

ASSIGNMENT OF LEASES

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STATE OF ALABAMA)

COUNTY OF JEFFERSON)

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KNOW ALL MEN BY THESE PRESENTS: That the undersigned Jeffrey E. Bassett and wife Bette J. Bassett (hereinafter called "Assignor"), in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration in hand paid to Assignor by New South Federal Savings Bank (hereinafter called "Assignee"), receipt of which is hereby acknowledged, does hereby sell, assign, transfer and set over to Assignee, its successors and assigns, all of Assignor's interest in and to all leases presently existing and hereafter made, whether written or verbal, or any letting of, or agreement for the use of any part of that certain parcel of real estate situated in Shelby County, Alabama, and described in Exhibit A attached hereto, including, without limitation, the leases described in Exhibit B attached hereto, and all the rents, issue, and profits now due and which may hereafter become due under or by virtue of said leases and agreements.

This Agreement is made as additional security for the payment of indebtedness due by Assignor to Assignee in the amount of Fifty six thousand nine hundred ninety-one and 35/100 Dollars (\$56,991.35), with interest thereon, as evidenced by Promissory Note in said amount ("Note") executed and delivered by Assignor to Assignee on the date hereof, and as additional security for the full and faithful performance by Assignor of all the terms and conditions of a certain Mortgage and Security Agreement of even date herewith (the "Mortgage") executed and delivered by Assignor to Assignee on the property described in

Exhibit A to secure the payment of the Note.

Assignor agrees that this Agreement shall cover all further leases, whether written or verbal, or any letting of, or any agreement for the use, purchase or occupancy of, any part of said premises.

Assignor further agrees that it will not assign the rent or any part of the rents of said premises, nor collect rents under any leases or other agreements relating to use of any part of the property described in Exhibit A for a period further in advance than thirty(30) days without the written consent of Assignee, nor do any other act whereby the lien of the Mortgage may be impaired in value or quality.

Assignor further agrees that this Assignment is to remain in full force and effect so long as the Note remains unpaid and that it may be enforced by Assignee, its successors and assigns, as the holder of the Note.

It is expressly understood and agreed by Assignor and Assignee hereof that this instrument shall constitute a present assignment of the rents arising from the property; however, Assignee does hereby grant to Assignor a license to collect said rents, income and profits, and to retain, use and enjoy the same unless and until Assignor defaults in the performance of the terms and conditions of the Note, or Assignor defaults in the performance of the terms and conditions of the Mortgage or this Assignment or until Assignee shall otherwise revoke the license granted hereby.

Assignor does hereby authorize and empower Assignee, its successors and assigns, or the holder of the Note, to collect, said license, all of the rents, issues and profits, now due or which may hereafter become due under or by virtue of any lease, whether written or verbal, or any letting of, or agreement for the use or occupancy of, any part of said premises, and to take such action, legal or equitable, as may be deemed necessary to enforce payment of such rents, issues and profits. Any lessee making such

payment to Assignee shall be under no obligation to inquire into or determine the actual existence of any default claimed by Assignee.

Any amounts received or collected by Assignee, its successors and assigns, by virtue of this Assignment shall be applied for the following purposes, but not necessarily in the order named, the priority and application of such funds being within the sole discretion of the holder of the Note:

- (1) to the payment of all necessary expenses for the operation, protection and preservation of said premises, including the usual and customary fees for management services;
- (2) to the payment of premiums due and payable on any insurance policy relating to said premises;
- (3) to the payment of premiums due and payable on any insurance policy relating to said premises;
- (4) to the payment of installments of principal and interest on the note as and when they become due and payable pursuant to the terms of said Note;
- (5) to the payment of installments of principal and interest on the note as and when they become due and payable pursuant to the terms of said Note;
- (6) the balance remaining after payment of the above shall be paid to the then owner of record of said premises.

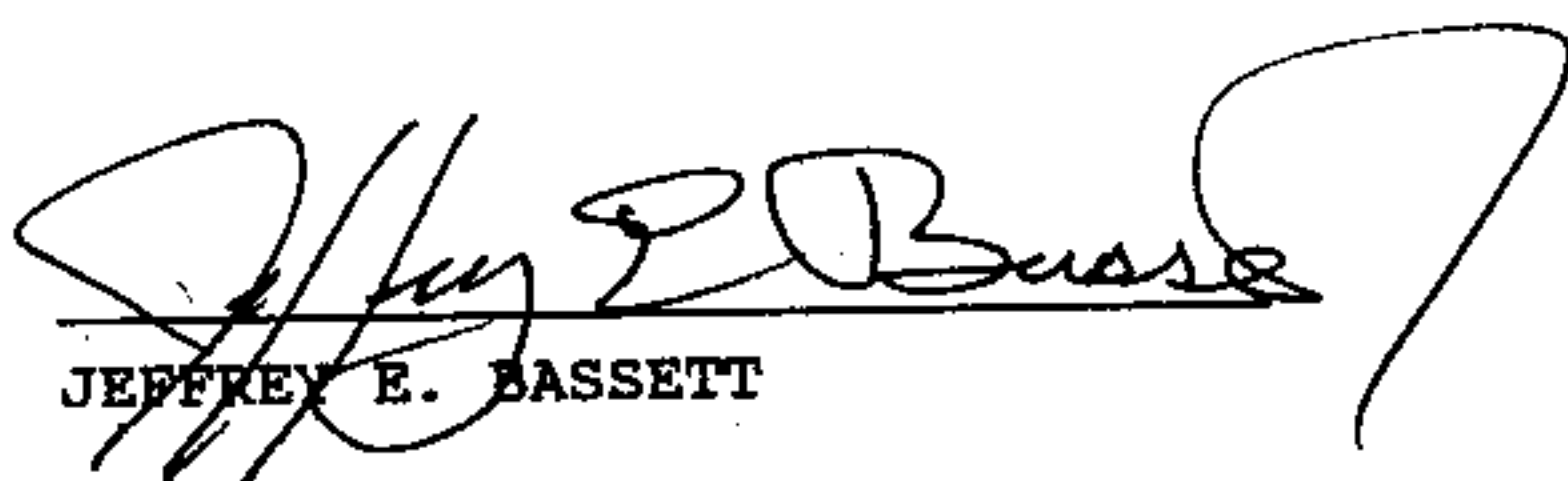
Assign hereby agrees to indemnify Assignee for, and to save it harmless from, any and all liability, loss or damage which Assignee might incur by virtue of this Agreement and the enforcement of its remedies hereunder, and from any and all claims and demands whatsoever which may be asserted against Assignee on account thereof. Without limiting the generality of the forgoing, Assignor covenants and agrees that this Assignment, prior to any such default and entry upon the premises by said Assignee by reason thereof, shall not operate to place responsibility for the control, care, management, or repair

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of said premises upon Assignee, nor the carrying out of any of the terms and conditions of said leases; nor shall it operate to make Assignee responsible or liable for any waste committed on the property by the tenants or any other party, or for any negligence in the management, or for any negligence in the management, upkeep, repair or control of said premises resulting in loss or injury or death to any tenant, licensee, invitee, employee, stranger or other person.

IN WITNESS WHEREOF, Assignor has caused these presents to be properly executed on this the 31st day of March, 1989.

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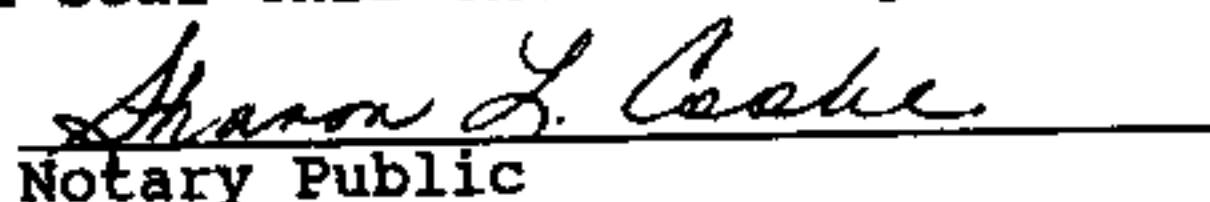

JEFFREY E. BASSETT


BETTE J. BASSETT

STATE OF ALABAMA
COUNTY OF JEFFERSON

I, the undersigned, a Notary Public in and for said County and in said State, hereby certify that Jeffrey E. Bassett and wife, Bette J. Bassett, whose names are signed to the foregoing conveyance, and who are known to me, acknowledged before me that, being informed of the contents of the conveyance, they executed the same voluntarily and as their act on the date the same bears date.

Given under my hand and seal this the 31st day of March, 1989.


Notary Public

My Commission Expires:
10-1-89

EXHIBIT "A"

ASSIGNMENT OF LEASES:

JEFFREY E. AND BETTE J. BASSETT

(ASSIGNORS)

LEGAL DESCRIPTION:

Lot 29, according to the Survey of Shadow Brook,
as recorded in Map Book 6, Page 102, in the
Probate Office of Shelby County, Alabama.

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EXHIBIT "B"

LESSORS: HAYDEN GRAHAM AND POLLY GRAHAM

LEASE TERM: ONE YEAR (AUTOMATIC RENEWAL)

RENT PAYMENT: \$995.00 PER MONTH

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

89 MAY -3 PM 2:22

Thomas W. Snowden, Jr.
JUDGE OF PROBATE

RECORDING FEES

Recording Fee	\$ <u>15.00</u>
Index Fee	<u>2.00</u>
TOTAL	<u>17.00</u>