

right of condemnation or eminent domain in respect of: (i) an aggregate total of 15% or more of the square footage of the Premises, or (ii) all or any part of the Premises if, in the judgment of the Mortgagee, such condemnation will materially impair the use of the Property in the operation of the business of the Mortgagor, or (iii) all or any part of the Buildings; in which event the Mortgagee shall retain and apply the Award toward payment and performance of the Obligations (in such order of priority as the Mortgagee shall elect). To the extent that the Award received by the Mortgagee shall exceed the amount required to satisfy in full the then total amount of the Obligations, the Mortgagee shall pay over to the Mortgagor the amount of such excess. Notwithstanding the foregoing, until the actual vesting of title in such proceeding, the Obligations shall continue unimpaired. If there is a taking of a portion of the Property in any such proceeding and the Mortgagee does not accelerate the Obligations, then at the option of the Mortgagee the Award shall be: (A) retained and applied by the Mortgagee toward the payment or performance of the Obligations in such order of priority as the Mortgagee may elect; or (B) paid over in whole or in part to pay or reimburse the Mortgagor for the cost of restoring or reconstructing the Buildings and the Building Equipment in a manner and on conditions satisfactory to the Mortgagee.

(c) The application of the Award toward payment or performance of the Obligations shall not be deemed a waiver