

2. That before default occurs under the terms of the Note, the Mortgage securing the Note or this Assignment, Assignor shall have the right under a license hereby granted to collect the Rents and to retain, use and enjoy the same; and further that such license is at the grace of Assignee, and is in trust for the purpose of paying all usual operating expenses, including taxes, of the Property and the sums due Assignee under the Note, said Mortgage and this Assignment. Upon such default such license and any other rights of Assignor to collect the Rents shall wholly cease. Provided, further, that even before default occurs, no rent not due (except rent not exceeding one (1) month in advance) under the terms of any of said Leases shall be collected or accepted without the prior written consent of Assignee.

3. In the event of default in the performance of any of the terms and conditions of the Note, the Mortgage securing same or this Assignment, this Assignment automatically becomes operative without any further action whatsoever and Assignee, at its option, may enter and take possession of the Property and manage and operate the same; collect all or any Rents from said Leases; evict tenants, bring or defend any suits in connection with the possession of said Property in its own name or Assignor's name; make repairs as Assignee deems appropriate and perform such other acts in connection with the management and operation of said Property as the Assignee in its sole discretion may deem proper.

3.1 The receipt by Assignee of any of the Rents after such default, shall not cure such default nor affect the right of Assignee to institute foreclosure proceedings under said Mortgage.

3.2 Assignee shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by Assignor under any of said Leases, and Assignor hereby agrees to indemnify the Assignee for, and to save it harmless from, any and all liability arising from any of said Leases or from this Assignment, and this Assignment shall not place responsibility for the control, care, management or repair of the Property or any part thereof, upon the Assignee, or make the Assignee responsible or liable for any negligence in the management, operation, upkeep, repair or control of said Property resulting in loss or injury of death to any tenant, licensee, employee or stranger.

4. Assignor covenants, represents and warrants to Assignee the following:

4.1 Subject to the rights of prior assignees, assignor has full right and title to assign the Leases and the Rents.

4.2 Assignor has no knowledge of any existing defaults under the provisions of any previous assignment or under any of the Leases.

4.3 Assignor will not hereafter cancel, surrender or terminate any of said Leases, exercise any option which might lend to such termination, or change, alter or modify same or consent to the release of any party liable thereunder or to the assignment of the lessee's interest therein, except as is consistent with the usual and customary operation of the Property.

5. Assignor hereby authorizes Assignee to give notice in writing of this Assignment at any time to any tenant under any of said Leases at any time following default hereunder.

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