

THIS INSTRUMENT PREPARED BY:
DAVID F. OVSON, ESQUIRE
LANGE, SIMPSON, ROBINSON & SOMERVILLE
728 SHADES CREEK PARKWAY, SUITE 120
HOMEWOOD, ALABAMA 35209

STATE OF ALABAMA)

SHELBY COUNTY)

COLLATERAL ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT is entered into by and between C. PHILLIP HUCKABY and HARRIETTE H. HUCKABY, husband and wife (the "Assignor"), and REGIONS BANK, an Alabama banking corporation (the "Assignee"), to secure an indebtedness owing by the Assignor to the Assignee, as evidenced by that certain Equity Assetline Agreement (the "Agreement") of even date herewith, payable to the order of the Assignee and executed by the Assignor, and which is described in and secured by a Mortgage (the "Mortgage") of even date therewith executed by the Assignor to the Assignee, covering the Assignor'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 Assignor further securing the Indebtedness are hereinafter collectively referred to as the "Loan Documents."

For and in consideration of One Dollar (\$1.00) in hand paid to Assignor by Assignee, the receipt and sufficiency of which is hereby acknowledged, the Assignor have granted, transferred and assigned, and by these presents do grant, transfer and assign unto the Assignee all of Assignor's 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 Assignor may now or shall hereafter become entitled or make demand or claim, arising or issuing from or out of the Leases (collectively hereinafter referred to as the "Rents").

The Assignor warrants:

- (a) The Assignor 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,

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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 Assignor 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 Assignee in the event Assignor fail 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 Assignor and any lessee thereunder, and, upon request by the Assignee, to do so in the name and on behalf of the Assignee but at the expense of the Assignor, and to pay all costs and expenses of the Assignee, 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 Assignee 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 Assignee by the acceptance of this instrument so agrees, that, until an act of default shall be made by the Assignor in the performance of any of the agreements, covenants and promises in the Agreement, the Mortgage, or any of the Loan Documents, the Assignor may receive and collect the rents from the Leases for the benefit of Assignee; but it is covenanted and agreed by the Assignor, 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, or in any Loan Document, or the occurrence of any event of default under the terms of the Agreement or any Loan Document, the Assignee, 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 Assignee'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 Assignor deposited with the Assignee, upon

any Indebtedness secured hereby, or by the Loan Documents and in such order as the Assignee 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 Agreement, 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 Agreement, the Mortgage, the Loan Documents or hereunder, or invalidate any act done pursuant to such notice. The enforcement of such right or remedy by the Assignee, once exercised, shall continue for so long as the Assignee shall elect, notwithstanding that the collection and application aforesaid of the Rents may have cured the original default. If the Assignee 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.

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 Assignee shall execute a release of this assignment upon the written request and at the expense of the Assignor. 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.

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 on the 12th day of February, 1997.

 (Seal)
C. Phillip Huckaby

 (Seal)
Harriette H. Huckaby

STATE OF ALABAMA)

JEFFERSON COUNTY)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that C. PHILLIP HUCKABY and HARRIETTE H. HUCKABY, whose names are signed to the foregoing Collateral Assignment of Leases and Rents, and who is known to me, acknowledge before me on this day that, being informed of the contents of the instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 12th day of February, 1997.

My commission expires:

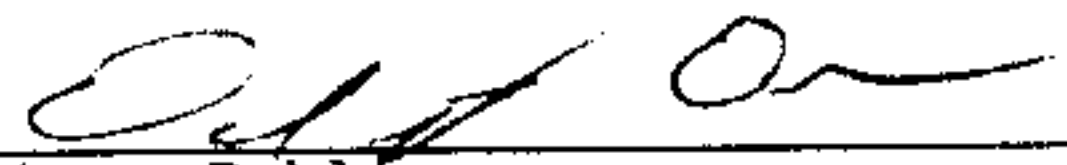

Notary Public

EXHIBIT "A"

Lot 47, according to the Survey of Phase II Bent River Estates, as recorded in Map Book 18, page 30, in the Probate Office of Shelby County, Alabama.

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