

Beneficiary shall be authorized to settle the applicable claim for an amount not less than the settlement amount so selected without any further right of consent of Trustor.

(ix) Time shall be of the essence with respect to the performance of any and all rights and obligations under this Paragraph 4. The decisions of the arbitrator(s), if any, engaged under this Paragraph 4, shall be final and binding and may not be appealed to any court of competent jurisdiction or otherwise except upon a claim of fraud or corruption. All of the costs and expenses of the arbitrator(s), if any, engaged under this Paragraph 4, shall be the sole responsibility of Trustor.

(x) Notwithstanding anything to the contrary contained herein, the proceeds of insurance or Award disbursed to Trustor in accordance with the terms and provisions of this Deed of Trust shall be reduced by the reasonable costs (if any) incurred by Beneficiary in the adjustment and collection thereof and by the reasonable costs incurred by Beneficiary of paying out such proceeds (including, without limitation, reasonable attorneys' fees and costs paid to third parties for inspecting the Repair Work and reviewing the plans and specifications therefor).

(b) If Trustor undertakes the Repair Work, Trustor shall promptly and diligently, at Trustor's sole cost and expense and regardless of whether the insurance proceeds or Award, as applicable, shall be sufficient for the purpose, complete the Repair Work to restore the Trust Property as nearly as possible to its value, condition and character immediately prior to the Casualty or Taking in accordance with the foregoing provisions.

(c) Any partial reduction in the Debt resulting from Beneficiary's application of any sums received by it under this Paragraph 4 shall take effect only when Beneficiary actually receives such sums and elects to apply such sums to the Debt and, in any event, the unpaid portion of the Debt shall remain in full force and effect and Trustor shall not be excused in the payment thereof. Partial payments received by Beneficiary, as described in the preceding sentence, shall be applied against the Note consistent with the prepayment provisions described therein for casualty or condemnation proceeds.

5. Tax and Insurance Impound. Trustor shall pay to Beneficiary on the sixth (6th) day of each calendar month an amount equal to (a) one-twelfth of the Taxes that Beneficiary estimates will be payable during the next ensuing twelve (12) months in order to accumulate with Beneficiary sufficient funds to pay all such Taxes at least thirty (30) days prior to the earlier of the date on which the Taxes would become delinquent if not paid or the date on which penalties and/or interest would commence to accrue on the Taxes due to non-payment and (b) one-twelfth of the Insurance Premiums that Beneficiary estimates will be payable for the renewal of the coverage afforded by the Policies upon the expiration thereof in order to accumulate with Beneficiary sufficient funds to pay all such Insurance Premiums at least thirty (30) days prior to the expiration of the Policies (the fund into which said amounts provided