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Shelby Cnty Judge of Probate,AL
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Prepared by and
when recorded return to: Wanda C. Townsend, Esq.
Johnston, Allison & Hord, P.A.
610 E. Morehead Street
Charlotte, North Carolina 28202

STATE OF ALABAMA

COUNTY OF SHELBY

ASSIGNMENT OF LEASES, RENTS AND PROFITS

THIS ASSIGNMENT OF LEASES, RENTS AND PROFITS (referred to below as "Assignment"), effective as of February 1, 2005, is granted by **PRIMAX PROPERTIES, LLC,** a North Carolina limited liability company, 1115 East Morehead Street, Charlotte, NC 28204 (referred to below as "Borrower") to and in favor of **REGIONS BANK**, an Alabama banking corporation, having an office at Charlotte, North Carolina, its successor and assigns, 6826 Morrison Boulevard, Charlotte, NC 28211 (referred to below as "Lender");

Catawba Title, Inc.

RECITALS

A. **Borrower's Real Property.** Borrower is the present owner in fee simple of real property as described on Exhibit A attached to and made a part of this Assignment (referred to below as the "Real Property").

B. **Indebtedness of Borrower in favor of Lender.** Lender is the owner and holder of a Promissory Note executed by Borrower, and may in the future be the holder of other indebtedness of the Borrower related to the loan evidenced by said Promissory Note (collectively, the "Note"). The Note is secured by various assignments, security agreements, and deeds of trust (referred to collectively below as the "Mortgage") encumbering property more specifically described in the Mortgage (all of which property is referred to in this Assignment and in the Mortgage as the "Property").

C. Execution of Assignment. Lender, as a condition to making a loan to Borrower as described above and to obtain additional security for the loan, has required the execution of this Assignment by Borrower.

ASSIGNMENT

In order to secure the payment of the indebtedness of Borrower to Lender evidenced by the Note, and in consideration of Lender's loan and extension of credit to Borrower as evidenced by the Note, Borrower does hereby absolutely and unconditionally sell, assign, transfer and set over unto Lender all of the leases, rents, issues, profits, fees and income of, from or pertaining to the Property, subject to the following terms and conditions.

1. Coverage of Assignment. This Assignment shall include any and all leases including, but not limited to, that certain lease agreement between **Mr. and Mrs. Dennis R. Hamby**, as tenant, and Borrower, as landlord, dated December 9, 2004, rental agreements, options, and rights of first refusal that are currently in effect, as well as any future or additional leases, rental agreements, options, and rights of first refusal and any renewals or extensions of the same, that may be entered into by Borrower.

2. Borrower's Rights Under This Assignment. This Assignment is effective immediately and without possession. Borrower shall have a license to receive, collect and enjoy the rents, issues, profits, fees and income accruing from the Property until an event of default has occurred under the Note, the Mortgage, this Assignment or any of the other Loan Documents (as defined below). Upon the occurrence of an event of default (and subject to the notice and cure provisions contained therein) under any of the Loan Documents, the license shall cease automatically, without need of notice, possession, foreclosure or any other act or procedure, and all leases, rents, issues, profits and income assigned shall be payable to Lender.

3. Repayment of the Loan. If Borrower pays to Lender the indebtedness secured by the Mortgage, and if Borrower duly, promptly and fully performs, discharges, executes, effects, completes, and complies with and abides by each of the terms, covenants and conditions of the Note, the Mortgage, this Assignment and the other Loan Documents executed by Borrower to and in favor of Lender as further evidence of or as additional security for the indebtedness (together referred to below as the "Loan Documents"), then this Assignment and the estates and interests hereby granted and created shall terminate (the "Satisfaction"). Within 30 days of the Satisfaction, the Lender shall execute a Certificate of Satisfaction in recordable form and deliver the same to the Borrower.

4. Representations and Warranties of Borrower.

4.1. Ownership and Right to Assign. Borrower represents and warrants that it is the owner in fee simple of the Property and has good title to the leases, rents, income, issues, and profits assigned to Lender and good right to assign the same, and that except for assignments in favor of Lender no other person, entity, firm or corporation has any right, title or interest therein; that leases, rents, issues, profits and income of the Property have not been previously sold, and transferred and are not subject to a mortgage or pledge except for those in favor of Lender; and that payment of any of the same has not otherwise been anticipated, waived, released, discounted, set off or otherwise discharged or compromised.

4.2. Terms and Conditions of Leases. Borrower warrants that, without the prior written consent of Lender, which consent shall not be unreasonably withheld, the terms of any and all leases will not be materially amended, altered, modified or changed in any manner whatsoever, nor will they be surrendered or canceled, nor will any proceedings for dispossession or eviction of any tenant under the leases be instituted by Borrower, except in the event the tenant has failed to cure any default under such lease within any applicable cure period.

4.3. Rental Payments on Leases. Borrower warrants that no request will be made of any lessee to pay any rent, and no rent will be accepted by Borrower, for more than one month in advance of the date such rent becomes due and payable under the terms of any and all leases, it being agreed between Borrower and Lender that rent shall be paid as provided in said leases and not otherwise. The foregoing shall not prevent Borrower from charging and collecting security deposits from the tenant leasing space in the Real Property.

4.4. Lender's Rights to Collect in Event of Default. Borrower authorizes Lender, by and through its employees, attorneys, agents or a duly appointed receiver, at its option, after the occurrence of an event of default under this Assignment, the Note, the Mortgage or any of the other Loan Documents, to take possession of the Property and to collect, in the name of Borrower, as its agent, or in its own name as Lender, any rents, issues, profits and income accrued but unpaid and/or in arrears on the date of default. Borrower will cooperate with Lender's collection of said rents, issues, profits and income and will, upon request by Lender, execute a written notice to each tenant, occupant or licensee directing the tenant, occupant or licensee to pay all rents, issues, profits and income which are due and payable under the leases directly to Lender; provided, however, that Lender may notify said tenant, occupant or licensee of the effectiveness of this Assignment without first giving notice to Borrower or requesting Borrower to give such notice or join in such notice, provided Lender shall give Borrower a copy of any such notice to tenant, occupant or licensee.

4.5. Management, Operation and Maintenance in Event of Default. Borrower authorizes Lender, upon such entry permitted by Section 4.4 hereof, at its option, to assume the management, operation and maintenance of the Property and to perform all acts necessary and proper and to expend such sums out of the income of the Property as in Lender's reasonable discretion may be reasonable or necessary in connection therewith, in the same manner and to the same extent as Borrower might do. Borrower releases all claims and agrees never to assert any claim against Lender arising out of such management, operation and maintenance, except for claims arising by reason of Lender's willful misconduct or gross negligence

4.6. Execution of Additional Documents. Borrower shall execute, upon the reasonable request of Lender, any and all other instruments requested by Lender to effectuate this Assignment or to accomplish any other purpose deemed by Lender to be necessary or appropriate in connection with this Assignment.

4.7. Assignment Does Not Restrict Rights Granted to Lender. Nothing in this Assignment shall be construed to limit or restrict in any way the rights and powers granted to Lender in the Note, the Mortgage or any of the other Loan Documents. The collection and application of the rents, issues and profits shall not constitute a waiver of any default which might at the time of application or thereafter exist under the Note, the Mortgage or any of the other Loan Documents, and the exercise by Lender of the rights provided herein shall not prevent Lender's exercise of any rights provided under the Note, the Mortgage or any of the other Loan Documents.

4.8. Nonpayment. This Assignment, or the exercise of rights hereunder, does not constitute payment of the Note.

5. Lender's Rights Following Default By Borrower.

5.1. Lender's Rights to Manage the Property in the Event of Default. Lender may, after the occurrence of a default (subject to notice and cure provisions) under the Loan Documents or this Assignment, which is not cured within any applicable cure period, from time to time, appoint and dismiss such agents or employees as shall be necessary or reasonable for the collection of the rents, issues, profits and income derived from the Property and for the proper care and operation of the Property, and Borrower hereby grants to Lender the authority to give such agents or employees so appointed full and irrevocable authority on Borrower's behalf to manage the Property and to do all acts relating to such management.

5.2. Proceeding to Enforce Rights. In the event Borrower does not cooperate and allow Lender to exercise its rights hereunder, Lender may enforce this Assignment through judicial proceeding or any other proceeding allowed at law or equity. To the extent permitted by law, Borrower waives any defense under any "one action" rule which may otherwise be applicable if Lender enforces this Assignment judicially. Lender is entitled to its reasonable attorney fees and costs actually incurred in bringing such action.

6. Application By Lender of Net Income From The Property.

Lender shall, after the payment of all proper charges and expenses enumerated above, and after retaining sufficient sums to fully pay, as they become due, taxes, assessments, utilities and insurance premiums on insurance policies having coverages in requisite amounts (including liability, fire and extended coverage), credit the net income received by Lender from the Property, by virtue of this Assignment, to any amounts due and owing to Lender by Borrower under and pursuant to the terms of the Note, the Mortgage and this Assignment, but the manner of application of such net income shall be determined in the sole discretion of Lender. Lender shall make a reasonable effort to collect the rents, issues, profits and income, reserving, however, within its sole discretion, the right to determine the method of collection and the extent to which enforcement of the collection of delinquent rents, issues, profits and income shall be prosecuted. No credit shall be given by Lender for any sum or sums received from the rents, issues, profits and income of the Property until the sums collected are actually received by Lender at its principal office as stated above (or at such place as Lender shall designate in writing), and no credit shall be given for any uncollected rents or other uncollected amounts or bills, nor shall credit be given for any rents, issues, profits and income derived from the Property under any court order or by operation of law until such amounts are actually received by Lender at its principal offices as stated above. The net amount of income received by Lender and applied by Lender to the amounts due and owing by Borrower shall not serve to cure any default under the Note, the Mortgage or any of the other Loan Documents, nor shall any amounts received by Lender be in full satisfaction of the indebtedness evidenced by the Note unless such amounts are sufficient to pay such indebtedness in full (including any accrued but unpaid interest thereon, prepayment premiums, late payment charges and advancements) in accordance with the terms of the Note, the Mortgage and the other Loan Documents.

7. Limitation of Lender's Liability.

Lender shall not be obligated to perform or discharge any obligation under the leases hereby assigned or under or by reason of this Assignment, and Borrower shall indemnify and hold Lender harmless against any and all liability, loss or damage which Lender might incur under the leases or under or by reason of this Assignment and of and from any and all claims and demands whatsoever which may be asserted against Lender by reason of any alleged obligation or undertaking on Lender's part to perform or discharge any of the terms of such leases, except for claims and demands arising by reason of Lender's willful misconduct or gross negligence.

8. Reinstatement After Default.

In the event that Borrower, after an event of default and with the consent of Lender, which consent shall not be unreasonably withheld, reinstates the indebtedness evidenced by the Note completely in good standing, having complied with all the terms, covenants and conditions of the Note, the Mortgage, this Assignment and all of the other Loan Documents, then, Lender shall reinstate Borrower's license to collect rents, issues, profits and income and return possession of the Property to Borrower, and Borrower shall remain in possession of the Property unless and until another event of default (subject to notice and cure provisions contained therein) occurs under the Note, the Mortgage, this Assignment or any of the other Loan Documents, at which time Lender may, at its option, again revoke Borrower's license to collect rents, issues, profits and income and again take possession of the Property under authority of and pursuant to the terms and provisions of this Assignment.

9. Tenant's Notification of Assignment.

Upon request by Lender, at any time, Borrower will deliver a written notice to each of the tenants, occupants and lessees of the Property, informing such tenants, occupants and lessees of this Assignment and instruct them that upon receipt of notice by them from Lender of the existence of an event of default by Borrower under the Note, the Mortgage or any of the other Loan Documents, all rents, issues, profits and income due shall be paid directly to Lender. All leases affecting the Property shall be subordinate to and subject to the prior lien of the Mortgage in favor of the Lender, notwithstanding the terms of such leases, the period of duration (whether month to month or for a period of years), and the Borrower hereby subordinates such Lease to the Mortgage.

10. Satisfaction of Mortgage; Satisfaction of Assignment.

This Assignment shall remain in full force and effect as long as the indebtedness evidenced by the Note and secured by the Mortgage remains unpaid in whole or in part. It is understood and agreed that a release or reconveyance of the Mortgage shall operate as a complete release or satisfaction of this Assignment.

11. Miscellaneous.

11.1. The phrase "Reasonable Attorney's Fees" shall mean fees actually incurred charged by attorneys selected by Lender at such attorney's then prevailing hourly rates as opposed to any statutory presumption specified by any statute then in effect in the state in which the Property is located.

11.2. Any notices required or permitted to be given with this Assignment shall be given as provided in the Loan Documents.

11.3. The provisions of this Assignment shall be governed by and construed in accordance with the laws of the State of Alabama and shall inure to the benefit of Lender, its successors and assigns, and shall be binding upon Borrower, its heirs, personal representatives, successors and assigns. The creation of rights and powers under this Assignment in favor of, or available to, Lender shall, in no way whatsoever, be construed to impose duties or obligations upon Lender in favor of Borrower except as expressly set forth herein.

11.4. Borrower shall agree to execute and deliver such further assignments of said leases or rental agreements as Lender may from time to time reasonably request.

11.5. The captions set forth at the beginning of the various paragraphs of this Assignment are for convenience only and shall not be used to interpret or construe the provisions of this Assignment.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, Borrower has executed this Assignment under seal effective as of the day shown on the first page hereof.

PRIMAX PROPERTIES, LLC,
a North Carolina limited liability company

By: William G. Seymour (SEAL)
William G. Seymour, Member/Manager

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

I, Etta Mae G. Bonds, a Notary Public of the County and State aforesaid, certify that **William G. Seymour** personally came before me this day and acknowledged that he is Member/Manager of PRIMAX PROPERTIES, LLC, a North Carolina limited liability company organized under the laws of North Carolina, and that by authority given and as the act of said company, the foregoing instrument was signed in its name by him.

Witness my hand and official seal this the 31st day of January, 2005.

Etta Mae G. Bonds
Notary Public

[OFFICIAL SEAL]

Commission Expires: 1/18/09

EXHIBIT A

Legal Description

Lot 11C-1, according to the Survey of Meadow Brook Corporate Park South, Phase II, Resurvey of Lot 11C, as recorded in Map Book 34, Page 65, in the Office of the Judge of Probate of Shelby County, Alabama.