

**This Assignment of Leases and Rents is given as additional security for a Promissory Note which is also secured by a Mortgage recorded concurrently herewith.**

Loan Number: 121097421

THIS INSTRUMENT PREPARED BY  
AND AFTER RECORDING, RETURN TO:

Michelle C. Gay, Esq.  
Michelle C. Gay, P.C.  
205 Westhampton Way  
Chapel Hill, NC 27516

Source of Title: Instrument 20040628000353530

**ASSIGNMENT OF LEASES AND RENTS**

THIS ASSIGNMENT OF LEASES AND RENTS (this "Assignment"), made as of the 14<sup>th</sup> day of May, 2025, by and between TL BIRMINGHAM, LLC, an Alabama limited liability company ("Borrower"), the mailing address of which is 1200 Greensboro Avenue, Tuscaloosa, Alabama 35401; and AMERIPRISE CERTIFICATE COMPANY, a Delaware corporation ("Lender"), the mailing address of which is c/o Real Estate Loan Investments, 25540 Ameriprise Financial Center, Minneapolis, Minnesota 55474;

**W I T N E S S E T H:**

That Borrower, for good and valuable consideration, receipt of which is hereby acknowledged, hereby presently, absolutely and irrevocably GRANTS, TRANSFERS and ASSIGNS to Lender the entire interest of Borrower (whether as lessor, sublessor, or otherwise) in and to any and all rights, interests and privileges that Borrower, as lessor or sublessor, has or may hereafter have in any and all leases, subleases, occupancy agreements, licenses, concessions or other agreements (whether written or oral) now existing or hereafter made, demising or granting a right to use all or any portion of the "Premises" (as defined below), together with all security and other deposits made in connection therewith, and together with any amendments, extensions, renewals, and replacements of any of the foregoing (the foregoing items hereinafter collectively referred to as the "Leases") covering or relating to all or any portion of certain real property and interests therein located in Shelby County, Alabama, including, without limitation, all improvements now or hereafter located thereon, which real property is more particularly described on Exhibit A attached hereto and made a part hereof (such land and improvements being herein collectively referred to as the "Premises"), and Borrower further GRANTS, TRANSFERS and ASSIGNS to Lender all of Borrower's right, title and interest in and to all rents, accounts, income, issues and profits (collectively, the "Rents") arising from the Leases (including but not limited to security deposits) and together with all rents, income and profits for the use and occupation of the premises described in the Leases and all other portions of the Premises.

THIS ASSIGNMENT is made for the purpose of securing (a) the performance and observance by Borrower of all covenants and conditions contained in that certain Promissory Note (which, together with any and all replacements, renewals, amendments or extensions thereof or supplements thereto, is hereinafter referred to as the "Note") of even date with this Assignment made by Borrower to the order of Lender in the principal face amount of Two Million Seven Hundred Thousand and No/100 Dollars (\$2,700,000.00), that certain Mortgage, Security Agreement and Fixture Financing Statement with Assignment of Leases and Rents recorded immediately prior hereto in the Office of the Judge of Probate for Shelby County, Alabama (together with any and all replacements, renewals, amendments or extensions thereof or supplements thereto, the "Instrument"), of even date with this Assignment made by Borrower to Lender, and all other instruments securing the Note (together with the Note, the Instrument and this Assignment, collectively, the "Loan Documents"); (b) all future advances and readvances that may subsequently be made to Borrower by Lender evidenced by the aforesaid Note, or any other promissory notes, and all renewals and extensions thereof; provided, however, that nothing contained herein shall create an obligation on the part of Lender to make future advances or readvances to Borrower; (c) all other indebtedness of Borrower to Lender, now or hereafter existing, whether direct or indirect, plus interest thereon; and (d) all charges and expenses of collection incurred by Lender, including court costs, and attorneys' fees (all of the foregoing being collectively referred to as the "Secured Indebtedness").

## ARTICLE I.

### WARRANTIES AND COVENANTS

1.01 Warranties of Borrower. Borrower hereby warrants and represents to Lender that:

(a) Borrower is the sole owner of landlord's interest under the Leases, is entitled to receive the Rents and has good right to sell, assign, transfer and set over the same and to grant to and confer upon Lender the rights, interests, powers and authorities herein granted and conferred.

(b) Borrower has neither made nor permitted to be made any assignment other than this Assignment of any of its rights under the Leases to any person or entity.

(c) Borrower has not done any act nor omitted to do any act which might prevent Lender from, or limit Lender in, acting under any of the provisions of this Assignment.

(d) Borrower has not, except as otherwise disclosed on Lender in writing on or about the date hereof, accepted rent under any of the Leases more than thirty (30) days in advance of its due date.

(e) To the best of Borrower's knowledge, except as otherwise disclosed to Lender in writing on or about the date hereof, there is no default by any of the tenants under the terms of any of the Leases.

(f) Borrower is not prohibited under any agreement with any other person or entity or under any judgment or decree from the execution and delivery of this Assignment, the Leases or the Rents, from the performance of each and every covenant of Borrower hereunder and under the Leases, or from the meeting of each and every condition contained herein or in the Leases.

(g) No action has been brought or threatened which in any way would interfere with the right of Borrower to execute this Assignment and perform all of Borrower's obligations herein contained.

(h) The Leases, except as specifically recited in that certain Certificate of Tenancies and Leases for Apartments from Borrower to Lender of even date herewith, are unmodified and are in full force and effect.

1.02 Covenants of Borrower. Borrower hereby covenants and agrees with Lender as follows:

(a) Borrower will, at its own cost and expense, perform, comply with and discharge all of the obligations of Borrower under leases of all or any part of the Premises and use its best efforts to enforce or secure the performance of each obligation and undertaking of the respective tenants under any such leases and will appear in and defend, at its own cost and expense, any action or proceeding arising out of or in any manner connected with Borrower's interest in any leases of the Premises. Borrower will not modify, extend, renew, terminate, accept a surrender or, or in any way alter the terms of the leases nor borrow against, pledge or assign any rentals due under the leases, nor consent to a subordination or assignment of the interest of any tenant thereunder to any party other than Lender, nor anticipate the rents thereunder for more than one (1) month in advance or reduce the amount of rents and other payments thereunder, nor waive, excuse, condone or in any manner release or discharge a tenant of or from any obligations, covenants, conditions and agreements to be performed, nor incur any indebtedness to a tenant, nor agree to any "free rent" period without Lender's consent, nor enter into any additional leases of all or any part of the Premises without the prior written consent of Lender. Notwithstanding the above restrictions, Borrower may, without the prior written consent of Lender, enter into new residential apartment leases of the Premises having a term of two (2) years or less; modify, extend, renew, terminate, accept a surrender of or alter the terms of the existing residential apartment leases of the Premises having a term of two (2) years or less; collect rent in advance for up to two (2) months; offer rent concessions, such as a "free rent" period; and waive minor lease defaults by tenants, provided that any such action is made in the ordinary course of Borrower's business in conformance with commercially reasonable, prudent and sound business practice. In addition, all residential apartment leases made during the term of the Instrument shall be prepared on the standard form lease submitted to and approved by Lender.

(b) Borrower shall authorize and direct, and does hereby authorize and direct each and every present and future tenant under the Leases to pay rental directly to Lender upon receipt of written demand from Lender to so pay the same.

(c) Lender shall not be obligated to perform or discharge any obligation of Borrower under any of the Leases.

1.03 Covenants of Lender. Lender, by acceptance hereof, covenants and agrees with Borrower that:

(a) Although this Assignment constitutes a present and absolute assignment of all Rents, so long as there shall exist no Event of Default, as hereinafter defined, Borrower shall



have a mere license, revocable as set forth herein, (i) to collect, but not more than thirty (30) days prior to accrual, all Rents and to retain, use and enjoy the same, and (ii) to maintain the security deposits in a separate, identifiable account in a bank acceptable to Lender. Upon the occurrence of any Event of Default, the license granted in this Section 1.03 shall automatically, without further act by Lender, cease and terminate.

(b) Upon the payment in full of the Secured Indebtedness, as evidenced by the recording or filing of an instrument of satisfaction or full release of the Instrument without the recording of another Instrument in favor of Lender affecting the Premises, this Assignment shall automatically become and be void and of no further effect.

## ARTICLE II.

### DEFAULT

2.01 Event of Default. The occurrence of any one of the following events shall constitute an "Event of Default" hereunder:

(a) the failure by Borrower to perform or observe any covenant of Borrower contained in this Assignment after the expiration of any applicable notice and cure periods set forth in the Instrument, if any;

(b) the failure by Borrower to cause to be true and not misleading any warranty of Borrower contained herein;

(c) the occurrence of any "Event of Default" under or as defined in the Instrument; or

(d) the occurrence of any default by Borrower under any Lease on account of which the tenant under such Lease, either under the terms of the Lease or under applicable law, is or may be authorized to offset rent or terminate the Lease.

2.02 Remedies. Upon the occurrence of any Event of Default, Lender may at its option, with or without notice or demand of any kind, exercise any or all of the following remedies:

(a) Declare any part or all of the Secured Indebtedness to be due and payable, whereupon the same shall become immediately due and payable;

(b) Perform any and all obligations of Borrower under any or all of the Leases or this Assignment and exercise any and all rights of Borrower herein or therein as fully as Borrower itself could do, including, without limiting the generality of the foregoing: enforcing, modifying, extending or terminating any or all of the Leases; collecting, modifying, compromising, waiving or increasing any or all of the rents payable thereunder; and obtaining new tenants and entering into new leases on the Premises on any terms and conditions deemed desirable by Lender; and, to the extent Lender shall incur any costs in connection with the performance of any such obligations of Borrower, including costs of litigation, then all such costs shall become a part of the Secured Indebtedness secured by the Loan Documents, shall bear interest from the

occurrence thereof at the default interest rate specified in the Note, and shall be due and payable on demand;

(c) In Borrower's or Lender's name, institute any legal or equitable action which Lender in its sole discretion deems desirable to collect and receive any or all of the Rents assigned herein;

(d) With or without taking possession of the Premises, notify the tenants under any or all of the Leases to pay and deliver the Rents directly to Lender without further consent or notification of or from Borrower, this Assignment being advance consent by Borrower to any such notice and collection of Rents; and

(e) Collect the Rents and any other sums due with respect to the Premises, and apply the same in such order as Lender in its sole discretion may elect against (i) all costs and expenses, including attorneys' fees, in connection with the operation of the Premises, the performance of Borrower's obligations under the Leases and collection of the Rents thereunder; and (ii) all the costs and expenses, including attorneys' fees, in the collection of any or all of the Secured Indebtedness, including all costs, expenses and attorneys' fees incurred in seeking to realize on or to protect or preserve Lender's interest in any other collateral securing any or all of the Secured Indebtedness. Any amounts remaining after such application shall be applied to the payment of the Secured Indebtedness in such order as Lender may determine, and if Lender elects to apply such amounts to the principal payment due at the maturity of the Secured Indebtedness or to monthly payments thereof, regular monthly payments of said indebtedness shall continue to be due in accordance with the instrument evidencing same and without reduction or interruption.

Upon the occurrence of any Event of Default, Borrower agrees that it will not commingle any checks, drafts, cash or other remittances received by it in payment or on account of rents or revenues due and payable under the Leases, with any other funds or other property of Borrower, but will hold them separate and apart therefrom, and upon an express trust for Lender, and will immediately deliver the same to Lender in the form received, appropriately endorsed or assigned with recourse to Lender's order.

**2.03 No Waiver.** Entry upon and taking possession of the Premises and the collection of the rents and the application thereof as aforesaid, shall in no way operate to cure or waive any default hereunder or under any other of the Loan Documents, or prohibit the taking of any other action by Lender under any of the Loan Documents or at law or in equity to enforce the payment of the Secured Indebtedness or to realize on any other security. Lender shall have full right to exercise any or all of the foregoing remedies without regard to the adequacy of security for any or all of the Secured Indebtedness, and with or without the commencement of any legal or equitable action or the appointment of any receiver or trustee, and shall have full right to enter upon, take possession of, use and operate all or any portion of the Premises which Lender in its sole discretion deems desirable to effectuate any or all of the foregoing remedies. In no event shall Lender be liable to any tenant under any of the Leases for the return of any security deposit in any amount in excess of the amount delivered to Lender by Borrower.

### ARTICLE III.

#### GENERAL PROVISIONS

3.01 Successors and Assigns. This Assignment shall inure to the benefit of and be binding upon Borrower and Lender and their respective heirs, executors, legal representatives, successors and assigns. Whenever a reference is made in this Assignment to "Borrower" or "Lender", such reference shall be deemed to include a reference to the heirs, executors, legal representatives, successors and assigns of Borrower or Lender.

3.02 Terminology. All personal pronouns used in this Assignment, whether used in the masculine, feminine or neuter gender, shall include all other genders, and the singular shall include the plural, and vice versa. Titles of Articles are for convenience only and neither limit nor amplify the provisions of this Assignment.

3.03 Severability. If any provision of this Assignment or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Assignment and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

3.04 Applicable Law. This Assignment shall be interpreted, construed and enforced according to the laws of the State of Alabama, without regard to the choice of law rules thereof.

3.05 No Third Party Beneficiaries. This Assignment is made solely for the benefit of Lender and its assigns. No tenant under any of the Leases nor any other person shall have standing to bring any action against Lender as the result of this Assignment, or to assume that Lender will exercise any remedies provided herein, and no person other than Lender shall under any circumstances be deemed to be a beneficiary of any provision of this Assignment.

3.06 No Oral Modifications. Neither this Assignment nor any provisions hereof may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

3.07 Cumulative Remedies. The remedies herein provided shall be in addition to and not in substitution for the rights and remedies vested in Lender in any of the Loan Documents or in law or equity, all of which rights and remedies are specifically reserved by Lender. The remedies herein provided or otherwise available to Lender shall be cumulative and may be exercised concurrently. The failure to exercise any of the remedies herein provided shall not constitute a waiver thereof, nor shall use of any of the remedies herein provided prevent the subsequent or concurrent resort to any other remedy or remedies. It is intended that this clause shall be broadly construed so that all remedies herein provided or otherwise available to Lender shall continue and be each and all available to Lender until the Secured Indebtedness shall have been paid in full.

3.08 Cross-Default. An Event of Default by Borrower under this Assignment shall constitute an Event of Default under all other Loan Documents.



3.09 Counterparts. This Assignment may be executed in any number of counterparts all of which taken together shall constitute one and the same instrument, and any of the parties or signatories hereto may execute this Assignment by signing any such counterpart.

3.10 Further Assurance. At any time and from time to time, upon request by Lender, Borrower will make, execute and deliver, or cause to be made, executed and delivered, to Lender and, where appropriate, cause to be recorded and/or filed and from time to time thereafter to be re-recorded and/or refiled at such time and in such offices and places as shall be deemed desirable by Lender, any and all such other and further assignments, deeds to secure debt, mortgages, deeds of trust, security agreements, financing statements, continuation statements, instruments of further assurance, certificates and other documents as may, in the opinion of Lender be necessary or desirable in order to effectuate, complete, or perfect, or to continue and preserve (a) the obligations of Borrower under this Assignment and (b) the security interest created by this Assignment as a first and prior security interest upon the Leases and the Rents and security deposits from the Premises. Upon any failure by Borrower so to do, Lender may make, execute, record, file, re-record and/or refile any and all such assignments, deeds to secure debt, mortgages, deeds of trust, security agreements, financing statements, continuation statements, instruments, certificates and documents for and in the name of Borrower, and Borrower hereby irrevocably appoints Lender the agent and attorney-in-fact of Borrower so to do.

3.11 Notices. Any notice which any party hereto may desire or may be required to give to any other party shall be in writing and sent by e-mail, certified mail or overnight carrier, return receipt requested, to the respective party's address as set forth on page one of this Assignment, or to such other place as any party hereto may hereafter designate, by notice in writing. If written notice of a party's change of address is not given as herein provided, notice, demand or other communications shall be deemed sufficiently given for all purposes when made to the last address designated by each party as provided hereunder.

3.12 Modifications, etc. Borrower hereby consents and agrees that Lender may at any time and from time to time, without notice to or further consent from Borrower, either with or without consideration, surrender any property or other security of any kind or nature whatsoever held by it or by any person, firm or corporation on its behalf or for its account, securing the Secured Indebtedness; extend or renew the Note or any other of the Loan Documents for any period; grant releases, compromises and indulgences with respect to the Note or any other of the Loan Documents to any persons or entities now or hereafter liable thereunder or hereunder; release any guarantor or endorser of the Note, the Instrument or any other of the Loan Documents; or take or fail to take any action of any type whatsoever; and no such action which Lender shall take or fail to take in connection with the Loan Documents, or any of them, or any security for the payment of the Secured Indebtedness or for the performance of any obligations or undertakings of Borrower, nor any course of dealing with Borrower or any other person, shall release Borrower's obligations hereunder, affect this Assignment in any way or afford Borrower any recourse against Lender. The provisions of this Assignment shall extend and be applicable to all renewals, amendments, extensions, consolidations and modifications of the Loan Documents and the Leases, and any and all references herein to the Loan Documents or the Leases shall be deemed to include any such renewals, amendments, extensions, consolidations or modifications thereof.

IN WITNESS WHEREOF, Borrower, intending to be legally bound, has executed this Assignment of Leases and Rents under seal as of the date first above written.

TL BIRMINGHAM, LLC, an Alabama limited liability company

By: Sealy Management Company, Inc., an Alabama corporation, Manager

By:

  
Patrick C. Kennedy,  
President

STATE OF ALABAMA                    )  
  )  
COUNTY OF TUSCALOOSA        )

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Patrick C. Kennedy, whose name as the President of Sealy Management Company, Inc., an Alabama corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such President and with full authority, executed the same voluntarily for and as the act of said corporation, as the Manager of TL Birmingham, LLC, an Alabama limited liability company.

Given under my hand this 8<sup>th</sup> day of May, 2025.

  
Notary Public

My Commission Expires

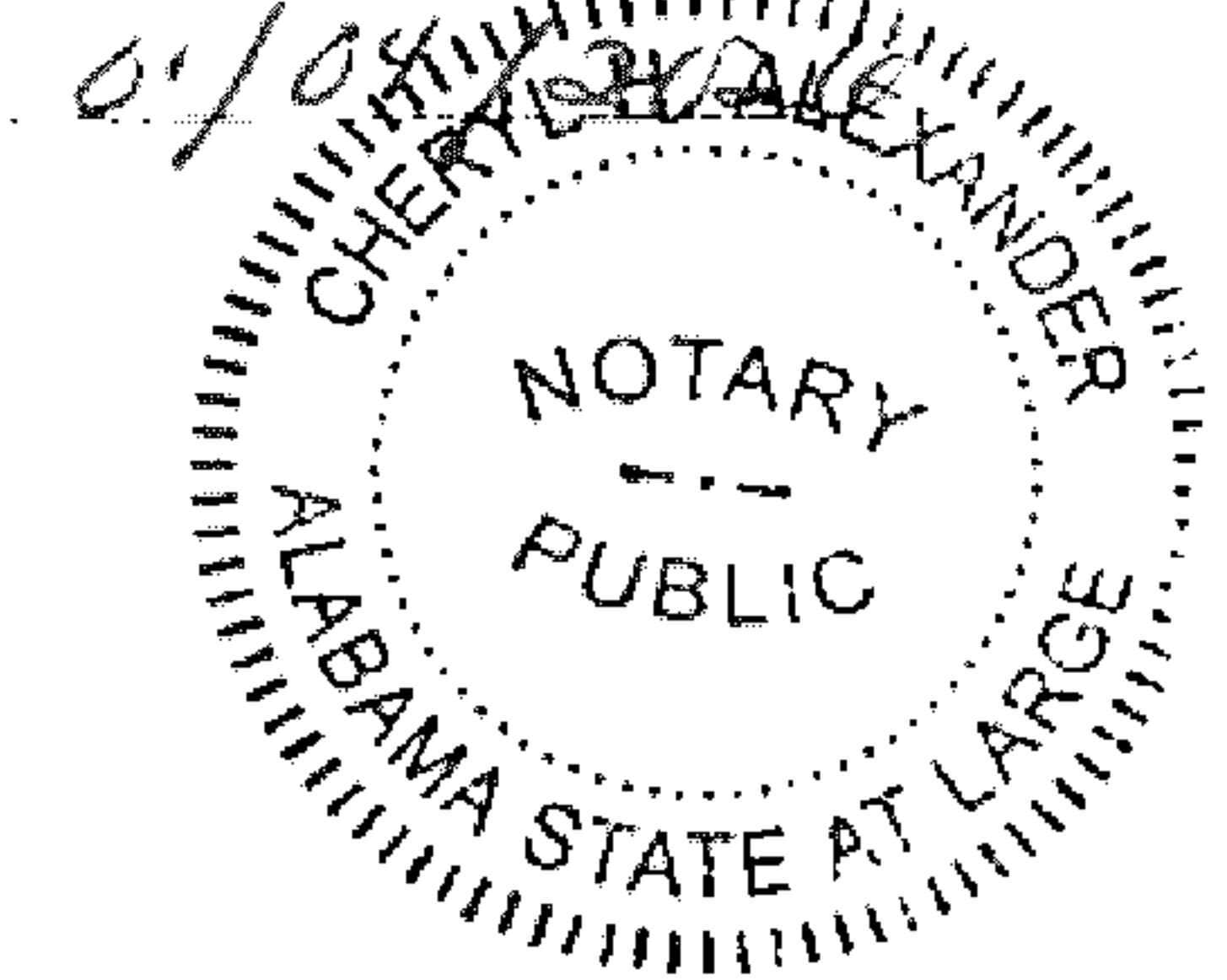


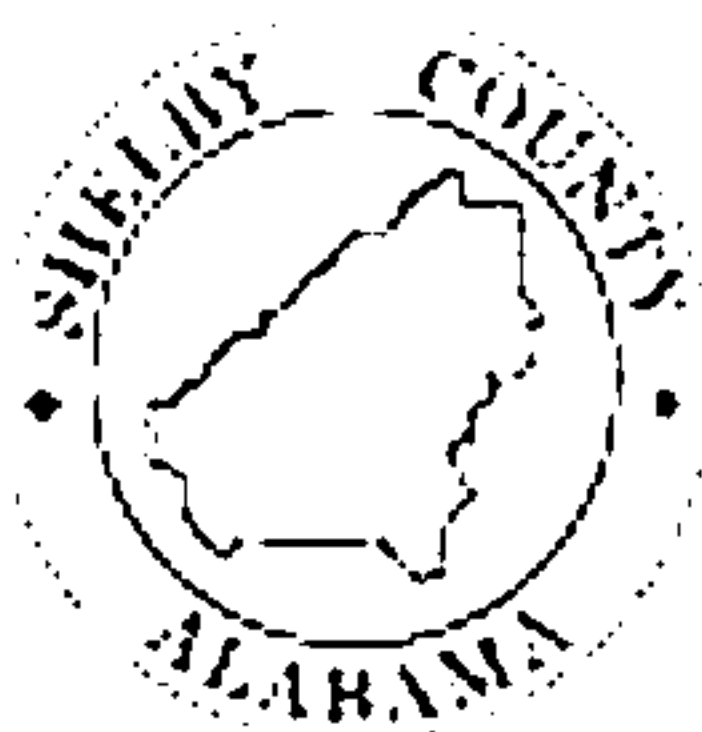


EXHIBIT A

## Legal Description

A tract of land in the Southwest quarter of the Northeast quarter of Section 5, Township 19 South, Range 1 West, Shelby County, Alabama, more particularly described as follows:

Begin at the Northeast corner of said Southwest quarter of Northeast quarter and run West along the north line thereof for 661.23 feet; then turn left 88 degrees 57 minutes 22 seconds and run Southerly for 330.66 feet; thence turn right 89 degrees 02 minutes 14 seconds and run Westerly for 258.06 feet to a point on the Easterly right of way line of U.S. Highway 280; thence turn left 85 degrees 52 minutes 30 seconds and run Southeasterly along said Easterly right of way line for 60.32 feet; thence turn left 84 degrees 07 minutes 30 seconds and run Easterly for 286.78 feet and the beginning of a curve to the right having a radius of 189.87 feet and a central angle of 90 degrees 34 minutes 50 seconds; thence Easterly and Southerly along the arc of said curve for 300.17 feet; thence Southerly tangent to said curve for 148.50 feet; thence turn left 90 degrees and run Easterly 254.15 feet; thence turn right 90 degrees 27 minutes 45 seconds and run Southerly for 218.26 feet; thence turn left 90 degrees and run Easterly for 176.0 feet to a point on the East line of said Southwest quarter of Northeast quarter; thence turn left 90 degrees and run Northerly along said East line for 956 feet to the point of beginning; being situated in Shelby County, Alabama.



Filed and Recorded  
 Official Public Records  
 Judge of Probate, Shelby County Alabama, County  
 Clerk  
 Shelby County, AL  
 05/15/2025 09:55:50 AM  
 \$46.00 JOANN  
 20250515000147930

*Allen S. Bayl*