

STATE OF ALABAMA     )  
                              )  
COUNTY OF SHELBY    )

1089

ASSIGNMENT OF RENTS AND LEASES

KNOW ALL MEN BY THESE PRESENTS THAT DANIEL MEADOWS II GENERAL PARTNERSHIP, a Virginia general partnership, hereinafter called the assignor, in consideration of One Dollar paid by AETNA LIFE INSURANCE COMPANY, hereinafter called the assignee, hereby conveys, transfers and assigns unto the assignee, its successors and assigns, all the rights, title, interest and privileges, which the assignor as Lessor has and may have in the leases now existing or hereafter made and affecting the real property described below or any part thereof, including, but not limited to all tenant leases now existing or hereafter executed affecting the real property described in Exhibit "A" attached hereto as said leases may have been, or may from time to time be hereafter, modified, renewed and extended under any options or otherwise, with all rents, income and profits collected or due and becoming due therefrom. The assignor will, on request of the assignee, execute assignments of any future leases affecting any part of said premises.

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This Assignment is made as additional security for the payment of a certain note and mortgage (and all extensions or modifications thereof) made by Daniel Meadows II General Partnership to Aetna Life Insurance Company in the sum of Five Million Five Hundred Twenty Five Thousand and No/100 Dollars (\$5,525,000) with interest, dated contemporaneously herewith, covering real property situated in Shelby County, Alabama, ("Note" and "Mortgage") as is more particularly described in Exhibit "A" attached hereto, and the acceptance of this assignment and the collection of rents or the payments under the leases hereby assigned shall not constitute a waiver of any rights of the assignee under the terms of said Note and Mortgage. And it is expressly understood and agreed by the parties hereto that before default occurs under the terms of said Note and Mortgage, assignor shall have the right to collect said rents, income and profits from the aforementioned leases and to retain, use and enjoy the same, provided, however, that even before default occurs no rent not due under the terms of any of said leases shall be collected or accepted for more than two (2) months in advance without the prior written consent of the assignee. Anything to the contrary notwithstanding, assignor hereby assigns to assignee any award made hereafter to it in any court procedure involving any of the leases in any bankruptcy, insolvency, or reorganization proceedings in any state or Federal court, and any and all payments made by lessees in lieu of rent. Assignor hereby appoints assignee

*D. S. L.*

as its irrevocable attorney in fact to appear in any action and/or to collect such award or payment.

The assignor, in the event of default in the performance of any of the terms and conditions of said Note and Mortgage, hereby authorizes the assignee, at its option, to enter and take possession of the mortgaged premises and to manage and operate the same, to collect all or any rents accruing therefrom and from said leases, to let or re-let said premises or any part thereof, to cancel and modify leases, evict tenants, bring or defend any suits in connection with the possession of said premises in its own name or assignor's name, make repairs as assignee deems appropriate, and perform such other acts in connection with the management and operation of said premises as the assignee, in its discretion, may deem proper.

The receipt by the assignee of any rents, issues or profits pursuant to this instrument after the institution of foreclosure proceedings under said Mortgage shall not cure such default nor affect such proceedings or any sale pursuant thereto.

Assignee shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by assignor under any of said leases, and the assignor hereby agrees to indemnify the assignee for, and to save it harmless from, any and all liability arising from any of said leases or from this assignment, and this assignment shall not place responsibility for the control, care, management or repair of said premises upon the assignee, or make the assignee responsible or liable for any negligence in the management, operation, upkeep, repair or control of said premises resulting in loss or injury or death to any tenant, licensee, invitee, employee, stranger, or trespasser.

The assignor covenants and represents that said assignor has full right and title to assign said leases and the rents, income and profits due or to become due thereunder, that the terms of said leases have not been changed from the terms in the copies of said leases submitted to the assignee for approval, that no other assignment of any interest therein has been made, that there are no existing defaults under the provisions thereof, and that said assignor will not hereafter cancel, surrender or terminate any of said leases, exercise any option which might lead to such termination or change, alter or modify them or consent to the release of any party liable thereunder or to the assignment of the leases' interest in them without the prior written consent of the assignee.

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Assignor hereby authorizes the assignee to give notice in writing of this assignment at any time to any tenant under any of said leases.

Violation of any of the covenants, representations and provisions contained herein by the assignor shall be deemed a default under the terms of said Note and Mortgage.

Any expenditures made by the assignee in curing such a default on the assignor's behalf, with interest thereon at a rate equal to the lesser of (a) a rate of interest set forth in the Note, including accrued interest, or (b) at the highest rate allowed under the State of Alabama, shall become a part of the debt secured by these presents.

The full performance of said Mortgage and the duly recorded release or reconveyance of the property described therein shall render this assignment void.

The net proceeds collected by the assignee under the terms of this instrument shall be applied in reduction of the entire indebtedness from time to time outstanding and secured by said Mortgage.

This assignment applies to and binds the parties hereto and their respective heirs, administrators, executors, successors and assigns, as well as any subsequent owner of the real estate described herein and any assignee of the Mortgage referred to herein.

Notwithstanding any provision herein to the contrary, this Assignment of Rents and Leases is intended to be an absolute and irrevocable present assignment from assignor to assignee and not merely the passing of a security interest.

It is expressly understood and agreed by assignor and assignee hereof that assignor reserves, and is entitled to collect, said rents, income and profits upon, (but not more than two months in advance) and to retain, use, and enjoy the same unless and until an event of default pursuant to the Note and Mortgage occurs or until the violation of any term, condition or agreement of this assignment.

Assignor hereby authorizes and directs the tenants under the aforesaid leases, upon demand by assignee to make payments to assignee of rents and other sums due and to be due under their respective lease, without requiring the tenants to determine their right to do so. Assignor grants and conveys to assignee all of its rights in any and all

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agreements guaranteeing or securing the tenant's obligations under the aforesaid leases.

This assignment is being delivered to assignee in the State of Alabama, and shall be governed by, and construed in accordance with, the laws of the State of Alabama. Any provisions of this assignment which may be enforceable or invalid under any law shall be ineffective to the extent of such unenforceability or invalidity without affecting the enforceability or validity of any other provision hereof.

Notwithstanding anything provided herein or in any of the loan documents to the contrary, assignee agrees to look solely to the premises (as defined in the Mortgage), other collateral encumbered by the Mortgage and the rents and leases assigned to assignee pursuant to this Assignment of Rents and Leases for the payment and performance of all sums and obligations due under the loan documents and neither assignor nor any general or limited partner of assignor shall be liable for any deficiency judgment or other personal money judgment with respect to the payment or performance of such sums and obligations and assignee shall not seek or obtain any such judgment. The foregoing limitation of liability shall not apply to, and assignor does hereby indemnify and hold assignee harmless against, any loss or damages suffered by the assignee hereof as a result of (a) any act or omission of the assignor constituting fraud; (b) any misapplication of rents, condemnation proceeds, insurance proceeds, security deposits or any other proceeds derived from the premises covered by the Mortgage or other loan instruments (as defined in the Mortgage); (c) any willful or deliberate misrepresentation herein or in any of the Loan Instruments; or (d) any hazardous materials as it relates to the premises; provided, however, that clause (d) above shall not apply to Paine Webber Income Properties Eight Limited Partnership or any of its general or limited partners.

IN WITNESS WHEREOF, the said assignor, Daniel Meadows II General Partnership, has caused this instrument to be executed by its duly authorized general partner and sealed on this 14th day of October, 1987.

**DANIEL MEADOWS II GENERAL PARTNERSHIP,**  
a Virginia general partnership

By Daniel Realty Investment  
Corporation - Meadows II,  
Its General Partner

By:

Its:

  
VICE PRESIDENT

STATE OF ALABAMA )  
COUNTY OF SHELBY )

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Jack R. Peterson as Vice President of Daniel Realty Investment Corporation - Meadows II, as general partner of Daniel Meadows II General Partnership, a Virginia general partnership, is signed to the foregoing Assignment of Rents and Leases and who is known to me, acknowledged before me on this day that being informed of the contents of this instrument, he as such officer and with full authority executed the same voluntarily for and as the act of said corporation as general partner of Daniel Meadows II General Partnership, a Virginia general partnership.

Given under my hand and official seal this the 14th day of October, 1987.

Shirley A. Ellis  
Notary Public

My Commission Expires February 5, 1990

This instrument prepared by:

J. Fred Powell  
Burr & Forman  
3000 SouthTrust Tower  
Birmingham, Alabama 35203

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EXHIBIT "A"

Part of the SE 1/4 of the NW 1/4 and the SW 1/4 of NE 1/4 of Section 31, Township 18 South, Range 1 West, Shelby County, Alabama, and being more particularly described as follows: Lots 6, 8, 10 and 12, Jessica Ingram Property, as recorded in Map Book 3 page 54 in the Office of the Judge of Probate, Shelby County, Alabama, also, an acreage parcel situated in the SE 1/4 of the NW 1/4 of Section 31, Township 18 South, Range 1 West, Shelby County, Alabama, and being more particularly described as follows: From the NW corner of Lot 12, Jessica Ingram Property, as recorded in Map Book 3 page 54, in the Office of the Judge of Probate of Shelby County, Alabama, run in a Southerly direction along the West lot line of said Lot 12 for a distance of 30.26 feet to the point of beginning of the parcel herein described; from the point of beginning thus obtained, continue in a Southerly direction along the West lot lines of said Lots 12, 10, 8 and 6, for a distance of 620.60 feet; thence turn an angle to the right of 90 degrees 47 minutes 50 seconds and run in a Westerly direction for a distance of 116.86 feet to a point on the East right of way line of Brook Highland Drive, as shown on the map of "The Meadows Residential Sector One", as recorded in Map Book 9 page 142, in the Office of the Judge of Probate, Shelby County, Alabama, said point being on a curve to the left which has a radius of 605.12 feet, a central angle of 18 degrees 21 minutes 26 seconds and a chord of 193.05 feet which forms an interior angle to the left of 80 degrees 08 minutes 18 seconds with the last described call; run thence along said right of way line in a Northerly direction along the arc of said curve for a distance of 193.88 feet to the end of said curve; run thence in a Northerly direction tangent to said curve for a distance of 324.02 feet to the beginning of a curve to the left, said curve having a radius of 1153.80 feet, a central angle of 2 degrees 37 minutes 02 seconds and chord of 52.70 feet; run thence in a Northerly direction along the arc of said curve for a distance of 52.70 feet; thence turn an interior angle to the left of 126 degrees 06 minutes 26 seconds from the chord of the last described curve and run in a Northeasterly direction for a distance of 89.69 feet to the point of beginning.

Plus all rights of ingress and egress of Daniel Meadows II General Partnership into the following Real Estate:

Parcel C:

A parcel of land located in the SE 1/4 of the NW 1/4 of Section 31, Township 18 South, Range 1 West, Shelby County, Alabama, said parcel being 16 feet in width and lying adjacent to the East right-of-way line of Brook Highland Drive as shown on the map of "The Meadows Residential Sector One", as recorded in Map Book 9, Page 142, in the Office of the Judge of Probate, Shelby County, Alabama, and being more particularly described as follows:

From the NW corner of Lot 12, Jessica Ingram property, as recorded in Map Book 3, Page 54, in the Office of the Judge of Probate, Shelby County, Alabama, run in a Southerly direction along the West lot line of said Lot 12 for a distance of 30.26 feet; thence turn an angle to the right of 54 deg. 03' 52" and run in a Southwesterly direction for a distance of 70.27 feet to the point of

beginning of the property herein described; from the point of beginning thus obtained, continue along the last described course for a distance of 19.42 feet to a point on the East right-of-way line of Brook Highland Drive as shown on the map of "The Meadows Residential Sector One," as recorded in Map Book 9, Page 142, in the Office of the Judge of Probate, Shelby County, Alabama, said point being on a curve to the right, said curve being concave to the West and having a radius of 1,153.80 feet, a central angle of 2 deg. 37' 02" and a chord of 52.70 feet, which forms an interior angle to the right of 126 deg. 06' 26" with the last described course; run thence in a Southerly direction along the arc of said curve for a distance of 52.70 feet to the end of said curve; run thence in a Southerly direction tangent to said curve for a distance of 324.02 feet to the beginning of a curve to the right, said curve being concave to the Northwest and having a radius of 605.12 feet, a central angle of 18 deg. 21' 26" and a chord of 193.05 feet; run thence in a Southwesterly direction along the arc of said curve for a distance of 193.88 feet to a point; thence turn an interior angle to the right of 80 deg. 08' 18" from the chord of the last described curve and departing said right-of-way line run in an Easterly direction for a distance of 16.90 feet to a point on a curve to the left, said curve being concave to the Northwest and having a radius of 621.12 feet, a central angle of 17 deg. 50' 56" and a chord of 192.71 feet which forms an interior angle to the right of 99 deg. 36' 27" with the last described course; run thence in a Northeasterly direction along the arc of said curve for a distance of 193.49 feet to the end of said curve; run thence in a Northerly direction, tangent to said curve, for a distance of 324.02 feet to the beginning of a curve to the left, said curve being concave to the West and having a radius of 1,169.80 feet, a central angle of 3 deg. 09' 36" and a chord of 64.51 feet; run thence in a Northerly direction along the arc of said curve for a distance of 64.52 feet to the point of beginning.

LESS AND EXCEPT the following described Parcels A, B & C:

Parcel A

Part of Lot 12, Jessica Ingram Property, as recorded in Map Book 3 page 54 in the Office of the Judge of Probate of Shelby County, Alabama, being more particularly described as follows: Beginning at the NW corner of said Lot 12, run thence in a Southerly direction along the West lot line of said Lot 12 for a distance of 30.26 feet; thence turn an angle to the left of 89 degrees 23 minutes 50 seconds and run in an Easterly direction for a distance of 1236.08 feet to a point on the West right of way line of Shelby County Road No. 495; thence turn an angle to the left of 94 degrees 03 minutes 43 seconds and run in a Northerly direction along said West right of way line for a distance of 36.62 feet to a 2 inch capped pipe; thence turn an angle to the left of 86 degrees 13 minutes 44 seconds and run in a Westerly direction along the North line of said Lot 12 for a distance of 1233.82 feet to the point of beginning.

Parcel B

Part of Lot 6, Jessica Ingram Property, as recorded in Map Book 3 page 54 in the Office of the Judge of Probate of Shelby County, Alabama, being more particularly described as follows: Beginning at the SW corner of said Lot 6, run thence in an Easterly direction along the South line of said Lot 6 for a distance of 1274.54 feet to the West right of way line of Shelby County Road No. 495; thence turn an angle to the left of 94 degrees 15 minutes 23 seconds and run in a Northerly direction along said right of way line for a distance of 10.02 feet; thence turn an angle to the left of 85 degrees 44 minutes 37 seconds and run in a Westerly direction for

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a distance of 1273.94 feet to the West line of said Lot 6; thence turn an angle to the left of 90 degrees 47 minutes 50 seconds and run in a Southerly direction along the West line of said Lot 6 for a distance of 10.00 feet to the point of beginning.

Parcel C:

A parcel of land located in the SE 1/4 of the NW 1/4 of Section 31, Township 18 South, Range 1 West, Shelby County, Alabama, said parcel being 16 feet in width and lying adjacent to the East right-of-way line of Brook Highland Drive as shown on the map of "The Meadows Residential Sector One", as recorded in Map Book 9, Page 142, in the Office of the Judge of Probate, Shelby County, Alabama, and being more particularly described as follows:

From the NW corner of Lot 12, Jessica Ingram property, as recorded in Map Book 3, Page 54, in the Office of the Judge of Probate, Shelby County, Alabama, run in a Southerly direction along the West lot line of said Lot 12 for a distance of 30.26 feet; thence turn an angle to the right of 54 deg. 03' 52" and run in a Southwesterly direction for a distance of 70.27 feet to the point of beginning of the property herein described; from the point of beginning thus obtained, continue along the last described course for a distance of 19.42 feet to a point on the East right-of-way line of Brook Highland Drive as shown on the map of "The Meadows Residential Sector One," as recorded in Map Book 9, Page 142, in the Office of the Judge of Probate, Shelby County, Alabama, said point being on a curve to the right, said curve being concave to the West and having a radius of 1,153.80 feet, a central angle of 2 deg. 37' 02" and a chord

of 52.70 feet, which forms an interior angle to the right of 126 deg. 06' 26" with the last described course; run thence in a Southerly direction along the arc of said curve for a distance of 52.70 feet to the end of said curve; run thence in a Southerly direction tangent to said curve for a distance of 324.02 feet to the beginning of a curve to the right, said curve being concave to the Northwest and having a radius of 605.12 feet, a central angle of 18 deg. 21' 26" and a chord of 193.05 feet; run thence in a Southwesterly direction along the arc of said curve for a distance of 193.88 feet to a point; thence turn an interior angle to the right of 80 deg. 08' 18" from the chord of the last described curve and departing said right-of-way line run in an Easterly direction for a distance of 16.90 feet to a point on a curve to the left, said curve being concave to the Northwest and having a radius of 621.12 feet, a central angle of 17 deg. 50' 56" and a chord of 192.71 feet which forms an interior angle to the right of 99 deg. 36' 27" with the last described course; run thence in a Northeasterly direction along the arc of said curve for a distance of 193.49 feet to the end of said curve; run thence in a Northerly direction, tangent to said curve, for a distance of 324.02 feet to the beginning of a curve to the left, said curve being concave to the West and having a radius of 1,169.80 feet, a central angle of 3 deg. 09' 36" and a chord of 64.51 feet; run thence in a Northerly direction along the arc of said curve for a distance of 64.52 feet to the point of beginning.

According to survey of Laurence D. Weygand, Reg. No. 10373, dated September 14, 1987.

All situated in Shelby County, Alabama.

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

1987 OCT 15 PM 3:34

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

RECORDING FEES

Recording Fee \$ 30.00

Index Fee 1.00

TOTAL \$ 31.00

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