

Document 2006 1215

Book 2006 Page 1215 Type 05 005 Pages 9  
Date 3/29/2006 Time 3:38 PM  
Rec Amt \$47.00

MICHELLE UTSLER. COUNTY RECORDER  
MADISON IOWA

COMPUTER	<input checked="" type="checkbox"/>
RECORDED	<input checked="" type="checkbox"/>
COMPARED	<input type="checkbox"/>

ASSIGNMENT OF LEASES AND RENTS  
THE IOWA STATE BAR ASSOCIATION  
Official Form No. 127

Recorder's Cover Sheet

**Preparer Information:** (name, address and phone number)

Rex E. Bennett, 201 N. Illinois Street, Suite 1000, Indianapolis, In 46244-0961, Phone:  
(317) 237-3800

**Taxpayer Information:** (name and complete address)

Sentinel Acquisitions, LLC

810 North 10<sup>th</sup> Street  
Winterset, Iowa 50273

**Return Document To:** (name and complete address)

Rex E. Bennett, 201 N. Illinois Street, Suite 1000, Indianapolis, Indiana 46244-0961

**Grantors:**

Sentinel Acquisitions, LLC

**Grantees:**

Fifth Third Bank (Central Indiana)

**Legal Description:** See Exhibit "A" to the Assignment of Leases and Rents

**Document or instrument number of previously recorded documents:**

SATC

## ASSIGNMENT OF LEASES AND RENTS

KNOWN BY ALL MEN HERE PRESENT, that **Sentinel Acquisitions, LLC**, an Illinois limited liability company, whose address is 801 North 10<sup>th</sup> Street, Winterset, Iowa 50273 (the "Assignor"), in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, as security for the payment and performance of the Liabilities (hereinafter defined), does hereby assign, transfer and set over unto **Fifth Third Bank (Central Indiana)**, a Michigan banking corporation, whose address is Capital Center, 251 North Illinois, Suite 1000, Indianapolis, Indiana 46204 (the "Lender"), all right, title and interest of the Assignor, in under or pursuant to any and all present or future leases, whether written or oral, or any lettings of possession of, or any agreements for the use or occupancy of, the whole or any part of the real estate and premises hereinafter described, which the Assignor may have heretofore made or agreed to or may hereafter make or agree to, or which may be made or agreed to by the Lender under the powers hereinafter granted, including all amendments and supplements thereto and renewals thereof at any time made, all relating to the fee simple interest of Assignor in the real estate situated in Madison County, Iowa, as more particularly described in **Exhibit "A"** which is attached hereto and made a part hereof and the improvements now or hereafter erected thereon (the "Premises"), including, without limiting the generality of the foregoing, all right, title and interest of Assignor in and to all the rents (whether fixed or contingent), earnings, renewal rents and all other sums due or which may hereafter become due under or by virtue of any such leases or other agreements for the use or occupation of all or any part of the Premises and all rights under guarantees or against guarantors of the obligations of lessees under such leases (collectively, the "Leases").

For the purposes of this Assignment, the term "Liabilities" shall mean (i) the payment in full of all principal of and interest on that certain Revolving Line of Credit Note and Mortgage Note of the Assignor, each dated March 29, 2006, payable to the order of Lender in the aggregate principal sum of Eight Million Two Hundred Fifty Thousand (\$8,250,000.00) and any notes issued in extension or renewal thereof or in substitution therefor including notes issued to the, from time to time, assignees of the Lender and all principal of and interest on any other note of the Assignor issued at any time to the Lender or its assignees pursuant to any other indebtedness of Assignor to Lender (all of the foregoing being hereinafter collectively referred to as the "Note"), (ii) the performance of all obligations, covenants, promises and agreements contained herein or in that certain Mortgage, dated March 29, 2006 from the Assignor to Lender (the "Mortgage"), conveying and mortgaging the Premises as security for the Note, and any and all other indebtedness intended to be secured thereby, (iii) the performance of all obligations, covenants, promises and agreements contained in that certain Loan Agreement executed by Borrower in favor of Lender of even date (the "Loan Agreement") (iv) all obligations of Assignor to Lender under any Rate Management Agreements as defined in the Loan Agreement, and (v) the payment of all reasonable expenses and charges, legal or

otherwise, paid or incurred by the Lender in collecting or enforcing the payment of the Note and the other indebtedness referred to in the foregoing clauses (i), (ii), (iii) and (iv) or in realizing upon or protecting any collateral security therefor, including without limitation this Assignment.

Notwithstanding any provision hereof to the contrary, the assignment made hereby is intended to be an absolute assignment from Assignor to Lender of Assignor's interests in the Leases and not merely the passing of a security interest. The Assignee's right, title and interest are hereby assigned absolutely by Assignor to Assignee contingent only upon the occurrence of an Event of Default (as defined in the Loan Agreement and Mortgage) of or under the Liabilities. The execution and delivery of this Assignment shall not subject the Assignee to, or transfer or pass, or in any way affect or modify the liability of the Assignor under, the Leases, it being understood and agreed that notwithstanding such assignment, or any subsequent assignment, all obligations of the Assignor under the Leases shall be and remain enforceable by the lessees thereunder, their successors and assigns against, and only against, the Assignor.

The Assignor does hereby irrevocably constitute and appoint the Lender the true and lawful attorney-in-fact of the Assignor with full power of substitution for Assignor and in Assignor's name, place and stead, to ask, demand, collect, receive, receipt for, sue, compound and give acquittance for any and all sums due or to become due under any Lease, with full power to settle, adjust or compromise any claim thereunder as fully as the Assignor could do, and to endorse the name of the Assignor on all commercial paper given in payment or in part payment thereof, and in the Lender's discretion to file any claim or take any other action or proceeding, either in the Lender's name or in the name of the Assignor or otherwise, which the Lender may deem necessary or appropriate to collect any and all sums due or to become due under any Lease, or which may be necessary or appropriate to protect and preserve the right, title and interest of the Lender in and to such sums and the security intended to be afforded hereby, provided, however, that the Lender agrees with Assignor (not as a limitation or condition hereof, but as a personal covenant available only to Assignor) that it shall not exercise the foregoing power of attorney prior to the occurrence of a default or Event of Default under the Note, Mortgage, Loan Agreement or any other document evidencing and/or securing the indebtedness hereby secured (collectively the "Loan Documents").

The Assignor warrants to Lender that the Assignor has good right to make and be bound by this Assignment and that the Assignor has not heretofore alienated, assigned, pledged or otherwise disposed of any of the rights, rents and other sums due or which may hereafter become due and which are intended to be assigned hereunder.

Notwithstanding the foregoing provisions making and establishing the present and absolute transfer and assignment of all rents, earnings, income, issues and profits as aforesaid, and so long as no Event of Default shall exist under the Loan Documents, the Assignor shall have the right and license to collect, use and enjoy all rents and other sums due or to become due under and by virtue of any Lease as they respectively become due, but not more than thirty (30) days in advance.

The Assignor hereby irrevocably consents to and authorizes and directs that the lessee, tenant or other occupant under any Lease, upon demand and notice from Lender of the Lender's right to receive the rents hereunder, shall pay such rents to the Lender without any obligation on

the part of such lessee, tenant or other occupant to determine the actual existence of any default or Event of Default claimed by Lender as the basis for Lender's right to receive such rents and notwithstanding any notice from, or claim of, the Assignor to the contrary. The Assignor hereby waives any right or claim against any lessee, tenant or occupant for any such rents paid by such lessee, tenant or occupant to the Lender.

Without limiting any legal rights of the Lender as the absolute assignee of the rents, issues and profits of the Premises and in furtherance thereof, Assignor agrees that in the Event of Default under the Loan Documents, which remain uncured at the expiration of any applicable grace period, whether before or after the Note is declared due in accordance with its terms or under the terms of any of the other Loan Documents, the Lender may, at its option, (i) take actual possession of the Premises hereinabove described, or of any part thereof, personally or by agent or attorney, and with or without force and with or without process of law, enter upon, take, and maintain possession of all or any part of the Premises together with all documents, books, records, papers and accounts relating thereto, and exclude the Assignor and its agents or servants therefrom and hold, operate, manage and control the Premises, and at the expense of the Assignor, from time to time, make all necessary or proper repairs, renewals, replacements, useful alterations, additions, betterments and improvements to the Premises as may be necessary, and pay taxes, assessments and prior or proper charges on the Premises, or any part thereof, and insure and reinsure the same, and lease the Premises in such parcels and for such times and on such terms as Lender may deem fit, including leases for terms expiring beyond the maturity of the indebtedness secured by the Loan Documents, and cancel any lease or sublease for any cause or on any ground that would entitle the Assignor, or either of them, to cancel the same, and in every such case have the right to manage and operate the Premises and to carry on the business thereof as the Lender shall deem proper, or (ii) with or without taking possession of the Premises, proceed to enforce the Leases and collect all sums due or to become due thereunder, provided, however, that by so doing Lender shall not be deemed a mortgagee in possession nor to have assumed or become responsible or liable for any obligations of Assignor arising under the Leases or in respect thereof, or (iii) have a receiver appointed of all or any portion of the Premises and the rents, issues and profits thereof, with such power as the court making such appointment shall confer, and Assignor hereby consents to the appointment of such receiver and shall not oppose any such appointment.

Any sums received by Lender under or by virtue of this Assignment shall be applied to the payment, or on account, of the following in such order and manner as Lender may elect:

(a) to the payment of all proper charges and expenses, including compensation for the services of Lender, its attorneys, agents, clerks, servants, receivers and others employed in connection with the operation, management and control of the Premises and the conduct of the business thereof and, if the Lender shall elect, to the establishment of a reserve which shall be sufficient in Lender's judgment to indemnify it against any liability, loss or damage on account of any matter or thing done in good faith and in pursuance of the rights and powers contained herein;

(b) to the payment of any sum secured by a lien or encumbrance upon the Premises;

(c) to the cost of completing any improvements being constructed on or about the Premises; and

(d) to the reduction of the indebtedness hereby secured, whether or not the same may then be due or otherwise adequately secured.

The manner of application of such sums and the items which shall be credited or paid out of such sums shall be within the sole and absolute discretion of Lender, and nothing herein contained shall obligate Lender to use any such sums for a purpose other than reducing the indebtedness hereby secured unless it shall elect so to do. Lender shall be subrogated to any lien discharged out of the rents, income and profits of the Premises.

The Assignor hereby further covenants that the Assignor will upon request of the Lender, execute and deliver such further instruments, and do and perform such other acts and things, as the Lender may deem necessary or appropriate to vest in, and secure to, the Lender the rights and rents which are intended to be assigned to the Lender hereunder. The Assignor irrevocably waives any right it now or hereafter may have to offset any claim or liability owing from it to any obligor on a Lease against sums due or to become due from such obligor under a Lease.

Notwithstanding anything herein contained to the contrary Assignor covenants and agrees that, except as may otherwise be expressly permitted by the Loan Documents, it will not, without the prior consent of Lender, terminate any Lease or amend or modify any Lease in any respect, and that any such termination, amendment or modification done without the prior written consent of Lender shall be null and void.

Assignor covenants and agrees (i) to observe and perform all of the obligations imposed on it under the Leases and not to do or permit to be done anything to impair the security thereof, (ii) except as otherwise provided in the Loan Documents, not to assign or encumber further its rights under the Leases or its rights to the rents or other sums due or to become due thereunder, (iii) except as otherwise provided in the Loan Documents, not to suffer or permit any of the Leases to be subordinated to any other liens or encumbrances whatsoever, any such subordination to be null and void unless done with the prior written consent of Lender, and (iv) to comply with all of the provisions of the Loan Documents regarding Leases and amendments, modifications and termination thereof.

The acceptance by the Lender of this Assignment, with all of the rights, powers, privileges and authority so created, shall not, prior to entry upon, and taking of, actual physical possession of the Premises by the Lender, be deemed or construed to constitute the Lender a mortgagee in possession, and shall not thereafter impose any obligation whatsoever upon the Lender, it being understood and agreed that the Lender does not hereby undertake to perform or discharge any obligation, duty or liability of the landlord or Assignor under any Leases or under or by reason of this Assignment. Lender shall have no liability to Assignor or anyone for any action taken or omitted to be taken by it hereunder, except for liability to Assignor for Lender's gross negligence or willful misconduct. Should the Lender incur any liability, loss or damage under or by reason of this Assignment, or for any action taken by the Lender hereunder, or in defense against any claim or demand whatsoever which may be asserted against the Lender arising out of any Lease, the amount of such liability, including costs, expenses and attorneys'

fees, together with interest thereon at the Default Rate (as defined in the Mortgage Note), shall be secured by this Assignment and by the other Loan Documents, and the Assignors shall reimburse the Lender therefor immediately upon demand, and Assignor's obligation so to pay shall survive payment of the indebtedness hereby secured and the release of this Assignment.

The rights and remedies of the Lender hereunder are cumulative and are not in lieu of, but are in addition to, any rights or remedies which the Lender may have and exercise under the Note, the Mortgage, the Loan Agreement or any other Loan Documents or under applicable law, and the exercise by Lender of any rights and remedies herein contained shall not be deemed a waiver of any other rights or remedies of Lender, whether arising under the Mortgage, Loan Agreement or otherwise, each and all of which may be exercised whenever Lender deems it in its interest to do so. The rights and remedies of the Lender may be exercised from time to time, and as often as such exercise is deemed expedient, and the failure of the Lender to enforce any of the terms, provisions and conditions of this Assignment for any period of time, at any time or times, shall not be construed or deemed to be a waiver of any rights hereunder.

The right of the Lender to collect and receive the rents assigned hereunder or to exercise any of the rights or powers herein granted to the Lender shall, to the extent not prohibited by law, extend also to the period from and after the filing of any suit to foreclose the lien of the Mortgage, including any period allowed by law for the redemption of the Premises after any foreclosure sale.

This Assignment shall be assignable by the Lender, and all of the terms and provisions hereof shall be binding upon, and inure to the benefit of, the respective executors, administrators, legal representatives, successors and assigns of each of the parties hereto. All provisions hereof are severable and if any provisions hereof shall be held invalid or unenforceable, the validity and enforceability of the remaining provisions hereof shall in no way be affected thereby.

The remedies granted herein shall be exercisable by the Lender only upon prior written notice to Assignor.

All communications and notices provided for herein shall be in writing and shall be delivered personally or sent by registered or certified mail, postage prepaid, addressed to the parties hereto at their addresses as shown at the beginning of this Agreement or to such other addresses as Assignor or Lender may designate pursuant to a written notice sent in accordance with the provisions hereof. A notice shall be deemed received on the date of the personal receipt, if delivered personally, or if mailed, on the date of the registered or certified mail receipt if delivered, or on the date of attempted delivery, if delivery is not accepted.

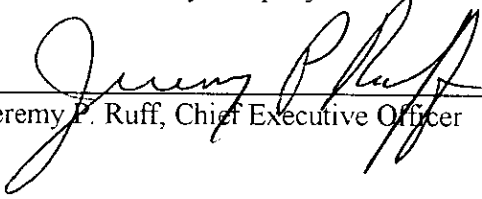
**BALANCE OF PAGE INTENTIONALLY LEFT BLANK**

Dated as of this 21 day of March, 2006.

**ASSIGNOR:**

Sentinel Acquisitions, LLC,  
an Illinois limited liability company

By:

  
Jeremy P. Ruff, Chief Executive Officer

STATE OF INDIANA) Iowa  
                          ) SS:  
COUNTY OF Madison )

Before me, a Notary Public in and for said County and State, personally appeared Jeremy P. Ruff, Chief Executive Officer of Sentinel Acquisitions, LLC, an Illinois limited liability company, who acknowledged the execution of the foregoing Assignment of Leases and Rents as the voluntary act and deed of such limited liability company, and further acknowledged that he was authorized to execute the same.

Witness my hand and Notarial Seal this 21 day of March, 2006.

Lori S. Tiernan  
Notary Public

Lori S. Tiernan  
Printed



My County of Residence:  
Madison

My Commission Expires:  
6/14/06

This instrument prepared by: Rex E. Bennett, Attorney-at-Law, Locke Reynolds LLP, 201 North Illinois Street, Suite 1000, P.O. Box 44961, Indianapolis, Indiana 46244-0961.



**EXHIBIT "A"**

**LEGAL DESCRIPTION**

Lots 2 and 3, in BELLAMY ADDITION to the City of Winterset, Plat No. 1, Madison County, Iowa.