

with the "Initial Sale" or "Subsequent Sale", as hereinafter defined, if any, prior to the Maturity Date, or (\$5,725,000)].

(c) In the event Mortgagor sells (including any sale or other transfer pursuant to installment contract for sale or sale under articles of agreement), grants an option to purchase, leases under any master lease, enters into a lease for substantially all of the Mortgaged Property or any such lease which includes any option to purchase the Mortgaged Property, exchanges, assigns, conveys, further encumbers, hypothecates or otherwise transfers the Mortgaged Property and/or any part or interest, in the Mortgaged Property, or any general or limited partner of Mortgagor transfers, assigns or hypothecates any partnership interest in the Mortgagor or Mortgagor creates any additional partnership interest in the Mortgagor, directly or indirectly, or Mortgagor is terminated, liquidated or dissolved, or any general partner of Mortgagor is removed or a general partner is added (the "Initial Sale"), Mortgagor (or in the event of a "Subsequent Sale" (as hereinafter defined) the subsequent owner of the Mortgaged Property) upon the consummation of any such transaction shall be obligated to pay to Mortgagee upon the consummation of the "Initial Sale" or "Subsequent Sale," in cash, as Additional Interest then due to Mortgagee under this Note, the "Sale Interest" which shall be computed in the same manner as the Appraised Value Interest, substituting the Sale Price for the Appraised Value in the calculations set forth above; provided, however, that in the case of each Subsequent Sale which is calculated pursuant to subparagraph 1.1(b)(1), the amount of the Sale Interest then due and payable shall be reduced by the aggregate amount of Sale Interest previously paid to Mortgagee in connection with the Initial Sale and all Subsequent Sales prior thereto.

(1) In the case of any Initial Sale or Subsequent Sale in which the Mortgaged Property is not sold in its entirety, the Sale Price for the portion sold or otherwise transferred shall be determined by the appraisal procedures described above for determining Appraised Value at the Maturity Date. In such event, the appraiser shall determine what percentage of the Mortgaged Property is then being sold or otherwise transferred (the "Percentage"), and the amount of Sale Interest then due and payable by Mortgagor to Mortgagee shall be calculated as follows:

Sixty percent (60%) of the [Sale Price minus the greater of (the Percentage times the most recent Sale Price, if any, prior thereto, during the term hereof), or (the Percentage times \$5,725,000)].

(2) For purpose of this paragraph: (i) the term "Sale Price" shall be defined as all consideration paid for the sale (including the stated purchase price, cash, any indebtedness assumed and/or to which the Mortgaged Property is then subject, interest on any deferred portion of the purchase price, and the value of any and all other consideration, direct or indirect, and whether paid to Mortgagor or to any other person or party), but excluding prorations and reasonable selling expenses, including, but not limited to, title charges, survey costs, escrow charges, transfer taxes and reasonable and customary independent third party brokerage commissions; and (ii) the term "Subsequent Sale" shall mean the following transfers by any subsequent owners of the Mortgaged Property, or Mortgagor (after regaining title to the Mortgaged Property subsequent to the Initial Sale) until all sums due and payable hereunder have been paid in full: (1) any transaction which constitutes an Initial Sale; or (2) sale, conveyance, assignment, or creation of a security interest in or other transfer or hypothecation of any general or limited partnership interest, in any subsequent owner, should such subsequent owner be a partnership;