

441

STATE OF ALABAMA)
SHELBY COUNTY)

ASSIGNMENT OF RENTS

This Assignment of Rents done as of the date entered below is made by Ted B. Watts and W. Milton Strickland (hereafter referred to as Assignor) to Central Bank of the South (hereafter referred to as Assignee).

WHEREAS, the Assignor is the owner in fee of the premises hereinafter described, and has requested the Assignee to loan to the Assignor the sum of \$635,000.00; and

WHEREAS, the Assignee has refused to loan to the Assignor such sum unless the Assignor in addition to executing a note for the sum of \$635,000.00 and executing and delivering a mortgage to secure the payment of such note, in like amount, also execute and deliver this Assignment of Rents as additional collateral for the repayment of such loan in the amount of \$635,000.00.

NOW, THEREFORE, in consideration of the premises and of other good and valuable considerations paid by the Assignee to the Assignor, receipt whereof is hereby acknowledged, and in order to better secure the payment to the Assignee of the principal on such note and mortgage, together with the principal of any other obligation of the Assignor held by the Assignee, with interest, now due or hereafter to become due thereon, and of all premiums of insurance on policies which the Assignee has effected or may effect under the terms of the mortgage and of all taxes and assessments which may now be due and unpaid, or which may thereafter become due and a charge against or a lien upon the premises, with interest and penalties thereon, Assignor does hereby grant, bargain, sell, transfer, assign, convey, and set over unto the Assignee all the rents, issues, and profits due and to become due from the mortgaged premises hereinafter described, together with all

ARGO, ENSLEN, HOLLOWAY & SABEL, P.C.

300 SOUTH HUNTER

MOBILE, ALABAMA 36604

BOOK 056 PAGE 381

leases, agreements, service contracts, and insurance policies effecting the mortgaged premises.

1. Collection of Rents. The Assignee shall have the power and authority to enter upon and take possession of the mortgaged premises and to demand, collect, and receive from the tenants, lessees, or other occupants now or at any time hereafter in possession of the mortgaged premises or from any part thereof, rents now due or to become due, to endorse the name of the Assignor or any subsequent owners of the premises on any checks, notes, or other instruments for the payment of money, to deposit the same in bank accounts, to give any and all acquittances or any other instrument in relation thereto in the names of the Assignors or in the name of the Assignee and either in its own name or in the name of the Assignor, to institute, prosecute, settle, or compromise any summary or legal proceedings for the recovery of such rents, profits, or to recover the whole or any part of the premises, and to institute, prosecute, settle, or compromise any other proceedings for the protection of the mortgaged premises, for the recovery of any damages done to the premises, or for the abatement of any nuisance thereon, also the power to defend any legal proceedings brought against the Assignor or against the owners arising out of the operation of the mortgaged premises.

2. Authority to Lease. The Assignee shall have the power to lease or rent the mortgaged premises, or any part thereof, to employ an agent to rent and manage the premises, to make any changes or improvements thereon or therein deemed by it necessary or expedient for the leasing or the renting of the premises, to keep and maintain the premises in a tenantable and rentable condition, as well as in a good state of repair, and to purchase all equipment or supplies necessary or desirable in the operation and maintenance of the premises and to pay for all gas, electricity, power, painting, repairs, wages of employees,

056 MAR 383

and other items for the maintenance of the premises, to pay interest or principal on the second mortgages on the premises now due or to become due, taxes, assessments, water and sewerage rates, now due and unpaid or which may hereafter become due and a charge or lien against the premises, and to pay the principal of the note and mortgage herein described, now due or hereafter to become due, and the interest thereon, now due or hereafter to become due, and to pay the premiums on all policies of insurance in force now or hereafter effected by the Assignee and to comply with orders of any governmental departments having jurisdiction against the premises, and to remove any mechanic's liens, security interests, or other liens against the premises, and, in general, to pay all charges and expenses incurred in the operation of the premises.

3. Payment of Expenses. The Assignee shall have the authority to pay the cost of all the matters herein mentioned out of the rents and other revenues received from the mortgaged premises and the cost of any of such expenditures and of any payments which may be made by the Assignee under any of the provisions of this agreement, including expenses and charges for counsel fees, shall be charged to the Assignor and for all purposes be deemed secured hereby and they may be retained by the Assignee out of the rents of the premises.

4. Liability of Assignee. The Assignee shall in no way be liable for any act done or anything omitted by it, but shall be liable only to account for all moneys that it may receive hereunder, and nothing herein contained shall be construed as to prejudice its right to institute or to prosecute any proceedings to foreclose the mortgage herein mentioned, or to enforce any lien on any other collateral which the Assignee may have, or prejudice any right which the Assignee may have by reason of any default, present or

future, under the terms of the mortgage.

056 PAGE 384
BOOK

5. Transfer of Leases. The Assignor hereby assigns, transfers, and sets over to the Assignee all leases or subleases made to the various tenants in the building, and all their right, title, and interest therein, hereby authorizing and empowering the Assignee to continue present leases, or to demise any one or more offices or space therein for a period of not greater than necessary to pay in full the note described herein, and upon such terms and conditions as the Assignee may deem just and proper, and, if necessary, to execute, acknowledge, and deliver any and all instruments in writing necessary to effectuate this agreement. The Assignee shall have full power and authority to do and perform all acts or things necessary and requisite to be done in and about the premises, as fully and to all intents and purposes as the Assignor might or could do if present, with full power of substitution and revocation, hereby ratifying and confirming all that the Assignee shall lawfully do or cause to be done by virtue hereof.

6. Modification of Leases. The Assignor hereby agrees that Assignor will not cancel, modify, or surrender any lease now existing in respect to any portion of the premises, nor reduce any rents, or change, modify, or waive any provision of any existing lease, without the consent in writing of the Assignee, and Assignor shall enter into no lease on any portion of the premises without the written consent of the Assignee.

7. Failure to Account. It is understood and agreed that the Assignee shall in no way be responsible or liable for any defalcation or failure to account for any rents collected by any agent or collector of the premises whom it may designate or appoint to collect or manage the property, nor shall the Assignee be in any way liable for the failure or refusal on its part to make repairs to the premises.

The Assignee shall in no way be responsible for any debt incurred in respect of the premises.

056 056 385
BOX

8. Events of Default. The amount due to the Assignee shall, at the option of the Assignee, immediately become due and payable, anything in this agreement to the contrary notwithstanding, in the event a voluntary or involuntary petition in bankruptcy shall be filed by or against the Assignor, or against any subsequent owner of the premises covered by this rent assignment, or in the event that there is a voluntary or involuntary proceeding for the dissolution of any subsequent owner of the premises covered by this rent assignment, instituted in any court having juris diction thereof, or in the event that any proceeding or action is begun in any court in which it is claimed that the Assignor or any subsequent owner of the premises covered by this rent assignment is insolvent and a temporary or permanent receiver of assets shall be appointed; or in the event that a petition for reorganization or arrangement under the Bankruptcy Act is filed by or against any subsequent owner of the premises covered by this rent assignment; or in the event that a judgment is rendered against the Assignor, or against any subsequent owner of the premises covered by this rent assignment or a mechanic's lien is filed against such property and the Assignor shall fail, within five days after the rendition of such judgment or the filing of such mechanic's lien, to remove, satisfy, bond, release such judgment or mechanic's lien; and the Assignor do hereby waive notice of protest in respect to such and any or all of such payments.

9. Rights of Assignee in Collateral. This Assignment of rents is intended for use in connection with the loan secured by the note and mortgage described above. It is understood and agreed by the parties that this assignment shall in no manner prejudice the Assignee or estop the Assignee in any way in the exercise of its right as

mortgagee or as the plaintiff in any foreclosure action which may be instituted by the Assignee upon any collateral which may be held by the Assignee and this Assignment shall be at all times subject to the exercise of any such rights which the Assignee may have and to any proceedings which the Assignee may be entitled to take in connection therewith.

10. Surplus Funds. The Assignee may (but shall be under no obligation to do so) turn over to the Assignor any surplus which the Assignee may have on hand after paying all expenses in connection with the operation and maintenance of the mortgaged premises and after setting up the necessary reserve for the payment, upon the due date, of fixed charges against the mortgaged premises. The turning over of any surplus by the Assignee to the Assignor shall in no way obligate the Assignee to continue to turn over such surplus.

11. Further Assignment. The Assignee is hereby given the privilege of assigning all of its right, title and interest in and to this assignment of land to any person, firm, or corporation to whom the note and mortgage hereinabove referred to are assigned, and in such manner so that the holder of such note and mortgage shall have all of the rights and privileges given herein to the Assignee as if such assignee were originally named herein as the Assignee.

12. Description. The premises are more particularly described as follows:

See property description attached hereto and made a part hereof.

13. Assignment Void Upon Payment of Debt. The purpose of this Assignment of Rents is to secure the payment to the Assignee of the principal of the hereinabove described note and mortgage, together with the principal and interest of any other obligation of the Assignor to the Assignee. Therefore, upon full payment of the principal and interest

Box 056 386

of the hereinabove described note and mortgage together with the principal and interest of any other obligation of the Assignor held by the Assignee, this Assignment of Rents shall be null and void and of no effect as if never executed hereto.

14. Powers Not To Be Exercised Until Default. Notwithstanding any of the foregoing hereinabove so long as the note and/or mortgage executed by the Assignor hereinabove described are not in default, the Assignee shall not exercise the powers granted hereinabove and Assignors, their successors and assigns, shall have the right to collect rents owed, execute leases including modifying and terminating leases already in effect, and otherwise deal with the property as the owners thereof.

IN WITNESS WHEREOF, the Assignor has executed this Assignment of Rents this the 2^d day of JANUARY 1986.

ASSIGNOR

Ted B Watts
Ted B. Watts

W. Milton Strickland
W. Milton Strickland

STATE OF ALABAMA
MONTGOMERY COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Ted B. Watts and W. Milton Strickland, whose names are are signed to the foregoing conveyance and who are known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, they executed the same voluntarily on the day the same bears date.

Given under my hand this the 2^d day of JANUARY
1986.

J. M. [Signature]
Notary Public

BOOK 056 PAGE 388

EXHIBIT "A"

PARCEL I:

Commence at the N.W. corner of the N.W. 1/4 of the N.E. 1/4 of Section 5, T.S. 19S, R1W, Shelby County, Alabama and run thence Easterly along the North line of said quarter-quarter a distance of 333.60' to a point, thence turn an angle of 22 degrees 00' to the right and run a distance of 100.0' to the point of beginning of the property being described, thence continue along last described course a distance of 524.0' to a point, thence turn an angle of 95 degrees 25' 58" to the right and run Southwesterly a distance of 275.98' to a point, thence turn an angle of 84 degrees 34' 02" to the right and run Northwesterly a distance of 262.0' to a point, thence turn an angle of 95 degrees 25' 58" to the right and run Northerly a distance of 15.0' to a point, thence turn an angle of 95 degrees 25' 58" to the left and run Northwesterly a distance of 262.0' to a point, thence turn an angle of 95 degrees 25' 58" to the right and run Northwesterly a distance of 260.98' to the point of beginning.

PARCEL II:

NON-EXCLUSIVE EASEMENT

Commence at the N. W. corner of the N.W. 1/4 of the N.E. 1/4 of Section 5, Township 19 South, Range 1 West, Shelby County, Alabama, and run thence Easterly along the North line of said quarter quarter a distance of 333.60 feet to a point. Thence turn an angle of 22 degrees 00 minutes 00 seconds right and run a distance of 100.0 feet to a point, said point being the northwesterly corner of the said 3.215 acre parcel. Thence turn an angle of 95 degrees 25 minutes 58 seconds right and run Southwesterly a distance of 260.98 feet to the Southwesterly corner of said same parcel. Thence turn an angle of 95 degrees 25 minutes 58 seconds left and run a distance of 12.50 feet to the centerline point of beginning of the easement being described, said easement being 25.0 feet in width, 12.50 feet each side of centerline; thence turn an angle of 95 degrees 25 minutes 58 seconds right and run Southwesterly along said centerline of said proposed easement a distance of 83.54 feet to a point. Thence turn an angle of 14 degrees 44 minutes 02 seconds right and run southwesterly along centerline of same said proposed easement a distance of 170.95 feet to P.C. (point of curvature) of a curve to the right having a central angle of 29 degrees 18 minutes 00 seconds and a radius on centerline of 115.0 feet; thence continue along the arc of said curve on the centerline of same an arc distance of 58.81 feet to the P.T. (Point of Tangency); thence continue last described course along tangent of said curve a distance of 7.07 feet to the centerline intersection of the Robert Smith property line and the beginning of a 15.0 foot wide strip of land awarded to Robert Smith by Court decree as access to Highway 280, said centerline of easement being 7.50 feet each line of said 15.0 foot strip; thence continue along last described course a distance of 13.71 feet to the intersection of centerline of easement with the East right of way line of U.S. 280 Highway and the end of easement.

STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED

1986 JAN -8 PM 12: 25

Thomas A. Groussman, Jr.
JUDGE OF PROBATE

Rec 22.50
Ind 1.00
23.50

BOOK 056 PAGE 389