

or failure or refusal to act, by the Assignee under this subparagraph 2.2 shall be at its election and without any liability on its part.

2.3 The Assignee shall apply the net amount of rents, issues and profits received by it from the Mortgaged Premises, after payment of all proper costs and charges (including any liability, loss, expense or damage hereinafter referred to in Paragraph 5 hereof), first to the payment, when due, of the installments of interest payable under the Note and thereafter to the payment of principal thereunder. Next any such sums as may be necessary to escrow for or pay any taxes, insurance, utility charges or assessments that may be due or become due on an annual basis, and any costs of operating the property for its intended purpose including a reasonable management fee therefor. Any of such funds remaining after such application shall be paid as soon as reasonably practicable by the Assignee to the Assignor or paid over to such persons as the Assignor may designate to the Assignee in writing.

2.4 The Assignee shall be accountable to the Assignor only for monies actually received by the Assignee pursuant to this Assignment and the acceptance of this Assignment shall not constitute a satisfaction of any indebtedness, liability or obligations, or any part thereof, now or hereafter owed by the Assignor to the Assignee, except to the extent of amounts actually received and applied by the Assignee on account of the same.

2.5 The rights and powers of the Assignee hereunder shall continue and remain in full force and effect until all amounts secured hereby are paid in full and shall continue after commencement of foreclosure and after foreclosure sale and until expiration of the equity of redemption, notwithstanding sale of the Mortgaged Premises to a purchaser other than the Assignee. Assignee shall not be liable to Assignor or any one claiming under or through Assignor by reason of anything done or left undone by Assignee hereunder.

2.6 For the purpose of this Paragraph 2, a default shall be deemed to be cured only when the Assignor shall have paid in full all sums owing and past due, and/or shall have performed all other terms, covenants and conditions, the failure in the performance of which shall terminate the license hereinabove mentioned in Paragraph 1 hereof.

3. Attornment by Lessees in Event of Default. The Assignor hereby irrevocably directs each Lessee under each Assigned Lease, upon demand and notice from the Assignee of the Assignor's default under any of the Obligations to pay the Assignee all rents, issues and profits accruing or due under its Assigned Lease from and after the receipt of such demand and notice. Any Lessee making such payment to the Assignee shall be under no obligation to inquire into or determine the actual existence of any such default claimed by the Assignee.

4. Covenants of Assignor. The Assignor, for itself and for its successors and assigns, covenants and warrants as follows:

(a) that each of the Assigned Leases now or hereafter in effect is and shall be a valid and subsisting lease and that there are, to the extent ascertainable to the Assignor, no defaults on the part of any of the parties thereto;

(b) that the Assignor has not sold, assigned, transferred, mortgaged or pledged any of the rents, issues or profits from the Mortgaged Premises or any part thereof, whether now or hereafter to become due, to any person, firm or corporation other than the Assignee;

(c) that no rents, issues or profits of the Mortgaged Premises, or any part thereof, becoming due subsequent to the date hereof have been collected (other than Permitted Advance Rental Payments) nor has payment of any of the same been anticipated, waived, released, discounted or otherwise discharged or compromised;