

Reserving however, a license to collect, except as hereinafter provided, the rents, income and profits accruing by virtue of said lease as they respectively become due, but not in advance, and to enforce the covenants of said lease, so long as there is no default by owner in any of the terms, covenants or provisions of said bond, note or obligation or of said mortgage, deed or trust or other security instrument, or of this instrument.

OWNER COVENANTS THAT:

- (1) Notwithstanding said license, mortgagee shall be the creditor of each lessee in respect of assignments for the benefit of creditors and bankruptcy, reorganization, insolvency, dissolution or receivership proceedings, with an option to apply any money received by the mortgagee as such creditor in reduction of the aforesaid principal or interest or any other indebtedness secured or to be paid by said security instrument.
- (2) The owner, in the event of default in the performance of any of the terms, covenants or provisions of said bond, note or obligation or of the said mortgage, deed of trust or other security instrument or of this assignment, hereby authorizes the mortgagee, at its option, to enter and take possession of the leased premises, or any part thereof, and to perform all acts necessary for the operation and maintenance of said premises in the same manner and to the same extent that the owner might reasonably so act. In furtherance thereof and not by way of limitation, the mortgagee is empowered to collect the rents, income and profits under said lease; to enforce payment thereof and the performance of any and all other terms and provisions of said lease; to exercise all the rights and privileges of the owner thereunder, including the right to fix or modify rents; to demand and sue for possession of the premises covered by said lease; to relet the premises or any part thereof and to collect the rents, income and profits under such new lease. The mortgagee shall apply the net amount of income after payment of all proper costs and charges, including loss or damage referred to hereinafter in paragraph 6, to the sums due to said mortgagee under said bond, note or obligation and mortgage, deed of trust or other security instrument. Such entry and taking possession of the leased premises, or any part thereof, may be made by actual entry and possession, or by written notice served personally upon or sent by registered mail to the last owner of the mortgaged premises appearing on the records of the mortgagee as the mortgagee may elect and no further authorization shall be required. The mortgagee shall only be accountable for money actually received pursuant to this assignment.
- (3) Upon payment in full of the entire indebtedness secured hereby, as evidenced by a recorded satisfaction or release of the security instrument, this assignment shall be void and of no effect.
- (4) The owner irrevocably consents that the tenant under said lease, upon demand and notice from the mortgagee of the owner's default under said bond, note or obligation or under said mortgage, deed of trust or other security instrument, shall pay said rents, income and profits under said lease to said mortgagee without liability to said tenant for the determination of the actual existence of any default claimed by said mortgagee.
- (5) The mortgagee shall have the right to assign the owner's right, title and interest in said lease to any subsequent holder of said mortgage, deed of trust or other security instrument, subject to the provisions of this instrument, and to assign the same to any person acquiring title to the mortgaged premises through foreclosure or otherwise. After the owner shall have been barred and foreclosed of all right, title and interest and equity of redemption in said premises, no assignee of the owner's interest in said lease shall be liable to account to the owner for the rents, income and profits thereafter accruing.

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