

ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT OF LEASES AND RENTS (this "Agreement") is granted as of the 1st day of August, 2003, by C & S Investments, L.L.C., an Alabama Limited Liability Company (the "Assignor"), to First American Bank, a State Bank (the "Assignee").

WHEREAS, pursuant to a loan agreement of even date between the Assignor and the Assignee (the "Loan Agreement"), the Assignee has agreed to make a loan (the "Loan") to the Assignor in the amount of up to One Million Sixty Thousand Dollars and NO/100 DOLLARS (\$1,060,000.00), as evidenced by the Assignor's promissory note of even date (the "Note"), and secured, inter alia, by a deed of trust and security agreement of even date from the Assignor for the benefit of the Assignee (the "Deed of Trust"), encumbering certain premises located in Shelby County, Alabama, and more particularly described on Exhibit A attached hereto (the "Property") (this Agreement, the Loan Agreement, the Note, the Deed of Trust and the other documents and instruments evidencing or securing the Loan being hereinafter collectively referred to as the "Loan Documents"); and

WHEREAS, as further security for the payment and performance by the Assignor of (a) the Assignor's obligations under the Loan Documents to which the Assignor is a party and (b) any and all other obligations of the Assignor to the Assignee (collectively, the "Obligations"), the Assignor has agreed to execute and deliver to the Assignee this Agreement;

NOW, THEREFORE, in consideration of the Loan and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Assignor hereby agrees with the Assignee as follows:

I. ASSIGNMENT OF LEASES AND RENTS

Subject to the terms and conditions hereinafter set forth, the Assignor does hereby transfer, assign and deliver unto the Assignee all of the right, title and interest of the Assignor in and to:

1. All leases, subleases, tenancies, licenses and concessions, whether written or oral or now or hereafter existing, with respect to any portion or portions of the Property, together with any renewals or extensions thereof and all leases, subleases, tenancies, licenses and concessions in substitution therefor (collectively, the "Assigned Leases");

2. All rents and other payments of every kind due or payable and to become due or payable to the Assignor by virtue of the Assigned Leases, or otherwise due or payable and to become due or payable to the Assignor as the result of any use, possession or occupancy of any portion or portions of the Property (collectively, the "Rents"); and

3. All right, title and interest of the Assignor in and to all guarantees of the Assigned Leases.

II. CONDITION PRECEDENT

The Assignor does hereby authorize and empower the Assignee to collect the Rents as the same shall become due, and does hereby irrevocably direct each and all of the lessees, sublessees, tenants, licensees, concessionaires or other occupants of the Property to pay to the Assignee, upon demand by the Assignee, the Rents and any other payments that may become due or payable in respect of the Property; provided, however, that no such demand shall be made by the Assignee unless and until there shall have occurred and be continuing an Event of Default, as defined therein, under the Deed of Trust or any of the other Loan Documents, and until such demand is made, the Assignor shall be authorized to collect or continue to collect the Rents.

III. APPOINTMENT OF ATTORNEY

The Assignor does hereby irrevocably constitute and appoint the Assignee, while this Agreement remains in force and effect and, in each instance, to the full extent permitted by applicable law, the Assignor's true and lawful attorney in fact, coupled with an interest and with full power of substitution, delegation and revocation, for the Assignor and in the Assignor's name, place and stead, to enter and take possession of the Property by actual physical possession without the commencement of any action to foreclose the Deed of Trust or to exercise any power of sale the Assignee may have thereunder and to do and perform any or all of the following actions, as fully as the Assignor could do if personally present, hereby ratifying and confirming all that the Assignee, as attorney or the Assignor's substitute, shall lawfully do or cause to be done by virtue hereof:

1. To manage and operate the Property or any part thereof;
2. To lease, license or consign any part or parts of the Property for such periods of time, and upon such terms and conditions as the Assignee may, in the Assignee's sole discretion, deem proper;
3. To enforce, cancel or modify any of the Assigned Leases;
4. To enter into subordination and non-disturbance agreements with respect to any mortgages or deeds of trust on or leases, licenses or concessions of the Property (including the Deed of Trust) or with any of the lessees, licensees or concessionaires under any of the Assigned Leases;
5. To demand, collect, sue for, attach, levy, recover, receive, compromise and adjust, and make, execute and deliver receipts, releases, discharges or other instruments for all the Rents, issues, profits and other amounts that may thereafter become due, owing or payable with respect to the Property, or any part thereof, from any present or future lessees, tenants, subtenants, licensees, concessionaires or occupants thereof;
6. To institute, prosecute to completion, or compromise and settle, all summary proceedings, actions for rent or for removing any and all lessees, tenants, subtenants, licensees, concessionaires or occupants of the Property, or any part or parts thereof;
7. To enforce or enjoin or restrain the violation of any of the terms, provisions and

conditions of any of the Assigned Leases;

8. To make such repairs and alterations to the Property as the Assignee may, in the Assignee's reasonable discretion, deem proper;

9. To pay, from and out of any of the Rents, issues and profits collected in respect of the Property or any part thereof, or from or out of any other funds, taxes, assessments, water rates, sewer rates or other governmental charges levied, assessed or imposed against the Property, or any portion thereof, and also any and all other charges, costs and expenses which the Assignee may deem necessary or advisable for the Assignee to pay in the management or operation of the Property, including commissions for renting the Property, or any portion thereof, management and consulting fees, and legal expenses incurred in enforcing claims, drafting and negotiating documents or for any other services that may be required; and

10. To do generally, execute and perform any other act, deed, matter or thing whatsoever that ought to be done, executed and performed in and about or with respect to the Property, as fully as the Assignor might do; provided, however, that acceptance of this Agreement shall not, prior to entry upon and taking possession of the Property by the Assignee, be deemed to constitute the Assignee a "mortgagee in possession" nor obligate the Assignee to appear in or defend any proceeding relating to any of the Assigned Leases or to the Property, nor place upon the Assignee any responsibility or obligation to take any of the above actions or any action whatsoever with respect to the operation, control, care, management or repair of the Property, and any action taken or failure or refusal to act by the Assignee under this Agreement shall be at the Assignee's election and without any liability on the Assignee's part; and provided, further, however, that the Assignee shall not exercise any of the above rights or powers until there shall have occurred an Event of Default, as defined therein, under the Deed of Trust or any of the other Loan Documents.

IV. REPRESENTATION AND WARRANTIES

The Assignor represents and warrants that:

1. The Assignor is the sole owner of the entire lessor's, licensor's and consignor's interest in each of the Assigned Leases;

2. Each of the Assigned Leases is valid and enforceable and in full force and effect, and has not been altered, amended or modified in any manner whatsoever;

3. Neither the Assignor nor any tenant, licensee, concessionaire or other occupant is in default under any of the terms, covenants or conditions of the Assigned Leases;

4. No set-off or counterclaim exists under the Assigned Leases in favor of any tenant, licensee, concessionaire or other occupant against the Assignor;

5. The Assignor has not sold, assigned, transferred, mortgaged or pledged any of the Assigned Leases or the Rents, or any part thereof, to any person, firm, corporation or other entity other than the Assignee; and

6. No Rents, or any part thereof, becoming due subsequent to the date hereof have been collected (excepting an amount equal to one month's installment under the Assigned Leases) nor has payment of any of the same been anticipated, waived, released, discounted or otherwise discharged or compromised.

V. COVENANTS AND AGREEMENTS

The Assignor covenants and agrees that (in each instance, except to the extent otherwise expressly permitted under the Loan Agreement or the Deed of Trust):

1. The Assignor shall not assign, pledge or otherwise encumber any of the Assigned Leases or any of the Rents unless the prior written consent thereto of the Assignee shall have been obtained and unless the instrument creating such assignment, pledge or encumbrance shall expressly state the same is subject to this Agreement;

2. The Assignor shall not cancel, terminate or accept any surrender of any of the Assigned Leases or amend or modify the same directly or indirectly in any respect whatever, or give any consent to an assignment, sublet or sublicense by any tenant, licensee, concessionaire or other occupant thereunder, without in each case having obtained the prior written consent of the Assignee;

3. The Assignor shall not waive or give any consent with respect to any default or variation in the performance of any of the terms, covenants and conditions on the part of any lessee, sublessee, tenant, licensee, concessionaire or other occupant to be performed under any of the Assigned Leases, but will at all times take proper steps to enforce all of the provisions and conditions thereof;

4. The Assignor shall not collect or receive from any such lessee, sublessee, tenant, licensee, concessionaire or other occupant more than one (1) month's rent in advance of the rent stipulated to be paid under the applicable lease or agreement, without in each case having obtained the prior written consent of the Assignee;

5. The Assignor shall perform and observe, or cause to be performed or observed, all of the terms, covenants and conditions on the Assignor's part to be performed and observed with respect to each of the Assigned Leases;

6. The Assignor shall, upon written request by the Assignee, while this Agreement remains in force and effect, serve such written notices upon any lessee, sublessee, tenant, licensee, concessionaire or other occupant of any portion of the Property or include among the written provisions of any instrument hereafter creating any such lease, sublease, tenancy, license, concession or right of occupancy specific reference to this Agreement, and make, execute and deliver all such powers of attorney or instruments of pledge or assignment, and such other instruments or documents as the Assignee may reasonably request at any time for the purpose of securing the Assignee's rights hereunder;

7. The Assignor shall promptly notify the Assignee of any extension or renewal of any of the Assigned Leases;

8. The Assignor shall promptly furnish to the Assignee, on demand, true copies of all the Assigned Leases hereafter executed and true copies of each agreement or letter effecting the renewal, amendment or modification of any of the Assigned Leases; and

9. The Assignor shall not enter into any agreement with any management agent or firm with respect to the Property without the prior written consent of the Assignee and unless such agent or firm first agrees with the Assignee to recognize the Assignee's rights under this Agreement and further agrees to transfer all the Rents and all other issues or profits derived from the Property received by such agent or firm directly to the Assignee upon the Assignee's demand therefor.

VI. GENERAL PROVISIONS

The Assignor hereby agrees to indemnify and hold the Assignee harmless (a) against and from any and all liability, loss, damage and expense, including reasonable attorneys' fees, which the Assignee may or shall incur under or in connection with any of the Assigned Leases, or by reason of any action taken or expenses paid or incurred by the Assignee under this Agreement (unless caused by the Assignee's gross negligence or willful misconduct) and (b) against and from any and all claims and demands whatsoever which may be asserted against the Assignee by reason of any alleged obligations or undertaking on the Assignee's part to perform or discharge any of the terms, covenants and conditions contained in (or in connection with) any of the Assigned Leases, including claims for leasing commissions. Should the Assignee pay or incur any such liability, loss, damage or expense, the amount thereof, together with interest thereon at the rate set forth in the Note with respect to overdue payments of principal or interest, shall be payable by the Assignor to the Assignee within ten (10) days after the Assignee's written demand therefor. At the Assignee's option, the Assignee may reimburse itself therefor out of any of the Rents which the Assignee has collected.

Failure of the Assignee to avail itself of any of the terms, covenants and conditions of this Agreement shall not be construed or deemed to be a waiver of any of the Assignee's rights hereunder. The rights and remedies of the Assignee under this Agreement are cumulative and are not in lieu of but are in addition to any other rights and remedies which the Assignee shall have under or by virtue of any of the other Loan Documents.

The Assignee shall have the right to assign to any subsequent holder of the Deed of Trust, or to any person acquiring title to the Property, all of the Assignor's rights hereunder (including, without limitation, all of the Assignor's rights in or to any of the Assigned Leases).

Upon the payment in full of the Obligations, this Agreement shall become null and void, and thereupon the Assignee shall execute and deliver to the Assignor any further instruments necessary to terminate this Agreement; provided, however, that notwithstanding anything to the contrary contained in this Agreement, all of the provisions of this Agreement and the other Loan Documents shall continue to be effective or shall be reinstated, as the case may be, if any payment hereunder or in connection with any of the Loan Documents at any time made by or on behalf of the

Assignor is rescinded or otherwise must be returned as a result of the bankruptcy, insolvency or reorganization of the Assignor or otherwise, all as if such payment had not been made.

As against the Assignee, during the period of this Agreement there shall be no merger of the Assigned Leases or the leasehold estates created thereby with the fee estate in the Property by reason of the fact that the Assigned Leases or any interest therein may be held by or for the account of any person, firm or corporation which may be or become the owner of said fee estate, unless the Assignee shall consent in writing to said merger.

This Agreement shall be binding upon and shall inure to the benefit of the respective heirs, executors, administrators, successors and assigns of the parties hereto, as the case may be, and may not be terminated, modified, changed or amended, except by a written instrument signed by the party to be charged.

Whenever any notice, demand or request may properly be given hereunder, the same shall always be sufficient if given in the manner and to the address or addresses then required pursuant to the Deed of Trust.

In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, but each shall be construed as if such invalid, illegal, or unenforceable provision had never been included herein.

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Alabama. This Agreement and each of the other Loan Documents shall be interpreted, construed, applied and enforced in accordance with the laws of the State of Alabama regardless of (i) where any such instrument is executed or delivered, (ii) where any payment or other performance required by any such instrument is made or required to be made, (iii) where any breach of any provision of such instrument occurs, or any cause of action otherwise accrues, (iv) where any action or other proceeding is instituted or pending; (v) the nationality, citizenship, domicile, principal place of business or jurisdiction of organization or domestication of any party, (vi) where the laws of the foreign jurisdiction otherwise would apply the laws of a jurisdiction other than the State of Alabama, or (vii) any combination of the foregoing. Notwithstanding the foregoing, the laws of the jurisdiction where any of the Assigned Leases or Rents is situated or otherwise has a situs will apply to the perfection, disposition and realization upon the Assigned Leases and the Rents.

Any action to enforce, arising out of, or relating in any way to, any of the provisions of this Agreement may be brought and prosecuted in such court or courts located in the State of Alabama as provided by law; and the parties consent to the jurisdiction of said court or courts located in the State of Alabama and the service of process by registered mail, return receipt requested, or by any other manner provided by law.


By acceptance hereof, the Assignee hereby agrees that, except as otherwise set forth in the next succeeding sentences of this paragraph, neither the Assignor nor any partner of the Assignor, nor any of their respective successors and assigns, shall have personal liability, directly or

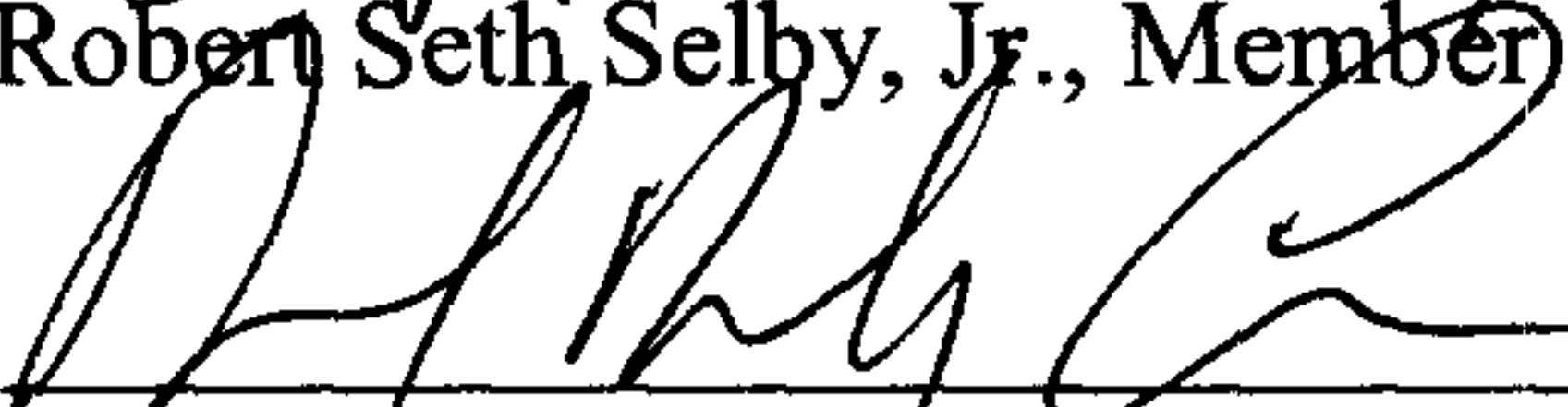
indirectly, under this Agreement or any of the other Loan Documents and, if any proceeding shall be brought to enforce the provisions of this Agreement or any of the other Loan Documents, the Assignee shall not be entitled to take any action to procure any money judgment against the Assignor or any partner of the Assignor, or against any of their respective successors and assigns, and the Assignee shall have recourse hereunder only against the Assigned Leases and the Rents and against such additional security as may be furnished by or on behalf of the Assignor in connection herewith [and against any and all other assets of the Assignor]. Notwithstanding the foregoing, the Assignor [and its general partners] shall be fully and personally liable to the Assignee for all cost, loss, damage or expense suffered or incurred by the Assignee (i) as a result of the retention of any of the Rents or other income from the Property which is collected by the Assignor while an Event of Default, as defined therein, shall have occurred and be continuing under the Deed of Trust (to the full extent of the Rents or other income so retained and collected by the Assignor); (ii) to the extent of the fair market value of any personal property or fixtures removed from the Property or disposed of by the Assignor in violation of the terms of the Deed of Trust or any of the other Loan Documents while an Event of Default shall have occurred and be continuing under the Deed of Trust; and (iii) as a result of the misapplication, while an Event of Default shall have occurred and be continuing under the Deed of Trust, of insurance, condemnation or other taking proceeds, awards or other payments in violation of the terms of any of the Loan Documents (to the full extent of such misapplied proceeds, awards or other payments); provided, however, that the Assignor shall have the right, without creating personal liability hereunder, to apply the Rents or other income from the Property to the payment, subject to the prior written approval of the Assignee, of operating and other expenses relating to the Property. Furthermore, nothing set forth in this paragraph shall be deemed or construed to relieve any guarantor from its or his obligations and liabilities under any separate guaranty or similar contract delivered to the Assignee in connection herewith.

IN WITNESS WHEREOF, the Assignor has executed this Agreement as of the day and year first above written.

ASSIGNOR

C & S Investments, L.L.C.

By: 
Robert Seth Selby, Jr., Member

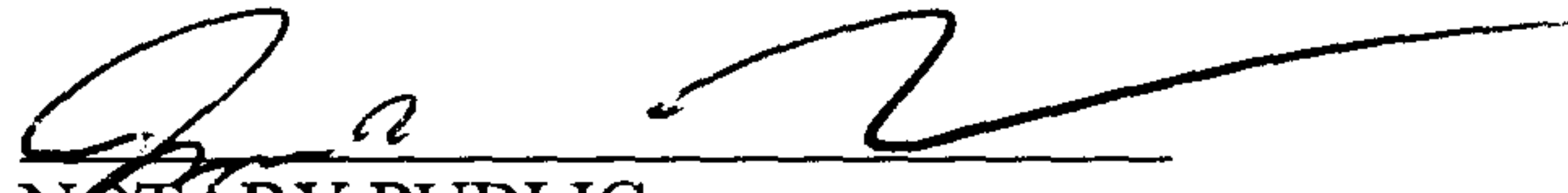
By: 
David Dudley Crum., Member

STATE OF ALABAMA

COUNTY OF LEE

Personally appeared before me, the undersigned authority in and for the said county and state, on this 1st day of August, 2003, within my jurisdiction, the within named Robert Seth Selby, Jr, and David Dudley Crum, Members of C & S Investments, L.L.C. , who acknowledged that they as Members of the Company, and that for and on behalf of the said Company, and as its act and deed, They executed the above and foregoing instrument voluntarily and with full authority, after having been duly authorized by said Company so to do.

Sworn to and subscribed before me this the 1st day of August, 2003.


NOTARY PUBLIC

(SEAL)

My Commission Expires: 05/02/04_

EXHIBIT A

Legal Description

Lot 1-A according to a Resurvey of Valleydale Courtyard, as recorded in Map Book 30 Page 130,
in the Probate Office of Shelby County, Alabama.