

ASSIGNMENT OF RENTS AND LEASES

The following terms shall have the meanings set forth below, as used in this instrument:

Lender:	First Partners Bank
Lender's Notice Address:	1360 Montgomery Highway, Suite 100 Birmingham, Alabama 35216
Loan Amount:	\$2,000,000.00
Mortgage:	The Mortgage executed by Owner in favor of Lender this date to further secure the Note (defined below).
Owner:	Schroeder Holdings, LLC and South Central Steel, Inc.
Owner's Notice Address:	3504 U.S. Highway 280 P.O. Box 430 Harpersville, Alabama 35078

1. **BY THIS ASSIGNMENT**, the Owner, for value received, hereby assigns to the Lender all of Owner's right, title, privileges and interest which Owner has and may have in the leases, operating agreements, management agreements, concession agreements, licenses, and all similar agreements, now existing or hereafter made and affecting the real property described in Exhibit A attached hereto and incorporated herein by reference and the improvements and equipment thereon (collectively referred to as the "Property"), together with all extensions, renewals, modifications or replacements of said leases and agreements, and together with any and all guarantees of the obligations of the lessees and other obligors thereunder, whether now existing or hereafter executed, and all extensions and renewals of said guarantees. All said leases and all other said agreements described in this Paragraph 1, together with any and all guarantees, modifications, extensions and renewals thereof, are hereinafter collectively and severally referred to as the "Lease".

2. **OWNER'S PURPOSE** in making this assignment is to relinquish, convey, and assign to Lender its right to collect and enjoy the rents, royalties, issues, profits, income and other benefits at any time accruing by virtue of the Lease (hereinafter called "Rents and Profits") as security for (i) payment of the outstanding indebtedness to Lender in connection with the Loan (as defined in the Mortgage) as evidenced by the Note (as defined in the Mortgage) payable to Lender, in the aggregate original principal sum equal to the Loan Amount and (ii) performance of the Owner's obligations under the Mortgage and the other Loan Documents (as defined in the Mortgage).

3. **THE PARTIES INTEND** that this Assignment shall be a present, absolute and unconditional assignment and shall, immediately upon execution, give Lender the right to collect the Rents and Profits and to apply them in payment of the principal and interest and all other sums payable on the Note, as well as all other sums payable under the Loan Documents. However, Lender hereby grants to Owner a license to collect, subject to the provisions set forth below and in the Loan Documents, the Rents and Profits as they respectively become due and to enforce the Lease, so long as there is no default by Owner in performance of the terms, covenants or provisions of the Note, the Loan Documents or this Assignment. Nothing contained herein, nor any collection of Rents and Profits by Lender or by a receiver, shall be construed to make Lender a "mortgagee-in-possession" of the Property so long as Lender has not itself entered into actual possession of the Property.



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4. **UPON THE OCCURRENCE OF ANY DEFAULT** under the terms and conditions of the Note, the Mortgage, this Assignment or any of the other Loan Documents, this Assignment shall constitute a direction to and full authority to any and all obligors under the Lease and any guarantor of the Lease to pay all Rents and Profits to Lender without proof of the default relied upon. Owner hereby irrevocably authorizes any and all obligors under the Lease and any guarantor to rely upon and comply with any notice or demand by Lender for the payment to Lender of any Rents and Profits due or to become due. Any and all obligors under the Lease and any guarantor shall have no right or duty to inquire whether a default has actually occurred and Owner shall have no claim against any obligor under the Lease or any guarantor for any Rents and Profits paid by such obligor Lessee or such guarantor to Lender pursuant to Lender's demand or notice.

5. **OWNER WARRANTIES:**

- (a) that no default exists on the part of Owner under any Lease;
- (b) that no rent or other payment has been or will be collected under any Lease more than one month in advance;
- (c) that neither the Lease nor any interest therein has been previously or will be assigned or pledged by Owner;
- (d) that no concession has been or will be granted to any Lessee in the form of a waiver, release, reduction, discount or other alteration of rent or other payment due or to become due.

All of the foregoing warranties shall be deemed to be reaffirmed on and as of the time of each Lease executed by Owner on the Property.

6. Owner agrees that nothing herein shall be construed to impose any liability or obligation on Lender under or with respect to the Lease. Owner does not delegate or assign to Lender, and Lender does not accept or assume any of the duties, obligations, or liabilities of Owner as provided in the Lease. Despite the present and absolute assignment by Owner to Lender of the Lease, Lender will not be required to perform any of the agreements or conditions contained in the Lease and nothing in this Agreement will impose any obligation upon Lender (including any liability under any covenant of quiet enjoyment as provided in the Lease). Owner retains and will perform all duties, obligations, and liabilities of Owner as provided in the Lease, provided that Lender, in the sole and absolute option of Lender may cure any default as provided in the Lease on behalf of Owner, and Owner will reimburse Lender on demand for all amounts paid and expended by Lender to cure the defaults of Owner as provided in the Lease.

7. This Assignment is intended to be supplementary to and not in substitution for or in derogation of any assignment of rents contained in the Loan Documents. Failure of the Lender to avail itself of any terms, covenants or conditions of this Assignment for any period of time or for any reason shall not constitute a waiver thereof.

8. Notwithstanding any future modification of the terms of the Loan Documents, this Assignment and the rights and benefits hereby assigned and granted shall continue in favor of Lender in accordance with the terms of this Assignment.

9. This Assignment shall be binding upon and inure to the benefit of the respective heirs, legal representatives, successors and assigns of the parties hereto (including without limitation, in the case

of Lender, any third parties now or hereafter acquiring any interest in the Note or any part thereof, whether by virtue of assignment, participation or otherwise). The words "Owner", "Lender", "obligor under the Lease", and "guarantor", wherever used herein, shall include the persons and entities named herein or in the Lease or any guaranty and designated as such and their respective heirs, legal representatives, successors, and assigns, provided that any action taken by the named Lender or any successor designated as such by an instrument recorded in the appropriate office of the County in which the Property is located referring to this Assignment shall be sufficient for all purposes notwithstanding that Lender may have theretofore assigned or participated any interest in the Note to a third party. All words and phrases shall be taken to include the singular or plural number, and the masculine, feminine, or neuter gender, as may fit the case.

10. Any change, amendment, modification, abridgement, cancellation, or discharge of this Assignment or any term or provision hereof shall be invalid without the written consent of Lender.

11. Upon payment to Lender of the full amount of all indebtedness and obligations secured hereby and by the Loan Documents, as evidenced by a recorded satisfaction or release of the Mortgage, Note, and guarantees, this Assignment shall be void and of no further effect.

12. All notices given hereunder shall be given in the manner set forth in the Mortgage.

13. If any provision hereof is determined to be illegal or unenforceable for any reason, the remaining provisions hereof shall not be affected thereby.

14. This Assignment shall be governed by and construed in accordance with the laws of the State of Alabama.

15. **WAIVER OF JURY TRIAL.** TO THE EXTENT PERMITTED BY APPLICABLE LAW, OWNER HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY ON ANY CLAIM, COUNTERCLAIM, SETOFF, DEMAND, ACTION OR CAUSE OF ACTION (A) ARISING OUT OF OR IN ANY WAY PERTAINING OR RELATING TO THIS ASSIGNMENT OR THE OTHER LOAN DOCUMENTS, OR (B) IN ANY WAY CONNECTED WITH OR PERTAINING OR RELATED TO OR INCIDENTAL TO ANY DEALINGS OF THE PARTIES HERETO WITH RESPECT TO THIS ASSIGNMENT OR THE OTHER LOAN DOCUMENTS, OR IN CONNECTION WITH THE TRANSACTIONS RELATED THERETO OR CONTEMPLATED THEREBY OR THE EXERCISE OF EITHER PARTY'S RIGHTS AND REMEDIES THEREUNDER, IN ALL OF THE FOREGOING CASES WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. OWNER AGREES THAT LENDER MAY FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED AGREEMENT OF OWNER IRREVOCABLY TO WAIVE ITS RIGHT TO TRIAL BY JURY, AND THAT ANY DISPUTE OR CONTROVERSY WHATSOEVER BETWEEN OWNER AND LENDER SHALL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.


16. **Special Choice of Law Provisions.** The Loan secured by this lien was made under a United States Small Business Administration (SBA) nationwide program which uses tax dollars to assist small business owners. If the United States is seeking to enforce this document, then under SBA regulations:

(a) When SBA is the holder of the Note, this document and all documents evidencing or securing this Loan will be construed in accordance with federal law.

(b) Lender or SBA may use local or state procedures for purposes such as filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using these procedures, SBA does not waive any federal immunity from local or state control, penalty, tax or liability. No Borrower or Guarantor may claim or assert against SBA any local or state law to deny any obligation of Borrower, or defeat any claim of SBA with respect to this Loan.

Any clause in this document requiring arbitration is not enforceable when SBA is the holder of the Note secured by this instrument.

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IN WITNESS WHEREOF, this document has been executed by the undersigned under seal as of the 7th day of December, 2012.

"OWNER"

Schroeder Holdings, LLC

By: 

Name: Andrew R. Schroeder

Title: Manager

South Central Steel, Inc.

By: 


Name: Andrew R. Schroeder

Title: President

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Andrew R. Schroeder whose name as the manager of **Schroeder Holdings, LLC**, an Alabama 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 the conveyance, he, as such manager and with full authority, executed the same voluntarily for and as the act of said limited liability company.

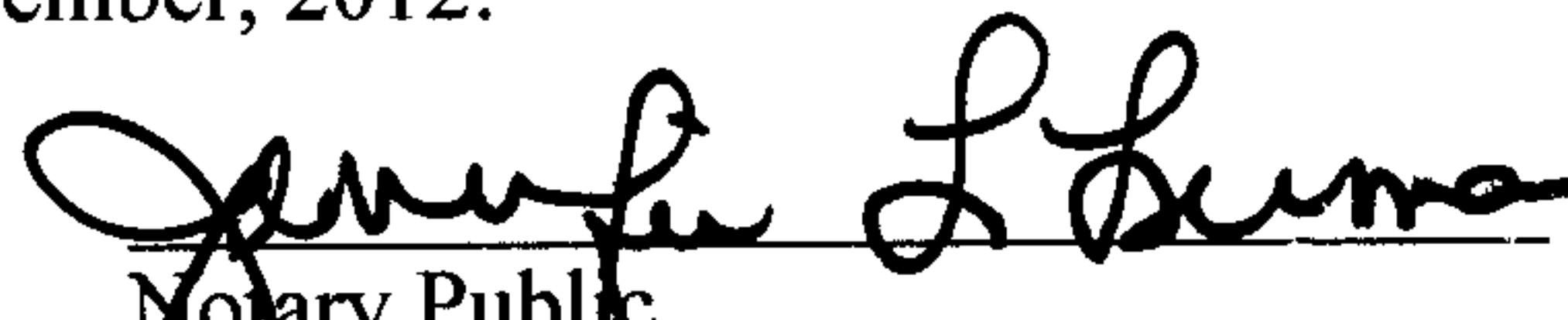
Given under my hand this 7th day of December, 2012.


Notary Public
My Commission Expires: **COMMISSION EXPIRES 10/01/2016**

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Andrew R. Schroeder whose name as the President of **South Central Steel, Inc.**, an Alabama corporation, 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 the conveyance, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this 7th day of December, 2012.


Notary Public
My Commission Expires: **COMMISSION EXPIRES 10/01/2016**

THIS INSTRUMENT PREPARED BY:

James E. Vann, Esquire
Sirote & Permutt, P.C.
2311 Highland Avenue South - 35205
P.O. Box 55727
Birmingham, Alabama 35255-5727
(205) 930-5484



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EXHIBIT A

PARCEL I:

Commence at the Southeast corner of the Southwest Quarter of the Southwest Quarter of Section 35, Township 19 South, Range 2 East, Shelby County, Alabama, thence run Northerly along Quarter-Quarter line 1,433.01 feet to a point; thence 128 degrees 30 minutes left and run 688.12 feet to a point; thence 51 degrees 30 minutes left and run 594.97 feet to a point; thence 51 degrees 30 minutes right and run 185.0 feet to the point of beginning of the property being described; thence continue along last described course 156.70 feet to a point on the North right of way line of Highway 280; thence 75 degrees 58 minutes right and run Northwesterly along said right of way line 194.08 feet to a point; thence 88 degrees 18 minutes right and run 213.50 feet to a point; thence 90 degrees 0 minutes right and run 110.75 feet to a point; thence 46 degrees 31 minutes right and run 36.48 feet to a point; thence 23 degrees 59 minutes left 108.80 feet to the point of beginning.

PARCEL II:

Commence at the Southeast corner of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 35, Township 19 South, Range 2 East, Shelby County, Alabama; thence run Northerly along the East line of said Quarter-Quarter 1,433.01 feet to a point; thence 128 degrees 30 minutes left and run Southwesterly 688.12 feet to a point; thence 51 degrees 30 minutes left and run Southerly 276.58 feet to the point of beginning of Tract "B", thence continue along last described course 181.42 feet to a point; thence 65 degrees 27 minutes right and run Southwesterly 140.67 feet to a point; thence 110 degrees 58 minutes 09 seconds right and run Northerly 240.34 feet to a point; thence 93 degrees 34 minutes 51 seconds right and run Easterly 142.96 feet to the point of beginning.

ALSO:

Commence at the Southeast corner of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 35, Township 19 South, Range 2 East; thence run North along the East line of said Quarter-Quarter section 676.0 feet to the point of beginning; thence continue along the last described course 420.56 feet; thence left 128 degrees 30 minutes and run Southwesterly 661.74 feet; thence turn left 51 degrees 30 minutes and run South 420.56 feet; thence turn left 128 degrees 30 minutes and run Northeasterly 661.74 feet to the point of beginning.


ALSO:

A 20 foot easement for ingress and egress, described as follows:

Commence at the Southeast corner of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 35, Township 19 South, Range 2 East; thence run North along the East line of said Quarter-Quarter section 676.0 feet; thence turn left 128 degrees 30 minutes and run Southwesterly 1030.0 feet to the Northeasterly right of way line of U. S. Hwy. 280; thence turn right 76 degrees 00 minutes and run Northwesterly 110 feet to the point of beginning; thence continue along last described course 20.61 feet; thence turn right 104 degrees 00 minutes and run Northeasterly 500.16 feet; thence turn right 128 degrees 30 minutes and run South 25.56 feet; thence turn right 51 degrees 30 minutes and run Southwesterly 479.76 feet to the point of beginning.

PARCEL III:

Commence at the Southeast corner of the Southwest Quarter of the Southwest Quarter of Section 35, Township 19 South, Range 2 East, Shelby County, Alabama, thence run Northerly along the East line of said Quarter-Quarter 1,433.01 feet to a point; thence 128 degrees 30 minutes left and run Southwesterly 688.12 feet to a point; thence 51 degrees 30 minutes left and run Southerly 458.0 feet to the point of beginning of the Tract ("C") being described, thence continue along last described course 136.97 feet to a point, thence 51 degrees 30 minutes right and run Southwesterly 185.0 feet to a point; thence 118 degrees 56 minutes 14 seconds right and run Northwesterly 175.14 feet to a point; thence turn 75 degrees 00 minutes 46 seconds right and run Northeasterly 191.16 feet to the point of beginning.


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Also commence at the Southeast corner of the Southwest Quarter of the Southwest Quarter of Section 35, Township 19 South, Range 2 East, Shelby County, Alabama and run Northerly along the East line of said Quarter-Quarter a distance of 1,433.01 feet to a point; thence turn an angle of 128 degrees 30 minutes to the left and run Southwesterly a distance of 688.12 feet to a point; thence turn an angle of 51 degrees 30 minutes to the left and run Southerly a distance of 594.97 feet to a point; thence turn an angle of 51 degrees 30 minutes to the right and run Southwesterly a distance of 185.0 feet to the point of beginning of the property being described, thence turn an angle of 96 degrees 48 minutes to the right and run Northwesterly a distance of 108.80 feet to a point, thence turn an angle of 23 degrees 59 minutes to the right and run Northerly a distance of 36.50 feet to a point; thence turn an angle of 46 degrees 38 minutes to the right and run Northeasterly a distance of 54.66 feet to a point; thence turn an angle of 131 degrees 53 minutes to the right and run Southerly a distance of 173.50 feet to the point of beginning.

PARCEL IV:

Commence at the Southeast corner of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 35, Township 19 South, Range 2 East, thence run North along the East line of said $\frac{1}{4}$ - $\frac{1}{4}$ section 676.0 feet; thence turn left 128 degrees and run Southwesterly 661.74 feet to the point of beginning; thence continue along the last described course 368.26 feet to the Northeasterly right of way line of U.S. Highway 280; thence turn right 76 degrees 00 minutes and run Northwesterly along said right of way line 110.0 feet; thence turn right 104 degrees 00 minutes and run Northeasterly 479.76 feet; thence turn right 128 degrees 30 minutes and run South 136.38 feet to the point of beginning; being situated in Southwest $\frac{1}{4}$ of Section 35, Township 19 South, Range 2 East. Less and except any part within Condemnation Case No. 23-89 as recorded in Instrument # 1993-3104 and Instrument # 1993-4137.

All being situated in Shelby County, Alabama.

Parcels I – IV also described as follows:

Parcel #1

A part of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 35, T 19 South, Range 2 East, Shelby County, Alabama Described as follows:

Commence at the SE Corner of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 35, T 19 South, Range 2 East, Shelby County, Alabama; thence N 03°12'55" E along the East line of Said $\frac{1}{4}$ - $\frac{1}{4}$ Section a distance of 676.00' to the point of beginning; thence N 03°12'55" E along said line a distance of 416.34'; thence S 54°43'23" W a distance of 659.49'; thence S 03°09'43" W a distance of 284.53'; thence S 54°53'26" W a distance of 346.44' to a point on the Northern Right of Way for U.S. Highway 280; thence S 49°27'00" E along Said right of Way a distance of 113.39'; thence N 54°20'39" E a distance of 895.93' to the Point of Beginning;

Together with a 20 foot easement for ingress and egress, described as follows:

Commence at the Southeast corner of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 35, Township 19 South, Range 2 East; thence N 03°12'55" E along the East line of Said Section a distance of 676.00'; thence S 54°20'39" W a distance of 895.93' to a point on the Northern Right of Way for U.S. Highway 280; thence N 49°27'00" W a distance of 113.39' to the point of beginning; thence continue along said right of Way and N 49°27'00" W a distance of 20.64'; thence N 54°53'26" E a distance of 367.33'; thence S 03°09'43" W a distance of 25.47'; thence S 54°53'26" W a distance of 346.44' to a point on the Northern Right of Way of U.S. Highway 280 and the point of beginning.

Parcel #2

A part of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 35, T 19 South, Range 2 East, Shelby County, Alabama Described as follows:

Commence at the SE Corner of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 35, T 19 South, Range 2 East, Shelby County, Alabama; thence N 03°12'55" E along the East line of Said $\frac{1}{4}$ - $\frac{1}{4}$ Section a distance of 676.00'; thence S 54°20'39" W a distance of 895.93' to a Point on the Northern Right of Way for U.S. Highway 280; thence N 49°27'00" W along said Right of Way a distance of 134.03' to the Point of Beginning; thence N 54°53'30" E a distance of 340.44'; thence N 03°24'45" E a distance of 319.07'; thence N 86°58'26" W a distance of 142.89'; thence S 00°21'53" E a

distance of 239.66'; thence S 68°08'46" W a distance of 50.76'; thence S 42°26'12" W a distance of 50.63'; thence N 53°11'11" W a distance of 110.72'; thence S 38°55'43" W a distance of 213.34' to a point on the Northern Right of Way for U.S. Highway 280; thence S 49°27'12" E a distance of 194.30' to the Point of beginning.

