

A Portion of APN: 07-140-09  
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Prepared by and when  
recorded mail to:

James L. Morgan, Esq.  
Henderson & Morgan, LLC  
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Reno, NV 89502

56204270

**SECOND REAFFIRMATION OF SUBORDINATION AGREEMENT;  
ACKNOWLEDGMENT OF LEASE ASSIGNMENT, ESTOPPEL,  
ATTORNNMENT AND NON-DISTURBANCE AGREEMENT**

THIS SECOND REAFFIRMATION OF SUBORDINATION AGREEMENT; ACKNOWLEDGMENT OF LEASE ASSIGNMENT, ESTOPPEL, ATTORNNMENT AND NON-DISTURBANCE AGREEMENT ("Second Reaffirmation") is made and entered into as of October 5, 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"), 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 and letter of credit issuer referred to therein and with First Interstate Bank of Nevada, N.A., as Agent Bank for said lenders and letter of credit issuer (in such capacity, the "Original Agent" and, together with said lenders and letter of credit issuer, the "Original Banks"); all pursuant to which, among other things, the Original Banks provided certain credit facilities for the benefit of the Original Borrowers (collectively, the "Original Bank Facilities").

B. As security for, among other things, Original Borrowers' payment and performance under the Original Credit

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Agreement and the Original 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 "Original Deed of Trust"). The real property encumbered by the Original Deed of Trust which includes, without limitation, the real property described by "Exhibit A" attached hereto and incorporated by reference herein, is referred to herein as the "Property".

C. Thereafter, the Original Credit Agreement was amended, from time to time, by various instruments pursuant to which, among other things: (i) Harveys Wagon Wheel Casino Limited Liability Company, a Colorado limited liability company ("HWLLC"), HCR Services Company, Inc., a Nevada corporation ("HCRSC") and Owner became additional borrowers; and (ii) as the successor by merger to Original Agent, WFB was recognized as Agent Bank; under the Original Credit Agreement, as so amended.

D. On or about July 25, 1997, HCR conveyed the Property to Owner, and Owner assumed, among other things: (i) all obligations of HCR under the Original Deed of Trust; and (ii) all other obligations of HCR relating to the Property.

E. On, or about, January 16, 1998 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, together with various additional rights and appurtenances (collectively, the "Leasehold"), all in accordance with the terms and conditions set forth therein. 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

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Records on April 9, 1998 in Book 0498 at Page 1465 as Document No. 0436882 (the "Original Subordination Agreement") pursuant to which, among other things: (i) all of Lessee's interest under the Lease was subordinated to the lien of the Original 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 Original 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 HCRSC (collectively, the "Existing Borrowers") entered into an Amended and Restated Credit Agreement (the "Existing Credit Agreement") with the Original Banks (or, where applicable, their successors and assigns), all pursuant to which, among other things, the terms and conditions of the Original Credit Agreement, as so amended, and the Original Bank Facilities, as so amended, have been amended and restated. The Original Bank Facilities, as so amended and restated, are collectively referred to herein as the "Existing Bank Facilities".

H. Concurrently, or substantially concurrent, with execution and delivery of the Existing Credit Agreement: (i) Owner and Agent Bank 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 (the "Existing Deed of Trust"), which was recorded in the Official Records, on January 29, 1999 in Book 0199 at Page 5809 as Document No. 0459899 and pursuant to which, among other things, the Original Deed of Trust was amended and restated for the purpose of confirming that it secured performance under the Existing Credit Agreement and the Existing Bank Facilities; and (ii) Owner, Lessee and WFB executed and delivered that certain Reaffirmation of Subordination Agreement; Acknowledgment of Lease Assignment, Estoppel, Attornment and Non-Disturbance Agreement (the "First Reaffirmation") which was recorded in the Official Records on January 29, 1999 in Book 0199 at Page 5886 as Document No. 0459905 pursuant to which, among other things, Lessee consented to the Existing Deed of Trust and it was agreed and acknowledged that the terms and conditions of the Original Subordination Agreement, as modified thereby, were applicable to the Existing Deed of Trust. The Original Subordination Agreement, as modified by the First

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Reaffirmation, is referred to herein as the "Existing Subordination Agreement".

I. Concurrently, or substantially concurrent, herewith, Existing Borrowers, HBR Realty Company, Inc., a Nevada corporation ("HBR") and HBR Management Company, Inc., a Nevada corporation ("HBRMC") (collectively, "Borrowers") have entered into a Second 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 (together with their successors and assigns, in such capacity, the "Lenders"), the Swingline Lender therein named (together with its successors and assigns, in such capacity, the "Swingline Lender"), the L/C Issuer therein named (together with its successors and assigns, the "L/C Issuer") and Agent Bank (with Agent Bank being referred to herein, together with said Lenders, Swingline Lender and L/C Issuer as the "Banks"), all pursuant to which, among other things, the terms and conditions of the Existing Credit Agreement and the Existing Bank Facilities have all been amended and restated, all as more particularly set forth therein. The Existing Bank Facilities, as so modified, and as they may hereafter be amended, restated, or otherwise modified, are collectively referred to herein as the "Bank Facilities".

J. Also concurrently, or substantially concurrent, herewith: (i) Owner and Agent Bank have executed and delivered a First Amendment to Amended and Restated Deed of Trust and Security Agreement with Assignment of Rents and Notice of Additional Commitment (the "First Amendment to Deed of Trust") pursuant to which, among other things, the Existing Deed of Trust has been amended for the purpose, among other things, of confirming that it secures performance under the Credit Agreement and the Bank Facilities; and (ii) the First Amendment to Deed of Trust has been recorded in the Official Records; all as required by the Credit Agreement. The Existing Deed of Trust, as amended by the First Amendment to Deed of Trust, and as it may hereafter be amended, restated or otherwise modified from time to time, is collectively referred to herein as the "Amended Deed of Trust".

K. 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

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Agreement shall be applicable, in all respects, to the Amended Deed of Trust.

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

1. Lessee hereby consents to the First Amendment to Deed of Trust.

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

3. All references in the Existing Subordination Agreement to:

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

(b) "Bank Facilities" shall have the meaning set forth by Recital I of this Second Reaffirmation.

(c) "Banks" shall have the meaning set forth by Recital I of this Second Reaffirmation.

(d) "Deed of Trust" shall be to the Amended 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. Except as modified hereby, the Existing Subordination Agreement shall remain unchanged and of full force and effect.

6. This Second 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.

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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 [Signature]  
Charles W. Scharer,  
President

**AGENT BANK:**

WELLS FARGO BANK, National Association, as Agent Bank

By [Signature]  
Sue Fuller,  
Vice President

By [Signature]  
John McLaughlin,  
Secretary/Treasurer

**LESSEE:**

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

By [Signature]

Name HORACE G. DAWSON, III

Title VICE PRESIDENT, BUSINESS AFFAIRS & GENERAL COUNSEL

STATE OF NEVADA )  
  ) SS  
COUNTY OF Washoe )

This instrument was acknowledged before me on Oct. 4, 1999, by CHARLES W. SCHARER as President of HARVEYS TAHOE MANAGEMENT COMPANY, INC.

[Signature]  
Notary Public

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STATE OF NEVADA )  
 ) SS  
COUNTY OF Washoe )

This instrument was acknowledged before me on October 4, 1999, by JOHN McLAUGHLIN as Secretary and Treasurer of HARVEYS TAHOE MANAGEMENT COMPANY, INC.

Melissa M Fry  
Notary Public



STATE OF NEVADA )  
 ) SS  
COUNTY OF Washoe )

This instrument was acknowledged before me on October 4, 1999, by SUE FULLER as Vice President of HARVEYS IOWA MANAGEMENT COMPANY, INC.

Melissa M Fry  
Notary Public



STATE OF FLORIDA )  
 ) SS  
COUNTY OF ORANGE )

This instrument was acknowledged before me on September 23, 1999, by HORACE G. DAWSON, III of HARD ROCK CAFE INTERNATIONAL (USA), INC., dba HARD ROCK CAFE -LAKE TAHOE, a Florida corporation.

Catherine Van Kirk  
Notary Public



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PARCEL 1:

All the 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  $27^{\circ}57'22''$  East along the Westerly line of said U.S. Highway 50, a distance of 154.80 feet; thence North  $56^{\circ}30'$  West, a distance of 291.50 feet; thence North  $27^{\circ}57'22''$  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  $80^{\circ}14'14''$  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  $48^{\circ}43'15''$  East, a distance of 211.24 feet and South  $41^{\circ}16'45''$  West, a distance of 50.00 feet to a point on said California-Nevada State Line; thence South  $48^{\circ}43'15''$  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.

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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  $27^{\circ}57'22''$  East to the intersection of the California-Nevada State Line boundary with the Westerly right of way of the Nevada U.S. Route 50; thence first course North  $27^{\circ}57'22''$  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  $80^{\circ}14'14''$  West, a distance of 305.48 feet; thence third course South  $27^{\circ}57'22''$  West, a distance of 266.35 feet; thence fourth course South  $56^{\circ}30'$  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.

EXCEPTING THEREFROM a parcel of land located within a portion of section 27, Township 13  
(Continued)

**EXHIBIT A**

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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  $27^{\circ}57'22''$  East, 449.50 feet along the Westerly right of way line of U.S. Highway 50 to the point of beginning; thence North  $62^{\circ}02'38''$  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  $80^{\circ}14'14''$  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  $27^{\circ}57'22''$  West, 95.29 feet along said Westerly right of way line of U.S. Highway 50 to the point of beginning.

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PARCEL 3:

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.

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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.

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REQUESTED BY  
**WESTERN TITLE COMPANY, INC.**

**IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA**

**1999 OCT -6 PM 3: 59**

**LINDA SLATER  
RECORDER**

**0478240**

**BK 1099PG 1055**

**\$16<sup>00</sup> PAID *KJ* DEPUTY**