

instructions and other documents, as provided in Section 4.3 hereof, as in the case of disbursements from the Construction Account.

(c) In the event the Net Proceeds are not sufficient to pay in full the costs of any such repair, rebuilding, or restoration, the Lessee shall nonetheless complete said work and shall pay that portion of the costs thereof in excess of the amount of said Net Proceeds.

(d) The Lessee shall not, by reason of the payment of such excess costs made pursuant to Section 7.1(c), be entitled to any reimbursement from the County, the Mortgagee, or the holders or owners of the Note or any abatement or diminution of the rents payable under Section 5.3 hereof or the amounts payable under Section 5.4 hereof.

(e) Any balance of such Net Proceeds remaining after payment of all costs of such repair, rebuilding, or restoration made pursuant to Section 7.1(a) and (b) shall be paid forthwith to the Mortgagee as a prepayment of rent hereunder. If the Note has been fully paid (whether at maturity or by prepayment or otherwise, as provided in the Note), all Net Proceeds shall be paid to the Lessee.

(f) Notwithstanding any other provision of this Section, in any event of damage or destruction when the Note is not outstanding and unpaid, there shall be no obligation on the part of the Lessee to restore the Project.

SECTION 7.2      Condemnation.      Unless the Lessee shall elect to exercise its option to purchase pursuant to the provisions of Section 11.2(b) hereof, in the event that title to, or the temporary use of, the Project or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm, or corporation acting under governmental authority, the Lessee shall be obligated to continue to make the rental payments specified in Section 5.3 hereof. The County, the Lessee, and the Mortgagee shall cause the Net Proceeds received by them or any of them from any award made in such eminent domain proceedings to be paid to and held by the Mortgagee in a separate trust account, to be disbursed for application by the Lessee in one or more of the following ways as shall be directed in writing by the Lessee:

(a) To the restoration of the Project to substantially the same condition thereof as existed prior to the exercise of the said power of eminent domain.