



AP Nos. 1318-22-002-011,
1318-22-002-012, 1318-22-002-016,
1318-22-002-009, 1318-22-002-015 &
1318-22-002-102

Prepared by and when
recorded mail to:

James L. Morgan, Esq.
Henderson & Morgan, LLC
4600 Kietzke Lane, Suite K228
Reno, NV 89502

FOR THE PURPOSE OF COMPLYING WITH NRS 239B.030(4), THE
UNDERSIGNED HEREBY AFFIRMS THAT THIS DOCUMENT DOES NOT CONTAIN
THE SOCIAL SECURITY NUMBER OF ANY PERSON.

**THIRD AMENDMENT TO ASSIGNMENT OF ENTITLEMENTS,
CONTRACTS, RENTS AND REVENUES**

THIS THIRD AMENDMENT TO ASSIGNMENT OF ENTITLEMENTS,
CONTRACTS, RENTS AND REVENUES (the "Third Amendment to Assignment") is
made and entered into as of the 1st day of July, 2008, by and between LAKESIDE INN,
INC., a Nevada corporation ("Assignor"), party of the first part, and U.S. BANK
NATIONAL ASSOCIATION ("Lender"), party of the second part.

R E C I T A L S:

WHEREAS:

A. Reference is made to that certain Credit Agreement (the "Original
Credit Agreement") executed under date of November 15, 1999 by and among Assignor,
as Borrower, Lender, as Lender, and William F. Kartoian and Richard Jeha (collectively,
the "Guarantors"), as Guarantors. Pursuant to the Original Credit Agreement, and
subject to the terms and conditions specified therein, Lender provided a reducing
revolving credit facility to Assignor with an initial maximum principal amount of Five
Million Seven Hundred Thousand Dollars (\$5,700,000.00) available for Borrowings
thereunder (the "Original Credit Facility").

B. In consideration of the Original Credit Agreement and the Original
Credit Facility, Assignor and Lender executed an Assignment of Entitlements,
Contracts, Rents and Revenues, under date of November 15, 1999, which was

recorded in the Official Records of Douglas County, Nevada on November 15, 1999 in Book 1199 at Page No. 2405 as Document No. 0480621 (the "Original Assignment"). The Original Assignment provided, among other things, for a present assignment of various entitlements (including, without limitation, leases, licenses, permits, rents and revenues) related to the real property described by Exhibit "A" attached hereto and incorporated by reference herein and related to the other "Real Property" defined by said Original Assignment, all for the purposes, and subject to the terms and conditions, which are more particularly set forth therein.

C. Assignor, Lender and Guarantors entered into that certain Amended and Restated Credit Agreement (the "Restated Credit Agreement") dated as of July 14, 2003, as amended by First Amendment to Amended and Restated Credit Agreement dated as of July 14, 2003 (the "First Amendment to Credit Agreement"), and by Second Amendment to Amended and Restated Credit Agreement dated as of June 11, 2007 (the "Second Amendment to Credit Agreement"), pursuant to which, among other things: (i) the advanced and unpaid principal amounts under the Original Credit Facility were converted to a term loan, in the principal amount of Four Million Five Hundred Ninety-one Thousand Dollars (\$4,591,000.00) (as it may be renewed, extended, amended, restated, replaced, substituted, increased or otherwise modified from time to time, the "Term Loan"); (ii) Lender provided a revolving credit facility to Assignor with a maximum principal amount of Seven Hundred Fifty Thousand Dollars (\$750,000.00) (the "Original Revolving Credit Facility"); and (iii) Lender provided an additional term loan to Assignor in the principal amount of One Million Dollars (\$1,000,000.00) (as it may be renewed, extended, amended, restated, replaced, substituted, increased or otherwise modified from time to time, the "HVAC Term Loan").

D. The Original Assignment was amended for the purpose of providing additional security for Assignor's payment and performance under the Original Credit Agreement, as amended, and the credit facilities provided thereby, pursuant to a First Amendment to Assignment of Entitlements, Contracts, Rents and Revenues recorded in the Douglas County Official Records on July 16, 2003, in Book 0703, Page 07487, as Document No. 0583449 (the "First Amendment to Assignment").

E. Assignor and Lender executed a Third Amendment to Amended and Restated Credit Agreement, dated as of February 21, 2008 (with the Original Credit Agreement, as amended by the Restated Credit Agreement, First Amendment to Credit Agreement and Second Amendment to Credit Agreement being referred to herein as the "Existing Credit Agreement") for the purpose, amongst other things, of increasing the amount of the Original Revolving Credit Facility from Seven Hundred

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Fifty Thousand Dollars (\$750,000.00) to Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000.00) (the "Revolving Credit Increase"). The Original Revolving Credit Facility, as so modified is collectively referred to herein as the "Existing Revolving Credit Facility".

F. The Original Assignment was further amended for the purpose, among other things, of confirming that the Original Assignment, as previously amended, and as amended thereby, additionally secured Assignor's payment and performance under the Existing Revolving Credit Facility, all pursuant to that certain Second Amendment to Assignment of Entitlements, Contracts, Rents and Revenues recorded in the Douglas County Official Records on February 1, 2008, in Book 0703, Page 07487, as Document No. 0583449 (the "Second Amendment to Assignment"). The Original Assignment, as amended by the First Amendment to Assignment and the Second Amendment to Assignment is collectively referred to herein as the "Existing Assignments".

G. Assignor and Lender have entered into a Fourth Amendment to Credit Agreement, dated concurrently, or substantially concurrent, herewith (the "Fourth Amendment to Credit Agreement"), pursuant to which, among other things: (i) the amount of the Existing Revolving Credit Facility was decreased to Seven Hundred Fifty Thousand Dollars (\$750,000.00) (the "Revolving Credit Decrease", with the Existing Revolving Credit Facility, as so modified, and as it may be further extended, renewed, amended, restated, substituted, or otherwise modified from time to time, being collectively referred to herein as the "Revolving Credit Facility"); (ii) Lender established an additional term loan facility for the benefit of Assignor in the principal amount of Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000.00) (as it may be extended, renewed, amended, restated, substituted, or otherwise modified from time to time, the "Capex Term Loan"); and (iii) the Existing Credit Agreement was further amended; all as more particularly set forth therein.

H. The Existing Credit Agreement, as amended by the Fourth Amendment to Credit Agreement, and as it may further be extended, renewed, amended, restated, substituted or otherwise modified, from time to time, is hereinafter collectively referred to as the "Credit Agreement". The Term Loan, the HVAC Term Loan, the Revolving Credit Facility and the Capex Term Loan are collectively referred to, herein, as the "Bank Facilities".

I. Assignor and Lender wish to further amend the Existing Assignment for the purpose, among other things, of: (i) reflecting the parties' execution and delivery of the Fourth Amendment to Credit Agreement; (ii) providing record notice of the Revolving Credit Decrease and the Capex Term Loan; and (iii) causing the

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Existing Assignment, as amended hereby, to be applicable to, in all respects, and to be deemed to have been granted in consideration of the Credit Agreement and the Bank Facilities, all for the benefit of Lender.

NOW, THEREFORE, for good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do agree that the Existing Assignment is hereby amended as follows:

1. All references herein, or in the Existing Assignment, to:

"Assignment" shall be to the Existing Assignment, as amended by the Third Amendment to Assignment.

"Credit Agreement" shall have the meaning set forth by Recital H of the Second Amendment to Assignment.

"Credit Facility" shall be to the Bank Facilities.

"Note" shall be the "Notes" which are defined by the Credit Agreement.

2. Assignor hereby represents to Lender that the representations contained in Paragraph 10 of the Existing Assignment, as amended hereby, are true and correct on and as of the date hereof in all materials respects, as though such representations and warranties had been made on and as of the date hereof.


3. That all other terms, covenants and agreements contained in the Existing Assignment are hereby specifically referred to by this reference and are incorporated into this Third Amendment to Assignment as though fully set forth, except as specifically modified herein, it being the intent of the parties hereto that: (i) the Existing Assignment inure to the benefit of Lender to the same extent and with the same force and effect as though fully restated herein, except as modified herein; and (ii) the Existing Assignment, as modified herein, be deemed to have been granted in consideration of the Credit Agreement and the Bank Facilities.



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


ASSIGNOR:

LAKESIDE INN, INC.,
a Nevada corporation

By 
Alonzo Rusk,
President

AGENT BANK:

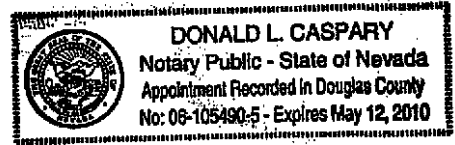
U.S. BANK NATIONAL ASSOCIATION,
Lender

By 
Teresa Courier,
Vice President

STATE OF NEVADA)
) ss
COUNTY OF Douglas)

This instrument was acknowledged before me on July 8th, 2008 by ALONZO RUSK as President of LAKESIDE INN, INC.


Notary Public



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STATE OF NEVADA)
) ss
COUNTY OF WASHOE)

This instrument was acknowledged before me on July 8, 2008 by
TERESA COURRIER as Vice President of U.S. BANK NATIONAL ASSOCIATION.

Bridget deArrieta
Notary Public



Legal Description

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

Those portions of the Southeast Quarter of Section 22, and of the Southwest Quarter of Section 23, Township 13 North, Range 18 East, M.D.B. & M., particularly described as follows:

PARCEL 1

COMMENCING at a point on the West side of the Highway right-of-way line created by Deed recorded in Book U of Deeds, Page 110, Douglas County, Nevada Records, said point being described as bearing South 60°13'00" West 127.20 feet from the Section corner common to Sections 22, 23, 26 and 27, Township 13 North, Range 18 East, M.D.B. & M.;

thence North 60°56'54" West (of Record North 61°00'00" West), a distance of 349.98 feet (of Record 350.00 feet);

thence North 18°23'35" East (of Record North 18°24'08" East), a distance of 299.11 feet to the TRUE POINT OF BEGINNING;

thence continuing North 18°23'35" East (of Record North 18°24'08" East), a distance of 75.45 feet (of Record 75.43 feet);

thence South 60°56'54" East (of Record South 61°00'00" East), a distance of 382.78 feet (of Record 385.40 feet) to a point on the West side of said Highway right-of-way line;

thence from a tangent bearing South 19°29'03" West curving to the right along the Westerly side of said Highway right-of-way line with a radius of 2,460.00 feet through an angle of 01°44'49", a distance of 75.00 feet to a point;

thence North 60°56'54" West (of Record North 61°00'00" West), a distance of 382.78 feet to the POINT OF BEGINNING.

PARCEL 2

COMMENCING at a point on the West side of the Highway right-of-way line created by Deed recorded in Book U of Deeds, at Page 110, Douglas County, Nevada Records, said point being described as bearing South 60°13'00" West 127.20 feet from the

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EXHIBIT "A"

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Section corner common to Sections 22, 23, 26 and 27, Township 13 North, Range 18 East, M.D.B. & M.;

thence North 60°56'54" West (of Record North 61°00'00" West), a distance of 349.98 feet (of Record 350.00 feet);

thence North 18°23'35" East (of Record North 18°24'08" East), a distance of 198.04 feet to the TRUE POINT OF BEGINNING;

thence continuing North 18°23'35" East (of Record North 18°24'08" East), a distance of 101.07 feet to a point;

thence South 60°56'54" East (of Record South 61°00'00" East), a distance of 382.78 feet to a point on the West side of said Highway right-of-way line;

thence from a tangent bearing South 21°14'21" West curving to the right along the Westerly side of said Highway right-of-way line with a radius of 2,460 feet through an angle of 02°19'45", a distance of 100.00 feet (of record 100.01 feet), to a point;

thence North 60°56'54" West (of Record North 61°00'00" West), a distance of 375.67 feet (of Record 375.68 feet) to the TRUE POINT OF BEGINNING.

PARCEL 3

COMMENCING at a point on the West side of the Highway right-of-way line created by Deed recorded in Book U of Deeds, at Page 110, Douglas County, Nevada Records, said point being described as bearing South 60°13'00" West 127.70 feet from the Section corner common to Sections 22, 23, 26 and 27, Township 13 North, Range 18 East, M.D.B. & M.;

thence North 60°56'54" West (of Record North 61°00'00" West), a distance of 349.98 feet (of Record 350.00 feet);

thence North 18°23'35" East (of Record North 18°24'08" East), a distance of 121.97 feet to the POINT OF BEGINNING;

thence continuing North 18°23'35" East (of Record North 18°24'08" East), a distance of 76.07 feet;

thence South 60°56'54" East (of Record South 61°00'00" East), a distance of 175.68 feet;

thence South 24°26'47" West, a distance of 75.00 feet;

thence North 60°56'54" West (of Record North 61°00'00" West), a distance of 167.64 feet to the POINT OF BEGINNING.

PARCEL 4

COMMENCING at a point on the West side of the Highway right-of-way line created by Deed recorded in Book U of Deeds, Page 110, Douglas County, Nevada Records,

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said point being described as bearing South 60°13'00" West 127.20 feet from the Section corner common to Sections 22, 23, 26 and 27, Township 13 North, Range 18 East, M.D.B. & M.;

thence North 60°56'54" West (of Record North 61°00'00" West), a distance of 219.99 feet (of Record 220.00 feet), to the POINT OF BEGINNING;

thence North 60°56'54" West (of Record North 61°00'00" West), a distance of 129.99 feet (of Record 130.00 feet);

thence North 18°23'35" East (of Record North 18°24'08" East), a distance of 121.97 feet;

thence South 61°00'00" East, along the Westerly boundary of Parcel 3 above, a distance of 130.00 feet;

thence South 18°23'35" West (of Record South 18°24'08" West), a distance of 121.97 feet to the TRUE POINT OF BEGINNING.

PARCEL 5

COMMENCING at the Section corner common to Section 22, 23, 26 and 27, Township 13 North, Range 18 East, M.D.B. & M.;

thence South 60°13' West, a distance of 127.20 feet to a point of the Westerly 80 foot right-of-way line of Nevada State Route #3;

thence North 60°56'54" West (of Record North 61°00'00" West), a distance of 349.98 feet (of Record 350.00 feet) to a point;

thence North 18°23'35" East (of Record North 18°24'08" East), a distance of 374.56 feet (of Record 374.54 feet) to the TRUE POINT OF BEGINNING;

thence North 18°23'35" East (of Record North 18°24'08" East), a distance of 291.45 feet (of Record 291.82 feet) to a point;

thence South 61°52'31" East, a distance of 371.50 feet (of Record 371.52 feet) to a point on the Westerly right-of-way line of Nevada State Route #3;

thence from a tangent that bears South 12°29'45" West curving to the right along the Westerly 80 foot right-of-way line of Nevada State Route #3, with a radius of 2,460 feet through an angle of 06°59'48", an arc distance of 300.41 feet to a point;

thence North 60°56'54" West (of Record 61°00'00" West), a distance of 385.40 feet to the POINT OF BEGINNING.

PARCEL 6

All that portion of the Southeast Quarter of the Southeast Quarter (SE 1/4 SE 1/4) of Section 22, Township 13 North, Range 18 East, M.D.B. & M., that is described as follows:

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COMMENCING at a point on the West side of the Highway right-of-way line created by Deed recorded in Book U of Deeds, Page 110, Douglas County, Nevada Records, said point being described as bearing South 60°13' West 127.20 feet from the Section corner common to Sections 22, 23, 26 and 27, Township 13 North, Range 18 East, M.D.B. & M.;

thence North 60°56'54" West (of Record North 61°00'00" West), a distance of 349.98 feet (of Record 350.00 feet);

thence North 18°23'35" East (of Record North 18°24'08" East), a distance of 685.94 feet (of Record 686.36 feet), to the TRUE POINT OF BEGINNING;

thence South 61°00'22" West (of Record North 61°00' West), a distance of 100.06 feet (of Record 100.00 feet);

thence North 18°23'35" East (of Record North 18°25'47" East), a distance of 100.60 feet (of Record 141.26 feet);

thence North 61°11'11" West (of Record North 61°11' West), a distance of 100.00 feet;

thence South 18°23'35" East, 90.11 feet (of Record 140.95 feet), to the POINT OF BEGINNING.

Prior recorded documents except any portion of said Parcel lying within the right-of-way line of Kahle Drive, as follows:

RESERVING THEREFROM that certain 40 foot wide strip of land along the North line of the above described Parcel as reserved in the Deed recorded April 13, 1954, in Book B-1 of Deeds, at Page 74.

PARCEL 7

COMMENCING at a point on the West side of the Highway right-of-way line created by a Deed recorded in Book U of Deeds, Page 110, Douglas County, Nevada Records, said point being described as bearing South 60°13' West, a distance of 127.20 feet from the Section corner common to Section 22, 23, 26 and 27, Township 13 North, Range 18 East, M.D.B. & M.;

thence North 60°56'54" West (of Record North 61°00' West), a distance of 169.99 feet (of Record 170.00 feet), to the TRUE POINT OF BEGINNING;

thence North 60°56'54" West (of Record North 61°00' West), a distance of 50 feet;

thence North 18°23'35" East (of Record North 18°24'08" East), a distance of 121.97 feet to the Southwesterly line of the Parcel conveyed to H.L. HAYNES and BERTHA E. HAYNES, by Deed recorded January 9, 1958, under File No. 12864, Douglas County, Nevada Records;

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thence South 60°56'54" East (of Record South 61°00' East), a distance of 50 feet;
thence South 18°23'35" West (of Record South 18°24'08" West) a distance of 121.97
feet to the TRUE POINT OF BEGINNING.

PARCEL 8

Lots 1 through 12 inclusive, in Block 1, as shown on the map of OLIVER PARK, filed in the office of the County Recorder of Douglas County, Nevada, on February 4, 1959, as Document No. 14030.

NOTE (NRS 111.312): The above metes and bounds description appeared previously in that certain Leasehold and Fee Deed of Trust, Fixture Filing and Security Agreement with Assignment of Rents, recorded in the office of the County Recorder of Douglas County, Nevada on November 15, 1999, in Book 1199, Page 2357, as Document No. 480620, of Official Records.

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