

**Fixed by market value.**

Commencing \_\_\_\_\_ [year], lessee shall pay to lessors annual rentals for premises based upon the fair market value of ground and party wall rights, to be determined and redetermined then and every 15 years hereafter during the entire term hereof, in the manner following, that is to say: On or before May first next preceding any new 15-year period, namely, on or before the

- First day of May, [year]
- First day of May, [year]
- First day of May, [year]
- First day of May, [year], etc.

the parties hereto may determine the fair market value of ground and party wall rights by agreement in writing, and in the event of the failure so to agree in writing by May first of any of such years, such market value shall be established by appraisal. In such case and for each of such periods that value is not so determined by agreement in writing, each of the parties hereto shall appoint a disinterested appraiser not related to either of the parties by consanguinity or affinity, and who shall have knowledge and experience relative to the values of business real estate in the city of \_\_\_\_\_, and notice of such selection by each party shall be given to the other on or before May 10th of such year, and the two so selected shall on or before 10 days next thereafter appoint a third appraiser of like qualifications and noninterest, who shall act as chairman of the board. Such appraisers shall then immediately proceed and appraise the then market value of such ground and party wall rights and report the same in writing to the parties hereto, on or before June 30th of any such year. Such report, whether unanimous or by majority, shall be final and binding upon the parties hereto as to the market value of such premises and party wall rights, and shall be the basis of rents to be paid hereunder for the 15-year period commencing on July first next thereafter.

The annual rentals for the 15-year period then to be paid, beginning on the first day of July of such year, shall be \_\_\_\_\_% net upon such market value as shall have been determined either by such written agreement of the parties (if they have so agreed) or by appraisal as herein provided (if they have not so agreed), and the same shall be payable in equal monthly instalments in advance; provided, however, that in no event shall such annual rentals be less than \$\_\_\_\_\_ net to the lessors, nor less than the amount of annual rentals paid for the 15-year period then ending, it being the intention of the parties hereto that for the full period of this leasing, commencing July 1, [year], the lessee shall pay to the lessors an annual rental equal in amount to \_\_\_\_\_% net of the fair market value of such ground and party wall rights, as determined every such 15 years; and in no case, and for no year, shall such rentals so paid be less than \$\_\_\_\_\_ net, or less than the maximum net sum previously paid in any one year for such rentals. Each party hereto shall pay one-half of the cost of such appraisal.

In the event that for any reason, whether through failure to appoint appraisers or failure of the appraisers to act, no report of such fair market value is made within the time or times respectively as provided herein, either party may apply to any court having jurisdiction of such cases, to the end that the fair market value as contemplated shall at the different periods be determined and no appraisal shall be invalid by reason of having been delayed or not having been made within the time or times respectively as herein provided, and whenever so delayed, the same shall be effective and binding upon the parties as to the rentals to be paid by the lessee to the lessors commencing on the date that a new rental basis shall begin according to the terms hereof. The cost of such proceeding shall be borne and paid by the party hereto whose neglect or default has made such proceeding necessary or as to the court before whom such proceeding is had it shall appear equitable.