

Lessor and the Mortgagee. Lessee will furnish to Lessor and the Mortgagee, forthwith upon the execution of this Lease and within 30 days of April 1 in each year commencing April 1, 1965, and at any time upon the Lessor's reasonable request, an Officers' Certificate containing a statement of the insurance effected by the Company pursuant to this Section and then in force, and stating that said insurance complies with the covenants in this Section.

ARTICLE 8

Mortgage Subordinated

The leasehold estate created by this Lease shall be a prior encumbrance to the lien of any mortgage now or hereafter placed upon the premises, including the Mortgage.

ARTICLE 9

Damage and Insurance Proceeds

9.1. *Restoration.* In the event of any material damage to or destruction of any Property or Properties, Lessee shall promptly give written notice thereof to Lessor and the Mortgagee generally describing the nature and extent of such damage or destruction. In case of any damage to or destruction of any Property or Properties, Lessee shall at its expense, whether or not the insurance proceeds, if any, shall be sufficient for the purpose, restore, repair, replace, rebuild or alter the same as nearly as possible to its value immediately prior to such damage or destruction, such restoration to be begun promptly and to be prosecuted diligently upon the terms and conditions set forth in Section 6.1 until the completion thereof.

9.2. *Purchase in Event of Destruction.* Notwithstanding the provisions of Section 9.1 hereof, in the event the improvements on any Property shall be destroyed or damaged to such an extent that Lessee's Executive Committee, in the good faith exercise of its judgment, deems it economically unsound to repair or restore the same, then Lessee shall have the right, in lieu of performance under

Section 9.1, to purchase such Property, at the Purchase Price determined in accordance with Section 6.4 as of the date of closing of such purchase, by giving notice in writing to Lessor within sixty (60) days after such damage or destruction. The closing of such purchase shall take place on the Instalment Date next occurring after the expiration of 30 days from the date of receipt by Lessor of such notice, subject to fulfillment of the conditions specified in clauses (i), (ii), (iii), (iv), (v), (vii), (ix) and (x) of Section 6.3, and subject to the further condition that Lessor shall have received a certified copy of a resolution of Lessee's Executive Committee making the determination specified above in this Section 9.2.

9.3. *Application of Insurance Proceeds.* All moneys paid to the Mortgagee or Lessor under policies of insurance pursuant to Article 7 of this Lease, by reason of the damage or destruction of any building or other improvement situated on the premises, less the actual costs, fees, and expenses, if any, incurred in connection with adjustment of the loss, shall be disposed of as follows:

(1) If Lessee undertakes to restore such buildings or other improvements, unless a default shall have occurred and be continuing under this Lease, the Mortgage, the Genesco Agreement or the Assignment, such moneys shall be applied to the payment of the cost of restoration and shall be paid out to Lessee from time to time as the restoration progresses upon the written request of Lessee to Lessor and the Mortgagee accompanied by an Officers' Certificate, dated not more than 30 days prior to such request, setting forth the following:

(i) that the sum then requested either has been paid, or is justly due to contractors, subcontractors, materialmen, engineers, architects or other persons who have rendered services or furnished materials necessary or appropriate for the restoration therein specified, and giving a brief description of such services and materials and the several amounts so paid or due to each of said persons in respect thereof, and stating that no part of such expenditures has been or is being made the basis for any previous or then pending request for the withdrawal of insurance money, and that the