

13. MISCELLANEOUS

A. Seller does hereby agree to waive its right of offset against this Loan in which the Buyer is purchasing a participating interest under this Participation Agreement.

B. Seller shall cause the builder's risk insurance policy, all letters of credit and all other instruments and documents issued in connection with the Loan to be properly maintained and remain in full force and effect until such time as Buyer has been repaid its proportionate share of principal and interest in the Loan to which the Buyer is entitled.

C. If the Seller fails, for a period of ten (10) days after written notice of such failure from Buyer, to comply with or perform any obligations imposed upon it under the afore-said Building Loan Agreement between Seller and Borrower, or under this Agreement, or if at any time a receiver is appointed for Seller, or there is filed by or against it a petition in bankruptcy or for reorganization, then Seller, upon demand of Buyer, shall:

(1) with written approval of FHA, assign to Buyer, or such other approved FHA mortgagee which Buyer may designate, the insured Loan, reserving unto Seller, however, its own participation in said Loan, whereupon such transferee shall become and be Seller under this Agreement in the place and stead of the Seller originally named herein, with all the powers and obligations conferred or imposed by this Agreement on the Seller originally named herein, and said Seller originally named herein shall thereupon become and be a Buyer hereunder to the extent of its participation in said Loan hereinbefore set forth, in which case that certain provision beginning "In the event that Buyer and Seller are unable to agree as to that course of action to be taken in connection with the, aforescribed matters, within ten days of notice, one to the other, then in that event the course of action ascertained by Buyer shall prevail." appearing in the latter part of paragraph 4 hereof shall not be applicable; or (2) utilize those certain described documents of negotiation, transfer and assignment, as set forth in paragraph 4 hereof, and shall transfer and negotiate the note