

OFFICIAL RECORD

Requested By:

STEWART TITLE OF DOUGLAS

COUNTY

Douglas County - NV

Werner Christen - Recorder

Page: 1 of 42 Fee: 55.00

BK-1005 PG-10361 RPTT: 0.00



APN: 1318-27-001-007

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Sheppard, Mullin, Richter & Hampton, LLP
333 South Hope Street, 48th Floor
Los Angeles, CA 90071
Attention: Brent E. Horstman, Esq.

Mail Property Tax Statements to:

Columbia Properties Tahoe, LLC
207 Grandview Drive
Ft. Mitchell, Kentucky 41017
Attention: Vivian Raby, Esq.

040503018

THIS SPACE ABOVE FOR RECORDER'S USE

NOTICE: THE OBLIGATIONS SECURED HEREBY PROVIDE FOR THE PERIODIC INCREASES AND/OR DECREASES IN THE APPLICABLE INTEREST RATE.

NOTICE: THE OBLIGATIONS SECURED HEREBY INCLUDE REVOLVING CREDIT OBLIGATIONS WHICH PERMIT BORROWING, REPAYMENT AND REBORROWING.

NOTICE: THIS LEASEHOLD DEED OF TRUST SECURES FUTURE ADVANCES AND IS SUBJECT TO THE PROVISIONS OF NEVADA REVISED STATUTES 106.300 TO 106.400, INCLUSIVE. THE MAXIMUM AMOUNT OF PRINCIPAL TO BE SECURED HEREBY IS \$290,000,000, AND THE MAXIMUM AMOUNT OF PRINCIPAL MAY INCREASE OR DECREASE FROM TIME TO TIME BY AMENDMENT OF THIS LEASEHOLD DEED OF TRUST; PROVIDED HOWEVER, THAT THE MAXIMUM AMOUNT OF PRINCIPAL TO BE SECURED HEREBY SHALL NOT EXCEED THE MAXIMUM AMOUNT PERMITTED UNDER SECTION 1.2 BELOW.

AMENDED AND RESTATED LEASEHOLD DEED OF TRUST
with Assignment of Rents, Security Agreement and
Fixture Filing

The parties to this Amended and Restated Leasehold Deed of Trust with Assignment of Rents, Security Agreement and Fixture Filing ("Deed of Trust"), dated as of October 24, 2005, are COLUMBIA PROPERTIES TAHOE, LLC, a Nevada limited liability

company ("Trustor"), as Trustor, PRLAP, INC., as trustee ("Trustee"), and BANK OF AMERICA, N.A., a national banking association, as "Administrative Agent" for the "Lenders" including, without limitation, the "Swing Line Lender" (as each of those three terms is defined in the Credit Agreement), as beneficiary and secured party ("Beneficiary"). Capitalized terms used and not otherwise defined herein shall have the meanings given to them in that certain Amended and Restated Credit Agreement dated as of October 24, 2005, among WIMAR TAHOE CORPORATION d/b/a COLUMBIA ENTERTAINMENT, a Nevada corporation ("Columbia Entertainment"), Trustor, CP LAUGHLIN REALTY, LLC, a Delaware limited liability company ("CP Laughlin Realty"), COLUMBIA PROPERTIES LAUGHLIN, LLC, a Nevada limited liability company ("Laughlin"), Trustor, COLUMBIA PROPERTIES NEW ORLEANS, L.L.C., a Louisiana limited liability company ("New Orleans"), BELLE OF ORLEANS, L.L.C., a Louisiana limited liability company ("Belle"), CP BATON ROUGE CASINO, L.L.C., a Louisiana limited liability company ("Baton Rouge"), ST. LOUIS RIVERBOAT ENTERTAINMENT, INC., a Missouri corporation ("St. Louis"), ARGOSY OF LOUISIANA, INC., a Louisiana corporation ("Argosy"), JAZZ ENTERPRISES, INC., a Louisiana corporation ("Jazz"), CENTROPLEX CENTRE CONVENTION HOTEL, L.L.C., a Louisiana limited liability company ("Centroplex"), and CATFISH QUEEN PARTNERSHIP IN COMMENDAM, Louisiana partnership in Commendam ("Catfish Queen") (Argosy, Jazz, Centroplex and Catfish Queen having joined in the Credit Agreement pursuant to a joinder dated concurrently herewith) (collectively, as joint and several "Borrowers") and Beneficiary as "Administrative Agent," and the Lenders referred to therein (as amended from time to time, the "Credit Agreement"). In the event of a conflict between the terms and conditions of this Deed of Trust and the term and conditions of the Credit Agreement, the terms and conditions of the Credit Agreement shall control.

This Deed of Trust amends and restates in its entirety that certain Deed of Trust with Assignment of Rents, Security Agreement and Fixture Filing, dated June 7, 2005, executed by Trustor, as trustor, for the benefit of Bank of America, N.A., as administrative agent for certain lenders more particularly described therein, as beneficiary ("Original Beneficiary"), which was recorded on June 10, 2005 in Book 605, Page 4623 as Instrument No. 0646601 in the Official Records of Douglas County, Nevada (the "Official Records") (said Deed of Trust, as amended, modified and/or supplemented being referred to herein as the "Original Deed of Trust").

The Original Deed of Trust secured the obligations of Trustor under that certain Credit Agreement dated as of June 7, 2005 among Trustor, Greenville Riverboat, LLC, a Mississippi limited liability company, Columbia Entertainment, CP Laughlin, Laughlin, New Orleans, Belle, Bank of America, N.A., as administrative agent, and a syndicate of lenders, as amended (said agreement, as amended, being referred to herein as the "Original Credit Agreement"), and all loan documents related thereto.

The Credit Agreement amends and restates in its entirety the Original Credit Agreement, and new promissory notes are being executed and delivered substantially

concurrently with the execution of the Credit Agreement in replacement of the promissory notes which previously evidenced certain loans provided for in the Original Credit Agreement. Beneficiary, as Administrative Agent, has succeeded to all rights, title and interests of Original Beneficiary.

Nothing in this Deed of Trust is intended by any party, or may be construed by any party, to affect the continuing priority of the lien of the Original Deed of Trust, as amended and restated by this Deed of Trust, with respect to the Property.

1. Grant in Trust and Secured Obligations.

1.1 Grant in Trust. For the purpose of securing payment and performance of the Secured Obligations defined and described in Section 1.2, Trustor hereby irrevocably and unconditionally grants, bargains, conveys, sells, transfers and assigns to Trustee, in trust for the benefit of Beneficiary, with power of sale and right of entry and possession, all estate, right, title and interest which Trustor now has or may later acquire in and to the following property (all or any part of such property, or any interest in all or any part of it, as the context may require, the "Property"):

(a) All of Trustor's right, title and interest under and in connection with that certain Amended and Restated Net Lease Agreement, dated as of January 1, 2000, by and between Park Cattle Co., a Nevada corporation ("Landlord"), as landlord, and Desert Palace, Inc. ("Desert"), predecessor in interest to Trustor, as tenant (the "Operating Lease"), as assigned to and assumed by Trustor, and as evidenced by, that certain Assignment and Assumption of Lease, dated as of June 10, 2005, by and between Desert and Trustor, which assignment and assumption of lease will be recorded substantially concurrently herewith in the Official Records of Douglas County, Nevada (the "Official Records"), including, without limitation, (i) all options to extend or renew the Operating Lease (and the leasehold estate for the term of each extension or renewal), (ii) all options and rights of first refusal, if any, contained in the Operating Lease to purchase the real property which is subject to the Operating Lease, and (iii) all of Trustor's other rights, titles and interests under the Operating Lease; together with

(b) The real property located in the County of Douglas (the "County"), State of Nevada, as described in Exhibit A, together with all existing and future easements and rights affording access to it (the "Land"); together with

(c) All buildings, structures and improvements now located or later to be constructed on the Land, including, without limitation, all parking areas, roads, driveways, walks, fences, walls, docks, berms, landscaping, recreation facilities, drainage facilities, lighting facilities and other site improvements (the "Improvements"); together with

(d) All existing and future appurtenances, privileges, easements, franchises, hereditaments and tenements of the Land, including all minerals, oil, gas, other hydrocarbons and associated substances, sulphur, nitrogen, carbon dioxide, helium and other commercially valuable substances which may be in, under or produced from any part of the Land, all development rights and credits, air rights, water, water courses, water rights (whether riparian, appropriative or otherwise, and whether or not appurtenant), water stock and water permits (together with the statutory right to file applications to change, and any and all applications to change the same), including any water permits, easements, rights of way, rights of ingress and egress, drainage rights, gores or strips of land, any land lying in the streets, highways, ways, sidewalks, alleys, passages, roads or avenues, open or proposed, in front of or adjoining the Land and Improvements, any land in the bed of any body of water adjacent to the Land, any land adjoining the Land created by artificial means or by accretion, all air space and rights to use such air space, and all development and similar rights; together with

(e) Subject to Article 2, below, all existing and future leases, subleases, subtenancies, licenses (except for gaming licenses and liquor licenses that are not transferable), occupancy agreements, concessions and any other agreement devising any portion of the Property or relating to the use and enjoyment of all or any part of the Land and Improvements, and any and all guaranties and other agreements relating to or made in connection with any of the foregoing, whether written or oral and whether in existence at or upon the recordation of this Deed of Trust or entered into after the recordation of this Deed of Trust (some or all collectively, as the context may require, "Leases", which shall not include the Operating Lease), and all rents, security deposits, royalties, issues, profits, receipts, earnings, revenue, income, products and proceeds and other benefits of the Land and Improvements, whether now due, past due or to become due, including, without limitation, all prepaid rents, security deposits, fixed, additional and contingent rents, deficiency rents and liquidated damages, license fees, occupancy charges, hotel room charges, cabana charges, casino revenues, show ticket revenues, food and beverage revenues, room service revenues, merchandise sales revenues, parking, maintenance, common area, tax, insurance, utility and service charges and contributions, proceeds of sale of electricity, gas, heating, air-conditioning, cable and other utilities and services, green fees, cart rental fees, instruction fees, membership charges, restaurant, snack bar and pro shop revenues, liquidated damages, and all other rights to payments, together with and any and all guaranties and other agreements relating to or made in connection with any of such leases (some or all collectively, as the context may require, "Rents"); together with

(f) All goods, materials, supplies, chattels, furniture, fixtures, equipment, machinery and other property now or later to be attached to, placed in or on, or used in connection with the use, enjoyment, occupancy or operation of all or any part of the Land and Improvements, whether stored on the Land or elsewhere, including all pumping plants, engines, pipes, ditches and flumes, and also all gas, electric, cooking,



heating, cooling, air conditioning, lighting, refrigeration and plumbing fixtures and equipment, all water, sanitary and storm sewer, drainage, electricity, steam, gas, telephone, cable and other utility equipment and facilities, all plumbing, lighting, heating, ventilating, air conditioning, refrigerating, incinerating, compacting, fire protection and sprinkler, surveillance and security, vacuum cleaning, public address and communications equipment and systems, all kitchen and laundry appliances, screens, awnings, floor coverings, partitions, elevators, escalators, motors, machinery, pipes, fittings and other items of equipment and property of every kind and description, all of which shall be considered to the fullest extent of the law to be real property for purposes of this Deed of Trust; together with

(g) All building materials, equipment, work in process or other personal property of any kind, whether stored on the Land or elsewhere, which have been or later will be acquired for the purpose of being delivered to, incorporated into or installed in or about the Land or Improvements; together with

(h) All rights to the payment of money, accounts, accounts receivable, reserves, deferred payments, refunds, cost savings, payments and deposits, room revenues, food revenues, beverage revenues and casino revenues, whether now or later to be received from third parties (including all earnest money sales deposits) or deposited by Trustor with third parties (including all utility deposits), contract rights, development and use rights, governmental permits and licenses (except for gaming licenses and liquor licenses that are not transferable), authorizations, certificates, variances, consents and approvals, applications, architectural and engineering plans, specifications and drawings, as-built drawings, guaranties, warranties, management agreements, operating and/or licensing agreements, supply and service contracts for water, sanitary and storm sewer, drainage, electricity, steam, gas, telephone, cable, satellite, and other utilities, property and title insurance policies and proceeds thereof (including without limitation the right to assert, prosecute and settle claims under such policies), chattel paper, instruments, documents, notes, certificates of deposit, securities, other investments, drafts and letters of credit (other than letters of credit in favor of Beneficiary), which arise from or relate to construction on the Land or to any business now or later to be conducted on it, or to the Land and Improvements generally; together with

(i) All proceeds, including all rights and claims to, dividends of and demands for them, of the voluntary or involuntary conversion of any of the Land, Improvements or the other property described above into cash or liquidated claims, including proceeds of all present and future fire, hazard or casualty insurance policies (whether or not any such insurance policy is required by this Deed of Trust or any other Loan Document) and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to the Land, Improvements or the



other property described above or any part of them, or breach of warranty in connection with the construction of the Improvements, including causes of action arising in tort, contract, fraud or concealment of a material fact; together with

(j) All books and records pertaining to any and all of the property described above, including computer readable memory and any computer hardware or software necessary to access and process such memory ("Books and Records"); together with

(k) All proceeds of, additions and accretions to, substitutions and replacements for, changes in, and greater right, title and interest in, to and under or derived from, any of the property described above and all extensions, improvements, betterments, renewals, substitutions and replacements thereof and additions and appurtenances thereto, including all proceeds of any voluntary or involuntary disposition or claim, right and remedy respecting any such property (arising out of any judgment, condemnation or award, or otherwise arising) and all goods, documents, general intangibles, chattel paper and accounts, wherever located, acquired with cash proceeds of any of the foregoing or its proceeds.

Notwithstanding the foregoing, the term "Property" shall not include any right, title and interest held by Trustor in any licenses, leases or permits relating to any personal property, fixtures, and intangibles which by their express terms are not transferable, but the term "Property" does include all right, title and interest held by the Trustor in the Land and Improvements, including the Operating Lease.

Trustor shall and will warrant and forever defend the Property in the quiet and peaceable possession of the Trustee, its successors and assigns (subject to the terms of Section 7.01 of the Credit Agreement) against all and every person or persons lawfully claiming or to claim the whole or any part thereof. Trustor agrees that any greater title to the Property hereafter acquired by Trustor during the term hereof shall be subject hereto.

1.2 Secured Obligations.

1.2.1 Trustor makes the grant, bargain, conveyance, sale, transfer and assignment set forth in Section 1.1 and grants the security interest set forth in Article 3 for the purpose of securing the following obligations (collectively, the "Secured Obligations") in any order of priority that Beneficiary may choose:

(a) Except as specified in Section 1.2.2 below, the payment and performance of all Obligations of Trustor and each other Borrower, including, without limitation (i) payment of all amounts owing by Trustor and each other Borrower under the Notes, including, without limitation, principal in the aggregate amount of the Aggregate Revolving Commitments, the Aggregate Term A Commitments, the Aggregate Term B Commitments and the Aggregate Delay Draw Term B Commitments



(collectively, the "Commitments"), which are currently in the aggregate principal amount of \$290,000,000 (subject to increase to \$75,000,000 under certain circumstances), and interest thereon; (ii) payment of all amounts owing by Trustor and each other Borrower under the Swing Line Note, including, without limitation, principal in an amount of up to \$5,000,000 and interest thereon; (iii) payment of all amounts owing by Trustor and each other Borrower with respect to Letters of Credit issued under the Revolving Commitment (which provides for an initial sublimit for Letters of Credit in an aggregate amount of up to \$5,000,000), including without limitation unreimbursed drawings and obligations to furnish cash collateral as provided in the Credit Agreement, (iv) payment of all amounts owing by Trustor and each other Borrower under any and all Secured Swap Contracts; (v) payment of all fees, charges, costs and other amounts owing by Trustor and each other Borrower under the Loan Documents; and (vi) payment and performance of (A) all obligations of each trustor or mortgagor (as applicable) under any other deed of trust (fee or leasehold) entered into by any Borrower or Guarantor to secure such trustor's or mortgagor's obligations under the Credit Agreement or any other Loan Document from time to time, and (B) all obligations of each Borrower under any other Loan Document;

(b) The payment and performance of all future advances and other obligations that Trustor or any other person or entity may owe to Beneficiary and/or any Lender (whether as principal, surety or guarantor), when a writing evidences Trustor's and Beneficiary's agreement that such advances or obligations be secured by this Deed of Trust;

(c) The payment and performance of all obligations of Trustor under this Deed of Trust;

(d) The payment and performance of all modifications, amendments, extensions and renewals, however evidenced, of any of the Secured Obligations described in clause (a), (b) or (c) above.

1.2.2 Notwithstanding any provision of this Deed of Trust or any other Loan Document, the obligations and liability of Trustor, any Borrower or any other person arising under the indemnity set forth in Section 10.04(b) of the Credit Agreement relating to any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Borrowers, or any Environmental Liability related in any way to the Borrower (and/or under any separate agreement relating to Hazardous Materials which states that it is not secured by real property) are not and shall not be Secured Obligations under this Deed of Trust.

1.2.3 Furthermore, notwithstanding any provision of this Deed of Trust or any other Loan Document, the maximum amount of the principal of the Secured Obligations secured under this Deed of Trust shall not exceed the amount permitted to be so secured pursuant to Section 19.1 of the Operating Lease.

1.2.4 All persons who may have or acquire an interest in all or any part of the Property will be considered to have notice of, and will be bound by, the terms of the Secured Obligations and each other agreement or instrument made or entered into in connection with each of the Secured Obligations. Such terms include any provisions in the Credit Agreement or the other Loan Documents which permit borrowing, repayment and reborrowing, or which provide that the interest rate on one or more of the Secured Obligations may vary from time to time.

1.3 Future Advances (NRS 106.300, et seq). It is the intention of Trustor, Beneficiary and the Lenders that this Deed of Trust is an "instrument" (as defined in NRS 106.330, as amended or recodified from time to time) which secures "future advances" (as defined in NRS 106.320, as amended or recodified from time to time) and which is governed pursuant to NRS 106.300 through 106.400, as amended or recodified from time to time ("NRS" means Nevada Revised Statutes). It is the intention of the parties that the Secured Obligations include the obligation of Trustor to repay "future advances" of "principal" (as defined in NRS 106.345, as amended or recodified from time to time) in an amount up to the Commitment (as further described above), and that the lien of this Deed of Trust secures the obligation of Trustor to repay all such "future advances" with the priority set forth in NRS 106.370(1), as amended or recodified from time to time.

2. Assignment of Rents and Leases.

2.1 Assignment. Trustor hereby irrevocably, absolutely, presently and unconditionally assigns, transfers and sets over to Beneficiary all of the right, title and interest which Trustor now has or may later acquire in and to the Rents and the Leases, and confers upon Beneficiary the right to collect such Rents and enforce the provisions of the Leases with or without taking possession of the Property. This is an absolute assignment, not an assignment for security only.

2.2 Grant of License. Beneficiary hereby confers upon Trustor a license ("License") to collect and retain the Rents as they become due and payable, so long as no Event of Default, as defined in Section 6.2, shall exist and be continuing. If an Event of Default has occurred and is continuing, Beneficiary shall have the right, which it may choose to exercise in its absolute discretion, to terminate this License without notice to or demand upon Trustor, and without regard to the adequacy of Beneficiary's security under this Deed of Trust.

2.3 Collection and Application of Rents. Subject to the License granted to Trustor under Section 2.2, Beneficiary has the right, power and authority to collect any and all Rents and exercise Trustor's right, title and interest under the Leases. Trustor hereby appoints Beneficiary its attorney-in-fact to perform any and all of the following acts, if and at the times when Beneficiary in its absolute discretion may so choose:

(a) Demand, receive and enforce payment of any and all Rents and any other right, title and interest of Trustor under the Leases; or

(b) Give receipts, releases and satisfactions for any and all Rents and any other obligations and duties under the Leases; or

(c) Sue either in the name of Trustor or in the name of Beneficiary for any and all Rents and to enforce any other obligations and duties under the Leases.

Beneficiary's right to the Rents and the Leases does not depend on whether or not Beneficiary takes possession of the Property as permitted under Section 6.3.3. In Beneficiary's absolute discretion, Beneficiary may choose to collect Rents and exercise the right, title and interest of Trustor under the Leases either with or without taking possession of the Property. Beneficiary shall apply all Rents collected by it in the manner provided under Section 6.6. If an Event of Default shall have occurred and Beneficiary is in possession of all or part of the Property and is collecting and applying Rents and exercising any right, title and interest of Trustor under the Leases as permitted under this Deed of Trust, then Beneficiary, Trustee and any receiver shall nevertheless be entitled to exercise and invoke every right and remedy afforded any of them under this Deed of Trust and at law and in equity, including the right to exercise the power of sale granted under Section 1.1 and Section 6.3.7.

2.4 Beneficiary Not Responsible. Under no circumstances shall Beneficiary have any duty to produce Rents from the Property or maintain the Leases. Regardless of whether or not Beneficiary, in person or by agent, takes actual possession of the Land and Improvements, Beneficiary is not and shall not be deemed to be:

(a) a "mortgagee in possession" for any purpose; or

(b) responsible for performing any of the obligations under any Lease;

or

(c) responsible for any waste committed by lessees or any other parties, any dangerous or defective condition of the Property, or any negligence in the management, upkeep, repair or control of the Property; or

(d) liable in any manner for the Property or the use, occupancy, enjoyment or operation of all or any part of it.

Notwithstanding the foregoing, this Section 2.4 shall not be construed as a waiver of any liability of Beneficiary to Trustor that would otherwise exist as a result of Beneficiary's gross negligence or willful misconduct.

2.5 Leasing. Without Beneficiary's prior written consent, Trustor shall not accept any deposit or prepayment of Rents for any retail or other commercial lessees, sublessees, licensees or concessionaires for any period exceeding one (1) month, and Trustor shall not lease the Property or any part of it except strictly in accordance with the Loan Documents. Trustor shall not apply any Rents in any manner prohibited by the Loan Documents.



3. Grant of Security Interest.

3.1 Security Agreement. The parties intend for this Deed of Trust to create a lien on and security interest in the Property, and an absolute assignment of the Rents and the Leases, all in favor of Beneficiary. The parties acknowledge that some of the Property and some of the Rents and Leases may be determined under applicable law to be personal property or fixtures. To the extent such Property, Rents or Leases constitute personal property, Trustor, as debtor, hereby grants to Beneficiary, as secured party, a security interest in all such Property, Rents and Leases, to secure payment and performance of the Secured Obligations, and Trustor, as debtor, also has granted a security interest in such Property, Rents and Leases pursuant to that certain Security Agreement dated concurrently herewith, executed by the Borrowers, as debtor, in favor of Beneficiary, as secured party, as modified from time to time. This Deed of Trust constitutes a security agreement under the Nevada Uniform Commercial Code, as amended or recodified from time to time, covering all such Property, Rents and Leases. To the extent any revenues generated in connection with the operation of the Property from time to time are not real property encumbered by the lien created by Section 1.1, above, and are not absolutely assigned by the assignment set forth in Section 2.1, above, it is the intention of the parties that such revenues shall constitute "proceeds, products, offspring, rents or profits" (as defined in and for the purposes of Section 552(b) of the United States Bankruptcy Code, as such section may be modified or supplemented) of the Land and Improvements, and/or "fees, charges, accounts, or other payments for the use or occupancy of rooms and other public facilities in hotels, motels or other lodging properties," as applicable (as such terms are defined in and for the purpose of Section 552(b) of the United States Bankruptcy Code, as such Section may be modified or supplemented).

3.2 Financing Statements. Trustor consents to one or more financing statements and such other documents as Beneficiary may from time to time require to perfect or continue the perfection of Beneficiary's security interest in any Property, Rents or Leases. As provided in Section 5.11, Trustor shall pay all fees and costs that Beneficiary may incur in filing such documents in public offices and in obtaining such record searches as Beneficiary may reasonably require. If execution is necessary and Trustor fails to execute any financing statements or other documents for the perfection or continuation of any security interest, Trustor hereby appoints Beneficiary as its true and lawful attorney-in-fact (which appointment is irrevocable and coupled with an interest) to execute any such documents on its behalf. If any financing statement or other document is filed in the records normally pertaining to personal property, that filing shall never be construed as in any way derogating from or impairing this Deed of Trust or the rights or obligations of the parties under it.

4. Fixture Filing; Construction Mortgage.

4.1 Fixture Filing. This Deed of Trust constitutes a financing statement filed as a fixture filing under NRS 104.9502(2) of the Nevada Uniform Commercial Code, as amended or recodified from time to time, covering any Property which now is or later may become fixtures



attached to the Land or Improvements. In connection therewith, the addresses of Trustor, as debtor, and Beneficiary, as secured party, are as set forth in Section 8.11, below. The foregoing address of Beneficiary, as secured party, is also the address from which information concerning the security interest may be obtained by any interested party. The property subject to this fixture filing is described in Section 1.1, above. Portions of the property subject to this fixture filing as identified in this Section are or are to become fixtures related to the real estate described in Exhibit A attached hereto.

4.2 Construction Mortgage. This Deed of Trust constitutes a "construction mortgage" as that term is defined in NRS 104.9334(8), as amended or recodified from time to time, and as used in the Nevada Uniform Commercial Code, as amended or recodified from time to time.

5. Rights and Duties of the Parties.

5.1 Representations and Warranties. Trustor represents and warrants that, except as previously disclosed to Beneficiary in writing:

(a) Trustor lawfully possesses and holds the leasehold estate under the Operating Lease, subject to Section 7.01 of the Credit Agreement;

(b) Trustor has or will have good title (subject to Section 7.01 of the Credit Agreement) to all Property other than the Land and Improvements (other than as permitted under the Credit Agreement);

(c) Trustor has the full and unlimited power, right and authority to encumber the Property and assign the Rents and the Leases; provided, however, that the exercise of certain remedies in connection with such an encumbrance or other aspects of such an encumbrance may be subject to the terms of the Operating Lease;

(d) This Deed of Trust creates a first and prior lien on and security interest in the Property, subject only to the Section 7.01 of the Credit Agreement;

(e) The Property includes all property and rights which may be reasonably necessary to promote the present beneficial use and enjoyment of the Land and Improvements, except for non-transferable licenses and permits;

(f) Trustor owns any Property which is personal property free and clear of any security agreements, reservations of title or conditional sales contracts, and there is no financing statement affecting such personal property on file in any public office (other than as permitted under the Credit Agreement);

(g) Trustor's place of business, or its chief executive office if it has more than one place of business, is located at the address identified on Exhibit "A" hereto; and



(h) None of the Property is located in an area having or identified as having special flood hazards or any similar designation under the National Flood Insurance Act of 1968, as amended or recodified from time to time, or the Flood Disaster Protection Act of 1973, as amended or recodified from time to time (or if the Property or any portion thereof is located in an area having or identified as having such special flood hazards or any similar designation, Trustor shall provide a flood insurance policy as required under the Credit Agreement).

5.2 Taxes and Assessments. Subject to any applicable rights to contest, as set forth in the Credit Agreement, Trustor shall pay prior to delinquency all taxes, levies, charges and assessments, including assessments on appurtenant water stock, imposed by any public or quasi-public authority or utility company which are (or if not paid, may become) a lien on or security interest in all or part of the Property or any interest in it, or which may cause any decrease in the value of the Property or any part of it. If any such taxes, levies, charges or assessments become delinquent, Beneficiary may require Trustor to present evidence that they have been paid in full, on ten days' written notice by Beneficiary to Trustor.

5.3 Performance of Secured Obligations. Trustor shall promptly pay and perform each Secured Obligation (exclusive of Secured Obligations of other Borrowers and any other parties under documents to which Trustor is not a party and for which Trustor is not otherwise liable) in accordance with its terms.

5.4 Liens, Charges and Encumbrances. Trustor shall immediately discharge any lien on or security interest in the Property to which Beneficiary has not consented in writing, except for any such liens or security interests which are permitted by Section 7.01 of the Credit Agreement. Subject to any applicable rights to contest, as set forth in the Credit Agreement, Trustor shall pay, prior to delinquency, each obligation secured by or reducible to a lien, security interest, charge or encumbrance which now does or later may encumber or appear to encumber all or part of the Property or any interest in it, whether the lien, security interest, charge or encumbrance is or would be senior or subordinate to this Deed of Trust.

5.5 Damages and Insurance and Condemnation Proceeds.

5.5.1 Subject to the terms and conditions of any Operating Lease or any related landlord consent or estoppel, Trustor hereby absolutely and irrevocably assigns to Beneficiary, and authorizes the payor to pay to Beneficiary, the following claims, causes of action, awards, payments and rights to payment:

(a) All awards of damages and all other compensation payable directly or indirectly because of a condemnation, proposed condemnation or taking for public or private use which affects all or part of the Property or any interest in it; and



(b) All other awards, claims and causes of action, arising out of any warranty affecting all or any part of the Property, or for damage or injury to or decrease in value of all or part of the Property or any interest in it; and

(c) All proceeds of any insurance policies payable because of loss sustained to all or part of the Property; and

(d) All interest which may accrue on any of the foregoing.

5.5.2 Trustor shall immediately notify Beneficiary in writing if:

(a) Any damage occurs or any injury or loss is sustained in the amount of \$1,000,000 or more to all or part of the Property, or any action or proceeding relating to any such damage, injury or loss is commenced; or

(b) Any offer is made, or any action or proceeding is commenced, which relates to any actual or proposed condemnation or taking of all or part of the Property which would materially affect the interests of the Lenders herein.

5.5.3 Subject to the terms and conditions of any Operating Lease or any related landlord consent or estoppel, if Beneficiary chooses to do so, Beneficiary may in its own name appear in or prosecute any action or proceeding to enforce any cause of action based on warranty, or for damage, injury or loss to all or part of the Property and, while any Event of Default remains uncured, Beneficiary may make any compromise or settlement of the action or proceeding. Beneficiary, if it so chooses, may participate in any action or proceeding relating to condemnation or taking of all or part of the Property, and may join Trustor in adjusting any loss covered by insurance. Trustor hereby irrevocably appoints Beneficiary its true and lawful attorney-in-fact for all such purposes. The power of attorney granted hereunder is coupled with an interest and is irrevocable. Trustor shall not settle, adjust or compromise any such action or proceeding without the prior written approval of Beneficiary, which shall not be unreasonably withheld or delayed.

5.5.4 Subject to the terms and conditions of any Operating Lease or any related landlord consent or estoppel, all proceeds of these assigned claims, other property and rights which Trustor may receive or be entitled to (collectively, "Proceeds") shall be paid to Beneficiary. In each instance, Beneficiary shall apply such Proceeds first toward reimbursement of all of Beneficiary's costs and expenses of recovering the Proceeds, including reasonable attorneys' fees. If, in any instance, each and all of the following conditions (the "Restoration Conditions") are satisfied in Beneficiary's reasonable judgment, Beneficiary shall permit Trustor to use the balance of such Proceeds ("Net Claims Proceeds") to pay costs of repairing or reconstructing the Property in the manner described below:



(a) The plans and specifications, cost breakdown, construction contract, construction schedule, contractor and payment and performance bond for the work of repair or reconstruction must all be reasonably acceptable to Beneficiary; and

(b) Beneficiary must receive evidence reasonably satisfactory to it that, after repair or reconstruction, the Property will be at least as valuable as it was immediately before the damage or condemnation occurred; and

(c) The Net Claims Proceeds must be sufficient in Beneficiary's reasonable determination to pay for the total cost of repair or reconstruction, including all associated development costs and interest projected to be payable on the Secured Obligations until the repair or reconstruction is complete; or Trustor must provide its own funds in an amount equal to the difference between the Net Claims Proceeds and a reasonable estimate, made by Trustor and found acceptable by Beneficiary, of the total cost of repair or reconstruction; and

(d) Beneficiary must receive evidence reasonably satisfactory to it that all Leases the termination of which would be materially adverse to the economic performance of the Property will continue after the repair or reconstruction is complete; and

(e) No Event of Default shall have occurred and be continuing.

If Beneficiary finds that such conditions have been met, Beneficiary shall hold the Net Claims Proceeds and any funds which Trustor is required to provide in an interest-bearing passbook savings account and shall disburse them to Trustor on a monthly basis in accordance with Beneficiary's customary construction lending procedures. However, if Beneficiary finds that one or more of such conditions have not been satisfied, Beneficiary may apply the Net Claims Proceeds to pay or prepay (without premium) some or all of the Secured Obligations in such order and proportions as Beneficiary in its absolute discretion may choose (subject to the provisions for priority of application of payments set forth in the Credit Agreement). Any and all Proceeds (including, without limitation, any Net Claims Proceeds) held by Beneficiary from time to time shall be collateral for the Secured Obligations, and Trustor hereby grants to Beneficiary a security interest in and lien on such Proceeds and all rights and remedies available under applicable laws with respect to such Proceeds, including, without limitation, all rights and remedies under the Nevada Uniform Commercial Code. Trustor shall execute and deliver to Beneficiary and the Lenders any and all documents reasonably requested by Beneficiary in order to confirm, create and perfect such security interest in and lien on such Proceeds. In the event that any Proceeds are applied to pay any Secured Obligations, then Beneficiary shall have no obligation to disburse or release such applied Proceeds to Trustor under this Section 5.5.

5.5.5 Trustor hereby specifically, unconditionally and irrevocably waives all rights of a property owner granted under applicable law, including NRS 37.115, as amended or recodified from time to time, which provide for allocation of condemnation proceeds between a

property owner and a lienholder, and any other law or successor statute of similar import. Trustor hereby specifically, unconditionally and irrevocably waives all right to recover against Beneficiary or any Lender (or any officer, employee, agent or representative of Beneficiary or any Lender) for any loss incurred by Trustor from any cause insured against or required by any Loan Document to be insured against; provided, however, that this waiver of subrogation shall not be effective with respect to any insurance policy if the coverage thereunder would be materially reduced or impaired as a result.

5.5.6 Notwithstanding anything to the contrary set forth in this Section 5.5, so long as no Event of Default remains uncured, the proceeds of any casualty or condemnation for which the gross value of the applicable damage and/or taking is less than \$1,000,000 shall be paid to Trustor rather than to Beneficiary (and shall be delivered to Trustor if received by Beneficiary), and Trustor shall not be required to obtain Beneficiary's consent to settle, adjust or compromise any action or proceeding relating to any such casualty or condemnation (nor shall Beneficiary be entitled to participate in such action or proceeding).

5.6 Maintenance and Preservation of Property.

5.6.1 Trustor shall not remove or demolish the Property or any part of it, or alter (other than alterations that do not materially affect the interests of the Lenders herein), restore or add to the Property, or initiate or allow any change in any zoning or other land use classification which affects the Property or any part of it, except in connection with Capital Expenditures permitted by the Credit Agreement or with Beneficiary's express prior written consent in each instance; provided that, without Beneficiary's consent, Trustor shall be entitled to remove personal property in the ordinary course of Trustor's business so long as any such personal property is replaced with property of comparable value.

5.6.2 If all or part of the Property becomes damaged or destroyed, Trustor shall promptly and completely repair and/or restore the Property in a good and workmanlike manner in accordance with sound building practices, regardless of whether or not Beneficiary agrees to disburse insurance proceeds or other sums to pay costs of the work of repair or reconstruction under Section 5.5; provided that Trustor shall not be obligated to restore the Property in the event that (a) the applicable casualty was fully insured (with the sole exception of any deductible amount which was approved by Beneficiary), (b) Trustor is prevented from fulfilling the Restoration Conditions within 120 days following the occurrence of the damage for reasons not including financial difficulties of Trustor beyond Trustor's reasonable control, and (c) Beneficiary applies the applicable insurance proceeds against the Secured Obligations as provided above.

5.6.3 Trustor shall not commit or allow any act upon or use of the Property which would violate: (i) any applicable law or order of any Governmental Agency, whether now existing or later to be enacted and whether foreseen or unforeseen; or (ii) any public or private covenant, condition, restriction, equitable servitude, Contractual Obligation or other right affecting the Property. Trustor shall not bring or keep any article on the Property or cause or



allow any condition to exist on it, that could invalidate or would be prohibited by any insurance coverage required to be maintained by Trustor on the Property or any part of it under this Deed of Trust.

5.6.4 Trustor shall not commit or allow waste of the Property.

5.6.5 Trustor shall perform all other acts which from the character or use of the Property may be reasonably necessary to maintain and preserve its value. Without limiting the generality of the forgoing, Trustor shall protect and preserve all easements, rights-of-way and other appurtenances to the Land and/or Improvements. Trustor shall not cause or allow any such easement, right-of-way and other appurtenance to be cancelled, rejected or otherwise terminated, or modified in any way that would materially affect the interests of the Lenders herein.

5.7 Insurance. Trustor shall maintain the insurance required under Section 6.07 of the Credit Agreement with respect to the Property.

5.8 Trustee's Acceptance of Trust. Trustee accepts this trust when this Deed of Trust is recorded.

5.9 Releases, Extensions, Modifications and Additional Security.

5.9.1 From time to time, Beneficiary and/or any Lender may perform any of the following acts without incurring any liability or giving notice to any person, and without affecting the personal liability of any person for the payment of the Secured Obligations (except as provided below), and without affecting the security hereof for the full amount of the Secured Obligations on all Property remaining subject hereto, and without the necessity that any sum representing the value of any portion of the Property affected by Beneficiary's and/or such Lender's action(s) be credited on the Secured Obligations:

- (a) Release any person liable for payment of any Secured Obligation;
- (b) Extend the time for payment, or otherwise alter the terms of payment, of any Secured Obligation;
- (c) Accept additional real or personal property of any kind as security for any Secured Obligation, whether evidenced by deeds of trust, mortgages, security agreements or any other instruments of security; or
- (d) Alter, substitute or release any property securing the Secured Obligations.

5.9.2 From time to time when requested to do so by Beneficiary in writing, Trustee may perform any of the following acts without incurring any liability or giving notice to any person:

- (a) Consent to the making of any plat or map of the Property or any part of it;
- (b) Join in granting any easement or creating any restriction affecting the Property;
- (c) Join in any subordination or other agreement affecting this Deed of Trust or the lien or security interest of it; or
- (d) Reconvey the Property or any part of it without any warranty.

5.10 Reconveyance. Upon (a) the expiration or termination of the Commitment, (b) the full and final payment in cash of the Loans and all interest and fees with respect thereto, (c) the payment of all amounts then demanded by Beneficiary or any Lender or indemnitee and then owed under Sections 3.4 and 3.5 of the Credit Agreement, (d) the termination or cancellation of all outstanding Letters of Credit and Secured Swap Contracts secured by this Deed of Trust, and (e) the payment of all other amounts then due under the Loan Documents and the full payment and performance of all other Secured Obligations (other than indemnity obligations, if any, that are not then due), Beneficiary shall request Trustee in writing to reconvey the Property, and shall surrender this Deed of Trust. When Trustee receives Beneficiary's written request for reconveyance and all fees and other sums owing to Trustee by Trustor under Section 5.11, Trustee shall reconvey the Property, or so much of it as is then held under this Deed of Trust, without warranty, to the person or persons legally entitled to it. Such person or persons shall pay any costs of recordation. In the reconveyance, the grantee may be described as "the person or persons legally entitled thereto," and the recitals of any matters or facts shall be conclusive proof of their truthfulness. Neither Beneficiary nor Trustee shall have any duty to determine the rights of persons claiming to be rightful grantees of any reconveyance.

5.11 Compensation, Exculpation, Indemnification.

5.11.1 Trustor agrees to pay reasonable fees as may be charged by Beneficiary and Trustee, subject to the maximum amounts legally permitted, for any services that Beneficiary or Trustee may render in connection with this Deed of Trust, including Beneficiary's providing a statement of the Secured Obligations or Trustee's rendering of services in connection with a reconveyance. Trustor shall also pay or reimburse all of Beneficiary's and Trustee's reasonable costs and expenses which may be incurred in rendering any such services. Trustor further agrees to pay or reimburse Beneficiary for all reasonable costs, expenses and other advances which may be incurred or made by Beneficiary or Trustee in any efforts to enforce any terms of this Deed of Trust, including any rights or remedies afforded to Beneficiary or Trustee or both of them under Section 6.3, whether any lawsuit is filed or not, or in defending any action or proceeding arising under or relating to this Deed of Trust, including reasonable attorneys' fees and other legal costs, costs of any Foreclosure Sale (as defined in Section 6.3.8) and any cost of evidence of title. If Beneficiary chooses to dispose of the Property through more than one

Foreclosure Sale, Trustor shall pay all reasonable costs, expenses or other advances that may be incurred or made by Trustee or Beneficiary in each of such Foreclosure Sales.

5.11.2 Beneficiary shall not be directly or indirectly liable to Trustor or any other person as a consequence of any of the following:

- (a) Beneficiary's exercise of, or failure to exercise, any rights, remedies or powers granted to Beneficiary in this Deed of Trust;
- (b) Beneficiary's failure or refusal to perform or discharge any obligation or liability of Trustor under any agreement related to the Property or under this Deed of Trust; or
- (c) Any loss sustained by Trustor or any third party resulting from Beneficiary's failure to lease or operate the Property, or from any other act or omission of Beneficiary in managing the Property, after an Event of Default, unless the loss is caused by the gross negligence, willful misconduct and bad faith of Beneficiary.

Trustor hereby expressly waives and releases all liability of the types described above, and agrees that no such liability shall be asserted against or imposed upon Beneficiary.

5.11.3 Trustor agrees to indemnify Trustee, Beneficiary and the Lenders (collectively, the "Indemnitees") against and hold them harmless from all losses, damages, liabilities, claims, causes of action, judgments, court costs, reasonable attorneys' fees and other reasonable legal expenses, cost of evidence of title, cost of evidence of value, and other costs and expenses which any of them may suffer or incur (except to the extent that any of the foregoing are the result of the gross negligence or willful misconduct of any such Indemnitee):

- (a) In performing any act required or permitted by this Deed of Trust or any of the other Loan Documents or by law;
- (b) Because of any failure of Trustor to perform any of Trustor's obligations; or
- (c) Because of any alleged obligation of or undertaking by Beneficiary to perform or discharge any of the representations, warranties, conditions, covenants or other obligations in any document relating to the Property other than the Loan Documents.

Each obligation or liability of Trustor to any Indemnitee under this Section 5.11.3 shall survive the release and cancellation of any or all of the Secured Obligations and the full or partial release and/or reconveyance of this Deed of Trust.

5.11.4 Trustor shall pay all obligations to pay money arising under this Section 5.11 immediately upon demand by Beneficiary (or the applicable Indemnitee). Each such obligation shall bear interest from the date the obligation arises at the Default Rate set forth in the Credit Agreement, and any such obligation to a Lender shall be added to, and considered to be part of, the principal of the Note in favor of such Lender (and, in the event that such Lender holds more than one Note, the allocation of such obligation among such Notes shall be made by such Lender in its absolute discretion).

5.12 Defense and Notice of Claims and Actions. At Trustor's sole expense, Trustor shall protect, preserve and defend the Property and title to and right of possession of the Property, and the security of this Deed of Trust and the rights and powers of Beneficiary and Trustee created under it, against all adverse claims. Trustor shall give Beneficiary and Trustee prompt notice in writing if any claim is asserted which does or could affect any of such matters, or if any action or proceeding is commenced which alleges or relates to any such claim.

5.13 Substitution of Trustee. From time to time, Beneficiary may substitute a successor to any Trustee named in or acting under this Deed of Trust in any manner now or later to be provided at law, or by a written instrument executed and acknowledged by Beneficiary and recorded in the office(s) of the recorder(s) of the County. Any such instrument shall be conclusive proof of the proper substitution of the successor Trustee, who shall automatically upon recordation of the instrument succeed to all estate, title, rights, powers and duties of the predecessor Trustee, without conveyance from it.

5.14 Subrogation. Beneficiary shall be subrogated to the liens and security interests of all encumbrances, whether released of record or not, which are discharged in whole or in part by Beneficiary in accordance with this Deed of Trust or with the proceeds of any loan secured by this Deed of Trust.

5.15 Site Visits, Observation and Testing. Subject to applicable gaming laws, Beneficiary and its agents and representatives shall have the right at any reasonable time to enter and visit the Property for the purpose of performing appraisals. In addition, subject to applicable gaming laws, each person indemnified by each of the Borrowers under Section 10.04 of the Credit Agreement (collectively, "Indemnified Parties") and their agents and representatives shall have the right at any reasonable time to enter and visit the Property for the purposes of observing the Property, taking and removing soil or groundwater samples, and conducting tests on any part of the Property, but not more than one time in any twelve month period unless the Indemnified Parties have reasonable grounds for believing that the presence or release of Hazardous Materials on, at, under or from the Property or other violation of any of the terms of the Loan Documents may have occurred; provided that if no Default or Event of Default exists the Indemnified Parties shall conduct any required testing in a manner which is calculated to be minimally invasive. All such parties and their agents and representatives may be required to provide evidence of reasonable liability insurance coverages for their activities at the Property at the request of Trustor. The Indemnified Parties have no duty, however, to visit or observe the Property or to



conduct tests, and no site visit, observation or testing by any Indemnified Party shall impose any liability on any Indemnified Party, other than any liability arising directly from the gross negligence, willful misconduct and bad faith of such Indemnifying Party. In no event shall any site visit, observation or testing by any Indemnified Party be a representation that Hazardous Materials are or are not present in, on, or under the Property, or that there has been or shall be compliance with any Hazardous Materials Law, or any other applicable Law. Neither Trustor nor any other party is entitled to rely on any site visit, observation or testing by any Indemnified Party. The Indemnified Parties owe no duty of care to protect Trustor or any other party against, or to inform Trustor or any other party of, any Hazardous Material or any other adverse condition affecting the Property; provided, however, any Indemnified Party who obtains any written report, test results or inspection results regarding the physical condition of the Property shall use diligent efforts to deliver a copy of such written report, test results or inspections results to Trustor. Any Indemnified Party shall give Trustor reasonable notice before entering the Property. The Indemnified Party shall make reasonable efforts to avoid interfering with Trustor's use of the Property and business operations thereon in exercising any rights provided in this Section.

5.16 Notice of Change. Trustor shall give Beneficiary prior written notice of (a) any change in the location of Trustor's place of business or its chief executive office if it has more than one place of business, (b) any change in the location of any of the Property, including the Books and Records, and (c) any change to Trustor's name or business structure. Unless otherwise approved by Beneficiary in writing, all Property that consists of personal property (other than the Books and Records) will be located on the Land and all Books and Records for the portion of the Property owned by Trustor will be located at such Trustor's place of business or chief executive office if such Trustor has more than one place of business.

5.17 Title Insurance. At any time and from time to time at the reasonable request of Beneficiary, Trustor, at its sole cost and expense, shall deliver to Beneficiary such additional title insurance indorsements and reinsurance issued by title insurance companies, in form and substance and reasonably satisfactory to Beneficiary, with respect to this Deed of Trust, including, without limitation, CLTA 122 endorsements insuring that each advance is secured by this Deed of Trust (without any exception not set forth in the policy of title insurance insuring this Deed of Trust other than (i) liens for taxes and assessments not yet due and payable and (ii) permitted encumbrances approved by the Beneficiary insured to be subordinate to this Deed of Trust), and CLTA 101.4 endorsements insuring the priority of the Deed of Trust over any mechanic's lien.

6. Accelerating Transfers, Defaults and Remedies.

6.1 Accelerating Transfers.

6.1.1 "Accelerating Transfer" means any sale, contract to sell, conveyance, encumbrance, lease, alienation or further encumbrance of all or any material portion of the Property (or any interest in it) which is not expressly permitted under the Credit Agreement, or

any other transfer of all or any material portion of the Property (or any interest in it), whether voluntary, involuntary, by operation of law or otherwise, unless Beneficiary has given its prior written consent to such "Accelerating Transfer," which consent may be given or not given in the absolute discretion of Beneficiary. If Trustor is a corporation or limited liability company, "Accelerating Transfer" also means any transfer of any share or shares in Trustor which is not expressly permitted under the Credit Agreement, and if Trustor is a partnership or limited liability company, "Accelerating Transfer" also means the withdrawal or removal of any general partner or manager, as the case may be, the dissolution of the partnership or limited liability company under Nevada law, or any transfer of any partnership interest or any ownership interest in the limited liability company which is not expressly permitted under the Credit Agreement; provided, however, that any transfer of any ownership interest in Trustor which does not constitute a "Change of Control", as defined in the Credit Agreement, shall not be deemed to be an "Accelerating Transfer".

6.1.2 Trustor acknowledges that Beneficiary and the Lenders are making one or more advances under the Credit Agreement in reliance on the expertise, skill and experience of Trustor; thus, the Secured Obligations include material elements similar in nature to a personal service contract. In consideration of Beneficiary's reliance, Trustor agrees that Trustor shall not make any Accelerating Transfer, unless the transfer is preceded by Beneficiary's written consent to the particular transaction and transferee. Beneficiary may withhold such consent in its absolute discretion. If any Accelerating Transfer occurs, Beneficiary may, in its absolute discretion (provided that it has received any consents or approvals of any other Lenders required under the Credit Agreement), declare all of the Secured Obligations to be immediately due and payable, and Beneficiary and Trustee may invoke any rights and remedies provided by Section 6.3 of this Deed of Trust.

6.2 Events of Default. Trustor will be in default under this Deed of Trust upon the occurrence of any one or more of the following events ("Events of Default"):

(a) Trustor fails to perform any obligation to pay money which arises under this Deed of Trust within five days after the same becomes due; or

(b) Trustor fails to perform any other obligation arising under this Deed of Trust and such failure continues for 30 days the earlier of (i) the date upon which the Trustor has actual notice of such failure or, (ii) notice is given to Trustor from the Beneficiary thereof; or

(c) Trustor, any other Borrower, any other Party, or any other "borrower" (as that term is defined in NRS 106.310, as amended or recodified from time to time) who may send a notice pursuant to NRS 106.380(1), as amended or recodified from time to time, with respect to this Deed of Trust, (i) delivers, sends by mail or otherwise gives, or purports to deliver, send by mail or otherwise give, to Beneficiary or any Lender, (A) any notice of an election to terminate the operation of this Deed of Trust as security for any Secured Obligation, including, without limitation, any obligation to



repay any "future advance" (as defined in NRS 106.320, as amended or recodified from time to time) of "principal" (as defined in NRS 106.345, as amended or recodified from time to time), or (B) any other notice pursuant to NRS 106.380(1), as amended or recodified from time to time, (ii) records a statement pursuant to NRS 106.380(3), as amended or recodified from time to time, or (iii) causes this Deed of Trust, any Secured Obligation, Beneficiary or any Lender to be subject to NRS 106.380(2), 106.380(3) or 106.400, as amended or recodified from time to time; or

(d) Any Event of Default (as defined in the Credit Agreement or in any other Loan Document) occurs.

6.3 Remedies. At any time after and during the continuance of an Event of Default and provided that Beneficiary has received any consents or approvals of any other Lenders required under the Credit Agreement, Beneficiary and Trustee will be entitled to invoke any or all of the following rights and remedies (subject to any restrictions on those rights and remedies imposed by applicable Gaming Laws), all of which will be cumulative, and the exercise of any one or more of which shall not constitute an election of remedies:

6.3.1 Acceleration. Beneficiary may declare any or all of the Secured Obligations to be due and payable immediately.

6.3.2 Receiver. Beneficiary may apply to any court of competent jurisdiction for, and obtain appointment of, a receiver for the Property; and Beneficiary may request, in connection with any foreclosure proceeding hereunder, that the Nevada Gaming Commission petition a District Court of the State of Nevada for the appointment of a supervisor to conduct the normal gaming activities on the Property following such foreclosure proceeding.

6.3.3 Entry. Beneficiary, in person, by agent or by court-appointed receiver, may enter, take possession of, manage and operate all or any part of the Property, and may also do any and all other things in connection with those actions that Beneficiary may in its absolute discretion consider necessary and appropriate to protect the security of this Deed of Trust. Such other things may include, without limitation: taking and possessing all of Trustor's or the then owner's Books and Records; entering into, enforcing, modifying, or cancelling Leases on such terms and conditions as Beneficiary may consider proper; obtaining and evicting tenants; collecting and receiving any payment of money owing to Trustor; completing construction; and/or contracting for and making repairs and alterations. If Beneficiary so requests, Trustor shall assemble all of the Property that has been removed from the Land and make all of it available to Beneficiary at the site of the Land. Trustor hereby irrevocably constitutes and appoints Beneficiary as Trustor's attorney-in-fact (which appointment is coupled with an interest) to perform such acts and execute such documents as Beneficiary in its absolute discretion may consider to be appropriate in connection with taking these measures, including endorsement of Trustor's name on any instruments. Regardless of any provision of this Deed of Trust or the Credit Agreement, Beneficiary shall not be considered to have accepted any property other than cash or immediately available funds in satisfaction of any obligation of Trustor to Beneficiary

unless Beneficiary has given express written notice of Beneficiary's election of that remedy in accordance with NRS 104.9620, as it may be amended or recodified from time to time.

6.3.4 Cure; Protection of Security. Either Beneficiary or Trustee may cure any breach or default of Trustor and, if it chooses to do so in connection with any such cure, Beneficiary or Trustee may also enter the Property and/or do any and all other things which either may in its absolute discretion consider necessary and appropriate to protect the security of this Deed of Trust. Such other things may include, without limitation: appearing in and/or defending any action or proceeding which purports to affect the security of, or the rights or powers of Beneficiary or Trustee under, this Deed of Trust; paying, purchasing, contesting or compromising any encumbrance, charge, lien, security interest or claim of lien or security interest which (in Beneficiary's or Trustee's sole judgment) is or may be senior in priority to this Deed of Trust, such judgment of Beneficiary or Trustee to be conclusive as among the parties to this Deed of Trust; obtaining insurance and/or paying any premiums or charges for insurance required to be carried under this Deed of Trust and the other Loan Documents; otherwise caring for and protecting any and all of the Property; and/or employing counsel, accountants, contractors and other appropriate persons to assist Beneficiary or Trustee. Beneficiary and Trustee may take any of the actions permitted under this Section 6.3.4 either with or without giving notice to any person.

6.3.5 Uniform Commercial Code Remedies. Beneficiary may exercise any or all of the remedies granted to a secured party under the Nevada Uniform Commercial Code, as amended or recodified from time to time.

6.3.6 Judicial Action. Beneficiary may bring an action in any court of competent jurisdiction to foreclose this Deed of Trust or to obtain specific enforcement of any of the covenants or other terms of this Deed of Trust.

6.3.7 Power of Sale. Under the power of sale hereby granted, Beneficiary shall have the discretionary right to cause some or all of the Property, including any Property which constitutes personal property, to be sold or otherwise disposed of in any combination and in any manner permitted by applicable law.

(a) Sales of Personal Property.

(i) For purposes of this power of sale, Beneficiary may elect to treat as personal property any Property which is intangible or which can be severed from the Land or Improvements without causing structural damage. If it chooses to do so, Beneficiary may dispose of any personal property separately from the sale of real property, in any manner permitted by Article 9 of the Nevada Uniform Commercial Code, as amended or recodified from time to time, including any public or private sale, or in any manner permitted by any other applicable law. Any proceeds of any such disposition shall not cure any Event of Default or reinstate any Secured Obligation.

(ii) In connection with any sale or other disposition of such Property, Trustor agrees that the following procedures constitute a commercially reasonable sale: Beneficiary shall mail written notice of the sale to Trustor not later than ten days prior to such sale. Once per week during the three weeks immediately preceding such sale, Beneficiary will publish notice of the sale in a local daily newspaper of general circulation. Upon receipt of any written request, Beneficiary will make the Property available to any bona fide prospective purchaser for inspection during reasonable business hours. Notwithstanding any provision to the contrary, Beneficiary shall be under no obligation to consummate a sale if, in its judgment, none of the offers received by it equals the fair value of the Property offered for sale. The foregoing procedures do not constitute the only procedures that may be commercially reasonable.

(b) Trustee's Sales of Real Property or Mixed Collateral.

(i) Beneficiary may choose to dispose of some or all of the Property which consists solely of real property in any manner then permitted by applicable law. In its discretion, Beneficiary may also or alternatively choose to dispose of some or all of the Property, in any combination consisting of both real and personal property, together in one sale to be held in accordance with the law and procedures applicable to real property, as permitted by Article 9 of the Nevada Uniform Commercial Code, as amended or recodified from time to time. Trustor agrees that such a sale of personal property together with real property constitutes a commercially reasonable sale of the personal property. For purposes of this power of sale, either a sale of real property alone, or a sale of both real and personal property together in accordance with Article 9 of the Nevada Uniform Commercial Code, as amended or recodified from time to time, will sometimes be referred to as a "Trustee's Sale."

(ii) Before any Trustee's Sale, Beneficiary or Trustee shall give such notice of default and election to sell as may then be required by law. When all time periods then legally mandated have expired, and after such notice of sale as may then be legally required has been given, Trustee shall sell the property being sold at a public auction to be held at the time and place specified in the notice of sale, provided, however, that no sale or other disposition of slot machines or other gaming devices shall occur without first receiving the approval of the applicable Gaming Board. Neither Trustee nor Beneficiary shall have any obligation to make demand on Trustor before any Trustee's Sale. From time to time in accordance with then applicable law, Trustee may, and in any event at Beneficiary's request shall, postpone any Trustee's Sale by public announcement at the time and place noticed for that sale.

(iii) At any Trustee's Sale, Trustee shall sell the property being sold at a public auction to the highest bidder at public auction for cash in lawful money of the United States. Trustee shall execute and deliver to the purchaser(s) a deed or deeds conveying the property being sold without any covenant or warranty whatsoever, express or implied. The recitals in any such deed of any matters or facts, including any facts bearing upon the regularity or validity of any Trustee's Sale, shall be conclusive proof of their truthfulness. Any such deed shall be conclusive against all persons as to the facts recited in it.

6.3.8 Single or Multiple Foreclosure Sales. If the Property consists of more than one lot, parcel or item of property, Beneficiary may:

(a) Designate the order in which the lots, parcels and/or items shall be sold or disposed of or offered for sale or disposition; and

(b) Elect to dispose of the lots, parcels and/or items through a single consolidated sale or disposition to be held or made under the power of sale granted in Sections 1.1 and 6.3.7, or in connection with judicial proceedings, or by virtue of a judgment and decree of foreclosure and sale; or through two or more such sales or dispositions; or in any other manner Beneficiary may deem to be in its best interests (any such sale or disposition being referred to herein as a "Foreclosure Sale").

If Beneficiary chooses to have more than one Foreclosure Sale, Beneficiary at its option may cause the Foreclosure Sales to be held simultaneously or successively, on the same day, or on such different days and at such different times and in such order as Beneficiary may deem to be in its best interests. No Foreclosure Sale shall terminate or affect the liens or security interests of this Deed of Trust on any part of the Property which has not been sold until all of the Secured Obligations have been paid in full and the Commitment has been fully and finally terminated.

6.3.9 Other Permitted Remedies. Beneficiary and the Lenders may refuse to make any advance to any Borrower or issue any Letter of Credit for the account of any Borrower. Beneficiary and the Lenders may exercise any and all other rights and remedies available under the Loan Documents and applicable law, including, without limitation, the right to file applications to change, and to exercise all other rights and remedies available under applicable law with respect to, all water permits and rights relating to the Property; provided however that, notwithstanding the foregoing or any other provision contained in this Deed of Trust, the remedies provided by this Deed of Trust shall not include the right to take any action that violates applicable Gaming Laws. Beneficiary hereby agrees that the Landlord shall have the right and option, as required by Section 19.1 of the Operating Lease, exercisable by written notice within the 30-day period following the recordation of a notice of default, to purchase all right, title and interest of the Beneficiary under this Deed of Trust for cash in an amount equal to the entire balance of principal and interest due and owing by Trustor to Beneficiary, provided further that the Landlord shall have 90 days after the recordation of a notice of default in which to complete said purchase.

6.4 Credit Bids. At any Foreclosure Sale, any person, including Trustor, Trustee or Beneficiary, may bid for and acquire the Property or any part thereof to the extent permitted by then applicable law. Instead of paying cash for such property, Beneficiary may settle for the purchase price by crediting against the sales price of the Property or any part thereof any or all of the outstanding Secured Obligations (including without limitation the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Trustor is obligated to pay or reimburse Beneficiary, the Lenders or Trustee under Section 5.11) in such order and proportions as Beneficiary in its absolute discretion may choose.

6.5 Application of Foreclosure Sale Proceeds. Beneficiary and Trustee shall apply the proceeds of any Foreclosure Sale in the manner required by applicable law; provided that all proceeds that are to be applied against the Secured Obligations shall, except as otherwise required by applicable law, be applied against the Secured Obligations in any order and proportions as Beneficiary in its absolute discretion may choose (subject to any applicable provisions for priority of application of proceeds set forth in either Credit Agreement).

6.6 Application of Rents and Other Sums. Beneficiary shall apply any and all Rents collected by it, and any and all sums other than proceeds of a Foreclosure Sale which Beneficiary may receive or collect under Section 6.3, in the following manner:

- (a) First, to pay the portion of the Secured Obligations attributable to the costs and expenses of operation and collection that may be incurred by Trustee, Beneficiary or any receiver;
- (b) Second, to pay all other Secured Obligations in any order and proportions as Beneficiary in its absolute discretion may choose (subject to any applicable provisions for priority of application of payments set forth in the Credit Agreement); and
- (c) Third, to remit the remainder, if any, to the person or persons entitled to it. Beneficiary shall have no liability for any funds which it does not actually receive.

6.7 Incorporation of Certain Nevada Covenants. Covenants Nos. 1, 2 (full replacement value), 3, 4 (at the applicable Default Rate), 5, 6, 7 (reasonable), 8 and 9 of NRS 107.030, where not in conflict with the provisions of the Loan Documents, are hereby adopted and made a part of this Deed of Trust. Upon any Event of Default by Trustor hereunder, Beneficiary may (a) declare all sums secured immediately due and payable without demand or notice or (b) have a receiver appointed as a matter of right without regard to the sufficiency of said property or any other security or guaranty and without any showing as required by NRS §107.100. All remedies provided in this Deed of Trust are distinct and cumulative to any other right or remedy under this Deed of Trust or afforded by law or equity and may be exercised concurrently, independently or successively. The sale of said property conducted pursuant to



Covenants Nos. 6, 7 and 8 of NRS §107.030 may be conducted either as to the whole of said property or in separate parcels and in such order as Trustee may determine.

7. Leasehold Mortgage Provisions. The provisions of this Article 7 shall apply in the event that, and so long as, any portion of the Property consists of Trustor's interests as tenant under any lease or leases (collectively, including the Operating Lease, the "Ground Leases"). Unless otherwise expressly provided, the lien of this Deed of Trust shall encumber all of Trustor's rights and interests under and in connection with any Ground Lease, including without limitation renewal and extension rights, options to expand, and purchase options (all of which rights shall be collectively referred to herein as a "Ground Leasehold"). Trustor hereby agrees, with respect to each Ground Lease, as follows:

7.1 Trustor shall timely perform its obligations in connection with each Ground Lease. Without limiting the generality of Section 6.3.4, above, Trustor specifically acknowledges Beneficiary's right, while any default by Trustor under any Ground Lease remains uncured, to perform the defaulted obligations and take all other actions which Beneficiary deems necessary to protect its interests with respect thereto, and Trustor hereby irrevocably appoints Beneficiary its true and lawful attorney-in-fact (which appointment is coupled with an interest) in its name or otherwise to execute all documents, and perform all other acts, which Beneficiary reasonably deems necessary to preserve its or Trustor's rights with respect to any Ground Lease.

7.2 Trustor shall not, without Beneficiary's prior written consent, modify, or cause or permit the termination of, any Ground Lease, or waive or in any way release the landlord under any Ground Lease of or from any obligation or condition.

7.3 Trustor shall notify Beneficiary promptly in writing of (i) the occurrence of any default by the landlord under any Ground Lease and (ii) the receipt by Trustor of any notice claiming the occurrence of any default by Trustor under any Ground Lease or the occurrence of any event which, with the passage of time or the giving of notice or both, would constitute a default by Trustor under any Ground Lease (and Trustor shall also promptly deliver a copy of any such notice to Beneficiary).

7.4 Unless Beneficiary otherwise consents in writing, so long as any Secured Obligation remains outstanding, neither the fee title to, nor any other estate or interest in, the real property subject to any Ground Lease shall merge with any Ground Leasehold, notwithstanding the union of such estates in the landlord or the tenant or in a third party. Any acquisition of the landlord's interest in any Ground Lease by Trustor or any affiliate of Trustor shall be accomplished in such a manner as to avoid a merger of the interests of landlord and tenant unless Beneficiary consents to such merger in writing.

7.5 If Trustor acquires fee title to any portion of the real property subject to any Ground Lease, this Deed of Trust shall automatically be a lien on such fee title.

7.6 Trustor shall not subordinate any Ground Lease or Ground Leasehold to any deed of trust or other encumbrance of, or lien on, any interest in the real property subject to such Ground Leasehold without the prior written consent of Beneficiary. Any such subordination without such consent shall, at Beneficiary's option, be void.

7.7 All subleases entered into by Trustor with respect to all or any portion of the Property (and all existing subleases modified by Trustor) shall provide that such subleases are subordinate to the lien of this Deed of Trust and any modifications of this Deed of Trust and the obligations secured hereby and that, if Beneficiary forecloses under this Deed of Trust or enters into a new lease with any landlord under any Ground Lease pursuant to the provisions for a new lease, if any, contained in the applicable Ground Lease or in any other document or agreement, the subtenant shall attorn to Beneficiary or its assignee and the sublease shall remain in full force and effect in accordance with its terms notwithstanding the termination of the applicable Ground Lease.

7.8 Trustor shall exercise any option or right to renew or extend the term (hereinafter, an "Option") of any Ground Lease at least six months prior to the date of termination of any such Option (provided that if the Ground Lease provides that Trustor may only exercise an Option within a period that commences less than six months prior to the date of termination thereof, Trustor shall exercise such Option as early as permitted under the Ground Lease), shall give immediate written notice thereof to Beneficiary, and shall execute, deliver and record any documents requested by Beneficiary to evidence the lien of this Deed of Trust on such extended or renewed lease term. If Trustor fails to exercise any such Option as required herein, Beneficiary may exercise the option or right as Trustor's agent and attorney-in-fact pursuant to this Deed of Trust, or in Beneficiary's own name or in the name of and on behalf of a nominee of Beneficiary, as Beneficiary chooses in its absolute discretion.

7.9 As security for the Secured Obligations, Trustor hereby assigns to Beneficiary a security interest in all prepaid rents and security deposits and all other security which the landlords under the Ground Leases hold for the performance of Trustor's obligations thereunder.

7.10 Promptly upon demand by Beneficiary, Trustor shall use reasonable efforts to obtain from the landlord under any Ground Lease and furnish to Beneficiary an estoppel certificate of such landlord stating the date through which rent has been paid, whether or not there are any defaults, and the specific nature of any claimed defaults; provided that in no event shall Trustor be in violation of the terms of this provision if it is unable to obtain such an estoppel from a landlord who is not obligated to provide such an estoppel under the terms of its Ground Lease.

7.11 Trustor shall notify Beneficiary promptly in writing of any request by either party to any Ground Lease for arbitration, appraisal or other proceedings relating to any Ground Lease and of the institution of any such proceeding, and shall promptly deliver to Beneficiary a copy of all determinations in any such proceeding. Beneficiary shall have the right, following written notice to Trustor, to participate in any such proceeding in association with Trustor or on its own

behalf as an interested party. Trustor shall notify Beneficiary promptly in writing of the institution of any legal proceeding involving obligations under any Ground Lease, and Beneficiary may intervene in any such legal proceeding and be made a party. Trustor shall promptly provide Beneficiary with a copy of any decision rendered in connection with any such proceeding.

7.12 To the extent permitted by law, the price payable by Trustor or any other party in the exercise of the right of redemption, if any, from any sale under, or decree of foreclosure of, this Deed of Trust shall include all rents and other amounts paid and other sums advanced by Beneficiary on behalf of Trustor as the tenant under the Ground Leases.

7.13 In addition to all other Events of Default described in this Deed of Trust, the occurrence of any of the following shall be an Event of Default hereunder:

- (a) A breach or default by Trustor under any Ground Lease, subject to any applicable cure period; or
- (b) The occurrence of any event or circumstance which gives the landlord under any Ground Lease an immediate right to terminate such Ground Lease.

7.14 As used in this Deed of Trust, the "Bankruptcy Code" shall mean 11 U.S.C. § 101 et seq., as modified and/or recodified from time to time. Notwithstanding anything to the contrary contained herein with respect to any Ground Lease:

(a) The lien of this Deed of Trust attaches to all of Trustor's rights under Subsection 365(h) of the Bankruptcy Code, including without limitation any and all elections to be made thereunder, any and all rights under any Ground Lease which Trustor is entitled to retain pursuant to 11 U.S.C. § 365(h)(1)(A)(ii) in the event of a rejection under the Bankruptcy Code of such Ground Lease by the landlord thereunder (or any trustee thereof), and any and all rights of offset under or as described in 11 U.S.C. § 365(h)(1)(B).

(b) Trustor acknowledges and agrees that, as the beneficiary under this Deed of Trust and by operation of 11 U.S.C. § 365(h)(1)(D), Beneficiary has, and until this Deed of Trust has been fully reconveyed continuously shall have, whether before or after any default under any of the Secured Obligations or the taking of any action to enforce any of Beneficiary's rights and remedies under this Deed of Trust or any foreclosure sale hereunder, the complete, unfettered and exclusive right, in its sole and absolute discretion, to elect (the "365(h) Election") whether (i) any Ground Lease that has been rejected under the Bankruptcy Code by the landlord thereunder (or any trustee therefor) shall be treated as terminated under 11 U.S.C. § 365(h)(1)(A)(i), or (ii) the rights under such Ground Lease that are in or appurtenant to the real property, as described in 11 U.S.C. § 365(h)(1)(A)(ii), should be retained pursuant to that subsection. To the extent that, notwithstanding the preceding sentence and 11 U.S.C. § 365(h)(1)(D),



Trustor now or at any time in the future has any right to make, or to participate in or otherwise in any manner affect the making of, the 365(h) Election with respect to any Ground Lease, Trustor hereby absolutely assigns and conveys to Beneficiary any and all such rights, and all of Trustor's right, title, and interest therein, which may be used and exercised by Beneficiary completely, exclusively, and without any restriction whatsoever, in Beneficiary's sole and absolute discretion, whether before or after any default upon any of the Secured Obligations, the taking of any action to enforce any of Beneficiary's rights and remedies under this Deed of Trust, or any foreclosure sale hereunder. Trustor hereby unconditionally and irrevocably appoints Beneficiary as its attorney-in-fact to exercise Trustor's right, if any, to make, or participate in or otherwise in any matter affect the making of, the 365(h) Election with respect to any Ground Lease. Trustor shall not in any manner impede or interfere with any action taken by Beneficiary and, at the request of Beneficiary, Trustor shall take or join in the taking of any action to make, or participate in or otherwise in any manner affect the making of, the 365(h) Election with respect to any Ground Lease, in such manner as Beneficiary determines in its sole and absolute discretion. Unless and until instructed to do so by Beneficiary (as determined by Beneficiary in its sole and absolute discretion), Trustor shall not take any action to make, or participate in or otherwise in any manner affect the making of, the 365(h) Election with respect to any Ground Lease, including in particular, but without limitation, any election to treat any Ground Lease as terminated. Beneficiary shall have no obligation whatsoever to Trustor or any other person or entity in connection with the making of the 365(h) Election with respect to any Ground Lease or any instruction by Beneficiary to Trustor given, withheld or delayed in respect thereof, nor shall Beneficiary have any liability to Trustor or any other person or entity arising from any of the same.

(c) As security for the Secured Obligations, Trustor hereby irrevocably assigns to Beneficiary all of Trustor's rights to damages arising from any rejection by any landlord (or any trustee thereof) of any Ground Lease under the Bankruptcy Code. Beneficiary and Trustor shall proceed jointly or in the name of Trustor in respect of any claim or proceeding relating to the rejection of any Ground Lease, including without limitation the right to file and prosecute any proofs of claim, complaints, motions and other documents in any case in respect of such landlord under the Bankruptcy Code. This assignment shall continue in effect until all of the Secured Obligations have been satisfied in full. Any amounts received by Beneficiary or Trustor as damages arising from the rejection of any Ground Lease as aforesaid shall be applied first to all costs reasonably incurred by Beneficiary (including attorneys' fees) in connection with this subsection (c) and then in accordance with other applicable provisions of this Deed of Trust.

(d) If, pursuant to the Bankruptcy Code, Trustor seeks to offset against the rent reserved in any Ground Lease the amount of any damages caused by the nonperformance of the landlord's obligations after the rejection by the landlord (or any trustee thereof) of such Ground Lease, Trustor shall, prior to effecting such offset, notify

Beneficiary in writing of its intent to do so, setting forth the amounts proposed to be offset and, in the event that Beneficiary objects, Trustor shall not effect any offset of the amounts to which Beneficiary objects. If Beneficiary fails to object within 10 days following receipt of such notice, Trustor may offset the amounts set forth in Trustor's notice.

(e) If any legal proceeding is commenced with respect to any Ground Lease in connection with any case under the Bankruptcy Code, Beneficiary and Trustor shall cooperatively conduct any such proceeding with counsel reasonably agreed upon between Trustor and Beneficiary. Trustor shall, upon demand, pay to Beneficiary all costs (including attorneys' fees) reasonably incurred by Beneficiary in connection with any such proceeding.

(f) Trustor shall immediately notify Beneficiary orally upon learning of any filing by or against any landlord of a petition under the Bankruptcy Code. Trustor shall thereafter promptly give written notice of such filing to Beneficiary, setting forth any information available to Trustor with respect to the date of such filing, the court in which such petition was filed, and the relief sought therein. Trustor shall promptly deliver to Beneficiary all notices, pleadings and other documents received by Trustor in connection with any such proceeding.

7.15 No maintenance, repair or other obligation of Trustor hereunder which relates to the "Property" shall apply to any Ground Leasehold with respect to which the applicable Ground Lease imposes such obligation on the landlord so long as (a) Trustor does not own the landlord's interest; (b) such landlord is performing such obligation in accordance with the terms of such Ground Lease; and (c) the Ground Lease has not been rejected by the landlord (or any trustee thereof) under the Bankruptcy Code.

7.16 The generality of the provisions of this Deed of Trust shall not be limited by any provision of this Article 7 that sets forth particular obligations of Trustor as the tenant under the Ground Leases.

7.17 Trustor hereby represents and warrants to Beneficiary as follows:

- (a) The Operating Lease is in full force and effect;
- (b) Trustor owns the entire tenant's interest under the Operating Lease and has the right under the Operating Lease to execute this Deed of Trust; and
- (c) No default under the Operating Lease remains uncured, nor has any event occurred which, with the passage of time or service of notice or both, would constitute such a default, except as may have been disclosed in writing to Beneficiary by Trustor prior to the date hereof.

8. Miscellaneous Provisions.

8.1 Additional Provisions. The Loan Documents fully state all of the terms and conditions of the parties' agreement regarding the matters mentioned in or incidental to this Deed of Trust. The Loan Documents also grant further rights to Beneficiary and contain further agreements and affirmative and negative covenants by Trustor which apply to this Deed of Trust and to the Property.

8.2 No Waiver or Cure.

8.2.1 Each waiver by Beneficiary or Trustee must be in writing, and no waiver shall be construed as a continuing waiver. No waiver shall be implied from any delay or failure by Beneficiary or Trustee to take action on account of any default of Trustor. Consent by Beneficiary or Trustee to any act or omission by Trustor shall not be construed as a consent to any other or subsequent act or omission or to waive the requirement for Beneficiary's or Trustee's consent to be obtained in any future or other instance.

8.2.2 If any of the events described below occurs, that event alone shall not: cure or waive any breach, Event of Default or notice of default under this Deed of Trust or invalidate any act performed pursuant to any such default or notice; or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed and all other defaults under the Loan Documents have been cured); or impair the security of this Deed of Trust; or prejudice Beneficiary, Trustee or any receiver in the exercise of any right or remedy afforded any of them under this Deed of Trust; or be construed as an affirmation by Beneficiary of any tenancy, lease or option, or a subordination of the lien or security interest of this Deed of Trust.

- (a) Beneficiary, its agent or a receiver takes possession of all or any part of the Property in the manner provided in Section 6.3.3.
- (b) Beneficiary collects and applies Rents as permitted under Sections 2.3 and 6.6 or exercises Trustor's right, title and interest under the Leases, either with or without taking possession of all or any part of the Property.
- (c) Beneficiary receives and applies to any Secured Obligation proceeds of any Property, including any proceeds of insurance policies, condemnation awards, or other claims, property or rights assigned to Beneficiary under Section 5.5.
- (d) Beneficiary makes a site visit, observes the Property and/or conducts tests as permitted under Section 5.15.
- (e) Beneficiary receives any sums under this Deed of Trust or any proceeds of any collateral held for any of the Secured Obligations, and applies them to one or more Secured Obligations.

(f) Beneficiary, Trustee or any receiver invokes any right or remedy provided under this Deed of Trust.

8.3 Powers of Beneficiary and Trustee.

8.3.1 Trustee shall have no obligation to perform any act which it is empowered to perform under this Deed of Trust unless it is requested to do so in writing and is reasonably indemnified against loss, cost, liability and expense.

8.3.2 If either Beneficiary or any Lender or Trustee performs any act which it is empowered or authorized to perform under this Deed of Trust, including any act permitted by Section 5.9 or Section 6.3.4, that act alone shall not release or change the personal liability of any person for the payment and performance of the Secured Obligations then outstanding, or the lien or security interest of this Deed of Trust on all or the remainder of the Property for full payment and performance of all outstanding Secured Obligations. The liability of the original Trustor shall not be released or changed if Beneficiary or any Lender grants any successor in interest to any Borrower or Trustor any extension of time for payment, or modification of the terms of payment, of any Secured Obligation. Neither Beneficiary nor any Lender shall be required to comply with any demand by any original Trustor or Borrower that Beneficiary or such Lender refuse to grant such an extension or modification to, or commence proceedings against, any such successor in interest

8.3.3 Beneficiary may take any of the actions permitted under Sections 6.3.2 and/or 6.3.3 regardless of the adequacy of the security for the Secured Obligations, or whether any or all of the Secured Obligations have been declared to be immediately due and payable, or whether notice of default and election to sell has been given under this Deed of Trust.

8.3.4 From time to time, Beneficiary or Trustee may apply to any court of competent jurisdiction for aid and direction in executing the trust and enforcing the rights and remedies created under this Deed of Trust. Beneficiary or Trustee may from time to time obtain orders or decrees directing, confirming or approving acts in executing this trust and enforcing these rights and remedies.

8.4 Merger. No merger shall occur as a result of Beneficiary's acquiring any other estate in or any other lien on or security interest in the Property unless Beneficiary consents to a merger in writing.

8.5 Applicable Law. This Deed of Trust shall be governed by and construed in accordance with the laws of the State of Nevada.

8.6 Successors in Interest. The terms, covenants and conditions of this Deed of Trust shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties. However, this Section 8.6 does not waive the provisions of Section 6.1.

8.7 Interpretation.

8.7.1 Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the sections of this Deed of Trust are for convenience only and do not define or limit any terms or provisions. The word "include(s)" means "include(s), without limitation," and the word "including" means "including, but not limited to."

8.7.2 The word "obligations" is used in its broadest and most comprehensive sense, and includes all primary, secondary, direct, indirect, fixed and contingent obligations. It further includes all principal, interest, prepayment charges, late charges, loan fees and any other fees and charges accruing or assessed at any time, as well as all obligations to perform acts or satisfy conditions.

8.7.3 No listing of specific instances, items or matters in any way limits the scope or generality of any language of this Deed of Trust. All Exhibits and/or Schedules attached to this Deed of Trust are hereby incorporated in this Deed of Trust.

8.8 In-House Counsel Fees. Whenever Trustor is obligated to pay or reimburse Beneficiary or any Lender or Trustee for any attorneys' fees, those fees shall include the allocated costs for services of in-house counsel.

8.9 Waiver of Marshalling. To the extent permitted by applicable law, Trustor waives all rights, legal and equitable, it may now or hereafter have to require marshalling of assets or to require foreclosure sales of assets in a particular order, including any rights provided by NRS 100.040 and 100.050, as such Sections may be amended or recodified from time to time. Each successor and assign of Trustor, including any holder of a lien or security interest subordinate to this Deed of Trust, by acceptance of its interest or lien or security interest, agrees that it shall be bound by the above waiver, as if it had given the waiver itself.

8.10 Severability. Any provision in this Deed of Trust that is held to be inoperative, unenforceable or invalid as to any party or in any jurisdiction shall, as to that party or jurisdiction, be inoperative, unenforceable or invalid without affecting the remaining provisions or the operation, enforceability or validity of that provision as to any other party or in any other jurisdiction, and to this end the provisions of this Deed of Trust are declared to be severable.

8.11 Notices. Trustor hereby requests that a copy of notice of default and notice of sale be mailed to it at the address set forth below. That address is also the mailing address of Trustor as debtor under the Nevada Uniform Commercial Code, as amended or recodified from time to time. Beneficiary's address given below is the address for Beneficiary as secured party under the Nevada Uniform Commercial Code, as amended or recodified from time to time.

Notices to Trustor:

Columbia Properties Tahoe, LLC
207 Grandview Drive

Ft. Mitchell, KY 41017
Phone: (859) 426-4304
Fax: (859) 478-1178
Email: Vraby@columbiasussex.com
Attn: Vivian M. Raby, Esq.
Chief Legal Counsel

With a copy to:

Jones Vargas
3773 Howard Hughes Parkway
Third Floor South
Las Vegas, Nevada 89109
Phone: (702) 862-3328
Fax: (702) 734-2722
Email: jrg@jonesvargas.com
Attn: Jody R. Goodheart, Esq.

Notices to Beneficiary:

Bank of America, N.A.
TX1-492-14-11
Bank of America Plaza
901 Main Street
Dallas, TX 75202-3714
Phone: (214) 209-1569
Fax: (214) 290-9436
Email: Donna.F.Kimbrough@bankofamerica.com
Attn: Donna F. Kimbrough
Assistant Vice President

Notices to Trustee:

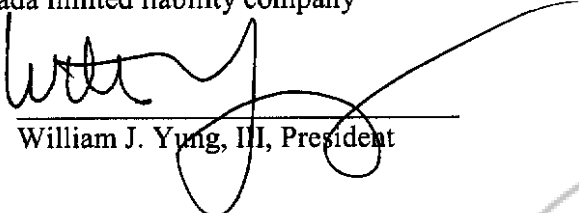
PRLAP, Inc.
P.O. Box 2240
Brea, California 92622

8.12. Gaming and Liquor Laws. The grant of, and the terms and provisions of this Leasehold Deed of Trust, including but not limited to, all rights and remedies of Beneficiary and powers of attorney and appointment, are expressly subject to all laws, statutes, regulations and orders affecting gaming and/or the sale of liquor (collectively, the "Gaming and Liquor Laws") of the State of Nevada and the local jurisdiction in which the Property is located, which may include, but not be limited to, the necessity for Beneficiary to obtain the prior approval of the regulatory agencies enforcing the Gaming and Liquor Laws before taking any action hereunder and to be licensed by such regulatory agencies before exercising certain rights and remedies hereunder.

IN WITNESS WHEREOF, this Deed of Trust has been executed as of the date first written above.

"Trustor":

COLUMBIA PROPERTIES TAHOE, LLC;
a Nevada limited liability company

By: 
William J. Yung, III, President

ACKNOWLEDGED

"Beneficiary"

BANK OF AMERICA, N.A.,
as Administrative Agent

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, this Deed of Trust has been executed as of the date first written above.

"Trustor":

COLUMBIA PROPERTIES TAHOE, LLC,
a Nevada limited liability company

By: _____
William J. Yung, III, President

ACKNOWLEDGED

"Beneficiary"

BANK OF AMERICA, N.A.,
as Administrative Agent

By: Donna F. Kimbrough
Name: Donna F. Kimbrough
Title: Assistant Vice President

W02-LA:1BEH1\70882569.2

S-1

[Caesars Tahoe]

0658561 Page: 37 Of 42 10/24/2005
BK- 1005
PG- 10397

ACKNOWLEDGMENT

STATE OF Kentucky)
) ss.
COUNTY OF Kenton)

On 10.19.05, before me, Lori L. Schenk, a Notary Public in and for said County and State, personally appeared William J. Yung, III, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) (is/are) subscribed to the within instrument, and acknowledged to me that (he/she/they) executed the same in (his/her/their) authorized capacit(-y/-ies), and that by (his/her/their) signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Lori L. Schenk

Signature of Notary Public

LORI L. SCHENK

Notary Public, Kentucky State at Large
My Commission Expires Sept. 19, 2008

[SEAL]



ACKNOWLEDGMENT

STATE OF Texas)
COUNTY OF Dallas) ss.

On Oct. 19, 2005, before me, Kelly C. Kennedy, a Notary Public in and for said County and State, personally appeared Donna Kimbrough, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) (is/are) subscribed to the within instrument, and acknowledged to me that (he/she/they) executed the same in (his/her/their) authorized capacit(-y/-ies), and that by (his/her/their) signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Kelly C. Kennedy
Signature of Notary Public

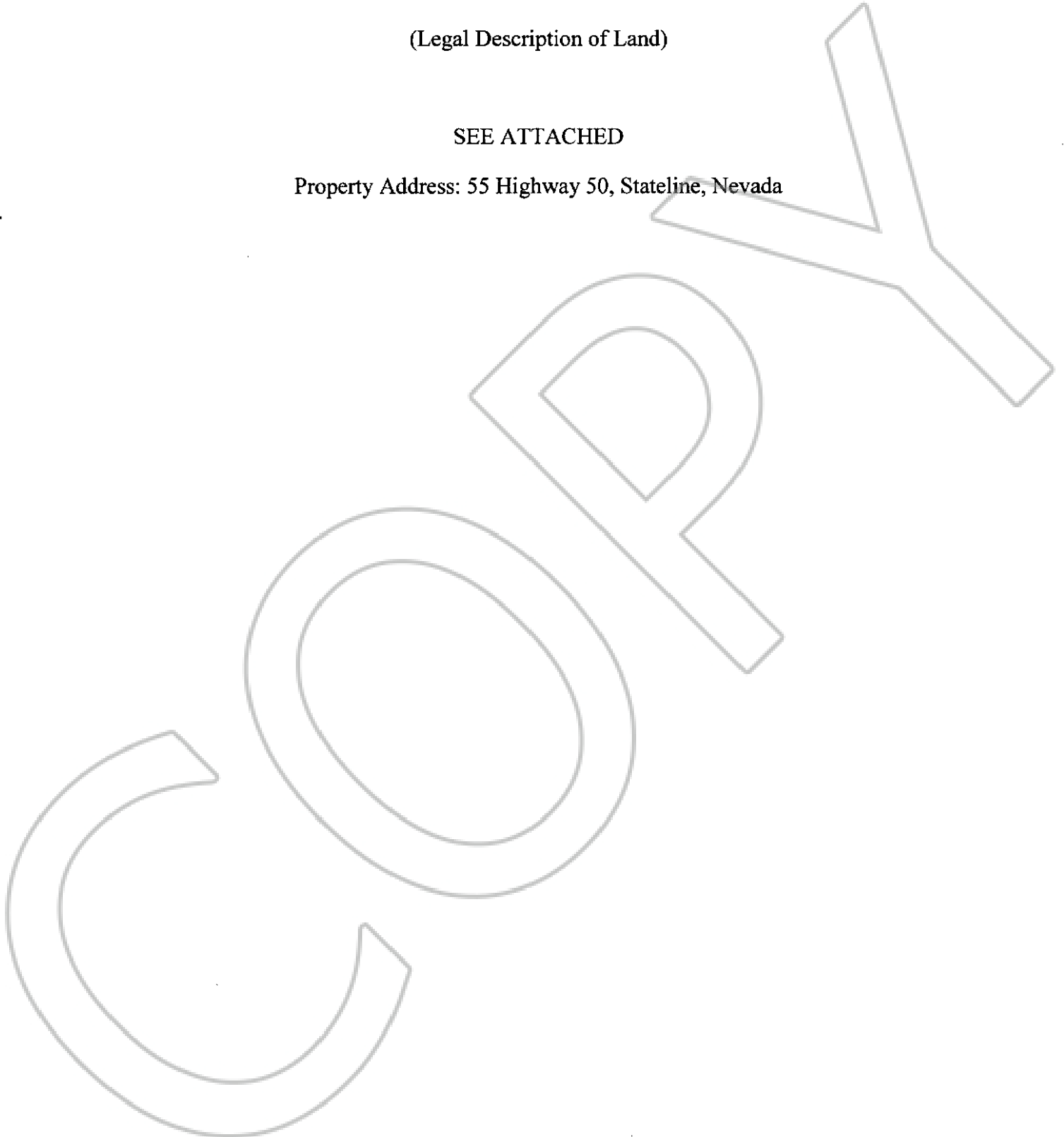


[SEAL]

EXHIBIT "A"
(Legal Description of Land)

SEE ATTACHED

Property Address: 55 Highway 50, Stateline, Nevada



LEGAL DESCRIPTION

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

A portion of the East 1/2 of Section 27, Township 13 North, Range 18 East, M.D.B. & M, County of Douglas, State of Nevada, more particularly described as follows:

BEGINNING at the most southerly corner of Parcel 2 of that certain survey map titled "Site Survey for Park Tahoe" recorded in the office of the County Recorder of Douglas County, Nevada, on October 11, 1978, as Document No. 26156, said point marked by a rebar and cap stamped "PLS 2280", said point bears South $49^{\circ}07'37''$ West 845.34 feet from the East 1/4 corner of said Section 27, and the TRUE POINT OF BEGINNING;

Thence the following 4 courses along the boundary of said parcel 2 North $61^{\circ}24'04''$ West 70.00 feet to a 2 inch diameter brass cap in concrete stamped "RE933";

Thence North $32^{\circ}17'04''$ West 342.90 feet to a rebar and cap stamped "PLS 4787";

Thence North $61^{\circ}24'04''$ West 570.00 feet to the Easterly Right of way of Highway 50;

Thence the following 3 courses along said right of way North $28^{\circ}35'57''$ East 497.98 feet;

Thence leaving the boundary of said Parcel 2 North $28^{\circ}35'57''$ East 175.00 feet;

Thence the following 13 courses along the boundary of said Parcel 2 North $28^{\circ}35'57''$ East 246.64 feet;

Thence leaving said right of way 117.81 feet along a tangent 75 foot radius curve to the right, the interior angle of which measures $90^{\circ}00'00''$;

Thence South $61^{\circ}24'03''$ East 112.76 feet;

Thence South $54^{\circ}33'32''$ East 50.36 feet;

Thence South $61^{\circ}24'03''$ East 86.00 feet;

Thence South $68^{\circ}14'34''$ East 50.36 feet;

Thence South $61^{\circ}24'03''$ East 302.36 feet;

Thence 17.00 feet along a tangent 800 foot radius curve to the right, the interior angle of which measures $1^{\circ}13'04''$;

Thence South $51^{\circ}20'09''$ East 48.38 feet;

Thence South 54°10'41" East 70.77 feet;

Thence South 57°01'05" East 48.38 feet;

Thence 83.74 feet along a tangent 800 foot radius curve to the right, the interior angle of which measures 5°59'52";

Thence South 28°35'57" West 1116.85 feet to the TRUE POINT OF BEGINNING.

APN 1318-27-001-007

"Per NRS 111.312, this legal description was prepared by Professional Land Surveyor, Steven N. Bell, No. 11420, whose mailing address is 3100 Mill Street, Suite 100, Reno, NV 89502".