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APN 07-140-11, 07-030-07

When recorded mail to:

Timothy J. Henderson, Esq.  
Henderson & Morgan, LLC  
164 Hubbard Way, Suite B  
Reno, NV 89502

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**ASSIGNMENT OF ENTITLEMENTS, CONTRACTS,  
RENTS AND REVENUES**

THIS ASSIGNMENT OF ENTITLEMENTS, CONTRACTS, RENTS AND REVENUES ("Assignment") is made and entered into as of March 25, 2002, by and between WIMAR TAHOE CORPORATION, a Nevada corporation, hereinafter referred to as "Assignor", and WELLS FARGO BANK, National Association, together with its successors and assigns, the "Lender", party of the second part.

**R\_E\_C\_I\_T\_A\_L\_S:**

**WHEREAS:**

A. Reference is made to the real property which is situate in the County of Douglas, State of Nevada and which is particularly described by "Exhibit A" attached hereto (the "Land"). Assignor is the lessee of the Land. All references herein to the "Real Property" shall be to: (i) the Land; (ii) all real property which is adjacent to, or used in connection with, the Land and in which Assignor now owns, or hereafter acquires, an interest (the "Adjacent Property"); and (iii) all tenements, hereditaments and appurtenances to the Land or the Adjacent Property.

B. Reference is also made to that certain Loan Agreement (as it may be hereafter renewed, extended, amended, restated or otherwise modified, the "Loan Agreement") executed concurrently, or substantially concurrent, herewith by and among Assignor, Columbia Sussex Corporation, a Kentucky corporation, as guarantor ("Guarantor") and Lender. All capitalized words and terms which are used herein (and which are not otherwise 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.

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C. Pursuant to the Loan Agreement, and subject to the terms and conditions specified therein, the Lender has agreed to fund a term loan to Borrower in the amount of Eight Million Seven Hundred Thousand Dollars (\$8,700,000.00) (together with all extensions, renewals, amendments, substitutions and other modifications thereof, the "Loan").

D. It is a condition of the Loan that all of Assignor's present and future right, title and interest in and to:

(i) all assignable leases and purchase contracts which are now existing or are hereafter entered into, for furniture, fixtures, equipment, signs and other items of personal property which are used in connection with, or which relate to: (aa) the Real Property; (bb) the hotel, casino and resort business and related activities which are now, or are hereafter, to be conducted by, or on behalf of, Assignor on the Real Property (collectively, the "Hotel/Casino Facility"); or (cc) any other business activity now, or hereafter, conducted by, or on behalf of, Assignor on, or in connection with, the Real Property (collectively, the "Additional Business(es)"); all together with any and all modifications, extensions, or renewals thereof (collectively, the "Equipment Agreements");

(ii) all assignable leases, subleases, licenses, concessions, franchises and other use or occupancy agreements which now exist or are hereafter entered into and which relate to any portion of the Real Property, and all guarantees, extensions, renewals, amendments and modifications thereof (collectively, the "Spaceleases");

(iii) all present and future rents, issues, profits, products, earnings, accounts, rights, benefits, income, proceeds, payments, revenue, receipts and deposits of any kind or nature (collectively, the "Proceeds") which relate to, or are derived from, the Real Property, the Hotel/Casino Facility, or any Additional Business, including, without limitation, present and future Proceeds, of any nature whatsoever, derived from, or received with respect to, casinos, bars, restaurants, hotel rooms, spa facilities, banquet facilities, convention facilities, retail premises and other facilities related to, or used in connection with, the Real Property, the Hotel/Casino Facility, and/or any Additional Business, and also including without limitation, Proceeds from any of the Spaceleases (collectively, the "Rents and Revenues"); and

(iv) all present and future assignable permits, licenses, warranties, contracts and other entitlements, if any, which are issued, granted, agreed to, or entered into in connection with, or relating to, the Real Property, the

Hotel/Casino Facility or any Additional Business, together with any and all modifications, extensions or renewals thereof (collectively the "Entitlements");

be presently assigned to Lender in consideration of the Loan upon the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the Loan, Assignor does hereby presently, absolutely and unconditionally assign to the Lender all of its right, title and interest in and to the Equipment Agreements, the Spaceleases, the Rents and Revenues and the Entitlements as follows:

1. Assignor does hereby grant, assign and convey unto Lender all the right, title, interest and privilege which Assignor has or may hereafter acquire, in or to: (i) all assignable Equipment Agreements, Spaceleases and/or Entitlements; and (ii) the Rents and Revenues. Without limiting the generality of the foregoing, and subject to the provisions of Sections 4 and 5 below, Lender shall have the present and continuing right with full power and authority, in its own name, or in the name of Assignor, or otherwise: (aa) to do any and all things which Assignor may be or may become entitled to do under the Equipment Agreements, Spaceleases, and/or Entitlements and the right 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 may be or may become entitled to do under said Equipment Agreements, Spaceleases and/or Entitlements; and (bb) to make claim for, enforce, collect, receive and make receipt (in its own name, in the name of Assignor, or otherwise) for any and all of the Rents and Revenues and to do any and all things which Assignor is or may become entitled to do for the collection of the Rents and Revenues.

2. The acceptance of this Assignment and the payment or performance under the Equipment Agreements, the Spaceleases, the Rents and Revenues and/or Entitlements hereby assigned shall not constitute a waiver of any rights of the Lender under the terms of the Loan Agreement or any other Loan Document for the benefit of any of the Lender.

3. Assignor shall keep and perform the following with respect to the Equipment Agreements, the Spaceleases and the Entitlements:

(a) Except as may be permitted in the Loan Agreement, Assignor will not further assign any interest in the Equipment Agreements, in the Spaceleases, or in the Entitlements, or create or permit any lien, charge, or encumbrance upon its interests in the Equipment Agreements, in the Spaceleases or in the Entitlements;

(b) Assignor will not, without the prior written consent of Lender:

(i) cause, or consent to, any cancellation, termination or surrender of any Equipment Agreement, Spacelease or Entitlement if such cancellation, termination or surrender would be reasonably likely to materially and adversely affect either the Hotel/Casino Facility or any Additional Business (except for any cancellation or termination of an Equipment Agreement, Spacelease or Entitlement which is caused by a default thereunder on the part of a party other than Assignor or one of its Affiliates);

(ii) permit any event to occur which would entitle any party to an Equipment Agreement, Spacelease or Entitlement to terminate or cancel said Equipment Agreement, Spacelease or Entitlement if such cancellation or termination would be reasonably likely to materially and adversely affect either the Hotel/Casino Facility or any Additional Business (except any cancellation or termination of an Equipment Agreement, Spacelease or Entitlement which is caused by a default thereunder on the part of a party other than Assignor or one of its Affiliates);

(iii) amend or modify any of the Equipment Agreements or the Spaceleases or any of the Entitlements if such amendment or modification would be reasonably likely to materially and adversely affect either the Hotel/Casino Facility or any Additional Business;

(iv) waive any default under or breach of any Equipment Agreements, any Spaceleases or any Entitlements except for any waiver that would not be reasonably likely to result in any material adverse affect on either the Hotel/Casino Facility or any Additional Business; or

(v) give any consent, waiver or approval which would impair Assignor's interest in any of the Equipment Agreements, any of the Spaceleases or any of the Entitlements if such consent, waiver or approval would be reasonably likely to materially and adversely affect either the Hotel/Casino Facility or any Additional Business.

(c) Assignor will promptly notify Lender of the occurrence of any default under any of the Equipment Agreements, Spaceleases and/or Entitlements, which, if left uncured, would be reasonably likely to materially and adversely affect either the Hotel/Casino Facility or any Additional Business.

4. Notwithstanding anything to the contrary contained in this Assignment, it is understood and agreed that so long as there shall exist no Event of Default under the Loan Agreement there is reserved to Assignor a revocable license to retain, use and enjoy the Equipment Agreements, the Spaceleases, the Entitlements and the properties and entitlements which are the subject thereof. Upon the occurrence of an Event of Default, such license granted to Assignor may be immediately revoked by

Lender (except that, upon occurrence of an Event of Default under subsections 7.01(f), (g) or (h) of the Loan Agreement, such license granted to Assignor shall be automatically revoked) without further demand or notice and Lender is hereby empowered to enter and take possession of the Real Property and to use, manage and operate the same and to do all acts required or permitted by the Equipment Agreements, the Spaceleases and/or the Entitlements, and perform such other acts in connection with the use, management and operation of the property and entitlements, which are the subject of the Equipment Agreements, the Spaceleases and the Entitlements as Lender, in its sole discretion, may deem proper (including, without limitation, such acts as are otherwise authorized under this Assignment). Lender agrees that, until such license granted to Assignor has been revoked, as set forth above, Lender shall refrain from exercising its rights and remedies which are granted with respect to the Equipment Agreements, the Spaceleases, and/or the properties they concern under Section 1 of this Assignment or under this Section 4. Should the Event of Default which resulted in any such revocation be cured prior to foreclosure, deed-in-lieu of foreclosure, or a similar conveyance under the Deed of Trust, then such license granted to Assignor shall be immediately reinstated without further demand or notice and Lender shall, as soon as reasonably possible, redeliver to Assignor possession of the Equipment Agreements, of the Spaceleases and of the Entitlements (and, at the expense of Assignor, shall execute such notices to third parties as Assignor may reasonably request) and the parties hereto shall each be restored to, and be reinstated in, their respective rights and positions hereunder as if the Event of Default had not occurred (without impairment of or limitation on Lender's right to proceed hereunder upon subsequent Events of Default).

5. It is also understood and agreed that so long as there shall exist no Event of Default under the Loan Agreement there is reserved to Assignor a revocable license to collect the Rents and Revenues in the ordinary course of business. Upon the occurrence of an Event of Default, such license granted to Assignor may be immediately revoked (except that, upon occurrence of an Event of Default under subsections 7.01(f), (g) or (h) of the Loan Agreement, such license granted to Assignor shall be automatically revoked) without further demand or notice and Lender is hereby empowered, but shall not be obligated, to do any, or all of the following: (i) enter and take possession of the Real Property; (ii) manage and operate all, or any portion of, the Real Property, the Hotel/Casino Facility and/or the Additional Businesses (or any of them); (iii) demand payment of the Rents and Revenues from the appropriate party; (iv) give notice that further payments of Rents and Revenues are to be made as directed by Lender; and (v) settle compromise, bring suit in respect of Rents and Revenues or otherwise deal with the person owing such Rents and Revenues, either in the name of Assignor or in its own name; all on its own behalf or through a receiver. If any such Rents and Revenues are collected by Assignor in violation of this Assignment, such Rents and Revenues shall be held in trust for the benefit of Lender. No action

taken by Lender, or by a receiver, in exercising any of the rights and remedies hereunder shall cause any of them to be characterized as a "Mortgagee in Possession". This Assignment is intended to be and is an absolute present assignment from Assignor to Lender and not merely the passing of a security interest. Lender agrees that, until such license granted to Assignor has been revoked, as set forth above, Lender shall refrain from exercising its rights and remedies which are granted with respect to the Rents and Revenues and/or the collection thereof under Section 1 of this Assignment or under this Section 5. Should the Event of Default which resulted in any such revocation be cured prior to foreclosure, deed-in-lieu of foreclosure, or a similar conveyance under the Deed of Trust, then such license granted to Assignor shall be immediately reinstated without further demand or notice and Lender shall, as soon as reasonably possible, execute, at the expense of Assignor, such notices to third parties as Assignor may reasonably request and the parties hereto shall each be restored to, and be reinstated in, their respective rights and positions hereunder as if the Event of Default had not occurred (without impairment of or limitation on Lender's right to proceed hereunder upon subsequent Events of Default).

6. Lender shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by Assignor under the Equipment Agreements, the Spaceleases, the Entitlements, and/or relating to the Rents and Revenues. This Assignment shall not place responsibility for the management, control, care, operation or repair of the Real Property, the Hotel/Casino Facility or any Additional Business, upon Lender, or upon its trustees, officers, employees, agents, attorneys or stockholders (collectively, the "Indemnified Parties"); nor shall this Assignment cause any of the Indemnified Parties to be responsible or liable for any negligence in the management, control, care, operation or repair of the Real Property, the Hotel/Casino Facility or any Additional Business, which results in loss, injury or death to any tenant, guest, licensee, employee or stranger (provided that this Section 6 shall not act to relieve any Indemnified Party from liability which results from such Indemnified Party's own gross negligence or willful misconduct).

7. Assignor agrees to indemnify, protect, defend and hold harmless the Indemnified Parties from and against any and all losses, damages, expenses or liabilities of any kind or nature from any suits, claims, demands or other proceedings, including reasonable counsel fees incurred in investigating or defending such claim, suffered by any of them and caused by, relating to, arising out of, resulting from, or in any way connected with: (i) this Assignment; (ii) any of the Equipment Agreements, Spaceleases, Entitlements, or Rents and Revenues; or (iii) the management, control, care, operation or repair of the Real Property, the Hotel/Casino Facility and/or any Additional Business; all in accordance with Section 5.14 of the Loan Agreement, which is incorporated by reference herein, as if fully set forth herein.

8. Assignor agrees that this Assignment and the designation and directions herein set forth are irrevocable. Until Loan Termination has occurred, Assignor will not make any other assignment, designation or direction inconsistent herewith (except as otherwise permitted in the Loan Agreement), and any such assignment, designation or direction which is inconsistent herewith shall be void. Assignor will, from time to time, execute all such instruments of further assurance and all such supplemental instruments as may be reasonably requested by Lender.

9. No action or inaction on the part of Lender shall constitute an assumption on the part of Lender of any obligations or duties under the Equipment Agreements, Spaceleases and/or the Entitlements, or relating to the Rents and Revenues. No action or inaction on the part of Assignor shall adversely affect or limit in any way the rights of Lender under this Assignment or, through this Assignment, under the Equipment Agreements, the Spaceleases and/or the Entitlements, or relating to the Rents and Revenues.

10. Assignor covenants and represents that no other assignments of its interests in the Equipment Agreements, Spaceleases and/or the Entitlements, or of its interests in the Rents and Revenues have been made; that no notice of termination has been served on it with respect to any Equipment Agreements, the Spaceleases or the Entitlements, the termination of which would be reasonably likely to result in a Material Adverse Change; and that there are presently no defaults existing under any of the Equipment Agreements, the Spaceleases or the Entitlements, which defaults would be reasonably likely to result in a Material Adverse Change if left uncured.

11. Upon the occurrence of Loan Termination Lender, at the request and the expense of Assignor, will deliver either an instrument canceling this Assignment or assigning the rights of the Lender hereunder, as Assignor shall direct.

12. Assignor and Lender intend that this Assignment shall be a present, absolute and unconditional assignment, subject to the license granted above, and not merely the passing of a security interest. During the term of this Assignment, neither the Equipment Agreements, the Spaceleases, the Entitlements nor the Rents and Revenues shall constitute property of Assignor (or any estate of Assignor) within the meaning of 11 U.S.C. § 541 (as it may be amended or recodified from time to time).

13. This Assignment applies to, binds and inures to the benefit of, the parties hereto and their respective heirs, administrators, executors, successors and assigns. This Assignment may not be modified or terminated orally.

14. All of the rights and remedies of Lender hereunder are cumulative and not exclusive of any other right or remedy which may be provided for hereunder or under any other Loan Document. Nothing contained in this Assignment and no act

done or omitted by Lender pursuant to its terms shall be deemed a waiver by Lender of any rights or remedies under the Loan Documents, and this Assignment is made and accepted without prejudice to any rights or remedies possessed by Lender under the terms of the Loan Documents. The right of the Lender to collect the secured principal, interest, and other Indebtedness, and to enforce any security may be exercised by Lender prior to, simultaneous with, or subsequent to any action taken under this Assignment.

15. Upon the occurrence of an Event of Default, Assignor shall be deemed to have appointed and does hereby appoint Lender the attorney-in-fact of Assignor to prepare, sign, file and/or record such documents or instruments, or take such other actions, as may be reasonably necessary to perfect and preserve, against third parties, the interest in the Equipment Agreements, the Spaceleases, the Entitlements and Rents and Revenues which is granted to Lender hereunder.

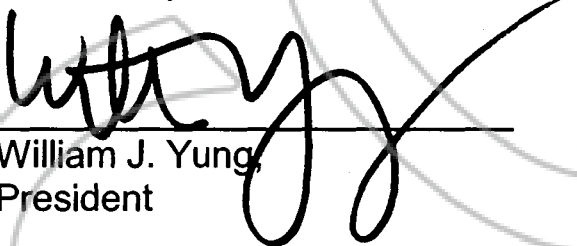
16. This Assignment shall be governed by the internal laws of the State of Nevada, without regard to principles of conflict of law.

17. This Assignment 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.

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

**ASSIGNOR:**

WIMAR TAHOE CORPORATION,  
a Nevada corporation

By   
William J. Yung,  
President

**LENDER:**

WELLS FARGO BANK,  
National Association

By   
Candace Borrego,  
Assistant Vice President



STATE OF KENTUCKY )  
 ) ss  
COUNTY OF KENTON )

This instrument was acknowledged before me on March 21st, 2002, by WILLIAM J. YUNG as President of WIMAR TAHOE CORPORATION.

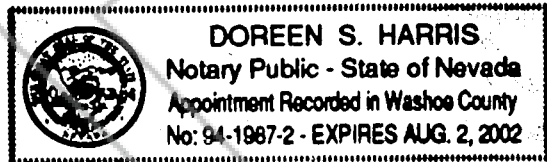
**SEAL**

Michelle Stallmeyer  
Notary Public

STATE OF NEVADA )  
 ) ss  
COUNTY OF WASHOE )

This instrument was acknowledged before me on March 22, 2002, by CANDACE BORREGO as Assistant Vice President of WELLS FARGO BANK, National Association.

~~\_\_\_\_\_  
Notary Public~~



**Legal Description**

All that real property situate in the County of Douglas , State of Nevada, described as follows:

**PARCEL 1**

The parcel of land situate within Section 27, Township 13 North, Range 18 East, M.D.B. & M., Douglas County, Nevada, being more particularly described as follows:

COMMENCING at the intersection of the Nevada State Line and the Westerly right-of-way Line of U.S. Route 50;

THENCE North 27°58'21" East, 744.79 feet along said Westerly right-of-way line of U.S. Route 50 to the True Point of Beginning.

THENCE North 27°58'21" East, 787.82 feet along the Westerly right-of-way line of U.S. Route 50;

THENCE North 62°01'39" West 1,105.84 feet;

THENCE South 27°58'21" West, 787.82 feet;

THENCE South 62°01'39" East, 1,105.84 feet to The True Point of Beginning.

Excepting therefrom that portion conveyed to the County of Douglas for public road purposes commonly known as the Stateline Loop Road, by Deed dated July 20, 1978 and recorded September 6, 1978, as Document No. 24881, in Book 978 of Official Records, Page 249.

NOTE (NRS 111.312): The above metes and bounds description appeared previously in that certain Memorandum of Lease, recorded in the office of the County Recorder of Douglas County, Nevada on January 10, 1990, in Book 190, Page 1761, as Document No. 217952, of Official Records.

**PARCEL 2**

The parcel of land situate within Section 27, T13N, R18E, MDB&M, Douglas County, Nevada, being more particularly described as follows:

COMMENCING at the intersection of the Nevada State Line and the westerly right-of-way line of U.S. Route 50;

Thence N 27°58'21", 1,532.61 feet along said westerly right-of-way line of U.S. Route 50 to the True Point of Beginning, said point being the northeasterly corner of the High Sierra Hotel/Casino parcel;

Thence continuing along said westerly right-of-way line of U.S. Route 50 N. 27°58'21" E, 120.00 feet to the southeasterly corner of the First Interstate Bank parcel;

Thence leaving said westerly line and proceeding along the southerly and westerly lines of the First Interstate Bank parcel the following two courses and distances:

N 62°01'39" W, 400.00 feet,

EXHIBIT A

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Legal Description - Continued

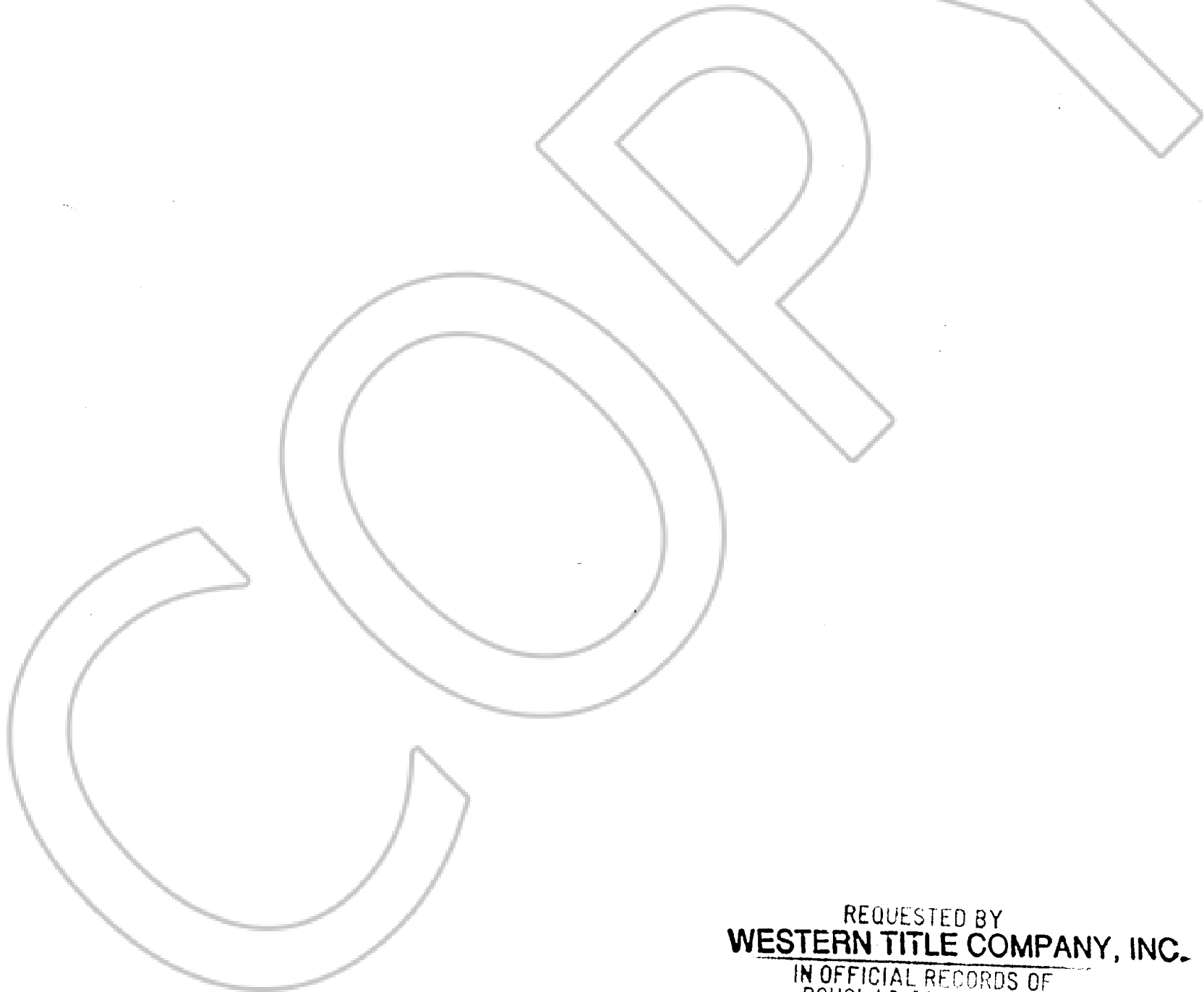
N. 27°58'21" E, 187.47 feet to a point on the southerly line of a 60 foot wide roadway known as the Stateline Loop Road, said point being on a curve to the left, the tangent of which bears N 70°25'16" W;

Thence along said curve having a central angle of 35°00'46", a radius of 1,170.00 feet, through an arc length of 714.98 feet to a point on the northerly line of said High Sierra Hotel/Casino parcel;

Thence along said northerly line S 62°01'39" E, 1,033.20 feet to the True Point of Beginning;

Containing an area of 170,886 square feet of land, more or less.

NOTE (NRS 111.312): The above metes and bounds description appeared previously in that certain Memorandum of Lease, recorded in the office of the County Recorder of Douglas County, Nevada on September 13, 1991, in Book 991, Page 2069, as Document No. 260233, of Official Records.



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

2002 MAR 25 PM 12: 29

LINDA SLATER  
RECORDER

PAID *2400* DEPUTY

0537829

BK 0302 PG 08884