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Rita A. Vargas Recorder

File **2006-00021729**

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ASSIGNMENT OF LEASES, RENTS AND OTHER INCOME

from

MISSISSIPPI HOUSING PARTNERS, LP

to

WELLS FARGO BANK, NATIONAL ASSOCIATION, as trustee

Dated as of June 1, 2006

Relating to:

\$5,650,000

Iowa Finance Authority

Multifamily Housing Revenue Bonds

(Mississippi Housing Partners, LP Project) Series 2006

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This instrument prepared by and  
when recorded return to:

Andrew P. Schmutz, Esquire  
Greenberg Traurig, LLP  
Two Commerce Square, 27<sup>th</sup> Floor  
2001 Market Street  
Philadelphia, Pennsylvania 19103

## ASSIGNMENT OF LEASES, RENTS AND OTHER INCOME

This ASSIGNMENT OF LEASES, RENTS AND OTHER INCOME dated as of June 1, 2006, (as amended, modified or supplemented from time to time, this “**Assignment**”), from MISSISSIPPI HOUSING PARTNERS, LP, a limited partnership duly organized and validly existing under the laws of the State of Iowa (together with its permitted successors and assigns, the “**Borrower**”), having an office at 10642 West 115th Street ,Overland Park, Kansas 66210, to WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association duly organized and validly existing under the laws of the United States of America, as trustee (together with any successor trustee under the Indenture described below and their respective successors and assigns, the “**Trustee**”),

### WITNESSETH:

**WHEREAS**, the Borrower owns in fee simple that certain parcel of land more particularly described in Exhibit A hereto and incorporated herein, including all and singular, the easements, rights, privileges, tenements, hereditaments and appurtenances (including air rights) thereunto belonging or in any way appertaining thereto (the “**Land**”) and all buildings and other improvements and additions thereto (whether now erected or hereafter constructed or placed upon the Land or any part thereof, the “**Improvements**” and, together with the Land, collectively, the “**Premises**”);

**WHEREAS**, acquisition and rehabilitation of the Improvements is being financed with the proceeds of \$5,650,000 in original aggregate principal amount of Multifamily Housing Revenue Bonds (Mississippi Housing Partners, LP Project) Series 2006 (the “**Bonds**”) issued by Iowa Finance Authority, public instrumentality and agency organized and existing under the laws of the State of Iowa (together with its successors and assigns, the “**Issuer**”), pursuant to that certain Trust Indenture of even date herewith (as the same may be modified, amended or supplemented from time to time, the “**Indenture**”), between the Issuer and the Trustee;

**WHEREAS**, the Borrower proposes to borrow the proceeds of the Bonds pursuant to a Loan Agreement of even date herewith (as amended, modified or supplemented from time to time, the “**Loan Agreement**”) among the Trustee, the Borrower and the Issuer;

**WHEREAS**, the Borrower has executed and delivered to the Issuer its promissory note dated the date of issuance of the Bonds in an original principal amount equal to the original principal amount of the Bonds (as the same may be modified, amended or supplemented from time to time, the “**Note**”), which Note is in evidence of the loan in the same amount (the “**Loan**”) being made pursuant to the Loan Agreement;

**WHEREAS**, the Loan matures on the maturity date of the Bonds (the “**Maturity Date**”), upon which date all of the outstanding and unpaid principal and interest under the Note will be due and payable;

**WHEREAS**, contemporaneously herewith, the Borrower is delivering to the Trustee a Construction Mortgage and Security Agreement and Fixture Filing of even date herewith (as the same may be modified, amended or supplemented from time to time, the “**Mortgage**”) encumbering the Premises as further security for the Loan; and

**WHEREAS**, the execution and delivery of this Assignment is a condition of the issuance of the Bonds and the purchase thereof by the Initial Majority Owner.

**NOW, THEREFORE**, in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, in order to secure the payment of the Loan Amount (as defined in the Mortgage), together with all interest thereon, and any other payments due any Loan Document (as defined in the Loan Agreement), all costs of collection in connection with the Loan, and all other sums, charges, obligations and liabilities of Borrower due or to become due at any time to the Trustee under or any Loan Document; and to secure the performance and observance of all the provisions of the Loan Documents, including, without limitation, the payment to Trustee of the Loan Amount and any other sums advanced by the Trustee or under any Loan Document, the Borrower hereby presently and irrevocably grants, transfers, bargains, sells, assigns, conveys, and sets over unto the Trustee, its successors and assigns, all right, title and interest of the Borrower in and to in and to all of the following:

- all leases, subleases, licenses, franchises, concessions or any other form of agreement, however denominated, whether written or verbal, granting the right to use and occupy the Premises or any portion thereof or any other possessory interest therein, whether now or hereafter in effect, together with all modifications, extensions, renewals, amendments, restatements, replacements and guarantees thereof (all of the foregoing, collectively, the “**Leases**”); and
- all deposits, income, rents, issues, profits, revenues, royalties, receipts and other revenue producing arrangements, whether written or verbal, and all other benefits of, or derived from, the Leases and the Premises, including any awards or payments that may be made in respect of Borrower’s interest in any of the leases in any bankruptcy, insolvency, or reorganization proceedings in any state or federal court (all of the foregoing, collectively, the “**Income**”).

1. **Absolute Assignment; License.** This Assignment is intended by the Borrower and the Trustee to create, and shall be construed to create, an absolute assignment to the Trustee, subject only to the terms and provisions hereof. This Assignment is effective immediately. Notwithstanding the foregoing, the Trustee hereby grants to the Borrower, not as a limitation or condition hereof, but as a personal covenant available only to the Borrower and not to any lessee or other person, a revocable license to collect all the Income (but not more than one month in advance), and to retain, use and enjoy the same. Unless and until such license is revoked, the Borrower agrees to collect and receive said Income in trust for the benefit of the Trustee and to use said Income in payment of the Loan Amount, the Impositions (as defined in the Mortgage) and carrying charges becoming due against the Premises and other amounts due and owing under the Loan Documents (as defined in the Mortgage). Upon the occurrence of an Event of Default under the Loan Agreement or an event which, with the giving of notice or the lapse of time, or both, would constitute such an Event of Default, such license may be revoked by the Trustee, upon the written direction of the Majority Owner, by giving not less than five (5) days’ written notice of such revocation to the Borrower, served personally upon or sent by registered or certified mail to the Borrower.

2. **Direction to Tenants.** Following revocation of the Borrower's license in accordance with Section 1 hereof, the Borrower does hereby authorize and empower the Trustee, or the Servicer, as agent for the Trustee, to collect or enforce the Leases, and does hereby direct each and all of the tenants and purchasers of the Premises (or parts thereof) to pay the Income directly to the Trustee, or as it shall direct, and to perform any obligations on its or their part to be performed, upon demand for payment or performance thereof by the Trustee, and such tenants and purchasers of the Borrower shall pay the sums due or perform the obligations owing to the Trustee upon such demand without further inquiry. No such tenant shall be obliged to account to the Borrower for any amounts paid to the Trustee by reason of any payment made to the Trustee pursuant to such demand, and the Borrower agrees to look exclusively to the Trustee for such amounts in the event the Borrower shall claim that such demand was not properly made. Until such demand is made, the Borrower is authorized to collect or enforce or continue collecting or enforcing the Leases and Income; but such privilege shall not operate to permit the collection or demand for performance by the Borrower, its successors or assigns, of any obligation more than one (1) month in advance of the date prescribed in the Lease providing therefor.

Following revocation of the Borrower's license in accordance with Section 1 hereof, upon written notice from the Trustee, the tenants under each of the Leases are hereby irrevocably authorized and directed to recognize the claims of the Trustee hereunder without investigating the reason for any action taken by the Trustee, or the validity or the amount of the Loan, or the existence of any default under the Loan Documents, or under or by reason of this Assignment, or the application of Income to be made by the Trustee. The Borrower hereby irrevocably directs and authorizes each tenant to pay to the Trustee all sums due under its Lease and consents and directs that said sums shall be paid to the Trustee without the necessity for a judicial determination that a default has occurred under the Loan Documents, or that the Trustee is entitled to exercise its rights hereunder, and to the extent such sums are paid to the Trustee, the Borrower agrees that the tenant shall have no further liability to the Borrower for the same. The sole signature of the Trustee shall be sufficient for the exercise of any rights under this Assignment, and the sole receipt of the Trustee for any sums received shall be a full discharge and release therefor to any tenant or occupant of the Premises. The Borrower hereby irrevocably constitutes and appoints the Trustee the attorney-in-fact and agent of the Borrower, which appointment shall be coupled with an interest, for the purpose of executing and delivering any notice in connection with this Assignment.

3. **Actions by Trustee.** Upon the revocation of the Borrower's license in accordance with Section 1 hereof, the Trustee, upon the written direction of the Majority Owner, may, but shall not be obligated to, have a receiver appointed for the Premises, and/or enter and take possession of the Premises without appointment of a receiver by actual physical possession or by written notice served personally upon or sent by certified or registered mail to the Borrower, as the Trustee, may elect, and no further authorization shall be required. Following such entry and taking of possession, the Trustee, upon the written direction of the Majority Owner, may:

- (i) manage and operate the Premises or any part or parts thereof;

(ii) lease either to new or existing tenants any part or parts of the Premises for such periods of time, and upon such terms and conditions, as the Trustee, upon the written direction of the Majority Owner, deems proper;

(iii) make, enforce, cancel or modify any of the Leases;

(iv) demand, collect, sue for, attach, levy, recover, receive, compromise, fix, modify and adjust, and make, execute and deliver receipts and releases for all Income that may then be or may thereafter become due, owing or payable with respect to the Premises or any part or parts thereof from any present or future lessees, tenants, subtenants or occupants thereof;

(v) institute, prosecute to completion or compromise and settle all legal proceedings, including, without limitation, summary proceedings, actions for rent or for evicting any and all lessees, tenants, subtenants or occupants of the Premises or any part or parts thereof;

(vi) enforce, enjoin or restrain the violation any of the covenants, agreements, terms, conditions and warranties of any of the Leases;

(vii) make such repairs and alterations to the Premises as the Trustee may, upon the written direction of the Majority Owner, deem proper;

(viii) do any and all other acts which Trustee, upon the written direction of the Majority Owner, deems proper to protect the security hereof; and

(ix) apply all Income accruing from the Premises and collected by Trustee, or by a receiver, in the following order:

(a) to the payment of all fees of the receiver, if any, approved by the court;

(b) to the repayment when due of all tenant security deposits (with interest thereon, if required pursuant to applicable law);

(c) to payment of all delinquent or current real estate taxes and special assessments payable with respect to the Premises;

(d) to payment of all premiums then due for the insurance required by the provisions of the Loan Documents;

(e) to payment of expenses incurred for normal maintenance of the Premises; and

(f) to the payment of the Loan, whether then matured or not, until the same shall have been paid in full, in such order of application as the Trustee, upon the written direction of the Majority Owner, may elect, or, in the event that a foreclosure of the Mortgage shall have occurred, as a credit to the amount

required to redeem from such foreclosure, and if there be no such redemption, then to Trustee absolutely;

provided, however, that any balance remaining after the Loan shall have been paid in full and all other amounts owing under the Loan Documents shall have been paid in full, shall be turned over to the Borrower or such other person as may lawfully be entitled thereto. Neither the entry upon and taking possession of the Premises, nor the collection and application of the Income as aforesaid, nor any other action taken by the Trustee in connection therewith, shall cure or waive any default hereunder or waive or modify any notice thereof or notice of acceleration of any amounts owed under any Loan Documents theretofore given by the Trustee.

The rights and powers of the Trustee under this Assignment, and the application of the Income accruing from the Premises pursuant to this paragraph, shall continue and remain in full force and effect both before and after commencement of any action or proceeding to foreclosure the Mortgage, after the foreclosure sale of the Premises in connection with the foreclosure of the Mortgage, and until expiration of the period of redemption from any such foreclosure sale, whether or not any deficiency from the unpaid balance of the Loan exists after such foreclosure sale.

4. **Additional Security.** This Assignment is given as additional security for the performance of each and all of the obligations and covenants of the Loan Documents.

5. **Representations.** The Borrower hereby represents and warrants that, other than the Mortgage and Permitted Liens, it has not executed any prior assignment or pledge of any of the Leases or Income, nor performed any act or executed any other instrument which might prevent the Trustee from operating under any of the terms and conditions of this Assignment, or which would limit the Trustee in such operation.

6. **Covenants.** The Borrower hereby agrees that so long as the Loan, or any part thereof, shall remain unpaid, without the prior written consent and approval of the Majority Owner in each instance, the Borrower will not (a) assign, pledge, hypothecate or otherwise encumber any of the Leases or its rights with regard to the Income other than Permitted Encumbrances (as defined in the Mortgage); or (b) enter into any Leases affecting the Premises or any part thereof, unless such Leases are in the form approved pursuant to the Loan Agreement and are in compliance with the Regulatory Agreement (as defined in the Loan Agreement).

7. **Additional Covenants.** The Borrower agrees that at its sole expense it (i) will duly and punctually perform and comply with any and all representations, warranties, covenants, terms and provisions to be performed or complied with by it in any of the Leases, (ii) will maintain the Leases in full force and effect; (iii) will enforce the Leases in accordance with their terms and in accordance with the Regulatory Agreement; (iv) will appear in and defend any action or proceeding arising under or in any manner connected with any of the Leases or the representations, warranties, covenants and agreements of it or the other party or parties thereto; (v) will furnish the Trustee, the Servicer or the Majority Owner, upon demand, with original executed counterparts of all Leases now or hereafter created; (vi) will not accept payment of rent for any Lease more than one month in advance without the Trustee's express written consent; and (vii) will take all additional action to these ends as from time to time may be requested in

writing by the Trustee, the Servicer or the Majority Owner. Any action in violation of this paragraph shall be voidable at the option of the Trustee with the prior written approval of the Majority Owner.

8. **Security Deposits.** Upon receipt by the Borrower, from time to time, of any security deposit, prepaid Income (other than prepaid rent for the next succeeding calendar month), down payment or similar payments by a lessee, licensee or other user or a purchaser of all or a portion of the Premises, (other than the cell tower) the Borrower will deposit such sum into an escrow account established with a national or state bank approved by the Trustee and the Servicer having offices in Iowa. The Borrower will give the Trustee and the Servicer written notice of the name and address of the bank and the account number of the escrow account. The Borrower will also give written authorization to such bank to permit the Trustee and the Servicer to receive any information required by the Trustee and the Servicer as to the status and balance of such account. Said sum shall be held in trust by the Borrower and disbursed only in accordance with the terms of the Leases and applicable law. The Borrower hereby assigns and pledges to the Trustee and grants to Trustee a security interest in all of its rights to such bank accounts as collateral security for the obligations secured by this Assignment, and the Trustee and the Borrower agree that after a revocation of the Borrower's license hereunder, the sums in said bank account, shall, at the election of the Trustee, upon the direction of the Majority Owner, be immediately payable to the Trustee as owner and holder of such bank accounts; provided, however, that the Borrower acknowledges that the Trustee shall have no liability for any misapplication of said sums by the Borrower, and shall be obligated to apply such sums solely as authorized by the terms of the Leases and applicable law.

9. **No Trustee Liability.** The Trustee shall not be obligated to perform or discharge any obligation of the Borrower as a result of the assignment hereby effected. Nothing herein contained shall be construed as making the Trustee or its successors and assigns a mortgagee in possession; nor shall the Trustee or its successors and assigns be liable for laches or failure to collect or enforce the Income or Leases. Except as required by law, in no instance shall the Trustee be responsible to lessees for payment of interest upon, or return of, any lease security deposits.

10. **Indemnification.** The Borrower agrees to indemnify, defend and hold each of the Trustee and the Servicer harmless against any and all liability, loss or damage which it may incur by reason of any act of the Trustee under this Assignment. Should the Trustee or the Servicer incur any such liability, loss or damage by reason of this Assignment, or in defense against any such claims or demands, the amount thereof, including costs, expenses and attorney's fees and disbursements, together with interest thereon at the Default Rate (but in no event to exceed the maximum lawful rate) shall be included in the Loan, and the Borrower shall reimburse the Trustee or the Servicer, as applicable, therefor immediately upon demand.

11. **Further Assurances.** The Borrower agrees from time to time to execute, acknowledge and deliver all such instruments and to take all such action for the purpose of further effectuating this Assignment and the carrying out of the terms hereof as may be requested by the Trustee, the Servicer or the Majority Owner.

12. **Borrower Not Released.** Neither the execution of this Assignment nor any action or inaction on the part of the Trustee under this Assignment shall release the Borrower from any of its obligations under any or all of the Leases, or constitute an assumption of any such obligations on the part of the Trustee. No action or failure to act on the part of the Borrower shall adversely affect or limit, in any way, the rights of the Trustee under this Assignment or, through this Assignment, under any and all of the Leases. Neither the existence of this Assignment nor the exercise of its privilege to collect or enforce the Income or the Leases, hereunder shall be construed as a waiver by the Trustee or its successors and assigns of the right to enforce payment of the Loan in strict accordance with the terms and provisions of the Loan Documents.

13. **Successors and Assigns.** The covenants and agreements contained in this Assignment shall run with the land and bind the Borrower, the successors and assigns of the Borrower and each person constituting the Borrower and all subsequent owners, encumbrancers and tenants of the Premises, or any part thereof, and shall inure to the benefit of the Trustee, its successors and assigns and all subsequent beneficial holders of this Assignment.

14. **Release.** This Assignment shall be released as, when and to the extent the Mortgage is released without the need to execute any further instruments.

15. **Governing Law.** This Assignment shall be governed by and construed in accordance with the laws of the State of Iowa, without giving effect to its conflict of laws principles except as required by mandatory provisions of law and except to the extent that the UCC provides that the validity or perfection of any security interests hereunder, or remedies hereunder in respect of any particular collateral, are governed by the laws of a jurisdiction other than the State of Iowa.

16. **Severability.** In case any one or more of the provisions contained in this instrument shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof, but this Assignment shall be construed as if such invalid, illegal or unenforceable provision had never been included.

17. **Defined Terms.** Capitalized terms used herein and not defined shall have the meanings ascribed thereto in the Loan Agreement.

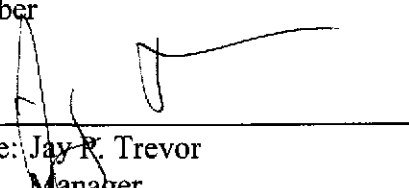


IN WITNESS WHEREOF, the Borrower has executed this Assignment as of the day and year first above written.

MISSISSIPPI HOUSING PARTNERS, LP, an  
Iowa limited partnership

By: MISSISSIPPI HOUSING  
DEVELOPMENT, LLC, an Iowa limited  
liability company, its general partner

By: J & T DEVELOPMENT, LLC, a  
Kansas limited liability company, its  
member

By:   
Name: Jay R. Trevor  
Title: Manager

STATE OF IOWA

COUNTY OF Polk

On this 21<sup>st</sup> day of June, 2006, before me, Karen L. Biegler, personally appeared Jay P. Trevor, proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity as the manager of J & T Development, LLC, the member of Mississippi Housing Development, LLC, the general partner of Mississippi Housing Partners, LP and that, by his signature on the instrument, the entity on behalf of which he acted executed the instrument.

WITNESS my hand and official seal

Karen L. Biegler  
Notary

My Commission expires: 4-11-2009



Mississippi Lofts/Lease Assignment

**EXHIBIT A**

**LEGAL DESCRIPTION OF REAL ESTATE**

The Land described in the foregoing instrument is located in Scott County, Iowa, and is legally described as follows:

Mississippi Hotel Unit in Mississippi Lofts, a Condominium, in the City of Davenport, Scott County, Iowa, as shown and as legally described in Declaration of Submission of Property to Horizontal Property Regime of Mississippi Lofts, recorded as Document No. 2006-00003341 in the Office of the Recorder of Scott County, Iowa, on January 31, 2006, including an undivided interest in and to the general common elements and facilities of the Condominium Regime. Such Horizontal Property Regime affecting the real estate described as Lots 1, 2 and 3 in Block 57, in LeClaire's Second Addition to the Town (now City) of Davenport, Scott County, Iowa.

which has the address of 106 E 3rd St, Davenport IA 52801.