

AYLESBURY PROPERTIES, INC.

INDENTURE OF MORTGAGE AND DEED OF TRUST (hereinafter, together with any indentures supplemental hereto, termed this "Indenture"), dated as of the 1st day of December, 1965 made by and between AYLESBURY PROPERTIES, INC. (the "Company"), party of the first part, and FIDELITY UNION TRUST COMPANY, a banking corporation of the State of New Jersey, having its principal office and place of business at 765 Broad Street, Newark, New Jersey (the "Trustee") and H. G. Horner of Allenhurst, New Jersey (the "Individual Trustee") as Trustees (collectively the "Trustees"), parties of the second part:

WHEREAS, the Company is authorized by law and deems it necessary to borrow money for its proper corporate purposes, to issue its notes therefor and to mortgage its properties hereinafter described or mentioned in order to secure the payment thereof and, to that end, in the exercise of such authority, the Board of Directors and the stockholders of the Company have duly authorized the execution and delivery of this Indenture to provide for notes to be issued hereunder from time to time limited to the total aggregate principal amount of One Million Four Hundred Fifty Thousand Dollars (\$1,450,000) to be known and designated as its Series A 5 1/4% Mortgage Notes and its Series B 5 3/8% Mortgage Notes (herein together with all outstanding notes at any time delivered pursuant to the provisions of this Indenture, collectively termed the Notes), to secure the payment of the principal of, and the interest and premium, if any, on the Notes and to establish and declare the terms and conditions upon which the Notes to be issued and secured, which Notes shall be in such form and issuable as in this Indenture hereinafter provided; and

WHEREAS, the Notes are to be substantially in the following form respectively, with such omissions, insertions and variations as are in this Indenture provided or permitted:

[FORM OF NOTE]

\$

AYLESBURY PROPERTIES, INC.
Series _____ % Mortgage Note
Due January 1, 1991