

M & H FINANCIAL CORP.

1891 CORPORATE AVENUE
MEMPHIS, TENNESSEE 38132

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COLLATERAL ASSIGNMENT OF LEASE

This Assignment made this 3rd day of February, 19 84, by R. M. Butler and Company

("Assignor") to M & H FINANCIAL CORP. ("Assignee"), a TENNESSEE corporation, with its principal address at 1991 Corporate Avenue, Memphis, Tennessee 38132.

RECITALS.

A. Assignor has entered into a certain lease (or sublease) agreement, dated 3-1-83, 19 83 between the Assignor and C. L. Howard Trust containing the terms and covering the premises as set forth therein ("Lease").

B. Assignor is indebted to Assignee as evidenced by that certain promissory note dated February 3, 1984 ("Note") with interest and payments of principal due as set forth therein.

C. The Note is secured by a certain Loan and Security Agreement between the Assignor and Assignee, dated February 3, 1984 ("Loan and Security Agreement").

AGREED.

1. Assignment. As additional security for the full and prompt payment and performance of all of the Assignor's obligations under the Note and the Loan and Security Agreement and any other documents hereafter executed by the Assignor with respect thereto, the Assignor hereby grants, transfers and assigns to the Assignee a security interest in all of the Assignor's contract right, title and interest in and to and remedies under any and all leases (collectively, "Leases") which may have heretofore been executed or which may be hereafter executed in connection with or for the use and occupation of the real property ("Property") located as more particularly described in Exhibit "A" attached hereto and leased to the Assignor under the Lease, or any part thereof, and any and all supplements thereto, and including (without limitation) the Lease, together with all rents, income and profits arising from any of the Leases, and together with all rents, income, profits, revenues, proceeds (cash and non-cash), royalties due or to become due under the Leases or from the Property or any part thereof.

2. Conditional Assignment. So long as there shall exist no default (a) in the payment and performance of any of the obligations secured hereby, (b) in the performance of any obligation, covenant or agreement contained herein, (c) in

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the Lease, or (d) in any other Leases (collectively "Secured Obligations"), the Assignor shall have the right to retain, use and enjoy the leasehold estate and any other interest acquired by the Assignor under any of the Leases.

3. **Default and Remedies.** Upon or at any time after default in the payment or performance of any of the Secured Obligations, the Assignee, without in any way waiving such default, may at its option, take possession of the Property and have, hold, manage, lease, sell and operate the same on such terms and for such a period of time as the Assignee may deem proper; and may collect and receive any rents, income and profits of the Property, with or without taking possession of the Property, with full power to make from time to time all alterations, renovations, repairs or replacements thereto as may seem proper to the Assignee, and to apply such rents, income and profits to the payment of:

(a) the costs of all such alterations, renovations, repairs and replacements incident to the taking and retaining possession of the Property and the management and operation thereof and keeping the same properly insured; and

(b) all taxes, charges, claims, assessments, water rents and any other liens which may be prior in lien or payment to the obligations hereby secured, and premiums for such insurance with interest on all such items; and

(c) The Secured Obligations, together with all costs and reasonable attorney's fees, in such order of priority as to any of such items as the Assignee in its sole discretion may determine, any statute, law or custom used to the contrary notwithstanding.

4. **Cure of Default.** If upon any such default or breach, the Assignee shall exercise its option herein and if such default or breach shall be remedied and all necessary charges and expenses incurred by reason thereof paid, the parties hereto shall each be restored to and reinstated in their respective rights and estates as if the default or breach had not occurred. The Assignor shall thereupon hold the Property subject to all documents pertaining to the Secured Obligations, including this Assignment, as if the Assignee had not exercised any option hereunder; but nothing hereinbefore contained shall impair any right of the Assignee consequent upon any subsequent breach.

5. **Termination of Agreement.** Upon the payment and performance in full of all the Secured Obligations, this Assignment shall become and be void and of no effect.

6. **Other Security.** The Assignee may take or release other security, may release any party primarily or secondarily liable for any of the obligations secured hereby,

may grant extensions, renewals or indulgences with respect to the Secured Obligations without prejudice to any of its rights hereunder.

7. **Filing of Assignment.** If required by the Assignee, the Assignor shall file at its sole expense in the appropriate places within the state where the Property is located, a copy of this Assignment, and if necessary, a copy of memorandum of any of the Leases, in accordance with the real estate lease lien law of such state.

8. **Waiver without Prejudice to the Assignee.** Nothing herein contained and no act done or omitted by the Assignee pursuant to the powers and rights granted herein shall be deemed to be a waiver by the Assignee of its rights and remedies under any other documents pertaining to the Secured Obligations, but this Assignment is made and accepted without prejudice to any of the rights and remedies possessed by the Assignee under the terms thereof. The right of the Assignee to collect the obligations and to enforce any other security therefor may be exercised by the Assignee either prior to, simultaneously with, or subsequent to any action taken by it hereunder.

9. **Agreement for the Benefit of All Noteholders.** The Assignor covenants and agrees that all the provisions herein contained shall be applied to and inure to the benefit of each and every holder from time to time of the Note in the same manner and to the same extent as if such holders were the original Assignee of any of the Leases.

10. **Waiver of Acceptance by Assignor.** The Assignor hereby waives acceptance of this Assignment of Lease by the Assignee and any other holder.

11. **Applicable Law.** This Assignment of Lease shall be interpreted and construed in accordance with and governed by the laws of the state where the premises in the Lease are located.

12. **Successors and Assigns of Assignee.** Wherever in this agreement the Assignee is referred to, such reference shall be deemed to include the successors and assigns of the Assignee, and all covenants, promises and agreements by the Assignor contained herein shall inure to the benefit of the successors and assigns of the Assignee.

13. **Amendments.** This Agreement may be amended by written agreement signed by the parties hereto.

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IN WITNESS WHEREOF, the Assignor has executed or has caused its duly authorized officer(s) to execute this instrument the day and year first above written.

R. M. Butler and Company

By: [Signature]

^{vice}
Its President

By: [Signature]

^{ass't.}
Its Secretary

-Individually

-Individually

-Individually

-Individually



This instrument prepared by Peter R. Pettit, Esq.
1991 Corporate Avenue, Memphis, Tennessee 38132

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ACKNOWLEDGEMENTS

STATE OF
COUNTY OF

North Carolina
Guilford

(Acknowledgement by
Corporation)

Before me, a Notary Public in and for said State and County, duly commissioned and qualified personally appeared *Ronald M. Butler*, with whom I am personally acquainted, and who, upon oath, acknowledged himself to be the *Duce* President of *R.M. Butler and Company* the within named bargainer, a corporation; and that he as such *Duce* President, being duly authorized so to do, executed, signed and delivered the foregoing instrument for the consideration and purpose therein mentioned and set forth, by the said *Butler* subscribing thereto the name of the corporation by himself as such *Duce* President, and by affixing thereon the corporate seal.

Witness my hand and Notarial Seal at office this *1st* day of *October*, 19*84*.

Carol P. Dyer, N.C.
Notary Public

My commission expires:
My Commission Expires 5-5-86

(Acknowledgement by
Individual)

STATE OF
COUNTY OF

Before me, a Notary Public in and for said County and State, duly commissioned and qualified, personally appeared to me known to be the person(s) described in and who executed, signed and delivered the foregoing instrument on

STATE OF NORTH CAROLINA—Forsyth County

The foregoing (or annexed) certificate of *Carol P. Dyer, N.C.*
(here give name and official title of the officer signing the certificate passed upon).

is ~~(see)~~ certified to be correct. This the *1* day of *November* 19*84*

Probate fee \$1.00 paid.

PRESENTED FOR
REGISTRATION
AND RECORDED

Nov 1 2 56 PM '84

EUNICE AYERS
REGISTER OF DEEDS
FORSYTH CTY, N.C.

JB \$11.50 pd.

Eunice Ayers, Register of Deeds

By *Janet Bottoms* Deputy-Assistant

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EXHIBIT 1

1. DESCRIPTION

A certain lot or parcel of land fronting approximately 123.75 feet on the South side of West Mountain Street in the City of Kernersville, North Carolina, and being bounded as follows:

BEGINNING at a cross in the Southwest intersection of West Mountain Street and Hepler Street, and running thence South $23^{\circ} 20'$ West 185 feet to an iron stake, being the Southeast corner of the property conveyed to C. L. Howard by Hastings-Dillon Realty Company; thence North $65^{\circ} 46'$ West 100 feet to an iron stake; thence South $18^{\circ} 49'$ West 15 feet to an iron stake; thence North $65^{\circ} 43'$ West 35 feet to an iron stake; thence North $66^{\circ} 0'$ West 36.25 feet to an iron stake; thence along the same course 62.95 feet to an iron stake, said stake being 124.53 feet from the Southwest corner of the property conveyed to C. L. Howard by Hastings-Dillon Realty Company; thence a new line North $45^{\circ} 45'$ East 263.95 feet to an iron stake in the Southern margin of West Mountain Street; thence South $44^{\circ} 02'$ East along the Southern margin of West Mountain Street 123.75 feet to the point of BEGINNING, the said tract or parcel of land being indicated on the plat prepared by John T. Morgan, a copy of which is attached hereto and made a part hereof.

2. OWNER - C.L. Howard Trust, P.O. Box 20088, Greensboro, NC. 27420
3. STREET ADDRESS - 305 West Mountain St., Kernersville, NC. 27284

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