

APN# 011-052-32, 011-052-33, 011-052-35,
011-052-36, 011-052-44, 011-071-09,
011-071-25, 011-071-26

Recording Requested by:

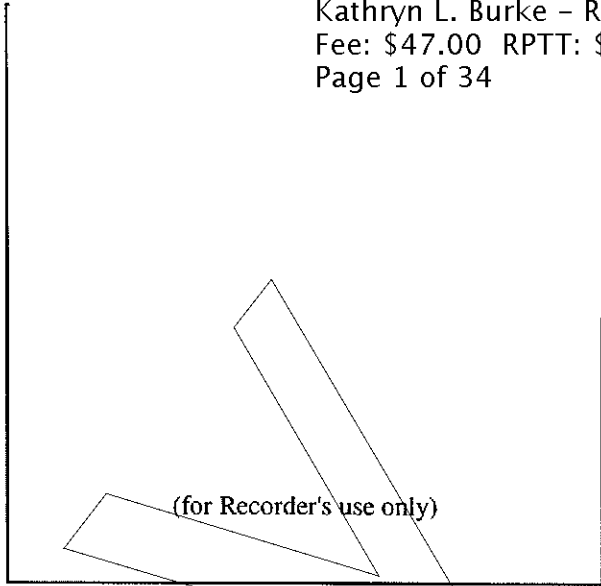
Name: Ticor Title Company of Nevada, Inc.
Address: 5441 Kietzke Lane
City/State/Zip: Reno, NV 89511

When Recorded Mail to:

Name: Athy A. Mobilia, Esq.
Address: Cahill Gordon & Reindel LLP
80 Pine Street
City/State/Zip: New York, NY 10005

Mail Tax Statement to:

Name: c/o Harrah's Operating Company, Inc.
Address: 7216 Cherry Farms Roads
City/State/Zip: Cordova, TN 38016



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

(Title of Document)

Please complete Affirmation Statement below:


I the undersigned hereby affirm that the attached document, including any exhibits, hereby submitted for recording does not contain the personal information of any person or persons.
(Per NRS 239B.030)

-OR-

I the undersigned hereby affirm that the attached document, including any exhibits, hereby submitted for recording does contain the personal information of a person or persons as required by law:

(State specific law)

Signature _____ Title title officer


Printed Name _____

This page added to provide additional information required by NRS 111.312 Sections 1-2 and NRS 239B.030 Section 4.

This cover page must be typed or printed in black ink. (Additional recording fee applies)

APN(s): 011-052-32,
011-052-33, 011-052-35,
011-052-36, 011-052-44,
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When Recorded Mail To:
Athy A. Mobilia, Esq.
Cahill Gordon & Reindel LLP
80 Pine Street
New York, NY 10005

Mail property tax statements to:
Harrah's Operating Company, Inc.
7216 Cherry Farms Road
Cordova, TN 38016
Attn: Corporate Tax Department, Jerry Sanders

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

by and from

Harrah's Operating Company, Inc.

as "*Grantor*"

to

Ticor Title Company of Nevada, Inc., a Nevada corporation,

as "*Trustee*" for the benefit of

Bank of America, N.A., in its capacity as Collateral Agent, "*Grantee*" or "*Beneficiary*"

901 Main Street, Mail Code TX-1-492-14-11, Dallas, Texas 75202

Dated as of June 10, 2009

**County: Washoe County
State: Nevada**

THIS INSTRUMENT IS TO BE FILED AND INDEXED IN THE REAL ESTATE RECORDS AND IS ALSO TO BE INDEXED IN THE INDEX OF FINANCING STATEMENTS OF WASHOE COUNTY, NEVADA UNDER THE NAMES OF HARRAH'S OPERATING COMPANY, INC., AS "DEBTOR" AND BANK OF AMERICA, N.A. AS COLLATERAL AGENT, AS "SECURED PARTY." GRANTOR'S ORGANIZATIONAL NUMBER IS DELAWARE FILE NUMBER 2014547.

INFORMATION CONCERNING THE SECURITY INTEREST MAY BE OBTAINED FROM BENEFICIARY AT THE ADDRESS SET FORTH BELOW.

THE MAXIMUM AMOUNT OF PRINCIPAL TO BE SECURED HEREBY IS \$5,000,000,000.

COPY

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

THIS DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND LEASES AND FIXTURE FILING (this "*Deed of Trust*") effective as of June 10, 2009 (the "*Effective Date*"), is made and entered into on June 2, 2009, by and from Harrah's Operating Company, Inc., a Delaware corporation, as grantor, mortgagor, assignor and debtor (in such capacities and together with any successors in such capacities, "*Grantor*"), whose address is One Caesars Palace Dr., Las Vegas, NV 89109, in favor of Ticor Title Company of Nevada, Inc., a Nevada corporation, having an office at 5441 Kietzke Lane, Reno, Nevada 89511, as trustee under this Deed of Trust (together with any successors in such capacities, "*Trustee*") for the benefit of Bank of America, N.A., as Collateral Agent (in such capacity, "*Collateral Agent*") for the Secured Parties (as defined in the Amended Collateral Agreement (defined below)), having an address at 901 Main Street, Mail Code TX-1-492-14-11, Dallas, Texas 75202, as beneficiary, assignee, and secured party (in such capacities and, together with its successors and assigns in such capacities, "*Beneficiary*").

WHEREAS, on January 28, 2008, (a) Hamlet Merger Inc. (merged on January 28, 2008 with and into Harrah's Entertainment, Inc., "*Holdings*"), Harrah's Operating Company, Inc. (the "*Borrower*"), the Lenders party thereto from time to time, Bank of America, N.A., as administrative agent (the "*Administrative Agent*"), Deutsche Bank AG New York Branch, as syndication agent (the "*Syndication Agent*"), and Citibank N.A., Credit Suisse, Cayman Islands Branch, JPMorgan Chase Bank, N.A., Merrill Lynch Pierce, Fenner & Smith Incorporated, Goldman Sachs Credit Partners L.P., Morgan Stanley Senior Funding, Inc. and Bear Stearns Corporate Lending, Inc., as co-documentation agents (the "*Co-documentation Agents*") entered into that certain credit agreement (as amended by the Credit Agreement Amendment (as defined below) and as further amended, restated, supplemented, waived or otherwise modified from time to time, the "*Credit Agreement*") whereby the Lenders (as defined in the Credit Agreement) extended credit (the "*Loans*") to the Borrower subject to the terms and conditions set forth in such Credit Agreement and (b) the Borrower, the subsidiaries of the Borrower identified therein (the "*Subsidiary Pledgors*") and the Collateral Agent, entered into that certain collateral agreement (the "*Collateral Agreement*") whereby a first priority lien was granted to the Collateral Agent, for the benefit of the "Secured Parties" as defined in the Collateral Agreement, on substantially all of the Borrower's and the Subsidiary Pledgors' property and assets to secure the Obligations (as defined in the Collateral Agreement);

WHEREAS, as of the Effective Date, (a) the Borrower assumed the obligations of Harrah's Escrow Corporation and Harrah's Operating Escrow LLC, as issuers, (together, the "*Issuer*") under that certain indenture (the "*Indenture*") among the Issuer, Harrah's Entertainment, Inc. and U.S. Bank National Association, as trustee (the "*Notes Trustee*"), whereby the Issuer issued 11.25% Senior Secured Notes due 2017 (the "*Notes*"), (b) the Borrower, the Subsidiary Pledgors and the Collateral Agent entered into that certain amended and restated collateral agreement ("*Amended Collateral Agreement*") whereby the Collateral Agent has agreed to act on behalf of the Other First Lien Secured Parties (as defined in the Amended Collateral Agreement), including the holders of the Notes, under the Amended Collateral Agreement, (c) Holdings, the Borrower and the Administrative Agent, have entered into that certain amendment and waiver to the Credit Agreement ("*Credit Agreement Amendment*") and (d) the Collateral Agent, the Administrative Agent and the Notes Trustee have entered into that certain first lien intercreditor agreement (the "*First Lien Intercreditor Agreement*");

WHEREAS, pursuant to the terms of the Amended Collateral Agreement, the obligations in respect of Other First Lien Agreements including the Notes and the Indenture, will be designated Other

First Lien Obligations (as defined in the Amended Collateral Agreement) that are to be equally and ratably secured with the liens granted to the Collateral Agent for the benefit of the Secured Parties under the Collateral Agreement, and upon the execution and delivery of the Amended Collateral Agreement such Other First Lien Obligations will constitute Obligations for all purposes under the Amended Collateral Agreement that will be secured by a Lien on the Collateral (as defined in the Amended Collateral Agreement) and the Mortgaged Property for the benefit of the Secured Parties under the Amended Collateral Agreement;

WHEREAS, (a) on December 24, 2008, Harrah's Operating Company, Inc., as issuer, Harrah's Entertainment, Inc. and U.S. Bank National Association, as trustee, entered into a certain indenture (the "**2008 Indenture**") whereby the issuer issued second priority notes (the "**2008 Notes**"), and (b) on April 15, 2009, Harrah's Operating Company, Inc., as issuer, Harrah's Entertainment, Inc. and U.S. Bank National Association, as trustee, entered into a certain indenture (the "**2009 Indenture**" and, together with the 2008 Indenture, the "**Second Lien Indentures**") whereby the issuer issued second priority notes (the "**2009 Notes**" and, together with the 2008 Notes, the "**Second Lien Notes**"); and

WHEREAS, on December 24, 2008, Bank of America, N.A. as Credit Agreement Agent (as defined in the Second Lien Intercreditor Agreement (defined below)), each Other First Priority Lien Obligations Agent (as defined in the Second Lien Intercreditor Agreement) from time to time party thereto, each in its capacity as First Lien Agent (as defined in the Second Lien Intercreditor Agreement), U.S. Bank National Association, as trustee for the Second Lien Notes and each collateral agent for any Future Second Lien Indebtedness (as defined in the Second Lien Intercreditor Agreement) from time to time party thereto, each in its capacity as Second Priority Agent (as defined in the Second Lien Intercreditor Agreement) entered into an intercreditor agreement whereby the Second Lien Notes and any Future Second Lien Indebtedness are subordinate to the Obligations under the Amended Collateral Agreement, including, but not limited to, the Notes secured by this Deed of Trust (as amended, amended and restated, supplemented or otherwise modified from time to time, the "**Second Lien Intercreditor Agreement**"); and

Grantor is executing and delivering this Deed of Trust pursuant to the terms of the Indenture to induce the Notes Trustee to enter into the Indenture and to induce the holders of the Notes to purchase the Notes. Accordingly, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

Section 1.1 Definitions. All capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Indenture. The rules of construction specified in Section 1.04 of the Indenture also apply to this Deed of Trust. As used herein, the following terms shall have the following meanings:

- (a) "**Amended Collateral Agreement**": means the Amended Collateral Agreement as defined in the third full paragraph of this Deed of Trust, as amended, restated, supplemented, or otherwise modified from time to time.
- (b) "**Authorized Representative**": means Authorized Representative as defined in the Amended Collateral Agreement.
- (c) "**Charges**": means any and all present and future real estate, property and other taxes, assessments and special assessments, levies, fees, all water and sewer rents and charges and all other governmental charges imposed upon or assessed against, and all claims (including,

without limitation, claims for landlords', carriers', mechanics', workmen's, repairmen's, laborer's, materialmen's, suppliers' and warehousemen's liens and other claims arising by operation of law); judgments or demands against, all or any portion of the Mortgaged Property or other amounts of any nature which, if unpaid, might result in or permit the creation of, a Lien on the Mortgaged Property or which might result in foreclosure of all or any portion of the Mortgaged Property.

(d) **"Collateral"**: means Collateral as defined in the Amended Collateral Agreement.

(e) **"Collateral Agreement"**: means the Collateral Agreement as defined in the second full paragraph of this Deed of Trust.

(f) **"Credit Agreement"**: means the Credit Agreement as defined in the second full paragraph of this Deed of Trust.

(g) **"Credit Agreement Agent"**: means Credit Agreement Agent as defined in the Second Lien Intercreditor Agreement.

(h) **"Discharge of Credit Agreement Obligations"**: means Discharge of Credit Agreement Obligations as defined in the First Lien Intercreditor Agreement.

(i) **"Event of Default"**: means an Event of Default under and as defined in the Indenture.

(j) **"Existing Notes"**: means the Borrower's 5.500% senior notes due 2010, 8.00% senior notes due 2011, 5.375% senior notes due 2013, 7.875% senior subordinated notes due 2010, 8.125% senior subordinated notes due 2011, 5.625% senior notes due 2015, 6.500% senior notes due 2016 and 5.75% senior notes due 2017.

(k) **"First Lien Agent"**: means First Lien Agent as defined in the Second Lien Intercreditor Agreement.

(l) **"Future Second Lien Indebtedness"**: means Future Second Lien Indebtedness as defined in the Second Lien Intercreditor Agreement.

(m) **"holder"**: means the holder as defined in the Indenture.

(n) **"Indenture"**: means the Indenture as defined in the third full paragraph of this Deed of Trust.

(o) **"Issue Date"**: means Issue Date as defined in the Indenture.

(p) **"Issuer"**: means the Issuer as defined in the third full paragraph of this Deed of Trust.

(q) **"Lien"**: means a Lien as defined in the Indenture.

(r) **"Loan Documents"** means Loan Documents as defined in the Amended Collateral Agreement.

(s) **“Mortgaged Property”**: means the fee interest in the real property described in Exhibit A attached hereto and incorporated herein by this reference, together with any greater estate therein as hereafter may be acquired by Grantor and all of Grantor’s right, title and interest in, to and under all rights, privileges, tenements, hereditaments, rights-of-way, easements, appendages and appurtenances appertaining to the foregoing in each case whether now owned or hereinafter acquired, including without limitation all riparian, littoral, and water rights, mineral, oil and gas rights, easements and rights of way (collectively, the **“Land”**), and all of Grantor’s right, title and interest now or hereafter acquired in, to and under (1) all buildings, structures and other improvements now owned or hereafter acquired by Grantor, now or at any time situated, placed or constructed upon, or affixed or permanently moored to, the Land, and, in each case, all appurtenances thereof (the **“Improvements”**); the Land and Improvements are collectively referred to as the **“Premises”**), (2) all materials, supplies, equipment, apparatus and other items of personal property now owned or hereafter acquired by Grantor and now or hereafter attached to, installed in or used in connection with any of the Improvements or the Land, and water, gas, electrical, telephone, storm and sanitary sewer facilities and all other utilities whether or not situated in easements, and all equipment, inventory and other goods in which Grantor now has or hereafter acquires any rights or any power to transfer rights and that are or are to become fixtures (as defined in the UCC, defined below) related to the Land (the **“Fixtures”**), (3) all goods, accounts, inventory, general intangibles, instruments, documents, contract rights and chattel paper, including all such items as defined in the UCC, now owned or hereafter acquired by Grantor and now or hereafter affixed to, placed upon, used in connection with, arising from or otherwise related to the Premises (the **“Personalty”**), (4) all reserves, escrows or impounds required under the Amended Collateral Agreement or any of the other applicable Loan Documents and all of Grantor’s right, title and interest in all reserves, deferred payments, deposits, refunds and claims of any nature relating to the Mortgaged Property (the **“Deposit Accounts”**), (5) all leases, licenses, concessions, occupancy agreements or other agreements (written or oral, now or at any time in effect) which grant to any person a possessory interest in, or the right to use, all or any part of the Mortgaged Property, together with all related security and other deposits (the **“Leases”**), (6) all of the rents, revenues, royalties, income, proceeds, profits, accounts receivable, security and other types of deposits, and other benefits paid or payable by parties to the Leases for using, leasing, licensing, possessing, operating from, residing in, selling or otherwise enjoying the Mortgaged Property (the **“Rents”**), (7) all other agreements, such as construction contracts, architects’ agreements, engineers’ contracts, utility contracts, maintenance agreements, management agreements, service contracts, listing agreements, guaranties, indemnities, warranties, permits, licenses, certificates and entitlements in any way relating to the construction, use, occupancy, operation, maintenance, enjoyment or ownership of the Mortgaged Property (the **“Property Agreements”**), (8) all property tax refunds payable with respect to the Mortgaged Property (the **“Tax Refunds”**), (9) all accessions, replacements and substitutions for any of the foregoing and all proceeds thereof (the **“Proceeds”**), (10) all insurance policies, unearned premiums therefor and proceeds from such policies covering any of the above property now or hereafter acquired by Grantor (the **“Insurance”**), (11) all awards, damages, remunerations, reimbursements, settlements or compensation heretofore made or hereafter to be made by any governmental authority pertaining to any condemnation or other taking (or any purchase in lieu thereof) of all or any portion of the Land, Improvements, Fixtures or Personalty (the **“Condemnation Awards”**) and (12) any and all right, title and interest of Grantor in and to any and all drawings, plans, specifications, file materials, operating and maintenance records, catalogues, tenant lists, correspondence, advertising materials, operating manuals, warranties, guarantees, appraisals, studies and data relating to the Mortgaged Property or the construction of any alteration relating to the Premises or the maintenance of any Property Agreement (the **“Records”**). As used in this Deed of Trust, the term “Mortgaged Property” shall mean all or, where the context permits or requires, any portion of the above or any interest therein.

(t) **"Nevada Gaming Authorities"**: means collectively, the Nevada Gaming Commission, the Nevada State Gaming Control Board and all other state and local regulatory and licensing bodies with authority over gaming in the State of Nevada and its political subdivisions.

(u) **"Nevada Gaming Laws"**: means all laws pursuant to which any Nevada Gaming Authority possesses regulatory, licensing or permit authority over gaming within the State of Nevada, including, without limitation, the Nevada Gaming Control Act, as codified in NRS Chapter 463, as amended from time to time, and the regulations promulgated thereunder (the **"Gaming Regulations"**), all as amended from time to time.

(v) **"NRS"**: means Nevada Revised Statutes, as amended from time to time.

(w) **"Notes Trustee"**: means the Notes Trustee as defined in the third full paragraph of this Deed of Trust.

(x) **"Obligations"**: means Other First Lien Obligations as defined in the Amended Collateral Agreement.

(y) **"Other First Lien Agreements"**: means Other First Lien Agreements as defined in the Amended Collateral Agreement.

(z) **"Other First Priority Lien Obligations Agent"**: means Other First Priority Lien Obligations Agent as defined in the Second Lien Intercreditor Agreement.

(aa) **"Permitted Liens"**: means Permitted Liens as defined in the Amended Collateral Agreement.

(bb) **"person"**: means Person as defined in the Indenture.

(cc) **"Pledgor"**: means Pledgor as defined in the Amended Collateral Agreement.

(dd) **"Related Parties"**: means Related Parties as defined in the Credit Agreement.

(ee) **"Second Lien Intercreditor Agreement"**: means the Second Lien Intercreditor Agreement as defined in the sixth full paragraph of this Deed of Trust.

(ff) **"Second Priority Agents"**: means Second Priority Agents as defined in the Second Lien Intercreditor Agreement.

(gg) **"Secured Parties"**: means Secured Parties as defined in the Amended Collateral Agreement.

(hh) **"Security Documents"**: means Security Documents as defined in the Amended Collateral Agreement.

(ii) **"State"**: means the State of Nevada.

(jj) **"Subsidiary"**: means Subsidiary as defined in the Indenture.

(kk) **"Subsidiary Pledgor"**: means Subsidiary Pledgor as defined in the Indenture.

(ll) "UCC": means the Uniform Commercial Code of the State or, if the creation, perfection and enforcement of any security interest herein granted is governed by the laws of a state other than the State, then, as to the matter in question, the Uniform Commercial Code in effect in that state.

ARTICLE II GRANT

Section 2.1 Grant. To secure the full and timely payment and performance of the Obligations, for the benefit of the Secured Parties, Grantor GRANTS, PLEDGES, BARGAINS, ASSIGNS, SELLS, CONVEYS and CONFIRMS, to Trustee, its successors and assigns, in trust, with powers of sale for the use and benefit of Beneficiary and hereby grants to Beneficiary (for its benefit and for the benefit of the other Secured Parties) a security interest in and upon all of Grantor's estate, right, title and interest in and to the Mortgaged Property, subject, however, only to the matters that are set forth on Exhibit B attached hereto (the "Permitted Encumbrances") and to Permitted Liens, TO HAVE AND TO HOLD the Mortgaged Property to (i) Trustee and its substitutes and successors, to the same extent the same constitutes real property or an interest therein and (ii) Beneficiary, to the extent the same does not constitute real property or an interest therein, in either case for the benefit of Beneficiary and Beneficiary's successors and assigns, and Grantor does hereby bind itself, its successors and assigns to WARRANT AND FOREVER DEFEND the title to the Mortgaged Property unto each of Trustee and Beneficiary.

Section 2.2 Secured Obligations. This Deed of Trust secures, and the Mortgaged Property is collateral security for, the payment and performance in full when due of the Obligations.

Section 2.3 Future Advances. This Deed of Trust shall secure all Obligations including, without limitation, future advances whenever hereafter made with respect to or under the Indenture, the Notes or any Other First Lien Agreements and shall secure not only Obligations with respect to presently existing indebtedness under the Indenture or the Other First Lien Agreements, but also any and all other indebtedness which may hereafter be owing to the Secured Parties under the Indenture or the Other First Lien Agreements, however incurred, whether interest, discount or otherwise, and whether the same shall be deferred, accrued or capitalized, including future advances and re-advances, pursuant to the Indenture or the Other First Lien Agreements, whether such advances are obligatory or to be made at the option of the Secured Parties, or otherwise, and any extensions, refinancings, modifications or renewals of all such Obligations whether or not Grantor executes any extension agreement or renewal instrument and, in each case, to the same extent as if such future advances were made on the date of the execution of this Deed of Trust.

Section 2.4 Maximum Amount of Indebtedness. The maximum aggregate amount of all indebtedness that is, or under any contingency may be secured at the date hereof or at any time hereafter by this Deed of Trust is Five Billion Dollars \$5,000,000,000 (the "Secured Amount"), plus, to the extent permitted by applicable law, collection costs, sums advanced for the payment of taxes, assessments, maintenance and repair charges, insurance premiums and any other costs incurred to protect the security encumbered hereby or the Lien hereof, and expenses incurred by each of Trustee and Beneficiary by reason of any default by Grantor under the terms hereof, together with interest thereon, all of which amount shall be secured hereby.

Section 2.5 Last Dollar Secured. So long as the aggregate amount of the Obligations exceeds the Secured Amount, any payments and repayments of the Obligations shall not be deemed to be applied against or to reduce the Secured Amount.

Section 2.6 No Release. Nothing set forth in this Deed of Trust shall relieve Grantor from the performance of any term, covenant, condition or agreement on Grantor's part to be performed or observed under or in respect of any of the Mortgaged Property or from any liability to any person under or in respect of any of the Mortgaged Property or shall impose any obligation on Trustee, Beneficiary or any other Secured Party to perform or observe any such term, covenant, condition or agreement on Grantor's part to be so performed or observed or shall impose any liability on Trustee, Beneficiary or any other Secured Party for any act or omission on the part of Grantor relating thereto or for any breach of any representation or warranty on the part of Grantor contained in this Deed of Trust or any other applicable Loan Documents, or under or in respect of the Mortgaged Property or made in connection herewith or therewith. The obligations of Grantor contained in this Section 2.6 shall survive the termination hereof and the discharge of Grantor's other obligations under this Deed of Trust and the other applicable Loan Documents.

ARTICLE III WARRANTIES, REPRESENTATIONS AND COVENANTS

Grantor warrants, represents and covenants to Trustee and Beneficiary as follows:

Section 3.1 Title to Mortgaged Property and Lien of this Instrument. Grantor has good and marketable fee simple title to the Mortgaged Property free and clear of any Liens, except the Permitted Encumbrances and the Permitted Liens. This Deed of Trust creates valid, enforceable first priority Liens and security interests in favor of Beneficiary against the Mortgaged Property for the benefit of the Secured Parties securing the payment and performance of the Obligations subject only to Permitted Encumbrances and Permitted Liens. Upon recordation in the official real estate records in the county (or other applicable jurisdiction) in which the Premises are located, this Deed of Trust will constitute a valid, perfected and enforceable first priority Lien on the Mortgaged Property in favor of Beneficiary for the benefit of the Secured Parties subject only to Permitted Encumbrances and Permitted Liens.

Section 3.2 First Lien Status. Grantor shall preserve and protect the first Lien and security interest status of this Deed of Trust. If any Lien or security interest other than a Permitted Encumbrance or a Permitted Lien is asserted against the Mortgaged Property, Grantor shall promptly, and at its expense, (a) give Beneficiary a detailed written notice of such Lien or security interest (including origin, amount and other terms), and (b) pay the underlying claim in full or take such other commercially reasonable action so as to cause it to be released or contest the same in compliance with the requirements of the Indenture and any other applicable Loan Documents (including, if applicable, the requirement of providing a bond or other security reasonably satisfactory to Beneficiary).

Section 3.3 Replacement of Fixtures and Personalty. Grantor shall not, without the prior written consent of Beneficiary, permit any of the Fixtures or Personalty owned or leased by Grantor to be removed at any time from the Land or Improvements, unless the removed item is removed temporarily for its protection, maintenance or repair or is not prohibited from being removed by the Indenture, Amended Collateral Agreement or any other applicable Loan Document.

Section 3.4 Inspection. Grantor shall permit Beneficiary and its respective agents, representatives and employees or, upon the occurrence and during the continuance of an Event of Default, the Secured Parties, upon reasonable prior notice to Grantor, to inspect the Mortgaged Property and all books and records of Grantor located thereon, and to conduct such environmental and engineering studies as Beneficiary or, upon the occurrence and during the continuance of an Event of Default, the Secured Parties may reasonably require, provided that such inspections and studies shall not materially or unreasonably interfere with the use and operation of the Mortgaged Property (subject to the rights of the Beneficiary and the other Secured Parties under the Amended Collateral Agreement).

Section 3.5 Insurance; Condemnation Awards and Insurance Proceeds.

(a) Insurance. Prior to the date hereof, Grantor has delivered to Beneficiary Federal Emergency Management Agency Standard Flood Hazard Determination Forms for each portion of the Mortgaged Property on which Improvements are located. If any portion of the Mortgaged Property is located in an area designated a "flood hazard area" in any Flood Insurance Rate Map published by the Federal Emergency Management Agency, then Grantor shall obtain flood insurance prior to the date hereof to the extent required to comply with the National Flood Insurance Program as set forth in the Flood Disaster Protection Act of 1973, as it may be amended from time to time. In addition, Grantor shall maintain or cause to be maintained all insurance as required by the applicable Loan Documents.

(b) Condemnation Awards. Grantor shall cause all Condemnation Awards to be applied in accordance with Section 2.07 of the First Lien Intercreditor Agreement prior to the Discharge of Credit Agreement Obligations and thereafter in accordance with Section 11.10 of the Indenture or the equivalent provision of any other applicable Other First Lien Agreement.

(c) Insurance Proceeds. Grantor shall cause all proceeds of any insurance policies insuring against loss or damage to the Mortgaged Property to be applied in accordance with Section 2.07 of the First Lien Intercreditor Agreement prior to the Discharge of Credit Agreement Obligations and thereafter in accordance with Section 11.10 of the Indenture or the equivalent provision of any other applicable Other First Lien Agreement.

(d) Payment of Charges. Grantor shall pay and discharge, or cause to be paid and discharged, from time to time prior to same becoming delinquent, all Charges except to the extent such Charges are Permitted Liens or Permitted Encumbrances. Grantor shall, upon Beneficiary's reasonable written request, deliver to Beneficiary receipts evidencing the payment of all such Charges requiring payment under the provisions of this Section 3.5(d).

ARTICLE IV [*Intentionally Omitted*]

ARTICLE V DEFAULT AND FORECLOSURE

Section 5.1 Remedies. Subject to the First Lien Intercreditor Agreement, upon the occurrence and during the continuance of an Event of Default, Beneficiary (and/or Trustee as so required by applicable law) may, at Beneficiary's election, exercise any or all of the following rights, remedies and recourses:

(a) Acceleration. Subject to any provisions of the applicable Loan Documents providing for the automatic acceleration of the Obligations upon the occurrence of certain Events of Default, declare the Obligations to be immediately due and payable, without further notice, presentment, protest, notice of intent to accelerate, notice of acceleration, demand or action of any nature whatsoever (each of which hereby is expressly waived by Grantor), whereupon the same shall become immediately due and payable.

(b) Entry on Mortgaged Property. Enter the Mortgaged Property and take exclusive possession thereof and of all books, records and accounts relating thereto or located thereon. If Grantor remains in possession of the Mortgaged Property following the occurrence and during the continuance of an Event of Default and without Beneficiary's prior written consent, Beneficiary

(and/or Trustee as so required by applicable law) may invoke any legal remedies to dispossess Grantor.

(c) Operation of Mortgaged Property. Hold, lease, develop, manage, operate, carry on the business thereof or otherwise use the Mortgaged Property upon such terms and conditions as Beneficiary may deem reasonable under the circumstances (making such repairs, alterations, additions and improvements and taking other actions, from time to time, as Beneficiary deems necessary or desirable), and apply all Rents and other amounts collected by Beneficiary in connection therewith in accordance with the provisions of Section 5.7.

(d) Foreclosure and Sale. Institute proceedings for the complete foreclosure of this Deed of Trust by judicial action or by power of sale, in which case the Mortgaged Property may be sold for cash (or, in the case of the Beneficiary, credit) in one or more parcels. With respect to any notices required or permitted under the UCC, Grantor agrees that ten (10) days' prior written notice shall be deemed commercially reasonable. At any such sale by virtue of any judicial proceedings, power of sale, or any other legal right, remedy or recourse, the title to and right of possession of any such property shall pass to the purchaser thereof, and to the fullest extent permitted by law, Grantor shall be completely and irrevocably divested of all of its right, title, interest, claim, equity, equity of redemption, and demand whatsoever, either at law or in equity, in and to the property sold and such sale shall be a perpetual bar both at law and in equity against Grantor, and against all other persons claiming or to claim the property sold or any part thereof, by, through or under Grantor. Beneficiary or any of the other Secured Parties may be a purchaser at such sale. If Beneficiary or such other Secured Party is the highest bidder, Beneficiary or such other Secured Party may credit the portion of the purchase price that would be distributed to Beneficiary or such other Secured Party against the Obligations in lieu of paying cash. In the event this Deed of Trust is foreclosed by judicial action, appraisal of the Mortgaged Property is waived. Beneficiary (and/or Trustee as so required by applicable law) may adjourn from time to time any sale by it to be made under or by virtue hereof by announcement at the time and place appointed for such sale or for such adjourned sale or sales, and Beneficiary (and/or Trustee as so required by applicable law), without further notice or publication, may make such sale at the time and place to which the same shall be so adjourned.

(e) Receiver. Subject to NRS 107.100, make application to a court of competent jurisdiction for, and obtain from such court as a matter of strict right and without notice to Grantor or regard to the adequacy of the Mortgaged Property for the repayment of the Obligations, the appointment of a receiver of the Mortgaged Property, and Grantor irrevocably consents to such appointment. Any such receiver shall have all the usual powers and duties of receivers in similar cases, including the full power to rent, maintain and otherwise operate the Mortgaged Property upon such terms as may be approved by the court, and shall apply such Rents in accordance with the provisions of Section 5.7; provided, however, notwithstanding the appointment of any receiver, Beneficiary shall be entitled as pledgee to the possession and control of any cash, deposits or instruments at the time held by or payable or deliverable under the terms of the applicable Loan Documents to Beneficiary.

(f) Other. Exercise all other rights, remedies and recourses granted under the applicable Loan Documents or otherwise available at law or in equity.

Section 5.2 Separate Sales. The Mortgaged Property may be sold in one or more parcels and in such manner and order as Beneficiary in its sole discretion may elect. The right of sale arising out of any Event of Default shall not be exhausted by any one or more sales.

Section 5.3 Remedies Cumulative, Concurrent and Nonexclusive. Beneficiary and the other Secured Parties shall have all rights, remedies and recourses granted in any applicable Loan Documents and available at law or equity (including the UCC), which rights (a) shall be cumulative and concurrent, (b) may be pursued separately, successively or concurrently against Grantor or others obligated under any applicable Loan Documents, or against the Mortgaged Property, or against any one or more of them, at the sole discretion of Beneficiary or such other Secured Party, as the case may be, (c) may be exercised as often as occasion therefor shall arise, and the exercise or failure to exercise any of them shall not be construed as a waiver or release thereof or of any other right, remedy or recourse, and (d) are intended to be, and shall be, nonexclusive. No action by Trustee, Beneficiary or any other Secured Party in the enforcement of any rights, remedies or recourses under any applicable Loan Documents or otherwise at law or equity shall be deemed to cure any Event of Default.

Section 5.4 Release of and Resort to Collateral. Beneficiary and, at Beneficiary's written direction, Trustee may release, regardless of consideration and without the necessity for any notice to or consent by the holder of any subordinate Lien on the Mortgaged Property, any part of the Mortgaged Property without, as to the remainder, in any way impairing, affecting, subordinating or releasing the Lien or security interest created in or evidenced by any applicable Loan Documents or their status as a first priority Lien and security interest in and to the Mortgaged Property. For payment of the Obligations, Beneficiary may resort to any other security in such order and manner as Beneficiary may elect.

Section 5.5 Appearance, Waivers, Notice and Marshalling of Assets. After the occurrence and during the continuance of any Event of Default and immediately upon the commencement of any action, suit or legal proceedings to obtain judgment for the payment or performance of the Obligations or any part thereof, or of any proceedings to foreclose the Lien and security interest created and evidenced hereby or otherwise enforce the provisions hereof or of any other proceedings in aid of the enforcement hereof, Grantor shall enter its voluntary appearance in such action, suit or proceeding. To the fullest extent permitted by law, Grantor hereby irrevocably and unconditionally waives and releases (a) all benefit that might accrue to Grantor by virtue of any present or future statute of limitations or law or judicial decision exempting the Mortgaged Property from attachment, levy or sale on execution or providing for any stay of execution, exemption from civil process, redemption or extension of time for payment, (b) all notices of any Event of Default or of Beneficiary's election to exercise or the actual exercise of any right, remedy or recourse provided for under any applicable Loan Documents, and (c) any right to a marshalling of assets or a sale in inverse order of alienation. Grantor shall not claim, take or insist on any benefit or advantage of any law now or hereafter in force providing for the valuation or appraisal of the Mortgaged Property, or any part thereof, prior to any sale or sales of the Mortgaged Property which may be made pursuant to this Deed of Trust, or pursuant to any decree, judgment or order of any court of competent jurisdiction. Grantor covenants not to hinder, delay or impede the execution of any power granted or delegated to Trustee or Beneficiary by this Deed of Trust but to suffer and permit the execution of every such power as though no such law or laws had been made or enacted.

Section 5.6 Discontinuance of Proceedings. If Beneficiary or any other Secured Party shall have proceeded to invoke any right, remedy or recourse permitted under any applicable Loan Documents and shall thereafter elect to discontinue or abandon it for any reason, Beneficiary or such other Secured Party, as the case may be, shall have the unqualified right to do so and, in such an event, Grantor, Beneficiary and the other Secured Parties shall be restored to their former positions with respect to the Obligations, the other applicable Loan Documents, the Mortgaged Property and otherwise, and the rights, remedies, recourses and powers of Beneficiary and the other Secured Parties shall continue as if the right, remedy or recourse had never been invoked, but no such discontinuance or abandonment shall waive any Event of Default which may then exist or the right of Beneficiary or any other Secured Party

thereafter to exercise any right, remedy or recourse under any applicable Loan Documents for such Event of Default.

Section 5.7 Application of Proceeds. Subject to the First Lien Intercreditor Agreement, the proceeds of any sale of, and the Rents and other amounts generated by the holding, leasing, management, operation or other use of the Mortgaged Property, shall be applied by Beneficiary (or the receiver, if one is appointed) in the following order unless otherwise required by applicable law:

- (a) FIRST, to the payment of the costs and expenses incurred by Trustee or Beneficiary of taking possession of the Mortgaged Property and of holding, using, leasing, repairing, improving and selling the same, or otherwise in connection with this Deed of Trust, any applicable Loan Document or any of the Obligations, including, without limitation (1) receiver's fees and expenses, including the repayment of the amounts evidenced by any receiver's certificates, (2) all court costs, (3) the reasonable fees and expenses of its agents and legal counsel and Trustee's agents and legal counsel, (4) the repayment of all advances made by Beneficiary or the Notes Trustee hereunder or under any applicable Loan Document on behalf of any Pledgor, (5) any other reasonable costs or expenses incurred in connection with the exercise of any right or remedy hereunder or under any applicable Loan Document, and (6) costs of advertisement;
- (b) SECOND, to the payment and performance in full of the Obligations (the amounts so applied to be distributed among the Secured Parties pro rata in accordance with the respective amounts of the Obligations owed to them on the date of any such distribution); and
- (c) THIRD, the balance, if any, to the persons legally entitled thereto.

Beneficiary shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Deed of Trust. Upon the request of the Beneficiary prior to any distribution under this Section 5.7, each Authorized Representative shall provide to the Beneficiary certificates, in form and substance reasonably satisfactory to Beneficiary, setting forth the respective amounts referred to in this Section 5.7, that each applicable Secured Party or their Authorized Representative believes it is entitled to receive, and the Beneficiary shall be fully entitled to rely on such certificates. Upon any sale of Mortgaged Property by Beneficiary (and/or Trustee as so required by applicable law) (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the purchase money by Beneficiary or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Mortgaged Property so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to Beneficiary or such officer or be answerable in any way for the misapplication thereof.

Section 5.8 Occupancy After Foreclosure. Any sale of the Mortgaged Property or any part thereof in accordance with Section 5.1(d) will divest all right, title and interest of Grantor in and to the property sold. Subject to applicable law, any purchaser at a foreclosure sale will receive immediate possession of the property purchased. If Grantor retains possession of such property or any part thereof subsequent to such sale, Grantor will be considered a tenant at sufferance of the purchaser, and will, if Grantor remains in possession after demand to remove, be subject to eviction and removal, forcible or otherwise, with or without process of law.

Section 5.9 Additional Advances and Disbursements; Costs of Enforcement.

- (a) Upon the occurrence and during the continuance of any Event of Default, Beneficiary and each of the other Secured Parties shall have the right, but not the obligation, to cure

such Event of Default in the name and on behalf of Grantor. All reasonable sums advanced and expenses incurred at any time by Trustee, Beneficiary or any other Secured Party under this Section 5.9, or otherwise under this Deed of Trust or applicable law, shall bear interest from the date that such sum is advanced or expense incurred, to and including the date of reimbursement, computed at the highest rate at which interest is then computed on any portion of the Obligations and all such sums, together with interest thereon, shall be secured by this Deed of Trust.

(b) Grantor shall pay all out-of-pocket expenses (including reasonable attorneys' fees and expenses) of or incidental to the perfection and enforcement of this Deed of Trust or the enforcement, compromise or settlement of the Obligations or any claim under this Deed of Trust, and for the curing thereof, or for defending or asserting the rights and claims of Trustee or Beneficiary in respect thereof, by litigation or otherwise.

Section 5.10 No Beneficiary in Possession. Neither the enforcement of any of the remedies under this Article V, the assignment of the Rents and Leases under Article VI, the security interests under Article VII, nor any other remedies afforded to Beneficiary under any applicable Loan Document, at law or in equity shall cause Beneficiary or any other Secured Party to be deemed or construed to be a mortgagee in possession of the Mortgaged Property, to obligate Beneficiary or any other Secured Party to lease the Mortgaged Property or attempt to do so, or to take any action, incur any expense, or perform or discharge any obligation, duty or liability whatsoever under any of the Leases or otherwise.

ARTICLE VI ASSIGNMENT OF RENTS AND LEASES

Section 6.1 Assignment. Subject to the provisions of NRS Chapter 107A, in furtherance of and in addition to the assignment made by Grantor in Section 2.1 of this Deed of Trust, Grantor hereby absolutely and unconditionally assigns, sells, transfers and conveys to Beneficiary all of its right, title and interest in and to all Leases (but only to the extent permitted under the existing Leases), whether now existing or hereafter entered into, and all of its right, title and interest in and to all Rents. This assignment is an absolute assignment and not an assignment for additional security only. So long as no Event of Default shall have occurred and be continuing, Grantor shall have a revocable license from Beneficiary to exercise all rights extended to the landlord under the Leases, including the right to receive and collect all Rents and to hold the Rents in trust for use in the payment and performance of the Obligations and to otherwise use the same. The foregoing license is granted subject to the conditional limitation that no Event of Default shall have occurred and be continuing. Upon the occurrence and during the continuance of an Event of Default, whether or not legal proceedings have commenced, and without regard to waste, adequacy of security for the Obligations or solvency of Grantor, the license herein granted shall, at the election of Beneficiary, expire and terminate, upon written notice to Grantor by Beneficiary.

Section 6.2 Perfection Upon Recordation. Grantor acknowledges that upon recordation of this Deed of Trust Beneficiary shall have, to the extent permitted under applicable law, a valid and fully perfected, first priority, present assignment of the Rents arising out of the Leases and all security for such Leases. Grantor acknowledges and agrees that upon recordation of this Deed of Trust Beneficiary's interest in the Rents shall be deemed to be fully perfected, "choate" and enforced as to Grantor and to the extent permitted under applicable law, all third parties, including, without limitation, any subsequently appointed trustee in any case under Title 11 of the United States Code (the "**Bankruptcy Code**"), without the necessity of commencing a foreclosure action with respect to this Deed of Trust, making formal demand for the Rents, obtaining the appointment of a receiver or taking any other affirmative action.

Section 6.3 Bankruptcy Provisions. Without limitation of the absolute nature of the assignment of the Rents hereunder, Grantor and Beneficiary agree that (a) this Deed of Trust shall constitute a "security agreement" for purposes of Section 552(b) of the Bankruptcy Code, (b) the security interest created by this Deed of Trust extends to property of Grantor acquired before the commencement of a case in bankruptcy and to all amounts paid as Rents and (c) such security interest shall extend to all Rents acquired by the estate after the commencement of any case in bankruptcy.

Section 6.4 No Merger of Estates. So long as part of the Obligations secured hereby remain unpaid and undischarged, the fee and leasehold estates to the Mortgaged Property shall not merge, but shall remain separate and distinct, notwithstanding the union of such estates either in Grantor, Beneficiary, any tenant or any third party by purchase or otherwise.

ARTICLE VII SECURITY AGREEMENT

Section 7.1 Security Interest. This Deed of Trust constitutes a "security agreement" on personal property within the meaning of the UCC and other applicable law and with respect to the Personalty, Fixtures, Leases, Rents, Deposit Accounts, Property Agreements, Tax Refunds, Proceeds, Insurance, Condemnation Awards and Records. To this end, Grantor grants to Beneficiary a first priority security interest in the Personalty, Fixtures, Leases, Rents, Deposit Accounts, Property Agreements, Tax Refunds, Proceeds, Insurance, Condemnation Awards, Records and all other Mortgaged Property which is personal property to secure the payment and performance of the Obligations, and agrees that Beneficiary shall have all the rights and remedies of a secured party under the UCC with respect to such property. Any notice of sale, disposition or other intended action by Beneficiary with respect to the Personalty, Fixtures, Leases, Rents, Deposit Accounts, Property Agreements, Tax Refunds, Proceeds, Insurance, Condemnation Awards and Records sent to Grantor at least ten (10) days prior to any action under the UCC shall constitute reasonable notice to Grantor. In the event of any conflict or inconsistency whatsoever between the terms of this Deed of Trust and the terms of the Amended Collateral Agreement with respect to the collateral covered both therein and herein, including, but not limited to, with respect to whether any such Mortgaged Property is to be subject to a security interest or the use, maintenance or transfer of any such Mortgaged Property, the Amended Collateral Agreement shall control, govern, and prevail, to the extent of any such conflict or inconsistency. For the avoidance of doubt, no personal property of Grantor that does not constitute "Article 9 Collateral" under and as defined in the Amended Collateral Agreement shall be subject to any security interest of Beneficiary or any Secured Party or constitute collateral hereunder. Notwithstanding anything to the contrary in this Deed of Trust, (i) the amount of Obligations that shall be secured by a Lien in favor of Beneficiary or any Secured Party shall at all times be limited to the maximum amount that is permitted to be secured without equally and ratably securing the Existing Notes in accordance with the terms thereof as in effect on the Issue Date and (ii) for the avoidance of doubt, the provisions of Section 7.25 of the Amended Collateral Agreement shall apply to all the terms and provisions of this Deed of Trust.

Section 7.2 Financing Statements. Grantor shall prepare and deliver to Beneficiary such financing statements, and shall execute and deliver to Beneficiary such other documents, instruments and further assurances, in each case in form and substance reasonably satisfactory to Beneficiary, as Beneficiary may, from time to time, reasonably consider necessary to create, perfect and preserve Beneficiary's security interest hereunder. Grantor hereby irrevocably authorizes Beneficiary to cause financing statements (and amendments thereto and continuations thereof) and any such documents, instruments and assurances to be recorded and filed, at such times and places as may be required or permitted by law to so create, perfect and preserve such security interest. Grantor represents and warrants to Beneficiary that Grantor's jurisdiction of organization is the state of Delaware.

Section 7.3 Fixture Filing. This Deed of Trust shall also constitute a "fixture filing" for the purposes of the UCC against all of the Mortgaged Property which is or is to become fixtures. The information provided in this Section 7.3 is provided so that this Deed of Trust shall comply with the requirements of the UCC for a deed of trust instrument to be filed as a financing statement. Grantor is the "Debtor" and its name and mailing address are set forth in the preamble of this Deed of Trust immediately preceding Article I. Beneficiary is the "Secured Party" and its name and mailing address from which information concerning the security interest granted herein may be obtained are also set forth in the preamble of this Deed of Trust immediately preceding Article I. A statement describing the portion of the Mortgaged Property comprising the fixtures hereby secured is set forth in the definition of "Mortgaged Property" in Section 1.1 of this Deed of Trust. Grantor represents and warrants to Beneficiary that Grantor is the record owner of the Mortgaged Property.

ARTICLE VIII MISCELLANEOUS

Section 8.1 Notices. All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in Section 13.02 of the Indenture, except that all communications and notices given to Grantor shall be given to it in care of the Borrower, with such notice to be given as provided in Section 13.02 of the Indenture.

Section 8.2 Covenants Running with the Land. All grants, covenants, terms, provisions and conditions contained in this Deed of Trust are intended by Grantor, Trustee and Beneficiary to be, and shall be construed as, covenants running with the Land. As used herein, "Grantor" shall refer to the party named in the first paragraph of this Deed of Trust and to any subsequent owner of all or any portion of the Mortgaged Property. All persons who may have or acquire an interest in the Mortgaged Property shall be deemed to have notice of, and be bound by, the terms of the Amended Collateral Agreement and the other applicable Loan Documents; provided, however, that no such party shall be entitled to any rights thereunder without the prior written consent of Beneficiary.

Section 8.3 Attorney-in-Fact. Subject to the terms of the First Lien Intercreditor Agreement, Grantor hereby irrevocably appoints Beneficiary as its attorney-in-fact, which agency is coupled with an interest and with full power of substitution, with full authority in the place and stead of Grantor and in the name of Grantor or otherwise (a) to execute and/or record any notices of completion, cessation of labor or any other notices that Beneficiary reasonably deems appropriate to protect Beneficiary's interest, if Grantor shall fail to do so within ten (10) days after written request by Beneficiary, (b) upon the issuance of a deed pursuant to the foreclosure of this Deed of Trust or the delivery of a deed in lieu of foreclosure, to execute all instruments of assignment, conveyance or further assurance with respect to the Leases, Rents, Deposit Accounts, Property Agreements, Tax Refunds, Proceeds, Insurance, Condemnation Awards and Records in favor of the grantee of any such deed and as may be necessary or desirable for such purpose, (c) to prepare and file or record financing statements and continuation statements, and to prepare, execute and file or record applications for registration and like papers necessary to create, perfect or preserve Beneficiary's security interests and rights in or to any of the Mortgaged Property, and (d) after the occurrence and during the continuance of any Event of Default, to perform any obligation of Grantor hereunder; provided, however, that (1) Beneficiary shall not under any circumstances be obligated to perform any obligation of Grantor; (2) any sums advanced by Beneficiary in such performance shall be added to and included in the Obligations and shall bear interest at the highest rate at which interest is then computed on any portion of the Obligations; (3) Beneficiary as such attorney-in-fact shall only be accountable for such funds as are actually received by Beneficiary and Trustee; and (4) Beneficiary shall not be liable to Grantor or any other person or entity for any failure to take any action which it is empowered to take under this Section 8.3. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof.

Section 8.4 Successors and Assigns. Whenever in this Deed of Trust Grantor, Trustee or Beneficiary are referred to, such reference shall be deemed to include the permitted successors and assigns of each of them; and all covenants, promises and agreements by or on behalf of Grantor that are contained in this Deed of Trust shall bind its respective permitted successors and assigns and inure to the benefit of Trustee and Beneficiary and each of their successors and assigns. Beneficiary and Collateral Agent hereunder shall at all times be the same person that is the Collateral Agent under the Amended Collateral Agreement. Written notice of resignation by the Collateral Agent as Collateral Agent pursuant to the Amended Collateral Agreement shall also constitute notice of resignation as Beneficiary and Collateral Agent under this Deed of Trust. Upon the acceptance of any appointment as the Collateral Agent under the Amended Collateral Agreement by a successor Collateral Agent, that successor Collateral Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Beneficiary and Collateral Agent pursuant hereto. Grantor shall not make or permit to be made a sale, conveyance, lease, assignment, transfer or other disposition of the Mortgaged Property, except as expressly permitted by the Indenture. Notwithstanding the foregoing, if Beneficiary shall have notified Grantor that an Event of Default under clause (a), (b) or (e) of Section 6.01 of the Indenture or the equivalent provision of any Other First Lien Agreement shall have occurred and be continuing, and during the continuance thereof, Grantor shall not sell, convey, lease, assign, transfer or otherwise dispose of any Mortgaged Property to the extent requested by Beneficiary (which notice may be given by telephone if promptly confirmed in writing).

Section 8.5 Waivers; Amendments.

(a) No failure or delay by Beneficiary or any other Secured Party in exercising any right, power or remedy hereunder or under any other applicable Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy, or any abandonment or discontinuance of steps to enforce such a right, power or remedy, preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies of Beneficiary and any other Secured Party hereunder and under the other applicable Loan Documents are cumulative and are not exclusive of any rights, powers or remedies that they would otherwise have. No waiver of any provision of this Deed of Trust or consent to any departure by Grantor therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section 8.5, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on Grantor in any case shall entitle Grantor to any other or further notice or demand in similar or other circumstances.

(b) Neither this Deed of Trust nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Beneficiary and Grantor (and, if required by law, Trustee) subject to any consent required in accordance with Section 7.09 of the Amended Collateral Agreement, except in each case as otherwise provided in the First Lien Intercreditor Agreement.

Section 8.6 WAIVER OF JURY TRIAL. GRANTOR HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS DEED OF TRUST OR ANY OTHER APPLICABLE LOAN DOCUMENTS. GRANTOR HERETO CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF BENEFICIARY OR ANY OTHER SECURED PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT BENEFICIARY OR SUCH OTHER SECURED PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER.

Section 8.7 Termination or Release.

(a) The Liens and security interests created by this Deed of Trust shall automatically terminate and/or be released all without delivery of any instrument or performance of any act by Trustee or Beneficiary, and all rights to the Mortgaged Property shall automatically revert to Grantor, as of the date when all the Obligations (other than contingent or unliquidated obligations or liabilities not then due) have been paid in full in cash or immediately available funds.

(b) Grantor shall automatically be released from its obligations hereunder and the security interests in the Mortgaged Property of such Grantor shall be automatically released upon the consummation of any transaction permitted by the Indenture and not prohibited by any other applicable Loan Document as a result of which such Grantor ceases to be the Borrower or a Subsidiary or otherwise ceases to be the Borrower or a Subsidiary Pledgor, all without delivery of any instrument or performance of any act by Trustee or Beneficiary, and all rights to the Mortgaged Property shall automatically revert to such Grantor.

(c) Upon any sale or other transfer by any Grantor of any of the Mortgaged Property that is permitted under the Indenture and not prohibited by any other applicable Loan Document to any person that is not the Borrower or a Subsidiary Pledgor (including in connection with an event of loss), or upon the effectiveness of any written consent to the release of the security interest granted hereby in any Mortgaged Property pursuant to Section 7.09 of the Amended Collateral Agreement, the security interest in such Mortgaged Property shall be automatically released, all without delivery of any instrument or performance of any act by Trustee or Beneficiary.

(d) The Liens and security interest created by this Deed of Trust shall be automatically released as to all or any portion of the Mortgaged Property following the delivery of a Project Notice (as defined in the Credit Agreement) to the Administrative Agent that is applicable to all or any portion of the Mortgaged Property, in each case upon the release of the security interest securing the applicable Obligations in respect of such Mortgaged Property.

(e) If any of the Mortgaged Property shall become subject to the release provisions set forth in Section 2.04 of the First Lien Intercreditor Agreement, the deed of trust Lien and security interest in such Mortgaged Property granted hereby shall be released to the extent provided therein.

(f) In connection with any termination or release pursuant to this Section 8.7 or Section 11.04 of the Indenture or the applicable provision of any other applicable Loan Document, Beneficiary and/or Trustee (as so required by applicable law) shall execute and deliver to Grantor, at such Grantor's expense, all documents that such Grantor shall reasonably request to evidence such termination or release (including, without limitation, deed of trust releases or UCC termination statements), and will duly assign and transfer to Grantor, such of the Mortgaged Property that may be in the possession of Trustee or Beneficiary and has not theretofore been sold or otherwise applied or released pursuant to this Deed of Trust. Any execution and delivery of documents pursuant to this Section 8.7 shall be without recourse to or warranty by Trustee and Beneficiary. Fees and expenses of Collateral Agent shall survive the termination or release of this Deed of Trust, as provided in Section 8.19(c) of this Deed of Trust.

Section 8.8 Waiver of Stay, Moratorium and Similar Rights. Grantor agrees, to the full extent that it may lawfully do so, that it will not at any time insist upon or plead or in any way take advantage of any stay, marshalling of assets, extension, redemption or moratorium law now or

hereafter in force and effect so as to prevent or hinder the enforcement of the provisions of this Deed of Trust or the Obligations secured hereby, or any agreement between Grantor and Beneficiary or any rights or remedies of Beneficiary or any other Secured Party.

Section 8.9 Applicable Law. The provisions of this Deed of Trust shall be governed by and construed under the laws of the state in which the Mortgaged Property is located.

Section 8.10 Headings. The Article, Section and Subsection titles hereof are inserted for convenience of reference only and shall in no way alter, modify or define, or be used in construing, the text of such Articles, Sections or Subsections.

Section 8.11 Severability. In the event any one or more of the provisions contained in this Deed of Trust should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. Grantor and Beneficiary shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 8.12 Entire Agreement. This Deed of Trust and the other applicable Loan Documents embody the entire agreement and understanding between Grantor, Trustee and Beneficiary relating to the subject matter hereof and thereof and supersede all prior agreements and understandings between such parties relating to the subject matter hereof and thereof. Accordingly, the applicable Loan Documents may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

Section 8.13 Beneficiary as Collateral Agent. Beneficiary has been appointed to act as Collateral Agent pursuant to the Amended Collateral Agreement. Beneficiary shall have the right hereunder to make demands, to give notices, to exercise or refrain from exercising any rights, and to take or refrain from taking any action (including, without limitation, the release or substitution of the Mortgaged Property) in accordance with the terms of the other applicable Loan Documents and this Deed of Trust. Grantor and all other persons shall be entitled to rely on releases, waivers, consents, approvals, notifications and other acts of Beneficiary, without inquiry into the existence of required consents or approvals of the Secured Parties therefor.

Section 8.14 Recording Documentation To Assure Security. Grantor shall, forthwith after the execution and delivery hereof and thereafter, from time to time, cause this Deed of Trust and any financing statement, continuation statement or similar instrument relating to any of the Mortgaged Property or to any property intended to be subject to the Lien hereof or the security interests created hereby to be filed, registered and recorded in such manner and in such places as may be required by any present or future law and shall take such actions as Beneficiary shall reasonably deem necessary in order to publish notice of and fully to protect the validity and priority of the Liens, assignment, and security interests purported to be created upon the Mortgaged Property and the interest and rights of Beneficiary therein. Grantor shall pay or cause to be paid all taxes and fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment thereof, and of any instrument of further assurance, and all Federal or state stamp taxes or other taxes, duties and charges arising out of or in connection with the execution and delivery of such instruments. In the event Trustee or Beneficiary advances any sums to pay the amounts set forth in the preceding sentence, such advances shall be secured by this Deed of Trust.

Section 8.15 Further Acts. Grantor shall, at the sole cost and expense of Grantor, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, deeds of trust, mortgages, assignments, notices of assignment, transfers, financing statements, continuation statements, instruments and assurances as Trustee or Beneficiary shall from time to time reasonably request, which may be necessary in the reasonable judgment of Beneficiary from time to time to assure, perfect, convey, assign, pledge, transfer and confirm unto Trustee and Beneficiary, the property and rights hereby conveyed or assigned or which Grantor may be or may hereafter become bound to convey or assign to Trustee and Beneficiary or for carrying out the intention or facilitating the performance of the terms hereof or the filing, registering or recording hereof. In the event Grantor shall fail after written demand to execute any instrument or take any action required to be executed or taken by Grantor under this Section 8.15, Trustee or Beneficiary may execute or take the same as the attorney-in-fact for Grantor, such power of attorney being coupled with an interest and is irrevocable. Grantor shall pay or cause to be paid all taxes and fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment thereof, and of any instrument of further assurance, and all Federal or state stamp taxes or other taxes, duties and charges arising out of or in connection with the execution and delivery of such instruments. In the event Trustee or Beneficiary advances any sums to pay the amounts set forth in the preceding sentence, such advances shall be secured by this Deed of Trust.

Section 8.16 Additions to Mortgaged Property. All right, title and interest of Grantor in and to all extensions, amendments, relocations, restakings, improvements, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Mortgaged Property hereafter acquired by or released to Grantor or constructed, assembled or placed by Grantor upon the Land, and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case without any further pledge, mortgage, conveyance, assignment or other act by Grantor, shall become subject to the Lien and security interest of this Deed of Trust as fully and completely and with the same effect as though now owned by Grantor and specifically described in the grant of the Mortgaged Property above, but at any and all times Grantor will execute and deliver to Beneficiary any and all such further assurances, mortgages, deeds of trust, conveyances or assignments thereof as Beneficiary may reasonably require for the purpose of expressly and specifically subjecting the same to the Lien and security interest of this Deed of Trust.

Section 8.17 Relationship. The relationship of Beneficiary to Grantor hereunder is strictly and solely that of creditor and debtor and grantor and beneficiary and nothing contained in any other applicable Loan Documents, including without limitation, the Indenture, the Amended Collateral Agreement, this Deed of Trust or any other document or instrument now existing and delivered in connection therewith or otherwise in connection with the Obligations is intended to create, or shall in any event or under any circumstance be construed as creating a partnership, joint venture, tenancy-in-common, joint tenancy or other relationship of any nature whatsoever between Beneficiary and Grantor other than as creditor and debtor and grantor and beneficiary.

Section 8.18 No Claims Against Beneficiary. Nothing contained in this Deed of Trust shall constitute any consent or request by Beneficiary, express or implied, for the performance of any labor or services or the furnishing of any materials or other property in respect of the Mortgaged Property or any part thereof, nor as giving Grantor any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in such fashion as would permit the making of any claim against Beneficiary in respect thereof or any claim that any Lien based on the performance of such labor or services or the furnishing of any such materials or other property is prior to the Lien hereof.

Section 8.19 Beneficiary's Fees and Expenses; Indemnification.

(a) The parties hereto agree that the Collateral Agent shall be entitled to reimbursement of its expenses incurred hereunder as provided in Section 9.05 of the Credit Agreement and the equivalent provision of each Other First Lien Agreement.

(b) Without limitation of its indemnification obligations under the other applicable Loan Documents, Grantor agrees to indemnify Beneficiary and the other Indemnitees (as defined in Section 9.05 of the Credit Agreement) (or such equivalent term as may be used in any Other First Lien Agreement) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including reasonable counsel fees, charges and disbursements (limited to not more than one counsel, plus, if necessary, one local counsel per jurisdiction) (except the allocated costs of in-house counsels), incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of, (i) the execution or delivery of this Deed of Trust or any other applicable Loan Document or any agreement or instrument contemplated hereby or thereby, the Supplement to the Windstorm Insurance Intercreditor Agreement, dated as of June 10, 2009, made by U.S. Bank National Association in favor of JPMorgan Chase Bank, N.A., the performance by the parties hereto and thereto of their respective obligations thereunder or the consummation of the Transactions (as defined in the Credit Agreement) and other transactions contemplated hereby (including in connection with the appointment of any successor Collateral Agent in accordance with the applicable Loan Documents and in connection with any filings, registrations or any other actions to be taken to reflect the security interest of such successor Collateral Agent), (ii) the use of proceeds of the applicable Loans or any Other First Lien Obligations or (iii) any claim, litigation, investigation or proceeding relating to any of the foregoing, or to the Collateral, whether or not any Indemnitee is a party thereto and regardless of whether such matter is initiated by a third party or any Pledgor; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from (1) the gross negligence or willful misconduct of such Indemnitee (for purpose of this proviso only, each of the Beneficiary, Trustee and any Secured Party shall be treated as several and separate Indemnitees, but each of them together with its respective Related Parties, shall be treated as a single Indemnitee) or (2) any material breach of any applicable Loan Document by such Indemnitee.

(c) Any such amounts payable as provided hereunder shall be additional Obligations secured hereby and by the other Security Documents. The provisions of this Section 8.19 shall remain operative and in full force and effect regardless of the termination of this Deed of Trust or any other applicable Loan Document, the consummation of the transactions contemplated hereby, the repayment of any of the Obligations, the invalidity or unenforceability of any term or provision of this Deed of Trust or any other applicable Loan Document, or any investigation made by or on behalf of Beneficiary or any other Secured Party. All amounts due under this Section 8.19 shall be payable on written demand therefor.

Section 8.20 Jurisdiction; Consent to Service of Process. (a) Grantor hereby irrevocably and unconditionally submits, for itself and its property, to the non-exclusive jurisdiction of any New York State court or federal court of the United States of America sitting in New York County, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Deed of Trust, or for recognition or enforcement of any judgment, and Grantor hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such federal court. Grantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Deed

of Trust shall affect any right that Beneficiary or any other Secured Party may otherwise have to bring any action or proceeding relating to this Deed of Trust against Grantor, the Mortgaged Property, the Collateral, or Grantor's properties, in the courts of any jurisdiction.

(b) Grantor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Deed of Trust or any other applicable Loan Document in any New York State or federal court of the United States of America sitting in New York County, and any appellate court from any thereof. Grantor hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Grantor irrevocably consents to service of process in the manner provided for notices in Section 8.1 of this Deed of Trust. Nothing in this Deed of Trust or any applicable Loan Document will affect the right of Trustee, Beneficiary or any other Secured Party to serve process in any other manner permitted by law.

Section 8.21 Subject to First Lien Intercreditor Agreement. Notwithstanding anything herein to the contrary, (i) the liens and security interests granted herein to the Trustee and Beneficiary pursuant to this Deed of Trust are expressly subject to the First Lien Intercreditor Agreement, and (ii) the exercise of any right or remedy by the Trustee or Beneficiary hereunder is subject to the limitations and provisions of the First Lien Intercreditor Agreement. In the event of any conflict between the terms of the First Lien Intercreditor Agreement and this Deed of Trust, the terms of the First Lien Intercreditor Agreement shall govern.

Section 8.22 Second Lien Intercreditor Agreement. The liens and security interests granted to U.S. Bank National Association as collateral agent (and its permitted successors), for the benefit of the secured parties under the Second Lien Notes, pursuant to that certain Second Lien Deed of Trust, Security Agreement, Assignment of Rents and Leases and Fixture Filing dated as of December 24, 2008, recorded on December 30, 2008, recorded as Document No. 3715997 in the Official Records of Washoe County of the State, and as amended by that certain First Amendment to Second Lien Deed of Trust, Security Agreement, Assignment of Rents and Leases and Fixture Filing dated effective as of April 15, 2009, recorded on April 16, 2009, recorded as Document No. 3749841 in the Official Records of Washoe County of the State (as further amended, amended and restated, supplemented or otherwise modified from time to time) are expressly subject and subordinate to the Liens and security interests granted to Collateral Agent for the benefit of the Secured Parties identified herein. The terms and provisions of the Second Lien Intercreditor Agreement (being recorded simultaneously with this Deed of Trust) control the rights of the respective Secured Parties with respect to the Mortgaged Property.

ARTICLE IX REGARDING TRUSTEE

Section 9.1 Trustee's Powers and Liabilities. Trustee, by acceptance hereof, covenants faithfully to perform and fulfill the trusts herein created, being liable, however, only for gross negligence, bad faith or willful misconduct, and hereby waives any statutory fee for any services rendered by it in accordance with the terms thereof. All authorities, powers and discretions given in this Deed of Trust to Trustee and/or Beneficiary may be exercised by either, without the other, with the same effect as if exercised jointly;

Trustee may resign at any time upon giving thirty (30) days' notice in writing to Grantor and to Beneficiary;

Beneficiary may remove Trustee at any time or from time to time and select a successor trustee. In the event of the death, removal, resignation, refusal to act, inability to act or absence of Trustee from the state in which the Premises are located, or in its sole discretion for any reason whatsoever. Beneficiary may, upon notice to the Grantor and without specifying the reason therefore and without applying to any court, select and appoint a successor trustee, and all powers, rights, duties and authority of the former trustee, as aforesaid, shall thereupon become vested in such successor. Such substitute trustee shall not be required to give bond for the faithful performance of his duties unless required by Beneficiary. Such substitute trustee shall be appointed by written instrument duly recorded in the county where the Land is located. Grantor hereby ratifies and confirms any and all acts that the herein named Trustee, or his successor or successors in this trust, shall do lawfully by virtue hereof. Grantor hereby agrees, on behalf of itself and its heirs, executors, administrators and assigns, that the recitals contained in any deed or deeds executed in due form by any Trustee or substitute trustee, acting under the provisions of this instrument, shall be prima facie evidence of the facts recited, and that it shall not be necessary to prove in any court, otherwise than by such recitals, the existence of the facts essential to authorize the execution and delivery of such deed or deeds and the passing of title thereby;

Trustee shall not be required to see that this Deed of Trust is recorded nor liable for its validity or its priority as a first deed of trust, or otherwise, nor shall Trustee be answerable or responsible for performance or observance of the covenants and agreements imposed upon Grantor or Beneficiary by this Deed of Trust or any other agreement. Trustee, as well as Beneficiary, shall have authority in their respective discretion to employ agents and attorneys in the execution of this trust and to protect the interest of the Beneficiary hereunder, and to the fullest extent permitted by law they shall be compensated and all expenses relating to the employment of such agents and/or attorneys, including expenses of litigation, shall be paid out of the proceeds of the sale of the Mortgaged Property conveyed hereby should a sale be had, but if no such sale be had, all sums so paid out shall be recoverable to the fullest extent permitted by law by all remedies at law or in equity; and

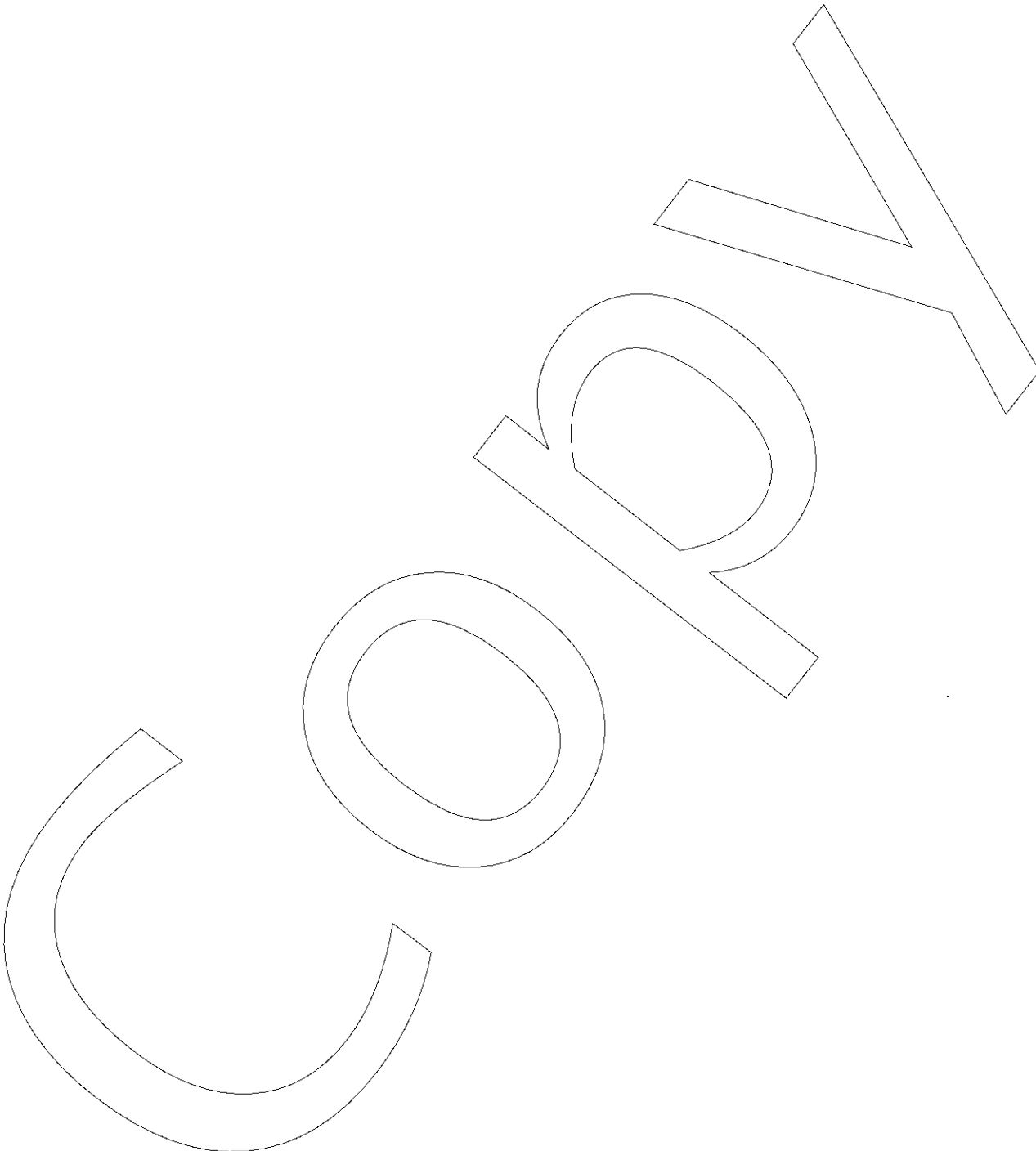
At any time, or from time to time, without liability therefore and with ten (10) day's prior written notice to Grantor, upon written request of Beneficiary and without affecting the effect of this Deed of Trust upon the remainder of the Mortgaged Property, Trustee may (A) reconvey any part of the Mortgaged Property, (B) consent in writing to the making of any map or plat thereof, so long as Grantor has consented thereto, (C) join in granting any easement thereon, so long as Grantor has consented thereto, or (D) join in any extension agreement or any agreement subordinating the Lien or charge hereof.

ARTICLE X LOCAL LAW PROVISIONS

Section 10.1 Local Law Provisions. Notwithstanding anything herein to the contrary, all rights, remedies and powers provided in this Deed of Trust may be exercised only to the extent that the exercise thereof does not violate any applicable provision of Nevada Gaming Laws and all provisions of this Deed of Trust are intended to be subject to all applicable mandatory provisions of the Nevada Gaming Laws which may be controlling and to be limited to the extent necessary so that they will not render this Deed of Trust invalid or unenforceable, in whole or in part.

Section 10.2 Uniform Power of Attorney Act. Notwithstanding anything herein to the contrary, the provisions of this Deed of Trust are subject to the Uniform Power of Attorney Act, Chapter 64, Statutes of Nevada (2009).

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IN WITNESS WHEREOF, Grantor has on the date set forth in the acknowledgement hereto, effective as of the date first above written, caused this instrument to be duly EXECUTED AND DELIVERED by authority duly given.

GRANTOR:

Harrah's Operating Company, Inc.,
a Delaware corporation

By: _____


Name: Jonathan S. Halkyard
Title: Senior Vice President,
Chief Financial Officer & Treasurer

CORPORATE

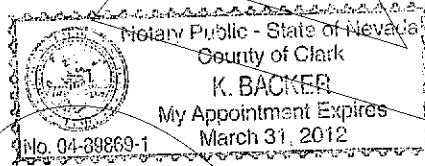
S-1

[HARRAH'S RENO]

State of Nevada)
County of Clark) ss.

This instrument was acknowledged before me on June 2, 2009 by Jonathan S. Halkyard as Senior Vice President, Chief Financial Officer & Treasurer of Harrah's Operating Company, Inc.

K Backer
(Signature of notarial officer)



C O R P

N-1

[HARRAH'S RENO]

EXHIBIT A

LEGAL DESCRIPTION

Legal Description of premises commonly known as Harrah's Reno Casino and located at 206 and 210 North Virginia Street, 200, 201, 209 and 219 North Center Street, Reno, Nevada 89501.

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF WASHOE, STATE OF NEVADA, AND IS DESCRIBED AS FOLLOWS:

All that certain real property situate in the County of Washoe, State of Nevada, described as follows:

PARCEL 1A:

The Northerly 36 feet of Lot 2, and the Southerly 35 feet of Lot 3 in Block P of ORIGINAL TOWN, NOW CITY OF RENO, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on June 27, 1871.

PARCEL 1B:

All that portion of Lincoln Alley granted by Order of Abandonment recorded March 19, 1990, as Document No. 1386768, Official Records Washoe County, State of Nevada.

APN: 011-052-32

PARCEL 2A:

Lot 1 and the South 14 feet of Lot 2, in Block P of ORIGINAL TOWN, NOW CITY OF RENO, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on June 27, 1871.

PARCEL 2B:

All that portion of Lincoln Alley granted by Order of Abandonment recorded March 19, 1990, as Document No. 1386768, Official Records Washoe County, State of Nevada.

APN: 011-052-33

PARCEL 3A:

Lots 7, 8, 9, 10, 11 and 12 in Block P of ORIGINAL TOWN, NOW CITY OF RENO, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on June 27, 1871.

PARCEL 3B:

All that portion of East Douglas Alley and Lincoln Alley granted by Order of Abandonment recorded February 22, 2000, as Document No. 2423996, and Lincoln Alley granted by Order of Abandonment recorded March 19, 1990, as Document No. 1386768, Official Records Washoe County, State of Nevada

APNS: 011-052-35, 011-052-36 and 011-052-44

PARCEL 4:

Portions of public streets within the City of Reno, as shown on the official map of Town of Reno, Washoe County, Nevada, August 1, 1868, being more particularly described as follows:

Beginning at the southwesterly corner of Lot 13 of Block P of the Town of Reno and proceeding thence in a southerly direction along the westerly line of said Block to the southwesterly corner of said Block;

Thence proceeding along the southerly line of said Block in an easterly direction to the southeasterly corner of said Block;

Thence proceeding along the easterly line of said block corner in a northerly direction to the southeasterly of Lot 24 of said Block;

Thence proceeding along the easterly prolongation of the southerly line of said Lot 24 to the centerline of North Center Street;

Thence along said line in a southerly direction to the centerline of East Second Street;

Thence along said line in a westerly direction to the centerline of North Virginia Street;

Thence along said line a northerly direction to the westerly prolongation of the southerly line of said Lot 13;

Thence along said line in an easterly direction to the TRUE POINT OF BEGINNING.

(THE ABOVE METES AND BOUNDS DESCRIPTION IS THE SAME THAT APPEARS IN THAT DEED RECORDED ON AUGUST 26, 2003 AS DOCUMENT NO. 2910777.)

PARCEL 5:

Portions of public streets and alleys within the City of Reno as shown on the Official Map of the Town of Reno, Washoe County, Nevada, August 1, 1868, being more particularly described as follows:

Beginning at the southwesterly corner of Block Q of the Town of Reno and proceeding thence in an easterly direction along southerly line of said Block to the southeasterly corner of said Block;

Thence along the easterly line of said Block in a northerly direction 230 feet;

Thence in a westerly direction along a line parallel to the southerly line of said block 160 feet;

Thence along a line parallel to the easterly line of said Block in a northerly direction 90 feet, to a point on the southerly line of Lot 16 of said Block;

Thence in an easterly direction along the southerly lines of Lots 16, 17, 18, 19, 20, 21 and 22, 160 feet to the southeasterly corner of Lot 22 of said Block;

Thence along the easterly line of said Lot in a northerly direction 50 feet;

Thence along the line parallel to the southerly line of said Block in an easterly direction to a point on the centerline of Lake Street;

Thence along said line in a southerly direction 60 feet;

Thence in a westerly direction along the line parallel to the southerly line of said Block 190 feet;

Thence along a line parallel to the easterly line of said Block in a southerly direction 70 feet;

Thence along a line parallel with the southerly line of said Block in an easterly direction 190 feet, to a point on the centerline of Lake Street;

Thence along said line in a southerly direction to the center line of East Second Street;

Thence along said line in a westerly direction to the centerline of North Center Street;

Thence along said line in a northerly direction 320 feet;

Thence easterly along a line parallel to the southerly line of said Block to a point on the westerly of said Block;

Thence along said line in a southerly direction 320 feet to the TRUE POINT OF BEGINNING.

(THE ABOVE METES AND BOUNDS DESCRIPTION IS THE SAME THAT APPEARS IN THAT DEED RECORDED ON AUGUST 26, 2003 AS DOCUMENT NO. 2910777.)

PARCEL 6:

Commencing at the Northeast corner of Second Street and Center Street, the same being the Southwest corner of Block Q of ORIGINAL TOWN, NOW CITY OF RENO, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on June 27, 1871; thence Northerly along the East line of North Center Street, a distance of 51'3"; thence Easterly a distance of 86 feet to a point 52'6" North of the North side line of Second Street; thence Easterly parallel with the North side line of Second Street, 54 feet to the West line of an alley running Northerly and Southerly through said Block Q; thence Southerly along the West line of said alley to the North side line of Second Street; thence Westerly along the North side line of said Second Street a distance of 140 feet to the point of beginning.

APN: 011-071-09

(THE ABOVE METES AND BOUNDS DESCRIPTION IS THE SAME THAT APPEARS IN THAT DEED RECORDED ON JULY 3, 1995 IN BOOK 4335, PAGE 0071, AS DOCUMENT NO. 1905522.)

PARCEL 7A:

Lot 3 in Block Q of ORIGINAL TOWN, NOW CITY OF RENO, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on June 27, 1871.

PARCEL 7B:

The West one-half of that portion of the North-South alley vacated by the City of Reno, by Order of Abandonment recorded October 29, 1979 in Book 1445, Page 215, File No. 638561, Official Records, and re-recorded November 8, 1979 in Book 1448, Page 951, File No. 640621, Official Records which lies Easterly of the Northerly and Southerly extension of the Easterly line of Lot 3 in Block Q of ORIGINAL TOWN, NOW CITY OF RENO, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on June 27, 1871.

APN: 011-071-25

PARCEL 8A:

Portion of Block Q of ORIGINAL TOWN, NOW CITY OF RENO, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on June 27, 1871, being more particularly described as follows:

Beginning at a point on the Easterly line of Center Street, 1'3" Northerly from the Southwest corner of Lot 2 of said Block Q; thence Easterly 86 feet to a point 52'6" Northerly from the North line of Second Street; thence Easterly parallel with the North line of Second Street, 54 feet to the West line of an alley running Northerly and Southerly through said Block Q; thence Northerly along the West line of said alley 47'6" to the Northeast corner of Lot 2 in said Block Q; thence Westerly along the North line of said Lot 2 a distance of 140 feet to the East line of Center Street; thence Southerly along the East line of Center Street, a distance of 48'9" to the point of beginning.

PARCEL 8B:

Lots 4 and 5 in Block Q of ORIGINAL TOWN, NOW CITY OF RENO, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on June 27, 1871.

PARCEL 8C:

Lots 8, 9 and 10 in Block Q of ORIGINAL TOWN, NOW CITY OF RENO, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on June 27, 1871.

EXCEPTING THEREFROM that portion of Lot 10 conveyed to the City of Reno and described in Deed of Dedication recorded January 19, 1995 in Book 4231, Page 972 as Document No. 1865294 of Official Records.

PARCEL 8D:

Lot 7 in Block Q of ORIGINAL TOWN, NOW CITY OF RENO, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on June 27, 1871.

EXCEPTING THEREFROM the North 20 feet of said Lot 7, conveyed to the City of Reno, by Quitclaim Deed recorded September 18, 1979 in Book 1430, page 962, File No. 630152, Official Records.

PARCEL 8E:

Lots 11 through 22, inclusive in Block Q of ORIGINAL TOWN, NOW CITY OF RENO, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on June 27, 1871.

PARCEL 8F:

That portion of the North-South alley vacated by the City of Reno, by Order of Abandonment, recorded October 29, 1979 in Book 1445, Page 215, File No. 638561, Official Records, and re-

recorded November 8, 1979 in Book 1448, page 951, File No. 640621, Official Records, described as follows:

Beginning at the Southeast corner of Lot 1 in Block Q of ORIGINAL TOWN, NOW CITY OF RENO, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on June 27, 1871; thence along the Easterly ends of the tier of lots to a point in the Easterly end of Lot 4, 180 feet Northerly of said point of beginning; thence Easterly at a right angle 20 feet to a point in the Westerly end of Lot 7, 20 feet Southerly of the Northwest corner thereof; thence along the Westerly ends of the tier of lots, 180 feet to the Southwesterly corner of Lot 10 in said block; thence at a right angle of 20 feet to the point of beginning.

EXCEPTING THEREFROM that portion of the West one-half of said vacated alley which lies Easterly of the Northerly and Southerly extension of the Easterly line of Lot 3 in Block Q of ORIGINAL TOWN, NOW CITY OF RENO, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on June 27, 1871.

PARCEL 8G:

That portion of the East-West alley vacated by the City of Reno by Order of Abandonment, recorded October 29, 1979 in Book 1445, page 215, File No. 638561 and re-recorded November 8, 1979 in Book 1448, page 951, File No. 640621, Official Records, described as follows:

Beginning at the Southwest corner of Lot 11 in Block Q of ORIGINAL TOWN, NOW CITY OF RENO, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on June 27, 1871; thence along the Southerly ends of the tier of lots to a point in the Southerly end of Lot 16, 140 feet Easterly of said point of beginning; thence Southerly at a right angle 20 feet to the Northeasterly corner of Lot 5 of said Block; thence along the Northerly line of said Lot 5, 140 feet to the Northwesterly corner of said Lot 5; thence at right angle 20 feet to the point of beginning.

APN: 011-071-26

The entire legal description set forth above as Parcels 1A, 1B, 2A, 2B, 3A, 3B, 4, 5, 6, 7A, 7B, 8A, 8B, 8C, 8D, 8E, 8F AND 8G appeared previously in Document Number 3715997 is provided pursuant to the requirements of Section 1.NRS 111.312

EXHIBIT B

PERMITTED ENCUMBRANCES

Each of the Liens and other encumbrances excepted as being prior to the Lien hereof as set forth in Schedule B to the marked Pro Forma Policy issued by Chicago Title Insurance Company, dated as of the date hereof and delivered to Beneficiary on the date hereof, bearing Chicago Title Insurance Company Policy No. 09005310TO relating to the real property described in Exhibit A attached hereto.

