

STATE OF ALABAMA)
COUNTY OF SHELBY)

ASSIGNMENT OF RENTS AND LEASES

THIS ASSIGNMENT OF RENTS AND LEASES is made this 29th day of April, 1998, by SMC MOB II, L.L.C., an Alabama limited liability company (the "Borrower") in favor of SOUTHTRUST BANK, NATIONAL ASSOCIATION, a national banking association (the "Lender").

RECITALS:

This Assignment is made as additional security for the payment of indebtedness due by Borrower to Lender in the principal amount of Ten Million Thirty Thousand and No/100 (\$10,030,000.00) Dollars (the "Loan"), or such portion thereof as has been disbursed from time to time under the provisions of a Construction Loan Agreement between Borrower and Lender of even date herewith (the "Construction Loan Agreement"), with interest thereon as evidenced by a Promissory Note of even date herewith in said amount (the "Note") executed and delivered by Borrower to Lender, and as additional security for the full and faithful performance by Borrower of all the terms and conditions of the Construction Loan Agreement and the Note and of a certain Leasehold Mortgage/Mortgage and Security Agreement of even date herewith (the "Mortgage") executed and delivered by Borrower to Lender on the property described in Exhibit "A" to secure the payment of the Note.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, and as an inducement to the Lender to make the Loan to Borrower, Borrower does hereby sell, assign, transfer and set over unto Lender, its successors and assigns, all of the Borrower's interest in and to all leases presently existing (including, without limitation, that certain Building Lease Agreement dated April 29, 1998, by and between Borrower, as lessor, and Baptist Health System, Inc. as lessee) or hereafter made, whether written or verbal, or any letting of, or agreement for the use or occupancy of, any part of the property described in Exhibit "A" attached hereto, and the improvements located or to be located thereon, including, without limitation, all the rents, issues, and profits now due and which may hereafter become due under or by virtue of said leases and agreements.

Borrower agrees to duly operate and maintain the aforesaid property and perform all requisites on its part to keep any and all leases of said property in full force and effect.

Borrower agrees that this Assignment shall cover all future leases, whether written or verbal, or any letting of, or any agreement for the use or occupancy of, any part of said property.

Borrower further agrees that it will not assign the rent or any part of the rent of said property, nor collect rents under any leases or other agreements relating to use of any part of the property, for a period further in advance than one (1) month without the written consent of the Lender. ~~1998-15831~~ do any other act whereby the lien of the Mortgage and this Assignment may, in the opinion of the Lender, be impaired in value or quality.

05/01/1998-15831
10:52 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
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ALABAMA TITLE

Borrower agrees that it has not and will not enter into any fictitious lease or any lease for the purpose of avoiding creditors, and any attempt to do so will be void. Borrower represents and warrants that all leases, if any, presently in effect are, and all leases hereafter entered into will be, arms-length leases for a rental rate, which, in Borrower's best judgment, represents a fair market rental.

Borrower 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 Lender.

It is expressly understood and agreed by Borrower and Lender that said Borrower reserves, and is entitled to collect, said rents, income and profits upon, but not prior to, their accrual under the aforesaid leases, and to retain, use and enjoy the same unless and until the occurrence of an Event of Default pursuant to (and as defined in) the Construction Loan Agreement, the Note, or the Mortgage, or until the violation of any term, condition or agreement of this Assignment, each of which shall constitute an "Event of Default" hereunder.

Borrower does hereby authorize and empower Lender to collect, upon demand, after any Event of Default hereunder, 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 property, 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 Lender shall be under no obligation to inquire into or determine the actual existence of any Event of Default claimed by Lender.

Any amount received or collected by Lender by virtue of this Assignment shall be applied for the following purposes, but not necessarily in the order named, priority and application of such funds being within the sole discretion of Lender:

- (1) to the payment of all necessary expenses for the operation, protection and preservation of the property, including the Ground Lease rentals and the usual and customary fees for management services;
- (2) to the payment of taxes and assessments levied and assessed against the property as said taxes and assessments become due and payable;
- (3) to the payment of premiums due and payable on any insurance policy related to the property;
- (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 the Note, whether by acceleration or otherwise;
- (5) to the payment of any other sums due to Lender, including those due under the Mortgage and Construction Loan Agreement; and
- (6) the balance remaining after payment of the above shall be paid to the then owner of record of said property.

Borrower hereby agrees to indemnify Lender for, and to save it harmless from, any and all liability, loss or damage which Lender might incur under said leases or by virtue of this Assignment, and from any and

all claims and demands whatsoever which may be assessed against Lender thereunder or hereunder, and, without limiting the generality of the foregoing, covenants that this Assignment, prior to any such default by said Borrower and entry upon the property by said Lender by reason thereof, shall not operate to place responsibility for the control, care, management or repair of said property upon Lender, nor the carrying out of any of the terms and conditions of said leases; nor shall it operate to make Lender responsible or liable for any waste committed on the property by the tenants or any other party, or for any negligence in the management, upkeep, repair or control of said property resulting in loss or injury or death to any tenant, licensee, invitee, employee, stranger or other person, provided, however, Borrower shall not indemnify Lender against its own reckless misconduct or gross negligence.

The terms "Note", "Mortgage" and "Construction Loan Agreement" shall refer to such instruments as they may hereafter be amended by Borrower and Lender. This agreement shall be binding upon the Borrower, its successors and assigns and subsequent owners of the property, or any part thereof, and shall inure to the benefit of Lender, its successors and assigns and any holder of the Note.

IN WITNESS WHEREOF, Borrower has caused these presents to be properly executed by its duly authorized member as of the day and year first above written.

SMCMOB II, L.L.C.

By: _____
Its Member

Jim Johnson

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Jim Johnson, whose name as Member of SMCMOB II, L.L.C., an Alabama limited liability company, is signed to the foregoing Assignment, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Assignment, he, as such Member and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal, this the 20th day of April, 1998.

Elizabeth A. Conner

Notary Public
My Commission Expires: 11/10/2001

This instrument prepared by:
Ray D. Gibbons
Gordon, Silberman, Wiggins & Childs, P.C.
1400 SouthTrust Tower
Birmingham, Alabama 35203
(205) 328-0640

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EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL I

A parcel of land situated in the Northwest 1/4 of the Northwest 1/4 of Section 36, Township 20 South, Range 3 West, Shelby County, Alabama, being more particularly described as follows:

Commence at a crimped iron pipe accepted as the Southwest corner of the Northwest 1/4 of the Northwest 1/4 of Section 36, Township 20 South, Range 3 West, Shelby County, Alabama, and run in an Easterly direction along the South line of said 1/4-1/4 Section 204.90 feet; thence deflect $76^{\circ}56'27''$ and run to the left in a Northerly direction 149.06 feet to the POINT OF BEGINNING of the herein described parcel; thence continue along the last described course in a Northerly direction 216.90 feet; thence turn an interior angle of $90^{\circ}00'00''$ and run to the right in an Easterly direction 108.00 feet; thence turn an interior angle of $90^{\circ}00'00''$ and run to the right in a Southerly direction 216.90 feet; thence turn an interior angle of $90^{\circ}00'00''$ and run to the right in a Westerly direction 108.00 feet, more or less, to the POINT OF BEGINNING.

PARCEL II

The beneficial interest in and to an easement in, over, and under the following described land:

A parcel of land situated in the Northwest 1/4 of the Northwest 1/4 of Section 36, Township 20 South, Range 3 West, and the Northeast 1/4 of the Northeast 1/4 of Section 35, Township 20 South, Range 3 West, in Shelby County, Alabama, and being more particularly described as follows:

BEGIN at the Southwest corner of the Northwest 1/4 of the Northwest 1/4 of Section 36, Township 20 South, Range 3 West, said point being a crimped iron pipe; thence South 88 deg. 34 min. 38 sec. East along the South boundary of said NW 1/4 of the NW 1/4 a distance of 316.17 feet; thence run along the arc of a curve to the right having a central angle of 90 deg. 05 min. 26 sec. and a radius of 35.00 feet in an Easterly to Southerly direction 55.03 feet; thence South 01 deg. 33 min. 20 sec. West a distance of 13.73 feet; thence South 88 deg. 26 min. 40 sec. A distance of 254.49 to a point; thence North 01 deg. 33 min. 20 sec. East a distance of 62.24 feet to a point; thence North 16 deg. 02 min. 33 sec. East for a distance of 197.45 feet to a point; thence run North 73 deg. 57 min. 27 sec. West for a distance of 222.35 feet to the Westerly right of way line of Main Street of the First Addition to Cedar Grove Estates as recorded in Map Book 3, Page 141 in the Probate Office of Shelby County, Alabama; thence North 15 deg. 36 min. 24 sec. East along said right of way a distance of 91.89 feet to the Southeast corner of Lot 13 of the aforementioned First Addition; thence North 74 deg. 09 min. 08 sec. West along the Southwesterly boundary of said Lot 13 a distance of 94.88 feet; thence North 05 deg. 45 min. 15 sec. West along the Westerly boundary of Lot 13 a distance of 149.57 feet; thence North 73 deg. 55 min. 40 sec. West 243.14 feet to the Easterly right of way of U.S. Highway 31; thence South 15 deg. 49 min. 46 sec. West 150.53 feet along said right of way to the beginning of a curve to the left concave to the Southeast having a radius of 5629.65 feet; thence left through a central angle of 04 deg. 32 min. 59 sec. Southwesterly 447.03 feet along said curve to the intersection of said right of way and the South boundary of the NE 1/4 of the NE 1/4 of Section 35, Township 20 South, Range 3 West;

thence South 88 deg. 34 min. 38 sec. East along said South boundary 14.42 feet to the POINT OF BEGINNING; being situated in Shelby County, Alabama.

LESS AND EXCEPT the above described Parcel I; and
LESS AND EXCEPT that portion located within the right-of-way of 2ND Street.

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DUS-REC 19.50