

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.

Any balance of the Net Proceeds of the award in such eminent domain proceedings shall be forthwith paid to the Mortgagee to be applied to prepayment of rent hereunder. If the Note has been fully paid, all Net Proceeds shall be paid to the Lessee.

The County shall cooperate fully with the Lessee in the handling and conduct of any prospective or pending condemnation proceeding with respect to the Project or any part thereof and shall, to the extent it may lawfully do so, permit the Lessee to litigate in any such proceeding in the name and behalf of the County. In no event shall the County voluntarily settle, or consent to the settlement of, any prospective or pending condemnation proceeding with respect to the Project or any part thereof without the written consent of the Lessee.

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

SECTION 7.3 **Condemnation of Lessee-Owned Property.**

The Lessee shall also be entitled to the Net Proceeds of any condemnation award or portion thereof made for damages to or takings of its own property not included in the Project (except for damages for the value of its leasehold estate under this Agreement which shall be disposed of pursuant to Section 7.2 hereof).

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