

incident thereto, Mortgagee may, at Mortgagee's option, disburse such balance to Mortgagor or apply such balance toward the payment of the Indebtedness. Nothing herein shall be interpreted to prohibit Mortgagee from (y) withholding from each such disbursement ten percent (10%) (or such greater amount, if permitted or required by any Legal Requirement) of the amount otherwise herein provided to be disbursed, and from continuing to withhold such sum, until the time permitted for perfecting liens against the Mortgaged Property has expired (or such longer period of time as permitted or required by any Legal Requirement), at which time the amount withheld shall be disbursed to Mortgagor (or to Mortgagor and any person or persons furnishing labor and/or material for the Work or directly to such persons), or (z) applying at any time the whole or any part of such insurance proceeds to the curing of any Event of Default.

4.9 Restoration Following Casualty. If any act or occurrence of any kind or nature, ordinary or extraordinary, foreseen or unforeseen (including any casualty for which insurance was not obtained or obtainable), shall result in damage to or loss or destruction of the Mortgaged Property, Mortgagor will give notice thereof to Mortgagee immediately and, if so instructed by Mortgagee, will promptly, at Mortgagor's sole cost and expense and regardless of whether the insurance proceeds (if any) shall be sufficient for the purpose, commence and continue diligently to completion to restore, repair, replace and rebuild the Mortgaged Property in accordance with the provisions of Paragraph 4.8 and all Legal Requirements as nearly as possible to its value, condition and character immediately prior to such damage, loss or destruction.

4.10 Inspection. Mortgagor will permit Mortgagee and its agents, representatives and employees to inspect the Mortgaged Property at all reasonable times.

4.11 Hold Harmless. Mortgagor will defend, at its own cost and expense, and hold Mortgagee harmless from any action, proceeding or claim affecting the Mortgaged Property or the Security Documents, and all costs and expenses incurred by Mortgagee in protecting its interests hereunder in such an event (including all court costs and attorneys' fees) shall be borne by Mortgagor and secured hereby.

If Mortgagor is a partnership, each general partner of Mortgagor jointly and severally agrees that in the event any dispute whatsoever arises among any or all of the partners, including the limited partners of the Mortgagor, or any of them, the Mortgagor and said general partners shall jointly and severally, defend, indemnify and save Mortgagee and any corporation controlling, controlled by, or under common control with, Mortgagee and any officer, attorney, director, shareholder, agent or employee of Mortgagee or any such corporation, and each of them, harmless from any and all damages, expenses and liabilities of any type whatsoever, including, but not limited to, attorneys' fees, (and including, but not limited to, any liability arising out of demands by any of the partners, including limited partners, if any, of the Mortgagor for undisbursed proceeds of any borrowing authorized by any of the Security Documents) suffered or incurred as a result of or in connection with any such dispute. This indemnity provision shall survive the repayment of any and all Indebtedness, shall be binding upon the separate and respective heirs, administrators, personal representatives, successors and assigns of the Mortgagor and its general partners and shall inure to the benefit of the successors