

of Owner has a substantial financial interest or which controls or is controlled by Owner or any partner of Owner without the prior written consent of Company (Owner agreeing not to consummate or effect any such sale or conveyance without the prior written consent of Company), the Agreement shall continue in full force and effect and said purchaser shall be bound by all of the terms and provisions of the Agreement.

Section 7.04 Distribution of Proceeds of Sale, Refinancing, Insurance, Condemnation. The proceeds of any (i) sale of the Property by Owner in compliance with the provisions of Section 7.02, including, without limitation, any sale by Owner to Company under Section 7.02 or Section 8.02(d) of the Agreement, (ii) financing or refinancing of the Property which are not applied to the development or improvement of the Property or to the repayment of the Construction Loan or a Permanent Loan, (iii) insurance received by reason of damage or destruction to the Property, or a portion thereof, which are not applied to the repair or restoration of the Property, or (iv) condemnation award received by reason of a taking by eminent domain of any portion of the Property which are not applied to the restoration of the remaining portion of the Property or to the acquisition of additional real property in replacement of the portion of the Property so taken, shall, after the payment of all expenses incurred in connection with any such sale, refinancing, insurance payment or condemnation, including, without limitation, any costs and expenses incurred in satisfying Owner's obligations under the Permanent Loan and the Ground Lease and any legal fees, closing costs, and the like, be distributed to Owner and Company in the order of priority set forth in Section 7.04 of the Agreement.

#### ARTICLE VIII

##### COVENANTS OF OWNER; DEFAULT OF OWNER

Section 8.01 Covenants of Owner. Owner covenants as follows: