

(a) If the Improvements Lease is terminated pursuant to Section 2.10 thereof or if the Lease is terminated pursuant to Section 3.6 thereof, Mortgagee may elect to require prepayment (without prepayment premium) of the entire Adjusted Principal Balance of the Note (together with all accrued interest on the Adjusted Principal Balance) on a date for prepayment fixed in a notice from Mortgagee to Mortgagor within 60 days after Mortgagee receives notice that the Improvements Lease or the Lease as the case may be, will so terminate, provided such date for prepayment shall not be sooner than sixty days after the date of such notice. All awards or proceeds of Condemnation (including any interest thereon), after deducting any reasonable costs, including attorneys' fees, in connection therewith (the "Proceeds"), shall be payable to the Mortgagee for such prepayment and then to Mortgagor for use in restoration pursuant to Section 1.10(c)(i).

(b) If the provisions of the foregoing Section 1.10(a) are not applicable, the following provisions shall apply as to any condemnation: All Proceeds with respect to any one Condemnation of less than \$10,000.00 in value of the Property shall be payable to Mortgagor and Mortgagor shall, within a reasonable time (but in no event more than 180 days) after receiving such Proceeds, apply the same to the restoration of the Property, to the extent feasible. All Proceeds with respect to any one Condemnation of more than \$10,000.00 in value of the Property shall be payable to Mortgagee and Mortgagee shall have the Investor Institution, on behalf of Mortgagee, invest the Proceeds received by Mortgagee in full faith and credit obligations of the United States Government that have maturities of 270 days or less. All fees and expenses of the Investor Institution for investing the Proceeds shall be paid out of income earned on the Proceeds. The Investor Institution, upon the direction of Mortgagee, shall, as hereinafter provided in Section 1.10(c), apply such Proceeds and all income remaining from the investment thereof after such fees and expenses have been paid.

(c) Proceeds received by the Mortgagee on account of any Condemnation of the Property or any part thereof (less the reasonable costs, fees and expenses incurred by the Mortgagee in the collection thereof, including without limitation attorneys' fees and expenses) and all income earned on such Proceeds in accordance with Section 1.10(a) (such remaining Proceeds and income earned thereon being hereinafter called "Net Condemnation Proceeds") shall be applied as follows: