

of the Project for the purpose for which it is intended, and

(ii) The Lessee will instruct the Construction Fund Trustee to apply so much as may be necessary of the Net Proceeds of such insurance to payment of the costs of such repair, rebuilding or restoration. Such instruction shall be given and such disbursement shall be made as provided in Section 4.3 hereof relating to disbursements from the Construction Fund and the Construction Fund Trustee shall have no liability with respect to payments made in accordance with such instruction.

(c) In the event said Net Proceeds are not sufficient to pay in full the costs of such repair, rebuilding or restoration, the Lessee will nonetheless complete said work and will pay that portion of the costs thereof in excess of the amount of said Net Proceeds.

(d) The Lessee shall not, by reason of the payment of such excess costs (whether by direct payment thereof or advances to the County or Construction Fund Trustee therefor), be entitled to any reimbursement from the County, or the holder of any of the Notes, or any abatement or diminution of the rents payable under Section 5.3 hereof.

(e) Any balance of such Net Proceeds remaining after payment of all the costs of such repair, rebuilding or restoration shall, at the option of Agent, be applied to the prepayment of the Notes pursuant to the terms of the Notes and of the Note Ordinance. If the Notes have been fully paid or if the Agent shall not exercise the option to receive such balance of Net Proceeds, all such Net Proceeds will be paid to the Lessee.

SECTION 7.2. Condemnation. In the event that title to, or the temporary use of, the Project or any part thereof shall be taken as a result of or in lieu of or in anticipation of the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, the Lessee shall promptly give written notice thereof to the County and the Mortgagees, generally describing the nature and extent of such taking, and shall be obligated to continue to make the rental payments specified in Section 5.3 hereof. The Lessee hereby irrevocably assigns, transfers and sets over to the Construction Fund Trustee all its rights to any award on account of any taking of the Project or any part thereof. The County, the Lessee and the Mortgagees shall cause the Net Proceeds received by them or any of them from any award made in such eminent domain proceedings, to be paid to and held by the Construction Fund Trustee in an account subject to investment on the same terms and conditions as