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Karen Ellison - Recorder  
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This document prepared by,  
and after recording return to:

Attention: Michelle Frateschi  
Resort Funding LLC  
360 South Warren Street, 6<sup>th</sup> Floor  
Syracuse, New York 13202

APN: 1319-15-000-033

**AMENDED AND RESTATED SPLIT B-2  
DEED OF TRUST, ASSIGNMENT OF RENTS AND LEASES,  
SECURITY AGREEMENT AND FIXTURE FILING**

THIS AMENDED AND RESTATED SPLIT B-2 DEED OF TRUST, ASSIGNMENT OF RENTS AND LEASES, SECURITY AGREEMENT AND FIXTURE FILING ("Deed of Trust") is made this 19th day of December, 2008, between **WALLEY'S PARTNERS LIMITED PARTNERSHIP**, a Nevada limited partnership, with an office address at P.O. Box 158, Genoa, Nevada 89411 (hereinafter called "Grantor"), and First American Title Insurance Company, a California corporation, with offices located at 1160 N. Town Center Drive, Suite 190, Las Vegas, NV 89144 (hereinafter called the "Trustee") and **RESORT FUNDING LLC**, a Delaware limited liability company, having its principal place of business at 360 South Warren Street, 6<sup>th</sup> Floor, Syracuse, New York 13202 (hereinafter called "Beneficiary").

RECITALS:

A. Beneficiary agreed, subject to the terms of that certain Acquisition and Development Loan Agreement dated December 30, 2005, as amended, restated and replaced in its entirety by that certain Amended and Restated Acquisition and Development Loan Agreement dated December 8, 2006, as amended, restated and replaced in its entirety by that certain Second Amended and Restated Acquisition and Development Loan Agreement dated November 3, 2008, executed by and between Quintus Resorts, LLC, a Delaware limited liability company ("Quintus"), as borrower, and Beneficiary, as lender ("Original A&D Loan Agreement"), to make a loan (the "Original A&D Loan") to Quintus. The Original A&D Loan is evidenced by that certain Acquisition and Development Promissory Note dated December 30, 2005, as amended, restated and replaced in its entirety by that certain Amended and Restated Acquisition and Development Promissory Note dated December 8, 2006, and further as amended, restated and replaced in its entirety by that certain Second Amended and Restated Acquisition and Development Split Note A-1 dated November 3, 2008, in the original maximum principal amount of Seventeen Million Five Hundred Thousand and No/100 Dollars (\$17,500,000.00), which note, together with all notes issued in substitution or exchange therefor and all amendments thereto (the "Original A&D Note")

and secured by, among other things, that certain Deed of Trust, Assignment of Rents and Leases and Security Agreement dated as of December 30, 2005 and recorded as Document #0664693 in the Official Records of Douglas County, Nevada, as amended by that certain First Amendment to Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing dated December 8, 2006 ("Original Deed of Trust"). The Original A&D Note provides for monthly and other payments as set forth in the Original A&D Note, with the balance thereof which shall be due and payable on December 30, 2009, which date, any later date to which the maturity date may be extended in accordance with the Original A&D Note, or any earlier date on which the entire unpaid principal amount together with accrued interest thereon shall be paid or required to be paid in full, whether by prepayment, acceleration, or otherwise is the "A&D Note Maturity Date".

B. Grantor has requested Beneficiary to amend, restate and replace in its entirety the Original A&D Loan Agreement to modify certain terms and conditions of the Original A&D Loan (as modified, the "Loan").

C. In connection with the amendment and restatement of the Original A&D Loan, the Original A&D Note was split into two notes. The split notes will be amended and restated into Split Note B-1 and Split Note B-2 (as defined in the Third Amended and Restated Acquisition and Development Loan Agreement of even date herewith, "Loan Agreement"). The Original Deed of Trust will be amended, restated and split into two Deed of Trusts as evidenced by this Deed of Trust and the Split B-1 DWR Deed of Trust (as defined in the A&D Loan Agreement).

D. Split Note B-2 shall be hereinafter referred to as the "Note." The Note provides for monthly payments, with the balance thereof due and payable forty-eight (48) months from the date of the Note (the "Maturity Date") The Note, this Deed of Trust, the Limited Guaranty and all other documents executed in connection with the Loan Agreement are collectively referred to herein as the "Loan Documents".

E. Beneficiary wishes to secure: (i) the payment of the Note, together with all interest, premiums, and other amounts, if any, due in accordance with the terms of the Note, as well as the payment of any additional indebtedness accruing to Beneficiary on account of any future payments, advances, and expenditures made by Beneficiary pursuant to the Note, the Limited Guaranty, this Deed of Trust, or the other Loan Documents; and (ii) the performance of each and every covenant, condition, and agreement in the Loan Documents; and (iii) the payment of any and all other debts, claims, obligations, demands, monies, liabilities, and indebtedness of any kind or nature now existing or hereafter owing, arising, due, or payable by Grantor to Beneficiary, when the document evidencing same has been executed by Grantor, and recites that it is intended to be secured by this Deed of Trust. All payment obligations of Grantor to Beneficiary under the Loan and the Loan Documents are sometimes collectively referred to as the "Indebtedness", and all other obligations of Grantor to Beneficiary under the Loan and the Loan Documents are sometimes collectively referred to as the "Obligations".



To secure the repayment of the Indebtedness and the performance of the Obligations, Grantor and Beneficiary agree as follows:

1. Recitals. The above Recitals are true and correct and are incorporated in this Deed of Trust by reference.

2. Deed of Trust of Property. Grantor hereby unconditionally grants, conveys, assigns, warrants, transfers and pledges to Trustee, in trust, with power of sale, for the benefit of Beneficiary all of Grantor's right, title, and interest in and to the following described property and all proceeds thereof (collectively, "Property"), subject only to the exceptions set forth on Exhibit "B" hereto ("Permitted Exceptions"):

(a) Land. The real property located in Douglas County, Nevada which is described on Exhibit "A-1" attached hereto and by this reference incorporated herein ("Land");

(b) Improvements. All of the following (collectively, "Improvements"): all buildings, improvements, and fixtures now or in the future located or to be constructed on the Land; all machinery, appliances, equipment, furniture, fixtures, and all other personal property of every kind or nature located in or on, or attached to, or used or to be used in connection with the Land, the buildings, improvements, or fixtures located thereon; all building materials and goods procured for use or in connection with the foregoing; and all additions, substitutions, and replacements to any of the foregoing;

(c) Plans, Specifications. To the extent assignable, all plans, specifications, architectural renderings, surveys, drawings, soil test reports, all other reports, examinations, and analyses of the Land or the Improvements;

(d) Appurtenances. All easements, rights-of-way, gores of land, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights, "will-serve" letters pertaining to utility service to the Land or Improvements, mineral rights, water rights and powers, air rights, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments, and appurtenances whatsoever, in any way belonging, relating, or appertaining to any of the Land or Improvements, whether now owned or hereafter acquired by Grantor, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof, which shall in any way belong, relate, or be appurtenant thereto (collectively, "Appurtenances");

(e) Leases and Rents. All agreements permitting the use or occupancy of the Land or Improvements in exchange for the payment of Rents now or hereafter entered into ("Leases") and all proceeds from the sale of any interest in the Land or Improvements, including, without limitation, rents, prepayments, security deposits, termination payments, royalties, profits, issues, and revenues from the Land or Improvements from time to time accruing under the Leases ("Rents"), reserving to Grantor, however, so long as no Event of Default has occurred under this Deed of Trust, the right to receive and apply the Rents in



accordance with the section of this Deed of Trust entitled "Leases; Assignment of Rents and Leases";

(f) Claims. All claims, demands, judgments, insurance proceeds, refunds, reserves, deposits, rights of action, awards of damages, compensation, settlements, and other rights to the payment of money hereafter made resulting from or relating to (i) the taking of the Land or the Improvements or any part thereof under the power of eminent domain, (ii) any damage, whether caused by such taking, by casualty, or otherwise, to the Land, Property, Improvements, or Appurtenances, or any part thereof, or (iii) the ownership or operation of the Property;

(g) Insurance Policies, Trademarks. To the extent assignable, all management contracts, permits, certificates, insurance policies as related to the Land and the Improvements, logos, trademarks, tradenames, trade secrets, good will, copyrights, licenses, patents, applications for patents, customer lists, good will, franchises, permits, approvals, other contracts, purchase and sale agreements, purchase options, entitlements, development rights and authorizations, however characterized, issued or in any way furnished for the acquisition, construction, development, operation, and use of the Land, Improvements, or Leases, including, without limitation, building permits, environmental certificates, licenses, certificates of operation, warranties, guaranties, and Grantor's rights under restrictive covenants affecting the Property, whether now or hereafter existing;

(h) Accounts, Contracts. All accounts, contract rights, general intangibles, chattel paper, documents, instruments, inventory, goods, and equipment arising from or located on the Land or Improvements and all books and records relating to the foregoing; such contracts shall include, without limitation, any construction contract. Each and every right of Grantor to the payment of money relating to the Property, including, but not limited to, all present and future debt instruments, chattel paper, accounts, loans, and obligations receivable, tax refunds, whether such right to payment now exists or hereafter arises, whether such right to payment arises out of a sale, lease, or other disposition of goods or other property by Grantor, out of a rendering of services by Grantor, out of a loan by Grantor, out of the overpayment of taxes or other liabilities of Grantor, or otherwise arises under any contract or agreement, whether such right to payment is or is not already earned by performance, and howsoever such right to payment may be evidenced, together with all other rights and interests, including, without limitation, all liens and security interests, which Grantor may at any time have by law or agreement against any account debtor or other obligor obligated to make any such payment of against any of the property of such account debtor or other obligor;

(i) Deposits. All monies on deposit with or for the benefit of Beneficiary, including, without limitation, all deposits for the payment of real estate taxes and any cash collateral account;

(j) Documents of Title. All warehouse receipts, bills of lading, and other documents of title covering the property described in this Section;



(k) Proceeds and Products. All proceeds, products, replacements, additions, substitutions, renewals, and accessions of and to the Land, Improvements, Appurtenances, or any other property described in this Section;

(l) Facility Use Agreement. All of Grantor's rights under that certain Amended and Restated Facility Use Agreement dated January 25, 2000 between Grantor and Walley's Property Owners Association, a Nevada nonprofit corporation, which is the subject of that certain Memorandum of Agreement of even date therewith, recorded on January 28, 2000 in the office of the County Recorder of Douglas County, Nevada, as document no. 0485268; and

(m) After-Acquired Rights. Any and all after-acquired rights, titles, or interests of Grantor in and to any property described in this Section;

To have and to hold the Property and all parts thereof together with the rents, issues, profits, and proceeds thereof, unto Beneficiary to its own proper use, benefit, and advantage forever, subject, however, to the terms, covenants, and conditions in this Deed of Trust.

3. Payment of Indebtedness, Performance of Obligations. Grantor promptly shall pay when due the Indebtedness and promptly shall perform all Obligations.

4. Leases; Assignment of Rents and Leases.

(a) Leases. Grantor shall not be authorized to enter into any Lease without Beneficiary's prior written approval which approval shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, Grantor shall be authorized to lease the restaurant and retail facilities located on the Land in the ordinary course of business. Grantor shall comply with and observe Grantor's obligations under all Leases.

(b) Assignment of Rents. Grantor absolutely and unconditionally assigns and transfers to Beneficiary, all of Grantor's right, title, and interest in and to the Rents; provided, however, so long as there exists no Event of Default, Grantor shall have the license to collect and use all Rents.

This assignment shall not be deemed to impose on Beneficiary any of the obligations or duties of Grantor provided in any Lease, and Grantor agrees fully to perform all of its obligations under all the Leases. On Beneficiary's request, Grantor shall send to Beneficiary a list of all Leases and as each Lease expires or terminates or as any new Lease shall be made, Grantor shall notify Beneficiary in order that at all times Beneficiary shall have a current list of all Leases. Beneficiary shall have the right, at any time and from time to time, to notify any landlord or tenant of the rights of Beneficiary as provided by this Deed of Trust. From time to time, on request of Beneficiary, Grantor shall execute separate instruments in writing in form and substance approved by Beneficiary, assigning to Beneficiary all right, title, and interest of Grantor in and to each separate Lease, together with all security therefor and all monies payable thereunder, subject to the conditional permission given to Grantor to collect





the rentals under each such Lease. Grantor also shall execute and deliver to Beneficiary all notifications, financing statements, and other documents reasonably required by Beneficiary.

(c) Remedies. If an Event of Default occurs, and with or without Beneficiary's taking possession of the Property or institution of a foreclosure action:

(i) Grantor's right to collect and secure the Rents shall cease and Beneficiary shall have the sole right to collect all Rents.

(ii) All Rents then in Grantor's possession immediately shall be turned over to Beneficiary.

(iii) Beneficiary shall have full power to make from time to time all alterations, renovations, repairs, and replacements thereto as may seem proper to Beneficiary. Beneficiary may apply the Rents to the payment of (A) the costs of collection and administration and of all such alterations, renovations, repairs, and replacements, and expenses incident to taking and retaining possession of the Property, and the management and operation thereof, and keeping the same properly insured, (B) all taxes, charges, claims, assessments, and any other liens which may be prior in lien or payment to the Indebtedness, and (C) such additional Indebtedness, including, without limitation, such additional costs, in such order of priority as to any of such items as Beneficiary in its sole discretion may determine, any statute, law, custom, or use to the contrary notwithstanding. Grantor hereby waives any right to apply for an order requiring the Rents to be deposited into the registry of a court of competent jurisdiction in a foreclosure action.

Notwithstanding the foregoing, Beneficiary shall not be obligated to perform or discharge, any obligation, duty, or liability under any Lease. Grantor shall indemnify Beneficiary for and hold Beneficiary harmless of and from any and all liability, loss, or damage which Beneficiary incurs under the Leases or under or by reason of any alleged obligations or undertakings on Beneficiary's part to perform or discharge any of the terms, covenants, or agreements in the Leases.

## 5. Security Agreement.

(a) Grant of Security Agreement. This Deed of Trust shall constitute a security agreement pursuant to the Uniform Commercial Code as enacted in the State of Nevada ("UCC") for all portions of the Property which, under applicable law, may be subject to a security interest pursuant to the UCC, including, without limitation, all inventory, including, without limitation, new and used stock in trade, stocks of raw materials, work in progress and finished goods; accounts, accounts receivable, and contract rights, including, without limitation, chattel paper, instruments, profits, revenues, royalties, bonuses, and rights and benefits thereunder; machinery and equipment, including, without limitation, furniture, fixtures, goods to become fixtures, articles of personal property and chattels; general intangibles; and all additions, accessions, substitutions, and replacements thereto and therefor now owned, hereafter acquired, and wherever located and used in connection with the



Property (collectively, "Personal Property"). Grantor hereby grants to Beneficiary a security interest in the Personal Property. Beneficiary shall have all of the rights and remedies of a secured party under the UCC as well as all other rights and remedies available at law or in equity.

(b) Perfection of Security Interest. Grantor represents and warrants that no prior financing statement covering the Personal Property is on file at any public office, with the exception of any prior financing statement in favor of Beneficiary. Grantor agrees to execute and deliver to Beneficiary all financing statements, as well as extensions, renewals, and amendments thereof, and reproductions of this Deed of Trust in such form as Beneficiary may reasonably require to perfect a security interest with respect to the Personal Property. Grantor hereby authorizes and empowers Beneficiary and irrevocably appoints Beneficiary as its agent and attorney-in-fact to file all financing statements and refilings and continuations thereof as Beneficiary deems necessary or advisable to create, preserve, and protect such lien. Grantor shall pay all costs of filing such financing statements and all extensions, renewals, amendments, and releases thereof, and shall pay all reasonable costs and expenses of all record searches for financing statements as Beneficiary reasonably may require.

(c) Restrictions on Personal Property. Other than in the ordinary course of business, Grantor shall not sell, assign, transfer, encumber, remove (except for the performance of maintenance and repairs thereto in the ordinary operation of the Property), or permit to be removed from the Property any of the Personal Property. So long as no Event of Default exists, Grantor may sell or otherwise dispose of the Personal Property when obsolete, worn out, inadequate, unserviceable or unnecessary for use in the operation of the Property, but only on replacing the same with other Personal Property at least equal in value and utility to the disposed Personal Property. All replacement or substituted Personal Property shall be subject to the security interest granted in this Deed of Trust.

(d) Fixture Filing. To the extent permitted by law, Grantor and Beneficiary agree that with respect to all items of Personal Property which are or will become fixtures on the Land, this Deed of Trust, on recordation in the public records of the county in which the Land is located, shall constitute a fixture filing within the meaning of the UCC.

(e) Remedies. If an Event of Default occurs, Beneficiary shall have all of the remedies of a secured party under this Deed of Trust and such further remedies as provided under applicable law, the UCC and the Loan Documents for a secured party. Such rights include, without limitation, the right to notify Grantor that Grantor is required, and Grantor hereby agrees, to assemble the Personal Property and make it available to Beneficiary at a place reasonably convenient to Grantor and Beneficiary which place shall be designated by Beneficiary in such notice.

6. Taxes and Other Obligations. Grantor shall pay or cause to be paid, when due, and before any interest, collection fees or penalties shall accrue, all taxes, judgments, liens, encumbrances, assessments, fines, impositions, and other charges and obligations, which may become a lien on or charge against the Property (collectively, "Charges")



including but not limited to, the following: (a) all taxes and assessments applicable to the Property; (b) all fees, charges, and taxes in connection with filing or recording the Loan Documents; (c) all reasonably incurred fees and commissions lawfully due to brokers, salesmen, and agents in connection with the Loan or the Property; (d) all reasonably incurred fees and expenses of outside counsel to Beneficiary, including but not limited to all fees and expenses had or reasonably incurred in: (i) preparation and negotiation of Loan Documents, including, without limitation, all due diligence review which in such counsel's sole discretion reasonably is necessary in connection with the Loan; (ii) the interpretation or enforcement of any of the provisions of, or the creation, preservation, or exercise of rights and remedies under, any of the Loan Documents; (iii) the preparation for, negotiations regarding, consultations concerning, or the defense or prosecution of legal proceedings involving any claim or claims made or threatened against Beneficiary arising out of this transaction or the preservation or protection of the collateral securing the Loan, expressly including, without limitation, the defense by Beneficiary of any legal proceedings instituted or threatened, including those for pre-trial, trial, appellate, bankruptcy, and probate matters, and all reasonable costs associated therewith, including, without limitation, receivers' fees, appraisers' fees, engineers' fees, accountants' fees, independent consultants' fees, including, without limitation, environmental consultants, outlays for documentary and expert evidence, and stenographers' charges, publication costs, and costs, which may be estimates as to items to be expended after entry of an order or judgment, for procuring all such abstracts of title, title, and UCC searches, and examination, title policy, and similar data and assurances with respect to title as Beneficiary may deem reasonably necessary either to prosecute any action or to evidence to bidders at any foreclosure sale of the Property the true condition of the title to, or the value of, the Property; (e) all Title Policy and title examination charges, including, without limitation, premiums for the Title Policy; (f) all premiums for the Insurance Policies; (g) all reasonably incurred travel and out-of-pocket expenses of Beneficiary to conduct inspections or audits; (h) all service fees, wire fees, collection fees, and wire fees in connection with the Loan; (i) all other costs and expenses payable to third parties reasonably incurred by Grantor in connection with the consummation of the transactions contemplated by this Agreement; and (j) all other reasonable expenditures and expenses which may be paid or incurred by or on behalf of Beneficiary, including, without limitation, repair costs and payments to remove or protect against liens. All costs and expenses to be paid by Grantor to Beneficiary shall be due within ten (10) days of Beneficiary's delivery to Grantor of written notification of such costs and expenses from Beneficiary, and all such costs and expenses shall be secured by all of the collateral for the Loan. Should Grantor fail to make any of such payments, Beneficiary may, at its option and at the expense of Grantor, pay the amounts due for the account of Grantor. Any such amounts advanced by Beneficiary on behalf of Grantor shall promptly be paid by Grantor to Beneficiary on demand and shall be secured by the lien of this Decd of Trust. On the request of Beneficiary, Grantor immediately shall furnish to Beneficiary all notices of amounts due and receipts evidencing payment. Grantor promptly shall notify Beneficiary of each Charge on all or any part of the Property and promptly shall discharge each lien and encumbrance.

7. Insurance and Condemnation.





(a) Insurance. Grantor shall cause the Property to be insured as follows:

(i) All-risk insurance on the Property in an amount equal to one hundred percent (100%) of the replacement cost of the improvements to the Property or in such additional amounts as Beneficiary may reasonably require.

(ii) Comprehensive general liability insurance for owners and contractors, including blanket contractual liability, products and completed operations, personal injury, bodily injury, death or property damage, explosion, collapse, and underground hazards, arising out of any one occurrence, in the amount of Three Million and No/100<sup>ths</sup> Dollars (\$3,000,000.00), combined single limit, with an umbrella provision, or in any increased amount required by Beneficiary.

(iii) Workers' compensation insurance for employees and contractors in statutory limits.

(iv) Such other insurance as Beneficiary reasonably may require, including, without limitation, business interruption, flood, sinkhole, earthquake and hurricane insurance and other risks.

(v) All insurance policies shall be issued on forms and by companies of at least a Best rating of A<sup>+</sup> XII, which are licensed to do business in the state in which the Property is located, and shall be satisfactory to Beneficiary. Grantor shall deliver copies of all Insurance Policies to Beneficiary prior to closing, and shall deliver to Beneficiary evidence of such coverage forty-five (45) days prior to the anniversary date of each Insurance Policy. All Insurance Policies shall have loss made payable to Beneficiary as Beneficiary together with the standard Beneficiary clause, if such is required in the state in which the Property is located. No Insurance Policy may be terminated, reduced, or materially changed without Beneficiary's prior written consent, and all Insurance Policies shall contain a provision giving Beneficiary thirty (30) days' prior notice of termination, reduction, or other material change of the coverage.

(vi) Provided no Event of Default then exists and Grantor certifies as to same, the net insurance proceeds shall be paid to Beneficiary but shall be made available by Beneficiary for the restoration or repair of the Property if: (a) in Beneficiary's reasonable judgment restoration or repair and the continued operation of the Property is economically feasible; (b) the cost of restoration or repair does not exceed the net insurance proceeds, or Grantor shall deposit funds with Beneficiary or other evidence satisfactory to Beneficiary in its sole discretion that Grantor can pay all costs of restoration in excess of such net insurance proceeds; (c) the loss does not occur in the six (6) month period preceding the Maturity Date; (d) Grantor has sufficient business interruption insurance; and (e) the Inspecting Architects/Engineers certify that the restoration of the Property can be completed at least ninety (90) days prior to the Maturity Date. Grantor shall pay all amounts, in addition to the net insurance proceeds, necessary to pay in full the cost of the restoration or repair.



(vii) Notwithstanding the foregoing, it shall be a condition precedent to any disbursement of insurance proceeds held by Beneficiary under this Deed of Trust that Beneficiary shall have approved (a) all plans and specifications for all proposed repairs or restoration; (b) the construction schedule; and (c) the architect's and general contractor's construction contracts and contracts for restoration. Beneficiary may establish other conditions it deems reasonably necessary to assure the work is fully completed in a good and workmanlike manner free of all liens or claims by reason thereof, and in compliance with all applicable laws, rules, and regulations. At Beneficiary's option, the net insurance proceeds shall be disbursed pursuant to a construction escrow reasonably acceptable to Beneficiary. If an Event of Default then exists, or any of the conditions set forth in this Section have not been met or satisfied, the net insurance proceeds (after deduction of Beneficiary's reasonable costs and expenses, if any, in collecting same) shall be applied to the Loan in such order and manner as Beneficiary may elect, whether or not due and payable, with any excess paid to Grantor.

(viii) The proceeds of all awards, payments, and claims for damages, direct or consequential, in connection with each condemnation or any portion of the Property, or for conveyances in lieu of condemnation, are hereby assigned to and shall be paid to Beneficiary. Beneficiary is authorized, but is under no obligation, to collect all such proceeds. The proceeds shall be made available by Beneficiary for repair or restoration of the Property in the same manner and on the same conditions as those set forth above for net insurance proceeds.

(ix) On foreclosure of this Deed of Trust or other acquisition of all or a part of the Property by Beneficiary, the insurance policies shall become the absolute property of Beneficiary, but receipt of any insurance proceeds and any disposition of the same by Beneficiary shall not constitute a waiver of any rights of Beneficiary, statutory or otherwise, and specifically shall not constitute a waiver of the right of foreclosure by Beneficiary on the occurrence of an Event of Default. Grantor may obtain the insurance required hereunder from any insurance company of Grantor's choice, licensed and admitted in the State of Nevada, subject to the requirements stated in the Loan Agreement and Beneficiary's reasonable approval rights.

8. Financial Statements. So long as any portion of the Loan remains outstanding, Grantor shall deliver to Beneficiary the following financial statements ("Financial Statements"):

(i) Quarterly Financial Reports. Within forty-five (45) days after the end of each calendar quarter, unaudited financial statements of Grantor, certified by the chief financial officer of Grantor..

(ii) Year-End Financial Reports. Within one hundred twenty (120) days after the end of each calendar year, Grantor shall cause to be delivered to Beneficiary financial statements for Grantor prepared, in accordance with GAAP and audited by an independent public accounting firm reasonably acceptable to Beneficiary. Within one



hundred twenty (120) days after the end of each calendar year, Limited Guarantor shall each cause to be delivered to Beneficiary unaudited financial statements for each Limited Guarantor.

(iii) Audit Reports. Promptly on receipt thereof, one (1) copy of each other report submitted to Grantor by independent public accountants in connection with all annual, interim, and special audits made by them of the books of Grantor.

(iv) Other Reports. Such other reports, statements, notices, and written communications relating to the Grantor, Limited Guarantor (as defined in the Loan Agreement) or any other party, as Beneficiary may require, in its reasonable discretion.

9. Tax Receipts. Grantor shall furnish Beneficiary with receipts or tax statements marked "Paid" to evidence the payment of all taxes levied on the Property prior to the date such taxes become delinquent.

10. Loan Participation. Grantor acknowledges and agrees that Beneficiary may, from time to time, sell or offer to sell interests in the Loan and the Loan Documents to one or more participants or permanent Beneficiaries; Grantor authorizes Beneficiary to disseminate all information it has pertaining to the Loan, including, without limitation, complete and current credit information on Grantor and its principals, to all such participants, prospective participants, or permanent Beneficiaries in the Loan.

11. Notice of Litigation, Claims, and Financial Change. Grantor promptly shall inform Beneficiary of (a) all litigation against Grantor or Limited Guarantor or affecting the Property, which, if determined adversely, might have a material adverse effect on the financial condition of Grantor or any Limited Guarantor or on the Property, or might cause an Event of Default; (b) all claims and controversies which reasonably are likely to become the subject of such litigation; and (c) all material adverse changes in the financial condition of Grantor or Limited Guarantor.

12. Indemnity. Grantor shall, at its sole cost and expense, defend, indemnify, and hold Beneficiary harmless from any and all claims, damages, actions, liabilities, and expenses in any way relating to the Property or the Loan Documents (collectively, "Liability"). On written notice, Grantor will reimburse Beneficiary for all legal and other expenses reasonably incurred by or on behalf of Beneficiary, including, without limitation, such costs incurred in all bankruptcy and probate proceedings, in connection with investigating or defending each Liability. This indemnity shall be in addition to any liability which Grantor may have to Beneficiary in equity, at common law, or otherwise. This Section shall survive the payment in full of the Loan and all other indebtedness secured by the Deed of Trust.

13. Cooperation with Beneficiary. Grantor shall cooperate with Beneficiary to supply whatever information and to execute appropriate documents and instruments relating to the Property which may be reasonably required by Beneficiary.



14. Subordinated Obligations. All indebtedness of Grantor to any Affiliate of Grantor shall be subordinated to the Note, except for salaries and other compensation due officers and directors as of the date of this Deed of Trust.

On an Event of Default, Grantor will not, directly or indirectly, (a) permit any payment to be made in respect of any indebtedness, liabilities, or obligations, direct or contingent, to any Affiliate of Grantor, which payments shall be and hereby are made subordinate to the payment of principal of, and interest on, the Note, or (b) permit the amendment, rescission, or other modification of any of Grantor's subordinated obligations in such a manner as to adversely affect the lien priority of Beneficiary in any property, real or personal, pledged to secure any of the Loan Documents.

15. Affiliate means any individual, trust, estate, partnership, limited liability company, corporation, or any other incorporated or unincorporated organization (each, a "Person") that directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with another Person; or any relative of any of the foregoing. "Control" means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

16. Net Worth; Net Income. Until the Note is fully paid, Grantor and Limited Guarantor shall not, for more than sixty (60) continuous days, fail to maintain a minimum net worth at least equal to Grantor's net worth as of the date of this Deed of Trust. The foregoing net worth requirement with respect to Grantor shall increase each year during which the Loan remains outstanding in an amount equal to fifty percent (50%) of Grantor's net income during such year. For so long as Grantor remains a pass through entity for tax purposes, "net income" shall not include any distribution made to Grantor's direct or indirect owners to pay income taxes related to Grantors' business.

17. Preservation and Maintenance of Property. Grantor shall: (a) not commit waste or permit impairment or deterioration of the Property; (b) not abandon the Property; (c) keep the Property in good repair and restore or repair promptly, in a good and workmanlike manner, all or any part of the Property; (d) comply with all laws, ordinances, regulations, and requirements of all governmental authorities applicable to the Property and all covenants, conditions, and restrictions affecting the Property, and will not suffer or permit any violation thereof; and (e) give notice in writing to Beneficiary of and, unless otherwise directed in writing by Beneficiary or as provided otherwise in any of the Loan Documents, appear in and defend any action or proceeding purporting to affect, the Property, the security granted by the Loan Documents or the rights or powers of Beneficiary. Neither Grantor nor any tenant or other person shall remove, demolish, or alter any Improvement on the Land except when incident to the replacement of fixtures, equipment, machinery and appliances with items of like kind and except as permitted by the Loan Documents.

18. Protection of Beneficiary's Security. If (a) Grantor fails to pay the Indebtedness or to perform the Obligations, (b) any action or proceeding is commenced





which affects or could affect the Property or Beneficiary's interest therein, including, without limitation, any loss, damage, cost, expense, or liability incurred by Beneficiary with respect to (i) any environmental matter relating to the Property or (ii) the preparation of the commencement or defense of any action or proceeding or any threatened action or proceeding affecting the Loan Documents or the Property, then Beneficiary, at Beneficiary's option, may make such appearances, disburse such sums and take such action as Beneficiary deems necessary, in its sole discretion, to protect the Property or Beneficiary's interest therein, including, without limitation, entry on the Property to take such actions Beneficiary determines appropriate to preserve, protect, or restore the Property. All amounts disbursed by Beneficiary pursuant to this Section, including, without limitation, all costs, together with interest thereon at the Default Rate from the date of disbursement, shall become additional Indebtedness of Grantor secured by the lien of this Deed of Trust and the other Loan Documents and shall be due and payable on demand. Nothing in this Section shall require Beneficiary to incur any expense or take any action.

19. Actions. Grantor shall warrant title and appear in and defend all claims, actions, and other proceedings purporting to affect title or other interests relating to any part of the Property, the security of this Deed of Trust, or the rights of Beneficiary, and give Beneficiary prompt written notice of same. Beneficiary may, at the expense of Grantor, appear in and defend same and any claim, action, or other proceeding asserted or brought against Beneficiary in connection with or relating to any part of the Property or this Deed of Trust (if the Grantor fails to adequately defend such action, claim or proceeding).

20. Transfers of Property or Interest in Grantor. Except as otherwise provided in this Deed of Trust, Grantor shall not (a) create any new ownership interest in Grantor (b) transfer, lease, or mortgage (i) all or any part of the Property, or any interest therein, except to an entity affiliated with Grantor, or (ii) any ownership interest in Grantor, (including, without limitation, any interest in the profits, losses, or cash distributions in any way relating to the Property), except for (1) the lien of the Deed of Trust and (2) the transfer of personal property permitted in the Loan Documents, (c) make any distributions to partners, members or shareholders until the Loan has been repaid, without the prior written consent of Beneficiary. In the event that Grantor, or any successor in interest to Grantor in the real property hereby encumbered, either voluntarily or by operation of law, shall sell, transfer, further encumber, mortgage, or convey, or contract to sell, transfer, further encumber, mortgage, or convey, any or all of the Property which is not Personal Property, or any portion thereof, or any interest therein, at the option of Beneficiary, the Indebtedness secured by this Deed of Trust, other than in the ordinary course of its time share sales business, shall forthwith become due and payable although the time of maturity thereof shall not have arrived. If Grantor is a corporation, partnership, trust, limited liability company or other entity, the transfer, encumbrance or other disposition of any interest in such Grantor, unless expressly permitted in the Loan Documents shall be deemed to be a transfer for purposes of this paragraph. If this Deed of Trust or the Note secured hereby contains any provision conferring on Beneficiary the right to demand any prepayment premium or sum of money for prepayment of any Indebtedness secured hereby, Grantor agrees to pay the premium or sum of money which Beneficiary would have been entitled to demand pursuant to such provision.



If Beneficiary has accelerated the debt in accordance with any of the provisions herein, Beneficiary shall nevertheless be entitled to any prepayment premium which may be provided in this Deed of Trust or in the Note. Consent to one such transaction shall not be deemed to be a waiver of the right to require consent to future or successive transactions.

21. No Additional Liens, Encumbrances, or Indebtedness. Grantor covenants to keep the Property free and clear of all liens, encumbrances, and debts in accordance with and to abide by all terms of the Loan Documents.

22. Grantor and Lien Not Released. Without affecting the liability of Grantor or any other person liable for the payment of the Indebtedness, and without affecting the lien or charge of this Deed of Trust as security for the payment of the Indebtedness, Beneficiary may, from time to time and without notice to any junior lienholder or holder of any right or other interest in and to the Property, or any other person: (a) release any person so liable; (b) waive or modify any provision of this Deed of Trust or the other Loan Documents or grant other indulgences; (c) release all or any part of the Property; (d) take additional security for any Obligation; (e) subordinate the lien or charge of this Deed of Trust; (f) consent to the granting of any easement; (g) consent to any map or plat of the Property; (g) exercise or refrain from exercising or waive any right Beneficiary may have.

23. Events of Default; Remedies.

23.1 Default. Each of the following events is an event of default hereunder (herein "Event of Default" or "Default"):

(a) The occurrence of a default under the Note or the failure to pay or perform any other Indebtedness or Obligation when first due after the expiration of any applicable cure period contained therein; or

(b) The failure by Grantor to perform or comply with any obligation, covenant or condition contained in this Deed of Trust (after the expiration of any applicable cure period contained herein); or

(c) The occurrence of a default, "Default" or "Event of Default" under any of the other Loan Documents after the expiration of any applicable cure period contained therein; or

(d) Grantor's failure to maintain any of the Insurance Policies on the Property or any part thereof or interest therein in violation of Section 7 of this Deed of Trust.

(e) The issuance, filing, or levy against Grantor or the Property, one or more attachments, injunctions, executions, tax liens, or judgments for the payment of money cumulatively in excess of Fifty Thousand and no/100<sup>ths</sup> Dollars (\$50,000) which is not discharged in full, stayed or sufficiently bonded over within one hundred twenty (120) days after issuance or filing or which is not being diligently protested or challenged by Grantor.



The institution of any proceeding by or against Grantor under any bankruptcy or insolvency laws or the general assignment of Grantor's assets for the benefit of its creditors.

(f) Title to all or any material part of the Property other than (a) obsolete or worn personal property replaced by adequate substitutes of equal or greater value than the replaced items when new, or (b) personal property no longer necessary for the operation of the Property, provided removal of such personal property does not materially affect the value or operation of the Property, shall become vested in any Person other than Grantor, whether by operation of law or otherwise.

(g) Any Event of Default as defined in this Deed of Trust or any of the Loan Documents; any default by Grantor in the payment of indebtedness for borrowed money after the expiration of any applicable grace or cure period; any other default under such indebtedness which accelerates or permits the acceleration (after the giving of notice or passage of time, or both) of the maturity of such indebtedness; or any default which permits the holders of such indebtedness to elect a majority of the board of directors of Grantor.

(h) The occurrence of any transfer prohibited by this Deed of Trust; or

(i) The fact that any warranty, statement or representation of Grantor contained in this Deed of Trust or contained in any other Loan Document or any Financial Statements, or any other writing delivered to Beneficiary proves to be untrue or misleading in any material respect as of the time made or as of any subsequent time prior to the satisfaction in full of all of the Indebtedness and Obligations; or

(j) The filing of any federal tax lien against the Property or any portion thereof or interest therein that is not contested and bonded over to Beneficiary's reasonable satisfaction; or

(k) The Grantor or any maker or endorser of the Note, (if a corporation or limited liability company) is liquidated or dissolved or its charter expires or is revoked or the Grantor or any such maker or endorser (if a partnership) is dissolved or partitioned or the Grantor or any such maker or endorser (if a trust) is terminated or expires or any Grantor or any such maker or endorser (if an individual) dies; or

(l) The filing by any person or entity of any claim in any legal or equitable proceeding challenging the priority of this Deed of Trust as shown on the policy of title insurance issued to Beneficiary in connection with the Loan which is adversely determined against Beneficiary and not adequately covered by the Title Policy (as defined in the Loan Agreement); or

(m) The Grantor applies for or consents to the appointment of a receiver or trustee for it or any portion of its property or if such a receiver or trustee is appointed for the Grantor or its property or if the Grantor makes an assignment for the benefit of creditors or admits in writing its inability to pay its debts as they become due or if the Grantor becomes



insolvent or a petition is filed by the Grantor pursuant to any of the provisions of the Bankruptcy Code, 11 U.S.C. Section 101 et seq., as amended or any similar or successor statute or such a petition is filed against Grantor.

24. Remedies. If an Event of Default shall have occurred, Beneficiary may declare the outstanding principal amounts of the Note and the interest accrued thereon, and all other sums secured hereby, to be due and payable immediately, and upon such declaration such principal and interest and other sums shall immediately become and be due and payable without demand or notice. On an Event of Default, Grantor, on demand of Beneficiary, shall forthwith surrender to Beneficiary the actual possession of the Property, or, to the extent permitted by law, Beneficiary or a receiver appointed by a court of competent jurisdiction, may enter and take possession of all or any part of the Property, and may exclude Grantor and its agents and employees wholly therefrom, and may have joint access with Grantor to the books, papers, and accounts of Grantor with respect to the Property. If Grantor shall for any reason fail to surrender or deliver the Property or any part thereof after such demand by Beneficiary, Beneficiary or such receiver may obtain a judgment or decree conferring on Beneficiary or such receiver the right to immediate possession of the Property or requiring the delivery of the Property to Beneficiary or such receiver, and Grantor specifically consents to the entry of such judgment or decree. On every such entering on or taking of possession, Beneficiary or such receiver may hold, store, use, operate, manage, and control the Property and conduct the business thereof, and Beneficiary or such receiver may take any action required by applicable law or which Beneficiary or such receiver believes necessary to enforce compliance with the environmental provisions in this Deed of Trust or in the other Loan Documents, and negotiate with Governmental Authorities with respect to the Property's environmental compliance and remedial measures in connection therewith. Beneficiary and such receiver and their representatives shall have no liability for any loss, damage, injury, cost, or expense resulting from any action or omission which was taken or omitted in good faith.

On an Event of Default, Beneficiary may, either with or without entry or taking possession as provided in this Deed of Trust or otherwise, proceed by suit or suits at law or in equity, as permitted by applicable law, or by any other appropriate proceeding or remedy to: (a) enforce payment of the Note or the performance of any term, covenant, condition, or agreement of the Grantor under any of the Loan Documents; (b) foreclose this Deed of Trust by the exercise of the power of sale granted to Trustee hereunder or by judicial proceedings and sell the Property in its entirety or otherwise, as Beneficiary may determine; (c) exercise its rights as set forth elsewhere in the Loan Documents; and/or (d) pursue any other right or remedy available to it under or by the law and decisions of the State in which the Land is located. Notwithstanding any statute or rule of law to the contrary, the failure to join any tenant or tenants of the Property as party defendant or defendants in any foreclosure action or the failure of any such order or judgment to foreclose their rights shall not be asserted by Grantor as a defense in any civil action instituted to collect (a) the Indebtedness, or any part thereof or (b) any deficiency remaining unpaid after foreclosure and sale of the Property.





In protecting, exercising, or assuring its interests, rights, or remedies under this Deed of Trust, receive, open, or dispose of mail addressed to Grantor and execute, sign, and endorse negotiable or other instruments for payment of money, documents, or title or other evidences of payment, shipment, or storage of any form of Property on behalf of and in the name of Grantor. In addition, Beneficiary may subrogate to Grantor's interest, rights, and remedies in respect to any Property, including, without limitation, the right to stop delivery and the right to take possession of and to sell or dispose of goods.

25. Appointment of Receiver or "Mortgagee-in-Possession". If an Event of Default is continuing or if Beneficiary shall have accelerated the Indebtedness, Beneficiary, on application to a court of competent jurisdiction, shall be entitled as a matter of strict right, without notice, and without regard to the occupancy or value of any security for the Indebtedness or the insolvency of any party bound for its payment, to the appointment, at its option, of itself as "mortgagee-in-possession", or of a receiver to take possession of and to operate the Property and to collect and apply the Rents in accordance with this Deed of Trust.

26. Expenditures and Expenses. In any action to foreclose this Deed of Trust or otherwise enforce Beneficiary's rights and remedies under this Deed of Trust, there shall be allowed and included as additional Indebtedness all costs which may be paid or incurred by or on behalf of Beneficiary. All costs immediately shall be due and payable to Beneficiary, with interest thereon at the Default Rate, and shall be secured by this Deed of Trust.

27. Election of Remedies. Beneficiary shall have all of the rights and remedies granted in this Deed of Trust and the other Loan Documents and available at law or in equity, and these same rights and remedies shall be cumulative and may be pursued separately, successively, or concurrently against Grantor, Limited Guarantors or any property encumbered by this Deed of Trust or the other Loan Documents, at the sole discretion of Beneficiary. In no event shall the failure of Beneficiary to enforce any condition, covenant, requirement, obligation, or warranty of this Deed of Trust be deemed to be a waiver of Beneficiary's right to enforce any other condition, covenant, requirement, obligation, or warranty. In no event shall the failure of Beneficiary to pursue any remedy on an Event of Default be deemed to be a waiver of Beneficiary's right to enforce such provision or to pursue such remedy on any other or future occurrence of an Event of Default. Nothing in this Deed of Trust shall be construed as obligating Beneficiary to take any action or incur any liability with respect to the Property or any business conducted thereon, and all options given to Beneficiary are for its benefit and shall be exercised in its sole discretion. Each of the individuals constituting the Grantor shall be jointly and severally liable for any deficiency remaining after a foreclosure sale, notwithstanding any agreement to the contrary among them.

28. Proceeds of Foreclosure Sale. Beneficiary may bid for and purchase the Property at any foreclosure sale, and shall be entitled to apply all or any part of the Indebtedness as a credit to the purchase price. Except as otherwise provided by applicable law, the proceeds of any foreclosure sale of the Property shall be distributed and applied in



the order of priority set forth in the Note with the excess, if any, being paid to any party entitled thereto as their rights may appear.

29. Future Advances. This Deed of Trust is given to secure not only the existing Indebtedness, but also future advances made pursuant to the Loan Documents, whether such advances are obligatory or are made at the option of Beneficiary, or otherwise under the Loan Documents to the same extent as if such future advances were made on the date of the execution of this Deed of Trust.

30. Waiver of Statute of Limitations. Grantor hereby waives the right to assert any statute of limitations as a bar to the enforcement of the lien created by the Loan Documents and to any action brought to enforce the Indebtedness or the Obligations.

31. Waiver of Homestead and Redemption. Grantor hereby waives all right of homestead exemption in the Property. Grantor hereby waives all right of redemption on behalf of Grantor subsequent to the date of this Deed of Trust.

32. Full Reconveyance. If all of the Indebtedness under the Loan is fully paid, then this Deed of Trust shall thereupon be fully reconveyed by Beneficiary or other holder(s) of the Indebtedness at the expense of Grantor.

33. Miscellaneous.

(a) Form and Substance. All documents, certificates, insurance policies, and all other items required under this Deed of Trust to be executed or delivered to Beneficiary shall be in form and substance satisfactory to Beneficiary.

(b) Binding Effect. This Deed of Trust shall be binding on and inure to the benefit of the parties and their respective successors and permitted assigns.

(c) Headings. Headings are for convenience and reference, and are not and shall not be deemed to be any part of this Deed of Trust.

(d) Modification. This Deed of Trust may not be modified, amended, changed, or waived, except by an instrument in writing signed and acknowledged by Grantor and Beneficiary.

(e) Notice. All notices and other communication required or permitted to be given shall be in writing addressed to the respective party as set forth below and may be personally served or sent by reputable overnight courier or U.S. Mail and shall be deemed given: (a) if served in person, when served; (b) if by reputable overnight courier, on the first business day after delivery to the courier; or (c) if by U.S. Mail, certified or registered mail, return receipt requested on the fourth (4th) day after deposit in the mail postage prepaid.



Beneficiary: Resort Funding LLC  
360 South Warren Street, 6<sup>th</sup> Floor  
Syracuse, New York 13202  
Attention: Lisa M. Henson, President & COO

with copies to: Carlton Fields, P.A.  
P.O. Box 3239  
Tampa, Florida 33601-3239  
Attention: Sandra G. Porter, Esq.

Grantor: Walley's Partners Limited Partnership  
213 W. Wesley Street, Suite 202  
Wheaton, IL 60187  
Attention: Gary Grottko

with copies to: Armstrong Teasdale LLP  
One Metropolitan Square, Suite 2600  
St. Louis, MO 63102  
Attention: Daniel R. Wofsey

(f) Severability. If any Obligation or portion of this Deed of Trust is determined to be invalid or unenforceable under law it shall be deemed stricken from this Deed of Trust and it shall not affect the validity or enforcement of the remaining Obligations or portions hereof.

(g) Number and Gender. The singular number shall include the plural and the plural the singular, and the use of any gender shall be applicable to all genders.

(h) Joint and Several Liability. The duties, covenants, obligations, and warranties of Grantor in this Deed of Trust are joint and several obligations of Grantor and of each Grantor if more than one.

(i) TIME OF THE ESSENCE. TIME IS OF THE ESSENCE WITH RESPECT TO THE PERFORMANCE OF GRANTOR'S OBLIGATIONS UNDER THIS DEED OF TRUST.

(j) Attorney's Fees. In any action under this Deed of Trust between the parties, the prevailing party shall be entitled to reasonable attorneys' fees and costs, including, without limitation, those incurred for all pretrial, trial, appellate, bankruptcy, and probate proceedings.

(k) Loss of Note. On notice from Beneficiary of the loss, theft, or destruction of the Note, Grantor shall make and deliver a new note of like tenor in lieu of the then to be superseded Note.



(l) Choice of Law, Jurisdiction, and Venue. Except with respect to the creation, perfection, and enforcement of the liens and security interests created hereby, this Deed of Trust shall be deemed to have been negotiated, made, and executed in the County of Onondaga, State of New York and shall be construed and enforced in accordance with the laws of the State of New York, without regard to conflict of laws principles. With respect to the creation, perfection and enforcement of the liens created hereby, the Deed of Trust shall be interpreted, construed, and enforced in accordance with the laws of the State of Nevada without regard to the principles of conflict of laws.

(m) No Novation. This Deed of Trust will not constitute a novation nor have the effect of discharging any liability or obligation evidenced by the Original Deed of Trust.

GRANTOR AGREES THAT ALL ACTIONS OR COURT PROCEEDINGS ARISING DIRECTLY, INDIRECTLY, OR OTHERWISE IN CONNECTION WITH, OUT OF, RELATED TO OR FROM THIS DEED OF TRUST SHALL BE LITIGATED, AT BENEFICIARY'S SOLE DISCRETION AND ELECTION, ONLY IN COURTS HAVING A SITUS WITHIN THE COUNTY OF ONONDAGA, STATE OF NEW YORK. GRANTOR HEREBY CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY LOCAL, STATE, OR FEDERAL COURT LOCATED WITHIN SAID COUNTY AND STATE. GRANTOR HEREBY WAIVES ANY RIGHT IT MAY HAVE TO TRANSFER OR CHANGE THE VENUE OF ANY LITIGATION BROUGHT AGAINST IT BY BENEFICIARY ON THE DEED OF TRUST IN ACCORDANCE WITH THIS SECTION.

(n) Jury Trial Waiver. GRANTOR AND BENEFICIARY HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED ON OR ARISING OUT OF THIS DEED OF TRUST. GRANTOR AND BENEFICIARY ACKNOWLEDGE THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A LENDING RELATIONSHIP THAT EACH HAS RELIED ON THE WAIVER IN ENTERING INTO THIS DEED OF TRUST, AND THAT EACH WILL CONTINUE TO RELY ON THE WAIVER IN THEIR RELATED FUTURE DEALINGS. GRANTOR AND BENEFICIARY WARRANT AND REPRESENT THAT EACH HAS HAD THE OPPORTUNITY OF REVIEWING THIS JURY WAIVER WITH LEGAL COUNSEL, AND THAT EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS.

(o) Nevada Deed of Trust Covenants. To the extent not inconsistent with the other provisions of this Deed of Trust, covenants 1; 2 (full replacement value); 3; 4 (Default Rate under the A&D Note); 5; 6; 7 (a reasonable percentage), 8 and 9 of NRS 107.030 are hereby adopted and made a part of this Deed of Trust.





IN WITNESS WHEREOF, Grantor and Beneficiary has caused these presents to be executed this 9th day of December, 2008.

Sheila-Georganos  
Witness  
Theodora Sheila-Georganos  
Print Name

Candace Hartman  
Witness  
Candace MonHerth  
Print Name

\_\_\_\_\_  
Witness  
\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Witness  
\_\_\_\_\_  
Print Name

GRANTOR:

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

By: Valley Partners, L.L.C., a Nevada limited liability company, its General Partner

By: [Signature]  
Name: Guy Gouthe  
Title: Manager

BENEFICIARY:

**RESORT FUNDING LLC**, a Delaware limited liability company

BY: \_\_\_\_\_  
Name: Lisa M. Henson  
Title: President and COO



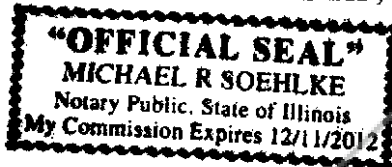
STATE OF

Illinois

COUNTY OF

Peoria

The foregoing instrument was acknowledged before me this 9<sup>th</sup> day of December, 2008, by Gray Grubbe as Manager of Valley Partners, L.L.C., a Nevada limited liability company, the General Partner of **WALLEY'S PARTNERS LIMITED PARTNERSHIP**, a Nevada limited partnership.



[Signature]  
Notary Public  
My Commission Expires: 12-11-2012

STATE OF NEW YORK )  
COUNTY OF ONONDAGA) ss.

On this \_\_\_ day of December, 2008, before me personally appeared Lisa M. Henson, the President and COO of **RESORT FUNDING LLC**, a Delaware limited liability company, to me personally know, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person and limited liability company, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Printed Name: \_\_\_\_\_

Notary Public, State of New York  
My Commission expires: \_\_\_\_\_



IN WITNESS WHEREOF, Grantor and Beneficiary has caused these presents to be executed this \_\_\_\_ day of December, 2008.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Print Name

Karen J. Hayes  
Witness

Karen J. Hayes  
Print Name

Penny Karleski  
Witness

Penny Karleski  
Print Name

GRANTOR:

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

By: Valley Partners, L.L.C., a Nevada limited liability company, its General Partner

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BENEFICIARY:

**RESORT FUNDING LLC**, a Delaware limited liability company

BY: Lisa M. Henson  
Name: Lisa M. Henson  
Title: President and COO

STATE OF \_\_\_\_\_

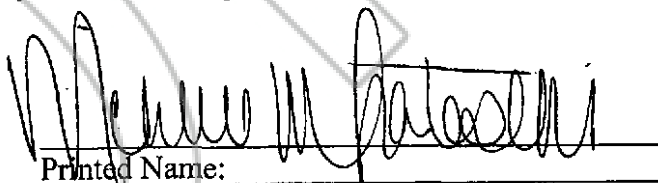
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of December, 2008, by \_\_\_\_\_ as \_\_\_\_\_ of Valley Partners, L.L.C., a Nevada limited liability company, the General Partner of **WALLEY'S PARTNERS LIMITED PARTNERSHIP**, a Nevada limited partnership.

\_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_

**STATE OF NEW YORK** )  
**COUNTY OF ONONDAGA**) ss.

On this 18<sup>th</sup> day of December, 2008, before me personally appeared Lisa M. Henson, the President and COO of **RESORT FUNDING LLC**, a Delaware limited liability company, to me personally know, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person and limited liability company, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

  
Printed Name: \_\_\_\_\_

Notary Public, State of New York  
My Commission expires:

1/20/2011

**MICHELLE M. FRATESCHI**  
Notary Public in the State of New York  
Qualified in Onondaga County, No. 4882662  
My Commission Expires Jan 20, 2011



EXHIBIT "A-J"

Legal Description of Land

Real property in the City of Genoa, County of Douglas, State of Nevada, described as follows:

Parcel A:

A parcel of land located within a portion of the West one-half of the Southeast one-quarter (W1/2SE1/4) of Section 15 and the West one-half of the Northeast one-quarter (W1/2NE1/4) of Section 22, Township 13 North, Range 19 East, Mount Diablo Meridian, more particularly described as follows:

Commencing at the one-quarter corner common to Sections 15 and 22, T.13N., R.19E., M.D.M., a found 1985 BLM brass cap as shown on the Record of Survey for David Walley's Resort, a commercial subdivision, recorded April 29, 2002 in the office of Recorder, Douglas County, Nevada as Document No. 540898; thence along the north-south centerline of said Section 15, North 00°03' 48" West, 1322.57 feet to a found 2" iron pipe, no tag; thence North 86°52'39" East, 249.87 feet to a point on the easterly right-of-way of Foothill Road, the northwest corner of Remainder Parcel as shown on said Record of Survey, the POINT OF BEGINNING; thence along the boundary of said Remainder Parcel the following courses: thence continuing North 86°52'39" East, 4.38 feet to a found fence post, no tag, per Deed recorded February 28, 1977 in the office of Recorder, Douglas County, Nevada in Book 277, at Page 1249; thence South 89°20'43" East, 1064.63 feet; thence South 00°04'09" West, 2621.92 feet to a point on the north-south 1/16 line of the Northeast one-quarter of said Section 22; thence South 89°11'10" West, 1178.84 feet to a found 1/2" rebar, no tag, a point on said easterly right-of-way of Foothill Road; thence along said easterly right-of-way along the arc of a curve to the left, nontangent to the preceding course, having a radius of 1240.00 feet, central angle of 02°22'15", arc length of 51.31 feet, chord bearing North 05°40'39" East, and chord distance of 51.31 feet; thence North 04°29'31" East, 313.93 feet; thence along the arc of a curve to the right having a radius of 1160.00 feet, central angle of 24°21'00", arc length of 492.99 feet, chord bearing North 16°40'01" East, and chord distance of 489.28 feet; thence North 28°50'31" East, 265.21 feet; thence along the arc of a curve to the left having a radius of 1240.00 feet, central angle of 54°31'00", arc length of 1179.85 feet, chord bearing North 01°35'01" East, and chord distance of 1135.85 feet; thence North 25°40'29" West, 499.42 feet to the POINT OF BEGINNING.

Together with the Rights reserved by Grantor in that certain Access Easement and Relocation deed recorded May 26, 2006 in Book 0506, Page 10729 as document No. 676008 of the Official Records of Douglas County, Nevada, and including the permanent non-exclusive easement rights granted therein.

Together with the Rights reserved by Grantor in that certain Access Easement deed recorded July 26, 2006 in Book 0706, Page 9371 as Document No. 680633 of the Official Records of Douglas County, Nevada, and including the permanent non-exclusive easement rights granted therein.

Excepting therefrom:

Parcel B





**Parcel I**

Parcel E-1 of the Final Subdivision Map LDA # 98-05 for David Walley's Resort, a Commercial Subdivision, filed for record with the Douglas County Recorder on October 19, 2000 in Book 1000 at Page 3464 as Document No. 0501638 and by Certificate of Amendment recorded November 03, 2000 in Book 1100 at Page 467 as Document No. 0502689, Official Records of Douglas County, Nevada.

Together with permanent non-exclusive easement for utilities and access for the benefit of Parcel E-1 as set forth in Quitclaim Deed recorded September 17, 1998 in Book 998 at Page 3250 as Document No. 0449574, Official Records, Douglas County, Nevada.

Together with a perpetual non-exclusive easement for use and enjoyment in, to and throughout the Common Area and a perpetual non-exclusive easement for parking and pedestrian and vehicular access, ingress and egress as set forth in Access Easement and Relocation Deed recorded May 26, 2006 in Book 0506, Page 10729 as document No. 676008, Official Records, Douglas County, Nevada.

**Parcel II**

Adjusted Parcel F: A parcel of land located within a portion of the west one-half of the northeast one-quarter (W ½ NE ¼) of Section 22, Township 13 North, Range 19 East, Mount Diablo Meridian, more particularly described as follows: Commencing at the one-quarter corner common to Sections 15 and 22, T13N, R19E, M.D.M., a found 1985 BLM brass cap as shown on the Record of Survey prepared by David D. Winchell and recorded September 28, 1989 in the office of the Recorder, Douglas County, Nevada as Document No. 211937; thence South 57 deg. 32. 32. east, 640.57 feet to the point of beginning; thence north 80 deg. 00. 00. east, 93.93 feet; thence north 35 deg. 00. 00. east, 22.55 feet; thence north 10 feet 00. 00. west, 92.59 feet; thence north 80 deg. 00. 00. east, 72.46 feet; thence south 10 deg. 00. 00. east, 181.00 feet; thence south 80 deg. 00. 00. west, 182.33 feet; thence north 10 deg. 00. 00. west, 72.46 feet to the point of beginning. (Reference is made to Record of Survey for Walley's Partners Ltd. Partnership, in the office of the County Recorder of Douglas County, Nevada, recorded September 17, 1998 in Book 998 at Page 3261 as Document No. 449576).

**Parcel III**

Adjusted Parcel G as shown on that Record of Survey to Support a Boundary Line Adjustment recorded September 20, 2002 in the Office of the Douglas County Recorder as Document No. 0552536, adjusting that Record of Survey recorded April 29, 2002 as Document No. 0540898, pursuant to that Final Subdivision Map LDA # 98-05 for David Walley's Resort, a Commercial Subdivision, filed for record with the Douglas County Recorder on October 19, 2000 in Book 1000, Page 3464 as Document No. 0501638 and by Certificate of Amendment recorded November 03, 2000 in Book 1100, Page 467 as Document No. 0502689, Official Records of Douglas County, Nevada.

Together with a perpetual non-exclusive easement for use and enjoyment in, to and throughout the Common Area and a perpetual non-exclusive easement for parking and pedestrian and vehicular access, ingress and egress as set forth in Access Easement and Relocation Deed recorded May 26, 2006 in Book 0506, Page 10729 as document No. 676008, Official Records, Douglas County, Nevada.



Parcel IV

Adjusted Parcel H as shown on that Record of Survey for David Walley's Resort, a Commercial Subdivision, Walley's Partners Ltd. Partnership, filed for record with the Douglas County Recorder on September 19, 2005 in Book 0905 at Page 6557 as Document No. 0655402, Official Records of Douglas County, Nevada.

Together with a perpetual non-exclusive easement for use and enjoyment in, to and throughout the Common Area and a perpetual non-exclusive easement for parking and pedestrian and vehicular access, ingress and egress as set forth in Access Easement and Relocation Deed recorded May 26, 2006 in Book 0506, Page 10729 as document No. 676008, Official Records, Douglas County, Nevada.

Parcel V

Parcel I as shown on that Record of Survey for David Walley's Resort, a Commercial Subdivision, Walley's Partners Ltd. Partnership, filed for record with the Douglas County Recorder on May 26, 2006 in Book 0506 at Page 10742 as Document No. 0676009, Official Records of Douglas County, Nevada. Together with a perpetual non-exclusive easement for use and enjoyment in, to and throughout the Common Area and a perpetual non-exclusive easement for parking and pedestrian and vehicular access, ingress and egress as set forth in Access Easement and Relocation Deed recorded May 26, 2006 in Book 0506, Page 10729 as document No. 676008, Official Records, Douglas County, Nevada.

Parcel VI

Adjusted Parcel J as shown on that Record of Survey for David Walley's Resort, a Commercial Subdivision, Walley's Partners Ltd. Partnership, filed for record with the Douglas County Recorder on July 26, 2006 in Book 0706 at Page 9384 as Document No. 0680634, Official Records of Douglas County, Nevada.

Together with a perpetual non-exclusive easement for use and enjoyment in, to and throughout the Common Area and a perpetual non-exclusive easement for parking and pedestrian and vehicular access, ingress and egress as set forth in Access Easement and Relocation recorded May 26, 2006 in Book 0506 at Page 10729 as Document No. 0676008; and Access Easement recorded on July 26, 2006 in Book 0706 at Page 9371 as Document No. 0680633, all of Official Records, Douglas County, Nevada.

Parcel VII

Parcel K as shown on that Record of Survey for David Walley's Resort, a Commercial Subdivision, Walley's Partners Ltd. Partnership, filed for record with the Douglas County Recorder on July 26, 2006 in Book 0706 at Page 9384 as Document No. 0680634, Official Records of Douglas County, Nevada.

Together with a perpetual non-exclusive easement for use and enjoyment in, to and throughout the Common Area and a perpetual non-exclusive easement for parking and pedestrian and vehicular access, ingress and egress as set forth in Access Easement and Relocation recorded



May 26, 2006 in Book 0506 at Page 10729 as Document No. 0676008; and Access Easement recorded on July 26, 2006 in Book 0706 at Page 9371 as Document No. 0680633, all of Official Records, Douglas County, Nevada.

Parcel VIII

Parcel L as shown on that Record of Survey for David Walley's Resort, a Commercial Subdivision, Walley's Partners Ltd. Partnership, filed for record with the Douglas County Recorder on July 26, 2006 in Book 0706 at Page 9384 as Document No. 0680634, Official Records of Douglas County, Nevada.

Together with a perpetual non-exclusive easement for use and enjoyment in, to and throughout the Common Area and a perpetual non-exclusive easement for parking and pedestrian and vehicular access, ingress and egress as set forth in Access Easement and Relocation recorded May 26, 2006 in Book 0506 at Page 10729 as Document No. 0676008; and Access Easement recorded on July 26, 2006 in Book 0706 at Page 9371 as Document No. 0680633, all of Official Records, Douglas County, Nevada.

Parcel IX

Parcel M as shown on that Record of Survey for David Walley's Resort, a Commercial Subdivision, Walley's Partners Ltd. Partnership, filed for record with the Douglas County Recorder on July 26, 2006 in Book 0706 at Page 9384 as Document No. 0680634, Official Records of Douglas County, Nevada.

Together with a perpetual non-exclusive easement for use and enjoyment in, to and throughout the Common Area and a perpetual non-exclusive easement for parking and pedestrian and vehicular access, ingress and egress as set forth in Access Easement recorded July 26, 2006 in Book 0706 at Page 9371 as Document No. 680633 of Official Records, Douglas County, Nevada.

Parcel X

Parcel N as shown on that Record of Survey for David Walley's Resort, a Commercial Subdivision, Walley's Partners Ltd. Partnership, filed for record with the Douglas County Recorder on July 26, 2006 in Book 0706 at Page 9384 as Document No. 0680634, Official Records of Douglas County, Nevada.

Together with a perpetual non-exclusive easement for use and enjoyment in, to and throughout the Common Area and a perpetual non-exclusive easement for parking and pedestrian and vehicular access, ingress and egress as set forth in Access Easement recorded July 26, 2006 in Book 0706 at Page 9371 as Document No. 680633 of Official Records, Douglas County, Nevada.

Parcel XI

Parcel O as shown on that Record of Survey for David Walley's Resort, a Commercial Subdivision, Walley's Partners Ltd. Partnership, filed for record with the Douglas County Recorder on July 26, 2006 in Book 0706 at Page 9384 as Document No. 0680634, Official Records of Douglas County, Nevada.



Together with a perpetual non-exclusive easement for use and enjoyment in, to and throughout the Common Area and a perpetual non-exclusive easement for parking and pedestrian and vehicular access, ingress and egress as set forth in Access Easement recorded July 26, 2006 in Book 0706 at Page 9371 as Document No. 680633 of Official Records, Douglas County, Nevada.

Pareel XII

Pareel P as shown on that Record of Survey for David Walley's Resort, a Commercial Subdivision, Walley's Partners Ltd. Partnership, filed for record with the Douglas County Recorder on July 26, 2006 in Book 0706 at Page 9384 as Document No. 0680634, Official Records of Douglas County, Nevada.

Together with a perpetual non-exclusive easement for use and enjoyment in, to and throughout the Common Area and a perpetual non-exclusive easement for parking and pedestrian and vehicular access, ingress and egress as set forth in Access Easement recorded July 26, 2006 in Book 0706 at Page 9371 as Document No. 680633 of Official Records, Douglas County, Nevada.

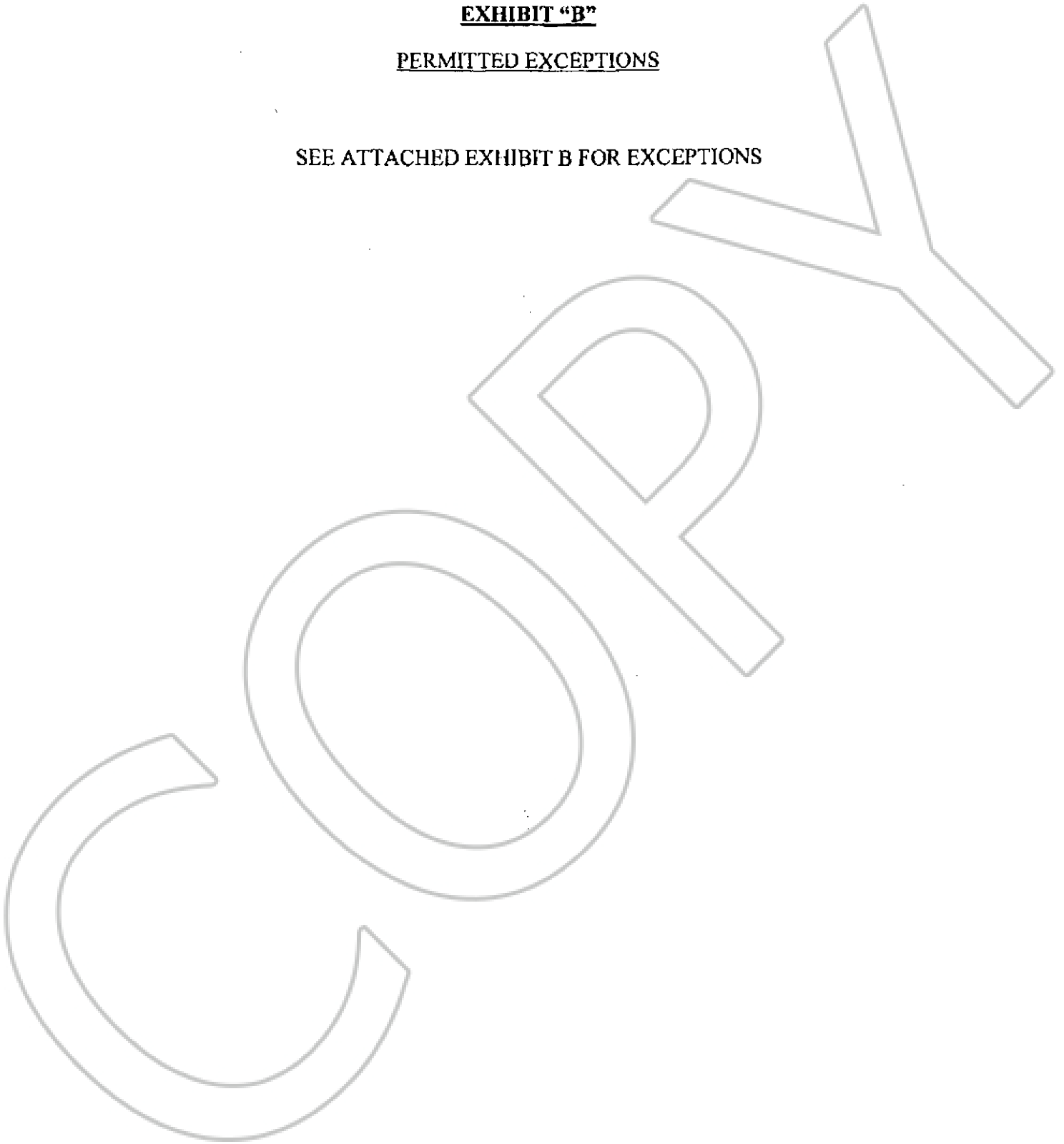
APN: 1319-15-000-033



**EXHIBIT "B"**

**PERMITTED EXCEPTIONS**

SEE ATTACHED EXHIBIT B FOR EXCEPTIONS





**EXHIBIT "B"**  
**PERMITTED EXCEPTIONS**

(a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.

(a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.

Water rights, claims or title to water, whether or not shown by the public records.

Any taxes that may be due, but not assessed, for new construction which can be assessed on the unsecured property rolls, in the Office of the County Assessor, per Nevada Revised Statute 351.260.

Easements, dedications, reservations, provisions, relinquishments, recitals, building set back lines, certificates and any other matters as provided for or delineated on the following maps;

A document entitled "Parcel Map for Edgar R. and Helen J. Johnson" recorded June 23, 1976 in Book 676 at Page 1233 as Document No. 0001230 of Official Records.

A document entitled "Record of Survey Map" recorded February 28, 1977 in Book 277 at Page 1273 as Document No. 0007201 of Official Records.

A document entitled "Record of Survey Map" recorded May 14, 1998 in Book 598 at Page 2700 as Document No. 439613 of Official Records.

A document entitled "Record of Survey Map" recorded September 17, 1998 in Book 998 at Page 3261 as Document No. 0449576 of Official Records.

A document entitled "Record of Survey Map" recorded April 29, 2002 in Book 0401 at Page 9099 as Document No. 0540898 of Official Records.

Matters determined by that certain ALTA Survey, Job No. 594-02-98, prepared by R.O. Anderson Engineering, disclose the following encroachments which pertain to the common area:

A fence and gazebo structure encroach over the southerly boundary line of the defined lands

The tennis court abuts the southerly property line, thus restricting access to the southern most corner of said tennis court.

Underground electric and water lines intercept said lands at designated points on Foothill Road.

Concrete curb and gutter improvements extend beyond property lines into Foothill Road right-of-way.

Overhead power lines access said lands and continue on to adjacent property on the Northwest side of said lands.

Existing drainage facilities bisecting Foothill Road.



A document entitled "Deed-Public Highway" recorded September 29, 1950 in Book 2, Page 290 as Instrument No. 7608 of Deeds.

The effect of a map purporting to show the land and other property, filed September 25, 1989 in Book 989 at Page 3944 as Document No. 0211937 of Record of Surveys.

The effect of a map purporting to show the land and other property, filed May 14, 1998 in Book 598 at Page 2700 as Document No. 0439613 of Record of Surveys.

An easement for Permanent Non-exclusive easement for utilities, access and incidental purposes in the document entitled "Quitclaim Deed", recorded September 17, 1998 in Book 0998 at Page 3250 as Document No. 449574 of Official Records.

Covenants, conditions, restrictions and easements in the document entitled "Fifth amended and restated declaration of Time Share Covenants, Conditions and Restrictions for David Wailey's Resort" recorded August 27, 2001 in Book 0801 at Page 6980 as Document No. 0521436 of Official Records, which provide that a violation thereof shall not defeat or render invalid the lien of any first mortgage or deed of trust made in good faith and for value, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Section 12955 of the Nevada Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

Document(s) declaring modifications thereof recorded July 01, 2003 in Book 0703 at Page 0010 as Document No. 0582120 of Official Records.

Document(s) declaring modifications thereof recorded December 30, 2005 in Book 1205 at Page 13802 as Document No. 0664734 of Official Records.

Document(s) declaring modifications thereof recorded May 26, 2006 in Book 0506 at Page 11020 as Document No. 0676055 of Official Records.

Document(s) declaring modifications thereof recorded August 08, 2006 in Book 0806 at Page 3114 as Document No. 0681616 of Official Records.

Document(s) declaring modifications thereof recorded September 13, 2006 in Book 0906 at Page 4032 as Document No. 0684379 of Official Records.

Document(s) declaring modifications thereof recorded February 08, 2007 in Book 0207 at Page 02489 as Document No. 0694630 of Official Records.

The terms and provisions as contained in a document entitled "Non-Exclusive Easement Deed for Maintenance" recorded October 27, 1998 in Book 1098 at Page 5614 as Document No. 0452700 of Official Records.

The terms and provisions as contained in a document entitled "Grant of Easement" recorded January 15, 1999 in Book 199 at Page 2586 as Document No. 0458757 of Official Records.

The terms and provisions as contained in a document entitled "Memorandum of agreement" recorded January 28, 2000 in Book 0100 at Page 4454 as Document No. 0485268 of Official Records.

The terms and provisions as contained in a document entitled "Public Access and Easement" recorded April 25, 2001 in Book 0401 at Page 6429 as Document No. 0512934 of Official Records.



BK-1208  
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The terms and provisions as contained in a document entitled "Easement Deed" recorded August 07, 2001 in Book 0801 at Page 1693 as Document No. 0520123 of Official Records.

The effect of a map purporting to show the land and other property, filed recorded September 20, 2002 in Book 0902 at Page 06268 as Document No. 0552536 of Record of Surveys.

The terms and provisions as contained in a document entitled "Water System Dedication Agreement" recorded June 13, 2003 in Book 0603 at Page 8016 as Document No. 0580226 of Official Records.

The terms and provisions as contained in a document entitled "Grant of Easement" recorded April 14, 2004 in Book 0404 at Page 6675 as Document No. 0610212 of Official Records.

The terms and provisions as contained in a document entitled "Assignment of Declarant's Rights" recorded December 30, 2005 in Book 1205 at Page 13395 as Document No. 0664694 of Official Records.

The terms and provisions as contained in a document entitled "Access Easement and Relocation" recorded May 26, 2006 in Book 0506 at Page 10729 as Document No. 0676008 of Official Records.

The effect of a map purporting to show the land and other property, filed recorded July 26, 2006 in Book 0706 at Page 9384 as Document No. 0680634 of Record of Surveys.

The terms and provisions as contained in a document entitled "Access Easement" recorded July 26, 2006 in Book 0706 at Page 9371 as Document No. 680633 of Official Records.

A Deed of Trust to secure an original indebtedness of \$17,500,000.00 recorded December 30, 2005 in Book 1205 at Page 13358 as Document 0664693 of Official Records.

Dated: December 30, 2005  
Trustor: Wailey's Partners Limited Partnership, a Nevada limited partnership  
Trustee: Stewart Title of Douglas County, a Nevada corporation  
Beneficiary: Resort Funding, LLC, a Delaware limited liability company

A document recorded November 09, 2007 in Book 1107 at Page 2794 as Document No. 0712867 of Official Records provides that First American Title Insurance company, a California corporation was substituted as trustee under the deed of trust.

A financing statement recorded December 30, 2005 in Book 1205 at Page 13407 as Document No. 0664695 of Official Records.

Debtor: Wailey's Partners Limited Partnership  
Secured party: Resort Funding, LLC

Covenants, conditions, and restrictions in a Subordination Agreement recorded February 09, 2007, in Book 0207 at Page 3256 as Instrument No. 694743 of Official Records.

Covenants, conditions, and restrictions in a Subordination Agreement recorded January 17, 2007, in Book 0107 at Page 4734 as Instrument No. 692893 of Official Records.

The terms and provisions as contained in a document entitled "Transfer of Declarant's Rights" recorded October 18, 2008 in Book 1008 at Page 2525 as Document No. 0731528 of Official Records.



The terms and provisions as contained in a document entitled "Sub-Contract of Declarant's Rights" recorded October 16, 2008 in Book 1008 at Page 2539 as Document No. 0731530 of Official Records.

The terms and provisions as contained in a document entitled "Irrevocable Proxy" recorded October 16, 2008 in book 1000 at Page 2545 as Document No. 0731531 of Official Records.

The terms and provisions as contained in a document entitled "Memorandum Agreement Regarding Management of Twelve Units" recorded October 16, 2008 in Book 1003 at Page 2546 as Document No. 0731532 of Official Records.

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