

INSTR # 1653421  
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 MARSHA EWING  
 CLERK OF MARTIN COUNTY FLORIDA  
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Prepared By and Return To:  
 Alan I. Armour II, Esquire  
 Nason, Yeager, Gerson, White & Lioce, P.A.  
 1645 Palm Beach Lakes Boulevard  
 Suite 1200  
 West Palm Beach, Florida 33401

### ASSIGNMENT OF RENTS AND LEASES

KNOW ALL MEN BY THESE PRESENTS THAT

ADMIRALTY WATERFRONT RESIDENCES, INC.,

hereinafter called the "Assignor", in consideration of Ten and No/100's (\$10.00) Dollars paid by SOUTHERN COMMUNITY BANK OF SOUTH FLORIDA, a Florida banking corporation, hereinafter called the "Assignee", hereby conveys, transfers and assigns unto the Assignee, its successors and assigns, all the rights, interest and privileges which the Assignor, as lessor, has and may have in the leases now existing or hereafter made and affecting the real property described in attached Exhibit "A" or any part thereof (the "Real Property"), as said leases may have been, or may from time to time be hereafter, modified, extended and renewed, together with all accounts, rents, income, deposits and profits due and becoming due therefrom (individually, a "Lease" and, collectively, the "Leases").

AND, the Assignor and Assignee further covenant and agree as follows:

1. This assignment ("Assignment") is made as additional security for the payment of a certain note and mortgage (and all extensions or modifications thereof) made by the Assignor in favor of the Assignee, in the sum of Three Million Five Hundred One Thousand Five Hundred Dollars (\$3,501,500) with interest, dated of even date herewith, covering real property situated in Martin County, Florida, and described on attached Exhibit "A", and more particularly described in said mortgage, and the acceptance of this Assignment and the collection of rents or the payments under the Leases shall not constitute a waiver of any rights of the Assignee under the terms of said note and mortgage. The Assignor and the Assignee intend for this Assignment to be a present, absolute, unconditional and irrevocable assignment of the Leases and all accounts, rents, income, deposits and profits due and becoming due therefrom. The Assignee grants to the Assignor a conditional license, subject to the Assignee's rights under this Assignment, to collect the rents,

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income, deposits and profits from the Leases, in trust for the Assignee, and to use them solely in accordance with the terms of this Assignment. It is expressly understood and agreed by the parties hereto that before default occurs under the terms of said note and mortgage, the Assignor shall have the right to collect said rents, income and profits from the Leases and to retain, use and enjoy the same. In addition, the Assignee hereby grants to the Assignor a conditional license, subject to the Assignee's rights under this Assignment, to perform the obligations of the landlord under the Leases and to enforce the performance by the tenants of their obligations under the Leases. Anything to the contrary notwithstanding, the Assignor hereby assigns to the Assignee any award made hereafter to it in any court procedure involving any of the lessees in any bankruptcy, insolvency or reorganization proceedings in any State or Federal court and any and all payments made by lessees in lieu of rent. The Assignor hereby appoints the Assignee as its irrevocable attorney-in-fact to appear in any action and/or to collect any such award or payment.

2. The Assignor, in the event of default in the performance of any of the terms and conditions of said note and mortgage, hereby authorizes the Assignee, at its option and to the extent permitted by law, to enter and take possession of the mortgaged premises and to manage and operate the same, to collect all or any rents accruing from the Leases, to let or relet said premises or any part thereof, subject to the terms of the Leases, to cancel and modify Leases, evict tenants, bring or defend any suits in connection with the possession of said premises in its own name or the Assignor's name, make repairs as the Assignee deems appropriate, and perform such other acts in connection with the management and operation of said premises as the Assignee, in its discretion, may deem proper.

3. The receipt by the Assignee of any rents, issues or profits pursuant to this instrument after the institution of foreclosure proceedings under said mortgage shall not cure such default nor affect such proceedings or any sale pursuant thereto.

4. The Assignee shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by the Assignor under any of the Leases, and the Assignor hereby agrees to indemnify the Assignee for, and to save it harmless from, any and all liability arising from any of said leases or from this Assignment, and this Assignment shall not place responsibility for the control, care, management or repair of said premises upon the Assignee, or make the Assignee responsible or liable for any negligence in the management, operation, upkeep, repair or control of said premises resulting in loss or injury or death to any tenant, licensee, employee or stranger.

5. The Assignor warrants and represents that:

- (a) Each Lease is in full force and effect;
- (b) No default exists on the part of the lessee thereunder or the Assignor;
- (c) No rent has been collected in advance other than as specified in each Lease;
- (d) No Lease nor any interest therein has been previously assigned or pledged;



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(e) No lessee under a Lease has any defense, setoff or counterclaim against the Assignor;

(f) All rent due to date under the Leases has been collected and no concession has been granted to any lessee in the form of a waiver, release, reduction, discount or other alteration of rent due or to become due; and

(g) The Assignor has full right and lawful authority to assign the Leases and the rents, income and profits due or to become due thereunder.

6. The Assignor agrees:

(a) The Assignor shall not collect any rents and profits in advance of the date on which they become due under the terms of a Lease;

(b) The Assignor shall not enter into any new Leases, terminate any Lease (except pursuant to the terms of the Lease upon a default by the lessee), or modify or amend a Lease or any of the terms thereof, or grant any concessions in connection therewith or accept a surrender thereof, without the prior written consent of the Assignee;

(c) The Assignor shall, immediately upon execution thereof, forward any new or additional lease to Assignee.

(d) The Assignor shall faithfully perform and discharge all obligations of the lessor under the Leases and shall give prompt written notice to Assignee of any notice of Assignor's default received from a lessee or any other person together with a photocopy of such notice;

(e) The Assignor shall give the Assignee written notice immediately upon entering into any lease or other occupancy agreement of any part of the Real Property and shall promptly provide to the Assignee a true and correct copy of such lease or other occupancy agreement; and

(f) The Assignor shall deliver to the Assignee, within twenty (20) days after request therefor, duly executed estoppel certificates from each lessee under the Leases, attesting that each Lease is in full force and effect with no defaults thereunder on the part of any party, that no rental (exclusive of any advance rent given or as constituting a security deposit) has been paid more than one month in advance, and that the lessee claims no defense or offset against the full and timely performance of the Assignee's obligations under the Lease.

7. Violation of any of the covenants, representations and provisions contained herein by the Assignor shall be deemed a default under the terms of said note and mortgage. Default by the Assignor under any of the terms of the Leases shall be deemed a default under the terms of said note and mortgage. Any expenditures made by the Assignee in curing such a default on the Assignor's behalf, with interest thereon at the highest rate for which it is now lawful to contract, shall become part of the debt secured by these presents.



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8. The full performance of said mortgage and/or the duly recorded release of the property described herein shall render this Assignment void.

9. The net proceeds collected by the Assignee under the terms of this instrument shall be applied in reduction of the entire indebtedness from time to time outstanding and secured by said mortgage.

10. This Assignment applies to and binds the parties hereto and their respective heirs, administrators, executors, successors and assigns, as well as any subsequent owner of the real estate described herein and any Assignee of the mortgage referred to herein.

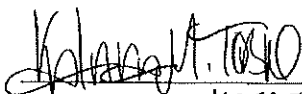

11. The Assignor hereby authorizes the Assignee to give notice in writing of this Assignment at any time to any lessee under any of the Leases.

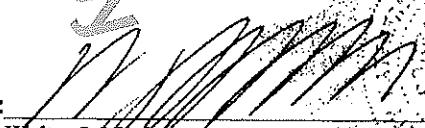
12. The rights, options, powers and remedies to Assignee under this Agreement shall be cumulative, and no one or more of them shall be exclusive over the other or others, or of any right or remedy now or hereafter given or allowed by law, including, without limitation, all rights under Chapter 697.07, Florida Statutes, regarding assignment of rents and all rights under Chapter 702, Florida Statutes, regarding foreclosure actions.

IN WITNESS WHEREOF, the said Assignor has signed and sealed this instrument April 14<sup>th</sup> 2003.

Signed, sealed and delivered  
in the presence of:

ADMIRALTY WATERFRONT  
RESIDENCES, INC.

  
KATARINA M. TORSKE  
  
ALAN I. ARMOUR

By:   
Walter J. Mackey  
Its: President

(CORPORATE SEAL)



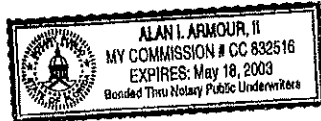
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STATE OF FLORIDA                    )  
   ) SS:  
 COUNTY OF PALM BEACH            )

The foregoing Assignment was acknowledged before me this 10<sup>th</sup> day of April, 2003, by Walter J. Mackey, Jr., the President of Admiralty Waterfront Residences, Inc., a Florida corporation, on behalf of the corporation, (✓) who is personally known to me OR ( ) who produced \_\_\_\_\_ as identification.

  
 Notary Signature

\_\_\_\_\_  
 Print Notary Name



NOTARY PUBLIC  
 State of Florida at Large

My Commission Expires:

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**LEGAL DESCRIPTION**

Unit Nos. 101,102, 103, 104, 105, 106, 107, 108,109, 201, 202, 203, 204, 205, 206, 207, 208 and 209 of THE ADMIRALTY CONDOMINIUM, a Condominium according to the Declaration thereof as recorded in Official Records Book 832, Page 901, Martin County, Florida Public Records, as amended.

Unofficial Copy

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**Exhibit "A"**