

(4-6)

COLLATERAL ASSIGNMENT OF TRUST DEED

A. THE PRIVATE BANK, a national banking association (the "Bank") has agreed to loan to MONTE CRISTO HOLDINGS, LLC, a Delaware limited liability company ("Borrower"), the amount of TWO MILLION and NO/100ths DOLLARS (\$2,000,000) (the "Loan").

B. By an Assignment of Trust Deed of even date herewith, Triple Net Investments, Ltd. is assigning to Borrower all rights accrued and to accrue under that certain Trust Deed With Assignment of Rents, dated as of December 5, 2002, made by Legacy Ranches, L.L.C., a Utah limited liability company ("Beneficiary"), as Trustor, to Gary W. Nielsen, Attorney at Law, as Trustee, in favor of Whale Investments, Ltd., a Turks and Caicos company, recorded on December 11, 2002, as Filing No. 60360, in Book N9, at Page 208, of Official Records in the Office of the Rich County Recorder, State of Utah, and recorded on December 11, 2002, as Entry No. 806846, Book 1171, at Page 831, Official Record in the Office of the Cache County Recorder, State of Utah, together with (i) the Promissory Note, dated as of December 5, 2002, in the original principal amount of \$1,750,000.00, described in and secured by said Trust Deed ("Pledged Note"); (ii) all other Indebtedness secured by said Trust Deed (as defined therein); and (iii) the other Loan Documents described and referred to in that certain Commercial Loan Agreement, dated as of December 5, 2002, entered into by said Trustor, as Borrower, and the other parties named therein, as Guarantors, for the benefit of said Beneficiary, as Lender, as modified by that certain Loan Modification Agreement, dated as of April 16, 2003, and as further modified by that certain Second Loan Modification Agreement, dated as of November 12, 2003 ("Other Loan Documents"); which Trust Deed encumbers the real property situated in said County, as set forth in the Legal Description annexed hereto as Exhibit "A".

C. Borrower has executed and delivered to the Bank a Security Promissory Note (the "Note") in the amount of TWO MILLION and NO/100ths DOLLARS, evidencing Borrower's obligations to repay the Loan.

D. As additional security for the Loan, Borrower has agreed to collaterally assign to the Bank all of its right, title and interest in, under and to the Trust Deed, the Pledged Note and Other Loan Documents, subject to the covenants and conditions hereinafter stated.

E. Both the Bank and Borrower recognize and acknowledge that the obligor under the Trust Deed, Legacy Ranches, L.L.C. ("Obligor"), and Monte Cristo Estates I, LLC ("Other Obligor"), which company assumed the obligations of Obligor thereunder, are in default under the Trust Deed and the Pledged Note and that Obligor and Other Obligor have been in default since May 10, 2004.

NOW, THEREFORE:

1. As additional security for the Loan, all interest due or to become due thereon and for the reimbursement to the Bank of all expenses incurred by the Bank in the enforcement of its rights hereunder or under the Loan Documents or any other instrument given to the Bank for the Loan, Borrower does hereby grant, convey and assign to the Bank a collateral security

Ent 873964 Bk 1320 Pg 1951
Date 6-Oct-2004 11:29AM Fee \$20.00
Michael Gleed, Rec. - Filed By TJ
Cache County, UT
For MOUNTAIN VIEW TITLE

Recorded OCT 6 2004 Filing No. 64488
At 9:43 AM/PM in Book Y9 Page 988
Fee 29.00 Debra L. Ames Rich County Recorder
Requested by Mountain View Title

/258853.v 2 9/27/2004

0988

interest in the Trust Deed, Pledged Note and Other Loan Documents and all of Borrower's right, title and interest therein and thereunder.

2. [Unless and until such time as the Bank exercises its rights under Paragraph 5 hereof, Borrower shall have the right to exercise all of its rights and privileges as beneficiary under the Trust Deed and collect for its own account all payments of principal and interest made by the Obligor or Other Obligor thereunder.]

3. Borrower shall:

a. Obtain the Bank's prior written consent before modifying or altering the terms of the Trust Deed;

b. Not waive, excuse, condone or in any manner release or discharge the Obligor or Other Obligor from any other obligations under the Trust Deed;

4. Borrower will, at its option, appear in and defend any action or proceeding arising under, growing out of, or in any manner connected with the Trust Deed.

5. Upon the occurrence of a default under the terms of the Loan Documents and after the expiration of any applicable notice and cure period without a cure having been effected, the Bank may, at its sole option, demand that the obligor under the Trust Deed make all payments due under the Trust Deed directly to the Bank for application on the principal of the Loan, any interest due or to become due thereon or as reimbursement to the Bank for any expenses incurred by the Bank in the enforcement of its rights under the Note or any other instrument given to the Bank for the Loan, such application to be in such manner as the Bank may determine, and exercise any and all other rights of the beneficiary under the Trust Deed in accordance with its terms.

6. The failure of the Bank to exercise any rights given to it hereunder at any time or times shall not operate as a waiver by the Bank from exercising such rights in the future.

7. This collateral assignment shall terminate only upon the payment in full of the principal and interest and all other costs due on the Loan.

[SIGNATURE PAGE FOLLOWS]

Ent 873964 Bk 1320 Pg 1952

2

0989

IN WITNESS WHEREOF, and intending to legally bind itself, its successors and assigns, the undersigned has executed this Collateral Assignment of Trust Deed the 28 day of September, 2004.

MONTE CRISTO HOLDINGS, LLC

By: JF Venture, Inc., its Manager

By: [Signature]
John Fife, President

THE PRIVATE THE BANK accepts the aforesaid Collateral Assignment of Trust Deeds.

Dated: _____, 2004 By _____

(Title)

STATE OF ILLINOIS)
COUNTY OF Cook)

On this 28 day of Sept., 2004, before me, a Notary Public in and for the State and County aforesaid, the undersigned officer, personally appeared John Fife, who acknowledged himself/herself to be the President of Monte Cristo Holdings, LLC, a Utah limited liability company, and that he/she as such John Fife being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the company by himself/herself as _____.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



[Signature]
Notary

Ent 873964 Bk 1320 Pg 1953

EXHIBIT "A"**Legal Description**

RICH COUNTY, STATE OF UTAH:

PARCEL 1:

ALL OF SECTION 13, TOWNSHIP 9 NORTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN.

PARCEL 2:

EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER AND THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 24, TOWNSHIP 9 NORTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN.

PARCEL 3:

ALL OF SECTION 25, TOWNSHIP 9 NORTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN, LESS HIGHWAY ROAD RIGHT-OF-WAY.

PARCEL 4:

SOUTHEAST QUARTER OF SECTION 26, TOWNSHIP 9 NORTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN.

PARCEL 5:

PART OF SECTION 35, TOWNSHIP 9 NORTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN. ALL OF THE SOUTH HALF OF THE NORTHWEST QUARTER OF SAID SECTION 35 LYING NORTH OF HIGHWAY 39 AS SITUATED IN SAID NORTHWEST QUARTER. ALL OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 35 LYING NORTH OF HIGHWAY 39 AS SITUATED IN SAID SOUTHEAST QUARTER. NORTHEAST QUARTER OF SAID SECTION 35, TOWNSHIP 9 NORTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN.

PARCEL 6:

PART OF SECTION 36, TOWNSHIP 9 NORTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN. ALL OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 36. ALL OF THE EAST HALF OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SAID

Page 1 of 2

Ent 873964 Bk 1320 Pg 1954

0991

SECTION 36. ALL OF THE NORTHWEST QUARTER OF SAID SECTION 36 LYING NORTH OF HIGHWAY 39 AS SITUATED IN SAID NORTHWEST QUARTER. ALL OF THE NORTHEAST QUARTER OF SAID SECTION 36, EXCEPTING THEREFROM THAT PORTION OF REAL PROPERTY CONVEYED TO NORTH DAVIS CABINET CORPORATION BY DEED RECORDED IN BOOK M9 AT PAGE 295 OF RECORDS OF RICH COUNTY. LESS HIGHWAY ROAD RIGHT-OF-WAY. (DEED IN BOOK M9 AT PAGE 295 AS TO DESCRIPTION CORRECTED IN BOOK Y9 AT AT PAGE 662 AS ENTRY NUMBER 64410.)

PARCEL 8:

THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER AND THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 23, TOWNSHIP 9 NORTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN.

TAX SERIAL NOS.: 16-13-00-001; 16-24-00-001; 16-25-00-001;
16-26-00-005; 16-35-00-005; 16-35-00-007;
16-35-00-008; 16-35-00-005; AND 16-105-
0003.

Ent 873964 Bk 1320 Pg 1955

Page 2 of 2

0992

EXHIBIT "A"

Legal Description

CACHE COUNTY, STATE OF UTAH:

PARCEL 7:

ALL OF SECTION 16, TOWNSHIP 9 NORTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN, LESS THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 16.

TAX SERIAL NOS.: 16-13-00-001; 16-24-00-001; 16-25-00-001;
16-26-00-005; 16-35-00-005; 16-35-00-007;
16-35-00-008; 16-35-00-005; AND 16-105-
0003.

Ent 873964 Bk 1320 Pg 1956

0993