

Repair Work following (A) the receipt by Beneficiary of a written request from Trustor for disbursement and a certification by Trustor to Beneficiary that the applicable portion of Repair Work has been completed, (B) the delivery to Beneficiary of invoices, receipts or other evidence verifying the cost of performing the applicable portion of Repair Work, and (C) for disbursement requests in excess of \$10,000.00 with respect to any single Repair Work, or for any single Repair Work that is structural in nature, delivery to Beneficiary of (1) affidavits, conditional lien waivers or other evidence reasonably satisfactory to Beneficiary showing that all materialmen, laborers, subcontractors and any other parties who might or could claim statutory or common law liens and are furnishing or have furnished material or labor to the Trust Property have been, or upon receipt of the payment described in such affidavit or conditional lien waiver will have been, paid all amounts due for labor and materials furnished to the Trust Property, (2) a certification from an inspecting architect or other third party reasonably acceptable to Beneficiary describing the completed portion of the Repair Work and verifying its completion and value, and (3) a new (or amended) certificate of occupancy, or equivalent document, for the portion of the Improvements covered by such Repair Work, if said new certificate of occupancy is required by law, or a certification by Trustor that no new certificate of occupancy is required by law. Beneficiary shall not be required to make any such advances more frequently than one time in any calendar month. Beneficiary may, in any event, require that all plans and specifications for the Repair Work be submitted to and approved by Beneficiary prior to commencement of the Repair Work, which approval shall not be unreasonably withheld, delayed or conditioned. In no event shall Beneficiary assume any duty or obligation for the adequacy, form or content of any such plans and specifications, nor for the performance, quality or workmanship of any Repair Work. With respect to disbursements to be made by Beneficiary, no payment made prior to the final completion of the Repair Work shall exceed ninety percent (90%) of the value of the Repair Work performed from time to time; funds other than proceeds of insurance or the Award shall be disbursed prior to disbursement of such proceeds; and at all times, the undisbursed balance of such proceeds remaining in the hands of Beneficiary, together with funds deposited for that purpose or irrevocably committed to the satisfaction of Beneficiary by or on behalf of Trustor for that purpose, shall be at least sufficient in the reasonable judgment of Beneficiary to pay for the cost of completion of the Repair Work, free and clear of all liens or claims for lien. Any surplus which may remain out of the proceeds of insurance or Award held by Beneficiary after payment of the costs of the Repair Work shall be paid to Trustor or, if an Events of Default exists, shall in the sole and absolute discretion of Beneficiary, be retained by Beneficiary and applied to payment of the Debt or paid to the party or parties legally entitled to such surplus.

(vii) If Trustor delivers an Arbitration Notice to Beneficiary, Trustor and Beneficiary shall, within five (5) business days after Beneficiary's receipt of