

interest, insurance premiums or taxes shall be due and unpaid, said Mortgagee may without further proceedings take over the property and collect said rents and profits and apply the same to the payment of the indebtedness, insurance premiums, taxes, interest and principal, without liability to account for anything more than the rents and profits actually collected, less reasonable cost of collection; and should any payments hereinabove provided for become due and unpaid, then it is agreed that the Mortgagee, its successors and assigns, may apply to any court of competent jurisdiction for the appointment of a Receiver, with authority to take charge of the mortgaged premises, collect all rents and apply the net proceeds thereof, after the payment of costs of collection, upon said indebtedness, interest, taxes or insurance premiums, without liability to account for anything more than the rents and profits actually collected. The right is reserved unto the said Mortgagee to have a Receiver appointed by a court of competent jurisdiction at all times upon default in the payment of any of the monthly installments herein provided for.

AND IT IS FURTHER AGREED, by and between the said parties that should there be a default in any payment or in the performance of any provisions of the Note, this Mortgage, or any other instrument securing the Note, and Mortgagee refers the matter to its counsel, the Mortgagors agree to indemnify the Mortgagee and to pay the Mortgagee for its costs in connection therewith, including a reasonable attorney's fee as a part of the debt secured hereby, provided, however, and in addition to the foregoing, should suit or other legal proceedings, at Mortgagee's option, be instituted for the foreclosure of this Mortgage, all costs and expenses incurred by the Mortgagee, including a reasonable attorney's fee of not less than two (2%) per cent of the unpaid balance of the Note, shall thereupon become due and payable as a part of the debt secured hereby, and shall be recovered and collected hereunder, and shall be included in judgment of foreclosure.

THE MORTGAGORS COVENANT AND AGREE that: (1) there shall be no transfer of the ownership of the fee title of certain of the Mortgagors to the mortgaged premises above described, or of the leasehold estate of the remaining Mortgagors (the makers of the Note) in and to said mortgaged premises, or any substitution of partners for those who are the present partners of Knolls Partnership, without the prior written approval of the Mortgagee, its successors and assigns; (2) the mortgaged premises, consisting of four hundred seventy (470) garden apartments, shall be continuously operated as a conventional apartment complex and no action shall be undertaken or pursued to convert the apartment complex to a cooperative association, horizontal property regime, or a condominium project; (3) there shall be no secondary financing on the mortgaged premises without the prior written approval of the