

in the properties and/or liens conveyed in or encumbered in and by this Mortgage and the other Loan Documents, including without intending to limit the generality of the foregoing, the Premises and all rents, issues, profits, revenues and other income from the Premises during any period of redemption, and any such judgment shall not be subject to execution on nor be a lien on any other assets of any general or limited partner of the Developer or their respective successors, assigns, heirs or personal representatives.

SECTION 40. RELATIONSHIP OF SURETY AND AUTHORITY.

All references herein to the Surety, shall be in its capacity solely as Surety hereunder and shall not be construed or deemed to limit or restrict the exercise of any right or remedy under the Second Mortgage Documents. The Authority hereby agrees that so long as the Surety Bond is in effect and the Surety is making all required payments with respect to the Bonds in accordance with the terms of the Surety Bond the right of the Authority hereunder to grant consents, to grant waivers, to send notices, and to otherwise exercise any remedies or rights hereunder may be taken by the Surety acting alone and the Developer is authorized to rely upon all such consents, waivers, notices and exercises of remedies or rights hereunder taken by the Surety without the necessity of obtaining confirmation thereof from the Authority. The Authority will execute any documents and take or refrain from taking all actions which the Authority is required or entitled to execute or take or refrain from taking hereunder in accordance with the request and instructions of the Surety provided that the Surety shall pay or agree to pay (subject to the Surety's right to reimbursement thereof under Section 22 hereof) any and all costs and expenses incurred or to be incurred in connection therewith (reference is also to the terms and provisions of that certain Three Party Agreement dated as of October 1, 1984, among the Authority, the Trustee and the Surety, which terms and provisions are hereby incorporated herein.) The Surety shall not be liable for any act or omission of the Authority hereunder unless taken with its consent or at its direction and the Authority shall not be liable for any act or omission of the Surety hereunder. In the event a different Surety shall issue a Surety Bond for the benefit of the Bonds as permitted by the Loan Agreement and the Indenture, the new Surety or such person or entity as such Surety shall designate shall be substituted for the Surety (or its designee) then acting as a Surety hereunder and the then acting Surety, the Authority and the new Surety shall execute and deliver such supplements and amendments hereto and to the other Loan Documents as shall be necessary to accomplish such substitution and the prior Surety shall deliver to the new Surety all moneys, investments and other properties then held by it as a Surety hereunder.

At such time as no Surety Bond shall be in effect with respect to the Bonds and no portion of the indebtedness secured by the Second Mortgage and hereby shall be owing to a Surety under the Reimbursement Agreement or by right of subrogation, the then acting Surety, or its designee then acting as Surety hereunder, shall assign and transfer to the Trustee all rights, remedies, titles, interests, powers, duties, discretions and options granted to such Surety hereunder, and shall deliver to the Trustee all moneys, investments and other properties then held by it as an Assignee hereunder and thereafter, the Trustee alone shall have and possess all rights, remedies, titles, interests, powers, duties, discretions and options of the Surety hereunder.

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