

11-27-2002

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To the Honorable Commissioner of Pa

102294875

1 original documents or copy thereof.

1. Name of conveying party(ies):
Lake at Las Vegas Joint Venture, a Nevada general partnership

11-21-02

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State
 Other

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
The Governor and Company of the Bank of Scotland

Name: Scotland

Internal Address: _____

Street Address: P.O. Box 25965
Shawnee 66225-5965

City: Mission State: KA Zip: 5965

Individual(s) citizenship
 Association
 General Partnership
 Limited Partnership
 Corporation-State
 Other Incorporated by Act of Parliament

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
 (Designations must be a separate document from assignment)
 Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other

Execution Date: October 31, 2002

4. Application number(s) or registration number(s):

A. Trademark Application No.(s) 76/360536, 76/360128

B. Trademark Registration No.(s) 1,840,100; 1,752,891; 1,752,890; 1,853,323; 2,496,368; 2,329,913; 2,224,592; 2,339,178

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name Catherine L. Donohue, Esq.

Internal Address: _____

Street Address: Gibson, Dunn & Crutcher LLP
4 Park Plaza, 17th Floor

City: Irvine State: CA Zip: 92614

6. Total number of applications and registrations involved 10

7. Total fee (37 CFR 3.41) \$265.00

Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
501408

FINANCE SECTION

DO NOT USE THIS SPACE

9. Signature.

Catherine L. Donohue

Catherine L. Donohue [Signature] November 20, 2002
Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and documents: 14

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

11/27/2002 6TOM11 00000074 501408 76360536

01 FC:0521 40.00 CH
02 FC:0522 225.00 CH

Additional Receiving party

TRILYN LLV I, LLC. a Delaware Limited Liability Company
P.O. Box 25965
Shawnee Mission, Kansas 66225-5965

**SECURITY AGREEMENT AND ASSIGNMENT
OF CONTRACTUAL AGREEMENTS AFFECTING REAL ESTATE**

THIS SECURITY AGREEMENT AND ASSIGNMENT OF CONTRACTUAL AGREEMENTS AFFECTING REAL ESTATE (this "Agreement"), is made effective as of October 31, 2002, by LAKE AT LAS VEGAS JOINT VENTURE, a Nevada general partnership ("LLVJV"), LLV VHI, L.L.C., a Nevada limited liability company ("LLV"), MARINA INVESTORS, L.L.C., a Delaware limited liability company ("Marina"), SOUTHSHORE GOLF CLUB, L.L.C., a Nevada limited liability company ("SouthShore"), BRJBO, L.L.C., a Delaware limited liability company ("BRJBO"), LAKE LAS VEGAS PROPERTIES, L.L.C., a Nevada limited liability company ("LLVP"), and NORTHSHORE GOLF CLUB, L.L.C., a Nevada limited liability company ("NorthShore"), each having an address at 1605 Lake Las Vegas Parkway, Henderson, Nevada 89011, as borrowers (LLVJV, LLV, Marina, SouthShore, BRJBO, LLVP, and NorthShore, collectively and jointly and severally, "Borrower"), in favor of THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND, incorporated by Act of Parliament, having its Head Office at the Mound, Edinburgh, EH1 1YZ, and TRILYN LLV I, LLC, and their respective successors and assigns, having an address at P.O. Box 25965, Shawnee Mission, Kansas 66225-5965, as lender (collectively, "Lender").

RECITALS

A. Borrower has requested certain loans (collectively, the "Loan") from Lender in the maximum aggregate principal amount of \$80,000,000.00 pursuant to the terms of that certain Loan Agreement dated as of the date hereof between Borrower and Lender (as may be amended, supplemented or modified from time to time, the "Loan Agreement"). Initially capitalized terms used herein and not defined shall have the meanings assigned such terms in the Loan Agreement.

B. As a condition to making the Loan, Lender has required that Borrower grant Lender an interest in certain contracts and agreements as more particularly set forth herein.

NOW, THEREFORE, in consideration of the making of the Loan and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and as additional security for the payment of all principal, interest, charges, fees and other sums due Lender under the Loan Documents and for the observance, performance and discharge of each and every other obligation, covenant and agreement to be observed, performed or discharged under the Loan Documents:

BORROWER DOES HEREBY GRANT A FIRST PRIORITY LIEN AND SECURITY INTEREST IN AND ASSIGNS, TRANSFERS, SETS-OVER AND PLEDGES TO LENDER, ITS SUCCESSORS AND ASSIGNS, ALL OF BORROWER'S RIGHT, TITLE AND INTEREST (INDIVIDUALLY OR COLLECTIVELY) DIRECT OR INDIRECT, IF ANY, IN AND TO:

(a) All contracts and agreements now or hereafter entered into relating to any portion of the Property (collectively, the "Contracts") and all revenue, income and other benefits thereof, including, without limitation, construction contracts, architectural

agreements, plans and specifications, development agreements, management agreements, purchase and sale agreements, franchise agreements, service contracts, maintenance contracts, equipment leases, personal property leases, agreements relating to collection of receivables or the use of customer lists or other information, any contracts or documents relating to construction on any portion of the Property (including, without limitation, plans, drawings, surveys, tests, reports, bonds and governmental approvals) or to the management or operation of any portion of the Property and the contracts and agreements set forth on Schedule A attached hereto;

(b) Copyrights, trademarks, trade names, service marks and symbols now or hereafter used in connection with any portion of the Property, all names by which the Property may be operated or known, including, without limitation, the name Lake at Las Vegas, all rights to carry on business under such names, and all rights, interest and privileges which Borrower has or may have as developer or declarant under any covenants, restrictions or declarations now or hereafter relating to the Property, including without limitation, the intellectual property set forth on Schedule B, and all customer lists, other lists and business information relating in any way to the Property or the use thereof;

(c) All water taps, sewer taps, certificates of use and occupancy, permits, licenses, franchises, certificates, consents, approvals and other rights and privileges now or hereafter obtained in connection with the Property and all present and future insurance policies, warranties and guaranties relating to the Improvements or to any equipment, fixtures, furniture, furnishings, personal property or components of any of the foregoing now or hereafter located or installed on the Property; and

(d) Any and all rights, powers, privileges, claims, remedies and causes of action of every kind which Borrower now has or may in the future have with respect to or by reason of its interest in any items referenced above in clauses (a), (b) and (c)

(the items specified in clauses (a), (b), (c) and (d), together with any amendments or modifications thereto and any replacements thereof, collectively, the "Collateral").

PROVIDED, HOWEVER, that Borrower agrees that Lender, by its acceptance hereof, shall not be required to assume any obligation or duty to perform any of the terms, covenants, conditions and agreements of Borrower pursuant to the Collateral, and neither this Agreement nor any action or inaction on the part of Lender (including, without limitation, any assumption by Lender of the rights and obligations under the Collateral pursuant to the provisions of paragraph 1 hereof) shall relieve Borrower of any obligation under the Collateral and Borrower shall continue to be primarily liable for all obligations thereunder.

1. Borrower hereby authorizes Lender to file any financing statements necessary to perfect Lender's interest in the Collateral and to exercise any and all rights and remedies of Lender provided to Lender under the Deed of Trust and the other Loan Documents, and to demand, receive and enforce Borrower's rights with respect to the Collateral, to give appropriate receipts, releases and satisfactions for and on behalf of Lender and to do any and all acts in the names of Borrower or Lender, with the same force and effect as Borrower could do if this

Agreement had not been made; such rights to be exercisable only after the occurrence of a default under any of the Loan Documents and the expiration of any applicable grace or cure period.

2. Borrower agrees to execute such other and further documents which may be reasonably necessary and required to satisfy and fulfill the intent and purposes set forth herein and to cause any third party contractors who may be engaged in connection with the construction of the Improvements, including, without limitation, architects, engineers and contractors, to execute consents and acknowledgments to this Agreement in a form reasonably satisfactory to Lender.

3. In the event of the occurrence of a Default under any of the Loan Documents and the expiration of any applicable grace or cure period, Lender, at its option, may (but it shall not be obligated to) succeed to any and all of Assignor's rights, title, and interest in and to all or any of the Collateral, and enforce (subject to the terms, conditions, and limitations therein contained), waive, amend, modify or terminate all or any part of the Collateral as Lender in its sole discretion deems advisable.

4. Lender, by its acceptance hereof, agrees that it will not exercise any of its rights hereunder until the occurrence of a Default under any of the Loan Documents and the expiration of any applicable grace or cure period, and that until such time as any such Default exists or occurs, Borrower shall have and may exercise any and all rights and interests of Borrower in respect of the Collateral to the full extent permitted hereby, notwithstanding the security interest in the Collateral granted to Lender pursuant hereto. Borrower agrees that any other party interested in the Collateral may conclusively rely on written advice from Lender with respect to the exercise of its rights hereunder.

5. Borrower agrees that no action by Lender, or the legal owner and holder of the Notes, pursuant to this Agreement, is intended to affect or limit, nor shall the same be construed as affecting or limiting, in any way, the rights of Lender or the legal owner and holder of the Notes to exercise the remedies available to it pursuant to Loan Documents, including, without limitation, foreclosure proceedings, and in the event of any conflict between the terms and conditions of the other Loan Documents and the terms and conditions of this Agreement, the terms and conditions of the other Loan Documents shall apply.

6. Nothing contained herein or in the other Loan Documents shall be deemed to release, affect or impair the Obligations or the rights of Lender to enforce its remedies pursuant hereto and to the other Loan Documents, including, without limitation, the right to pursue any remedy for injunctive or other equitable relief.

7. Lender may take or release other security for the payment and performance of the Obligations, may release any party primarily or secondarily liable for the payment and performance of the Obligations, may grant extensions, renewals or indulgences with respect to the payment and performance of the Obligations and may apply any other security held by it to the reduction or satisfaction of the payment and performance of the Obligations without prejudice to any of its rights under this Agreement.

8. Nothing contained in this Agreement and no act done or omitted by Lender pursuant to the power and rights granted to Lender hereunder shall be deemed to be a waiver by Lender of its rights and remedies under the Notes, the Loan Agreement, the Deed of Trust or the other Loan Documents, and this Agreement is made and accepted without prejudice to any of the rights and remedies possessed by Lender under the terms thereof. All rights and remedies herein conferred may be exercised upon the occurrence and continuance of a Default, whether or not foreclosure proceedings are pending under the Deed of Trust or any other action or proceeding has been commenced under any Loan Document. Lender shall not be required to resort first to the security of this Agreement before resorting to the security of the Deed of Trust or any of the other Loan Documents and Lender may exercise the security hereof or thereof concurrently or independently and in any order of preference. The rights of Lender under this Agreement shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others, and no act of Lender shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision. The failure of Assignee to insist upon strict performance of any term hereof shall not be deemed to be a waiver of any term of this Agreement.

9. It is understood that this Agreement shall not operate to constitute Lender a mortgagee in possession of the Property, or to place responsibility for the control, care, management or repair of the Property upon Lender, nor shall it operate to make Lender responsible or liable for any waste committed on the Property by any party, or for any dangerous or defective condition of the Property, including, without limitation, the presence of any Hazardous Materials.

10. All notices, demands or other communications required or permitted to be given pursuant to the provisions of this Agreement shall be given and become effective as provided in the Loan Agreement.

11. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Borrower shall not assign or transfer any interest hereunder without the prior written consent of Lender.

12. This Agreement shall be deemed to be a contract entered into pursuant to the laws of the State of New York and shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of New York. All rights, powers and remedies provided in this Agreement may be exercised only to the extent that the exercise thereof does not violate any applicable provisions of law and are intended to be limited to the extent necessary so that they will not render this Agreement invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable law. If any term of this Agreement or any application thereof shall be invalid or unenforceable, the remainder of this Agreement and any other application of the term shall not be affected thereby.

13. It is acknowledged that (i) all rights of Lender hereunder have been delegated by Lender to Midland Loan Services, Inc. a Delaware corporation, as agent for Lender ("Agent"), pursuant to the terms of a servicing agreement among the parties, and (ii) Agent shall have the authority to act hereunder on behalf of, and as agent for, Lender, unless and until Borrower is otherwise advised in writing by Lender.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

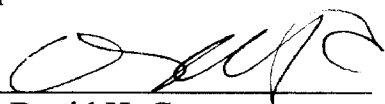

IN WITNESS WHEREOF, Borrower has caused this Agreement to be executed under seal on the day and year first above written.

"BORROWER"

LAKE AT LAS VEGAS JOINT VENTURE,
a Nevada general partnership

By: TransNeva Limited Partnership,
a Nevada limited partnership, managing
partner

By: Transcontinental Properties, Inc.,
an Arizona corporation, general
partner

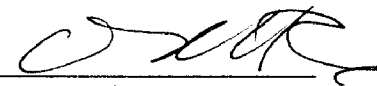

By: 
Name: David H. Cox
Title: Senior Vice President 

LLV VHI, L.L.C., a Nevada limited liability
company

By: Lake at Las Vegas Joint Venture,
a Nevada general partnership, member

By: TransNeva Limited Partnership, a
Nevada limited partnership,
managing partner

By: Transcontinental
Properties, Inc., an
Arizona corporation,
general partner



By: 
Name: David H. Cox
Title: Senior Vice
President 

MARINA INVESTORS, L.L.C., a Delaware
limited liability company

By: Lake at Las Vegas Joint Venture,
a Nevada general partnership, member

By: TransNeva Limited Partnership, a
Nevada limited partnership,
managing partner

By: Transcontinental
Properties, Inc., an
Arizona corporation,
general partner

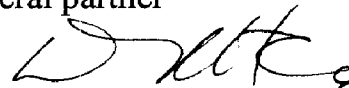

By: 
Name: David H. Cox
Title: Senior Vice President 

SOUTHSHORE GOLF CLUB, L.L.C., a
Nevada limited liability company

By: Lake at Las Vegas Joint Venture,
a Nevada general partnership, manager

By: TransNeva Limited Partnership, a
Nevada limited partnership,
managing partner

By: Transcontinental
Properties, Inc., an
Arizona corporation,
general partner

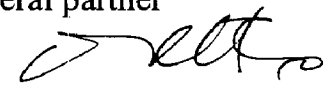

By: 
Name: David H. Cox
Title: Senior Vice President 

BRJBO, L.L.C., a Delaware limited liability company

By: Lake at Las Vegas Joint Venture,
a Nevada general partnership, member

By: TransNeva Limited Partnership, a
Nevada limited partnership,
managing partner

By: Transcontinental
Properties, Inc., an
Arizona corporation,
general partner

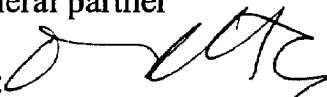

By: 
Name: David H. Cox
Title: Senior Vice President 

LAKE LAS VEGAS PROPERTIES, L.L.C., a
Nevada limited liability company

By: Lake at Las Vegas Joint Venture,
a Nevada general partnership, manager

By: TransNeva Limited Partnership, a
Nevada limited partnership,
managing partner

By: Transcontinental
Properties, Inc., an
Arizona corporation,
general partner



By: 
Name: David H. Cox
Title: Senior Vice President 

NORTHSHORE GOLF CLUB, L.L.C., a
Nevada limited liability company

By: Lake at Las Vegas Joint Venture,
a Nevada general partnership, manager

By: TransNeva Limited Partnership, a
Nevada limited partnership,
managing partner

By: Transcontinental
Properties, Inc., an
Arizona corporation,
general partner

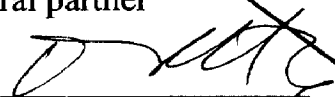

By: 
Name: David H. Cox
Title: Senior Vice President 

~~THE VINEYARD AT LAKE LAS VEGAS,
L.L.C., a Nevada limited liability company~~

~~By: Lake at Las Vegas Joint Venture,
a Nevada general partnership, member~~

~~By: TransNeva Limited Partnership, a
Nevada limited partnership,
managing partner~~

~~By: Transcontinental
Properties, Inc., an
Arizona corporation,
general partner~~

~~By: 
Name: David H. Cox
Title: Senior Vice President ~~

"LENDER"

FOR AND ON BEHALF OF THE
GOVERNOR AND COMPANY OF THE
BANK OF SCOTLAND

By: Matthew
Name: _____
Title: _____

TRILYN LLV I, LLC

By: _____
Name: _____
Title: _____

"LENDER"

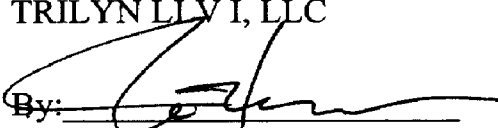
FOR AND ON BEHALF OF THE
GOVERNOR AND COMPANY OF THE
BANK OF SCOTLAND

By: _____

Name: _____

Title: _____

TRILYN LLY I, LLC

By:  _____

Name: JOHN R. FRASER

Title: VP