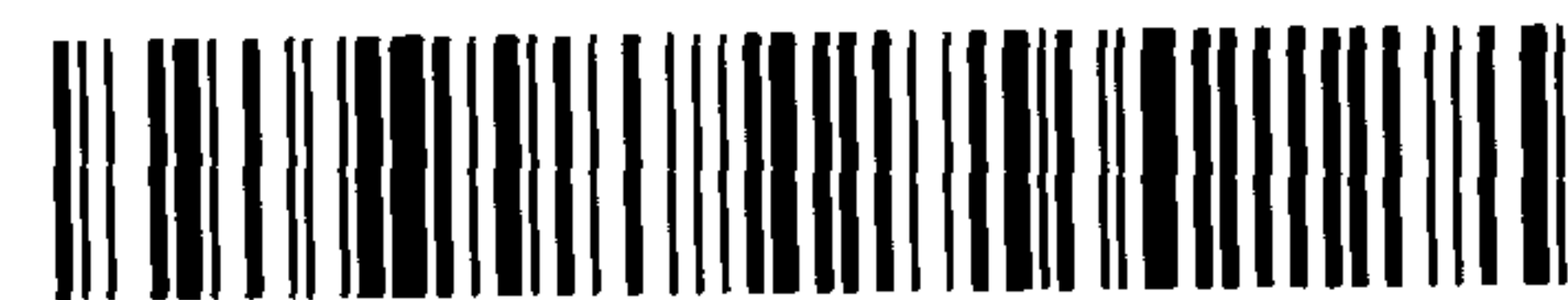


Recording requested by and after
recording, please return to:

Susan R. Proffitt, Esq.
Mayer, Brown, Rowe & Maw LLP
71 South Wacker Drive
Chicago, IL 60606-4637

When recorded mail to:
LandAmerica Financial Group, Inc.
Attn: A. Brown
1850 N. Central Avenue, Suite 300
Phoenix, AZ 85004
Escrow No. 06-49259



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Shelby Cnty Judge of Probate, AL
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ASSIGNMENT OF RENTS AND LEASES

This Assignment of Rents and Leases (this "**Agreement**") is executed as of Nov. 2, 2006 by **SOVEREIGN EO, LLC**, a Delaware limited liability company, whose address for notice is c/o Sovereign Investment Company, 333 Bush Street, Suite 2510, San Francisco, CA 94104, Attention: Chief Financial Officer ("**Borrower**"), to **BMO CAPITAL MARKETS CORP.**, individually and as agent for the lenders from time to time under the Loan Agreement (defined hereinafter) whose address for notice is 115 South LaSalle Street, 13th Floor West, Chicago, Illinois 60603 ("**Lender**").

AGREEMENT:

WHEREAS, pursuant to the Loan Agreement (defined hereinafter), the Lender (in its individual capacity and as agent for lenders from time to time under the Loan Agreement) has agreed to make loans (up to an aggregate amount of \$200,000,000 and as such amount may from time to time be increased or decreased) to the entities (including Borrower) who from time to time are borrowers pursuant to the Loan and Servicing Agreement dated as of the date hereof among Borrower, Lender, certain affiliates of Borrower and others (as amended from time to time, the "**Loan Agreement**"), and such loans will be made upon the terms and subject to the conditions set forth in the Loan Agreement; and

WHEREAS, it is a condition, among others, to the obligation of the lenders to make the loans to Borrower and to the other borrowers pursuant to the Loan Agreement that the Borrower shall have executed and delivered this Agreement to Lender;

NOW, THEREFORE, in consideration of the premises and intending to be legally bound, Borrower hereby agrees as follows:

1. **Absolute Assignment.** Borrower unconditionally and absolutely assigns, grants, transfers and conveys to Lender all of Borrower's right, title and interest in and to: (a) all leases, subleases, occupancy agreements, licenses, usufructs, rental contracts and other agreements now or hereafter existing relating to the use or occupancy of the project located on the real property described in Exhibit A hereto located in Shelby County, Alabama (the "**Property**"), together with all guarantees, modifications, extensions and renewals thereof (collectively, the "**Leases**"); and (b) all rents, issues, profits, income and proceeds due or to become due from tenants of the Property, including rentals and all other payments of any kind under the Leases, together with all deposits (including security deposits) of tenants thereunder (collectively, the "**Rents**"). This Agreement is (to the extent permitted by applicable law) an absolute assignment to Lender and not an assignment as security for the performance of the obligations under the Loan Documents (defined hereinafter) or any other indebtedness.

2. **Rights of Lender.** Subject to the provisions of the Loan Agreement and Section 6 below, Lender shall have the right, power and authority to: (a) notify any person,

including tenants, that the Leases have been assigned to Lender and that all Rents are to be paid directly to Lender, whether or not Lender has commenced or completed foreclosure or taken possession of the Property; (b) enforce payment of Rents and other rights under the Leases, prosecute any action or proceeding, and defend against any claim with respect to Rents and Leases; (c) enter upon, take possession of and operate the Property; and/or (d) perform any and all obligations of Borrower under the Leases and exercise any and all rights of Borrower therein contained to the full extent of Borrower's rights and obligations thereunder, with or without the bringing of any action or the appointment of a receiver.

3. **No Obligation**. Notwithstanding Lender's rights hereunder, Lender shall not be obligated to perform, and Lender does not undertake to perform, any obligation, duty or liability with respect to the Leases, Rents or Property on account of this Agreement. Lender shall have no responsibility on account of this Agreement for the control, care, maintenance or repair of the Property, for any waste committed on the Property, for any dangerous or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of the Property.

4. **Right to Apply Rents**. Lender shall apply any Rents received hereunder as more particularly set forth in the Loan Agreement.

5. **No Waiver**. The exercise or nonexercise by Lender of the rights granted in this Agreement or the collection and application of Rents by Lender or its agent shall not be a waiver of any default by Borrower under this Agreement or any other Loan Document (as defined in the Loan Agreement). No action or failure to act by Lender with respect to any obligations of Borrower under the Loan Documents, to any security or guaranty given for the payment or performance thereof, shall in any manner affect, impair or prejudice any of Lender's rights and privileges under this Agreement, or discharge, release or modify any of Borrower's duties or obligations hereunder.

6. **Rights of Borrower**. Notwithstanding that this Agreement is (to the extent permitted by applicable law) an absolute assignment of the Rents and Leases and not merely the collateral assignment of, or the grant of a lien or security interest in, the Rents and Leases, Lender grants to Borrower the license and privilege to collect and receive the Rents (subject to the next sentence), but such privilege and license shall automatically terminate and shall cease to exist upon the occurrence of a Termination Event (as defined in the Loan Agreement). Borrower shall apply any Rents received by Borrower in the manner required by the Loan Agreement.

7. **Term**. When (a) all amounts due under the Loan Agreement are paid in full, and (b) all other obligations of Borrower under the Loan Documents are fully satisfied, Lender shall reconvey the Rents and Leases to Borrower.

8. **Liability of Lender**. Lender shall not in any way be liable to Borrower for any action or inaction of Lender, its employees or agents pursuant to this Agreement.

9. **Modification**. This Agreement may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of such change is sought.

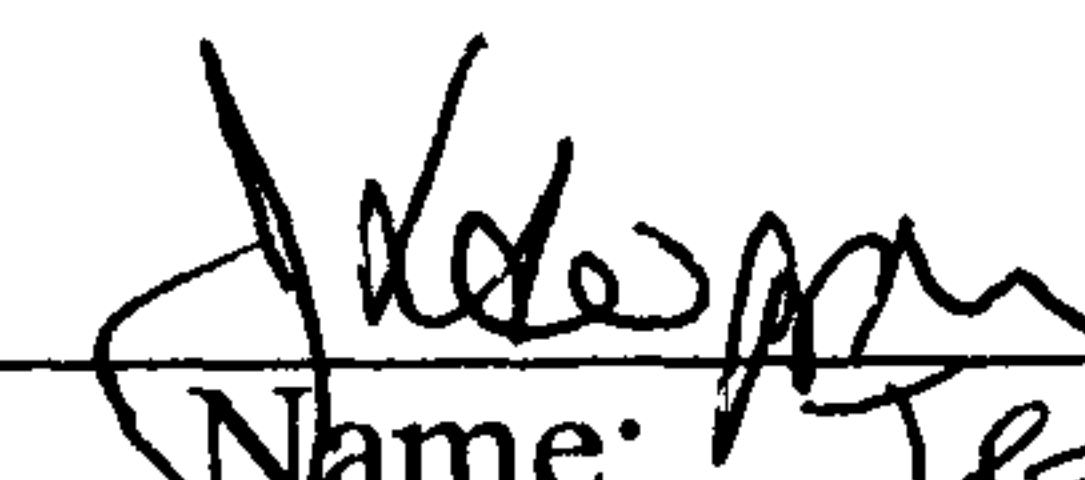
10. **Successors and Assigns**. This Agreement shall inure to the benefit of Lender and its successors and assigns and shall be binding on Borrower and its successors and assigns.

11. **Governing Law**. This Agreement shall be governed and construed in accordance with the laws of the state where the Property is located.

12. **Limitation on Liability.** Borrower's liability hereunder is subject to the limitation on liability provisions set forth in the Loan Agreement.

Executed as of the date first written above.

SOVEREIGN EO, LLC, a Delaware limited liability company

By: 
Name: Jeffrey G. Hoppe
Title: Vice President

THE STATE OF California

) SS

COUNTY OF San Francisco

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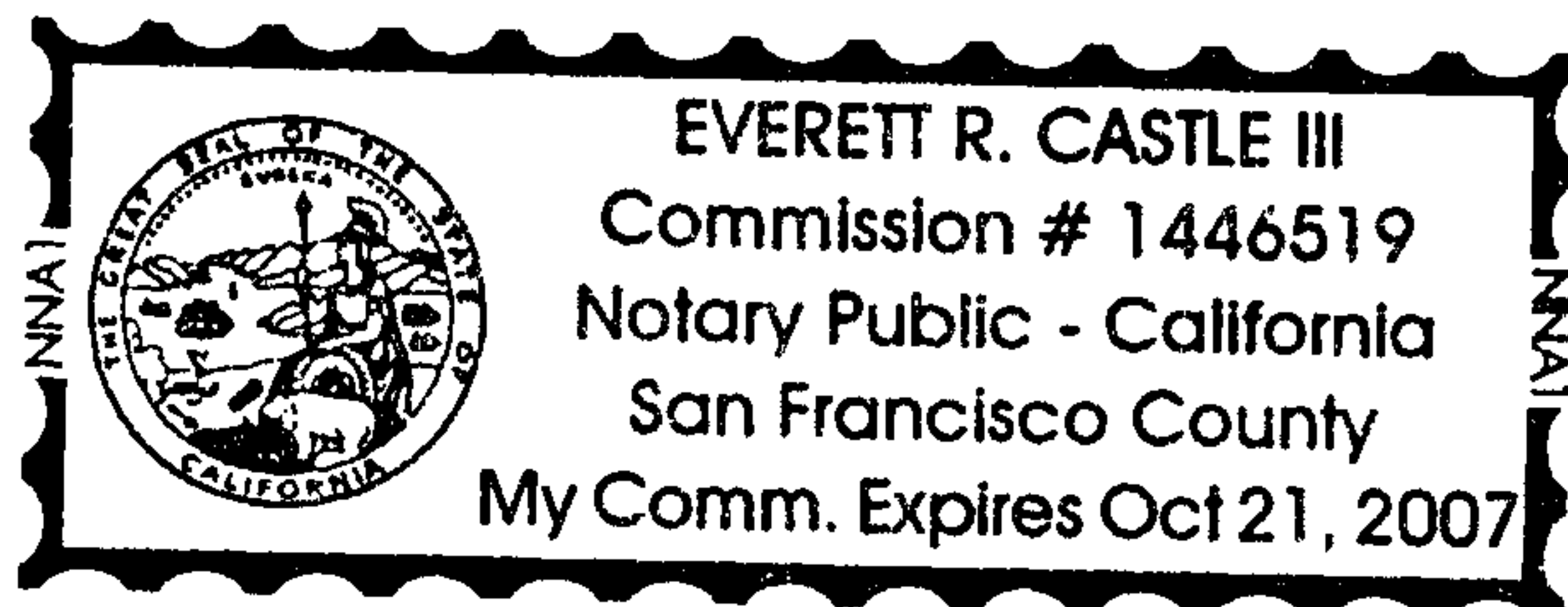
I, the undersigned authority, a Notary Public in and for said State and County, hereby certify that Jeffrey C. Hoppen, whose name as Vice President of Sovereign EO, LLC, a Delaware limited liability company, is signed to the foregoing instrument and who is known to me, acknowledged before me on this date that, being informed of the contents of the instrument, he, as such Vice President and with full authority, executed the same voluntarily for and as the act of said limited liability company on the day the same bears date.

Given under my hand and official seal this 13th day of October, 2006.

(Seal)

Everett R. Castle III
Notary Public

My commission expires: Oct. 21, 2007



136 1st Street N
Alabaster, AL



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Exhibit "A"
Legal Description

Lots 3, 4, 5, 6, 7 and the South half of Lot 8, Block 2, according to Nickerson-Scott Survey as recorded in Map Book 3, page 34, in the Probate Office of Shelby County, Alabama.