

Prepared by and when
recorded mail to:

James L. Morgan, Esq.
Henderson & Morgan, LLC
164 Hubbard Way, Suite B
Reno, NV 89502

SL 224270

REAFFIRMATION OF SUBORDINATION AGREEMENT;
ACKNOWLEDGMENT OF LEASE ASSIGNMENT,
ESTOPPEL, ATTORNMENT AND
NON-DISTURBANCE AGREEMENT

THIS REAFFIRMATION OF SUBORDINATION AGREEMENT; ACKNOWLEDGMENT OF LEASE ASSIGNMENT, ESTOPPEL, ATTORNMENT AND NON-DISTURBANCE AGREEMENT ("Reaffirmation") is made and entered into as of January 27, 1999, by and among HARVEYS TAHOE MANAGEMENT COMPANY, INC., a Nevada corporation (the "Owner"), HARD ROCK CAFE INTERNATIONAL (USA), INC., dba HARD ROCK CAFE - LAKE TAHOE, a Florida corporation ("Lessee") and WELLS FARGO BANK, National Association ("WFB") (the successor by merger to First Interstate Bank of Nevada, N.A.), as Agent Bank for the Lenders, the Swingline Lender and the L/C Issuer, all of which are defined and described in the Credit Agreement referred to below (with WFB being referred to herein, in such capacity, together with its successors and assigns, as "Agent Bank").

R E C I T A L S:

A. Harveys Casino Resorts, a Nevada corporation ("HCR"), Harveys C.C. Management Company, Inc., a Nevada corporation and Harveys Iowa Management Company, Inc., a Nevada corporation (collectively, the "Original Borrowers") entered into that certain Reducing Revolving Credit Agreement (the "Original Credit Agreement") under date of August 14, 1995, with the "Lenders" referred to therein (the "Original Lenders"), the "Swingline Lender" referred to therein (the "Original Swingline Lender"), the "L/C Issuer" referred to therein (the "Original L/C Issuer") and First Interstate Bank of Nevada, N.A. as agent for the Original Lenders, the Original Swingline Lender and the Original L/C Issuer (in such capacity, the "Original Agent" and, together with the Original Lenders, the Original Swingline Lender and the Original L/C Issuer, the "Original Banks"); all pursuant to which, among

sub-htm.ag/hcr98-2
010499mmf

LAW OFFICES OF
HENDERSON & MORGAN, LLC
164 HUBBARD WAY
SUITE B
RENO, NEVADA 89502

0459905

BK0199PG5886

other things, the Original Lenders, the Original Swingline Lender and the Original L/C Issuer provided certain credit facilities for the benefit of the Original Borrowers (collectively, the "Existing Bank Facilities").

B. As security for, among other things, Original Borrowers' payment and performance under the Original Credit Agreement and the Existing Bank Facilities, HCR, as debtor and trustor, executed and delivered a Leasehold and Fee Deed of Trust, Fixture Filing and Security Agreement with Assignment of Rents (Tahoe), under date of August 14, 1995, for the benefit of Original Agent as secured party and beneficiary, which instrument was recorded in the Official Records of Douglas County, Nevada (the "Official Records") on August 16, 1995 in Book 0895 at Page 2526 as Document No. 368422 (the "Existing Deed of Trust"). The real property encumbered by the Existing Deed of Trust is referred to herein as the "Property".

C. The Original Credit Agreement was amended by: (i) a First Amendment to Reducing Revolving Credit Agreement dated May 15, 1996 by and among Original Borrowers, Harveys Wagon Wheel Casino Limited Liability Company, a Colorado limited liability company ("HWLLC"), as an additional borrower, and the Original Banks (or, where applicable, their respective successors and assigns); (ii) a Second Amendment to Reducing Revolving Credit Agreement dated May 23, 1996 by and among Original Borrowers, HWLLC and the Original Banks (or, where applicable, their respective successors and assigns); (iii) a Third Amendment to Reducing Revolving Credit Agreement dated September 30, 1996 by and among Original Borrowers, HWLLC and the Original Banks (or, where applicable, their respective successors and assigns); and (iv) a Fourth Amendment to Reducing Revolving Credit Agreement dated July 25, 1997 (the "Fourth Amendment to Credit Agreement") by and among Original Borrowers, HWLLC, Owner as an additional borrower, and HCR Services Company, Inc., a Nevada corporation ("HCRSC") as an additional borrower (collectively, the "Existing Borrowers"), and the Original Banks (or, where applicable, their respective successors and assigns); with the Original Credit Agreement, as so amended, being collectively referred to herein as the "Existing Credit Agreement".

D. Concurrently with execution and delivery of the Fourth Amendment to Credit Agreement, HCR conveyed the Property to Owner, and Owner assumed, among other things: (i) all obligations of HCR under the Existing Deed of Trust; (ii) all obligations which were secured by the Existing Deed

sub-htm.agt/hcr98-2
010499mmf

2

LAW OFFICES OF
HENDERSON & MORGAN, LLC
164 HUBBARD WAY
SUITE B
RENO, NEVADA 89502

0459905

BK0199PG5887

of Trust (on a joint and several basis with the other Existing Borrowers); and (iii) all other obligations of HCR relating to the Property.

E. Owner and Lessee entered into a Lease Agreement (the "Lease") pursuant to which Owner leased a portion of the Property to Lessee, which portion consists of approximately seven thousand five hundred eighty-seven (7,587) aggregate square feet of space (more particularly described in the Lease as the "Premises"), together with various additional rights and appurtenances (collectively, the "Leasehold"), all for an initial term of ten (10) years with two (2) separate renewal options, each for a period of five (5) years. Record notice of the Lease is granted pursuant to that certain Memorandum of Lease which is recorded in the Official Records on March 17, 1998 in Book 398 at Page 3631 as Document No. 435100 and rerecorded on April 24, 1998 in Book 498 at Page 4924 as Document No. 438185.

F. Concurrently, or substantially concurrent, with execution and delivery of the Lease, Owner, Lessee and Agent Bank executed and delivered a Subordination Agreement; Acknowledgment of Lease Assignment, Estoppel, Attornment and Non-Disturbance Agreement which was recorded in the Official Records on April 9, 1998 in Book 0498 at Page 1465 as Document No. 0436882 (the "Existing Subordination Agreement") pursuant to which, among other things: (i) all of Lessee's interest under the Lease was subordinated to the lien of the Existing Deed of Trust; (ii) Lessee granted certain consents and made certain acknowledgments and representations regarding the Lease; (iii) Agent Bank agreed that the Lease would remain in full force and effect subsequent to foreclosure under the Existing Deed of Trust (a "Deed of Trust Foreclosure"); and (iv) Lessee agreed to attorn to any transferee under a Deed of Trust Foreclosure; all as more particularly set forth therein.

G. On December 9, 1998, Original Borrowers, Owner and HCR Services Company, Inc., a Nevada corporation (collectively, "Borrowers") have entered into an Amended and Restated Credit Agreement (as it may be extended, renewed, amended, restated or otherwise modified, from time to time, the "Credit Agreement") with the Lenders therein named, the Swingline Lender therein named, the L/C Issuer therein named and Agent Bank, as administrative and collateral agent for said Lenders, Swingline Lender and L/C Issuer (with Agent Bank being referred to herein, together with said Lenders, Swingline Lender, L/C Issuer, and their respective successors and assigns, as the "Banks"), all pursuant to which, among

sub-htm.agt/hcr98-2
010499mmf

3

0459905

BK0199PG5888

other things, the terms and conditions of the Existing Credit Agreement and the Existing Bank Facilities have been amended and restated. The Existing Bank Facilities, as so amended and restated, and as they may hereafter be amended, restated or otherwise modified, are collectively referred to herein as the "Restated Bank Facilities".

H. Concurrently, or substantially concurrent, herewith Owner and Agent Bank have executed and delivered an Amended and Restated Leasehold and Fee Deed of Trust, Fixture Filing and Security Agreement with Assignment of Rents and Notice of Additional Commitment (as it may hereafter be amended, restated or otherwise modified from time to time, the "Restated Deed of Trust"), which has been recorded in the Official Records, also concurrently, or substantially concurrent, herewith and pursuant to which, among other things, the Existing Deed of Trust has been amended and restated for the purpose of confirming that it secures performance under the Credit Agreement and the Restated Bank Facilities, all in accordance with the Credit Agreement.

I. The Banks have required, as a condition of the credit accommodations which are provided by the Credit Agreement, that Lessee and Owner reaffirm the Existing Subordination Agreement in order to evidence their agreement that the terms and conditions of the Existing Subordination Agreement shall be applicable, in all respects, to the Restated Deed of Trust.

NOW, THEREFORE, Lessee, Agent Bank and Owner hereby represent and agree as follows:

1. Lessee hereby consents to the Restated Deed of Trust.

2. Lessee and Owner agree that the terms and conditions of the Existing Subordination Agreement, as they apply to the Existing Deed of Trust, shall be applicable to the Restated Deed of Trust.

3. All references in the Existing Subordination Agreement to:

(a) "Agent Bank" shall have the meaning set forth by the Preamble to this Reaffirmation.

(b) "Agreement" shall mean the Existing Subordination Agreement, as modified hereby.

(c) "Bank Facilities" shall be to the Restated Bank Facilities.

(d) "Banks" shall have the meaning set forth by Recital G of this Reaffirmation.

(e) "Deed of Trust" shall be to the Restated Deed of Trust.

4. Lessee represents to Agent Bank that the representations set forth by Section 3 of the Existing Subordination Agreement are true and correct, in all material respects, as of the date hereof.

5. The address for notice to Agent Bank, in accordance with Subsection 7.2 of the Existing Subordination Agreement shall be as follows:

"Agent Bank"

Wells Fargo Bank, National Association
Reno Commercial Banking Group
MAC No. 4571-031
One East First Street, Suite 300
Reno, Nevada 89501
Facsimile No. (702) 334-5637
Attention: Sue Fuller, Vice President

with a copy to:

Henderson & Morgan, LLC
164 Hubbard Way, Suite B
Reno, Nevada 89502
Facsimile No. (702) 825-7738
Attention: Timothy J. Henderson, Esq.

6. Except as modified hereby, the Existing Subordination Agreement shall remain unchanged and of full force and effect.

7. This Reaffirmation may be executed in any number of separate counterparts with the same effect as if the signatures hereto and hereby were upon the same instrument. All such counterparts shall together constitute one and the same document.

sub-htm.agt/hcr98-2
010499mmf

5

LAW OFFICES OF
HENDERSON & MORGAN, LLC
164 HUBBARD WAY
SUITE B
RENO, NEVADA 89502

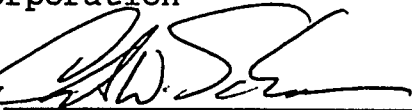
0459905

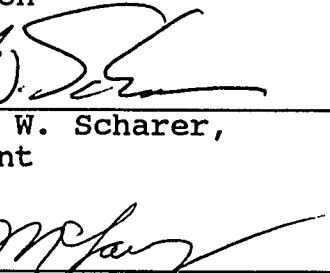
BK0199PG5890

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

OWNER:


HARVEYS TAHOE MANAGEMENT COMPANY, INC., a Nevada corporation

By 
Charles W. Scharer,
President

By 
John McLaughlin,
Secretary/Treasurer


AGENT BANK:

WELLS FARGO BANK, National Association, as Agent Bank

By 
Sue Fuller,
Vice President

LESSEE:

HARD ROCK CAFE INTERNATIONAL (USA), INC., dba HARD ROCK CAFE - LAKE TAHOE, a Florida corporation

By 
Name Horace G. Dawson, III
Title Vice President, Business Affairs and General Counsel

STATE OF NEVADA)
 :
 COUNTY OF WASHOE) SS

This instrument was acknowledged before me on January 27, 1999, by CHARLES W. SCHARER as President of HARVEYS TAHOE MANAGEMENT COMPANY, INC.

Melissa M Fry
NOTARY PUBLIC

STATE OF NEVADA)
 :
 COUNTY OF WASHOE) SS



This instrument was acknowledged before me on January 27, 1999, by JOHN McLAUGHLIN as Secretary and Treasurer of HARVEYS TAHOE MANAGEMENT COMPANY, INC.

Melissa M Fry
NOTARY PUBLIC

STATE OF NEVADA)
 :
 COUNTY OF WASHOE) SS



This instrument was acknowledged before me on January 27, 1999, by SUE FULLER as Vice President of WELLS FARGO BANK, N.A.

Melissa M Fry
NOTARY PUBLIC




0459905

BK0199PG5892

STATE OF Florida)
) SS
COUNTY OF Orange)

This instrument was acknowledged before me on January 8, 1999, by Horace G. Dawson III of as Vice President, Business Affairs
HARD ROCK CAFE INTERNATIONAL (USA), INC., dba HARD ROCK CAFE -
LAKE TAHOE, a Florida corporation.

Teresa A Steen
Notary Public

 Teresa A Steen
My Commission CC783110
Expires November 24, 2002

COPY

REQUESTED BY
WESTERN TITLE COMPANY, INC.
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'99 JAN 29 A11:52

LINDA SLATER
RECORDER
\$14.60 PAID KY DEPUTY

sub-htm.agt/hcr98-2
010499mmf

8

LAW OFFICES OF
HENDERSON & MORGAN, LLC
164 HUBBARD WAY
SUITE B
RENO, NEVADA 89502

0459905
BK0199PG5893