

performance with respect to any of the Collateral by suit or otherwise, in their own name or in the name of the Developer, and surrender, release, or exchange all or any part thereof; and compromise, extend or renew (whether or not for longer than the original period) or transfer, assign or endorse for collection or otherwise, any indebtedness or obligation with respect to the Collateral, or evidenced thereby, and upon request of the Secured Parties, the Developer will, at its own expense, notify any person obligated on or with respect to any of the Collateral to make payment and performance directly to, in the name of, and on behalf of the Secured Parties of any amounts or performance due or to become due thereunder or with respect thereto; or

(f) exercise any remedies of a secured party under the Uniform Commercial Code.

To effectuate the foregoing, the Developer hereby agrees that if the Secured Parties demand or attempt to take possession of the Collateral or any portion thereof in exercise of their rights and remedies hereunder and under any other Loan Documents, the Developer will promptly turn over and deliver possession thereof to the Secured Parties, and the Developer authorizes, to the extent the Developer may now or hereafter lawfully grant such authority, the Secured Parties, their employees and agents, and potential bidders or purchasers to enter upon any or all of the Premises where the Collateral or any portion thereof may at the time be located (or believed to be located) and the Secured Parties may (i) remove the same therefrom or render the same inoperable (with or without removal from such location), (ii) repair, operate, use or manage the Collateral or any portion thereof, (iii) maintain, repair or store the Collateral or any portion thereof, (iv) view, inspect and prepare for sale, lease or disposition the Collateral or any portion thereof, (v) sell, lease, dispose of or consume the same or bid thereon, or (vi) incorporate the Collateral or any portion thereof into the Project (as defined in the Loan Agreement) or the Premises.

The Developer hereby agrees to indemnify, defend, protect and hold harmless the Secured Parties and their employees, officers and agents from and against any and all liabilities, claims and obligations which may be incurred, asserted or imposed upon them or any of them as a result of or in connection with any use, operation, lease or consumption of any of the Collateral or as a result of the Secured Parties seeking to obtain performance of any of the obligations due with respect to the Collateral, except from such liabilities, claims or obligations as result from gross negligence or intentional misconduct of the Secured Parties, its employees, officers or agents.

The proceeds of any sale under this Paragraph 6 shall be applied first to the payment of any sums owing to the Secured Parties pursuant to the provisions hereof or of any of the other Loan Documents in such manner as the Secured Parties may elect, with any funds remaining after payment of the foregoing to be paid to the mortgagee and secured party under the Second Mortgage Documents and the balance remaining, if any, to the Developer.

The Secured Parties shall have the right to enforce one or more remedies hereunder, successively or concurrently, and such action shall not operate to estop or prevent the Secured Parties from pursuing any further remedy which they may have, and any repossession or retaking or sale of the Collateral pursuant to the terms hereof shall not operate to release the Developer until full payment of any deficiency has been made in cash.

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