

or by a deed or assignment in lieu of foreclosure, in lieu of "Debt Service on the Permanent or Construction Loan," the payment priority schedule provided in Section 8 above shall include a deduction or retention by Successor Owner of a sum equal to the payment of principal and/or interest which would have been payable to the Mortgagee each month under the amortization schedule which was in effect at the time of the Foreclosure Date (or the deed or assignment in lieu of foreclosure). Further, at the time when the right to "call" the mortgage loan would have matured had there been no foreclosure, (i.e., the right to demand payment of the entire remaining principal balance plus all accrued interest, as provided in the Mortgage or note secured thereby), the Successor Owner shall have the option to adjust the amount to be deducted or retained in lieu of debt service to the amount of the monthly payments which would be required to amortize a new loan for the principal balance then outstanding under the old amortization schedule together with any advances made by Mortgagee to protect its security under the terms of its Mortgage (if and to the extent that the payments of principal and interest had been made under the old amortization schedule and disregarding the fact that the actual Mortgage may have been satisfied in the foreclosure proceedings). For purposes of determining the terms of this hypothetical loan, the interest rate will be the market rate then available from an institutional lender for a financing or refinancing of the Private Sector portion of the Project as it then exists, for a term of twenty (20) years, on a full payout basis.

In addition, after the Foreclosure Date (or the deed or assignment in lieu of foreclosure), Successor Owner shall be required to make only the payments set forth in subsections a, b (modified above), c, f(i) and h(ii) of Section 8 of this Agreement, plus any accrued and unpaid Transferee Rental Payments (hereinafter defined), and to reimburse City for its costs incurred in curing non-monetary defaults, as provided in Section 10. Successor Owner shall not be required to make any other

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