

said transaction, and Seller shall be deemed a Trustee of the Buyer's share.

9. ESCROW AGENT

Notwithstanding anything to the contrary contained herein, Buyer, at its option, shall have the right to deposit said Note, Mortgage, Building Loan Agreement and other documents with an escrow agent designated by Buyer with appropriate instructions in order to effect an assignment or foreclosure of the Loan in the event of a default, or in the event of FHA Final Endorsement and the sale of the Loan to the permanent lender. Upon payment of the Loan indebtedness said escrow agent shall pay over to Seller and Buyer their proportionate shares of principal and interest from the Loan proceeds.

10. LIABILITY AND REPRESENTATIONS

Except as otherwise provided for in this Agreement, neither party hereby makes any implied or expressed warranty or representation of any kind with respect to said Loan, and neither party shall be liable to the other for any loss not due to its own negligence; but all other loss or losses shall be borne ratably by Seller and Buyer in accordance with their respective interests in the Loan.

11. COMPENSATION

The Seller shall receive no compensation for its services under this Agreement.

12. FIDELITY AND ERRORS AND OMISSION INSURANCE

The Seller agrees to be responsible, at no expense to Buyer, for seeing to it that at all times, while this Agreement is in force, policies of fidelity, theft, forgery, and errors and omissions insurance are maintained, and shall furnish proof of such insurance coverage to Buyer. Such policies shall be in reasonable amounts satisfactory from time to time to Buyer and with acceptable standard coverages indemnifying the Buyer against loss satisfactory to Buyer.

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