AGREEMENT. Each party shall defend and indemnify the other party and save the other party harmless from and against all claims and suits for damages to person or property from defects in material or workmanship or from the use of unskilled labor or from any negligence caused by such party, such party's contractors, subcontractors or by any of their employees, agents, or servants during the progress of the work in constructing the buildings on their respective tracts, or from any faulty construction thereof.

3.7 HARMONY. Each party acknowledges that it is in their mutual interest to design and construct MERCANTILE BUILDING and the buildings on DEVELOPER TRACT, respectively, in a harmonious exterior appearance and to be a part of an apparent unified shopping area and each agree to cooperate with the other to this end.

ARTICLE IV

CONSTRUCTION CONTRACTS AND CONSTRUCTION FINANCING

4.1 CONSTRUCTION CONTRACTS. Before the date set forth in Clause I (8) of Exhibit E, DEVELOPER shall deliver to MERCANTILE a certificate, signed and sealed by PROJECT ARCHITECT, in which PROJECT ARCHITECT certifies the cost of construction of the major components of the construction required of DEVELOPER by this AGREEMENT that the total construction cost of the construction required of DEVELOPER hereunder may be satisfied out of the proceeds of the construction loan required by 4.2.

4.2 CONSTRUCTION LOAN. Before the date set forth in Clause I (8) of Exhibit E, DEVELOPER will deliver to MERCANTILE a lender's acknowledgment of a construction loan commitment signed between DEVELOPER and either a construction lender acceptable to MERCANTILE or any institutional lender obligating the lender to advance funds to DEVELOPER in an amount and on a schedule which will enable DEVELOPER to pay the cost of construction of the site improvements and all buildings on DEVELOPER TRACT timely after such costs are incurred. MERCANTILE is not obligated hereunder to commence construction on MERCANTILE TRACT until DEVELOPER closes a