

APNs: 1318-22-310-001, 002, 005;
1318-22-710-001, 002, 003, 004, 005, 006, 007, 008;
1318-22-301-006

PREPARED BY AND UPON
RECORDATION RETURN TO:

Winston & Strawn LLP
200 Park Avenue
New York, New York 10166
Attention: William X. Lang, Esq.

The undersigned hereby affirms that this document, including any exhibits, submitted for recording does not contain the social security number of any person or persons. (Per NRS 239B.030)

This document was executed in counter-part and shall be deemed as one.

DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING

from

BEACH CLUB DEVELOPMENT, LLC, a Delaware limited liability company
(formerly known as Beach Club Development, LLC, a Nevada limited liability company),
as trustor

to

FIRST AMERICAN TITLE INSURANCE COMPANY, as trustee

for the benefit of

ACORE CAPITAL MORTGAGE, LP,

a Delaware limited partnership,

in its capacity as administrative agent for and on behalf of the Lenders referred to below,
as beneficiary

Dated: As of January 25, 2019

Location: 9, 17, 25, 33, 41, 49, 57, 65, 73, 81, 89, 90, and 97 Beach Club Drive, Stateline, Nevada 89449
County: Douglas

THIS SECURITY INSTRUMENT COVERS GOODS THAT ARE OR WILL BECOME FIXTURES ON THE DESCRIBED REAL PROPERTY AND SHOULD BE FILED FOR RECORD IN THE REAL PROPERTY RECORDS WHERE MORTGAGES AND DEEDS OF TRUST ON REAL ESTATE ARE RECORDED. THIS INSTRUMENT SHOULD ALSO BE INDEXED AS A UNIFORM COMMERCIAL CODE FINANCING STATEMENT COVERING GOODS THAT ARE OR WILL BECOME FIXTURES ON THE DESCRIBED REAL PROPERTY. THE MAILING ADDRESSES OF THE SECURED PARTY/BENEFICIARY AND THE DEBTOR/TRUSTOR ARE WITHIN.

THIS SECURITY INSTRUMENT SECURES FUTURE ADVANCES, AS DEFINED IN NEVADA REVISED STATUTES ("NRS") SECTION 106.320, AND IS TO BE GOVERNED BY NRS SECTIONS 106.300 TO 106.400, INCLUSIVE.

**DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND
FIXTURE FILING**

THIS DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Security Instrument") is made as of this 25th day of January, 2019, by **BEACH CLUB DEVELOPMENT, LLC**, a Delaware limited liability company (formerly known as Beach Club Development, LLC, a Nevada limited liability company), having its principal place of business at 170 Highway 50, P.O. Box 5536, Lake Tahoe, Nevada 89449, as trustor ("Trustor"), to **FIRST AMERICAN TITLE INSURANCE COMPANY**, having an address at 2500 Paseo Verde Parkway, #120, Henderson, Nevada 89074, as trustee (together with its successors and/or assigns, "Trustee"), for the benefit of **ACORE CAPITAL MORTGAGE, LP**, a Delaware limited partnership, in its capacity as administrative agent for and on behalf of the Lenders from time to time party to the Loan Agreement (defined below), having an address at 80 E. Sir Francis Drake Blvd., Suite 2A, Larkspur, California 94939, as beneficiary (together with its successors and/or assigns, "Beneficiary").

RECITALS:

WHEREAS, pursuant to that certain Loan Agreement dated of even date herewith among Trustor, the Lenders from time to time party thereto, and Beneficiary (as the same may be amended, the "Loan Agreement"), Lender has agreed to make a Loan to Trustor in the original principal amount of up to ONE HUNDRED SEVEN MILLION ONE HUNDRED TEN THOUSAND AND NO/100 DOLLARS (\$107,110,000.00); capitalized terms not defined herein shall have the respective meanings set forth in the Loan Agreement; and

WHEREAS, Lender is not willing to make the Loan to Trustor unless Trustor executes and delivers this Security Instrument.

NOW, THEREFORE, as an inducement to Lender to make the Loan to Trustor, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Trustor hereby agrees as follows:

1. Grant of Security. Trustor does hereby irrevocably grant, pledge, and collaterally assign, transfer and convey to Trustee in trust for the benefit and security of Beneficiary, and its successors and assigns, WITH THE POWER OF SALE and with right of entry and possession, all of its right, title, and interest in and to the property, rights, interests and estates described on Schedule 1 attached hereto, whether now owned, or hereafter acquired (collectively, the "Property"), to secure the payment to Beneficiary of the Loan and the Debt (including, without limitation, all additional advances of the Loan made by Lender from time to time under any of the Loan Documents) in the manner provided for in the Loan Agreement and performance of the other Obligations of Trustor.

2. Assignment of Leases and Rents. Trustor hereby absolutely and unconditionally assigns to Beneficiary all of Trustor's right, title and interest in and to all current and future Leases and Rents; it being intended by Trustor that this assignment constitutes a present, absolute and unconditional assignment and not an assignment for additional security only. Nevertheless, subject to the terms of the Loan Agreement, the Assignment of Leases and Section 6 of this Security Instrument, Beneficiary grants to Trustor a revocable license (which shall be automatically revoked during the continuance of an Event of Default) to collect, receive, use and enjoy the Rents and otherwise deal with the Leases in accordance with the terms and conditions of the Loan Agreement.

3. Security Agreement. This Security Instrument is a real property deed of trust, a "security agreement," a "financing statement" and a "fixture filing" within the meaning of the Uniform Commercial

Code in effect in the State where the Land is located (the "UCC"). The Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Trustor in the Property. By executing and delivering this Security Instrument, Trustor hereby grants to Beneficiary, as security for the Debt and other Obligations, a security interest in the Property, including, without limitation, the Fixtures, the Equipment, the UCC Collateral, and the proceeds related thereto (each as defined on Schedule 1). Trustor's (debtor's) principal place of business is as set forth on the first page hereof and the address of Beneficiary (secured party) is as set forth on the first page hereof. Trustor and Beneficiary agree that the foregoing is intended to grant in favor of Beneficiary a first priority continuing lien and security interest in the Property. Trustor authorizes the Beneficiary to file UCC financing statements in form and substance satisfactory to the Beneficiary describing the Property and the UCC Collateral. Such financing statements may describe as the property covered thereby "all assets of the debtor, whether now owned or hereafter acquired" or words to that effect, notwithstanding that such UCC Collateral description may be broader in scope than the UCC Collateral described in this Security Instrument. The organizational identification number of the debtor is 7249178.

4. Fixture Filing. Certain of the Property is or will become "fixtures" (as that term is defined in the UCC) on the Land, and this Security Instrument, upon being filed for record in the real estate records of the city or county wherein such fixtures are situated, shall operate also as a financing statement (naming Trustor as the debtor and Beneficiary as the secured party) filed as a fixture filing in accordance with the applicable provisions of the UCC upon such of the Property that is or may become fixtures.

5. Due on Sale/Encumbrance. Trustor shall not cause or suffer to occur a Transfer (other than a Permitted Transfer) of the Property or any interest therein, or any direct or indirect interest in Trustor, in violation of the Loan Agreement.

6. Default; Remedies. During the continuance of an Event of Default, the license granted to Trustor under Section 2 hereof shall automatically be revoked, and Trustor agrees that Beneficiary may take such action, without notice, presentment, demand, protest, or notice or action of any kind whatever (each of which is hereby expressly waived by Trustor), as it deems advisable to protect and enforce its rights against Trustor and the Property, including, but not limited to, the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as Beneficiary may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of Beneficiary (personally or by causing the Trustee to do so):

(a) accelerate the Maturity Date of the Debt and declare any or all of the Debt to be immediately due and payable, whereupon the same shall become immediately due and payable. Upon any such acceleration, payment of such accelerated amount shall constitute a prepayment of the principal balance of the Debt and any applicable prepayment fee, if any, provided for in the Loan Agreement shall then be immediately due and payable;

(b) institute proceedings (judicial or otherwise) for the full or partial foreclosure of this Security Instrument under any applicable provision of law, in which case the Property or any interest therein may be sold for cash or upon credit in one or more parcels or in several interests or portions and in any order or manner as Beneficiary shall elect in its sole and absolute discretion;

(c) sell for cash or upon credit the Property or any part thereof and all estate, claim, demand, right, title and interest of Trustor therein and rights of redemption thereof, pursuant to power of sale or otherwise, at one or more sales, as an entirety or in parcels, at such time and place, upon such terms and after such notice thereof, all as may be required or permitted by law, and, without limiting the foregoing, Beneficiary may: (i) elect to treat any of the Property which consists of (x) a right in action, or (y) which is property that can be severed from the Land covered hereby, or (z) any Improvements (without causing

structural damage thereto), as if the same were UCC Collateral, and dispose of the same in accordance with applicable law, separate and apart from the sale of the Land; (ii) from time to time postpone any sale hereunder by making public announcement thereof at the time and place noticed for any such sale; and/or (iii) to the extent the Property consists of several lots, parcels, condominium units or items of property, (A) designate the order in which such lots, parcels, condominium units or items shall be offered for sale or sold, and/or (B) elect to sell such lots, parcels, condominium units or items through a single sale, or through two or more successive sales, or in any other manner Beneficiary (or Trustee) designates. No sale (whether conducted pursuant to a judicial action or otherwise) of less than all of the Property shall operate to terminate or otherwise affect the lien of this Security Instrument on any part of the Property not sold until the Debt has been satisfied in full (exclusive of any indemnification or other obligations which are expressly stated in any of the Loan Documents to survive repayment of the Debt);

(d) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained in the Loan Documents;

(e) recover judgment on the Note either before, during or after any proceedings for the enforcement of this Security Instrument or the other Loan Documents;

(f) apply for the appointment of a receiver, trustee, liquidator or conservator of the Property, without notice and without regard for the adequacy of the security for the Debt and without regard to the solvency of Trustor, any guarantor or indemnitor with respect to the Loan or any Person otherwise liable for the payment of the Debt or any part thereof, it being agreed that Beneficiary shall be entitled to appointment of such receiver, trustee, liquidator or conservator as a matter of right;

(g) enter into or upon the Property, either personally or by its agents, nominees or attorneys, and dispossess Trustor and its agents therefrom, without liability for trespass, damages or otherwise, and exclude Trustor and its agents wholly therefrom, and take possession of all books, records and accounts relating thereto and Trustor agrees to surrender possession of the Property and of such books, records and accounts to Beneficiary upon demand, and thereupon Beneficiary may, subject to the terms of the Loan Agreement, (i) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Property and conduct the business thereat, (ii) complete any construction on the Property in such manner and form as Beneficiary deems advisable, (iii) make alterations, additions, renewals, replacements and improvements to or on the Property, (iv) exercise all rights and powers of Trustor with respect to the Property, whether in the name of Trustor or otherwise, including, without limitation, the right to make, cancel, enforce or modify Leases, obtain and evict tenants, and demand, sue for, collect and receive all Rents of the Property and every part thereof, (v) require Trustor to pay monthly in advance to Beneficiary, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of such part of the Property as may be occupied by Trustor, (vi) require Trustor to vacate and surrender possession of the Property to Beneficiary or to such receiver and, in default thereof: Trustor may be evicted by summary proceedings or otherwise, and (vii) apply the receipts from the Property to the payment of the Debt and the performance of the Obligations, in such order, priority and proportions as Beneficiary shall deem appropriate in its sole discretion after deducting therefrom all third-party, out of pocket costs and expenses (including, without limitation, reasonable attorneys' fees and costs) incurred by Beneficiary in connection with the aforesaid operations and all amounts necessary to pay the Property Taxes, Insurance Premiums and other expenses in connection with the Property;

(h) exercise any and all rights and remedies granted to a secured party upon default under the UCC, including, without limiting the generality of the foregoing: (i) the right to take possession of the Fixtures, the Equipment and/or the other UCC Collateral or any part thereof, and to take such other measures as Beneficiary may deem necessary for the care, protection and preservation of the Fixtures, the Equipment and/or the other UCC Collateral; and (ii) require Trustor at its sole cost and expense to assemble

the Fixtures, the Equipment and/or the other UCC Collateral and make it available to Beneficiary at a convenient place reasonably acceptable to Beneficiary. Any notice of sale, disposition or other intended action by Beneficiary with respect to the Fixtures, the Equipment and/or the UCC Collateral sent to Trustor in accordance with the provisions hereof at least ten (10) days prior to such action, shall constitute commercially reasonable notice to Trustor. The proceeds of any disposition of the UCC Collateral, or any part thereof, may, except as otherwise required by applicable law, be applied by Beneficiary to the repayment of the Debt in such priority and proportions as Beneficiary in its sole discretion shall deem proper;

(i) apply any sums then deposited or held in Reserve Accounts, escrow or otherwise by or on behalf of Beneficiary in accordance with the terms of the Loan Agreement to the payment of the Debt in such order, priority and proportions as Beneficiary shall deem to be appropriate in its sole and absolute discretion; and/or

(j) pursue such other remedies as Beneficiary may have under applicable law and/or in equity.

7. Application of Proceeds. The purchase money, proceeds and avails of any disposition of the Property (after deducting all costs, fees and expenses of Beneficiary, Lender, and Trustee, and of this Security Instrument), and or any part thereof, or any other sums collected by Beneficiary pursuant to the Loan Documents, shall be applied by Beneficiary to the payment of the Debt in such priority and proportions as Beneficiary in its discretion shall deem proper, to the extent consistent with law and the terms and conditions of the Loan Agreement.

8. Actions and Proceedings. Upon the occurrence and during the continuance of an Event of Default, Beneficiary and Lender have the right to appear in and defend any action or proceeding brought with respect to the Property and to bring any action or proceeding, which Beneficiary or Lender, in its sole and absolute discretion, decides should be brought to protect its interest in the Property.

9. Other Rights, etc. The failure of Beneficiary or Lender to insist upon strict performance of any term hereof shall not be deemed to be a waiver of any term of this Security Instrument. Trustor shall not be relieved of Trustor's obligations hereunder by reason of (i) the failure of Beneficiary or Lender to comply with any request of Trustor or any guarantor or indemnitor with respect to the Loan to take any action to foreclose this Security Instrument or otherwise enforce any of the provisions hereof or of the Note or the other Loan Documents, (ii) the release, regardless of consideration, of the whole or any part of the Property, or of any Person liable for the Obligations or any portion thereof, or (iii) any agreement or stipulation by Beneficiary extending the time of payment or otherwise modifying or supplementing the terms of the Loan Documents except as expressly set forth therein. It is agreed that, until the occurrence of a foreclosure or a deed-in-lieu of foreclosure of the Security Instrument, the risk of loss or damage to the Property is on Trustor, and Beneficiary and Lender shall have no liability whatsoever for any decline in value of the Property, for failure to maintain the Required Policies, or for failure to determine whether insurance in force is adequate as to the amount of risks insured. Possession by Beneficiary shall not be deemed an election of judicial relief if any such possession is requested or obtained with respect to any Property or collateral not in Beneficiary's possession. Beneficiary may resort for the payment of the Debt and the performance of the Obligations to any other security held by Beneficiary in connection with the Loan in such order and manner as Beneficiary, in its sole discretion, may elect. The rights of Beneficiary and Lender under this Security Instrument shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Beneficiary shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision.

10. Right to Release Any Portion of the Property. Beneficiary may release any portion of the Property for such consideration as Beneficiary may require without, as to the remainder of the Property, in any way impairing or affecting the lien or priority of this Security Instrument, or improving the position of any subordinate lienholder with respect thereto, except to the extent that the Debt shall have been reduced by the actual monetary consideration, if any, received by Beneficiary for such release, and may accept by assignment, pledge or otherwise any other property in place thereof as Beneficiary may require without being accountable for so doing to any other lienholder. This Security Instrument shall continue as a lien and security interest in the remaining portion of the Property.

11. Recourse and Choice of Remedies. Beneficiary and other Indemnified Parties are entitled to enforce the obligations of Trustor and any guarantor and indemnitor contained in any other Loan Document without first resorting to or exhausting any security or collateral for the Debt, and in the event Beneficiary commences a foreclosure action against the Property, Beneficiary is entitled to pursue a deficiency judgment with respect to such obligations against Trustor and any guarantor or indemnitor with respect to the Loan to the extent permitted under applicable law and under the Loan Documents. The liability of Trustor and any guarantor or indemnitor with respect to the Loan pursuant to any other Loan Document is not limited to the original principal amount of the Loan. Notwithstanding any other provision of this Security Instrument, however, Trustor's obligations hereunder are subject to the terms and conditions of Section 6.3 of the Loan Agreement, which terms are incorporated herein by reference.

12. Waivers. Trustor hereby waives (in each case to the full extent permitted by applicable law): (a) the benefit of all appraisal, valuation, stay, extension, reinstatement and redemption laws now or hereafter in force and all rights of marshalling in the event of any sale hereunder of the Property or any part thereof or any interest therein; (b) any and all rights of redemption from sale under any order or decree of foreclosure of this Security Instrument on behalf of Trustor, and on behalf of each and every Person acquiring any interest in or title to the Property subsequent to the date of this Security Instrument and on behalf of all persons to the extent permitted by applicable law; (c) any notices of any nature whatsoever from Beneficiary (except as otherwise required by the Loan Documents or applicable law); and (d) any right to plead any statute of limitations as a defense to payment of the Debt or performance of the Obligations.

13. GOVERNING LAW; JURISDICTION; SERVICE OF PROCESS. WITH RESPECT TO MATTERS RELATING TO THE CREATION, PERFECTION AND PROCEDURES RELATING TO THE ENFORCEMENT OF THE LIENS CREATED PURSUANT TO THIS SECURITY INSTRUMENT (INCLUDING, WITHOUT LIMITATION, FORECLOSURE), THIS SECURITY INSTRUMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED (WITHOUT REGARD TO CONFLICT OF LAW PROVISIONS THEREOF), IT BEING UNDERSTOOD THAT, EXCEPT AS EXPRESSLY SET FORTH IN THIS PARAGRAPH AND TO THE FULLEST EXTENT PERMITTED BY THE LAW OF THE STATE IN WHICH THE PROPERTY IS LOCATED, AND EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THE LOAN DOCUMENTS, THE LAW OF THE STATE OF NEW YORK (WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS (OTHER THAN §§ 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW)) SHALL GOVERN ALL MATTERS RELATING TO THIS SECURITY INSTRUMENT AND THE OTHER LOAN DOCUMENTS AND ALL OF THE INDEBTEDNESS OR OBLIGATIONS ARISING HEREUNDER OR THEREUNDER PURSUANT TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW. ALL PROVISIONS OF THE LOAN AGREEMENT INCORPORATED HEREIN BY REFERENCE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (WITHOUT REGARD TO CONFLICT OF LAW PROVISIONS THEREOF) PURSUANT TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW. TRUSTOR (A) AGREES THAT ANY SUIT, ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS

SECURITY INSTRUMENT MAY BE BROUGHT IN A COURT OF RECORD IN THE COUNTY WHERE THE PROPERTY IS LOCATED OR IN THE COURTS OF THE UNITED STATES OF AMERICA LOCATED IN SAID COUNTY, (B) CONSENTS TO THE JURISDICTION OF EACH SUCH COURT IN ANY SUCH SUIT, ACTION OR PROCEEDING AND (C) WAIVES ANY OBJECTION WHICH IT MAY HAVE TO THE LAYING OF VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY OF SUCH COURTS AND ANY CLAIM THAT ANY SUCH SUIT, ACTION OR PROCEEDING HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. TRUSTOR IRREVOCABLY CONSENTS TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING BY SERVICE OF COPIES OF SUCH PROCESS TO TRUSTOR AT ITS ADDRESS PROVIDED HEREIN. NOTHING CONTAINED IN THIS SECURITY INSTRUMENT SHALL PREVENT BENEFICIARY OR LENDER FROM BRINGING AN ACTION, ENFORCING ANY AWARD OR JUDGMENT, OR EXERCISING ANY RIGHT OR REMEDY AGAINST TRUSTOR, OR AGAINST ANY SECURITY OR COLLATERAL FOR THE DEBT, WITHIN ANY OTHER COUNTY, STATE OR ANY OTHER FOREIGN OR DOMESTIC JURISDICTION.

14. WAIVER OF JURY TRIAL. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, TRUSTOR AND BENEFICIARY (BY ITS ACCEPTANCE OF THIS SECURITY INSTRUMENT) HEREBY AGREE NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND FOREVER WAIVE ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST, WITH REGARD TO THE NOTE, THIS SECURITY INSTRUMENT OR THE OTHER LOAN DOCUMENTS, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY TRUSTOR AND BENEFICIARY AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. THE PARTIES HERETO ARE HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER.

15. Subrogation. If any or all of the proceeds of the Loan have been used to extinguish, extend or renew any indebtedness heretofore existing against the Property, then, to the extent of the funds so used, Beneficiary shall be subrogated to all of the rights, claims, liens, titles, and interests existing against the Property heretofore held by, or in favor of, the holder of such indebtedness and such former rights, claims, liens, titles, and interests, if any, are not waived but rather are continued in full force and effect in favor of Beneficiary and are merged with the lien and security interest created herein as cumulative security for the payment of the Debt, the performance and discharge of Trustor's obligations hereunder, under the Loan Agreement, the Note and the other Loan Documents and the performance and discharge of the Obligations.

16. Limitation on Beneficiary's Responsibility. No provision of this Security Instrument shall operate to place any obligation or liability for the control, care, management or repair of the Property upon Beneficiary or Lender, nor shall it operate to make Beneficiary or Lender responsible or liable for any waste committed on the Property by the tenants or any other Person, or for any dangerous or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of the Property resulting in loss or injury or death to any tenant, licensee, employee or stranger. Nothing herein contained shall be construed as constituting Beneficiary or Lender as a "mortgagee in possession" unless Beneficiary or Lender actually elects in writing to become a "mortgagee in possession."

17. After-Acquired Property. All property and rights acquired by Trustor after the date of this Security Instrument which by the terms of this Security Instrument shall be subject to the lien and the security interest created hereby, shall immediately upon the acquisition thereof by Trustor and without further amendment, modification, supplement, conveyance or assignment become subject to the lien and security interest created by this Security Instrument. Nevertheless, Trustor shall execute, acknowledge,

deliver and record or file, as appropriate, all and every such further amendments, modifications, supplements, security agreements, financing statements, assignments and assurances as Beneficiary shall reasonably require for accomplishing the purposes of this Security Instrument.

18. Release. If Trustor shall pay to Beneficiary the Debt in the manner provided in the Note, the Loan Agreement and this Security Instrument, and shall perform the Obligations then outstanding as set forth in this Security Instrument and shall abide by and comply with each and every covenant and condition set forth herein and in the Note, the Loan Agreement and the other Loan Documents, this Security Instrument shall terminate. Notwithstanding anything to the contrary contained in this Security Instrument, upon the consummation of a Unit Release and/or a Phase III Release in accordance with the terms and conditions of Sections 5.2.10(c) and 5.2.10(d) of the Loan Agreement, respectively, Administrative Agent shall effectuate a partial release of this Security Instrument with respect to such Unit Release or Phase III Release (as applicable) pursuant to documentation in form and substance reasonably acceptable to Administrative Agent.

19. Miscellaneous. All notices, consents, approvals and requests required or permitted hereunder shall be given (and shall be deemed effective) in the manner described in Section 8.6 of the Loan Agreement. No failure to exercise, and no delay in exercising, on the part of Beneficiary or Lender, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right. This Security Instrument shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided, however, Trustor may not assign any of its rights, powers, duties or obligations hereunder. This Security Instrument embodies the entire agreement of the parties with respect to the subject matter hereof and supersedes any and all prior commitments, agreements, representations, and understandings, whether written or oral, relating to the subject matter hereof. There are no oral agreements between or among Trustor, Lender and/or Beneficiary. If any provision of this Security Instrument is held to be illegal, invalid, or unenforceable under present or future laws, such provision shall be fully severable and all other provisions of this Security Instrument shall remain in full force and effect. This Security Instrument may be amended only by an instrument in writing executed by the party against whom such amendment is sought to be enforced. If Trustor consists of more than one Person, the obligations and liabilities of each such Person shall be joint and several. This Security Instrument may be executed in counterparts.

20. Trustee Provisions. Trustee accepts this trust when this Security Instrument, duly executed and acknowledged, is made a public record as provided by law, and by its acceptance hereof, Trustee covenants faithfully to perform and fulfill the trusts herein created, being liable, however, only for gross negligence, fraud, illegal acts and willful misconduct, and Trustee hereby waives any statutory fee and agrees to accept reasonable compensation, in lieu thereof, for any services rendered by it in accordance with the terms hereof. Trustee may resign at any time upon giving thirty (30) days' notice in writing to Trustor and to Beneficiary. Beneficiary may, from time to time, by written instrument executed and acknowledged by Beneficiary, mailed to Trustor and recorded in the county in which the Property is located, and by otherwise complying with the provisions of applicable law of the state in which the Property is located, substitute a successor or successors to the person or persons then named herein or acting hereunder as Trustee. Beneficiary, with or without cause, is authorized either in its own name or through an attorney or attorney-in-fact appointed for the purpose by written instrument duly recorded and without any formality other than a designation in writing of a successor substitute trustee, to appoint a successor or substitute trustee who shall thereupon become vested with and succeed to all the rights, title and powers given to Trustee herein named, the same as if the successor or substitute trustee had been named original Trustee herein. Such right to appoint a successor or substitute trustee shall exist as often and whenever Beneficiary desires. Trustee, or anyone acting in its stead, shall have, in its reasonable discretion, authority to employ all proper agents and attorneys in the execution of this trust and in the conducting of any sale made pursuant to the terms hereof, and to pay for such services rendered out of the proceeds of the sale of the Property,

should any be realized. If no sale be made or if the proceeds of sale be insufficient to pay the same, then Trustor hereby undertakes and agrees to pay the reasonable out-of-pocket costs of such services rendered to Trustee. If Trustee shall be made a party to or shall intervene in any action or proceeding affecting the Property or the title thereto, or the interest of Trustee or Beneficiary under this Security Instrument, except for any action or proceeding arising out of the gross negligence, fraud, willful misconduct or, to the extent prohibited by law, the illegal acts of Trustee or Beneficiary, Trustee and Beneficiary shall be reimbursed by Trustor, promptly within ten (10) days of written demand, for all reasonable out-of-pocket costs, charges and reasonable attorneys' fees incurred by them or any of them in any case, and the same shall become so much additional indebtedness secured hereby. At any time and from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Security Instrument for endorsement, and without affecting the personal liability of any person with respect to any of the Obligations or the effect of this Security Instrument upon the remainder of the Property, Trustee may (i) reconvey any part of the Property, (ii) consent in writing to the making of any map or plat thereof, (iii) join in granting any easement thereon, or (iv) join in any extension agreement, agreement subordinating the lien or charge hereof, or other agreement or document relating hereto or to the Property. **TRUSTOR SHALL INDEMNIFY TRUSTEE AGAINST ALL THIRD PARTY CLAIMS, ACTIONS, LIABILITIES, JUDGMENTS, THIRD PARTY, OUT OF POCKET COSTS, REASONABLE ATTORNEYS' FEES OR OTHER CHARGES OF WHATSOEVER KIND OR NATURE MADE AGAINST OR INCURRED BY TRUSTEE, AND ARISING OUT OF THE PERFORMANCE BY TRUSTEE OF THE DUTIES OF TRUSTEE HEREUNDER, OTHER THAN THOSE ARISING DUE TO TRUSTEE'S GROSS NEGLIGENCE, FRAUD, ILLEGAL ACTS, OR WILLFUL MISCONDUCT, TRUSTEE'S BREACH OF THE LOAN DOCUMENTS, OR THAT FIRST ARISE AFTER A FORECLOSURE OR A DEED IN LIEU OF FORECLOSURE OF THE PROPERTY.**

21. State-Specific Provisions. The terms and conditions of this Section 21 shall control over any inconsistent terms and conditions elsewhere in this Security Instrument.

(a) This Security Instrument secures future advances, as defined in Nevada Revised Statutes ("NRS") Section 106.320, and is to be governed by NRS Sections 106.300 to 106.400, inclusive. The maximum principal amount to be secured hereby is \$133,887,500.00.

(b) The granting clause of this Security Instrument shall be deemed amended to provide that Trustor irrevocably grants, bargains, sells, transfers and assigns the Property to Trustee in trust for the benefit of Beneficiary, with power of sale and with right of entry and possession.

(c) Beneficiary's rights and remedies under this Security Instrument shall be subject to NRS Section 107.080 and NRS Chapter 107A.

(d) Where not inconsistent with the provisions of Section 6 of this Security Instrument, covenants 1 and 2 (full replacement value), 3 and 4 (Default Interest Rate), 5, 6 and 7 (a reasonable percentage), 8 and 9 of NRS Section 107.030 are hereby adopted and made a part of this Security Instrument.

(e) This Security Instrument shall constitute a fixture filing pursuant to NRS Section 104.9502, as amended and recodified from time to time. Some or all of the UCC Collateral may be or become a fixture in which Beneficiary has a security interest under the security agreement set forth in Section 3 above (the "**Security Agreement**"). However, nothing herein shall, or shall be deemed to, create any lien or interest in favor of the Trustee in any UCC Collateral which is not a fixture. The rights, remedies and interests of Beneficiary under this Security Instrument and the Security Agreement are independent and cumulative, and there shall be no merger of any lien hereunder with any security interest created by the Security Agreement. Beneficiary may elect to exercise or enforce any of its rights, remedies or interests

under either or both this Security Instrument or the Security Agreement as Beneficiary may from time to time deem appropriate.

(f) The addresses of the Trustor as debtor ("**Debtor**") and Beneficiary as secured party ("**Secured Party**") are as set forth in the first paragraph of page two (2) of this Security Instrument. The foregoing address of Beneficiary, as the Secured Party, is also the address from which information concerning the security interest may be obtained by any interested party.

(g) The property subject to this fixture filing is described in the definition of "Property" in Schedule 1 of this Security Instrument.

(h) Portions of the property subject to this fixture filing are or are to become fixtures related to the real estate described on Schedule 1 to this Security Instrument.

(i) Secured Party is the Beneficiary.

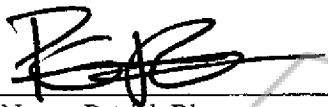
(j) Debtor is the Trustor.

[NO FURTHER TEXT ON THIS PAGE]

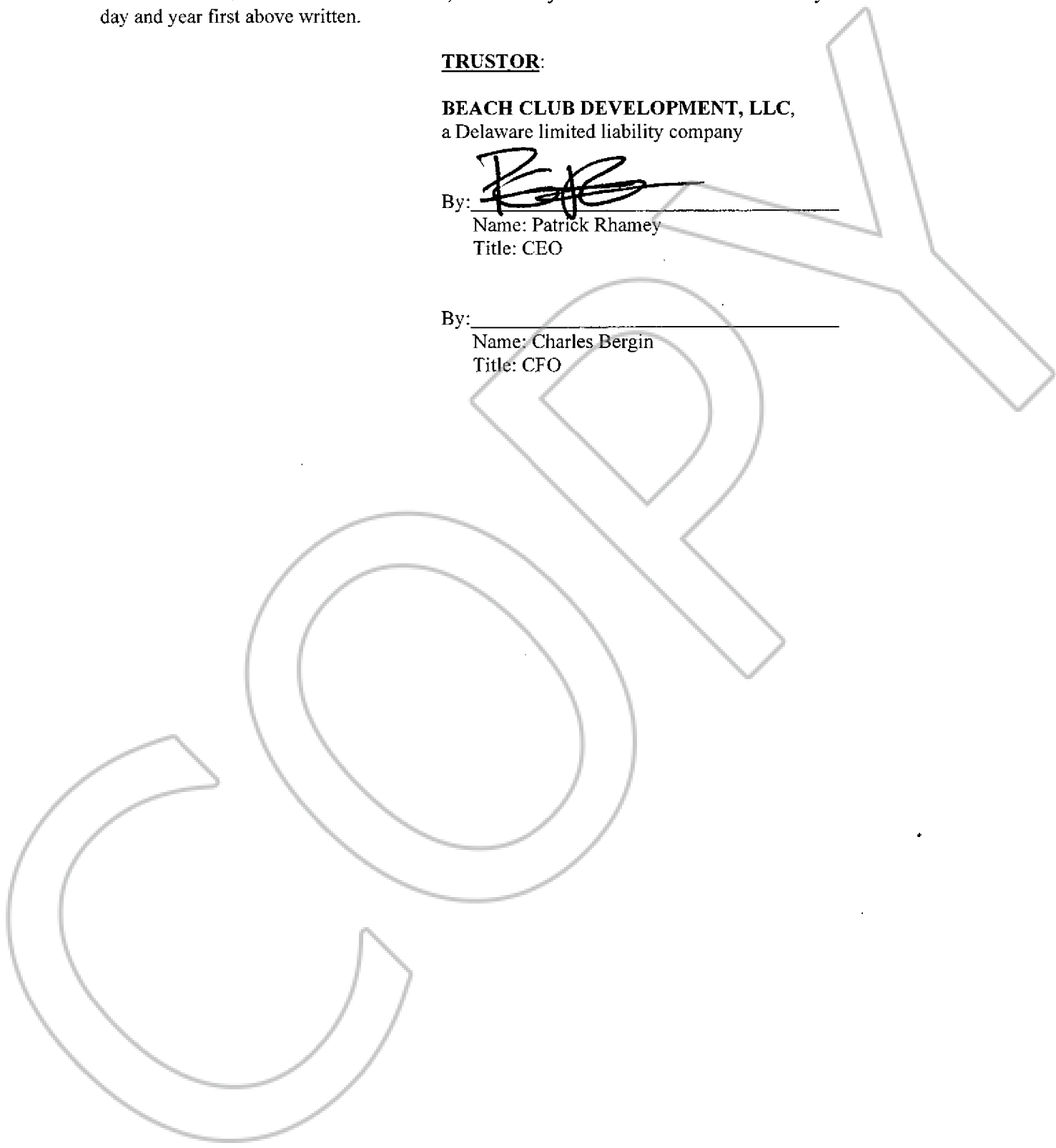
IN WITNESS WHEREOF, this Security Instrument has been executed by Trustor as of the day and year first above written.

TRUSTOR:

BEACH CLUB DEVELOPMENT, LLC,
a Delaware limited liability company

By: 
Name: Patrick Rhamey
Title: CEO

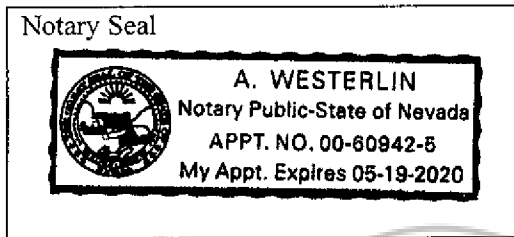
By: _____
Name: Charles Bergin
Title: CFO



STATE OF Nevada)
COUNTY OF Douglas)ss.

On this 15th day of January, 2019, before me, the subscriber, a Notary Public in and for said State and County, personally appeared Patrick Rhamey, the CEO of Beach Club Development, LLC, a Delaware limited liability company, known or identified to me to be the person whose name is subscribed to the within instrument, and in due form of law acknowledged that he/she is authorized on behalf of said company to execute all documents pertaining hereto and acknowledged to me that he/she executed the same as his/her voluntary act and deed on behalf of said company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my seal in said State and County on the day and year last above written.



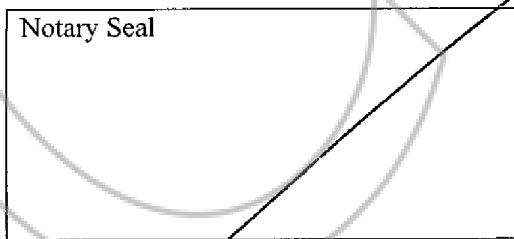
[Signature]
(Signature of Notary)

My Commission Expires: 5/19/2020

STATE OF _____)
COUNTY OF _____)ss.

On this ___ day of _____, 201___, before me, the subscriber, a Notary Public in and for said State and County, personally appeared Charles Bergin, the CFO of Beach Club Development, LLC, a Delaware limited liability company, known or identified to me to be the person whose name is subscribed to the within instrument, and in due form of law acknowledged that he/she is authorized on behalf of said company to execute all documents pertaining hereto and acknowledged to me that he/she executed the same as his/her voluntary act and deed on behalf of said company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my seal in said State and County on the day and year last above written.



(Signature of Notary)


My Commission Expires: _____

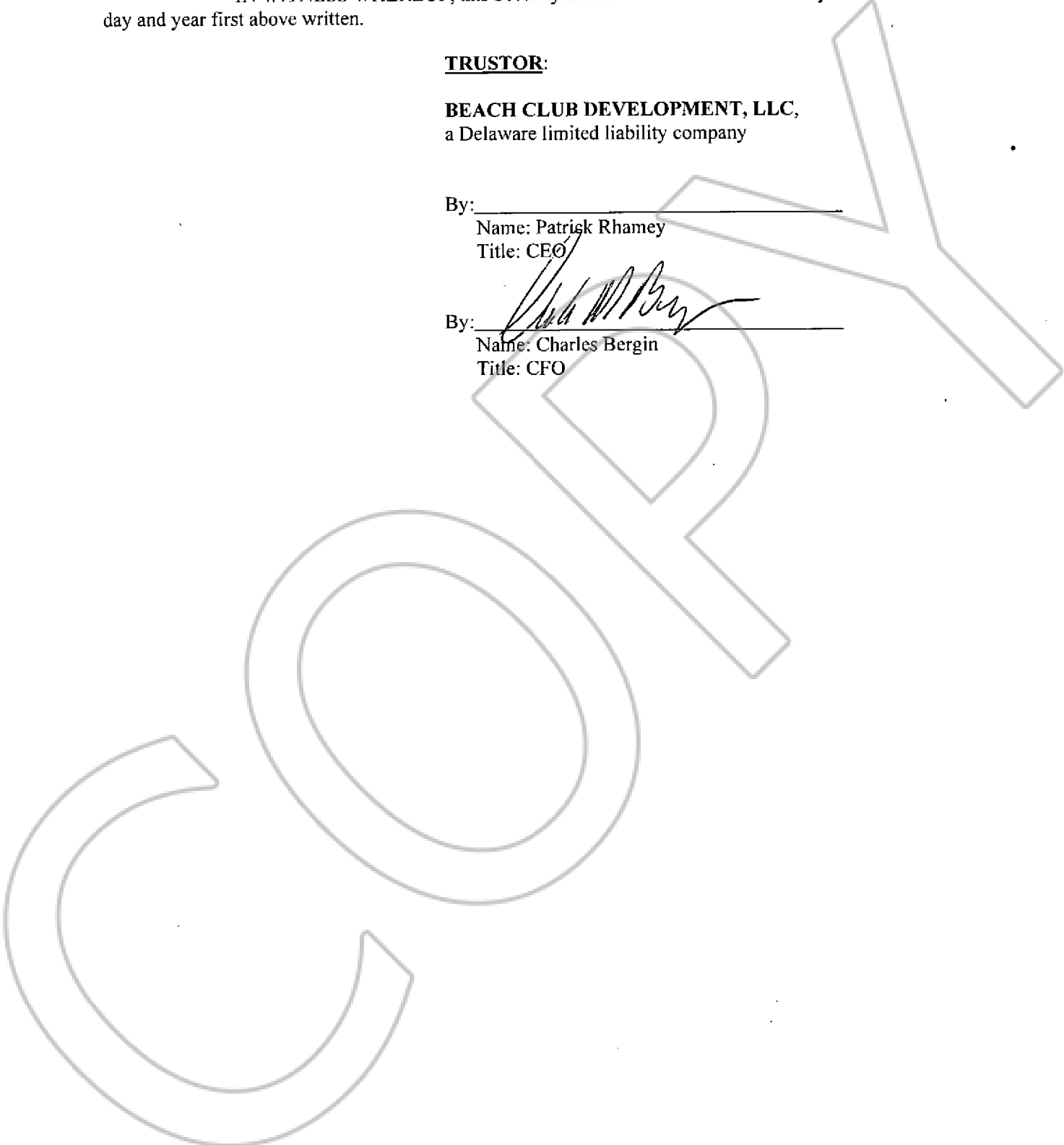
IN WITNESS WHEREOF, this Security Instrument has been executed by Trustor as of the day and year first above written.

TRUSTOR:

BEACH CLUB DEVELOPMENT, LLC,
a Delaware limited liability company

By: _____
Name: Patrick Rhamey
Title: CEO

By:  _____
Name: Charles Bergin
Title: CFO



STATE OF _____)
)ss.
COUNTY OF _____)

On this ___ day of _____, 201___, before me, the subscriber, a Notary Public in and for said State and County, personally appeared Patrick Rhamey, the CEO of Beach Club Development, LLC, a Delaware limited liability company, known or identified to me to be the person whose name is subscribed to the within instrument, and in due form of law acknowledged that he/she is authorized on behalf of said company to execute all documents pertaining hereto and acknowledged to me that he/she executed the same as his/her voluntary act and deed on behalf of said company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my seal in said State and County on the day and year last above written.

Notary Seal

(Signature of Notary)

My Commission Expires: _____

STATE OF New York)
)ss.
COUNTY OF New York)

On this 11 day of Jan, 2011, before me, the subscriber, a Notary Public in and for said State and County, personally appeared Charles Bergin, the CFO of Beach Club Development, LLC, a Delaware limited liability company, known or identified to me to be the person whose name is subscribed to the within instrument, and in due form of law acknowledged that he/she is authorized on behalf of said company to execute all documents pertaining hereto and acknowledged to me that he/she executed the same as his/her voluntary act and deed on behalf of said company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my seal in said State and County on the day and year last above written.

Notary Seal
GEORGE H. WANG
Notary Public, State of New York
No. 02WA4712142
Qualified in New York County
Commission Expires JAN. 25, 2011

(Signature of Notary)

My Commission Expires: 1/25/2011

Schedule 1

The Property

The term "**Property**" shall mean all of the following:

(a) Land. Those certain condominium units (collectively, the "**Units**") more fully described on Exhibit A attached hereto and made a part hereof of the condominium regime of Tahoe Beach Club Condominiums (the "**Condominium Regime**"), according to that certain Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Tahoe Beach Club Condominiums, dated as of September 5, 2018, and recorded on October 8, 2018 in the Official Records of Douglas County, Nevada (the "**Official Records**"), as Instrument No. 2018-920587 (as the same may be amended, restated, modified, supplemented or replaced the "**Condominium Declaration**"), together with the undivided percent interest more fully set forth on Exhibit A attached hereto in and to the Common Elements and the Limited Common Elements (as each term is defined in the Condominium Declaration) benefitting the Units, all assignment rights with respect to parking spaces and storage spaces and all land and improvements now or hereafter located thereon, including, without limitation, all other rights, titles and hereditaments attributable to the Units which are as more particularly described on Exhibit A attached hereto and made a part hereof, the Common Elements and the Limited Common Elements, together with all of the easements, rights, privileges, franchises, tenements, hereditaments and appurtenances now or hereafter thereunto belonging or in any way appertaining and all of the estate, right, title, interest, claim and demand whatsoever of Trustor therein or thereto, either at law or in equity, in possession or in expectancy, now or hereafter acquired (collectively, the "**Land**"), and all additional lands, estates and development rights hereafter acquired by Trustor for use in connection with the Land and all additional lands and estates therein which may from time to time be owned by Trustor and all rights of Borrower as a unit owner and as "**Declarant**" (as such term is defined in the Condominium Declaration) under the Condominium Declaration or condominium association applicable to all or any portion of the Land, including, without limitation, all rights of Borrower as unit owner under any Condominium Document,

(b) Improvements. The buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and improvements now or hereafter erected or located on the Land, including, without limitation, any such structures, buildings and improvements constituting the Units (collectively, the "**Improvements**");

(c) Fixtures. All Equipment (as defined below) and other items attached to and/or related to the Land and/or the Improvements forming part of the Property that are deemed "fixtures" and/or "real property" under the law of the state where the Land is located (including, without limitation, all building or construction materials intended for construction, alteration, or repair of the Property) (collectively, the "**Fixtures**"); it being understood and agreed that the Improvements and the Fixtures are part and parcel of the Land appropriated to the use thereof and, whether affixed or annexed to the Land or not, shall for the purposes of this Security Instrument be deemed conclusively to be real estate and encumbered hereby;

(d) Easements. All easements, rights-of-way or use, rights, strips and gores of land, streets, ways, alleys, passages, sewer rights, water, water courses, water rights and powers, air rights and development rights, and all estates, rights, titles, interests, privileges, liberties, servitudes, tenements, hereditaments and appurtenances of any nature whatsoever, in any way now or hereafter belonging, relating or pertaining to the Land and/or the Improvements and the reversions and remainders, and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Land, to the center line thereof and all the estates, rights, titles, interests, dower and rights of dower, curtesy and rights of curtesy, property, possession, claim and demand whatsoever, both at law and in equity, of Trustor of, in

and to the Land and the Improvements and every part and parcel thereof, with the appurtenances thereto (collectively, the “**Easements**”);

(e) Equipment. All “equipment” as such term is defined in the UCC used or installed (or intended to be used or installed) at or in connection with the Improvements or the Land (wherever located) (including, but not limited to, all machinery, equipment, furnishings, furniture, tools, appliances, fittings, apparatuses, engines, devices, pumps, pipes, plumbing, conduits, tanks, structures, and any and all systems and related items for cleaning, sprinklers, fire extinguishing, heating, cooling, ventilating, laundry, incinerating, electrical, lighting, sound, pollution control, security, disposal, sewer, utilities, data transmission, communications, paging, internet, television, and all other structures, together with all accessions, appurtenances, additions, replacements, betterments and substitutions for any of the foregoing (collectively, the “**Equipment**”);

(f) UCC Collateral. All personal property, intangibles, general intangibles, documents, instruments, chattel paper, and accounts, as such terms are defined in the UCC (including, without limitation, all furniture, furnishings, objects of art, Equipment, supplies, contract rights, entitlements, the Cash Flow Reserve Account, the Reserve Accounts (and any sums, cash, checks, drafts, securities, certificates and instruments, if any, from time to time deposited or held therein or credited thereto) and the Borrower Accounts, money, accounts receivable, credit card receivables, franchises, licenses, certificates, permits, claims, suits, choses, approvals, plans, specifications, drawings, surveys, reports, trademarks, trade names, servicemarks, logos, copyrights, goodwill, books and records, any interest rate cap agreements or other interest rate hedging contracts or products, and any other property or rights constituting to the full extent that the same may be subject to the UCC, now or hereafter owned by Trustor, whether used in connection with or relating to the Property or otherwise, together with all accessories, replacements and substitutions thereto (collectively, the “**UCC Collateral**”);

(g) Leases and Rents. All Leases, together with all extensions and amendments thereto, all income, rents, fees, payments, revenues, issues profits, royalties bonuses and other amounts payable thereunder, all guaranties of the lessees’ obligations thereunder, all security deposits (whether in cash, letter of credit, securities or otherwise) provided in connection therewith (collectively, the “**Rents**”);

(h) Condemnation Awards. All proceeds or awards in connection with any Condemnation which may heretofore and hereafter be made with respect to the Property;

(i) Insurance Proceeds. All proceeds and other payments payable under or in respect of any insurance policies covering or relating to the Property;

(j) Tax Certiorari. All refunds, rebates or credits in connection with reduction in Property Taxes or any other charges or assessments levied against the Property;

(k) Conversion. All proceeds of the conversion, voluntary or involuntary, of any of the foregoing including, without limitation, insurance proceeds and awards, into cash or liquidation claims;

(l) Rights. The right, in the name and on behalf of Trustor, to appear in and defend any action or proceeding brought with respect to the Property and to commence any action or proceeding to protect the interest of Beneficiary and Lender in the Property;

(m) Interest Rate Cap Agreement. The Interest Rate Cap Agreement, including, but not limited to, all “accounts”, “chattel paper”, “general intangibles” and “investment property” (as such terms are defined in the UCC) constituting or relating to the foregoing, and all products and proceeds of any of the foregoing;

(n) Proceeds. All “proceeds” as such term is defined in the UCC of any of the foregoing (collectively called the “**Intangibles**”); and

(o) Other Rights. Any and all other rights of Trustor in and to the items set forth in Sections (a) through (n) above.

[NO FURTHER TEXT ON THIS PAGE]

DRAFT

EXHIBIT A

Legal Description of the Land

The land referred to herein below is situated in the County of Douglas, State of Nevada, and described as follows:

PARCEL I:

PARCELS 1 AND 2; AND PARCELS 5 THROUGH 13, INCLUSIVE, AND COMMON AREA PARCEL A, AS SHOWN ON THE MAP OF FINAL SUBDIVISION MAP LDA 15-026 OF TAHOE BEACH CLUB, FILED IN THE OFFICE OF THE COUNTY RECORDER OF DOUGLAS COUNTY, STATE OF NEVADA, ON NOVEMBER 27, 2018, AS INSTRUMENT NO. 2018-922870; TOGETHER WITH THOSE EASEMENTS AS SET FORTH IN THAT CERTAIN DOCUMENT ENTITLED "DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS FOR TAHOE BEACH CLUB CONDOMINIUMS" RECORDED OCTOBER 8, 2018 AS INSTRUMENT NO. 2018-920587 OF OFFICIAL RECORDS.

PARCEL II:

NON-EXCLUSIVE EASEMENTS FOR INGRESS AND EGRESS AS SET FORTH IN THAT CERTAIN RECIPROCAL ACCESS EASEMENT AGREEMENT DATED OCTOBER 18, 2018, RECORDED NOVEMBER 7, 2018 AS INSTRUMENT NO. 2018-921866 OF OFFICIAL RECORDS.