

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
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NATURE OF CONVEYANCE:	SECURITY INTEREST
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CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Setai Owners LLC		06/11/2004	Limited liability company: DELAWARE

RECEIVING PARTY DATA	
Name:	Eurohypo AG, New York Branch, as Administrative Agent
Street Address:	1114 Avenue of the Americas
Internal Address:	29th Floor
City:	New York
State/Country:	NEW YORK
Postal Code:	10036
Entity Type:	a New York Bank: NEW YORK

PROPERTY NUMBERS Total: 2		
Property Type	Number	Word Mark
Registration Number:	2506974	THE SETAI
Registration Number:	2506966	THE SETAI GROUP

CORRESPONDENCE DATA	
Fax Number:	(212)884-8464
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	212-835-6164
Email:	nytrademarks@piperrudnick.com
Correspondent Name:	Monica P. McCabe, Esq.
Address Line 1:	1251 Avenue of the Americas
Address Line 2:	38th Floor
Address Line 4:	New York, NEW YORK 10020-1104

ATTORNEY DOCKET NUMBER:	308738-9
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NAME OF SUBMITTER:	Monica P. McCabe, Esq.
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Total Attachments: 11

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**TRADEMARK
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ASSIGNMENT OF AGREEMENTS

THIS ASSIGNMENT OF AGREEMENTS (this "Assignment"), made as June 11, 2004, by **SETAI OWNERS LLC**, a Delaware limited liability company having an office at c/o The Setai Group, 392 Fifth Avenue, 6th Floor, New York NY 10018 (the "Borrower"), in favor of **EUROHYPO AG, NEW YORK BRANCH**, whose address is 1114 Avenue of the Americas, 29th Floor, New York, New York 10036, in its capacity as the Administrative Agent (in such capacity, together with its successors in such capacity, the "Administrative Agent") for the Lenders (as defined below) pursuant to the Loan Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed to such terms in the Loan Agreement.

WITNESSETH:

WHEREAS, pursuant to that certain Loan Agreement dated June 11 2004 (as amended, supplemented or otherwise modified from time to time, the "Loan Agreement"; capitalized terms used herein but not defined herein having the meanings ascribed to such terms in the Loan Agreement), among the Borrower, the Administrative Agent, Eurohypo AG, New York Branch ("Eurohypo"; Eurohypo together with any lender who may become a Lender pursuant to the Loan Agreement, as hereinafter defined, each, a "Lender" and collectively, the "Lenders"), the Lenders have agreed to make a loan to the Borrower in the principal amount of up to \$90,000,000 (the "Loan"). The Loan is evidenced by the Borrower's notes to the Lenders aggregating such principal amount (as the same may be amended, supplemented, modified, extended, restated and/or replaced from time to time, collectively, the "Note"), and is secured by, inter alia, the Mortgage encumbering that certain real property as more particularly described on Exhibit A attached hereto and by this reference incorporated herein, together with all improvements located thereon, situated in the City of Miami, County of Dade, and State of Florida (the "Mortgaged Property"); and

WHEREAS, as a condition precedent to making the Loan the Lenders require that the Borrower further secure the repayment of the indebtedness evidenced by the Note and the performance of the other terms, covenants and agreements contained herein and in the Note, the Loan Agreement, the Mortgage and each other document evidencing, securing, guaranteeing and/or relating to the indebtedness evidenced by the Note (the Note, the Loan Agreement, the Mortgage and such other documents, as each of the foregoing may from time to time be amended or replaced, are herein sometimes collectively referred to as the "Loan Documents") by assigning to Administrative Agent all of its interest in certain contracts and general intangibles as more fully set forth herein;

NOW, THEREFORE, in consideration of the making of the Loan evidenced by the Note by the Lenders to the Borrower and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower, as further security for the

performance of its Obligations under the Loan Documents hereby irrevocably, collaterally assigns and transfers to the Administrative Agent, its successors and assigns, for the benefit of the Lenders, and grants to the Administrative Agent a security interest in all of the Borrower's right, title and interest in and to:

(A) the Trademark License Agreement dated May 1, 2002 between The Setai Group LLC, as licensor, and Borrower, as Licensee, including, without limitation, the license of the right to use the federally registered service marks THE SETAI (U.S. Registration Number 2,506,974) and THE SETAI GROUP (U.S. Registration Number 2,506,966), subject to the terms and conditions thereof (the "Trademark Interests");

(B) any and all contracts and agreements with architects, subcontractors, engineers, management agents, leasing agents, sales agents, service and maintenance agents, contractors and other third parties, including, without limitation, the Hotel Operating Agreement and the Parking Operating Agreement (collectively, the "Contracting Parties", or, singularly, a "Contracting Party"), whether now existing or hereafter arising, relating to the management, operation, construction, leasing, sale, maintenance and repair of the Mortgaged Property, including, without limitation, those contracts and agreements identified on Schedule A attached hereto and made a part hereof (collectively, the "Contracts" or, singularly, a "Contract"); and

(C) any and all insurance proceeds Borrower may be entitled to under those insurance policies required under the Loan Agreement, except to the extent governed by the Condominium Documents; and

(D) any and all interest rate contracts made by Borrower as required under the Loan Agreement; and

(E) any and all warranties and guaranties relating to the Mortgaged Property or any fixtures, equipment or personal property owned by the Borrower and located on and/or used in connection with the Mortgaged Property, whether now existing or hereafter arising; and

(F) any and all permits, licenses, certificates of use and occupancy (or their equivalent), plans, specifications and applications and approvals issued by any governmental authority or agency relating to the construction, ownership, operation and/or use of the Mortgaged Property, whether now existing or hereafter arising.

(The Contracts, together with the items referred to in subparagraphs (C), (D), (E) and (F) above, are sometimes herein collectively referred to as the "General Intangibles".)

This Assignment is made upon the following terms and conditions:

1. The Borrower represents, warrants and covenants to and with the Administrative Agent on behalf of the Lenders that: (a) the Borrower shall not make any material changes in or amendments to any of the General Intangibles without the prior written consent of the Administrative Agent, which consent shall not be unreasonably withheld; provided, however, that notwithstanding the foregoing, the Administrative Agent's consent shall not be required with respect to changes in or amendments to any Contract (i) to the extent an amendment or

modification is not prohibited under the Loan Agreement or (ii) (x) which is terminable without cause and without payment of any penalty or termination fee on thirty days' notice, and (y) the Contracting Party does not have any right, by reason of applicable Law or otherwise, to impose a lien against the Mortgaged Property which is superior to the lien of the Mortgage; (b) the Contracts to which the Borrower is a party are legal, valid and binding obligations of the Borrower and to the Borrower's best knowledge, there are no material defaults by either party under such Contracts; (c) the Borrower shall not tender or accept a surrender or cancellation of any of the General Intangibles without the prior written consent of the Administrative Agent where such surrender or cancellation would have a Material Adverse Effect or where such surrender or cancellation would violate the terms of any Loan Document; (d) the Borrower shall promptly provide to the Administrative Agent copies of all changes in or amendments to the Contract whether or not the Administrative Agent's consent thereto is required pursuant to clause (a) above and the Borrower shall promptly notify the Administrative Agent in writing of any surrender or cancellation of a Contract whether or not the Administrative Agent's consent thereto is required pursuant to clause (c) above; (e) except as otherwise expressly permitted by the terms of the Mortgage, the Borrower has not assigned or granted and will not assign or grant a security interest in any of the General Intangibles to anyone other than the Administrative Agent for the ratable benefit of the Lender; (f) except as provided in the Condominium Documents and/or the Permitted Liens, the Borrower's interest in the General Intangibles is not subject to any claim, setoff, lien, deduction or encumbrance of any nature (other than the encumbrance created hereby, the encumbrance created by the Mortgage and those subordinate encumbrances, if any, created in connection with any junior encumbrances on the Mortgaged Property expressly permitted by the terms of the Mortgage); (g) the Borrower has full power and authority to make this Assignment; (h) the Borrower shall make all required payments and otherwise perform its obligations under the General Intangibles; and (i) the Borrower shall give immediate notice to the Administrative Agent of any notice of default served upon the Borrower with respect to its obligations under any of the General Intangibles and, at the sole cost and expense of the Borrower, shall enforce and make commercially reasonable efforts to secure the performance of each and every material obligation of the Contracting Parties to be kept or performed under the Contracts.

2. Neither this Assignment nor any action or actions on the part of the Administrative Agent (including, without limitation, any assumption by the Administrative Agent of the rights and obligations under the General Intangibles pursuant to the provisions of Paragraph 3 hereof) shall (x) relieve the Borrower of any obligation under the General Intangibles and the Borrower shall continue to be primarily liable for all obligations thereunder, the Borrower hereby agreeing to perform each and all of its obligations under the General Intangibles or (y) restrict or prohibit the Borrower's right to receive any benefits thereunder prior to an Event of Default. The Borrower hereby protects, defends, indemnifies and holds the Administrative Agent free and harmless from and against any and all loss, cost, liability or expense (including, but not limited to, reasonable attorneys' fees and accountants' fees) resulting from any failure of the Borrower to so perform under the General Intangibles.

3. Any failure by the Borrower in the performance or observance of any covenant or condition hereof and the continuance of such failure for thirty days (or such shorter period of time provided under any other Loan Document) after notice of such default from the Administrative Agent (provided that no such notice shall be required if not required under any other Loan Document) within which to cure the same shall be an Event of Default hereunder.

Upon an Event of Default hereunder, under the Loan Agreement or under any of the other Loan Documents, the Administrative Agent may, but shall not be obligated to, assume any or all of the obligations of the Borrower under any or all of the Contracts and/or exercise the rights, benefits and privileges of the Borrower under any or all of the General Intangibles.

4. Upon the occurrence of an Event of Default hereunder, under the Loan Agreement or under any of the other Loan Documents, the Administrative Agent may give notice to any or all of the Contracting Parties, either requiring the Contracting Party to continue performance under its respective Contract or, alternatively, terminating the Contract (to the extent such termination is available under the Contract). This Assignment shall constitute a direction to and full authority to the Contracting Parties under the Contracts to act at the Administrative Agent's written direction and otherwise perform on the Administrative Agent's behalf under the Contracts, without proof of the Event of Default relied upon. The Contracting Parties shall be entitled to rely upon written notice from the Administrative Agent that the Administrative Agent has assumed all of the rights and obligations of the Borrower under the applicable Contract without any inquiry into whether an Event of Default hereunder or under any of the other Loan Documents. Such assumption of a Contract by the Administrative Agent shall be evidenced by written notice from the Administrative Agent to the applicable Contracting Party. Under no circumstances shall the Administrative Agent be deemed by any party to have assumed the Borrower's rights and obligations under a Contract unless and until such written notice is delivered to the Contracting Party in accordance with the foregoing provision.

5. Following at least thirty days prior notice to the Borrower, the Administrative Agent shall have the right at any time, but shall have no obligation, to take in its name or in the name of the Borrower, or otherwise, such action as the Administrative Agent may at any time or from time to time determine to be reasonably necessary to cure any default under the General Intangibles. The Administrative Agent shall incur no liability to the Borrower if any action taken by the Administrative Agent or on the Administrative Agent's behalf in good faith pursuant to this Assignment shall prove to be in whole or in part inadequate or invalid. The Borrower hereby protects, defends, indemnifies and holds the Administrative Agent and its affiliated entities, free and harmless from and against any and all loss, cost, liability or expense (including, but not limited to, reasonable attorneys' fees and accountants' fees) to which the Administrative Agent may be exposed, or that the Administrative Agent may incur, in exercising any of its rights under this Assignment, unless caused by the intentional misconduct or gross negligence of the Administrative Agent.

6. This Agreement constitutes a security agreement with Borrower as the "debtor" and Administrative Agent as the "secured party", under the Uniform. In addition to the rights and remedies granted to Administrative Agent by applicable Law or by this Agreement, Administrative Agent shall have all of the rights and remedies with respect to the collateral described in this Agreement in as are granted to a secured party under the Uniform Commercial Code as in effect in each applicable jurisdiction. Borrower will execute and deliver to Administrative Agent, in form and substance satisfactory to Administrative Agent, all additional security agreements, financing statements and/or other instruments that may from time to time be reasonably required by Administrative Agent to establish and maintain the validity and priority of the security interest of Administrative Agent and any modification thereof, and will pay all costs and expenses of any searches reasonably required by Administrative Agent.

7. The Borrower hereby irrevocably constitutes and appoints the Administrative Agent its true and lawful attorney-in-fact in the Borrower's name or in the Administrative Agent's name, or otherwise, to, from and after the occurrence and during the continuance of an Event of Default by the Borrower hereunder or under any of the other Loan Documents to enforce all of the rights of the Borrower under the Collateral described in this Agreement. It is hereby recognized that the power of attorney herein granted is coupled with an interest and shall not be revocable so long as any sums are outstanding under the Loan evidenced by the Note.

8. The Borrower shall deliver to the Administrative Agent a true, correct and complete copy of each Contract promptly after it has been executed and delivered by the parties thereto.

9. The Borrower shall employ a reasonable effort to promptly obtain and deliver to the Administrative Agent consents to the terms of this Assignment, in forms reasonably acceptable to the Administrative Agent, from such Contracting Parties as the Administrative Agent may reasonably request from time to time.

10. This Assignment and the agreements and undertakings of the Borrower hereunder shall be binding upon the Borrower, its successors and assigns and any subsequent owner of the Mortgaged Property, and shall inure to the benefit of the Administrative Agent and its successors and assigns and any purchaser of any interest of the Administrative Agent in the Note, the Mortgage and the other Loan Documents.

11. The Borrower covenants and agrees to make, execute and deliver all such further or additional instruments as may be necessary to satisfy the intents and purposes hereof and to perfect the assignment made hereby.

12. This Assignment shall be construed under and governed by the laws of the State of New York (without giving effect to New York's principles of conflicts of law), except to the extent that any of such laws may now or hereafter be preempted by Federal law, in which case such Federal law shall so govern and be controlling. In any action brought under or arising out of this Assignment or the other Loan Documents, the Borrower hereby consents to the jurisdiction of any competent court within the State of New York and consents to service of process by any means authorized by the law of the State of New York.

13. Except as expressly provided otherwise, all notices, demands, consents, approvals and statements required or permitted hereunder shall be in writing and shall be deemed to have been sufficiently given or served for all purposes to a party (i) when presented personally to such party, (ii) three days after mailing by registered or certified mail, postage prepaid, (iii) one day after delivery to a nationally recognized overnight courier service providing evidence of the date of delivery, or (iv) on the same day, if delivered by hand, addressed to a party at its address on the signature page hereof or of the applicable Assignment and Assumption Agreement, or at such other address of which a party shall have notified the party giving such notice in writing in accordance with the foregoing requirements.

14. In the event of any conflict between this Assignment and any of the other Loan Documents, the interpretation shall be determined first by reference to the terms of the Loan

Agreement, followed (if a definite interpretation is not provided by the Loan Agreement) by reference to the terms of the Mortgage, and lastly (if a definite interpretation is not provided by either the Loan Agreement or the Mortgage) by reference to the terms of this Assignment.

15. This Assignment may be executed in any number of counterparts, each of which shall be effective upon delivery and thereafter shall be deemed an original, and all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Any signature page of this Assignment may be detached from any counterpart of this Assignment without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this Assignment identical in form hereto but having attached to it one or more additional signature pages.

16. If any provision under this Assignment or the application thereof to any entity, person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Assignment and the application of the provisions hereof to other entities, persons or circumstances shall not be effected thereby and shall be enforced to the fullest extent permitted by law.

17. This Assignment may not be amended, modified or otherwise changed except by a written instrument duly executed by the Borrower and the Administrative Agent.

18. Notwithstanding anything to the contrary contained in this Assignment, in any of the other Loan Documents, or in any other instruments, certificates, documents or agreements executed in connection with the Loan (all of the foregoing, for purposes of this Section, hereinafter referred to, individually and collectively, as the "Relevant Documents"), no recourse under or upon any obligation shall be had against any of the constituent members or partners of the Borrower, nor against any of their respective members, managers, partners, shareholders, principals, employees, representatives, affiliates, agents, officers and directors, and each Lender expressly waives and releases all right to assert any liability whatsoever under or with respect to the Relevant Documents against, or to satisfy any claim or obligation arising thereunder against, any of such constituent members or partners of the Borrower or its shareholders, officers and directors or out of any of their assets, provided, however, that nothing in this Section shall be deemed to: (1) release the Borrower or other Persons from any personal liability (a) pursuant to, or from any of its respective obligations under, the Relevant Documents to which such Persons are a party or (b) for damages actually sustained by the Administrative Agent and/or Lenders by reason of (w) such Person's negligence or fraudulent acts or omissions, (x) such Person's misapplication of any insurance proceeds, condemnation awards or tenant security deposits, or of any rental, sales or other income which was required by any Mortgage or other Loan Documents to be paid or applied in a specified manner, arising, in any such case, with respect to the Mortgaged Property, (y) such Person's failure to deliver, promptly upon demand following the occurrence of an Event of Default, tenant and other project files and original executed leases and other agreements relating to occupancy, construction or operation of the Mortgaged Property which are in the possession, custody or control of the Borrower or any of its agents, and (z) (A) a voluntary bankruptcy or insolvency proceeding commenced by Borrower under the Bankruptcy Code or any similar federal or state law, or (B) an involuntary bankruptcy or insolvency proceeding commenced against Borrower under the Bankruptcy Code or any similar federal or state law which is not discharged, stayed or dismissed within ninety days of the date that the

same is filed if involuntary bankruptcy or insolvency proceeding is solicited, procured, consented to or acquiesced in by Borrower or an Affiliate of Borrower (as the case may be), in collusion with an intent to circumvent the prohibition on recourse liability against the Borrower set forth in this Section); (2) notwithstanding anything to the contrary contained herein, constitute a waiver of any obligation evidenced or secured by, or contained in, the Relevant Documents or affect in any way the validity or enforceability of the Relevant Documents in whole or in part; or (3) limit the right of the Administrative Agent and/or Lenders to proceed against or realize upon all or part of the Mortgaged Property or any other collateral now or hereafter given as security for the Loan or any and all of the assets of the Borrower (notwithstanding the fact that such constituent members or partners have an ownership interest in the Borrower) or to name the Borrower (or, to the extent that the same are required by applicable Law or are determined by a court to be necessary parties in connection with an action or suit against the Borrower, all or part of the Mortgaged Property or any other collateral now or hereafter given as security for the Loan, any of such constituent members or partners or their shareholders, officers or directors) as a party defendant in, and to enforce against all or part of the Mortgaged Property or any other collateral now or hereafter given as security for the Loan and/or assets of the Borrower any judgment obtained by the Administrative Agent and/or Lenders with respect to, any action or suit under the Relevant Documents so long as no judgment shall be taken (except to the extent taking a judgment is required by applicable Law or determined by a court to be necessary to preserve the Administrative Agent's and/or Lenders' rights against the Mortgaged Property and any other collateral now or hereafter given as security for the Loan or the Borrower, but not otherwise) or shall be enforced against such partners and/or members of the Borrower or any of their shareholders, officers or directors or their assets.

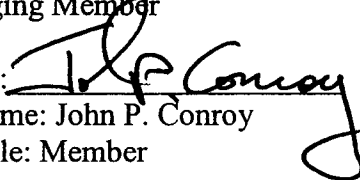
[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Borrower has executed this Assignment as of the day and year first above written.

SETAI OWNERS LLC, as Borrower

By: SETAI MEZZANINE LLC, its sole member

By: SETAI SOUTH BEACH LLC, a Managing Member

By: 
Name: John P. Conroy
Title: Member

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 10 day of June in the year 2004 before me, the undersigned, personally appeared John Conroy, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

MEEGAN T. MOTISI
NOTARY PUBLIC, State of New York
No. 01M06089261
Qualified in Westchester County
Commission Expires March 24, 2007

EXHIBIT A
Legal Description

All of SETAI RESORT & RESIDENCES, a Condominium, according to the Declaration of Condominium recorded in Official Records Book 21981, page 2159, of the Public Records of Miami-Dade County, Florida, as amended and/or supplemented from time to time;, according to the plat thereof as recorded in Plat Book 5 at Page 7 of the Public Records of Miami-Dade county, Florida.

Said Condominium being formerly described as follows:

Lots 2, 4, 6, 7, 8, 9 and 10, Block "A", AMENDED MAP OF THE OCEAN FRONT PROPERTY OF THE MIAMI BEACH IMPROVEMENT COMPANY SUBDIVISION according to the plat thereof as recorded in Plat Book 5 at Page 7 of the Public Records of Miami-Dade County, Florida.

ALSO:

A strip of land lying between the easterly boundary line of the above referenced Lot 2, Block "A", AMENDED MAP OF THE OCEAN FRONT PROPERTY OF THE MIAMI BEACH IMPROVEMENT COMPANY SUBDIVISION according to the plat thereof as recorded in Plat Book 5 at Page 7 of the Public Records of Miami-Dade County, Florida and the Erosion Control Line of the Atlantic Ocean Recorded in Plat Book 105, at Page 62 of the Public Records of Miami-Dade County, Florida: Bounded on the Northerly side of the Extension Easterly of the Northerly Line of aforesaid Lot 2 to the Erosion Control Line: Bounded on the Southerly side by the Extension Easterly of the Southerly Line of aforesaid Lot 2 to the Erosion Control Line.

LESS and EXCEPT the following Condominium Parcel Numbers: 1701; 1703; 1705; 1706; 1707; 1801; 1803; 1805; 1901; 1902; 1903; 1904; 2002; 2003; 2101; 2103; 2104; 2105; 2106; 2205; 2301; 2305; 2307; 2308; 2404; 2407; 2501; 2502; 2503; 2506; 2507; 2601; 2602; 2705; 2708; 2803; 2901; 2904; 2908; 3108; PH Villa A; 1905; 2504; 2702; 3206; 2102; 2201; 2302; 1804; 3002; 2605; 2805; 3106; 2902; 2202; 3104; 3105; 2001; 2204; 3102; 2807; 3004; 3005; 2701; 2907; 2107; 2207; 1906; 2505; 2607; 2608; 2006; 2707; 2906; 3204; 2007; 3304; 3201; 1808; 2905; 3306; 3308; 2706; 2802; 2806; PH Suite A; 2206; 2405; 3006; 3107; 3202; PH Villa B; 2203; 3403; 3406; 3409; 1802; 2801; 1907; 3506; 2304; 2604; 2603 and 2406.

SCHEDULE A

1. Lease dated February 6, 2004 between Setai Owners LLC, as tenant, and 420 Lincoln Road Associates, Ltd.
2. Management Contract dated March 29, 2004 between Setai Owners LLC and The Continental Group, Inc.
3. Management Agreement dated March 20, 2000 between General Hotel Management Ltd. and Setai Owners LLC (f/k/a Dempsey Vanderbilt Hotel), as amended by the Letter Agreement dated January 8, 2003.
4. Parking Concession Agreement dated January 5, 2004 between Setai Owners LLC and 20th Street Parking Systems, LLC.
5. Trademark License Agreement dated May 1, 2002 between Setai Owners LLC and The Setai Group LLC.

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