

evidence of the character required by conditions (b) and (c) of Section 6.6 hereof, that the Restoration has been completed and paid for in full (or, if any part of such Restoration has not been paid for, adequate security for such payment shall exist in form satisfactory to Mortgagee) and that there are no liens of the character referred to in said condition (b), any balance of the insurance money at the time held by Mortgagee shall be paid, as provided in this Article VI, to Mortgagor or its designee provided Mortgagor is not then in default of any of the terms and provisions of this Mortgage.

6.8 Application of Insurance Proceeds in Event of Default. If, while any insurance proceeds are being held by the Mortgagee to reimburse Mortgagor for the cost of rebuilding or restoration of buildings or improvements on the Premises, the Mortgagee shall be or become entitled to, and shall accelerate the indebtedness secured hereby, then and in such event, the Mortgagee shall be entitled to apply all such insurance proceeds then held by it in reduction of the indebtedness hereby secured and any excess held by it over the amount of indebtedness then due hereunder shall be returned to Mortgagor or any party entitled thereto without interest.

ARTICLE VII.

EMINENT DOMAIN: CONDEMNATION AWARDS

7.1 Notice. In the event that the Premises, or any part thereof, shall be taken in condemnation proceedings or by exercise of any right of eminent domain or by conveyance(s) in lieu of condemnation (hereinafter called collectively, "condemnation proceedings"), or should Mortgagor receive any notice or information regarding any such proceeding, Mortgagor shall give prompt written notice thereof to Mortgagee. Mortgagor and Mortgagee shall have the right to participate in any such condemnation proceedings and the proceeds thereof shall be deposited with Mortgagee and be distributed in the manner set forth in this Article VII. Mortgagor agrees to execute any and all further documents that may be required in order to facilitate collection of any award or awards and the making of any such deposit.

7.2 Assignment of Condemnation Awards. Mortgagor hereby grants, transfers and assigns to Mortgagee the proceeds of any and all awards of claims for damages, direct or consequential, which Mortgagor is otherwise entitled to receive, in connection with any condemnation of or injury to the Premises, or part thereof, or for conveyances in lieu of condemnation, and the same shall be paid to Mortgagee. Mortgagor hereby authorizes and directs any such condemning authority to make payment of such award(s) and claims(s) directly to Mortgagee. No interest shall be allowed to Mortgagor on any such condemnation awards paid to and held by Mortgagee.

7.3 Total Taking. If at any time during the term of this Mortgage title to the whole or substantially all of the Premises shall be taken in condemnation proceedings or by agreement between Mortgagor, Mortgagee and those authorized to exercise such right, Mortgagee shall apply such award or proceeds which it receives pursuant to Section 7.2 hereof first to pay the actual costs, fees and expenses, if any, incurred in connection with the collection of the award, and second to full payment of all remaining indebtedness secured by this Mortgage, and any excess award funds then remaining after payment of the indebtedness in full shall be paid to Mortgagor. In the event that the amount of the award or proceeds received by Mortgagee shall not be

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