Property as follows:

1. Assignor has granted, bargained, sold, assigned, transferred and set over and by these presents does hereby grant, bargain, sell, assign, transfer and set over unto Assignee, its respective successors and assigns, all the rights, interests and privileges which the Assignor has or may have in or under all assignable permits, licenses and contracts, if any, which now or may in the future pertain to, relate to, affect or be used in connection with the Real Property, including, without limiting the generality of the foregoing, the present and continuing right with full power and authority, in its own name, or in

the name of Assignor, or otherwise, (i) to make claim for, enforce, perform, collect, receive, and receipt for any and all rights under such assignable permits, licenses and contracts, (ii) to do any and all things which Assignor is or may become entitled to do under the said assignable permits, licenses and contracts, and (iii) to make all waivers and agreements, give all notices, consents and releases and other instruments and to do any and all other things whatsoever which Assignor is or may become entitled to do under the said assignable permits, licenses and contracts.

2. The acceptance of this Assignment and the payment or performance under the assignable permits, licenses and contracts hereby assigned shall not constitute a waiver of any rights of the Assignee under the terms of the Deed of Trust, or other Loan Document for the benefit of Assignee, it being understood that, until the occurrence of an Event of Default and the exercise of Assignee's rights under Section 3 hereof, the Assignor shall have all rights to said assignable permits, licenses and contracts and to retain, use and enjoy the same.

3. The Assignor, upon the occurrence of an Event of Default, hereby authorizes the Assignee, at its option, to do all acts required or permitted under said assignable permits, licenses and contracts and perform such other acts in connection with the management and operation of the subject property as the Assignee in its discretion may deem proper.

4. The Assignee shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by the Assignor under said assignable permits, licenses and contracts, and the Assignor hereby agrees to indemnify the Assignee for, and to save it harmless from, any and all liability arising under said assignable permits, licenses and contracts.

5. Assignor agrees that this Assignment and the designation and directions herein set forth are irrevocable, and that it will not, while this Assignment, or such designation and directions are in effect or thereafter so long as the Loan Documents shall be outstanding, make any other assignment, designation or direction inconsistent therewith, and that any assignment, designation or direction inconsistent herewith shall be void. Assignor will from time to time, upon the request of Assignee, execute all instruments of further assurance and all such supplemental instruments as Assignee may specify.

6. Neither this Assignment nor any action or inaction on the part of Assignee shall constitute an assumption on the part of Assignee of any obligations or duties under said assignable permits, licenses and contracts.

7. The full performance of the terms contained in the Loan Documents and the duly recorded reconveyance of the Deed of Trust shall render this Assignment void. Upon such performance of the Loan Documents, the Assignee, at the request and the expense of the Assignor, will deliver to the Assignor or as the Assignor shall direct, either an

