



SCHEDULE B

(FORM OF FIRST MORTGAGE NOTE)

No.

\$

HERTZ REALTY CORPORATION

10 5/8% FIRST MORTGAGE NOTE

Due December 29, 1990

HERTZ REALTY CORPORATION, a Delaware corporation (herein called the "Company"), for value received, hereby promises to pay to or registered assigns, on December 29, 1990, as herein provided, the principal sum of Dollars (\$.....) and to pay interest on the unpaid principal amount hereof from the date of this Note to maturity at the rate of 10 5/8% per annum, and to pay interest on any overdue principal and premium and, to the extent permitted by law, on any overdue interest, at the rate of 12% per annum, in each case computed as if each calendar year consisted of 360 days and each full calendar month consisted of 30 days. Such principal, premium, if any, and interest shall be payable upon presentation of this Note at the principal office of The First National Bank of Chicago, a national banking association (herein called the "Trustee"), located at One First National Plaza, Chicago, Illinois, the Trustee under the Indenture of Mortgage and Deed of Trust, dated as of December 10, 1970 (herein, together with any supplements and amendments thereto, called the "Indenture"), from the Company to the Trustee and John J. Howley, as Trustees, or at the office of its successor as such Trustee, in lawful money of the United States of America, in eighty equal quarterly installment payments of principal and interest each in the amount of Dollars (\$) payable on the 29th day of each March, June, September and December thereafter to and including September 29, 1990; with a final installment on December 29, 1990 in an amount equal to the entire principal and interest remaining unpaid as of said date.

Each such installment payment, when paid, shall be applied, first, to the payment of interest accrued to and including the date fixed for payment on the unpaid principal amount of this Note, and the balance thereof to payment on account of the principal hereof. Upon any partial prepayment of this Note, said installment payments shall be reduced as provided by the Indenture.

This Note is one of the Company's Secured Notes (herein called the "Secured Notes") which are equally and ratably secured by the Indenture with Supplementary Notes of the Company which may be issued pursuant to the Indenture (the Secured Notes and said Supplementary Notes being herein collectively called the "Notes"). Reference is hereby made to the Indenture for a description of the property thereby mortgaged, conveyed, assigned, affected and specially hypothecated, the nature and extent of the security for the Notes, the rights of the holders of the Notes, the Trustee and the Company in respect of such security and otherwise and the terms upon which the Notes are to be authenticated and delivered. As provided in the Indenture, the aggregate principal amount of Notes which may be issued thereunder (exclusive of Supplementary Notes) shall not exceed \$1,898,010.

The principal of this Note is subject to prepayment by the Company from time to time, in the manner and under the circumstances set forth in the Indenture, in whole or in part, at a price equal to 100% of the principal amount hereof to be prepaid plus accrued and unpaid interest thereon to the date fixed for prepayment, together with the premium, if any, provided for in the Indenture upon such prepayment.

The terms and provisions of the Indenture and the rights and obligations of the Company and the rights of the holders of the Notes may be changed and modified to the extent permitted by and as provided in the Indenture.

B-1