



Loan No. 69-0078184

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**STORAGE DEPOT INVESTORS, LLC**  
(Assignor)

to

**GENERAL ELECTRIC CAPITAL CORPORATION**  
(Lender)

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**GUARANTY ASSIGNMENT OF LEASES AND RENTS**

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Dated as of December *29<sup>th</sup>*, 2006

To the Chancery Clerk of the \_\_\_\_\_ Judicial District of DeSoto County, Mississippi: The real property described herein is situated in the SE Quarter of the SE Corner of Section 33, Township 1 South, Range 6 West of the \_\_\_\_\_ Judicial District of DeSoto County, Mississippi

DOCUMENT PREPARED BY ~~AND WHEN RECORDED, RETURN TO:~~

Greenberg Traurig LLP  
2200 Ross Avenue, Suite 5200  
Dallas, Texas 75201  
214-665-3600  
Attention: Steven R. Smith, Esquire

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Prepared by:  
 Steve R. Smith, Esq.,  
 Greenberg Traurig, LLP  
 2200 Ross Avenue, Suite 5200  
 Dallas, TX 75201

### GUARANTY ASSIGNMENT OF RENTS AND LEASES

This Guaranty Assignment of Rents and Leases (this "**Agreement**") is executed as of December 29<sup>th</sup>, 2006 by **STORAGE DEPOT INVESTORS, LLC**, a Nevada limited liability company whose address for notice is c/o Leasco Realty Company, 9198 Greenback Lane, Suite 115, Orangevale, CA 95662 ("**Assignor**"), to **GENERAL ELECTRIC CAPITAL CORPORATION**, a Delaware corporation, whose address for notice is 16479 Dallas Parkway, Suite 500, Addison, Texas 75001 ("**Lender**").

#### **AGREEMENT:**

For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Lender agree as follows:

1. **Definitions.** As used herein, the following terms shall have the following meanings:

**"Borrowers"**. Shall mean collectively LOTTASTORAGE, LLC, a Nevada limited liability company; LONGWOOD STOR-IT, LLC, a Nevada limited liability company; TC JESTER & 18<sup>th</sup>, Ltd., a Nevada limited partnership; STORAGE DEPOT INVESTORS, LLC, a Nevada limited liability company; HOUSTON 5 STORAGE, L.P., a Texas limited partnership; and WATKINS MINI STORAGE, LLC, a Nevada limited liability company.

**"First Mortgage"**: The Deed of Trust, Security Agreement and Fixture Filing from Assignor to Lender dated the date hereof securing, among other things, the obligations of the Mortgagor to the Mortgagee under the Note.

**"Guaranty"**: The Joint and Several Guaranty dated of even date herewith, executed by Assignor and the other Borrowers in favor of Lender.

**"Indebtedness"**: The sum of all (1) principal, interest and other amounts due from Assignor and the other Borrowers to Lender under or secured by the Loan Documents including the Guaranty, and (2) all other indebtedness, obligations and liabilities now or

hereafter existing of any kind of Assignor or the other Borrowers to Lender under documents which recite that they are intended to be secured by the First Mortgage.

**"Loan Documents"**: The (1) Loan Agreement of even date between Borrowers (including Grantor), and Beneficiary (the "Loan Agreement"), (2) Promissory Note of even date, executed by Grantor, payable to the order of Beneficiary, in the stated principal amount of \$6,877,162.00 (the "Note"), (3) the other Promissory Notes or Amended and Restated Promissory Note, executed by the other Borrowers which are secured by mortgages or deeds of trust given by the other Borrowers on their respective properties (the "Other Mortgages"), (4) First Mortgage, (5) Guaranty, (6) this Mortgage, (7) all other documents now or hereafter executed by any of the Borrowers, or any other person or entity to evidence or secure the payment of the Indebtedness by Borrowers or the performance of the Obligations by Borrowers, as appropriate and (8) all modifications, restatements, extensions, renewals and replacements of the foregoing.

**"Mortgaged Property"**: All estate, right, title, interest, claim and demand whatsoever which Mortgagor now has or hereafter acquires, either in law or in equity, in possession or expectancy, of, in and to (1) the real property described in Exhibit A attached hereto and made a part hereof (the "**Land**"), (2) all buildings, structures and other improvements, now or at any time situated, placed or constructed upon the Land (the "**Improvements**"), (3) all materials, supplies, appliances, equipment (as such term is defined in the UCC), apparatus and other items of personal property now owned or hereafter attached to, installed in or used in connection with any of the Improvements or the Land, and water, gas, electrical, storm and sanitary sewer facilities and all other utilities whether or not situated in easements (the "**Fixtures**"), (4) all goods, inventory, accounts, general intangibles, software, investment property, instruments, letters of credit, letter-of-credit rights, deposit accounts, documents, chattel paper and supporting obligations, as each such term is presently or hereafter defined in the UCC, and all other personal property of any kind or character, now or hereafter affixed to, placed upon, used in connection with, arising from or otherwise related to the Land and Improvements or which may be used in or relating to the planning, development, financing or operation of the Mortgaged Property, including, without limitation, furniture, furnishings, equipment, machinery, money, insurance proceeds, accounts, contract rights, software, trademarks, goodwill, promissory notes, electronic and tangible chattel paper, payment intangibles, documents, trade names, licenses and/or franchise agreements, rights of Mortgagor under leases of Fixtures or other personal property or equipment, inventory, all refundable, returnable or reimbursable fees, deposits or other funds or evidences of credit or indebtedness deposited by or on behalf of Mortgagor with any governmental authorities, boards, corporations, providers of utility services, public or private, including specifically, but without limitation, all refundable, returnable or reimbursable tap fees, utility deposits, commitment fees and development costs, and commercial tort claims arising from the development, construction, use, occupancy, operation, maintenance, enjoyment, acquisition or ownership of the Mortgaged Property (the "**Personalty**"), (5) all reserves, escrows or impounds required under the Loan Agreement and all deposit accounts (including accounts holding security deposits) maintained by Mortgagor with respect to the Mortgaged Property, (6) all plans, specifications, shop drawings and other technical descriptions prepared for construction, repair or alteration of the Improvements, and all amendments and modifications thereof (the "**Plans**"), (7) all leases,

*Storage Depot  
Assignment of Leases and Rents*

subleases, licenses, concessions, occupancy agreements or other agreements (written or oral, now or at any time in effect) which grant a possessory interest in, or the right to use, all or any part of the Mortgaged Property, together with all related security and other deposits (the "**Leases**"), (8) all of the rents, revenues, income, proceeds, profits, security and other types of deposits, lease cancellation payments and other benefits paid or payable by parties to the Leases other than Mortgagor for using, leasing, licensing, possessing, operating from, residing in, selling, terminating the occupancy of or otherwise enjoying the Mortgaged Property (the "**Rents**"), (9) all other agreements, such as construction contracts, architects' agreements, engineers' contracts, utility contracts, maintenance agreements, management agreements, service contracts, permits, licenses, certificates and entitlements in any way relating to the development, construction, use, occupancy, operation, maintenance, enjoyment, acquisition or ownership of the Mortgaged Property (the "**Property Agreements**"), (10) all rights, privileges, tenements, hereditaments, rights-of-way, easements, appurtenances and appurtenances appertaining to the foregoing, and all right, title and interest, if any, of Mortgagor in and to any streets, ways, alleys, strips or gores of land adjoining the Land or any part thereof, (11) all accessions, replacements and substitutions for any of the foregoing and all proceeds thereof, (12) all insurance policies (regardless of whether required by Mortgagee), unearned premiums therefor and proceeds from such policies covering any of the above property now or hereafter acquired by Mortgagor, (13) all mineral, water, oil and gas rights now or hereafter acquired and relating to all or any part of the Mortgaged Property, and (14) any awards, remunerations, reimbursements, settlements or compensation heretofore made or hereafter to be made by any governmental authority pertaining to the Land, Improvements, Fixtures or Personalty. As used in this Mortgage, the term "Mortgaged Property" shall mean all or, where the context permits or requires, any portion of the above or any interest therein, wherever located.

**"Obligations"**: All of the agreements, covenants, conditions, warranties, representations and other obligations made or undertaken by Mortgagor to Mortgagee or others as set forth in the Guaranty.

**"Permitted Encumbrances"**: The outstanding liens, easements, restrictions, security interests and other exceptions to title set forth in the policy of title insurance insuring the lien of this Mortgage, together with the liens and security interests in favor of Mortgagee created by the Loan Documents, none of which, individually or in the aggregate, materially interferes with the benefits of the security intended to be provided by this Mortgage, materially and adversely affects the value of the Mortgaged Property, impairs the use or operations of the Mortgaged Property, or impairs Mortgagor's ability to pay its obligations in a timely manner.

**"UCC"**: The Uniform Commercial Code as enacted and in effect in the state where the Land is located (and as it may from time to time be amended); provided that, to the extent that the UCC is used to define any term herein or in any other Loan Document and such term is defined differently in different Articles or Divisions of the UCC, the definition of such term contained in Article or Division 9 shall govern; provided further, however, that if, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of, or remedies with respect to, any security interest herein granted is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than the state where the Land is located, the term "UCC" shall mean the Uniform Commercial Code as enacted and in effect in

such other jurisdiction solely for the purposes of the provisions thereof relating to such attachment, perfection, priority or remedies and for purposes of definitions related to such provisions.

2. **Absolute Assignment.** Assignor unconditionally and absolutely assigns to Lender all of Assignor's right, title and interest in and to: (a) all leases, subleases, occupancy agreements, licenses, usufructs, rental contracts and other agreements now or hereafter existing relating to the use or occupancy of the project located on the real property described in Exhibit A hereto (the "**Property**"), together with all guarantees, modifications, extensions and renewals thereof (collectively, the "**Leases**"); and (b) all rents, issues, profits, income and proceeds due or to become due from tenants of the Property, including rentals and all other payments of any kind under the Leases, together with all deposits (including security deposits) of tenants thereunder (collectively, the "**Rents**"). This Agreement is an absolute assignment to Lender and not an assignment as security for the performance of the obligations under the Loan Documents (defined below), or any other indebtedness. Notwithstanding the foregoing, to the extent an absolute assignment of the Leases and Rents is not enforceable in Mississippi, this Agreement shall be construed as a collateral assignment of the Leases and Rents as security for the performance of the obligations under the Loan Documents.

3. **Rights of Lender.** Subject to the provisions of Section 6 below, Lender shall have the right, power and authority to: (a) notify any person that the Leases have been assigned to Lender and that all Rents are to be paid directly to Lender, whether or not Lender has commenced or completed foreclosure or taken possession of the Property; (b) settle, compromise, release, extend the time of payment of, and make allowances, adjustments and discounts of any Rents or other obligations under the Leases; (c) enforce payment of Rents and other rights under the Leases, prosecute any action or proceeding, and defend against any claim with respect to Rents and Leases; (d) enter upon, take possession of and operate the Property; (e) lease all or any part of the Property; and/or (f) perform any and all obligations of Assignor under the Leases and exercise any and all rights of Assignor therein contained to the full extent of Assignor's rights and obligations thereunder, with or without the bringing of any action or the appointment of a receiver. At Lender's request, Assignor shall deliver a copy of this Agreement to each tenant under a Lease and to each manager and managing agent or operator of the Property. Assignor irrevocably directs any tenant, manager, managing agent, or operator of the Property, without any requirement for notice to or consent by Assignor, to comply with all demands of Lender under this Agreement and to turn over to Lender on demand all Rents which it receives.

4. **No Obligation.** Notwithstanding Lender's rights hereunder, Lender shall not be obligated to perform, and Lender does not undertake to perform, any obligation, duty or liability with respect to the Leases, Rents or Property on account of this Agreement. Lender shall have no responsibility on account of this Agreement for the control, care, maintenance or repair of the Property, for any waste committed on the Property, for any dangerous or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of the Property.

5. **Right to Apply Rents.** Lender shall have the right, but not the obligation, to use and apply any Rents received hereunder in such order and such manner as Lender may determine for:

(a) **Enforcement or Defense.** The payment of costs and expenses of enforcing or defending the terms of this Agreement or the rights of Lender hereunder, and collecting any Rents;

(b) **Loan Payments.** Interest, principal or other amounts payable pursuant to the Loan Documents; and

(c) **Operating Expenses.** Payment of costs and expenses of the operation and maintenance of the Property, including (1) rentals and other charges payable by Assignor under any ground lease or other agreement affecting the Property; (2) electricity, telephone, water and other utility costs, taxes, assessments, water charges and sewer rents and other utility and governmental charges levied, assessed or imposed against the Property; (3) insurance premiums; (4) costs and expenses with respect to any litigation affecting the Property, the Leases or the Rents; (5) wages and salaries of employees, commissions of agents and attorneys' fees and expenses; and (6) all other carrying costs, fees, charges, reserves, and expenses whatsoever relating to the Property.

After the payment of all such costs and expenses and after Lender has established such reserves as it, in its sole discretion, deems necessary for the proper management of the Property, Lender shall apply all remaining Rents received by it to the reduction of the Loan.

6. **No Waiver.** The exercise or nonexercise by Lender of the rights granted in this Agreement or the collection and application of Rents by Lender or its agent shall not be a waiver of any default by Assignor under this Agreement or any other Loan Document. No action or failure to act by Lender with respect to any obligations of Assignor under the Loan Documents, or any security or guaranty given for the payment or performance thereof, shall in any manner affect, impair or prejudice any of Lender's rights and privileges under this Agreement, or discharge, release or modify any of Assignor's duties or obligations hereunder.

7. **Revocable License.** Notwithstanding that this Agreement is an absolute assignment of the Rents and Leases and not merely the collateral assignment of, or the grant of a lien or security interest in the Rents and Leases, Lender grants to Assignor a revocable license to collect and receive the Rents and to retain, use and enjoy such Rents. Upon the occurrence of any Event of Default (as defined in the Loan Agreement), such license may be revoked by Lender, without notice to or demand upon Assignor, and Lender immediately shall be entitled to receive and apply all Rents, whether or not Lender enters upon and takes control of the Property. Prior to such revocation, Assignor shall apply any Rents which it receives to the payment of debt service on the Note and other payments due under the Loan Agreement, taxes, assessments, water charges, sewer rents and other governmental charges levied, assessed or imposed against the Property, insurance premiums, operation and maintenance charges relating to the Property, and other obligations of lessor under the Leases before using such proceeds for any other purpose.

8. **Term.** This Agreement shall continue in full force and effect until (a) all amounts due under the Loan Documents are paid in full, and (b) all other obligations of Assignor under the Loan Documents are fully satisfied.

9. **Appointment.** Assignor irrevocably appoints Lender its true and lawful attorney in fact, which appointment is coupled with an interest, to execute any or all of the rights or powers described herein with the same force and effect as if executed by Assignor, and Assignor ratifies and confirms any and all acts done or omitted to be done by Lender, its agents, servants, employees or attorneys in, to or about the Property.

10. **Liability of Lender.** Lender shall not in any way be liable to Assignor for any action or inaction of Lender, its employees or agents under this Agreement.

11. **Indemnification.** Assignor shall indemnify, defend and hold harmless Lender from and against all liability, loss, damage, cost or expense which it may incur under this Agreement or under any of the Leases, including any claim against Lender by reason of any alleged obligation, undertaking, action, or inaction on its part to perform or discharge any terms, covenants or conditions of the Leases or with respect to Rents, and including attorneys' fees and expenses, including those arising from the joint, concurrent, or comparative negligence of Lender; however, Assignor shall not be liable under such indemnification to the extent such liability, loss, damage, cost or expense results solely from Lender's gross negligence or willful misconduct. Any amount covered by this indemnity shall be payable on demand, and shall bear interest from the date of demand until the same is paid by Assignor to Lender at a rate equal to the Default Rate (as defined in the Loan Agreement).

12. **Modification.** This Agreement may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of such change is sought.

13. **Successors and Assigns.** This Agreement shall inure to the benefit of Lender and its successors and assigns and shall be binding on Assignor and its successors and assigns.

14. **Governing Law.** This Agreement was accepted by Lender in the state of Texas which state the parties agree has a substantial relationship to the parties and to the underlying transaction embodied hereby. Accordingly, in all respect, including, without limiting the generality of the foregoing, matters of construction, validity, enforceability and performance, this Agreement, the Mortgage, the Note and other Loan Documents and the obligations arising hereunder and thereunder shall be governed by, and construed in accordance with, the laws of the state of Texas applicable to contracts made and performed in such state and any applicable law of the United States of America, except that at all times the provisions for enforcement of Lender's remedies granted hereunder and the creation, perfection and enforcement of the security interests created pursuant hereto and pursuant to the other Loan Documents in any Collateral which is located in the state where the Property is located shall be governed by and construed according to the law of the state where the Property is located. Except as provided in the immediately preceding sentence, Grantor hereby unconditionally and irrevocably waives, to the fullest extent permitted by law, any claim to assert that the law of any jurisdiction other than Texas governs this Agreement, the Note and other Loan Documents.

15. **Conflict.** If any conflict or inconsistency exists between the absolute assignment of the Rents and the Leases in this Agreement and the assignment of the Rents and Leases as security in the Mortgage, the terms of this Agreement shall control.

16. **Counterparts.** This Agreement may be executed and recorded in multiple counterparts, each of which shall constitute an original, but all of which shall constitute one document.

17. **Limitation on Liability.** Assignor's liability hereunder is subject to the limitation on liability in the Guaranty.

*[Signature Page Follows]*



## EXHIBIT "A" - Page 1 of 2

## STORAGE DEPOT

## LEGAL DESCRIPTION:

PARCEL 1:

LEGAL DESCRIPTION OF LOT 1 OF MINI MAX SUBDIVISION BEING LOCATED IN THE SOUTHEAST QUARTER OF THE SOUTHEAST CORNER OF SECTION 33, TOWNSHIP 1 SOUTH, RANGE 6 WEST, OLIVE BRANCH, DESOTO COUNTY, MISSISSIPPI, AS PER PLAT RECORDED IN PLAT BOOK 52, PAGE 45, CHANCERY CLERK'S OFFICE, DESOTO CO., MS.

BEGIN AT THE SOUTHEAST CORNER OF LOT 8 CAROMA COMMERCIAL AND INDUSTRIAL PARK AT AN IRON PIN (FOUND); THENCE SOUTH 52 DEGREES 28 MINUTES 36 SECONDS EAST 550.80 FEET TO AN IRON PIN (SET); THENCE NORTH 88 DEGREES 28 MINUTES 00 SECONDS EAST 94.00 FEET TO AN IRON PIN (FOUND); THENCE SOUTH 02 DEGREES 16 MINUTES 00 SECONDS EAST 327.53 FEET TO AN IRON PIN (SET) IN THE NORTHERLY RIGHT-OF-WAY LINE OF MID SOUTH DRIVE (50' R.O.W.); THENCE ALONG SAID RIGHT-OF-WAY NORTH 54 DEGREES 54 MINUTES 00 SECONDS WEST 753.69 FEET TO A POINT; THENCE NORTH 34 DEGREES 54 MINUTES 00 SECONDS WEST 70.00 TO A POINT; THENCE NORTH 25 DEGREES 02 MINUTES 00 SECONDS WEST 76.00 FEET TO A POINT; THENCE NORTH 12 DEGREES 25 MINUTES 00 SECONDS WEST 90.00 FEET TO AN IRON PIN (SET); THENCE NORTH 85 DEGREES 35 MINUTES 00 SECONDS EAST 164.92 FEET TO THE POINT OF BEGINNING FOR THE HEREIN DESCRIBED LOT 1 CONTAINING 4.01, MORE OR LESS, ACRES OF LAND BEING SUBJECT TO ALL CODES, REGULATIONS, REVISIONS, RESTRICTIONS, EASEMENTS AND RIGHT-OF-WAY OF RECORD.

PARCEL 2:

BEGINNING AT THE NORTHWEST CORNER OF LOT 7B OF MID SOUTH CENTER; THENCE NORTH 88 DEGREES 28 MINUTES 00 SECONDS EAST 94.00 FEET TO AN IRON PIN (SET); THENCE NORTH 01 DEGREES 54 MINUTES 09 SECONDS WEST 797.57 FEET TO AN IRON PIN (SET) IN THE SOUTHERLY RIGHT-OF-WAY OF CAROMA DRIVE (60' R.O.W.); THENCE ALONG SAID RIGHT-OF-WAY NORTH 88

## EXHIBIT "A" - Page 2 of 2

## LEGAL DESCRIPTION:

DEGREES 02 MINUTES 06 SECONDS EAST 213.30 FEET TO AN IRON PIN (SET); THENCE SOUTH 01 DEGREES 57 MINUTES 51 SECONDS EAST 798.40 FEET TO A FENCE RAIL (FOUND); THENCE SOUTH 88 DEGREES 05 MINUTES 37 SECONDS WEST 120.16 FEET TO THE POINT OF BEGINNING CONTAINING 3.92, MORE OR LESS, ACRES OF LAND BEING SUBJECT TO ALL CODES, REGULATIONS, REVISIONS, RESTRICTIONS, EASEMENTS AND RIGHT-OF-WAYS OF RECORD.

PARCEL 3:

COMMENCE AT THE NORTHWEST CORNER OF LOT 7B OF MID SOUTH CENTER; THENCE NORTH 88 DEGREES 05 MINUTES 37 SECONDS EAST 120.16 FEET TO A FENCE RAIL (FOUND) SAID RAIL BEING THE TRUE POINT OF BEGINNING; THENCE NORTH 01 DEGREES 57 MINUTES 51 SECONDS WEST 798.40 FEET TO AN IRON PIN (SET) IN THE SOUTHERLY RIGHT-OF-WAY OF CAROMA DRIVE (60' R.O.W.); THENCE ALONG SAID RIGHT-OF-WAY NORTH 88 DEGREES 02 MINUTES 06 SECONDS EAST 213.30 FEET TO A FENCE RAIL (FOUND); THENCE SOUTH 01 DEGREES 54 MINUTES 08 SECONDS EAST 786.63 FEET TO AN IRON PIN (SET); THENCE SOUTH 84 DEGREES 51 MINUTES 44 SECONDS WEST 212.78 FEET TO THE POINT OF BEGINNING CONTAINING 3.87, MORE OR LESS, ACRES OF LAND BEING SUBJECT TO ALL CODES, REGULATIONS, REVISIONS, RESTRICTIONS, EASEMENTS AND RIGHT-OF-WAYS OF RECORD.