

may select and employ, and after the accumulation of a reserve to meet taxes, assessments, water rents, sewer charges, insurance costs, and other charges in requisite amounts, credit the net amount of income received by it from the mortgaged premises by virtue of this assignment, to any amounts due and owing to it by Owner under the terms of mortgage and the note secured thereby, but the manner of the application of such net income and what items shall be credited shall be determined in the sole discretion of Assignee. Assignee shall not be accountable for more moneys than it actually receives from the mortgaged premises.

4. The rights of the Assignee under this Assignment may be exercised by Assignee without regard to other security and without releasing Owner from any obligation. Owner shall at all times be responsible for the full performance of all his obligations and covenants under the leases and shall enforce, at his cost and expense, the full performance of all of the conditions, obligations and covenants under the leases to be observed and performed by the lessees. Owner shall at all times appear and defend any action growing out of or in any manner connected with any lease of the whole or any part of mortgaged premises.

5. Owner hereby covenants and warrants to Assignee that neither he nor it, nor any previous owner, has executed any prior assignment or pledge of the rents, issues or profits of the mortgaged premises, nor any prior assignment or pledge of his or its interest in any lease of the whole or any part of the mortgaged premises and that the leases now executed are in full force and effect with no modification or amendments thereto, other than as previously disclosed to Assignee, and with no default thereunder. Owner also hereby covenants not to collect the rents of the said mortgaged premises in advance, other than as required to be paid in advance by the terms of the rental agreement, under which payable, and further covenants that he or it will not, without the prior written consent of Assignee, alter or amend the provisions of any lease of any portion of the mortgaged premises, consent to the termination thereof, give his or its consent, where required, to the assignment thereof or subletting thereunder, and will not do any act which would destroy or impair the benefits to Assignee of this assignment.

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