

**ASSIGNMENT OF INTEREST IN WATER RIGHTS
HELD BY WASHOE COUNTY**

THIS ASSIGNMENT (“**Agreement**”), dated as of May 13, 2014, is executed and delivered between RENO RETAIL COMPANY, L.L.C., a Delaware limited liability company (“**Assignor**”), and REDUS RENO, LLC, a Delaware limited liability company (“**Assignee**”).

RECITALS

A. Assignor has the right to beneficial use of the water rights described in Exhibit A, title to which is held by Washoe County (“**Water Rights**”).

B. Assignor desires to assign all of its rights to the Water Rights to Assignee, and Assignee desires to assume all of Assignor’s obligations relating thereto.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, intending to be legally bound, hereby agree as follows:

1. **Assignment.** Assignor, for itself and its successors and assigns, hereby assigns, transfers, sets over, conveys and delivers to Assignee, its successors and assigns, all of Assignor’s rights to the Water Rights.

2. **Assumption.** Assignee, for itself and its successors and assigns, hereby covenants with Assignor and its successors and assigns that from and after the date hereof Assignee assumes all of Assignor’s obligations related to the Water Rights.

3. **Governing Law.** This Agreement shall be governed by, and controlled, construed and enforced in accordance with the laws of the State of Nevada, without regard to its conflicts of laws principles.

4. **Counterparts.** This Agreement may be executed simultaneously and in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5. **Successors and Assigns.** This Agreement shall bind and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

6. **Modification.** This Agreement may be amended or modified only in a written instrument signed by each of the parties hereto.

7. **Settlement Agreement.** Assignor and Assignee hereby acknowledge and agree that this instrument is executed and delivered pursuant to that certain Settlement Agreement dated December 18, 2013, by and among Assignor, Wells Fargo Bank, N.A. and others (the “**Settlement Agreement**”), that capitalized terms used in this instrument but not defined herein shall have the respective meanings ascribed to them in the Settlement Agreement, and that

nothing contained in this instrument will in any way supersede, modify, replace, amend, change, rescind, waive or otherwise affect any of the provisions, including the representations, warranties, covenants and agreements of Assignor set forth in the Settlement Agreement. In the event of any conflict or inconsistency between the terms of the Settlement Agreement and the terms hereof, the terms of the Settlement Agreement shall govern and control.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

ASSIGNOR:

RENO RETAIL COMPANY, L.L.C.,
a Delaware limited liability company

By: *David L. Silverstein*
Name: David L. Silverstein
Title: Authorized Agent

STATE OF Alabama)
) ss.
COUNTY OF Tallapoosa)

This instrument was acknowledged before me on May 8, 2014, by David L. Silverstein as Authorized Agent of Reno Retail Company, L.L.C., a Delaware limited liability company.

Myra D. Polley
Notary Public

My Commission Expires: _____

MY COMMISSION EXPIRES 6/16/2015

ASSIGNEE:

REDUS RENO, LLC,
a Delaware limited liability company

By: REDUS Properties, Inc., a Delaware
corporation, its sole Member

By: _____
Name: Donna Cummings
Title: Vice President

STATE OF California
_____) ss.
COUNTY OF San Francisco

This instrument was acknowledged before me on April 24, 2014, by
Donna Cummings, as Vice President, of REDUS Properties, Inc., a
Delaware corporation and the sole Member of REDUS Reno, LLC, a Delaware limited liability
company.

Evelyn Howard

Notary Public
My Commission Expires: August 25, 2015

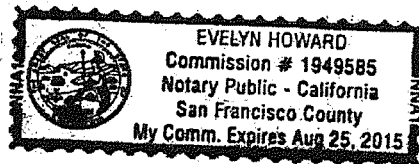


EXHIBIT A

Water Rights

All of the beneficial interest in the following rights held by Washoe County for the benefit of Reno Retail Company, L.L.C., a Delaware limited liability company: (a) a 255 acre-feet annually portion of Permit 78467, on file with the Nevada State Engineer, Division of Water Resources, and a proportionate share of the rate diversion of said Permit, and (b) a 5 acre-feet annually portion of Permit 82373, on file with the Nevada State Engineer, Division of Water Resources, and a proportionate share of the rate diversion of said Permit.

JONES DAY

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Direct Number: (404) 581-8428
alee@JonesDay.com

JP708399:ld

May 14, 2014

VIA UPS DELIVERY

Mr. Vahid Behmaram
Water Rights Manager
Washoe County Community Services Dept.
4930 Energy Way
Reno, Nevada 89502

Re: Reno Retail Company L.L.C. Water Rights

Dear Mr. Behmaram:

Enclosed please find an Assignment of Interest in Water Rights Held by Washoe County which transfers to REDUS Reno, LLC the beneficial interest in the following rights held by Washoe County for the benefit of Reno Retail Company, L.L.C.:

(a) a 255 acre-feet annually portion of Permit 78467, on file with the Nevada State Engineer, Division of Water Resources, and a proportionate share of the rate diversion of said Permit, and (b) a 5 acre-feet annually portion of Permit 82373, on file with the Nevada State Engineer, Division of Water Resources, and a proportionate share of the rate diversion of said Permit.

Please acknowledge receipt of the enclosed document and confirm that the County's records have been updated to reflect that the beneficial interest in these water rights is held by REDUS Reno, LLC.

Thank you for your cooperation. If you need additional information, please do not hesitate to contact me.

Very truly yours,



A. Michael Lee

Enclosures

cc: Craig Howard, Esq. (via email w/encl.)
Susan Doss, Esq. (via email w/encl.)

ATI-2604969v1

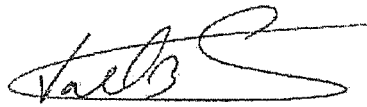
ALKHOBAR • AMSTERDAM • ATLANTA • BEIJING • BOSTON • BRUSSELS • CHICAGO • CLEVELAND • COLUMBUS • DALLAS
DUBAI • DÜSSELDORF • FRANKFURT • HONG KONG • HOUSTON • IRVINE • JEDDAH • LONDON • LOS ANGELES
MADRID • MEXICO CITY • MILAN • MOSCOW • MUNICH • NEW YORK • PARIS • PITTSBURGH • RIYADH • SAN DIEGO
SAN FRANCISCO • SÃO PAULO • SHANGHAI • SILICON VALLEY • SINGAPORE • SYDNEY • TAIPEI • TOKYO • WASHINGTON

JONES DAY

WASHOE COUNTY CONFIRMATION

The undersigned hereby acknowledges receipt of the Assignment of Interests in Water Rights Held by Washoe County evidencing the assignment of water rights described therein from Reno Retail Company, L.L.C. to REDUS Reno, LLC. and further acknowledges and confirms that the County's records will be modified to reflect that the right to beneficial use of these water rights will be in the name of REDUS Reno, LLC.

DATED: This 15 day of May, 2014.



Vahid Behmaram
Water Rights Manager
Washoe County Community Services
Department

Dedicator: REDUS Reno, LLC

Source:	Permit #:	Will Serve#	Assignment	Claim #:	Date:	Duty:
CREK	78467	Permitted				
	Reno Retail, LLC (Summit Sierra) to REDUS Reno, LLC	0	Commercial	Assignment	716	5/15/2014 -255.0000
						Total AF for Permit# 78467 -255.0000
	82373	Permitted				
	Reno Retail, LLC (Summit Sierra) to REDUS Reno, LLC	0	Commercial	Assignment	716	5/15/2014 -5.0000
						Total AF for Permit# 82373 -5.0000
						TOTAL BALANCE: -260.00

Negative (-) numbers represent "credit"