



**COLLATERAL ASSIGNMENT OF NOTES RECEIVABLE AND MORTGAGES**

***Title of Document:*** Collateral Assignment of Notes Receivable and Mortgages  
***Date of Document:*** August 8, 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 August 8, 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: Brenda Yenkele  
Print Name: Brenda Yenkele  
Title: Authorized Agent

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

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

By: Brenda Yenkele  
Print Name: Brenda Yenkele  
Title: Authorized Agent



STATE OF NEVADA )  
 ) ss.  
COUNTY OF DOUGLAS )

The foregoing instrument was acknowledge before me this 1st day of August, 2008, by Brenda Yenkole, authorized agent of **Quintus HBR, LLC**, a **Hawaii Limit 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



STATE OF NEVADA )  
 ) ss.  
COUNTY OF DOUGLAS )

The foregoing instrument was acknowledge before me this 1st day of August, 2008, by Brenda Yenkole, Authorized Agent of **Valley Partners, L.L.C.**, as sole general partner of **Quintus HBR, LLC**, a **Hawaii Limit 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



BK-808  
PG-1504

Assignment of Deeds of Trust  
Exhibit "A"

0609632A	Michael D. Steiner	06	05	096	32	A	\$13,401.00	August 7, 2008	808	1119	728115
Batch No.: 42H											

COPY



BK-808  
PG-1505

Assignment of Deeds of Trust  
Exhibit "A"

Deed No.	Trust No.	Trust Name	Year	Month	Day	Amount	Recorded
0709827B		Christopher G. Bibeau	07	06	27	\$10,350.00	Recorded Concurrent Herewith
Batch No.:		42NV					

COPY



BK-808  
PG-1506