

Record and return to:

Thompson & Knight, LLP  
1700 Pacific, Suite 3300  
Dallas, Texas 75201  
Attention: Staci J. Strong

State of Alabama, County of Shelby

ASSIGNMENT OF  
LEASES AND RENTS  
Loan No. 754658

A. THIS ASSIGNMENT OF LEASES AND RENTS (as the same may from time to time hereafter be modified, supplemented or amended, this "Assignment of Leases"), made as of September 15, 2005, by G&I V RIVERCHASE LLC, a Delaware limited liability company, having a post office address at c/o DRA Advisors LLC, 220 East 42<sup>nd</sup> Street, New York, New York 10017, as "Borrower" ("Borrower" to be construed as "Borrowers" if the context so requires), to PRINCIPAL LIFE INSURANCE COMPANY, an Iowa corporation, having a principal place of business and post office address at c/o Principal Real Estate Investors, LLC, 801 Grand Avenue, Des Moines, Iowa 50392-1450, as "Lender",

WITNESSETH THAT:

B. WHEREAS, Borrower, is justly indebted to Lender for money borrowed (the "Loan") in the original principal sum of Nineteen Million Two Hundred Fifty Thousand and 00/100 Dollars (\$19,250,000.00) ("Loan Amount"). To evidence and secure the Loan, Borrower has made and delivered to Lender a secured promissory note (as may be modified, amended, supplemented, extended or consolidated in writing, and any note(s) issued in exchange therefor or replacement thereof, the "Note") in the Loan Amount payable as provided for in the Note and finally maturing (absent any acceleration of maturity as therein provided) on October 1, 2010, with interest as therein expressed, and has executed a "Mortgage" (it being agreed that "Mortgage" as hereinafter used shall be construed to mean "mortgage" or "deed of trust" or "trust deed" or "deed to secure debt" as the context so requires) bearing the aforesaid date to secure the Note and creating a lien on Borrower's interest in certain real estate in the county of Shelby, state of Alabama, more particularly described in Exhibit A attached hereto and made a part hereof, including but not limited to the Improvements now or hereafter thereon and the easements, rights and appurtenances thereunto belonging, all as more particularly described in the Mortgage and hereinafter called the "Premises"; and

C. WHEREAS, Borrower is the lessor under those certain written leases, license agreements and concession agreements of the Premises set forth on a certified rent roll previously provided by Borrower to Lender, and Borrower may hereafter make other leases, license agreements and concession agreements of the Premises, or parts thereof; and

D. WHEREAS, Lender has required the assignment hereafter made as a condition to making the Loan;



E. NOW, THEREFORE, Borrower, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby absolutely and directly (and not merely collaterally) assign, bargain, sell, transfer, convey, set over and deliver unto Lender, all rights of the lessor under the above described lease(s) and all other leases, tenancies, rental arrangements, license agreements, concession agreements, subleases, and guarantees of the performance or obligations of any tenants thereunder affecting the Premises, or any part thereof, now existing or which may be executed at any time in the future during the life of this Assignment of Leases, and all amendments, extensions and renewals of said leases, subleases, license agreements, concession agreements, and guarantees and any of them, all of which are hereinafter called the "Leases," and all rents or other income or payments, regardless of type or source of payment (including but not limited to security deposits, lease termination payments, purchase option payments, refunds of any type, prepayment of rents, settlements of litigation or settlements of past due rents) which may now or hereafter be or become due or owing under the Leases, and any of them, or on account of the use of the Premises, all of which are hereinafter called the "Rents". It is intended hereby to establish a present and complete transfer, and direct and absolute assignment of all the Leases and all rights of the lessor thereunder and all the Rents unto Lender, with the right, but without the obligation, to collect all of said Rents, which may become due during the life of this Assignment of Leases. Upon written request by Lender, Borrower agrees to deposit with Lender copies of all leases of all or any portion of the Premises. Capitalized terms used herein and not otherwise defined shall have those meanings given to them in the Loan Documents.

1. Borrower hereby appoints Lender the true and lawful attorney of Borrower with full power of substitution and with power for it and in its name, place and stead, to demand, collect, give receipts and releases for any and all Rents herein assigned which may be or become due and payable by the lessees and other occupants of the Premises, and at its discretion to file any claim or take any other action or proceeding and make any settlement of any claims, either in its own name or in the name of Borrower or otherwise, which Lender may deem necessary or desirable in order to collect and enforce the payment of any and all Rents. Lessees of the Premises, or any part thereof, are hereby expressly authorized and directed to pay all Rents herein assigned to Lender or such nominee as Lender may designate in writing delivered to and received by such lessees who are expressly relieved of any and all duty, liability or obligation to Borrower in respect of all payments so made.
2. Lender is hereby vested with full power to use all measures, legal and equitable, whether in person, by agent or by a receiver deemed by it necessary or proper to enforce this Assignment of Leases, including the right to enter upon the Premises, or any part thereof and take possession thereof forthwith to effect the cure of any default on the part of Borrower as lessor in any of the Leases or with or without taking possession of the Premises, to collect the Rents assigned hereunder all without regard to the adequacy of any security for the Indebtedness secured by the Loan Documents.



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Borrower hereby grants full power and authority to Lender to exercise all rights, privileges and powers herein granted at any and all times hereafter, without notice to Borrower, with full power to use and apply all of the Rents assigned hereunder as specified in the Loan Documents.

Notwithstanding any provision herein to the contrary, prior to an Event of Default, Lender hereby grants to Borrower the license to enforce all provisions contained in the Leases and collect and use (subject to the terms and conditions of the Loan Documents), all Rents, as the same become due and payable, but in any event for not more than one calendar month in advance, provided, however, Borrower's use of such Rents may be subject to the recourse liability provisions of the Note. Borrower shall render such accounts of collections as Lender may reasonably require. The license herein granted to Borrower shall terminate immediately and automatically, without further action or documentation, upon an Event of Default; and upon written notice of Borrower's Event of Default at any time hereafter given by Lender to any lessee, all Rents thereafter payable and all agreements and covenants thereafter to be performed by any such lessee shall be paid and performed by such lessee directly to Lender in the same manner as if the above license had not been granted, without prosecution of any legal or equitable remedies under the Mortgage. Any lessee of the Premises or any part thereof is authorized and directed to pay to Borrower any Rent herein assigned currently for not more than one calendar month in advance, and any payment so made, prior to receipt by such lessee of the aforementioned notice shall constitute a full acquittance to lessee therefor.

3. Lender shall be under no obligation to enforce any of the rights or claims assigned to it hereunder or to perform or carry out any of the obligations of the lessor under any of the Leases and does not assume any of the liabilities in connection with or arising out of the covenants and agreements of Borrower in the Leases; and Borrower covenants and agrees that it will faithfully perform all of the obligations of lessor imposed under any and all of the Leases. Except to the extent that the same is caused solely as a result of Lender's gross negligence or willful misconduct or is caused by an event that occurs subsequent to the Premises being acquired by Lender or a third party transferee, should Lender incur any liability, loss or damage under the Leases or under or by reason of this Assignment of Leases, or in the defense of any claims and demands whatsoever which may be asserted against Lender by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in any of the Leases, the amount thereof, including costs, expenses and reasonable attorneys' fees and costs, including reasonable attorneys' fees and costs on appeal, shall be added to the Indebtedness secured by the Mortgage,

This Assignment of Leases shall not operate to place responsibility for the control, care, management or repair of the Premises, or parts thereof, upon Lender nor shall it operate to make Lender liable for the carrying out of any of the terms



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and conditions of any of the Leases, or for any waste of the Premises by the lessee under any of the Leases or any other party, or for any dangerous or defective condition of the Premises or for any negligence in the management, upkeep, repair or control thereof resulting in loss or injury or death to any lessee, licensee, employee or stranger.

4. Provided there has been no Event of Default under the Loan Documents, any amounts collected hereunder by Lender which are in excess of those applied to pay in full the aforesaid liabilities and Indebtedness at the time due shall be promptly paid to Borrower;
5. Borrower hereby represents and warrants to Lender that except for the sublessor's interest in subleases, if any, to the best of Borrower's knowledge, it is the sole owner of the entire lessor's interest in each of the Leases; that to the best of Borrower's knowledge, the Leases are not in default and are valid and enforceable and have not been altered, modified or amended in any manner whatsoever except as herein expressly mentioned; that to the best of Borrower's knowledge, all conditions precedent to the effectiveness of the Leases have been satisfied; that Borrower has not heretofore transferred or assigned the Leases or any of the rents thereunder or any right or interest therein, nor has it collected in advance or anticipated any of the Rents thereunder; and Borrower represents and warrants that it is not indebted to the lessees under the Leases in any manner whatsoever so as to give rise to any right of setoff against, or reduction of, the Rents payable under the Leases.
6. Except in the ordinary course of business to be exercised by Borrower utilizing sound business judgment and prudent business practices of a landlord of multi-family property, Borrower covenants not to alter, modify, amend or change the terms of any of the Leases or give any consent or permission (unless Borrower is required to grant such consent or permission pursuant to the terms of the Leases) or exercise any option required or permitted by the terms thereof or waive any obligation required to be performed by any lessee or execute, cancel or terminate any of the Leases or accept a surrender thereof or enter into leases after the date hereof without the prior written consent of Lender, not to be arbitrarily, unreasonably or capriciously withheld, and Borrower will not make any further transfer or assignment thereof, or attempt to pledge, assign or encumber any of the Leases or Rents or other amounts payable thereunder, or convey or transfer or suffer a conveyance or transfer of the Premises or of any interest therein so as to effect, directly or indirectly, a merger of the estates and rights of, or a termination or diminution of the obligations of, any lessee thereunder. In the event less than 80% of the gross leasable area of the Premises is occupied by lessees under Leases, Borrower further covenants to deliver to Lender, promptly upon receipt thereof, copies of any and all demands, claims and notices of default received by Borrower from any lessee under any of the Leases assigned herein or of any default thereunder by Lessee. Borrower shall keep and perform all terms,



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conditions and covenants required to be performed by lessor under the Leases. If requested by Lender, Borrower shall enforce the Leases and all remedies available to Borrower against the lessees thereunder in case of default under the Leases by lessees.

(a) Notwithstanding the foregoing, Borrower shall be permitted, in the ordinary course of business, to enter into, extend, renew, amend, terminate or modify any Lease without Lender's prior written consent; provided that all of the following conditions are satisfied:

- (i) No Event of Default exists under the Loan Documents;
- (ii) All lease extensions, renewals, amendments, terminations or modifications (A) are in the ordinary course of business of Borrower; (B) are commercially reasonable; and (C) do not involve the relocation of a tenant to space not located within the Premises; and
- (iii) The tenant's occupancy does not and will not involve the presence of Hazardous Material on the Premises, including but not limited to businesses engaged in the processing of dry cleaning on-site.

(b) Upon written request by Lender, Borrower shall furnish to Lender a true and complete copy of each Lease, extension, renewal, amendment, termination or modification of lease, hereafter made by Borrower with respect to space in the Premises. The delivery by Borrower of each Lease, extension, renewal, amendment, termination or modification that does not require Lender's consent under the terms of this Assignment of Leases and Rents shall constitute a representation by Borrower that the conditions contained in this paragraph 6 have been complied with.

7. Upon payment in full of the principal sum, interest and other Indebtedness secured hereby, and by any other documents which secure the Note, this Assignment of Leases shall be and become null and void; otherwise, it shall remain in full force and effect as herein provided and, with the covenants, warranties and power of attorney herein contained, shall inure to the benefit of the heirs, successors and assigns of Lender, and shall be binding upon Borrower, and its heirs and permitted successors and assigns. Unless otherwise specifically provided in the release document, a release of the Mortgage shall also operate to release the Assignment of Leases.
8. Following the occurrence of an Event of Default, Lender may as attorney in fact or agent of Borrower or in its own name as Lender and under the powers granted herein and in the Mortgage extend, modify, or terminate (to the extent permitted by law or the terms of the specific lease) any then existing leases or subleases and



make new leases, which extensions, modifications or new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the Maturity Date and the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Borrower and all persons whose interests in the Premises are subject to the lien of the Mortgage and shall be binding also upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the Indebtedness secured by the Mortgage, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser.

9. The limitation of recourse liability provisions of paragraph 9 of the Note are fully incorporated herein by reference as if the same were specifically stated here.
10. It is understood and agreed that this Assignment of Leases shall become effective concurrently with the Note and the Mortgage. This Assignment of Leases shall be governed by and construed in accordance with the laws of the State where the Premises is located, without regard to its conflicts of law principles.
11. (a) It is the intention of Lender and Borrower that the assignment effectuated by this Assignment of Leases with respect to the rents and other amounts due under the Leases shall be a direct, absolute and currently effective assignment and shall not constitute merely the granting of a lien, collateral assignment or a security interest or pledge for the purpose of securing the Indebtedness secured by the Mortgage and is effective whether or not a default occurs hereunder or under the Loan Documents. In the event that a court of competent jurisdiction determines that, notwithstanding such expressed intent of the parties, Lender's interest in the Rents or other amounts payable under the Leases constitutes a lien on or security interest in or pledge thereof, it is agreed and understood that the forwarding of a notice to Borrower after the occurrence of an Event of Default, advising Borrower of the revocation of Borrower's license to collect such Rents shall be sufficient action by Lender to (i) perfect such lien on or security interest in or pledge of the Rents, (ii) take possession thereof, and (iii) entitle Lender to immediate and direct payment of the Rents for application as provided in the Loan Documents, all without the necessity of any further action by Lender, including, without limitation, any action to obtain possession of the Land, Improvements or any other portion of the Premises. Notwithstanding the direct and absolute assignment of the Rents, there shall be no partial reduction of any portion of the Indebtedness secured by the Mortgage except with respect to Rents actually received by Lender and applied by Lender toward payment of such Indebtedness.



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- (b) Without limitation of the absolute nature of the assignment of the Rents, Borrower and Lender agree that (i) this Assignment of Leases shall constitute a "security agreement" for purposes of 11 U.S.C. Section 552(b), (ii) the security interest created by this Assignment of Leases extends to property of Borrower acquired before the commencement of a case in bankruptcy and to all amounts paid as Rents, and (iii) such security interest shall extend to all Rents acquired by the estate after the commencement of any case in bankruptcy. Without limitation of the absolute nature of the assignment of the Rents, to the extent Borrower (or Borrower's bankruptcy estate) shall be deemed to hold any interest in the Rents after the commencement of a voluntary or involuntary bankruptcy case, Borrower hereby acknowledges and agrees that such Rents are and shall be deemed to be "cash collateral" under Section 363 of the Bankruptcy Code. Borrower may not use the cash collateral without the consent of Lender and/or an order of any bankruptcy court pursuant to 11 U.S.C. 363(c)(2), and Borrower hereby waives, to the maximum extent permitted by applicable law, any right it may have to assert that such Rents do not constitute cash collateral. No consent by Lender to the use of cash collateral by Borrower shall be deemed to constitute Lender's approval, as the case may be, of the purpose for which such cash collateral was expended.
- (c) Borrower acknowledges and agrees that, upon recordation of this Assignment of Leases, Lender's interest in the Rents shall be deemed to be fully perfected, and enforced as to Borrower and all third parties, including, without limitation, any subsequently appointed trustee in any case under the Bankruptcy Code, without the necessity of (a) commencing a foreclosure action with respect to this Assignment of Leases, (b) furnishing notice to Borrower or tenants under the Leases, (c) making formal demand for the Rents, (d) taking possession of the Premises as a lender-in-possession, (e) obtaining the appointment of a receiver of the Rents and profits of the Premises, (f) sequestering or impounding the Rents, or (g) taking any other affirmative action.
12. Notwithstanding anything in this Assignment of Leases to the contrary, Lender may, upon written notice to Borrower, elect to (i) exclude from the assignment provided in this Assignment of Leases any of the Leases as specified in such notice so that the interest under such indicated Lease is not assigned to Lender, and/or (ii) subordinate the lien and other terms and provisions of the Mortgage to any of the Leases as indicated in said notice to Borrower.
13. Each Notice which any party hereto may desire or be required to give to the other shall be given in accordance with the provisions of the Mortgage.

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14. If more than one, all obligations and agreements of Borrower are joint and several.
15. This Assignment of Leases may be executed in counterparts, each of which shall be deemed an original; and such counterparts when taken together shall constitute but one agreement.
16. Capitalized terms used herein and not otherwise defined shall have those meanings given to them in the Loan Documents.
17. So long as no Event of Default shall have occurred under the Loan Documents, referenced herein to "approval," "acceptable," and "satisfactory" regarding requirements to be fulfilled by Borrower shall not be interpreted as justifying arbitrary rejection, but means a reasonable application of judgment in accordance with institutional lending practice and commercial custom concerning major real estate transactions.

(Signatures on next page)



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IN WITNESS WHEREOF, Borrower has caused this Assignment of Leases to be duly executed and delivered as of the date first hereinabove written.

Signed, sealed and delivered  
in the presence of:

G&I V RIVERCHASE LLC, a Delaware limited  
liability company

[Signature]  
Witness

By: G&I V Investment Riverchase LLC, a  
Delaware limited liability company, its  
managing member

[Signature]  
Witness

By: [Signature]  
Name: Brian T. Summers  
Member Vice President

STATE OF New York §  
COUNTY OF New York §

I, Stella Lee-Montes, a Notary Public in and for said County, in  
said State, hereby certify that Brian T. Summers, whose name  
as a Member of G&I V Investment Riverchase LLC, a Delaware limited liability company, is  
signed to the foregoing conveyance, and who is known to me, acknowledged before me, on this  
day that, being informed of the contents of such conveyance, ~~he~~ she, as such officer and with full  
authority, executed the same voluntarily, for and as the act of said limited liability company, in  
its capacity as managing member of G&I V Riverchase LLC, a Delaware limited liability  
company.

Stella Lee-Montes  
Notary Public, State of New York  
No. 01LE6098035  
Qualified in New York County  
My Commission Expires Sept. 22, 2007

Stella Lee-Montes  
Notary Public, State of New York  
STELLA LEE-MONTES  
Printed or Typed Name

My Commission expires:

9-22-07



## EXHIBIT A

### Legal Description

20050919000485460 10/11 \$44.00  
Shelby Cnty Judge of Probate, AL  
09/19/2005 02:12:51PM FILED/CERT

#### PARCEL NO. 1:

Lot 1, according to the Map and Survey of Southwood Park Estates, Second Addition to Hoover, as recorded in Map Book 17, page 90 in the Office of the Judge of Probate of Shelby County, Alabama being more particularly described as follows:

A parcel of land located in the Northwest Quarter of Section 30, Township 19 South, Range 2 West, Shelby County Alabama, containing 28.77 Acres more or less; and more particularly described as follows:

Commence at the southeast corner of the northwest one-quarter of Section 30, Township 19 South, Range 2 West; run thence in a westerly direction along the south line of said northwest one-quarter for a distance of 663.89 feet to the point of beginning; from the point of beginning thus obtained continue westerly along the south line of the northwest one-quarter of said Section 30 for a distance of 1633.92 feet; thence turn an angle to the right of 86 degrees and run in a northwesterly direction along the northeasterly right-of-way line of U.S. Highway No. 31 for a distance of 1096.84 feet; thence turn an angle to the right of 101 degrees 06 minutes 10 seconds and run in a southeasterly direction for a distance of 346.16 feet; thence turn an angle to the right of 38 degrees 55 minutes 10 seconds and run in a southeasterly direction for a distance of 153.91 feet; thence turn an angle to the left of 40 degrees 30 minutes and run in a southeasterly direction for a distance of 335.53 feet; thence turn an angle to the right of 84 degrees 31 minutes 38 seconds and run in a southerly direction for a distance of 142.00 feet; thence turn an angle to the left of 44 degrees 55 minutes 54 seconds and run in a southeasterly direction for a distance of 307.91 feet; thence turn angle to the left of 34 degrees 45 minutes 06 seconds to the tangent of the following described course, said course being situated on a curve to the left having a central angle of 20 degrees 18 minutes 07 seconds and a radius of 591.13 feet; thence run along the arc of said curve in a southeasterly and northeasterly direction for a distance of 209.46 feet to the end of said curve and the point of beginning of a curve to the right, said curve having a central angle of 25 degrees 39 minutes 10 seconds and a radius of 271.57 feet; thence run along arc of said curve in a northeasterly direction for a distance of 121.59 feet to the end of said curve; thence run along the tangent if extended to said curve in a southeasterly direction for a distance of 35.74 feet to the point of commencement of a curve to the left having a central angle of 25 degrees 18 minutes 00 seconds and a radius of 483.33 feet; thence run along the arc of said curve in a southeasterly and northeasterly direction for a distance of 213.42 feet to the end of said curve and the point of commencement of a curve to the left having a central angle of 93 degrees 01 minutes 06 seconds and a radius of 25.00 feet; thence run along the arc of said curve in a northeasterly direction for a distance of 40.59 feet to the end of said curve; thence turn an angle to the right from the tangent if extended to said curve of 180 degrees 00 minutes 00 seconds and run in a southeasterly direction for a distance of 85.64 feet; thence turn an angle to the left of 90 degrees 05 minutes 29 seconds to the tangent of a curve to the left having a central angle of 3 degrees 32 minutes 58 seconds and a radius of



543.33 feet; thence run along the arc of said curve in a northeasterly direction for a distance of 33.66 feet to the end of said curve and the point of commencement of a curve to the right having a central angle of 2 degrees 52 minutes 06 seconds and a radius of 870.32 feet; thence run along the arc of said curve in a northeasterly direction for a distance of 43.57 feet; thence turn an angle to the right from the tangent if extended to said curve of 100 degrees 56 minutes 41 seconds and run in a southerly direction for a distance of 487.38 feet to the point of beginning.

PARCEL NO 2:

A permanent and perpetual easement for slope as created by that certain Grant of Easement recorded under Instrument Number 2000-25338 and being more particularly described as follows:

An easement being forty feet wide, the North line of which is also the North line of SunLink Subdivision as recorded in Map Book 14, page 25, now known as Lot 1A of Hoover Public Safety Center Subdivision as recorded in Map Book 31, page 141 in the Probate Office of Shelby County, Alabama and the South line of Southwood Park Estates, Second Addition to Hoover as recorded in Map Book 17, page 90, both in the Probate Office of Shelby County, Alabama.

Commence and begin at the Northeast corner of the Northwest quarter of the Southwest quarter of Section 30, Township 19 South, Range 2 West, being the Northeast corner of Lot 2 of said SunLink Subdivision; thence run an assumed bearing of South 02° 16' 07" East along the East line of said Lot 2 a distance of 40.03 feet; thence run South 90° 00' 00" West parallel to the North line of said Lot 2 a distance of 972.20 feet to the East right of way line of U.S. Highway 31; thence North 03° 43' 45" West along said Highway 31 right of way line a distance of 40.08 feet to the Southwest corner of said Southwood Park Estates, Second Addition to Hoover, being also the Northwest corner of the aforesaid Lot 2; thence run North 90° 00' 00" East along the North line of Lot 2 a distance of 973.22 feet to the point of beginning.

Together with a temporary non-exclusive construction easement over that portion of Lot 2, of said SunLink Subdivision necessary to permit access to said slope easement area.