

STATE OF ALABAMA)

COUNTY OF SHELBY)

COLLATERAL ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT is entered into by and between K & B INVESTMENT CORPORATION, a Florida corporation (the "Borrower"), and FIRST ALABAMA BANK, an Alabama banking corporation (the "Lender"), to secure an indebtedness owing by the Borrower to the Lender, as evidenced by that certain promissory note (the "Note") dated August 31, 1988, as amended on July 23, 1990, from C & A COMPANY, INC., an Alabama corporation ("C & A") to Lender in the principal amount of FIVE HUNDRED FIFTY-FIVE THOUSAND AND 00/100 (\$555,000.00) DOLLARS, which Note is being further amended and assumed by Borrower pursuant to that certain Agreement of Assumption and Modification of Indebtedness (the "Assumption Agreement") by and among Borrower, C & A, and Lender of even date herewith. The outstanding principal amount assumed by Borrower under the Assumption Agreement is FIVE HUNDRED FIFTY-FOUR THOUSAND SIX HUNDRED FORTY AND 35/100 (\$544,640.35) DOLLARS. Under the Assumption Agreement, the debt is due and payable to Lender as of December 19, 2006. Said indebtedness is described in and secured by a mortgage (the "Mortgage") dated August 31, 1988, executed by C & A to the Lender and assumed by the Borrower under the Assumption Agreement. The Mortgage covers the Borrower's interest in and to the real property described in Exhibit "A" attached hereto and made a part hereof (the "Property"). Said indebtedness is hereinafter collectively referred to as the "Indebtedness". The Mortgage, this Collateral Assignment of Leases and Rents, and all other instruments executed by the Borrower further securing the Indebtedness are hereinafter collectively referred to as the "Loan Documents."

For and in consideration of the Loan made to the Borrower by the Lender as evidenced by the Note and Assumption Agreement, the Borrower has granted, transferred and assigned, and by these presents does grant, transfer and assign unto the Lender all of its right, title and interest in and to the following:

1. All leases and subleases, whether written or oral, of the Property, or any portion thereof, any and all extensions and renewals of said leases, and any and all further leases or subleases now existing or hereafter made, upon or covering all or any part of the Property, all such leases, subleases, and tenancies heretofore mentioned being hereinafter collectively referred to as the "Leases";

2. Any and all guarantees of the lessee's performance under any of the Leases; and

3. The immediate and continuing right to collect and receive all of the rents and all other sums now due or which may become due or to which the Borrower may now or shall hereafter become entitled

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or make demand or claim, arising or issuing from or out of the Leases (collectively hereinafter referred to as the "Rents").

The Borrower warrants:

- (a) The Borrower has good title to the Leases and Rents hereby assigned and good right to assign the same;
- (b) No other person, corporation or entity has any right, title or interest in the Leases or Rents hereby assigned;
- (c) All and singular the terms, covenants, conditions and warranties of the existing Leases on the part of the lessor thereunder have been duly and punctually performed, kept, and observed;
- (d) No previous sale, assignment, transfer, mortgage or pledge of the Leases or the Rents, is superior to the assignment of the Leases and Rents hereunder.
- (e) No Rents due for any period subsequent to the date hereof have been collected, and no payment of any of the Rents has otherwise been anticipated, waived, released, discounted, set-off or otherwise discharged or compromised; and
- (f) No lessee under any existing Lease is in default in the payment of rent.

To protect the security of this Assignment, the Borrower covenants and agrees:

1. To observe, perform and discharge all obligations, covenants and warranties provided for under the terms of the Leases to be kept, observed and performed by the lessor, thereunder and to give prompt notice to the Lender in the event Borrower fails to observe, perform and discharge the same;
2. To enforce or secure the performance of each and every obligation, term, covenant, condition and agreement to be performed by any lessee under the terms of any Lease;
3. To appear in and defend any action or proceeding arising under, or occurring out of, or in any manner connected with the Leases or the obligations, duties or liabilities of the Borrower and any lessee thereunder, and, upon request by the Lender, to do

so in the name and on behalf of the Lender but at the expense of the Borrower, and to pay all costs and expenses of the Lender, including reasonable attorney's fees (including, without limitation, reasonable attorney's fees incurred in any litigation, bankruptcy or administrative proceedings and in any appeals therefrom), in any action or proceeding in which the Lender may appear with regard to the Leases;

4. Not to pledge, transfer, mortgage or otherwise encumber or assign future payment of the Rents during the term hereof;

5. Not to waive, excuse, condone, discount, set-off, compromise, or in any manner release or discharge any lessee of the Property of and from any obligations, covenants, conditions and agreements by said lessee to be kept, observed and performed, including the obligation to pay Rents in the manner and at the place and time specified in any Lease;

It is a condition of the granting of these powers, benefits and privileges, and of the making of the assignment, and the Lender by the acceptance of this instrument so agrees, that, until an act of default shall be made by the Borrower in the performance of any of the agreements, covenants and promises in the Note, the Mortgage, the Assumption Agreement or any of the Loan Documents, including the making of the payments as set out in said Note and Assumption Agreement, the Borrower may receive and collect the Rents from the Leases for the benefit of Lender; but it is covenanted and agreed by the Borrower, for the consideration aforesaid, upon or at any time after default in the payment of any Indebtedness secured hereby or in the observance or performance of any obligation, covenant or warranty set forth herein, in the Assumption Agreement, or in any Loan Document, or the occurrence of any event of default under the terms of any of the Note, the Assumption Agreement, or any Loan Document, the Lender, at its option, shall have the right, power and authority to exercise and enforce any or all of the following rights and remedies:

- (a) To collect the Rents as aforesaid, and, in the Lender's own name;
- (b) To demand, collect, receive, sue for, attach and levy on the Rents;
- (c) To give proper receipts, releases and acquittance therefor, after deducting all necessary and reasonable costs and expenses of collection, including reasonable attorney's fees (including without limitation, reasonable attorney's fees incurred in any litigation, bankruptcy or administrative proceedings and in any appeals therefrom);

- (d) To apply the net proceeds thereof, together with any funds of the Borrower deposited with the Lender, upon any Indebtedness secured hereby, or by the Loan Documents and in such order as the Lender may determine; and
- (e) To declare all sums secured hereby immediately due and payable and, at its option, to exercise all of the rights and remedies provided for in the Note, in the Loan Agreement, in the Loan Documents, or under the terms hereof.

The collection of the Rents and application thereof as aforesaid shall not cure or waive any default or waive, modify or affect any notice of default under the Note, the Assumption Agreement, the Loan Documents or hereunder, or invalidate any act done pursuant to such notice. The enforcement of such right or remedy by the Lender, once exercised, shall continue for so long as the Lender shall elect, notwithstanding that the collection and application aforesaid of the Rents may have cured the original default. If the Lender shall thereafter elect to discontinue the exercise of any such right or remedy, the same or any other right or remedy hereunder may be reasserted at any time and from time to time following any subsequent default.

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This Assignment shall remain in effect as long as any part of the Indebtedness remains unpaid and upon the payment in full of said Indebtedness the Lender shall execute a release of this Assignment upon the written request and at the expense of the Borrower. This Assignment shall run with the land described in Exhibit "A" hereto and shall inure to the benefit of and bind the parties hereto and their respective successors and assigns.

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This Assignment shall be governed as to validity, interpretation, construction, effect and in all other respects by the laws and decisions of the State of Alabama.

EXECUTED under seal as of the 19th day of December, 1991.

K & B INVESTMENT CORPORATION

By: [Signature] (Seal)
Its: pres.

STATE OF ALABAMA)

JEFFERSON COUNTY)

I, the undersigned Notary Public in and for said County in said State, hereby certify that Ben Joannou Sr., whose name as President of K & B INVESTMENT CORPORATION, a Florida corporation, is signed to the foregoing Collateral Assignment of Leases and Rents, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this the 19th day of December, 1991.

Richard P. Carmody
Notary Public
My Commission Expires: 1/29/92

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EXHIBIT "A"

A part of the NW1/4 of the SW1/4 of Section 31, Township 19 South, Range 2 West, more particularly described as follows: Commence at the NW corner of the NW 1/4 of the SW1/4 of Section 31, Township 19 South, Range 2 West; thence turn an angle of 20 degrees 29 minutes 10 seconds left from the West line of said 1/4-1/4 Section and run Southeasterly for a distance of 347.40 feet; thence turn 71 degrees 34 minutes 40 seconds left and run Easterly for a distance of 364.82 feet; thence turn 4 degrees 50 minutes 40 seconds right and run Easterly for a distance of 369.55 feet to a point of beginning; thence turn 115 degrees 32 minutes left and run Northwesterly for a distance of 178.73 feet; thence turn 118 degrees 34 minutes 10 seconds right and Southeasterly for a distance of 130.53 feet; thence turn 27 degrees 14 minutes 20 seconds left and run Northeasterly for a distance of 154.30 feet to the Southwesterly right of way line of Old U.S. Highway No. 31; thence turn 83 degrees 55 minutes right and run Southeasterly along the right of way of said road for a distance of 156.00 feet; thence turn 100 degrees 24 minutes 30 seconds right and run Southwesterly for a distance of 284.26 feet; thence turn 88 degrees 22 minutes right and run Northwesterly for a distance of 14.14 feet to the point of beginning. Situated in Shelby County, Alabama.

SUBJECT TO:

1. Taxes due and payable on October 1, 1992 and all subsequent years.
2. Minerals and mining rights and privileges belonging thereto, in, to or under the land herein described not owned by Grantor.
3. Rights claimed under deed to Shelby County recorded in Deed Book 154, Page 111, in the Probate Office of Shelby County, Alabama. (U.S. Highway 31).
4. Transmission line permits to Alabama Power Company recorded in Deed Book 101, Page 505; Deed Book 119, Page 457; Deed Book 157, Page 290; Deed Book 164, Page 378; and Deed Book 172, Page 543, in said Probate Office.
5. Right of way for telephone lines as reserved in Deed Book 56, Page 296, in said Probate Office.
6. Mortgage from C & A Company, Inc. to First Alabama Bank, dated August 31, 1988, and recorded in Real Book 202, Page 646, in said Probate Office.

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

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JUDGE OF PROBATE

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| 1. Deed Tax | \$ |
| 2. Mtg. Tax | \$ |
| 3. Recording Fee | \$ 75.00 |
| 4. Indexing Fee | \$ 3.00 |
| 5. No Tax Fee | \$ |
| 6. Certified Fee | \$ 1.00 |
| Total | \$ 19.00 |

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