

ASSIGNMENT OF  
GROUND LEASE AND JOINT DEVELOPMENT AGREEMENT

This assignment is entered into this 8<sup>th</sup> day of September, 1988, by and between Provo Excelsior Limited (the "Partnership"), a Utah limited partnership, and SUZANNE BORCHERDS ("Borchерds"), a resident of Alpine, Utah.

RECITALS

1. On November 4, 1980, the Provo City Redevelopment Agency (the "Agency") entered into a Ground Lease and Joint Development Agreement with the Partnership for the purpose of developing a first class hotel in downtown Provo. That Ground Lease and Joint Development Agreement was amended December 18, 1981. The Ground Lease and Joint Development Agreement as amended (the "Ground Lease") superseded prior agreements between the Partnership and the Agency.

2. Pursuant to the Ground Lease, the Partnership constructed the Provo Excelsior Hotel (the "Hotel"). The Hotel opened in May, 1983, and has been operated since that time by the Partnership.

3. Certain litigation has arisen with respect to alleged defaults under certain financial encumbrances on the assets of the Partnership subject to the Ground Lease. As part of its obligation under the terms of that certain Settlement Agreement with Provo Excelsior Limited, its Current and Former Partners, the City of Provo City, Utah, and the Provo Redevelopment Agency dated September 8, 1988 (the "Settlement Agreement"), the Partnership has agreed to sell the Hotel and to assign its interest in the Ground Lease to Suzanne Borchерds pursuant to that certain Assets Purchase Agreement dated September 8, 1988 between Suzanne Borchерds as Purchaser and the Partnership as Seller (the "Assets Purchase Agreement"). Suzanne Borchерds is not a party to or otherwise involved in the aforesaid litigation; however, her purchase of the hotel and assumption of responsibilities under the Ground Lease provides a source of funds that makes settlement of the litigation possible.

4. Pursuant to the Settlement Agreement, and in accordance with the terms and conditions thereof, the Agency has agreed to consent to the assignment of the Ground Lease by the Partnership to Suzanne Borchерds.

5. The parties intend to deposit this assignment in the escrow created pursuant to that certain Escrow Agreement dated September 8, 1988, 1988 and referred to in the Settlement Agreement as the Borchерds Escrow, and that this assignment shall be effective only when it is delivered to Suzanne Borchерds from escrow on the Final Closing Date of the Borchерds Escrow.

ASSIGNMENT

NOW, THEREFORE, in consideration of mutual obligations set forth in the Assets Purchase Agreement, and other good and valuable consideration, the parties hereby agree as follows:

1. The Partnership hereby assigns, effective as of the Final Closing Date of the Borchers Escrow, all of its right, title and interest in the Ground Lease to Suzanne Borchers.

2. This assignment shall not be effective until it is delivered to Suzanne Borchers by the escrow agent as part of the final closing of the Borchers Escrow. If final closing of the Borchers Escrow has not occurred by November 30, 1988, the parties shall have the right to cancel this assignment agreement, and the parties understand and agree that the Agency shall have the right to withdraw its consent to this assignment.

PROVO EXCELSIOR LIMITED

By: HRS Provo, Inc. (its general partner)

Date: 9/6/88

By: [Signature]  
Henry R. Silverman  
President

Date: 9-8-88

[Signature]  
Suzanne Borchers

STATE OF New York )  
COUNTY OF New York ) :ss

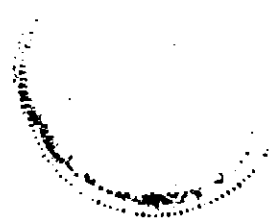
On this 6<sup>th</sup> day of September, 1988, personally appeared before me Henry R. Silverman, who being duly sworn did say that he is president of HRS Provo, Inc., a general partners of Provo Excelsior Limited, a Utah limited partnership, and that the foregoing instrument was signed on behalf of said corporation and partnership by authority of their bylaws and partnership agreement and he acknowledged to me that said partnership and corporation executed the same.

[Signature]  
NOTARY PUBLIC  
Residing at: 23 Bedford St. NY NY

My Commission Expires:

February 28, 1990

BARBARA VERDI  
Notary Public, State of New York  
No. 31-2019106  
Qualified in New York County  
Commission Expires February 28, 1990



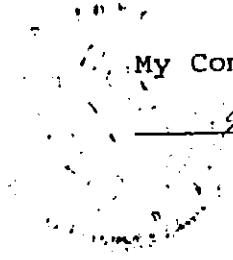
STATE OF UTAH )  
:ss  
COUNTY OF UTAH

On this 8<sup>th</sup> day of September, 1988, personally appeared before me Suzanne Borchers, who being duly sworn did say that she executed the foregoing instrument.

[Signature]  
NOTARY PUBLIC  
Residing at: Aliso Viejo, CA

My Commission Expires:

9/4/90



## ATTACHMENT NO. 1B

LEGAL DESCRIPTION OF THE SITEPARKING STRUCTURE SITE (AS BUILT):

Beginning at the Northeast Corner of Block 68, Plat "A", Provo City Survey of Building Lots, Provo, Utah; thence South 0°05' West along the West right-of-way line (as constructed) of 100 West Street, Provo, 268.60 feet; thence North 89°51'50" West along a line parallel with the North right-of-way line (as constructed) of Center Street, Provo, 120.00 feet; thence North 0°05' East along a line parallel with the West right-of-way line of said 100 West Street, 268.31 feet; to the South right-of-way line of 100 North Street; thence East along the South right-of-way line (as constructed) of said 100 North Street, 120.00 feet to the point of beginning.

HOTEL BUILDING SITE (AS BUILT):

Beginning at a point West along the South right-of-way line (as constructed) of 100 North Street, Provo, Utah, 120.00 feet from the Northeast Corner of Block 68, Plat "A", Provo City Survey of Building Lots, Provo, Utah; thence South 0°05' West along a line parallel with the West right-of-way line (as constructed) of 100 West Street, Provo, 268.31 feet; thence North 89°51'50" West along a line parallel with the North right-of-way line (as constructed) of Center Street, Provo, 180.27 feet; thence North 0°08'10" West 16.50 feet; thence North 89°51'50" West along a line parallel with the North right-of-way line (as constructed) of said Center Street, 99.97 feet to the East right-of-way line (as constructed) of 200 West Street, Provo; thence North 0°04' East along the East right-of-way line (as constructed) of said 200 West Street, 284.15 feet to the Northwest Corner of said Block 68, Plat "A", Provo City Survey, and the South right-of-way line (as constructed) of said 100 North Street; thence East along the South right-of-way line (as constructed) of said 100 North Street, 280.34 feet to the point of beginning.