

Prepared By:  
William B. Hairston, III  
ENGEL, HAIRSTON, MOSES & JOHANSON, P.C.  
109 North 20th Street, Fourth Floor  
Birmingham, Alabama 35203

STATE OF ALABAMA ) 1314  
SHELBY COUNTY )

COLLATERAL  
ASSIGNMENT OF LEASE AND RENTS BY LESSOR

KNOW ALL MEN BY THESE PRESENTS that PELHAM PROPERTIES LTD. (hereinafter called the Assignor), in consideration of One and no/100 (\$1.00) Dollar paid by AMSOUTH BANK N.A. (hereinafter called Assignee) and to induce the Assignee to make a loan to Assignor does hereby assign unto the Assignee the following leases;

- (1) Lease dated April 1, 1987, between Assignor as Lessor and PIPING & EQUIPMENT CORPORATION as Lessee on the property described on the attached Exhibit "A".
- (2) Any and all other leases, be they verbal or written, by and between Assignor as Lessor and any individual or entity as Lessee on or concerning the property described above.

together with any and all options to purchase, modifications, extensions, and renewals thereof and together with all rights to the possession thereof.

Also together with any and all other leases now existing or hereafter made during the term of this Assignment for the whole or any part of the above-described leased premises, and any modification, extension or renewal thereof.

1. ASSIGNMENT. This Assignment is given as additional security to secure the Assignor's performance of certain agreements to the Assignee. It is expressly understood and agreed by the Assignor and the Assignee hereof that said Assignor reserves and is entitled to the possession of said leased premises and to retain, use, and enjoy the same unless and until the Assignor defaults in the performance of the terms and conditions of its agreements to the Assignee.

In the event of default by the Assignor in the performance of any of the terms and conditions of said agreement with the Assignee, or this Assignment, the Assignor hereby authorizes the Assignee, at its option, to enter and take possession of the leased premises and to exercise all of the rights and privileges of the Assignor under the terms of the lease assigned. If the Assignee shall exercise such option and the Assignor shall thereafter remedy such default, of which fact judgment of the Assignee shall be conclusive, the Assignor and Assignee shall be restored to their respective rights and estates as if no default had occurred. Said option may be exercised by said Assignee as often as any such default occurs, and a failure to exercise said option shall not impair the future rights of the Assignee hereunder. Upon payment in full of all indebtedness secured hereby, as evidenced by the records of the Assignee, the assignment shall be null, void, and of no effect.

2. WARRANTY. Assignor warrants that title to all property subject to the Lease Agreement is in Assignor; that Assignor is the lawful owner of the

*Engel, Hairston et al*

entire Lessor's interest in the Lease Agreement that the Lease Agreement is genuine; that Lessee has full capacity to contract; that Assignor has the right to make this Assignment; that full title and right to receive all rents and other sums due or to become due under the Lease Agreements are vested in Assignee by this assignment; and that the rental property and rental payments and other sums are free from liens, encumbrances, claims, and set-offs of every kind whatsoever, and that, as of the date of this Assignment, the lease is not in default.

3. POWER OF ATTORNEY. Assignor appoints Assignee its true, lawful, and irrevocable attorney to demand, receive, and enforce payment, to give receipts, releases, and satisfactions, and to sue, either in the name of Assignor or in the name of Assignee, for all rents and sums payable under the lease agreement.

4. CONSENT. Assignor consents that, without further notice and without releasing the liability of Assignor, Assignee may, at Assignee's discretion, give grace or indulgence in the collection of all rents and sums due or to become due under the Lease Agreement and grant extensions of time for the payment of the same before, at, or after maturity.

5. OBLIGATIONS OF ASSIGNOR. Assignee does not assume any of the Lessor's obligations under the Lease Agreement, and Assignor agrees: (a) to keep and perform all obligations of the Lessor under the Lease Agreement and to save Assignee harmless from the consequences of any failure to do so; and (b) to preserve the property subject to the Lease Agreement free and clear of liens and encumbrances, except to or with the consent of Assignee.

6. NOTICE OF ASSIGNMENT. Assignor agrees that Assignor will not assign any other interest in the Lease or Lease Agreement; that notice of this Assignment may be given to at any time at Assignee's option; and that, in the event any payment under the Lease Agreement is made to Assignor, Assignor will promptly transmit such payment to Assignee in the same form as it is received by Assignor except that Assignor will endorse instruments which are payable to Assignor.

7. DURATION. This Assignment is irrevocable and shall remain in full force and effect until and unless there is payment in full of all obligations secured by it or it is released in writing by Assignee.

WITNESS its hand and seal this 19th day of June, 1987.

ASSIGNMENT ACKNOWLEDGED BY  
PIPING & EQUIPMENT CORP.

By: Johnnie W. Slaton  
JOHNNIE W. SLATON,  
(Its Exec V.P.)  
(LESSEE)

PELHAM PROPERTIES LTD.

By: Johnnie W. Slaton  
JOHNNIE W. SLATON (Its General Partner)

STATE OF ALABAMA )  
JEFFERSON COUNTY )

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that JOHNNIE W. SLATON, whose name as General Partner of PELHAM PROPERTIES LTD., a Limited Partnership, are signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of such conveyance, he as such General Partner and with full authority executed the same voluntarily for and as the act of said Partnership on the day the same bears date.

Given under my hand and official seal, this the 19th day of June, 1987

William B. Hargrove  
NOTARY PUBLIC

My Commission Expires: 6/7/87

EXHIBIT "A"

PARCEL ONE:

A parcel of land located in the Southeast Quarter of the Northwest quarter and the Southwest quarter of the Northeast quarter of Section 14, Township 20 South, Range 3 West, Shelby County, Alabama, more particularly described as follows: Begin at the Northeast corner of the Southeast quarter of the Northwest quarter of said Section 14; thence in a Westerly direction the North line of said 1/4-1/4 Section a distance of 338.75 feet; thence 90 degrees left, in a Southerly direction a distance of 699.07 feet to the point of beginning; thence 180 degrees in a Northerly direction a distance of 150.0 feet to a point on a curve to the right, said curve having a central angle of 21 degrees 09 minutes 30 seconds and a radius of 242.71 feet; thence 90 degrees right to tangent of said curve; thence in a Southeasterly direction a distance of 89.63 feet along arc of said curve to end of said curve and beginning of a curve to the left, said curve having a central angle of 18 degrees 15 minutes and a radius of 647.58 feet; thence in a Southeasterly direction along arc of said curve a distance of 206.27 feet to end of said curve; thence continue in a Southeasterly direction a distance of 225.0 feet to the beginning of a curve to the right, said curve having a central angle of 5 degrees 37 minutes and a radius of 2013.57 feet; thence along arc of said curve in a Southeasterly direction a distance of 197.39 feet to end of said curve; thence continue in a Southeasterly direction a distance of 104.80 feet to the beginning of a curve to the left, said curve having a central angle of 5 degrees 04 minutes 17 seconds and a radius of 2227.17 feet; thence along arc of said curve in a Southeasterly direction a distance of 197.13 feet; thence 89 degrees 52 minutes 17 seconds right, measured from tangent of said curve, in a Southerly direction a distance of 367.58 feet to the beginning of a curve to the left, said curve having a central angle of 14 degrees 00 minutes and a radius of 1107.66 feet; thence along arc of said curve, in a Southeasterly direction a distance of 270.65 feet to end of said curve; thence continue in a Southeasterly direction a distance of 39.56 feet to the intersection of the Northeast right of way of Atlantic Coast Line Railroad; thence 136 degrees 28 minutes 30 seconds right, continuing along said right of way in a Northwesterly direction a distance of 1205.74 feet to the point of beginning. Said parcel contains 8.474 acres.

Situated in the Town of Pelham, Shelby County, Alabama.

PARCEL TWO:

A parcel of land located in the Southwest 1/4 of the Northeast 1/4 of Section 14, Township 20 South, Range 3 West, Shelby County, Alabama, more particularly described as follows: Commence at the Northeast corner of the Southeast 1/4 of the Northwest 1/4 of said Section 14; thence in a Westerly direction along the North line of said 1/4-1/4 Section a distance of 338.75 feet, thence 90 degrees left in a Southerly direction a distance of 549.07 feet to a point on a curve to the right, said curve having a central angle of 21 degrees 09 minutes 30 seconds and a radius of 242.71 feet, thence 90 degrees left to tangent of said curve, thence in a Southeasterly direction a distance of 89.63

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feet along arc of said curve to end of said curve and beginning of a curve to the left, said curve having a central angle of 18 degrees 15 minutes and a radius of 647.58 feet, thence in a Southeasterly direction along arc of said curve a distance of 206.27 feet to end of said curve, thence continue in a Southeasterly direction a distance of 225.0 feet to the beginning of a curve to the right, said curve having a central angle of 5 degrees 37 minutes and a radius of 2013.57 feet, thence along arc of said curve in a Southeasterly direction a distance of 197.39 feet to end of said curve, thence continue in a Southeasterly direction a distance of 104.80 feet to the beginning of a curve to the left, said curve having a central angle of 5 degrees 12 minutes and a radius of 2227.17 feet, thence continue along arc of said curve in a Southeasterly direction a distance of 197.13 feet to the point of beginning; thence continue along arc of said curve a distance of 5.0 feet to end of said curve, thence continue in an Easterly direction a distance of 25.0 feet, thence 90 degrees right in a Southerly direction a distance of 367.57 feet to the beginning of a curve to the left, said curve having a central angle of 14 degrees 00 minutes and a radius of 1077.66 feet, thence along arc of said curve in a Southeasterly direction a distance of 263.32 feet to end of said curve and the beginning of a curve to the right, said curve having a central angle of 39 degrees 44 minutes 05 seconds and a radius of 80.62 feet, thence along arc of said curve in a Southwesterly direction a distance of 55.91 feet to the intersection of the Northeast right of way of Atlantic Coast Line Railroad, thence 96 degrees 44 minutes 12 seconds right, measured from tangent of said curve, along said right of way in a Northwesterly direction a distance of 16.52 feet thence 43 degrees 31 minutes 30 seconds right in a Northwesterly direction a distance of 39.56 feet to the beginning of a curve to the right, said curve having a central angle of 14 degrees 00 minutes and radius of 1107.66 feet, thence along arc of said curve in a Northwesterly direction a distance of 270.65 feet to end of said curve, thence continue in a Northerly direction of 367.58 feet to the point of beginning.

Said parcel contains 0.464 acres.

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

1987 JUN 23 AM 8:45

*Thomas A. Shivers, Jr.*  
JUDGE OF PROBATE

RECORDING FEES

Recording Fee	\$ 10.00
Index Fee	1.00
<b>TOTAL</b>	<b>\$ 11.00</b>