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unpaid, and to apply such rents, rentals and other sums of money to the payment of the Note and other indebtedness secured by the Mortgage, principal, interest, attorneys' and collection fees, in such order as the Assignee in its sole discretion may determine, as the same may be due and payable. In the event of any default in the payment of any of the installments of interest and principal provided for in the Note, or default under the Mortgage, or the occurrence of an event or circumstance which with the lapse of time or the giving of notice, or both, would constitute a default under the Note or Mortgage, or the breach by Assignor of any of the covenants, warranties or representations made by Assignor in this Collateral Assignment of Leases, Assignee shall have the right, power and privilege (but shall be under no duty) to take possession of the Subject Property and have, hold, manage, lease and operate the same on such terms and for such period of time as Assignee may deem proper and Assignee may apply any rents, rentals and other sums of money received hereunder to the payment (in such order as Assignee may determine) of: (a) all expenses of managing the Subject Property, including, without being limited thereto, the salaries, fees and wages of a managing agent and such other employees as Assignee may deem necessary or desirable and all expenses of operating and maintaining the Subject Property, including, without being limited thereto, all taxes, assessments, charges, claims, utility costs, and premiums for insurance, and the cost of all alterations, renovations, repairs or replacements, and all expenses incident to taking and retaining possession of the Subject Property and/or collecting the rents, rentals and other sums of money due and payable under the Leases; and (b) the Note and other indebtedness secured by the Mortgage, principal, interest, attorneys' and collection fees, in such order as Assignee in its sole discretion may determine. A written demand by Assignee on each lessee for the payment of rent, rentals and other sums of money that become due under the Leases shall be sufficient to warrant such lessee to make all future payments of such rents, rentals and other sums of money directly to Assignee without the necessity for further consent by Assignor. Each such lessee shall be entitled to rely upon a written demand by Assignee for such payment and shall be fully protected from any claims by Assignor for all payments made to Assignee after receipt by such written demand.

5. Assignee shall not be liable for any loss sustained by Assignor resulting from Assignee's failure to let the Subject Property, or any part thereof, or from any other act or omission of Assignee in managing the Subject Property unless such loss is caused by the willful misconduct and bad faith of Assignee, nor

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