

WHEN RECORDED, MAIL TO:

Nevada State Development Corp.
6572 South McCarran Blvd.
Reno, Nevada 89509

REASSIGNMENT OF LEASE

IN CONSIDERATION of the Guarantee by SMALL BUSINESS ADMINISTRATION of a Debenture in the amount of THREE HUNDRED FIFTY-TWO THOUSAND AND NO/100THS (\$352,000.00), issued by NEVADA STATE DEVELOPMENT CORPORATION (which Debenture is identified as Project: "J & S FLOORS, INC."), said NEVADA STATE DEVELOPMENT CORPORATION hereby assigns and transfers to the SMALL BUSINESS ADMINISTRATION, an Agency of the United States, all its right, title and interest in and to (i) that certain Standard Industrial/Commercial Multi-Tenant Lease Agreement dated July 20, 2001, by and between J& M Schwartz, LLC, as landlord, and J&S Floors, as tenant (the "Lease") with respect to all or a portion of the real property described on **Exhibit "A"** attached hereto and the improvements thereon, and (ii) the Assignment of Leases and Rents for Security and Subordination dated October 4, 2001, by J& M SCHWARTZ, LLC and J&S FLOORS in favor of NEVADA STATE DEVELOPMENT CORPORATION, pursuant to which J& M SCHWARTZ, LLC assigned to NEVADA STATE DEVELOPMENT CORPORATION all its rights as landlord under the Lease, and J&S FLOORS assigned to NEVADA STATE DEVELOPMENT CORPORATION all its rights as tenant under the Lease.

DATED: this 3rd day of November, 2001.

NEVADA STATE DEVELOPMENT CORPORATION,
a Nevada corporation

By: Roberta Bennett
ROBERTA BENNETT, President

STATE OF NEVADA)
)ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on the 2nd day of November, 2001, by ROBERTA BENNETT, as President of NEVADA STATE DEVELOPMENT CORPORATION, a Nevada corporation.



Stephanie Morris
NOTARY PUBLIC
My Commission Expires: 8/2/03

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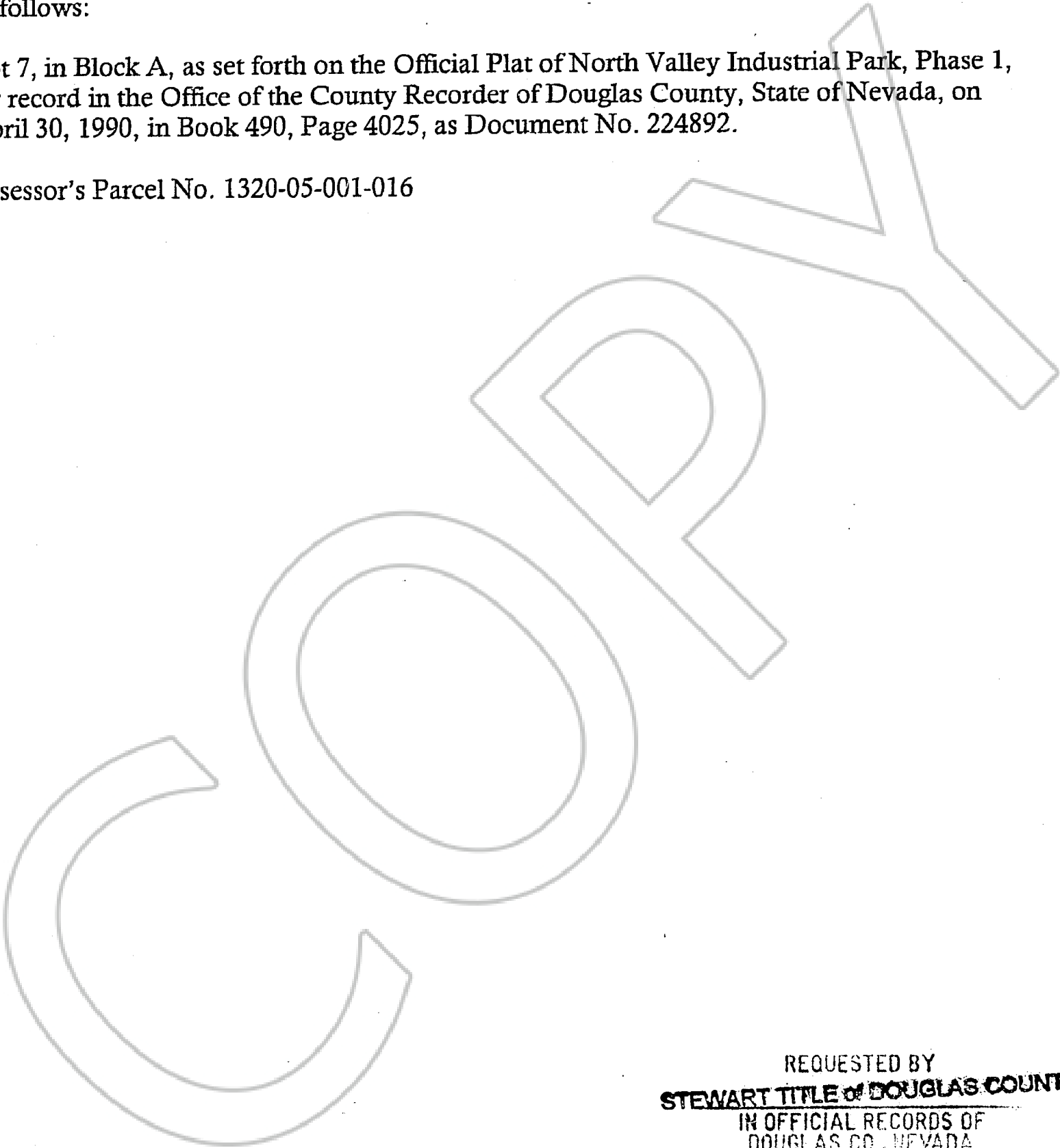
EXHIBIT "A"

Legal Description

The land referred to herein is situated in the State of Nevada, County of Douglas, described as follows:

Lot 7, in Block A, as set forth on the Official Plat of North Valley Industrial Park, Phase 1, for record in the Office of the County Recorder of Douglas County, State of Nevada, on April 30, 1990, in Book 490, Page 4025, as Document No. 224892.

Assessor's Parcel No. 1320-05-001-016



REQUESTED BY
STEWART TITLE & DOUGLAS COUNTY
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

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LINDA SLATER
RECORDER

\$15⁰⁰ PAID *K2* DEPUTY

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