



**COLLATERAL ASSIGNMENT OF NOTES RECEIVABLE AND MORTGAGES**

***Title of Document:*** Collateral Assignment of Notes Receivable and Mortgages  
***Date of Document:*** January 3, 2008  
***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:*** Condo Development

This Collateral Assignment of Notes Receivable and Mortgages ("Assignment") is made and executed as of January 3, 2008, 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: Patricia Donovan  
Print Name: Patricia Donovan  
Title: Authorized Agent

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

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

By: Patricia Donovan  
Print Name: Patricia Donovan  
Title: Authorized Agent



BK-108  
PG-459

STATE OF NEVADA )  
 ) ss. )  
COUNTY OF DOUGLAS )

The foregoing instrument was acknowledge before me this 2nd day of January, 2008 by Patricia Donovan, authorized agent of **QUINTUS RESORTS, LLC, a Delaware limited liability company**, on behalf of said limited liability company.

Tatiana Robinson  
(Notary Signature)

Tatiana Robinson  
(Notary Name Printed)  
NOTARY PUBLIC  
My Commission Expires: June 6, 2009



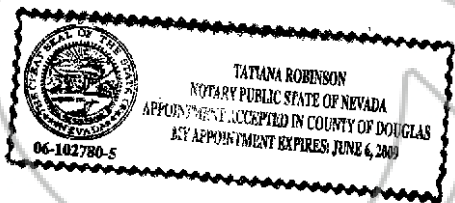
**SEAL**

STATE OF NEVADA )  
 ) ss. )  
COUNTY OF DOUGLAS )

The foregoing instrument was acknowledge before me this 2nd day of January, 2008 by Patricia Donovan, Authorized Agent 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

Tatiana Robinson  
(Notary Signature)

Tatiana Robinson  
(Notary Name Printed)  
NOTARY PUBLIC  
My Commission Expires: June 6, 2009



**SEAL**

Assignment of Deeds of Trust  
Exhibit "A"

|            |                   |    |    |     |    |   |             |                 |     |     |        |
|------------|-------------------|----|----|-----|----|---|-------------|-----------------|-----|-----|--------|
| 06094278   | Richard McConnell | 06 | 05 | 094 | 27 | B | \$10,350.00 | January 3, 2008 | 108 | 328 | 715613 |
| Batch No.: | 11H               |    |    |     |    |   |             |                 |     |     |        |



BK-108  
PG-461

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Assignment of Deeds of Trust  
Exhibit "A"

| Batch No.: | Trust Name             | 07 | 06 | 098 | 09 | B | \$0.00 | Recorded Concurrent Herewith |
|------------|------------------------|----|----|-----|----|---|--------|------------------------------|
| 0709809B   | Vladimir Lokhnygin     | 07 | 06 | 098 | 09 | B | \$0.00 | Recorded Concurrent Herewith |
| 0709811B   | Edward B. Devaeu       | 07 | 06 | 098 | 11 | B | \$0.00 | Recorded Concurrent Herewith |
| 0810417C   | Henry Edward St. Clair | 08 | 07 | 104 | 17 | C | \$0.00 | Recorded Concurrent Herewith |
| 111N1      |                        |    |    |     |    |   |        |                              |

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