

a. To faithfully abide by, perform and discharge each and every obligation, and covenant and agreement of the leases by landlord to be performed; at the sole cost and expense of Assignor, to enforce or secure the performance of each and every obligation, covenant, condition and agreement of the leases by the tenants of the leases; not to anticipate the rents under the leases for more than two (2) months in advance, except that Assignor may at any one time have accepted prepaid rent for up to six (6) months on not more than six (6) individual apartment leases, and Assignor does by these presents expressly release, relinquish and surrender unto Assignee from and after default by Assignor as described in paragraph 3 hereof all its rights, power and authority to amend, modify, or in any way alter the terms or provisions of the leases.

b. At Assignor's sole cost and expense to appear in and defend any action or proceeding arising under, growing out of or in any manner connected with the leases or the obligations, duties or liabilities of landlord and tenants or parties thereunder, and to pay all costs and expenses of Assignee, including attorneys' fees in a reasonable sum in any action or proceeding in which Assignee may appear.

c. That should the Assignor fail to make any payment or to do any act as herein provided, then Assignee, but without obligation so to do and without notice to or demand on Assignor, and without releasing Assignor from any obligation hereof, may make or do the same in such manner and to such extent as Assignee may deem necessary to protect the security hereof, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Assignee, and also the right to perform and discharge each and every obligation, covenant and agreement of Assignor in the leases or operating agreements contained; and in exercising any such powers to pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees.

d. To pay immediately upon demand all sums expended by Assignee under the authority hereof, together with interest thereon at the same interest rate provided in the Note referred to above.

e. That it has made no prior assignment of its interest in the leases hereby assigned.

f. Not to modify, amend or cancel any lease herein assigned after default by Assignor as described in paragraph 3 hereof.

3. That upon or at any time after default in the payment of any indebtedness secured hereby or in the performance of any obligation, covenant or agreement contained herein or in said Mortgage, any other document evidencing or securing the indebtedness evidenced by the Note or in more than five percent (5%) in number of the leases with respect to apartments located on the property described in Exhibit A, and if such default is not cured within ten (10) days after notice of default has been given in accordance with Section 6.2 of said Mortgage and Security Agreement, or, if such default is one other than the payment of money which cannot reasonably be cured within said ten (10) day period, Assignor either (i) does not commence to perform the required act within such ten (10) day period and diligently prosecute such act to completion, or (ii) does not cure such non-monetary default within thirty (30) days after notice of default is given as hereinbefore provided, (notwithstanding the foregoing, any specific time limitation with respect to the curing of a default hereunder or in the other documents referenced shall control in the event of a conflict with the foregoing provision), Assignee may declare all sums secured hereby immediately due and payable and may, at its option, without notice, and if said Note be secured by a Mortgage, irrespective of whether

0 4 3 7

4328 RV-2

DAH