

1081

STATE OF ALABAMA

SHELBY COUNTY

ASSIGNMENT OF LEASES

THIS AGREEMENT is made as of the 13th day of June, 1985, by Ernest A. Joseph and Joe J. Joseph, (hereinafter referred to, whether one or more, as the "Assignor") in favor of AmSouth Bank N.A., a national banking association (hereinafter referred to as the "Assignee").

WITNESSETH:

WHEREAS, the Assignor is the owner of certain real property situated in the City of Alabaster, County of Shelby, in the State of Alabama, more particularly described in Exhibit "A" attached hereto and made a part hereof (the "property"); and

WHEREAS, the Assignor has executed to the Assignee its Promissory Note dated June 13, 1985, in the principal sum of \$500,000.00 (hereinafter referred to as the "Note") secured by a Mortgage (hereinafter referred to as the "Mortgage") of the same date covering the property; and

WHEREAS, the Assignor is the landlord under those certain leases executed on June 6, 1985, with Big B, Inc., and on June 14, 1985, with Famous Shoe Bar, Inc., as tenants, covering part of the property; and

WHEREAS, the Assignee accepted the Note and Mortgage on the condition that the Assignor assign all of its right, title and interest in and to all leases in which it is landlord now on the property or any portion thereof or which may hereafter be placed thereon, including, without limitation, the leases referred to above:

NOW THEREFORE, in consideration of the premises aforesaid and other good and valuable consideration paid to the Assignor by the Assignee, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby assign, transfer and set over unto the Assignee all of its right, title and interest in and to all leases in which it is landlord, by assignment or otherwise, now on said property, or which may hereafter be placed thereon (referred to herein as "leases"), and all of the rents, issues and profits now due or to become due and derived from said property, until the obligations above referred to have been fully paid and satisfied of record.

In furtherance of the foregoing assignment, the Assignor hereby authorizes the Assignee, upon and in the event of default in any of the payments, or in the performance of any of the terms, covenants and conditions of the aforesaid Note and Mortgage, at its option to enter upon said property and to collect, by its officers, agents, or employees, in the name of the Assignor, or in its own name, as Assignee, the rents accrued but unpaid and in arrears at the date of such default, as well as the rents thereafter accruing and becoming payable during the period of said or any other default. The Assignor also authorizes the Assignee upon such entry, at its option, to take over and assume the management, operation and maintenance of said pro-

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erty, and in general to perform all actions necessary in connection therewith in the same manner and to the same extent as the Assignor might reasonably so act. Upon electing to exercise the rights herein granted, the Assignee shall make reasonable efforts to collect the rents, reserving however, within its own discretion, the right to determine the method of collection and the extent in which enforcement of collection of delinquent rents shall be prosecuted, but it shall not be accountable for more money than it actually receives from the property, and shall not be liable for failure to collect rents.

The Assignee shall, after payment of all proper charges and expenses, credit the net amount received from the property by virtue of this assignment, or by virtue of the exercise of any power herein granted, to any amounts due and owing to it by the Assignor under the terms of the Note and Mortgage, but the manner of the application of such net income and the items which shall be credited shall be within the sole discretion of the Assignee.

It is agreed and understood, by and between the parties hereto that there shall be no legal obligation on the part of the Assignee to collect the rentals as provided for in said leases that do or may exist on said property, nor shall Assignee be in anywise liable or responsible for the failure of the tenants of the Assignor to pay said rentals, but when and if collected, said rentals shall be applied to said indebtedness as above stipulated. Assignor agrees to indemnify and hold Assignee harmless from and against any and all liability, loss, damage, cost, and expense which Assignee may incur under any of the leases or by reason of this assignment.

It is a condition of the granting of these powers, benefits and privileges, and of the making of this assignment, and the Assignee by the acceptance of this instrument so agrees that, until an act of default shall be made by the Assignor in the full and complete performance of any of the agreements, covenants and promises in the above-mentioned Note or Mortgage, including, without limitation, the making of the payments as set out in said Note, the Assignor may receive, collect and enjoy the rents, issues and profits from the above property; but it is covenanted and agreed by the Assignor, for the consideration aforesaid, that upon the happening of any default in the performance of the covenants or in the making of the payments provided for in said Note, the Assignee may receive and collect all the said rents, issues and profits and at its option exercise all other powers, privileges and benefits granted by this instrument, and the Assignor will immediately turn over all leases to the Assignee at its request, and will execute any further assignment necessary to perfect such transfer.

The Assignor by these presents does hereby authorize and direct any lessee or lessees of all or any portion or portions of the said property, upon receipt of notice in writing from the Assignee of an act of default by the Assignor under the Note or Mortgage, to pay to the Assignee all rent then due or thereafter to become due under the terms of any lease or leases of the property or any portion or portions thereof.

The Assignor shall not be entitled to, and hereby covenants and agrees that it will not, without the written consent of the Assignee:

(a) Cancel any lease or leases of the property or any portion or portions thereof or accept a surrender thereof, except in accordance with the conditions and contingencies as set out

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therein, unless the Assignor and such lessee or lessees shall execute a new lease or leases which shall go into effect simultaneously with said cancellation or surrender, said new lease or leases to provide for a rental not less than the rent payable under the cancelled lease or leases, and which shall not diminish the tenant's obligation to pay taxes and insurance to the extent that such obligation may exist under the cancelled lease or leases, and which new lease shall run to a date which shall not be prior to the expiration date set out in the said cancelled lease or leases.

(b) Modify any lease or leases of the property or any portion or portions thereof so as to decrease the term of such lease or leases, reduce the rent or change the time of payment of same, or diminish the obligation of the tenant with regard to the payment of taxes and insurance.

(c) Consent to an assignment of the lessee's interest of any lease or leases which will relieve the tenant of liability for the payment of rent and the performance of the terms and conditions of the lease or leases.

(d) Collect the rents and profits of the property for more than one month in advance, except and unless otherwise stipulated in any lease or leases of said property, and then not in advance of the period so set out.

And any of the above acts, if done without the written consent of the Assignee shall be null and void. The Assignor shall have the right to modify any lease or leases of the property or any portion or portions thereof, or take any other action with respect thereto which does not violate the specific provisions of this instrument.

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The Assignor hereby covenants and warrants to the Assignee that neither it, nor any previous owner, has executed any prior assignment or pledge of the rents, issues and profits of the above described property or of its interest in and to any lease of the whole or a part of said property, and further covenants and agrees that it has not performed any acts or executed any agreement which might prevent the Assignee from operating under any of the terms and conditions of this instrument, or which would limit the Assignee in such operation.

The rights and powers herein granted, conveyed, and assigned are continuing rights, and the exercise of same upon the occasion of one default shall not abrogate or diminish the rights and powers of the Assignee hereunder upon the occasion of any subsequent default or defaults, and likewise, the failure to exercise same upon the occasion of any default shall not constitute a waiver of the right of the Assignee to exercise the powers and privileges herein granted upon the occasion of a subsequent default. The collection and application of the rents, issues and profits to the indebtedness, or as otherwise provided herein, shall not constitute a waiver of any default which might at the time of the application or thereafter exist under the Note, and the payment of the indebtedness evidenced by the Note may be accelerated in accordance with its terms, notwithstanding such application.


Assignee reserves unto itself the right to foreclose the aforesaid Mortgage at any time when a default shall exist, and this instrument shall in no wise operate to effect, impair, or diminish the rights granted Assignee under the aforesaid Mortgage and Note, but the rights contained herein are in addition to the rights and privileges given Assignee under and by virtue of said Note and Mortgage.

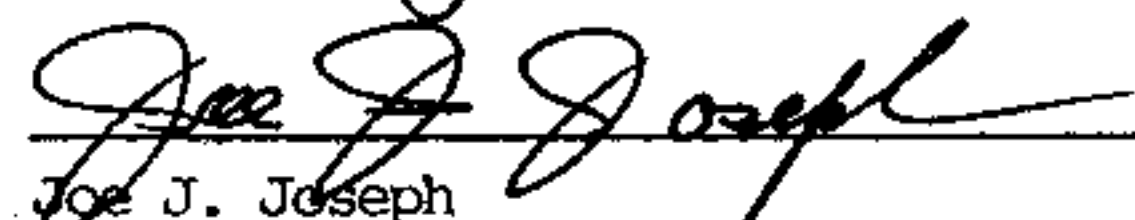
It is also agreed and understood that the Assignee shall incur no liability for the entrance by its agent upon the property for purpose of collection of rentals, issues, and profits as herein mentioned.

This instrument shall not be revoked without the consent of the Assignee in writing, and shall remain in full force and effect as long as the aforesaid obligations from the Assignee to the Assignor remain unpaid or unfulfilled in whole or in part.

Whenever "Assignor" or "Assignee" occurs in this instrument, or is referred to, the same shall be construed as singular or plural, masculine, feminine or neuter as the case may be, and shall include the heirs, executors, administrators, successors, or assigns of either as though originally herein written.

Southbrook Village Shopping Center, Ltd., an Alabama limited partnership

By 
Ernest A. Joseph
General Partner


By 
Joe J. Joseph
General Partner

THE STATE OF ALABAMA

COUNTY OF JEFFERSON

I, the undersigned authority, a Notary Public, in and for said county in said state, hereby certify that Ernest A. Joseph and Joe J. Joseph whose names as general partners of Southbrook Village Shopping Center, Ltd., an Alabama limited partnership, and whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, they as such general partners and with full authority, executed the same voluntarily for and as the act of said partnership.

Given under my hand and official seal this 13th day of June, 1986.



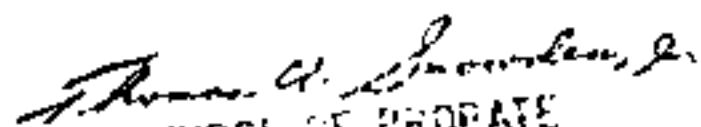
Notary Public

My commission expires:

4-19-88

STATE OF ALA. SHELBY CO.
NOTARY MUST AFFIX SEAL THIS
INSTRUMENT WAS FILED

1986 JUN 13 PM 4:12


JUDGE OF PROBATE

RECORDING FEES
Recording Fee \$ 10.00
Index Fee 1.00
TOTAL 11.00

This instrument was prepared by:

A. Lee Hardegree III
AmSouth Bank N.A.
P. O. Box 11007
Birmingham, Alabama 35288

BOOK 076-561