

Form PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 8/30/2005) Tab settings

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): Heartland Industries, Inc. (DE) Individual(s) Association General Partnership Limited Partnership Corporation-State Delaware Other Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies): Name: Legg Mason SBIC Mezzanine Fund, L.P Internal Address: Street Address: 111 S. Calvert St., Suite 1800 City: Baltimore State: MD Zip: 21202 Individual(s) citizenship Association General Partnership Limited Partnership Delaware Corporation-State Other If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance: Assignment Merger Security Agreement Change of Name Other Execution Date: 6/25/04

4. Application number(s) or registration number(s): A. Trademark Application No.(s) B. Trademark Registration No.(s) 2,223,682; 2,104,825; 1,549,174; 1,279,857 Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Vasilios Peros Internal Address: Street Address: Venable LLP Two Hopkins Plaza, Suite 1800 City: Baltimore State: MD Zip: 21201

6. Total number of applications and registrations involved: 4 7. Total fee (37 CFR 3.41): \$ 115.00 Enclosed Authorized to be charged to deposit account 8. Deposit account number: 22-0261

DO NOT USE THIS SPACE

9. Signature: Vasilios Peros Signature: [Handwritten Signature] Date: 7/16/04 Name of Person Signing Signature Date Total number of pages including cover sheet, attachments, and document: 7

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

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EXECUTION COPY

GRANT OF SECURITY INTEREST IN TRADEMARKS

THIS GRANT OF SECURITY INTEREST IN TRADEMARKS ("*Agreement*") is made as of June 25, 2004, by and between **HEARTLAND INDUSTRIES, INC. (DE)**, a Delaware corporation (the "*Grantor*"), and **LEGG MASON SBIC MEZZANINE FUND, L.P.**, a Delaware limited partnership (the "*Secured Party*").

WHEREAS, Secured Party has agreed to loan up to Six Million Five Hundred Thousand Dollars (\$6,500,000) to Marco Wood Products Inc., a Michigan corporation ("*Marco*"), pursuant to that certain Note and Warrant Purchase Agreement dated of even date herewith (the "*Purchase Agreement*"), between Marco and the Secured Party and guaranteed by Backyard Buildings, Inc., a Delaware corporation, and Grantor; and

WHEREAS, pursuant to terms of the Purchase Agreement, as a condition of advancing such loan, Secured Party requires that Grantor enter into this Agreement.

NOW THEREFORE, in consideration of the promises and the covenants herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and accepted, the undersigned parties agree as set forth below.

1. Grant of Security Interest. Grantor hereby grants to Secured Party a security interest in all of Grantor's now-existing or hereafter acquired right, title and interest in and to all unregistered and registered trademarks and trademark applications in the United States of America and all foreign countries thereto, including without limitation, the trademarks and trademark applications identified in Exhibit A herein, and all renewals, extensions and substitutions thereof (the "*Trademarks*"); any and all goodwill of Grantor's business symbolized by or associated with the Trademarks; and any and all proceeds thereof, including without limitation, any claims by Grantor against third parties for infringement of the Trademarks (collectively, the "*Collateral*").

2. Obligations Secured/ Limitations. This Agreement is made to Secured Party to secure the payment and performance of all Obligations (as defined in the Purchase Agreement). Grantor does hereby further acknowledge that the rights and remedies of Secured Party with respect to the security interest in the Collateral granted hereunder are more fully set forth in the Purchase Agreement, the terms and provisions of which are incorporated herein by reference.

3. Miscellaneous.

(a) Satisfaction. Upon payment in full of the Obligations (other than contingent indemnification obligations to the extent none are then asserted), Secured Party will execute and deliver a termination statement regarding the security interest in the Collateral and a re-assignment of the Collateral, if applicable, to Grantor for filing by

Grantor, and execute and deliver for filing by Grantor any other instrument or document as may be reasonably requested by Grantor to effect such termination and re-assignment, at Grantor's expense.

(b) Severability; Captions. In the event that any provision hereof shall be deemed to be invalid by any court, such invalidity shall not affect the remainder of this Agreement, which shall be deemed severable. The captions and paragraph headings shall not be considered part of this Agreement.

(c) Parties; Changes. This Agreement shall be binding upon and for the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns. No provision hereof shall be modified, altered or limited except by a written instrument expressly referring to this Agreement signed by the party to be charged thereby.

(d) Choice of Law. The validity, interpretation and effect of this Agreement shall be governed by the laws of the State of Maryland, without regard to its rules for conflicts of law.

(e) Counterparts. This Agreement may be executed by the parties in one or more counterparts, each of which shall be binding against the signatory and all of which taken together shall constitute one instrument.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this **Grant of Security Interest in Trademarks** as of the day and year first above written.

GRANTOR:

HEARTLAND INDUSTRIES, INC. (DE)

By: _____
Name: _____
Title: _____

SECURED PARTY:

LEGG MASON SBIC MEZZANINE FUND, L.P.,
a Delaware limited partnership

By: Legg Mason SBIC Mezzanine Fund
Management LLC, its general partner


By: 
Name: Steven A. Axel
Its: Member

[Signature Page to Grant of Security Interest in Trademarks]

IN WITNESS WHEREOF, the parties hereto have executed this **Grant of Security Interest in Trademarks** as of the day and year first above written.

GRANTOR:

HEARTLAND INDUSTRIES, INC. (DE)

By: 
Name: ROBERT F. BLAIR
Title: AUTHORIZED SIGNATORY

SECURED PARTY:

LEGG MASON SBIC MEZZANINE FUND, L.P.,
a Delaware limited partnership

By: Legg Mason SBIC Mezzanine Fund
Management LLC, its general partner

By: _____
Name: Steven A. Axel
Its: Member

[Signature Page to Grant of Security Interest in Trademarks]

STATE OF Connecticut)
)
 CITY/COUNTY OF Fairfield) *ss. Greenwich*

I HEREBY CERTIFY that on JUNE 25, 2004, before me, a Notary Public of the State of Connecticut, personally appeared Robert T. Blair, who acknowledged himself to be the ~~Asst. Treasurer~~ ~~Asst. Secretary~~ ~~Asst. Treasurer~~ of Heartland Industries, Inc. (DE) (the "Corporation") and that he, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the Corporation by himself as such officer.

WITNESS my hand and Notarial Seal.


 Notary Public **LISA A. WILD**
NOTARY PUBLIC
 My Commission Expires: MY COMMISSION EXPIRES AUG. 31, 2007

[Notary Page to Grant of Security Interest in Trademarks]

EXECUTION COPY

EXHIBIT A**Trademarks****Current Trademarks**

<u>Trademark</u>	<u>Country</u>	<u>Registration No.</u>	<u>Registration Date</u>
Weekender	US	2,223,682	February 16, 1999
America's #1 Backyard Builder	US	2,104,825	October 14, 1997
Your Solution to Garage Pollution	US	1,549,174	July 25, 1989
Sturdi-Rail	US	1,279,857	May 29, 1984

Trademark Applications

None.