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ASSIGNMENT OF LESSOR'S INTEREST IN LEASES

THIS ASSIGNMENT, made as of this 7th day of March, 1988, by MEDITRUST OF ALABAMA, INC., an Alabama corporation ("Assignor"), having an office at 15A Walnut Street, Wellesley, Massachusetts 02181 to BARCLAYS BANK PLC ("Assignee"), a bank organized under the laws of England, having a branch at 75 Wall Street, New York, New York 10265.

W I T N E S S E T H :

WHEREAS, Assignor is the owner of a fee simple interest in that certain parcel of real property more fully described on Exhibit A attached hereto and by this reference made a part hereof (the "Land") and of all buildings and improvements now and hereafter constructed on the Land (the Land and all said buildings and improvements being hereinafter referred to as the "Real Estate"); and

WHEREAS, Assignor is a wholly-owned direct subsidiary of Meditrust, a real estate investment trust organized under the laws of the Commonwealth of Massachusetts ("Meditrust"); and

WHEREAS, Assignee, as lender, has agreed to lend and Meditrust, as borrower, has agreed to borrow an aggregate principal of \$55,000,000 (the "Loan") with interest as provided in that certain Credit Agreement of even date herewith between Meditrust and Assignee (herein, as the same may from time to time be amended or supplemented, the "Credit Agreement"); and

WHEREAS, the Guarantee is secured by that certain Mortgage and Security Agreement of even date herewith by Assignor to Assignee covering the Real Estate; and

WHEREAS, Assignor has partially guaranteed the obligations of Meditrust under the Credit Agreement and Notes pursuant to a Guarantee of even date herewith given by Assignor to Assignee (the "Guarantee"); and

WHEREAS, it is a condition of Assignee's obligation to accept the Guarantee that payment thereof be secured by, inter alia, an assignment of the lessor's interest in all leases affecting the Real Estate;

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Cahaba Title

NOW, THEREFORE, FOR VALUE RECEIVED, Assignor hereby absolutely and unconditionally grants, transfers and assigns to Assignee, its successors and assigns,

A. All rents, issues and profits from the Real Estate; and

B. All of the other right, title and interest of Assignor in and to:

(i) Any and all leases of space or land now or hereafter affecting the Real Estate including, not exclusively, that certain lease described on Exhibit C; and

(ii) Any extensions, renewals or modifications thereof and any guaranties of the obligations owed Assignor thereunder.

Each and all of said agreements described in clauses (i) and (ii) above are hereinafter referred to singularly as a "Lease" and collectively as the "Leases" and the payments due Assignor thereunder as "rent";

provided, however, that so long as no Event of Default (as defined in the Credit Agreement) shall have occurred and be continuing, Assignor shall have the right (during the pendency of the Event of Default) to collect, but not more than one month prior to accrual, all rents, issues and profits from the Real Estate and to retain, use and enjoy the same;

FOR THE PURPOSE OF SECURING: (a) payment of the indebtedness evidenced by the Guarantee; and (b) performance and discharge of each obligation, covenant and agreement of the Assignor contained herein or in the Guarantee or in any of the Loan Documents (as defined in the Credit Agreement).

ASSIGNOR AGREES WITH RESPECT TO EACH LEASE THAT:

1. Assignor shall: fulfill or perform each and every condition and covenant of each Lease by Assignor to be fulfilled or performed; give prompt notice to Assignee of any notice received by Assignor of default by Assignor under any Lease, together with a complete copy of any such notice; at the sole cost and expense of Assignor, enforce, short of termination of any Lease, the performance or observance of each and every covenant and condition of such Lease to be performed or observed by the other parties

thereto; not modify the terms of any of the Leases; not terminate the term of any Lease nor accept a surrender thereof without the consent of Assignee, unless such surrender is required by the terms of such Lease; not anticipate the rents payable to Assignor thereunder for more than one month prior to accrual; not consent to any assignment, either voluntarily, or by operation of law (except as may be required under the terms of the Leases), by a tenant of its interest in any Lease; not consent to any sublease by a tenant of any leased space or land (except as may be required under the terms of the Leases); not waive or release the other parties thereto from any material obligations or conditions by them to be performed; and not make any assignment, either voluntarily, or by operation of law, of any Lease to any Person without the prior written consent of Assignee.

2. Except as provided in Section 1 of this Assignment, the rights assigned hereunder include all Assignor's right and power to modify the Leases or to terminate the term or to accept a surrender or termination thereof or to waive, or release the other parties from, the performance or observance by them of any obligation or condition thereof or to anticipate rents payable to Assignor thereunder for more than one month prior to accrual; provided, that Assignee may not exercise such rights and powers so long as no Event of Default shall have occurred and be continuing.

3. At Assignor's sole cost and expense, Assignor will appear in and prosecute its claims and defend its rights in any action growing out of or in any manner connected with the Leases or the obligations or liabilities of Assignor, other parties or any guarantor thereunder, and Assignee, if made a party to any such action, may employ counsel and incur and pay costs and expenses and attorneys' fees, and all such sums, with interest at the rate applicable under the Notes, shall be due from Assignor upon demand and secured hereby and by the Mortgage.

4. Should Assignor fail to make any payment or to do any action as herein provided, then Assignee, but without obligation so to do and without notice to or demand on Assignor and without releasing Assignor from any obligation herein, may make or do the same, including specifically, without limiting its general powers, appearing in and defending any action purporting to affect the security hereof or the rights or powers of Assignee and performing any obligation of Assignor in the Leases contained, and in

exercising any such powers paying necessary costs and expenses, employing counsel and incurring and paying reasonable attorneys' fees and expenses; and Assignor will pay immediately upon demand all sums expended by Assignee under the authority hereof, together with interest thereon at the rate applicable under the Notes, and the same shall be added to said indebtedness and shall be secured hereby and by the Mortgage.

5. Upon the occurrence (and continuation) of any Event of Default, Assignee, at its option, without notice, and without regard to the adequacy of security for the indebtedness hereby secured, either in person or by agent with or without bringing any action or proceeding, or by a receiver to be appointed by a court, may: enter upon, take possession of, and operate the Real Estate; make, enforce, modify, and accept any surrender of any Lease; obtain and evict operators, concessionaires and licensees; fix or modify rents; and do any acts which Assignee deems proper to protect the security hereof until all indebtedness secured hereby is paid in full, and either with or without taking possession of the Real Estate, in its own name, sue for or otherwise collect and receive all rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees and expenses, upon any indebtedness secured hereby in such order as Assignee may determine. The entering upon and taking possession of the Real Estate, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or waive, modify and affect any notice of default under the Mortgage or invalidate any act done pursuant to such notice.

6. Without the prior written consent of Assignee, Assignor will not cause or permit the leasehold estate under the Leases to merge with Assignor's reversionary interest.

7. Assignee and the purchaser at any foreclosure sale shall have the right following foreclosure of the lien of the Mortgage to preserve any Lease and the rights of Assignor thereunder. Any Lease hereafter entered into shall provide for such right of preservation and shall contain a covenant by the other parties thereto to attorn to or perform for the benefit of any such purchaser.

8. Assignor represents and warrants to Assignee that Exhibit C attached to this Assignment is a correct and complete list of all Leases affecting the Real Estate on the

date hereof. Each Lease listed on Exhibit C is in full force and effect and unamended, except as shown on Exhibit C. To the best knowledge of Assignor, there exists no default or event of default in the performance of any covenant, agreement, obligation or conditions contained in any Lease listed on Exhibit C, and no notice of default under any such Lease has been given.

9. Prior to entry or other exercise of its rights under paragraph 5 of this Assignment Assignee shall not be obligated to perform or discharge any obligation under any Lease, or under or by reason of this Assignment, and Assignor hereby agrees to indemnify Assignee against and hold it harmless from any and all liability, loss, cost, claims or damage which it may or might incur under any Lease or under or by reason of this Assignment and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligation or undertaking on its part to perform or discharge any of the terms of any Lease; should Assignee incur any such liability, loss, cost, claims or damage under any Lease or under or by reason of this Assignment, or in defending against any such claims or demands, the amount thereof, including reasonable costs, expenses and attorneys' fees, together with interest thereon at the rate applicable under the Notes, shall be secured hereby and by the Mortgage, and Assignor shall reimburse Assignee therefor immediately upon demand.

10. This Assignment shall inure to the benefit of the successors and assigns of the Assignee and shall bind the Assignor's legal representatives, successors and assigns.

11. Upon the payment in full of all indebtedness secured hereby, as evidenced by the recording of an instrument of reconveyance or satisfaction or release of each of the Mortgage without the recording of another mortgage or deed of trust in favor of or for the benefit of Assignee encumbering the Real Estate, this Assignment shall become null and be void and of no effect.


12. This Assignment shall be governed by and construed and interpreted in accordance with the laws of the State or Commonwealth in which the Land is located.

13. This Assignment is delivered in satisfaction of the condition specified in subsection 4(a) of the Credit Agreement and is entitled to the benefits of the Credit Agreement. Terms used in this Assignment which are defined in the Credit Agreement shall have the meanings specified therein.

IN WITNESS WHEREOF, Assignor has duly executed this Assignment the day and year first above written.

MEDTRUST OF ALABAMA, INC.

By:


Jonathan S. Sherwin
President

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COMMONWEALTH OF MASSACHUSETTS)

Suffolk COUNTY)

I, the undersigned authority, a Notary Public in and for said County, in said State, hereby certify that Jonathan S. Sherwin, whose name as President of Meditrust of Alabama, Inc., an Alabama corporation, is signed to the foregoing Assignment of Lessor's Interest in Leases and who is known to me, acknowledged before me on this day that, being informed of the contents of the foregoing Assignment of Lessor's Interest in Leases, he, in his capacity as such President and with full authority, executed the same voluntarily for and as the act of said corporation on the day the same bears date.

Given under my hand this the 6th day of March, 1988.

Marionne Gynior
Notary Public

My Commission Expires: August 5, 1994

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EXHIBIT A

DESCRIPTION OF LAND

Property Description

Commence at the Southeast corner of the West 1/2 of the Southeast 1/4 of the Northwest 1/4 of Section 35, Township 20 South, Range 3 West; thence run North along the East line of said West 1/2 of the Southeast 1/4 of the Northwest 1/4 of said Section 35 for a distance of 342.79 feet to the point of beginning; from the point of beginning thus obtained, continue North along last described course for a distance of 821.63 feet; thence turn an angle to the left of 94 deg. 03 min. 50 sec. and run in a Southwesterly direction for a distance of 593.37 feet; thence turn an angle to the left of 90 deg. 42 min. 10 sec. and run in a Southeasterly direction along the East right of way line of Shelby County Highway No. 95 for a distance of 484.46 feet to the point of beginning of a curve to the right, said curve having a central angle of 2 deg. 08 min. and a radius of 7679.28 feet; thence run along the arc of said curve and the East right of way line of Shelby County Highway No. 95 for a distance of 285.93 feet; thence turn an angle to the left of 86 deg. 08 min. from the tangent of last described course and run in an Easterly direction for a distance of 533.30 feet to the point of beginning; being situated in Shelby County, Alabama.

EXHIBIT B

DESCRIPTION OF MORTGAGE

FIRST MORTGAGE AND SECURITY AGREEMENT by MDEITRUST OF
ALABAMA, INC., Mortgagor to BARCLAYS BANK PLC, Mortgagee
dated as of March 7, 1988.

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EXHIBIT C

DESCRIPTION OF LEASE

FACILITY LEASE AND SECURITY AGREEMENT between MEDITRUST OF ALABAMA, INC., as Lessor, and BRIARCLIFF NURSING HOME, INC., as Lessee, dated August 13, 1987, for Premises known as Briarcliff Nurshing Home, Alabaster, Alabama.

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STATE OF ALA. SHELBY
I CERTIFY THIS
INSTRUMENT WAS FILED

88 MAR -7 PH 2:11

Thomas A. Shumaker
JUDGE OF PROBATE

STATE OF ALA. SHELBY
I CERTIFY THIS
INSTRUMENT WAS FILED

88 MAR -7 PH 2:11

Thomas A. Shumaker
JUDGE OF PROBATE

RECORDING FEES

Recording Fee

\$25.00

Index Fee

1.00

\$26.00