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08/28/2006 10:14 AM Deputy: GB

OFFICIAL RECORD

Requested By:

STEWART TITLE OF DOUGLAS

COUNTY

Douglas County - NV

Werner Christen - Recorder

Page: 1 Of 5 Fee: 18.00

BK-0806 PG-10164 RPTT: 0.00



COLLATERAL ASSIGNMENT OF NOTES RECEIVABLE AND MORTGAGES

Title of Document: Collateral Assignment of Notes Receivable and Mortgages

Date of Document: August 25, 2006

Grantor/Borrower: Walley's Partners Limited Partnership

Grantee/Lender: Resort Funding LLC

Address: 360 South Warren Street, 6th Floor
Syracuse, New York 13202

Legal Description: _____

This Collateral Assignment of Notes Receivable and Mortgages ("Assignment") is made and executed as of August 25, 2006, by Walley's Partners Limited Partnership, a Nevada limited partnership ("Walley's"), whose address is 213 W. Wesley Street, Suite 200, Wheaton, Illinois 60187, to Resort Funding LLC, a Delaware limited liability company ("Lender"), whose address is 360 South Warren Street, 6th Floor, Syracuse, New York 13202.

RECITALS:

A. Lender, Walley's and Quintus Resorts, LLC, a Nevada limited liability company, ("Quintus"), (Walley's and Quintus being collectively referred to herein as "Borrower") entered into that certain Hypothecation Loan Agreement, dated as of December 30, 2005 (as amended from time to time, the "Agreement") (capitalized terms used and not defined herein shall have the meaning given to them in the Agreement), pursuant to which Lender agreed to lend, on the terms and conditions set forth in the Agreement, up to \$35,000,000.00 (the "Loan") to Borrower, evidenced by the Note (as defined in the Agreement), which is secured by a security interest and lien granted by Borrower to Lender in certain Collateral (as defined in the Agreement).

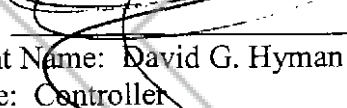
B. The Agreement provides that Borrower will assign certain Collateral in accordance with the Agreement to Lender.

In consideration of the foregoing, Borrower agrees as follows:

1. The above recitals are true and correct and incorporated in this Assignment.
2. Walley's hereby conveys, assigns, transfers, and sets over to Lender all of its right, title, and interest in and to the Notes Receivable, Mortgages and the Purchase Documents related thereto described in Exhibit "A" attached and incorporated in this Assignment, with recourse and with warranty as more fully set forth in the Agreement.
3. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Agreement.

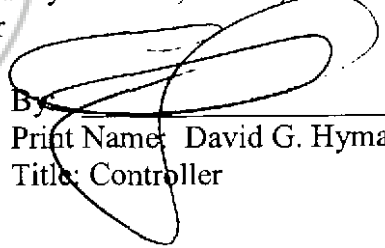
IN WITNESS WHEREOF, Borrower has executed this Assignment on the date first written above

QUINTUS RESORTS, LLC a Delaware
limited liability company

By: 
Print Name: David G. Hyman
Title: Controller

**WALLEY'S PARTNERS LIMITED
PARTNERSHIP**, a Nevada limited
partnership

By: Valley Partners, L.L.C., its sole general
partner

By: 
Print Name: David G. Hyman
Title: Controller



STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledge before me this 25th day of August, 2006, by David G. Hyman, Controller of **QUINTUS RESORTS, LLC**, a **Delaware limited liability company**, on behalf of said limited liability company.



Susan O'Neil
Notary Public State of Nevada
Appointment Accepted in County of Carson
My Appointment Expires: March 1, 2010
06-103797-9

Susan O'Neil
(Notary Signature)

Susan O'Neil
(Notary Name Printed)
NOTARY PUBLIC
My Commission Expires: 3/1/2010

STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledge before me this 25th day of August, 2006, by David G. Hyman, Controller of Valley Partners, L.L.C., as sole general partner of **WALLEY'S PARTNERS LIMITED PARTNERSHIP**, a Nevada limited partnership, on behalf of said limited liability company.



Susan O'Neil
Notary Public State of Nevada
Appointment Accepted in County of Carson
My Appointment Expires: March 1, 2010
06-103797-9

Susan O'Neil
(Notary Signature)

Susan O'Neil
(Notary Name Printed)
NOTARY PUBLIC
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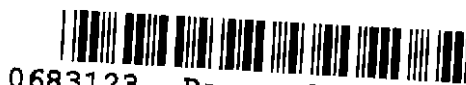


EXHIBIT "A"

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<u>Interval Number</u>	<u>Trustor(s) Name</u>	<u>Recording Date</u>	<u>Book</u>	<u>Page</u>	<u>Document No.</u>
17-089-34-01	LORRAINE BUSTILLOS JOE MEDINA	8/18/2006	0806	7390	682577
17-089-37-81	DANIELLA L. COSTO-OTT STEVE W. OTT	8/18/2006	0806	7401	682581
17-089-50-81	BETTY COULTER	8/18/2006	0806	7408	682583
17-088-09-81	GARRIK A. DANILOV	8/18/2006	0806	7415	682585
17-089-51-01	ERNESTINA A. ESCARENO	8/18/2006	0806	7422	682587
17-089-36-01	LARRY H. MARUBASHI SUE A. ELAND	8/18/2006	0806	7435	682592
17-090-02-01	HAROLD D. PARKS MARY ANN PARKS	8/18/2006	0806	7446	682596
17-088-17-81	LAVERNE K. ROBERTS	8/18/2006	0806	7453	682598
17-089-08-01	TAVITA SIATUNUU MARETTA SIATUNUU	8/18/2006	0806	7460	682600
17-089-41-81	MARK SPRAGUE DENISE TETRICK	8/18/2006	0806	7467	682602



EXHIBIT "A"

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<u>Interval Number</u>	<u>Trustor(s) Name</u>	<u>Recording Date</u>	<u>Book</u>	<u>Page</u>	<u>Document No.</u>
17-089-18-81	WILLIAM F. SPROUSE PAMELA J. SPROUSE	8/18/2006	0806	7474	682604
17-089-44-81	PIERCE TUCKER KENDA TUCKER	8/18/2006	0806	7483	682607
17-089-35-01	JANET H. WEINBERG HAROLD MUSSER LESLEE DUFRAIN MICHAEL DUFRAIN	8/18/2006	0806	7490	682609
17-088-03-81	MARK J. WICKMAN TAMARA M. WICKMAN	8/18/2006	0806	7497	682611
17-087-39-81	CHRISTA WILLIAMS	8/18/2006	0806	7504	682613
17-088-28-01	WILLIAM E. MAYBERRY CHRISTINE D. MAYBERRY	7/21/2006	0706	7244	680239