SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) July 2, 2002

CEDAR INCOME FUND, LTD.

(Exact name of registrant as specified in charter)

Maryland	0-14510	42-1241468
(State or other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

44 South Bayles Avenue, Port Washington, New York	11050
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (516) 767-6492

(Former name or former address, if changed since last report)

Item 2. Acquisition or Disposition of Assets

Purchase of Loyal Plaza Shopping Center, Williamsport, PA

On July 2, 2002, pursuant to an assignment under the Purchase Agreement entered into by and between Cedar Income Fund Partnership, L.P. (the "Operating Partnership"), of which Cedar Income Fund, Ltd. (the "Company") is the managing general partner, and Loyal Plaza Venture, L.P. dated January 7, 2002, as subsequently amended, Loyal Plaza Associates, L.P. (hereinafter "Loyal Plaza L.P." or "Purchaser"), a Delaware limited partnership formed by CIF-Loyal Plaza Associates L.P., a Delaware limited partnership, the partners of which are a wholly-owned affiliate of the Company as general partner, and Kimco Preferred Investor IV Trust ("Kimco Trust"), a Pennsylvania business trust as limited partner, purchased the Loyal Plaza Shopping Center, 1915 East Third Street, Loyalsock (Williamsport), Lycoming County, Pennsylvania (the "Property"), from Loyal Plaza Venture, L.P., an affiliate of Glimcher Properties Limited Partnership of Columbus, Ohio. The purchase price, exclusive of closing costs, was $18,300,000. Closing costs were approximately $985,540. Loyal Plaza L.P. purchased the property subject to a first mortgage, the balance of which as of the closing date was $13,877,087. The purchase price and other terms of the transaction were negotiated with third parties on an arm's length basis. The Company commissioned and received an independent certified appraisal from Integra Realty Resources - Philadelphia of Philadelphia, Pennsylvania, for the property at a value in excess of the purchase price.

The existing first mortgage loan on the property with Lehman Brothers Bank, FSB, carries an interest rate of 7.18%, an amortization schedule of 30 years and matures in June 2011. Annual debt service is approximately $1,138,091. Prepayment of that mortgage requires a "defeasance" ("make whole") deposit equal generally to the amount in government securities or other acceptable securities which will not result in a downgrading, withdrawal or qualification of the

ratings of the rating agencies in effect for the loan, and which will generate amounts equal to or greater than the payments required by the loan agreement for the remaining period of the loan.

The total cash requirements, including the purchase price above the first mortgage balance plus closing costs, were approximately $5,410,000. Of the cash requirements at closing, Kimco Trust funded $4,000,000. The Company funded or will have funded approximately $1,410,000. The source of funds for this purchase was cash on deposit in the Company's operating accounts.

Cedar Bay Realty, Advisors, Inc. ("CBRA"), the investment advisor to the Comapny and the Operating Partnership, wholly-owned by Leo S. Ullman, Chairman and President of the Company, will receive our acquisition fee of $183,000 (1% of the purchase price in accordance with the Administrative and Advisory Agreement, as amended, currently in effect between the Company and CBRA), which will be paid by the Company out of available cash flow.

The Company intends to continue to operate the property as a shopping center.

The Loyal Plaza Shopping Center has approximately 293,000 sq. ft. of gross leaseable area. Its principal tenants include K-Mart (approximately 103,000 sq. ft) (see below), Giant Food Stores (approximately 67,000 sq. ft.), and a free-standing Eckerd drug store (approximately 11,000 sq. ft.). The estimated gross rental income for the Property, annualized for the year 2002, is approximately $2,277,000 excluding any rent for Family Toy Warehouse (which vacated the premises in May and paid rent only through that month) (see below). The projected net operating income for 2002 (again excluding Family Toy Warehouse for the entire year) is approximately $1,657,000.

CIF-Loyal Plaza Associates, L.P. (the "CIF Entity") is the sole general partner responsible for managing the affairs of the partnership and making all decisions relevant thereto except when consent of Kimco Trust is required. Those actions requiring Kimco Trust's consent ("Major Decisions") include sale or (re)financing of the Property, change of major accounting policies, expenditures substantially in excess of agreed annual budgets, additional capital contributions, leases outside agreed leasing parameters, filing a petition in bankruptcy, and the like.

Management of the shopping center will be vested with Brentway Management LLC, an affiliate of the Company. The management company will be entitled to standard arm's length fees for property management, leasing and construction management. Brentway Management is owned by Leo S. Ullman and Brenda Walker, directors and officers of the Company.

The Company's indirect ownership interest, range from 25% initially to a 50% residual interest as sole general partner of Loyal Plaza L.P.

The Loyal Plaza L.P. partnership agreement provides essentially that Kimco Trust will be entitled to receive an amount which accrues on its capital contributions as a "preferred return" of 12%, after which the CIF Entity will be entitled to receive an amount which accrues on its capital contributions as a "preferred return" of 10%; thereafter, any excess cash flow is divided 70% to Kimco Trust and 30% to the CIF Entity. In the event of a "capital transaction" (sale or refinancing, for example) the initial proceeds of such transaction after repayment of third party debt shall be distributed as follows: first to repayment of "default capital contributions", as described below, then to "additional capital contributions", next to Kimco Trust until its initial capital contribution is reduced to zero, then to Kimco Trust until it achieves a 14% internal rate of return ("IRR"), then to the CIF Entity until its capital contribution balance is reduced to zero, then until it receives a 14% IRR, and then in accordance with the residual sharing ratio (50% - 50%).

The effect of the preferred internal rate of return arrangements with Kimco Trust will expose the Company's contributed capital in the event of a capital transaction to cover any shortfall in Kimco Trust's rate of return. There will not be any exposure beyond the potential inability of the CIF Entity to realize repayment of such contributed amounts (and any undistributed income). Management believes, based on its income projections, that, absent unforeseen negative results for the shopping center, such as a prolonged vacancy of a substantial portion of the shopping center, for example, and/or a dramatic reduction in rents, the shopping center, if sold or refinanced, should generate sufficient funds to pay such preferred returns.

Each partner shall be required to make additional contributions in proportion to their respective sharing ratios (initially 75% for Kimco Trust and 25% for the CIF Entity) if approved by the partners for the conduct of the partnership's business. The failure by a partner to make any additional capital contributions will not give rise to recourse by one partner against another except as otherwise provided generally in the agreement, as further described below.

If one partner fails to make any portion of the required additional contributions, any funds advanced by the other partner to cover the portion which is in default will constitute a loan to the defaulting partner for a period of 10 years at the lesser of the maximum lawful rate of interest or prime plus 4%. The obligation of a defaulting partner will be secured by a security

interest in the defaulting partner's partnership interest in favor of the non-defaulting partner.

In the event a capital call is required for the partnership, and in the event Kimco Trust funds an amount greater than its proportionate ownership interest in the Property, any such contributed funds will have a "super" priority, and will thus be due before any preferred returns to the partners. If the CIF Entity fails to make additional capital contributions in excess of $300,000, its residual sharing ratio will be automatically reduced to 35% (and Kimco Trust's increased to 65%). For every $2,000 in additional capital contributions beyond $300,000 which the CIF Entity fails to fund, the CIF Entity's residual sharing ratio will be decreased by 0.1% (and Kimco Trust's residual sharing ratio increased by a corresponding amount), but in no event shall the CIF Entity's residual sharing ratio be reduced ("crammed down") to a percentage of less than 25%. If the unpaid capital contributions of the CIF Entity equals or exceeds $600,000 (i.e. Kimco Trust contributes in excess of $2,400,000 and the CIF Entity fails to contribute at least $600,000), Kimco Trust shall have the right to purchase the CIF Entity's interest as described below.

In the event the CIF Entity, management or the management company commits certain egregiously harmful acts to the detriment of the partnership and the Property, and without the consent of Kimco Trust, then Kimco Trust shall have the right to remove the CIF Entity. Those acts, if reasonably determined by Kimco Trust to have occurred, include certain criminal acts, misapplication of funds, certain fraud, misrepresentation, gross negligence or willful misconduct, bankruptcy of the CIF Entity, failure of the CIF Entity to make additional capital contributions so that its unpaid capital contributions exceed $600,000 and Major Decisions made without Kimco Trust's consent. The CIF Entity has at least 30 days to cure or commence to cure those actions asserted by Kimco Trust against the CIF Entity which are in fact capable of being cured.

In the case of such removal event, Kimco Trust shall have the right to purchase the CIF Entity's interest for an amount equal to the lesser of the fair market value less imputed closing costs, or the unreturned capital contributions of the CIF Entity less damages and costs incurred by the partnership. The existence of removal events and values, if unagreed, shall be determined by arbitration.

If the CIF Entity is removed as general partner, then the partnership may also terminate the management agreement with Brentway.

Either party shall have the right after June 30, 2007 to initiate a procedure for offering the Property for sale for amounts in excess of any debt secured by the Property plus unreturned capital contributions, or to initiate a "buy-sell" option.

The largest tenant at the shopping center is K-Mart, with a store of approximately 103,000 sq. ft. Its annual base rent is approximately $280,000, and its contribution to common area maintenance charges, real estate taxes and insurance costs is approximately $75,000, which, in turn, may be offset against its percentage rent payments. K-Mart has filed for protection under the bankruptcy laws and, while having disaffirmed a large number of leases and closed a substantial number of stores throughout the country, K-Mart has continued to operate the store at Loyal Plaza and has not disaffirmed this lease. That store has been in existence for approximately 26 years. In the event K-Mart should close this store, management believes that it will be able to improve substantially on the rental income for such premises. However, the cost of redeveloping the premises for other tenants, which may include demolition and substantial new building, plus lost rents pending such re-leasing and payment by one or more new tenants of sufficient rents, plus leasing commissions, may require substantial additional funds in excess of funds available to Loyal Plaza L.P. or the Company.

Family Toy Warehouse, a junior anchor tenant at the shopping center, had occupied a 20,000 sq. ft. store premises until May 2002 at which time it vacated the premises. Its rent for the premises has been approximately $6.75 per sq. ft. ($135,000 per annum, increasing to $140,000 as of 10/1/02); its contribution to common area maintenance, real estate taxes and insurance, expenses was approximately $37,000 per year. It has filed a petition in bankruptcy, and petitioned the court for disaffirmance of its lease at Loyal Plaza. That petition was granted and so ordered effective June 25, 2002. Management estimates that the cost of re-finishing the Family Toy Warehouse into a standard fit-out for a new tenant will be approximately $300,000. The Loyal Plaza L.P. partnership agreement provides that Kimco Trust will fund an additional $300,000 for re-tenanting of the Family Toy Warehouse space. Any funds expended for that purpose will be treated as additional contributions by Kimco Trust entitled to the same rates of preferred returns and "look-back" internal rates of return as and when funded as the original $4,000,000 funded at the closing.

With the exception of the Family Toy Warehouse status as described above, the only existing vacancies in the center consist of two 2,000 sq. ft. store premises. (Management believes it will be able to lease the 4,000 sq. ft. premises promptly and has already submitted proposals with respect thereto). Accordingly, the Property, taking into account the Family Toy Warehouse vacant space, is approximately 92% leased.

There are certain environmental contamination matters which affect the Property. Those matters have been extensively reviewed by EMG of Baltimore, Maryland for Lehman Brothers Bank, FSB as lenders on the property; and in a Phase I report dated January 31, 2002, prepared by Brinkerhoff Environmental Services, Inc., retained by the Company. Additional reports have been prepared for the sellers by Civil and Environmental Consultants, Inc. of Pittsburgh, Pennsylvania.

The two principal matters here involved are (i) certain petroleum-impacted soil at the newly-built, free-standing Eckerd drug store building on an outparcel of the property; and (ii) a concentration of dry cleaning solvents, tetrachloroethene (PCE) and trichloroethene (TCE), at levels in excess of amounts permitted by the Pennsylvania Department of Environmental Protection (PADEP).

The Company has been advised by its environmental consultants that the Eckerd site remediation should be essentially completed with no further problems and that no remediation should be required with respect thereto. The sellers have proposed a program to institute certain engineering and property controls at the site, using the Eckerd building and parking lot as a "cap" and creating a deed restriction to prohibit consumption of groundwater on the Property. There will also be additional investigations through air quality checks, monitoring wells, collection of additional hydrogeologic data, etc. An "attainment" monitoring program will be instituted to demonstrate the effectiveness of the "cap". The time periods contemplated for the Eckerd site remediation, as proposed to PADEP could take until March 2003 in its normal course. The Company has been advised by its consultants that they would expect a "No Further Action" letter to be issued by PADEP in due course.

With respect to the chlorinated solvents, PCE and TCE concentrations above the PADEP Soil Cleanup Criteria were found in soil sampling results at or near the former coin laundry and dry cleaning establishment then-operated by Norge Village, Inc. at the premises presently leased to Advanced Auto Parts. In addition to the soil contamination, groundwater sampling has indicated that PCE, TCE and dichloroethene (DCE) are in fact present at levels above the PADEP's Groundwater Quality Standard. The dry cleaning solvent contamination in the groundwater appears to have migrated in a southerly direction with the groundwater flow to East Third Street and perhaps offsite beyond East Third Street.

The Company has been advised that it does not appear that there is any groundwater use as a potable water source downgradient of the site. The land development downgradient of the site is predominantly commercial and the area is serviced by public-supplied water.

Based on sampling data provided in the draft work plan submitted to PADEP by the seller's environmental consultants, it appears that the highest level of chlorinated compound detected at the downgradient edge of the Property was 84 parts per billion (ppb). The Company's consultants have advised the Company that, based on such concentration, it is not likely the downgradient water body will be affected by the discharge.

Pending further completion of vertical delineation at the site, which will be required before the PADEP will approve any remedial plan for the site (including a natural attenuation program), the Company's consultants have advised that given the relatively low concentration of PCE, extensive impact to the lower portion of the aquifer is not anticipated. The Company has been advised that based on the data received to date, it would expect a "No Further Action" letter for the soil relevant to the chlorinated solvent contamination at the former dry cleaning site, and that if the groundwater contaminant levels stay consistent with sampling events to date, the amount of $450,000 (see discussion below), should be sufficient to complete delineation and any necessary sampling and reporting for a natural attenuation program. They have further advised that it does not appear that PADEP will require active groundwater remediation.

Under the loan agreement documents between Glimcher Realty Limited Partnership and Lehman Brothers Bank, FSB, the sellers had maintained an escrow deposit of $450,000 for clean-up and testing of environmental contamination at the site. Pursuant to the purchase agreements for the purchase of the Property by Loyal Plaza L.P., seller will remain liable for all costs up to and including a satisfactory "Release of Liability" letter issued by PADEP with respect to all such contamination at the Property. Pursuant to the purchase agreement, the sellers have also increased the environmental escrow deposit to $950,000. Further, in the event that the escrows are insufficient to cover all required

testing and remediation, sellers have undertaken to expend any and all monies required to complete such testing and remediation including monitoring, etc. without limits as to time. The Company has obtained opinion of counsel to the effect that an anticipated "Release of Liability" letter from the PADEP will operate to relieve the new owner of any further liability for remediation of the site under Pennsylvania environmental statutes or for any contamination identified in reports submitted to and approved by PADEP and shall not be subject to citizens' suits or other contribution actions.

The above descriptive purchase and partnership arrangements and related matters with respect to the Loyal Plaza acquisition are subject to the actual terms set forth in the attached Exhibits.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(a) Financial statements of the property acquired will be filed separately.
(b) Pro Forma financial information relative to the acquired property will be filed separately.
(c) Exhibits

The following exhibits are included herein:

(10.1) Agreement to Purchase Real Estate by and between Loyal Plaza Venture, L.P. and Cedar Income Fund Partnership, L.P. dated January 7, 2002; First Amendment to Agreement to Purchase Real Estate by and between Loyal Plaza Venture, L.P. and Cedar Income Fund Partnership, L.P. dated February 22, 2002; Second Amendment to Agreement to Purchase Real Estate by and between Loyal Plaza Venture, L.P. and Cedar Income Fund Partnership, L.P. dated February 24, 2002; Third Amendment to Agreement to Purchase Real Estate between Loyal Plaza Venture, L.P. and Cedar Income Fund Partnership, L.P. dated March 1, 2002; Fourth Amendment to Agreement to Purchase Real Estate by and between Loyal Plaza Venture, L.P. and Cedar Income Fund Partnership, L.P. dated March 8, 2002; Fifth Amendment to Agreement to Purchase Real Estate by and between Loyal Plaza Venture, L.P. and Cedar Income Fund Partnership, L.P. dated March 13, 2002; Sixth Amendment to Agreement to Purchase Real Estate by and between Loyal Plaza Venture, L.P. and Cedar Income Fund Partnership, L.P. dated March 15, 2002; and Seventh Amendment to Agreement to Purchase Real Estate by and between Loyal Plaza Venture, L.P. and Cedar Income Fund Partnership, L.P. dated March 22, 2002 (collectively, the "Purchase Agreement");

(10.2) Agreement to Assign Agreement between Cedar Income Fund Partnership, L.P. as Assignor to Loyal Plaza Associates, L.P. as Assignee, made by and between Assignor and Loyal Plaza Venture, L.P. dated June __, 2002;

(10.3) Limited Partnership Agreement of Loyal Plaza Associates, L.P. between CIF-Loyal Plaza Associates, L.P. and Kimco Preferred Investor IV Trust dated June 28, 2002;

(10.4) Limited Partnership Agreement of CIF-Loyal Plaza Associates, L.P. by and among CIF-Loyal Plaza Associates, L.P. and Cedar Income Fund Partnership, L.P. dated as of June 28, 2002;

(10.5) Open-End Mortgage and Security Agreement in the amount of $14 million (Original Mortgage) by Loyal Plaza Venture, L.P. (Borrower) and Glimcher Loyal Plaza Tenant, L.P. (Tenant) (collectively referred to as Mortgagor) to Lehman Brothers Bank, FSB (Lender) dated May 31, 2001;

(10.6) Loan Assumption and Modification Agreement by and among Loyal Plaza Associates, L.P. (Assuming Borrower), Cedar Income Fund, Ltd. (Assuming Principal), Loyal Plaza Venture, L.P. (Original Borrower), Glimcher Properties Limited Partnership (Glimcher) and Glimcher Loyal Plaza Tenant, L.P. (Tenant), in favor of LaSalle Bank National Association (Trustee) and LB-UBS Commercial Mortgage Trust 2001-C3 (Lender) dated as of July 2, 2002;

(10.7) Allonge to Note for LaSalle Bank National Association (Trustee) for LB-UBS Commercial Mortgage Trust 2001-C3 (Lender) as owner of that certain Note dated May 31, 2001 (Note) evidencing a loan (Loan) in the original principal amount of $14 million made by Loyal Plaza Venture, L.P. (Original Borrower in favor of Lehman Brothers Bank, FSB (Original Lender) dated July 2, 2002;

(10.8) Substitution of Indemnitor and Assumption of Obligations of Indemnitor by and among Cedar Income Fund Partnership, L.P./Cedar Income Fund, Ltd. (Assuming Principal), Loyal Plaza Associates, L.P. (Assuming Borrower), Glimcher Properties Limited Partnership (Glimcher), Glimcher

Loyal Plaza Tenant, L.P. (Tenant) and Loyal Plaza Venture, L.P. (Original Borrower) and LaSalle Bank National Association (Trustee) for LB-UBS Commercial Mortgage Trust 2001-C3 dated as of July 2, 2002;

(10.9) Assignment and Assumption of Leases by and between Loyal Plaza Venture, L.P. and Loyal Plaza Associates, L.P. dated as of July 2, 2002;

(10.10) Consent and Subordination of Property Management Agreement by and between Loyal Plaza Associates, L.P. (Assuming Borrower) and Brentway Management LLC (Manager) in connection with a certain loan (Loan) in the original principal amount of $14 million, made by Lehman Brothers Bank, FSB (Original Lender) and assigned to LaSalle Bank National Association (Trustee) of LB-UBS Commercial Mortgage Trust 2001-C3 (Lender) on that certain Loan originally made to Loyal Plaza Venture, L.P. and more particularly described in that certain Open-End Mortgage and Security Agreement dated May 31, 2001, given by Original Borrower and Glimcher to Original Lender and assigned to Lender (Mortgage) of said Property dated June ___, 2002;

(10.11) Property Management Agreement [Loyal Plaza] by and between Loyal Plaza Associates, L.P. and Brentway Management LLC dated as of June ___, 2002;

(10.12) Special Warranty Deed between Loyal Plaza Venture, L.P. as Grantor and Loyal Plaza Associates, L.P. as Grantee dated as of July 2, 2002;

(10.13) Post Closing Agreement regarding the Assumption by Loyal Plaza Associates, L.P. (Assuming Borrower) of that certain Loan evidenced by that certain Note dated May 31, 2001 payable by Loyal Plaza Venture, L.P. (Original Borrower) to Lehman Brothers Bank, FSB (Original Lender) as secured by that certain Open-End Mortgage and Security Agreement of even date to Glimcher Loyal Plaza Tenant, L.P. (Mortgage) currently held and owned by LaSalle Bank National Association (Trustee) of LB-UBS Commercial Trust 2001-C3 (Lender) dated July 2, 2002;

(10.14) Administrative and Advisory Agreement dated April 2, 1998, between Cedar Bay Realty Advisors, Inc. and the Company. Incorporated by reference as Exhibit 3.4 to Form 10-K for the year ended 1998 ("1998 10-K");

(10.15) Assignment of Administrative and Advisory Agreement dated April 30, 1999, between Cedar Income Fund, Ltd. and Cedar Income Fund Partnership, L.P.; Amendment of Administrative and Advisory Agreement dated August 21, 2000, between Cedar Income Fund Partnership, L.P. and Cedar Bay Realty Advisors, Inc.; Second Amendment of Administrative and Advisory Agreement dated August 21, 2000, between Cedar Income Fund Partnership, L.P. and Cedar Bay Realty Advisors, Inc.; and Third Amendment of Administrative and Advisory Agreement dated as of January 1, 2002, between Cedar Income Fund, Ltd. and Cedar Bay Realty Advisors, Inc. (collectively, the "Advisory Agreement"). Incorporated by reference as Exhibit 10.3 to Form 10-K for the year ended 2001 ("2001 10-K"); and

(99) Press Release issued by Cedar Income Fund, Ltd., regarding purchase of Loyal Plaza Shopping Center, Williamsport, Pennsylvania, dated July 2, 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

CEDAR INCOME FUND, LTD.

By: /s/ Leo S. Ullman

Leo S. Ullman
Chairman

Dated: July 15, 2002

AGREEMENT TO PURCHASE REAL ESTATE

In consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, this Agreement to Purchase Real Estate ("Agreement") is entered into by and between LOYAL PLAZA VENTURE, L.P. ("Seller"), having offices at 20 South Third Street, Columbus, Ohio 43215, and CEDAR INCOME FUND PARTNERSHIP, L.P. (together with its successors and assigns, "Purchaser"), a Delaware limited partnership, having offices at c/o Cedar Bay Realty Advisors, Inc., 44 South Bayles Avenue, Port Washington, New York 11050, this 7th day of January, 2002.

W I T N E S S E T H :

1. PREMISES. At the price and upon the terms, conditions, and provisions herein contained, Seller agrees to sell and convey to Purchaser, and Purchaser agrees to purchase from Seller, all of Seller's right, title and interest in and to the shopping center known as LOYAL PLAZA, LOYALSOCK, PENNSYLVANIA, legally described in the Exhibit "A" attached hereto and made a part hereof, and depicted as the "Property" on the Exhibit "B" attached hereto and made a part hereof, including without limitation, the real estate upon which such shopping center is located, together with all right, title and interest of Seller in any way belonging to or pertaining to or running with the real properties, all easements, rights of way and other rights in property abutting, adjacent, contiguous to or adjoining the real property and all condemnation awards in respect of the real property (collectively, the "Real Property"), all tangible and intangible personal property, contracts, leases, licenses, permits, certificates of occupancy and other contractual rights, and trade names and trade marks, plans, specifications, warranties, guaranties, manuals, drawings, and any other items of Seller used by Seller in the ownership, development, use, operation, leasing and management of the shopping center and the real property associated with the shopping center (collectively, the "Personal Property") (the Real Property and the Personal Property are collectively referred to herein as the "Property"). A portion of the Real Property is ground leased by Seller pursuant to that certain ground lease more particularly described in the Schedule I attached hereto and made a part hereof ("Ground Lease"). Seller's interest in the Ground Lease will be assigned to Purchaser at Closing.

2. PURCHASE PRICE. The purchase price for the Property shall be Eighteen Million Three Hundred Thousand and no/100 Dollars ($18,300,000.00) ("Purchase Price"). The Purchase Price shall be paid by bank wire, at closing, and shall be subject to any prorations, adjustments, and credits, as hereinafter stated. Purchaser acknowledges that the Property is encumbered by that certain loan agreement between Loyal Plaza Venture, L.P. and Lehman Brothers Bank, FSB ("Existing Lender") dated May 31, 2001, in the original principal amount of $14,000,000.00 ("Existing Loan"). On the Closing Date, subject to approval by the Existing Lender, Purchaser shall assume the Existing Loan, and shall receive a credit against the Purchase Price in the amount of the then outstanding principal balance of the Existing Loan.

3. INSPECTION OF PROPERTY.

(a) Purchaser shall have forty-five (45) days from the Effective Date (as defined in Section 20 (d)) (the Purchaser's "Inspection Period") to investigate and inspect the Property and conduct any and all due diligence as Purchaser may deem necessary, including without limitation the availability of utilities, suitable zoning, environmental and physical condition of the Property, and availability of governmental permits or approvals. Seller agrees to provide to Purchaser the information and materials listed in the Schedule II attached hereto and made a part hereof ("Seller's Due Diligence Deliveries"). All of said items shall become the property of Purchaser after Closing. If for any reason Purchaser in its sole discretion is not satisfied with the condition of the Property, Purchaser shall have the right to terminate this Agreement by written notice given to Seller at any time prior to the end of the Inspection Period. Purchaser's failure to give written notice of termination to Seller before the end of the Inspection Period shall constitute a waiver of its right to terminate this Agreement pursuant to this Section 3.

(b) During the Inspection Period, Purchaser, and any of its authorized representatives and agents, shall have the right to enter onto the Property, subject to the conditions hereafter provided, for the limited purpose of conducting surveys and other due diligence investigations or analyses, at Purchaser's sole expense, as are reasonably necessary for Purchaser to ascertain the fitness of the Property. Purchaser shall not conduct any intrusive testing on the Property, such as borings of any nature, without Seller's prior written consent, which shall not be unreasonably withheld or

delayed, and Purchaser shall promptly repair any damage to the Property caused by any such intrusive testing. Any and all work for Purchaser's due diligence investigations shall be performed without cost or expense to Seller. Prior to entry on the Property by Purchaser or by any party to conduct any survey, test, or inspection for or on behalf of Purchaser, a certificate or other satisfactory evidence of liability insurance coverage for said party shall be provided to Seller with coverage and in amounts reasonably satisfactory to Seller.

Purchaser shall protect, indemnify and hold Seller harmless from all liability from injury to persons or Property or liens or actions for cost of work arising out of the inspections, investigations and entry onto the Property by Purchaser or by any representatives or agents of Purchaser. Such indemnification shall not include an indemnity by Purchaser for liabilities arising from any discovery or exacerbation of any pre-existing conditions, unless Purchaser is negligent in its activities.

(d) Purchaser acknowledges that it will have access to nonpublic information of Seller and its affiliates, including, without limitation, know-how, lists of existing and potential tenants, leases, agreements and understandings with tenants and suppliers, the information supplied by or on behalf of Seller pursuant to this Section 3 and business and financial information, as well as information obtained from inspections of the Property (all such information collectively, "Confidential Information"). Therefore, Purchaser agrees to (i) keep confidential all Confidential Information of Seller and its affiliates, (ii) not disclose any portion of the Confidential Information in any manner without the prior written consent of Seller, and (iii) use, and permit its

representatives to use, Confidential Information exclusively in connection with the transactions contemplated by this Agreement or the operation of the Property after the Closing. Notwithstanding the foregoing, Purchaser may disclose Confidential Information to its representatives if: (x) it first informs the representative that the Confidential Information is confidential and of the contents of this Section; and (y) the representative agrees to abide by the terms of this Section. If Purchaser or any of its representatives believes it is required by applicable law to disclose any Confidential Information, Purchaser will promptly inform Seller and shall limit the disclosure to that which is required by applicable law. In addition, Purchaser shall not make any press release, public statement, or other announcement regarding this Agreement or the transactions contemplated hereby without the prior approval of Seller. For purposes of this Section, Confidential Information shall not include information that is generally available to the public, was known to Purchaser prior to the disclosure, or was independently developed by Purchaser. In the event this Agreement is terminated or the within transaction does not close, Purchaser shall, within five (5) business days, return to Seller all copies of any such Confidential Information in the possession of Purchaser, including any and all copies made by Purchaser of items received from Seller.

4. DEPOSIT. Within two (2) business days after the full execution of this Agreement, Purchaser shall deposit with Flagler Title Company ("Escrow Agent"), the sum of Seventy-five Thousand Dollars ($75,000.00) (hereinafter the "Deposit"), which sum shall be held in an interest bearing account during the Inspection Period, and thereafter applied or released as provided below. In the event Purchaser does not terminate this Agreement prior to the expiration of the Inspection Period, then within two (2) business days after the expiration of the Inspection Period Purchaser shall deposit with Escrow Agent an additional Seventy-five Thousand Dollars ($75,000.00) ("Additional Deposit"), which shall be part of the Deposit for all purposes under this Agreement. Purchaser's failure to timely make the Deposit or the Additional Deposit shall constitute a default under this Agreement.

The Deposit and any interest earned thereon shall be refundable in full to Purchaser if Purchaser, in its sole discretion, elects to terminate this Purchase Agreement for any reason whatsoever prior to the expiration of the Inspection Period.

If Purchaser has not terminated this Agreement prior to the expiration of the Inspection Period, the Deposit and any interest earned thereon shall be non-refundable to Purchaser, except in the event of a failure by Seller to close this transaction in accordance with the terms hereof or a failure of any condition precedent to Purchaser's obligation to close this transaction, as set forth herein (in particular but without limitation, in the event Existing Lender shall fail to allow Purchaser to assume the Existing Loan on the terms

set forth in the Existing Loan Documents or on other terms acceptable to Purchaser).

In addition to the aforesaid, Purchaser and Seller hereby agree as follows:

(a) At Closing, the Deposit and any interest earned shall be applied against the Purchase Price;

(b) If Purchaser defaults for any reason under the terms and conditions of this Purchase Agreement, then the Deposit and any interest earned thereon shall be retained by Seller as liquidated damages hereunder, and excepting the obligations of Purchaser to indemnify and hold Seller harmless with respect to any inspections of the Property under Section 3 above, Seller shall have no further rights against the Purchaser;

(c) If Seller fails to make and deliver title as required under Section 5 below, or otherwise fails, neglects or refuses to perform this Agreement (any of the foregoing, a "Seller Default"), then Purchaser may, as its sole and exclusive remedies, either (i) accept title subject to the defaulted obligation of Seller or (ii) seek specific performance of this Agreement (and receive reimbursement from Seller for reasonable attorneys' fees and costs, if Purchaser is the prevailing party in such action).

5. TITLE. Seller herein covenants that it has good and marketable fee title to the Property (except with respect to the Ground Lease, good and marketable leasehold title), subject only to taxes not yet due and payable, applicable zoning regulations, those matters set forth on the Exhibit "C" attached hereto and made a part hereof, and those matters disclosed on the survey attached hereto as Exhibit "D" and made a part hereof ("Permitted Exceptions"), and at Closing shall, subject to the provisions of this Section 5, convey the same, free and clear of any and all encumbrances, liens, restrictions, and easements, except the Permitted Exceptions and other matters approved by Purchaser. Seller shall, at Purchaser's expense, obtain and cause to be delivered to Purchaser a commitment from the Escrow Agent underwritten by a national title insurance company reasonably acceptable to Purchaser authorized to issue policies in the state in which the Property are located ("Title Insurance Commitment"). The Title Insurance Commitment shall be accompanied by legible hard copies of all exceptions set out in said Commitment. Purchaser shall have fifteen (15) days after receipt of both the Title Insurance Commitment and legible hard copies of all exceptions, within which to examine the same. In the event that an examination by Purchaser of the Title Insurance Commitment discloses that Seller does not have good and marketable title, free and clear of all encumbrances, liens, restrictions, and easements, except for Permitted Exceptions (hereinafter referred to as a title "Defect") then Purchaser shall notify Seller in writing thereof. Notwithstanding any provision of this Agreement to the contrary, notices of actual or possible environmental contamination on or under the Property that are required by governmental authority to recorded in local or state public land records shall not be deemed Defects. Buyer shall be deemed to have waived any Defect listed in the Title Insurance Commitment with respect to which written notice was not given to Seller within said fifteen (15) day period. Seller shall use commercially reasonable efforts to cure such Defect(s); provided, however, that Seller shall not be required to bring any action to quiet title to the Property, nor incur any expense in excess of One Hundred Thousand and no Dollars ($100,000.00) with respect to any Property other than for the discharge of mortgages or deeds of trust (other than the Existing Loan), or other liens for liquidated amounts (collectively, "Liquidated Liens"). If Seller is unable to correct or cure said Defect (other than Liquidated Liens, and Defects which may be cured at an aggregate expense of not more than $100,000.00) within fifteen (15) days after

receiving such notice from Purchaser ("Seller's Cure Period"), or is not obligated to cure such Defect, Purchaser shall, at its sole and exclusive remedy, within ten (10) days after the earlier of: (i) the expiration of Seller's Cure Period; or (ii) Purchaser's receipt of Seller's notice that it will not cure such Defect, either (a) give written notice to Seller that Purchaser shall treat Seller's inability or election not to correct or cure such Defect as a failure of a condition under this Agreement, in which event the Deposit and any interest earned thereon shall be released by the Escrow Agent to Purchaser and this Agreement shall be null and void, or (b) be deemed to have elected to waive such Defect and proceed with the Closing of this transaction. The foregoing limitation of remedies shall not apply in the case of Seller's failure to cure Liquidated Liens, and Defects which may be cured at an aggregate expense of not more than $100,000.00, nor apply in the case of any Defects

placed of record after the date of the Title Commitment.

At Closing, as a condition of Purchaser's obligation to close, Purchaser may obtain, at its cost, an endorsement to said Title Commitment, updating same to the date of Closing and showing no change in the state of title to the real estate. After Closing, a standard ALTA Title Insurance Policy shall be issued to Purchaser in the amount of the Purchase Price at Purchaser's expense. Any endorsements which Purchaser desires to be issued with said Title Insurance Policy shall also be at Purchaser's sole expense, except endorsements obtained by Seller to cure title Defects.

6. SURVEY. Purchaser may, at its expense, order a currently updated ALTA/ASCM survey of the Property. Subject to the provisions of Section 5 of this Agreement, an objection to survey by Purchaser shall be treated in the same manner, and within the same time limits, as a Defect in title as provided in Section 5 of this Agreement.

7. SERVICE CONTRACTS. After Purchaser has waived in writing or satisfied all conditions to Closing, Seller shall terminate, effective as of the Closing, any existing service contracts that Purchaser requests be terminated and that Seller has the right to terminate, and any existing service contracts that Purchaser does not request be terminated shall be assigned by Seller and assumed by Purchaser at Closing ("Permitted Existing Contracts").

8. RISK OF LOSS, INSURANCE AND CONDEMNATION. Seller shall have the risk of loss for any damage or casualty to or affecting any part of the Property until after Closing. If the Property suffers any material damage or casualty prior to Closing, Purchaser shall have the option to close, without reduction in the Purchase Price (except to the extent of any deductible amounts applicable to such casualty), and receive the proceeds of any applicable insurance, or terminate this Agreement and be returned the Deposit and any interest earned thereon without further liability hereunder, except as provided in Section 3. The term "material damage or casualty" as used in this section shall mean any damage the costs of restoration of which is reasonably estimated to exceed $100,000.

If the Property is condemned or taken by public authority, in whole or in material part prior to Closing, Purchaser shall have the option to close on the Property, without reduction in the Purchase Price, and receive any proceeds of such condemnation or taking, or, or terminate this Agreement and be returned the Deposit and any interest earned thereon without further liability hereunder, except as provided in Section 3.

9. DEED OF CONVEYANCE AND ASSIGNMENT OF LEASES. Seller shall convey to Purchaser or its nominee at closing good and marketable title, in fee simple to the Property by transferable and recordable limited or special warranty deed (or with respect to the Ground Lease, an assignment of Seller's interest), subject only to the Permitted Exceptions, if any. At Closing, Seller shall also assign to Purchaser, and Purchaser shall assume, all of Seller's right, title and interest in and to the lease agreements with the tenants of the Property. A complete list of such tenants having leases for space in the Property, as of the Effective Date, is set forth in the Exhibit "E" attached hereto and made a part hereof (the "Tenants").

10. NOTICES. All notices shall be sent by facsimile with a hard copy sent by a nationally recognized overnight delivery service, postage prepaid, and shall be addressed:

(a) if to Seller, to Glimcher Property Limited Partnership, 20 South Third Street, Columbus, OH 43215, Attention: General Counsel, Fax No. 614-621-8863; and

(b) if to Purchaser, to Cedar Income Fund Partnership, L.P., c/o Cedar Bay Realty Advisors, Inc., 44 South Bayles Avenue, Port Washington, New York 11050, Attention: Leo S. Ullman, Fax No. 516-767-6497.

Notices shall be deemed given on the date of confirmation of the successful transmission of the facsimile. In the event the deadline for the giving of any notice or the performing of any act hereunder falls on a weekend or federal holiday, such deadline shall be extended until the next business day.

11. CLOSING. This transaction shall be closed not later than thirty (30) days after the expiration of the Inspection Period ("Closing Date"), by delivery of all required funds and documents through an escrow established by the Escrow Agent, subject to extension only if approval of the assumption of the Existing Loan by Purchaser, or the documentation of such assumption, has not been obtained from the Existing Lender on the terms set forth in the existing Loan Documents (as hereinafter defined) or on other terms acceptable to Purchaser.

12. ADJUSTMENTS AND PRORATIONS. All items of income and expense applicable to the Property shall be paid, prorated or adjusted as of the close of business on the day prior to the Closing Date in the manner hereinafter set forth:

(a) Real Estate Taxes Assessments. Real estate taxes and special assessments for the tax year in which the Closing occurs shall be prorated as of the Closing Date based on the respective number of days of ownership of Seller and Purchaser during such tax year, provided that Seller shall not be obligated to credit Purchaser at Closing for real estate taxes payable directly by any tenant pursuant to its Lease, unless such taxes are due and unpaid.

(b) Rent. All base rent ("Rent"), and taxes on rents (if any) for the Leases and for the Ground Lease for the month of Closing shall be prorated as of the Closing Date based on the respective number of days of ownership of Seller and Purchaser for such month, on an "as-collected" basis (i.e., shall only be prorated if collected as of the Closing Date); provided, however, that neither Purchaser nor Seller shall receive credit at Closing for any Rent that is past due (the "Past Due Rent"). Seller shall provide Purchaser with a list of all Rent delinquencies at Closing. Any payment for Rent received by Seller from tenants post-Closing covering periods that are post-Closing shall be promptly remitted by Seller to Purchaser. Any monies received from Seller or collected by Purchaser from tenants or other occupants shall be first allocated to the Rent owed by such tenants or other occupants for the current period. Any monies received in excess of the amounts due for the current period shall be allocated to those charges that have been outstanding for the shortest period of time. If the monies collected for delinquent Rent are applicable to a time period for which Seller was the owner of the Property, Purchaser shall remit such amount to Seller, net of any reasonable out-of-pocket cost of collection which Purchaser shall incur. If any past due Rent is not paid to Seller within (60) days after Closing, Purchaser shall, upon request by Seller and at Seller's expense, use commercially reasonable efforts to assist Seller in its efforts to collect any such delinquent Rent, but shall not be required to take any action to terminate the tenant's lease or right to possession.

(c) Security Deposit and any interest earned thereon. Purchaser shall receive a credit, at Closing, for all cash security deposits reflected in the Leases to the extent that such deposits have not been applied by Seller to cure tenants' defaults. Seller shall certify to Purchaser at Closing which, if any, cash security deposits reflected in the Lease have previously been applied to cure tenants' defaults.

(d) Utilities. Utility meters for those utility services payable by Seller and not directly metered to tenants or other third parties, shall be read on or immediately prior to the Closing Date, if possible, and the amounts due as disclosed by such readings shall be paid by Seller or credited to Purchaser. Otherwise all utility charges and billings shall be prorated using the prior month's bill as of the Closing Date and shall be reprorated upon receipt of actual bills for the period in question.

(e) Additional Rent.

(i) With respect to any common area expense reimbursement (including, without limitation, insurance, taxes and utilities) or additional rent based upon any other reimbursements, which shall be payable by tenants under the Leases (all of the foregoing being collectively called "Additional Rent"), such Additional Rent shall be adjusted and prorated at Closing on an "as collected" basis (i.e., shall only be prorated if collected as of the Closing Date). As to any Additional Rent in respect of an accounting period that shall have expired prior to the Closing but which shall be paid after the Closing, Purchaser shall pay the entire amount over to Seller within thirty (30) days after receipt thereof (or Seller shall retain the entire amount if paid directly to Seller); provided, however, any delinquent Additional Rent shall be allocated between Seller and Purchaser in the same manner as Rent pursuant to Section 12(b) above. Additional Rent in respect of an accounting period in which the Closing occurs shall be apportioned on a per diem basis as of the Closing and in accordance with the provisions of Section 12

(e) (iii) below, and, if paid to Purchaser after the Closing, Purchaser shall pay Seller's portion thereof to Seller within thirty (30) days after receipt thereof. If paid to Seller after the Closing, Seller shall pay Purchaser's portion thereof to Purchaser within thirty (30) days after receipt thereof. If, prior to the Closing, Seller has received any installments of Additional Rent attributable to periods from and after the Closing, such sum shall be apportioned at the Closing.

(ii) To the extent that estimated payments of Additional Rent are required to be paid monthly by any tenant, and at the end of such tenant's lease year, or the calendar year, such estimated amounts are to be recalculated based upon actual amounts for that lease year or calendar year, with the appropriate adjustments being made with such tenants, then Additional Rent for such tenant shall be prorated at the time of such reconciliation between Seller and Purchaser, using the date of Closing as the proration date, and in accordance with the provisions of Section 12 (e) (iii) below. At the time(s) of final calculation and collection from (or refund to) each tenant of the amounts in reconciliation of actual Additional Rent for such period, there shall be a re-proration between Seller and Purchaser, taking into account the additional amount collected from (or refunded to) such tenant. In furtherance of the foregoing, if, with respect to any tenant, the recalculated Additional Rent is less than the estimated amount paid by such tenant, and a refund is paid by Purchaser to such tenant, then the portion of the refund allocable to the period prior to the Closing, to the extent previously paid to or collected by Seller, shall be refunded by Seller to Purchaser. If, with respect to any tenant, the recalculated Additional Rent exceeds the estimated amount paid by such tenant, and the shortfall is collected by Purchaser from such tenant, the portion of the shortfall allocable to the period prior to the Closing, to the extent not previously paid to or collected by Seller, shall be paid by Purchaser to Seller.

(iii) Seller's and Purchaser's prorata share of Additional Rent from tenants for the costs of managing and operating the Property ("Shopping Center Expenses") shall be prorated based upon each party's respective percentage, based upon the Closing Date, of the actual costs incurred for Shopping Center Expenses for the calendar year or other applicable accounting period in which Closing occurs in accordance with Sections 12 (e)(i) and (ii) above. At such time after December 31st of the year in which Closing occurs as Purchaser and Seller have determined all actual Shopping Center Expenses incurred at the Property for the year of Closing, but in no event later than April 1st of the year following Closing, Seller and Purchaser shall prorate the Shopping Center Expenses to determine the respective percentage of the Additional Rent to which each party is entitled to receive or obligated to pay, as applicable under Sections 12(e)(i) and (ii) above ("Final Reconciliation"). Seller agrees to provide detailed information to Purchaser within sixty (60) days after Closing, on all Shopping Center Expenses incurred by Seller for the year in which Closing occurs, and Purchaser agrees to provide detailed information to Seller on all Shopping Center Expenses incurred by Purchaser for the said year at the time of the Final Reconciliation. Purchaser and Seller agree that Shopping Center Expenses paid by either that are not usual and customary shall not be included within Shopping Center Expenses for purposes of calculating the Final Reconciliation. Within thirty (30) days after the date of such determination, either Seller or Purchaser, as applicable, shall pay to the other party any additional sums determined to be due and owing hereunder. Anything contained above in this sub-section 12(e)(iii) to the contrary notwithstanding, Seller agrees to calculate and prepare the annual reconciliation statements with respect to Additional Rent for the year ending December 31, 2001 for each tenant at the Property and provide the same to Purchaser on or before March 15, 2002 (or such earlier date as may be required to be in compliance with the Leases) and Purchaser agrees to forward said annual reconciliation statements to the tenants and thereafter pay to Seller any amounts owed to Seller which are collected by Purchaser from tenants on account of the said reconciliation statements.

(iv) The principles of this Section 12(e) shall also apply to any payments which are similar to Additional Rent which are

made to or by Seller (or Purchaser after Closing) pursuant to any reciprocal easement agreements, or similar agreements.

(f) Percentage Rent. As and when collected, Purchaser shall pay to Seller the annual percentage rent, if any, payable under each Lease for the applicable lease or fiscal year in which the Closing occurs, prorated between Seller and Purchaser based on the respective number of days of ownership of the Property by Seller and Purchaser during the year in which the Closing occurs. Purchaser agrees to provide an accounting to Seller of all percentage rent due and/or paid under the Leases within thirty (30) days after the date upon which the payment of annual percentage rent is due under each Lease. Once the final amount of percentage rent is collected, the parties shall reprorate and the party owing the other shall promptly remit the amount owed no later than fifteen (15) days after the reproration is determined. If any past due Percentage Rent is not paid to Seller within (60) days after Closing, Purchaser shall, upon request by Seller and at Seller's expense, use commercially reasonable efforts to assist Seller in its efforts to collect any such delinquent Percentage Rent, but shall not be required to take any action to terminate the tenant's lease or right to possession.

(g) Loans. Interest on the Existing Loan shall be prorated as of midnight of the day prior to the Closing Date. Seller shall pay all penalties accrued on the Existing Loan as of the Closing Date. Buyer shall give Seller a credit in the amount of any funds then escrowed by Seller with Lender, including, without limitation, all amounts held in tax, insurance, repair, tenant rollover, or other escrows, so long as Lender retains such escrowed funds for Buyer's use and benefit. Seller represents and warrants that to the best of its knowledge, as of the date hereof the only escrows (and current amounts) are those listed in Schedule III attached hereto.

(h) Miscellaneous. In the event any prorations or computations made under this Section 12 are based on estimates or prove to be incorrect, then either party shall be entitled to an adjustment to correct the same, provided that it makes written demand on the party from whom it is entitled to such adjustment within one hundred twenty (120) days after the end of the calendar year in which the Closing occurs, or from the date the information necessary to calculate such charge becomes known, whichever is later. For purposes of calculating the prorations provided for in this Agreement, Purchaser shall be deemed to be the owner of the Property on the Closing Date. Without intending to limit the generality of the foregoing, promptly following the end of the calendar year in which the Closing occurs, Seller and Purchaser shall determine whether any tenant was charged an improper amount for its share of operating expenses under its Lease during the period prior to Closing based on the expenses paid by Seller and the tenant contributions collected and applied against such expenses by Seller, and, in the event that such amount was improper, Seller and Purchaser shall cooperate and either collect the underpayment from the applicable tenants and pay such amounts to Seller, or Seller shall refund the overpayments to the applicable tenants. The provisions of this Section 12 shall survive the closing of this Agreement.

13. CLOSING COSTS AND EXPENSES. Purchaser shall be responsible for all title insurance policy, commitment and endorsement costs (except those obtained by Seller to cure title Defects), the cost of survey updates, the cost of recording transfer documents, all costs and fees (other than application fees) charged by the Existing Lender for the assumption of the Existing Loan, one-half the costs of all state, county and municipal real estate transfer taxes and fees, and one-half the escrow fee. Seller shall be responsible for all costs to obtain and record any corrective documents and any documents for releasing any liens or encumbrances against the Property that may be required, one-half the costs of all state, county and municipal real estate transfer taxes and fees, all application fees charged by the Existing Lender for the assumption of the Existing Loan, and one-half the escrow fee.

14. REPRESENTATIONS AND WARRANTIES. Seller hereby makes the following representations and warranties to Purchaser, which shall survive the closing and passing of title of the Property as provided in Section 17. As of the Effective Date, and except as provided hereinbelow:

(a) There are no actions, suits, or proceedings pending, or to the best of Seller's knowledge, threatened against the Seller with respect to the Property or affecting any of its rights with relation to the Property, at law or in equity, or before any federal, state, municipal, or other governmental agency, other than claims for personal injury and property damage the defense of which has not been rejected by Seller's insurance companies, and except as disclosed in the Environmental Reports (as defined in the

following subparagraph).

(b) Except as set forth in the environmental site assessment(s)listed in the Schedule IV attached hereto and made a part hereof (the "Environmental Reports") a copy of which Seller will provide to Purchaser upon the full execution of this Agreement, Seller has no actual knowledge, and has received no written notice that the Property contains, or is contaminated with, any Hazardous Material, as defined herein, which may require remediation or removal under any applicable federal or state law, or that the Property has been used as a Hazardous Material disposal facility. For purposes of this Agreement, "Hazardous Material" means and includes any hazardous substance or any pollutant or contaminant defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation, and Liability Act, any so-called "Superfund" or "Superlien" law, the Toxic Substances Control Act, or any other Federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect, or any other hazardous, toxic or dangerous, waste, substance or material. Seller shall include in Seller's Due Diligence Materials: copies of its existing contract(s) with CEC (as defined in Article 24)(if any); any final reports generated to date by CEC, the Pennsylvania Department of Environmental Protection ("PADEP") or any other person or entity relating to the environmental condition of the Property (as defined in Article 24), that are in Seller's possession; and any correspondence or notices to or from Seller and PADEP relating to environmental conditions on the Property.

(c) At the time of Closing, there shall be no contracts, subcontracts, arrangements, licenses, concessions, easements, or other agreements that Seller has entered into, either recorded or unrecorded, written or oral, affecting all or any portion of the Property, or the use of it, other than the Tenant Leases (as hereinafter defined), the Ground Lease, the Permitted Exceptions to title, and the Permitted Existing Contracts. Seller shall not modify any existing instrument nor enter into a new contract, lease or other agreement affecting all or any portion of the Property, or the use of it, which would extend beyond the Closing Date without the prior written consent of Purchaser, which consent will not be unreasonably withheld or delayed, except that Seller may enter into a modification of the lease of tenant Giant Foods on substantially the terms set forth in the Exhibit "F" attached hereto and made a part hereof, without Purchaser's consent. Purchaser's failure to object to any proposed new lease or lease modification within five (5) business days after receipt of Seller's request for approval (together with, in the case such new lease or lease modification calls for any improvements or other work to be performed by the landlord, an estimate of the cost of such work), shall be deemed approval thereof by Purchaser and such new lease or modification shall constitute a "Tenant Lease" under this Agreement. Purchaser agrees to pay any real estate brokerage fee, and tenant allowance or improvement costs, due with respect to any new or extended lease approved by Purchaser, or which is deemed approved due to Purchaser's failure to timely object.

(d) Seller has not received written notice of any (i) violations of building codes and/or zoning ordinances or other governmental or regulatory laws, ordinances, regulations, orders or requirements affecting the Property; (ii) existing, pending or threatened condemnation proceedings affecting the Property; or (iii) existing, pending or threatened zoning, building or other moratoria proceedings, restrictive allocations or similar matters that could materially,

adversely affect Purchaser's use of the Property for its current use.

(e) Attached hereto as Exhibit "G" is a complete and accurate list of all leases, concessions, licenses and other occupancy agreements affecting the Property as of the Effective, and all amendments, modifications, "side letters" and guaranties thereof or relating thereto (collectively, the "Tenant Leases"), other than the Ground Lease. True and complete copies of the Tenant Leases will be included in the Seller's Due Diligence Materials. The Tenant Leases are in full force and effect, and neither Seller or its agents have entered into any agreements with any of the tenants except for the Tenant Leases, or subordination, non-disturbance and attornment agreements or Landlord lien subordination agreements that have been delivered to Purchaser, and except as landlord and tenant Seller has no business relationship with any of the tenants. Except as expressly set forth on Exhibit "G-1" attached hereto, to the best of Seller's knowledge neither Seller as the landlord nor any tenant under any of the Tenant Leases is in default under any of the Tenant Leases, nor to Seller's knowledge is there in existence any condition or fact which with notice or passage of time, or both, shall constitute a default by either the landlord or the tenant thereunder. All Tenants are currently in occupancy of their respective spaces and conducting business. Seller has not collected base or minimum rent more than one month in advance from any tenant. Except as expressly provided in the Tenant Leases, no tenant shall be entitled to any rebates, rent concessions or free rent.

(f) Seller is not a party to any agreements currently in effect which restrict the sale of the Property and Seller has the right, power and authority to execute and deliver this Agreement and to consummate the transactions contemplated by it; neither the execution and deliver of this Agreement nor the consummation of the transactions contemplated by it nor the fulfillment of nor the compliance with the terms, conditions and provisions of this Agreement will conflict with or result in a violation or breach of any other instrument or Agreement of any nature to which Seller is a party or by which it is bound or may be affected, or, to Seller's actual knowledge, with any relevant law, or constitute (with or without the giving of notice of the passage of time) a default under such an instrument or agreement; no consent, approval, authorization or order of any person is required with respect to the consummation of the transactions contemplated by this Agreement.

(g) Except as provided in Exhibit "G-2" attached hereto, there are no Tenant allowances or improvements applicable to any of the Tenant Leases (in effect as of the date hereof) which are unpaid or unfulfilled as of the date hereof. At the Closing, Seller will pay, or will credit to Purchaser and Purchaser shall assume the obligation to pay, the amount of any allowances and the reasonably estimated costs of any improvements required to be performed by the landlord under the Tenant Leases which have not been paid or completed as of the Closing.

(h) Except as provide in Exhibit "G-3" attached hereto, there are no due and unpaid leasing commissions or broker's commissions applicable to any of the Tenant Leases. At the Closing, Seller will pay, or will credit to Purchaser and Purchaser will assume the obligation to pay, the amount of any unpaid leasing commissions or broker's commissions that are or will become due and payable in respect of any Tenant Leases, other than with respect to renewal or extension options which have not been exercised by the respective tenant as of the Closing Date.

(i) To Seller's knowledge, there are no pending condemnation actions of which Seller has received written notice; the Property is separately assessed for real estate tax purposes and is not combined with

any other property for such purposes.

(j) Attached hereto as Exhibit "H" is a rent roll for the Property certified by Seller to be true and correct as of the Effective Date ("Rent Roll Certificate"), showing for each unit of the Property, the tenant name, unit number, annual base rent, common area, real estate tax and insurance reimbursement amounts, percentage rentals, security deposit held, the expiration date of each lease and designating any rights to renew or extend a lease. There are no tenant security deposits held by the landlord under the Tenant Leases except as listed in the Rent Roll Certificate.

(k) Attached as Schedule I is a complete and accurate list of all documents comprising the Ground Lease, true and complete copies of which shall be included in Seller's Due Diligence Deliveries. To the best of Seller's knowledge, neither Seller as the lessee nor the lessor under the Ground Lease (the "Ground Lessor") is in default under the Ground Lease, nor, to Seller's knowledge is there in existence any condition or fact which with notice or passage of time, or both, shall constitute a default by either the lessee or the lessor thereunder.

(l) Attached as Exhibit "I" is a complete and accurate list of all material loan documents relating to the Existing Loan (the "Existing Loan Documents"), true and complete copies of which shall be included in Seller's Due Diligence Deliveries. The principal balance on the Existing Loan as of November 30, 2001, is approximately $13,952,409.00. Seller is not currently in default in the payment of debt service under the Existing Loan and Seller has not received any notice of uncured default from the Existing Lender.

If any event shall occur after the Effective Date, and before the Closing Date, which is not caused by Seller ("Changed Circumstance"), that renders untrue any such representation or warranty, it shall not constitute a breach by Seller of such representation or warranty, and Seller's reaffirmation of such representation or warranty at Closing may be qualified by such Changed Circumstance. If Seller shall obtain knowledge of any Changed Circumstance, Seller shall provide notice thereof to Purchaser within a reasonable period of time. In the event Purchaser receives actual notice of any material Changed Circumstance, whether from Seller or any other source, including its own investigations, then Purchaser shall have the right to terminate this Agreement, in which event both parties shall be relieved from any further obligation under this Agreement, and the Deposit shall be returned to Purchaser. For purposes of this Agreement, a "material" Changed Circumstance shall be one that (when taken together with all other Changed Circumstances) would be reasonably expected to decrease the annual net operating income of the Property, determined in accordance with generally accepted accounting principals, consistently applied, by more than two (2%). Seller makes no other representations or warrantees with respect to the condition of or fitness for use of any of the existing improvements on the Property. All buildings, fixtures, and other improvements on the Property shall be conveyed to Purchaser by Seller in an AS-IS condition.

15. CONDITIONS PRECEDENT. Notwithstanding anything to the contrary contained herein or elsewhere, the following shall be conditions precedent to Purchaser's obligation to Close (the "Conditions Precedent"):

(a) The truth and correctness of all of Seller's material representations and warranties and the substantial fulfillment of all of Seller's covenants at all times during the term of this Agreement and as of Closing.

(b) The physical condition of the Property shall be substantially the same on the Closing Date as on the date of Purchaser's execution of this Agreement, reasonable wear and tear and loss by casualty excepted.

(c) The approval of the assumption by Purchaser of the Existing Loan on the terms set forth in the Existing Loan Documents or on other terms acceptable to the Purchaser.

(d) Seller shall deliver to Purchaser an estoppel

certificate from each tenant leasing or occupying eight thousand (8,000) square feet or more of space in any Property ("Major Tenants"), and from seventy -five percent (75%) of the other tenants ("Small Shop Tenants") of the Property, which estoppel certificate shall confirm the monthly base rental amounts set forth for such tenant in the Rent Roll Certificate, and which shall not in any material manner contradict any of Seller's representations and warranties with respect to such tenant and its Lease as are set forth in sections (e), (g) and (j) of Article 14 hereof. In the event Seller is unable to provide an Estoppel Certificate from any Small Shop Tenant necessary to satisfy Seller's obligations in this subsection, Seller shall have the right, and Purchaser agrees to accept, Seller's Estoppel Certificate with respect to such tenant(s). For purposes of this Agreement the estoppel certificates shall be in such form as reasonably required by Purchaser, except that Purchaser shall not have the right to require in any such certificate any modifications to a tenant's lease. When permitted in lieu of a tenant's Estoppel Certificate, Seller's Estoppel Certificate shall only be required to certify: the date of such lease and that it is valid and in existence; that to the best of Seller's knowledge there are no defaults by Landlord under the lease, nor defaults by such tenant under the lease (or enumerating such defaults if any are known); the commencement and expiration date of the lease; that the tenant has no first rights of refusal, options to terminate the lease, or exclusive use rights, except as set forth in the lease; that tenant has no remaining renewal options except as noted; the current minimum rent and the date through which it has been paid; the amount of any security deposit held by tenant; and that there are no tenant improvements or allowances due tenant that have not been completed and/or paid. Notwithstanding the foregoing, Tenant agrees to accept such form of estoppel as each Major Tenant customarily provides, provided that it does not in any material manner contradict any of Seller's representations and warranties with respect to such tenant and its Lease as are set forth in sections (e), (g) and (j) of Article 14 hereof.

(e) Seller shall deliver to Purchaser an estoppel certificate from the Ground Lessor which shall confirm the representations and warranties of Seller set forth in section (k) of Article 14 hereof.

(f) The assignment of the Ground Lease to be made by Seller to Purchaser pursuant to this Agreement shall not require the consent of the Ground Lessor, nor payment by Purchaser of any fee to the Ground Lessor, nor would such assignment trigger any increase in the ground rent.

16. CLOSING DOCUMENTS.

(a) A special or limited warranty deed conveying fee simple title in the Property to Purchaser;

(b) A bill of sale conveying, transferring and selling to Purchaser, all right title and interest of Seller in and to all of the Personal Property and those service contracts, if any, which Purchaser has advised Seller it wishes to assume, to the extent the same are assignable.

(c) An assignment by Seller of all of Seller's right, title and interest in and to each Tenant Lease and the Ground Lease, including security deposits and prepaid rents, if any.

(d) Certificate of Good Standing from the Secretary of State in the state of Seller's formation, and a Seller's resolution authorizing the sale of the Property.

(e) A non-foreign affidavit for Seller complying with the requirements of Internal revenue Code Section 1445 (f) (3) and regulations promulgated thereunder.

(f) All keys to the Property in the possession of Seller.

(g) Such other documents and instruments as may be reasonably required by this Agreement or by the Title Company in order to consummate the transaction contemplated by this Agreement and to issue the owner's Title Insurance Policy to Purchaser, including but limited to, as to any work on the Property requested by Seller, a mechanic's lien affidavit, a gap affidavit, and a contractor's affidavit stating the amount paid and the amount outstanding under the contract to complete such work.

(h) Any document required by law to be executed by Seller in order to record any transfer document.

17. MERGER. All warranties, representations, and covenants contained herein, including those made in any Seller's estoppel certificate, shall survive for a period of one (1) year following the Closing of this Agreement and sale of the Property.

18. ASSIGNMENT. The terms of this Agreement shall inure to the benefit of, and be binding upon, the respective successors and assigns of the parties hereto.

19. REAL ESTATE BROKERAGE COMMISSION. Seller and Purchaser each represents to the other party that it has dealt with no broker or agent with respect to this transaction or with respect to the Property other than FAMECO Real Estate Corp., to whom any real estate brokerage fee due shall be paid by the Seller in accordance with a separate brokerage agreement. Seller and Purchaser each agrees to indemnify and hold harmless the other party from and against any and all claims for fees or commissions by any other broker or agent claiming to have represented that party regarding this transaction.

20. MISCELLANEOUS:

(a) Entire Agreement.This Agreement contains all the terms, promises, covenants, conditions, representations and warranties made or entered into by and between Seller and Purchaser, and supersedes all prior discussions and agreements, whether written or oral, between Seller and Purchaser with respect to the conveyance of the Property and all other matters contained herein and constitutes the sole and entire agreement between Seller and Purchaser with respect thereto.

(b) Amendment. This Agreement may not be modified or amended unless such amendment is set forth in writing and executed by both Seller and Purchaser with the formalities hereof.

(c) Authority. Seller and Purchaser each represent and warrant to the other that the individuals executing this Agreement on their behalf are duly authorized and empowered to do so, and that upon such execution, this Agreement shall be binding upon and enforceable by and against each of the parties hereto.

(d) Execution by Both Parties.This Agreement shall not become effective and binding until fully executed by both Purchaser and Seller. The "Effective Date" of this Agreement shall be the date Seller has delivered to Purchaser all of Seller's Due Diligence Deliveries, as listed in Schedule II.

(e) Tax-Deferred Exchange. In the event Purchaser elects to assign this Agreement to an Intermediary for purposes of satisfying a 1031 tax-deferred exchange, Seller agrees to reasonably cooperate with Purchaser with the consummation of such a 1031 exchange provided however, that Seller shall not be required to incur any additional costs or additional liability in connection with any such tax-deferred exchange for the benefit of Purchaser.

21. FACSIMILE. Purchaser and Seller agree that this Agreement may be executed by the exchange of facsimile copies bearing the facsimile signatures of the parties.

22. MULTIPLE COUNTERPARTS. This Agreement may be executed in multiple counterparts which upon assemblage shall be deemed to be fully executed originals.

23. SELLER'S KNOWLEDGE. For purposes of this Agreement "Seller's knowledge" shall mean the actual knowledge of Seller's senior Vice President of Property Management, Senior Vice President of Construction Services, Executive Vice President/General Counsel, or Director of Facilities.

24. INDEMNIFICATION:

(a) Excepting for those matters to be assumed by Purchaser in accordance with the provisions of this Agreement or matters arising out of Purchaser's inspections of the Property and Purchaser's obligations to indemnify and hold Seller harmless pursuant to Section 3 above, Seller shall indemnify, defend and hold Purchaser harmless with respect to liability from injury to persons damages to personal property or the improvements, or for liens or causes of action for such matters, arising with respect to Property prior to the date of Closing.

(b) Purchaser shall indemnify, defend and hold Seller harmless with respect to liability from injury to persons damages to personal property or the improvements, or for liens or causes of action for such matters, arising with respect to Property after the date of Closing.

(c) Pursuant to that certain Holdback and Indemnity Agreement dated May 31, 2001 attached hereto as Exhibit "J" ("Holdback Agreement"), Lehman Brothers Bank, FSB ("Bank") retained the sum of $450,000 ("Holdback") from the initial advance of a loan to Seller secured by, among other things, a security agreement encumbering the Property, and Seller agreed to diligently pursue Remediation of the Contamination of the Property in accordance with Environmental Law (as such terms are defined in the Holdback Agreement). Seller agrees to assign to Purchaser at Closing, and Purchaser agrees to assume, all of Seller's rights and obligations under the Holdback Agreement arising from and after the Effective Date, except that Seller shall be entitled to the return of any portion of the Holdback not required to complete the Remediation work required by the Holdback Agreement, upon satisfaction of those items identified in Paragraph 3 of the Holdback Agreement. Purchaser covenants and agrees that it will diligently pursue and complete the Remediation of the Contamination of the Property in good faith and in accordance with the Holdback Agreement, and that it shall keep Seller informed of the progress of such Remediation and all expenditures in excess of Ten Thousand Dollars ($10,000.00) therefor. Seller has heretofore contracted with Civil & Environmental Consultants, Inc., Pittsburgh, Pennsylvania ("CEC") to complete the Remediation. To ensure continuity, following the Closing Purchaser agrees to retain CEC for the completion of the Remediation work required by the Holdback Agreement. Seller represents and warrants to Purchaser that as of the date hereof $ 0.00 of the Holdback has been disbursed by the Existing Lender for Remediation expenses.

(d) The provisions of this Section 24 shall survive Closing and the transfer of the Property to Purchaser.

[signatures on following pages]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth on the first page of this Agreement.

SELLER:

LOYAL PLAZA VENTURE, L.P., a Delaware limited partnership

By: GLIMCHER LOYAL PLAZA, INC., a Delaware corporation,
its general partner

By: /s/ Herbert Glimcher

Herbert Glimcher
Chairman and CEO

PURCHASER:

CEDAR INCOME FUND PARTNERSHIP, L.P.
a Delawaare limited partnership
by Cedar Income Fund, Ltd., a Maryland Real Estate Investment Trust,
its sole general partner

By: /s/ Leo S. Ullman

Title: President

EXHIBIT "A"
Legal description

21

EXHIBIT "B"
SITE DRAWING

22

EXHIBIT "C"
(Permitted Exceptions")

23

EXHIBIT "D"
(existing survey)

24

EXHIBIT "E"
(list of tenants)

25

EXHIBIT "F"
(Giant Foods lease modification)

26

EXHIBIT "G"
(list of all tenant lease docs)

27

EXHIBIT "G-1"
(list of tenant defaults)

28

EXHIBIT "G-2"
(list of tenant allowances and T/I's)

none

EXHIBIT "G-3"
(list of leasing commissions)

NONE

EXHIBIT "H"
(Rent Roll Certificate)

EXHIBIT "I"
(Existing Loan Documents)

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4. Assignment of Management Agreement and Subordination of Management Fees from Loyal Plaza Venture, L.P. and Glimcher Loyal Plaza Tenant, L.P. to Lehman Brothers Bank, FSB, dated May 31, 2001

5. Disclosure for Confession of Judgment from Loyal Plaza Venture, L.P. to Lehman Brothers Bank, FSB, dated May 31, 2001

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7. Assignment of Leases and Rents from Loyal Plaza Venture, L.P. and Glimcher Loyal Plaza Tenant, L.P. to Lehman Brothers Bank, FSB, dated May 31, 2001

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10. Cash Management Agreement among Loyal Plaza Venture, L.P., as Borrower and Glimcher Loyal Plaza Tenant, L.P. as Tenant (Colelctively, Mnortgagor), and Lehman Brothers Bank, FSB as Lender and First Union National Bank as Agent and Glimcher Properties Limited Partnership and Glimcher Development Corporation Together as Manager, dated May 31, 2001

11. Clearing Account Agreement among Firstar Bank, National Aassociation, Loyal Plaza Venture, L.P., Glimcher Loyal Plaza Tenant, L.P. and Lehman Brothers Bank, FSB, dated May 31, 2001

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(Holdback and Indemnity Agreement)

SCHEDULE I

Ground Lease dated January 15, 1963, between Robert M. Zaner and Ruth S. Zaner, his wife, as Landlord, and Murray H. Goodman, as Tenant, a Memorandum of which was recorded on February 27, 1963 in Deed Book 492, Page 1142; as amended by an Amendatory Agreement, dated March 26, 1964 and recorded April 13, 1964 in Deed Book 500, Page 920; as assigned by Assignment, Assumption, Indemnity Agreement by and between Murray H. Goodman, Assignor, and Williamsport Plaza Associates, a Pennsylvania limited partnership, Assignee, dated July 1, 1989 and recorded July 19, 1989 in deed Book 1433, Page 291; and further assigned by Warranty Assignment of Tenant's Interest in Ground Lease and Assumption Agreement by and between Williamsport Plaza associates, L.P., a/k/a Williamsport Plaza Associates, a Pennsylvania limited partnership, Assignor, and Glimcher Centers Limited Partnership, a Delaware limited partnership, Assignee, dated January 17, 1994 and recorded February 17, 1994 in Record Book 2216, Page 210, all recordings being in the Official Records of Lycoming County, Pennsylvania.

SCHEDULE II

1. All Leases currently in effect.

2. Latest environmental report.

3. Full size survey of property.

4. Seller's most recent title insurance commitment/policy, including all exception documents.

5. Metes and Bounds description of property (legal description).

6. Copies of the Existing Loan Documents listed in Exhibit "I".

7. Financial Statement for Property for the past three (3) years.

8. Monthly operating statements for the past three (3) years.

9. Real Estate Tax Bills for past three (3) years, to the extent in Seller's possession.

10. Utility Bills for last three (3) months, to the extent in Seller's possession.

11. Detail for most recently completed reconciliation period, on tenant by tenant basis, for reimbursements for CAM, Taxes and Insurance with supporting schedule of expenses.

12. List and description of current rent delinquencies.

SCHEDULE III

(Loan escrows levels)

All balances are as of October 31, 2001:

1.	Recurring Capital:	$19,551.32
2.	Rollover/Tenant Improvement:	$21,666.64
3.	Real Estate Tax:	$92,824.72

4. Required Repairs: $455,000.00
(includes $450,000 for Holdback Indemnity Agreement)

SCHEDULE IV

List of environmental reports

LIST OF REPORTS/WORK PLANS FOR LOYAL PLAZA SITE

EMG, July 14, 1999, Phase I Environmental Assessment of Loyal Plaza, Loyalsock, Pennsylvania

EMG, April 25, 2001, Phase II Environmental Assessment of Loyal Plaza, Loyalsock, Pennsylvania

EMG, June 4, 2001, Additional Site Characterization of Loyal Plaza, Loyalsock, Pennsylvania

EMG, June 1, 2001, Phase I Environmental Assessment of Loyal Plaza, Loyalsock, Pennsylvania

Civil & Environmental Consultants, Inc., January 3, 2002, Draft Work Plan for Supplemental Remedial Investigation, Loyal Plaza, Williamsport, Pennsylvania

LIST OF REPORTS/WORK PLANS FOR ECKERD DRUG SITE

Chambers Environmental Group, Inc., September 1999, Draft Remedial Investigation Report, Former Hardee's Restaurant, 1913 East 3rd Street, Loyalsock Township, Lycoming County, Williamsport, Pennsylvania

Chambers Environmental Group, Inc., May 7, 2001, Remedial Action Summary, Former Hardee's Eckerd, 1913 East 3rd Street, Loyalsock Township, Lycoming County, Williamsport, Pennsylvania

Civil & Environmental Consultants, Inc., January 3, 2002, Draft Work Plan for Supplemental Remedial Investigation, Eckerd Drug Property, Williamsport, Pennsylvania

FIRST AMENDMENT TO AGREEMENT TO PURCHASE REAL ESTATE

This First Amendment to Agreement to Purchase Real Estate is made this 22nd day of February by and between LOYAL PLAZA VENTURE, L.P. ("Seller"), having offices at 20 South Third Street, Columbus, Ohio 43215, and CEDAR INCOME FUND PARTNERSHIP, L.P. (together with its successors and assigns, "Purchaser"), a Delaware limited partnership, having offices at c/o Cedar Bay Realty Advisors, Inc., 44 South Bayles Avenue, Port Washington, New York 11050, this 7th day of January, 2002.

W I T N E S S E T H :

WHEREAS, Purchaser and Seller have entered into an Agreement for the Purchase of Real Estate dated January 7, 2002 ("Purchase Agrement"), with respect to real property known as Loyal Plaza, Loyalsock Township, Lycoming County, Pennsylvania ("Property"); and

WHEREAS, Purchaser and Seller desire to amend the Purchase Agreement as more fully set forth herein;

THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties hereto, Purchaser and Seller hereby agee as follows:

1. The Inspection Period is hereby extended through 5:00 EST on February 27, 2002.
2. Seller agrees to give to Purchaser at Closing an indemnity with respect to environmental conditions on the Property.
3. Except as expressly set forth herein, the Puchase Agreement shall remain unchanged and in full force and effect.

(signatures on following page)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth hereinabove.

SELLER:

LOYAL PLAZA VENTURE, L.P., a Delaware limited partnership

By: GLIMCHER LOYAL PLAZA, INC., a Delaware corporation,
its general partner

By: /s/ Herbert Glimcher

Herbert Glimcher
Chairman and CEO

PURCHASER:

CEDAR INCOME FUND PARTNERSHIP, L.P.
a Delaware limited partnership
by Cedar Income Fund, Ltd., a Maryland Real Estate Investment Trust,
its sole general partner

By: /s/ Leo S. Ullman

Title: President

EXHIBIT "A"
Legal description

EXHIBIT "B"
SITE DRAWING

EXHIBIT "C"
(Permitted Exceptions")

EXHIBIT "D"
(existing survey)

6

EXHIBIT "E"
(list of tenants)

7

EXHIBIT "F"
(Giant Foods lease modification)

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EXHIBIT "G"
(list of all tenant lease docs)

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EXHIBIT "G-1"
(list of tenant defaults)

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EXHIBIT "G-2"
(list of tenant allowances and T/I's)

none

11

EXHIBIT "G-3"
(list of leasing commissions)

NONE

12

EXHIBIT "H"
(Rent Roll Certificate)

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EXHIBIT "I"
(Existing Loan Documents)

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2. Loan Agreement from Loyal Plaza Venture, L.P. to Lehman Brothers Bank, FSB, dated May 31, 2001

3. Open-end Mortgage and Security Agreement from Loyal Plaza Venture, L.P. and Glimcher Loyal Plaza Tenant, L.P. to Lehman Brothers Bank, FSB, dated May 31, 2001

4. Assignment of Management Agreement and Subordination of Management Fees from Loyal Plaza Venture, L.P. and Glimcher Loyal Plaza Tenant, L.P. to Lehman Brothers Bank, FSB, dated May 31, 2001

5. Disclosure for Confession of Judgment from Loyal Plaza Venture, L.P. to Lehman Brothers Bank, FSB, dated May 31, 2001

6. Holdback and Indemnity Agreement from Glimcher Properties Limited Partnership, Loyal Plaza Venture, L.P. and Glimcher Loyal Plaza Tenant, L.P. to Lehman Brothers Bank, FSB, dated May 31, 2001

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8. Environmental Indemnity Agreement from Loyal Plaza Venture, L.P. and Glimcher Loyal Plaza Tenant, L.P. to Lehman Brothers Bank, FSB, dated May 31, 2001

9. Assignment of Personal Property Leases, Service Agreements, Permits, Licenses, Franchises and Other Agreements from Loyal Plaza Venture, L.P. and Glimcher Loyal Plaza Tenant, L.P. to Lehman Brothers Bank, FSB, dated May 31, 2001

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(Holdback and Indemnity Agreement)

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SCHEDULE II

1. All Leases currently in effect.

2. Latest environmental report.

3. Full size survey of property.

4. Seller's most recent title insurance commitment/policy, including all exception documents.

5. Metes and Bounds description of property (legal description).

6. Copies of the Existing Loan Documents listed in Exhibit "I".

7. Financial Statement for Property for the past three (3) years.

8. Monthly operating statements for the past three (3) years.

9. Real Estate Tax Bills for past three (3) years, to the extent in Seller's possession.

10. Utility Bills for last three (3) months, to the extent in Seller's possession.

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12. List and description of current rent delinquencies.

SCHEDULE III

(Loan escrows levels)

All balances are as of October 31, 2001:

1.	Recurring Capital:	$19,551.32
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3.	Real Estate Tax:	$92,824.72
4.	Required Repairs: (includes $450,000 for Holdback Indemnity Agreement)	$455,000.00

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List of environmental reports

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Civil & Environmental Consultants, Inc., January 3, 2002, Draft Work Plan for Supplemental Remedial Investigation, Eckerd Drug Property, Williamsport, Pennsylvania

SECOND AMENDMENT TO AGREEMENT TO PURCHASE REAL ESTATE

This Second Amendment to Agreement to Purchase Real Estate is made this 27th day of February, 2002, by and between LOYAL PLAZA VENTURE, L.P. ("Seller"), having offices at 20 South Third Street, Columbus, Ohio 43215, and CEDAR INCOME FUND PARTNERSHIP, L.P. (together with its successors and assigns, "Purchaser"), a Delaware limited partnership, having offices at c/o Cedar Bay Realty Advisors, Inc., 44 South Bayles Avenue, Port Washington, New York 11050.

W I T N E S S E T H :

WHEREAS, Purchaser and Seller have entered into an Agreement to Purchase Real Estate dated January 7, 2002, as amended by First Amendment to Agreement to Purchase Real Estate dated February 22, 2002 ("Purchase Agrement"), with respect to real property known as Loyal Plaza, Loyalsock Township, Lycoming County, Pennsylvania ("Property"); and

WHEREAS, Purchaser and Seller desire to amend the Purchase Agreement as more fully set forth herein;

THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties hereto, Purchaser and Seller hereby agee as follows:

1. The Inspection Period is hereby extended through 5:00 EST on March 1, 2002.
2. Except as expressly set forth herein, the Puchase Agreement shall remain unchanged and in full force and effect.

(signatures on following page)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth hereinabove.

SELLER:

LOYAL PLAZA VENTURE, L.P., a Delaware limited partnership

By: GLIMCHER LOYAL PLAZA, INC., a Delaware corporation,
its general partner

By: /s/ George A. Schmidt

George A. Schmidt
Executive Vice President

PURCHASER:

CEDAR INCOME FUND PARTNERSHIP, L.P.
a Delaware limited partnership
by Cedar Income Fund, Ltd., a Maryland Real Estate Investment Trust,

its sole general partner

By: /s/ Brenda J. Walker

Brenda J. Walker
Vice President

EXHIBIT "A"
Legal description

EXHIBIT "B"
SITE DRAWING

EXHIBIT "C"
(Permitted Exceptions")

EXHIBIT "D"
(existing survey)

EXHIBIT "E"
(list of tenants)

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none

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and Glimcher Properties Limited Partnership and Glimcher Development Corporation Together as Manager, dated May 31, 2001

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(Holdback and Indemnity Agreement)

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Ground Lease dated January 15, 1963, between Robert M. Zaner and Ruth S. Zaner, his wife, as Landlord, and Murray H. Goodman, as Tenant, a Memorandum of which was recorded on February 27, 1963 in Deed Book 492, Page 1142; as amended by an Amendatory Agreement, dated March 26, 1964 and recorded April 13, 1964 in Deed Book 500, Page 920; as assigned by Assignment, Assumption, Indemnity Agreement by and between Murray H. Goodman, Assignor, and Williamsport Plaza Associates, a Pennsylvania limited partnership, Assignee, dated July 1, 1989 and recorded July 19, 1989 in deed Book 1433, Page 291; and further assigned by Warranty Assignment of Tenant's Interest in Ground Lease and Assumption Agreement by and between Williamsport Plaza associates, L.P., a/k/a Williamsport Plaza Associates, a Pennsylvania limited partnership, Assignor, and Glimcher Centers Limited Partnership, a Delaware limited partnership, Assignee, dated January 17, 1994 and recorded February 17, 1994 in Record Book 2216, Page 210, all recordings being in the Official Records of Lycoming County, Pennsylvania.

SCHEDULE II

1. All Leases currently in effect.

2. Latest environmental report.

3. Full size survey of property.

4. Seller's most recent title insurance commitment/policy, including all exception documents.

5. Metes and Bounds description of property (legal description).

6. Copies of the Existing Loan Documents listed in Exhibit "I".

7. Financial Statement for Property for the past three (3) years.

8. Monthly operating statements for the past three (3) years.

9. Real Estate Tax Bills for past three (3) years, to the extent in Seller's possession.

10. Utility Bills for last three (3) months, to the extent in Seller's possession.

11. Detail for most recently completed reconciliation period, on tenant by tenant basis, for reimbursements for CAM, Taxes and Insurance with supporting schedule of expenses.

12. List and description of current rent delinquencies.

SCHEDULE III

(Loan escrows levels)

All balances are as of October 31, 2001:

1.	Recurring Capital:	$19,551.32
2.	Rollover/Tenant Improvement:	$21,666.64
3.	Real Estate Tax:	$92,824.72
4.	Required Repairs: (includes $450,000 for Holdback Indemnity Agreement)	$455,000.00

SCHEDULE IV

List of environmental reports

LIST OF REPORTS/WORK PLANS FOR LOYAL PLAZA SITE

EMG, July 14, 1999, Phase I Environmental Assessment of Loyal Plaza, Loyalsock, Pennsylvania

EMG, April 25, 2001, Phase II Environmental Assessment of Loyal Plaza, Loyalsock, Pennsylvania

EMG, June 4, 2001, Additional Site Characterization of Loyal Plaza, Loyalsock, Pennsylvania

EMG, June 1, 2001, Phase I Environmental Assessment of Loyal Plaza, Loyalsock, Pennsylvania

Civil & Environmental Consultants, Inc., January 3, 2002, Draft Work Plan for Supplemental Remedial Investigation, Loyal Plaza, Williamsport, Pennsylvania

LIST OF REPORTS/WORK PLANS FOR ECKERD DRUG SITE

Chambers Environmental Group, Inc., September 1999, Draft Remedial Investigation Report, Former Hardee's Restaurant, 1913 East 3rd Street, Loyalsock Township, Lycoming County, Williamsport, Pennsylvania

Chambers Environmental Group, Inc., May 7, 2001, Remedial Action Summary, Former Hardee's Eckerd, 1913 East 3rd Street, Loyalsock Township, Lycoming County, Williamsport, Pennsylvania

Civil & Environmental Consultants, Inc., January 3, 2002, Draft Work Plan for Supplemental Remedial Investigation, Eckerd Drug Property, Williamsport, Pennsylvania

THIRD AMENDMENT TO AGREEMENT TO PURCHASE REAL ESTATE

This Third Amendment to Agreement to Purchase Real Estate is made this first (1st) day of March, 2002, by and between LOYAL PLAZA VENTURE, L.P. ("Seller"), having offices at 20 South Third Street, Columbus, Ohio 43215, and CEDAR INCOME FUND PARTNERSHIP, L.P. (together with its successors and assigns, "Purchaser"), a Delaware limited partnership, having offices at c/o Cedar Bay Realty Advisors, Inc., 44 South Bayles Avenue, Port Washington, New York 11050.

W I T N E S S E T H :

WHEREAS, Purchaser and Seller have entered into an Agreement to Purchase Real Estate dated January 7, 2002, as amended by First Amendment to Agreement to Purchase Real Estate dated February 22, 2002, and Second Amendment to Agreement to Purchase Real Estate dated February 27, 2002 ("Purchase Agrement"), with respect to real property known as Loyal Plaza, Loyalsock Township, Lycoming County, Pennsylvania ("Property"); and

WHEREAS, Purchaser and Seller desire to amend the Purchase Agreement as more fully set forth herein;

THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties hereto, Purchaser and Seller hereby agee as follows:

1. The Inspection Period is hereby extended through 5:00 EST on March 8, 2002.
2. Except as expressly set forth herein, the Puchase Agreement shall remain unchanged and in full force and effect.

(signatures on following page)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth hereinabove.

SELLER:

LOYAL PLAZA VENTURE, L.P., a Delaware limited partnership

By: GLIMCHER LOYAL PLAZA, INC., a Delaware corporation,
its general partner

By: /s/ George A. Schmidt

George A. Schmidt
Executive Vice President

PURCHASER:

CEDAR INCOME FUND PARTNERSHIP, L.P.
a Delaware limited partnership
by Cedar Income Fund, Ltd., a Maryland Real Estate Investment Trust,
its sole general partner

By: /s/ Leo S. Ullman

Leo S. Ullman
President

FOURTH AMENDMENT TO AGREEMENT TO PURCHASE REAL ESTATE

This Fourth Amendment to Agreement to Purchase Real Estate is made this eight (8th) day of March, 2002, by and between LOYAL PLAZA VENTURE, L.P. ("Seller"), having offices at 20 South Third Street, Columbus, Ohio 43215, and CEDAR INCOME FUND PARTNERSHIP, L.P. (together with its successors and assigns, "Purchaser"), a Delaware limited partnership, having offices at c/o Cedar Bay Realty Advisors, Inc., 44 South Bayles Avenue, Port Washington, New York 11050.

W I T N E S S E T H :

WHEREAS, Purchaser and Seller have entered into an Agreement to Purchase Real Estate dated January 7, 2002, as amended by First Amendment to Agreement to Purchase Real Estate dated February 22, 2002, Second Amendment to Agreement to Purchase Real Estate dated February 27, 2002 and Third Amendment to Agreement to Purchase Real Estate dated March 1, 2002 ("Purchase Agrement"), with respect to real property known as Loyal Plaza, Loyalsock Township, Lycoming County,

Pennsylvania ("Property"); and

WHEREAS, Purchaser and Seller desire to amend the Purchase Agreement as more fully set forth herein;

THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties hereto, Purchaser and Seller hereby agee as follows:

1. The Inspection Period is hereby extended through 5:00 EST on March 13, 2002.
2. Except as expressly set forth herein, the Puchase Agreement shall remain unchanged and in full force and effect.

(signatures on following page)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth hereinabove.

SELLER:

LOYAL PLAZA VENTURE, L.P., a Delaware limited partnership

By: GLIMCHER LOYAL PLAZA, INC., a Delaware corporation,
its general partner

By: /s/ George A. Schmidt

George A. Schmidt
Executive Vice President

PURCHASER:

CEDAR INCOME FUND PARTNERSHIP, L.P.
a Delaware limited partnership
by Cedar Income Fund, Ltd., a Maryland Real Estate Investment Trust,
its sole general partner

By: /s/ Leo S. Ullman

Leo S. Ullman
President

FIFTH AMENDMENT TO AGREEMENT TO PURCHASE REAL ESTATE

This Fifth Amendment to Agreement to Purchase Real Estate is made this thirteenth (13th) day of March, 2002, by and between LOYAL PLAZA VENTURE, L.P. ("Seller"), having offices at 20 South Third Street, Columbus, Ohio 43215, and CEDAR INCOME FUND PARTNERSHIP, L.P. (together with its successors and assigns, "Purchaser"), a Delaware limited partnership, having offices at c/o Cedar Bay Realty Advisors, Inc., 44 South Bayles Avenue, Port Washington, New York 11050.

W I T N E S S E T H :

WHEREAS, Purchaser and Seller have entered into an Agreement to Purchase Real Estate dated January 7, 2002, as amended by First Amendment to Agreement to Purchase Real Estate dated February 22, 2002, Second Amendment to Agreement to Purchase Real Estate dated February 27, 2002, Third Amendment to Agreement to Purchase Real Estate dated March 1, 2002, and Fourth Amendment to Agreement to Purchase Real Estate dated March 8, 2002 ("Purchase Agrement"), with respect to real property known as Loyal Plaza, Loyalsock Township, Lycoming County, Pennsylvania ("Property"); and

WHEREAS, Purchaser and Seller desire to amend the Purchase Agreement as more

fully set forth herein;

THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties hereto, Purchaser and Seller hereby agee as follows:

1. The Inspection Period is hereby extended through 5:00 EST on March 15, 2002.
2. Except as expressly set forth herein, the Puchase Agreement shall remain unchanged and in full force and effect.
3. This agreement may be executed by the exchange of copies bearing facsimile signatures.

(signatures on following page)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth hereinabove.

SELLER:

LOYAL PLAZA VENTURE, L.P., a Delaware limited partnership

By: GLIMCHER LOYAL PLAZA, INC., a Delaware corporation,
its general partner

By: /s/ George A. Schmidt

George A. Schmidt
Executive Vice President

PURCHASER:

CEDAR INCOME FUND PARTNERSHIP, L.P.
a Delaware limited partnership
by Cedar Income Fund, Ltd., a Maryland Real Estate Investment Trust,
its sole general partner

By: /s/ Leo S. Ullman

Leo S. Ullman
President

SIXTH AMENDMENT TO AGREEMENT TO PURCHASE REAL ESTATE

This Sixth Amendment to Agreement to Purchase Real Estate is made this fifteenth (15th) day of March, 2002, by and between LOYAL PLAZA VENTURE, L.P. ("Seller"), having offices at 20 South Third Street, Columbus, Ohio 43215, and CEDAR INCOME FUND PARTNERSHIP, L.P. (together with its successors and assigns, "Purchaser"), a Delaware limited partnership, having offices at c/o Cedar Bay Realty Advisors, Inc., 44 South Bayles Avenue, Port Washington, New York 11050.

W I T N E S S E T H :

WHEREAS, Purchaser and Seller have entered into an Agreement to Purchase Real Estate dated January 7, 2002, as amended by First Amendment to Agreement to Purchase Real Estate dated February 22, 2002, Second Amendment to Agreement to Purchase Real Estate dated February 27, 2002, Third Amendment to Agreement to Purchase Real Estate dated March 1, 2002, Fourth Amendment to Agreement to Purchase Real Estate dated March 8, 2002, and Fifth Amendment to Agreement to Purchase Real Estate dated March 13, 2002 ("Purchase Agreement"), with respect to real property known as Loyal Plaza, Loyalsock Township, Lycoming County, Pennsylvania ("Property"); and

WHEREAS, Purchaser and Seller desire to amend the Purchase Agreement as more fully set forth herein;

THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties hereto, Purchaser and Seller hereby agree as follows:

1. The Inspection Period is hereby extended through 5:00 EST on March 22, 2002.
2. Except as expressly set forth herein, the Purchase Agreement shall remain unchanged and in full force and effect.
3. This agreement may be executed by the exchange of copies bearing facsimile signatures.

(signatures on following page)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth hereinabove.

SELLER:

LOYAL PLAZA VENTURE, L.P., a Delaware limited partnership

By: GLIMCHER LOYAL PLAZA, INC., a Delaware corporation,
its general partner

By: /s/ George A. Schmidt

George A. Schmidt
Executive Vice President

PURCHASER:

CEDAR INCOME FUND PARTNERSHIP, L.P.
a Delaware limited partnership
by Cedar Income Fund, Ltd., a Maryland Real Estate Investment Trust,
its sole general partner

By: /s/ Brenda J. Walker

Brenda J. Walker
Vice President

SEVENTH AMENDMENT TO AGREEMENT TO PURCHASE REAL ESTATE

This Seventh Amendment to Agreement to Purchase Real Estate (this "Agreement") is made this 22nd day of March, 2002, by and between LOYAL PLAZA VENTURE, L.P. ("Seller"), having offices at 20 South Third Street, Columbus, Ohio 43215, GLIMCHER PROPERTIES LIMITED PARTNERSHIP ("GPLP"), having offices at 20 South Third Street, Columbus, Ohio 43215, and CEDAR INCOME FUND PARTNERSHIP, L.P. (together with its successors and assigns, "Purchaser"), a Delaware limited partnership, having offices at c/o Cedar Bay Realty Advisors, Inc., 44 South Bayles Avenue, Port Washington, New York 11050.

W I T N E S S E T H :

WHEREAS, Purchaser and Seller have entered into an Agreement to Purchase Real Estate dated January 7, 2002, as amended by First Amendment to Agreement to Purchase Real Estate dated February 22, 2002, Second Amendment to Agreement to Purchase Real Estate dated February 27, 2002, Third Amendment to Agreement to Purchase Real Estate dated March 1, 2002, and Fourth Amendment to Agreement to Purchase Real Estate dated March 8, 2002 ("Purchase Agreement"), with respect to real property known as Loyal Plaza, Loyalsock Township, Lycoming County, Pennsylvania ("Property"); and

WHEREAS, Purchaser and Seller desire to amend the Purchase Agreement as more fully set forth herein;

THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties hereto, Purchaser and Seller hereby agree as follows:

1. Capitalized terms not defined herein shall have the meanings set forth in the Purchase Agreement.

2. Purchaser hereby waives all contingencies and conditions to Purchaser's obligation to close on its purchase of the Property, except the Conditions Precedent set forth in Section 15 of the Purchase Agreement, and agrees that for all purposes under the Purchase Agreement the Inspection Period shall be deemed to have expired on the date of full execution of this Agreement without termination of the Purchase Agreement by Purchaser. With respect to certain title issues raised by Purchaser, Seller agrees to take the measures at or before the Closing as described in the correspondence dated March 18, 2002 attached hereto as Exhibit A and made a part hereof.

3. Purchaser shall deposit with the Escrow Agent the Additional Deposit of Seventy-five Thousand Dollars ($75,000.00), within two (2) business days after the date of full execution of this Agreement.

4. The Closing shall occur within sixty (60) days after the date of full execution of this Agreement, subject to extension as necessary until the Existing Lender approves the assumption by Purchaser of the Existing Loan on the terms set forth in the Existing Loan Documents or on other terms acceptable to the Purchaser. Seller and Purchaser agree to diligently and in good faith do all things reasonably necessary to obtain the Existing Lender's approval of Purchaser's assumption of the Existing Loan.

5. All of Section 24(c) of the Purchase Agreement except for the first sentence of such section is hereby deleted in its entirety. GPLP and Seller agree to pay all costs for the remediation of the environmental contamination existing on the Property on the date of Closing (in particular but without limitation, any petroleum contamination existing at the Eckerd Drug site and dry cleaning solvent contamination existing at the Advanced Auto Parts site) (collectively, "Existing Contamination"), including, without limitation, all costs of investigation, testing and analysis ("Remediation Costs"), as set forth in the work plan or plans previously or to be submitted by GPLP in accordance with the Pennsylvania Land Recycling and Remediation Standards Act (collectively, the "Act 2 Work Plan") and ultimately approved by the Pennsylvania Department of Environmental Protection ("PADEP"). Remediation Costs shall also include any costs of assessing and remediating dry cleaning solvents and other hazardous substances existing at the Property at or prior to the Closing Date and which may have migrated or may in the future migrate off-site (which contamination shall also be included within the term "Existing Contamination"). GPLP shall promptly provide to Purchaser copies of any proposed Work Plan, as well as any final Work Plan approved by PADEP and shall promptly provide to Purchaser copies of all further environmental reports, tests and surveys obtained with respect to the Property, all of the foregoing to be certified by the environmental consultant to Purchaser as well as to GPLP. Seller and GPLP agree to diligently pursue the approval by PADEP of the Act 2 Work Plan. Any Work Plan which would call for deed or operational restrictions to be placed against the Property, or call for work which would interfere with the operations of tenants of the Property, shall be subject to Purchaser's prior written approval, which shall not be unreasonably withheld or delayed by Purchaser. GPLP's and Seller's obligation under this Paragraph 5 shall not include any liability to Purchaser for punitive or consequential damages of any kind or nature (e.g., decrease in value of the Premises), but shall include an obligation to hold harmless, indemnify and defend Purchaser from all costs, expenses, claims, liabilities and damages directly resulting from Existing Contamination, including, without limitation, claims brought by third parties for personal injury or property damage resulting from Existing Contamination, subject, however, to the provisions of Section 7 herein. GPLP shall have the right and obligation to perform the remediation, and Purchaser agrees that GPLP, and its agents, employees and contractors, shall have free access to the Property as is necessary for the performance of the remediation, provided, however that (i) in exercising such rights GPLP shall use all reasonable efforts to minimize

interference with the operations of existing tenants, (ii) GPLP shall first provide to Purchaser evidence of commercial general liability

insurance maintained by each contractor entering the Property, each such policy to have a combined single limit for personal injury and property damage of not less than $1,000,000 and naming Purchaser as an additional insured thereon, and (iii) GPLP shall give Purchaser at least five (5) days' prior notice of any entry which would result in a closure of any portion of any tenant's premises or any portion of the common areas or an interruption of any utilities serving the Property. GPLP shall hold harmless Purchaser from and against any mechanic's or other liens arising from the performance of any such work and shall cause any lien to be discharged within 30 days of notice of such lien, by the posting of a bond or by the payment thereof, failing which Purchaser shall have the right to discharge such lien and all costs of such discharge shall be paid by GPLP to Purchaser on demand.

6. Seller has previously deposited with the Existing Lender the sum of Four Hundred Fifty Thousand Dollars ($450,000.00)("Holdback Escrow"), pursuant to the Holdback Agreement (as defined in Section 24(c) of the Purchase Agreement). The additional sum of Five Hundred Thousand Dollars ($500,000.00), shall be withheld from Seller's net proceeds at closing and held in escrow by the Escrow Agent ("Remediation Escrow") in accordance with a separate escrow agreement to be negotiated in good faith and executed by Seller, GPLP, Purchaser and Escrow Agent at the Closing (the "Remediation Escrow Agreement"), as a supplemental fund to be used for the payment of the Remediation Costs after all funds in the Holdback Escrow have first been depleted. Upon the approval by PADEP of the Act 2 Work Plan, Seller's environmental consultant, Civil & Environmental Consultants, Inc., shall prepare an estimate of the anticipated costs of completing the remediation in accordance with the Act 2 Work Plan, which estimate shall be addressed to Purchaser as well as GPLP. To the extent that 125% of such estimated amount (plus the estimated cost of satisfying any pending claims relating to the Existing Contamination which would not be covered by insurance) is less than the combined amounts then available in the Holdback Escrow and the Remediation Escrow, the excess (over 125%) shall be released from the Remediation Escrow to Seller by the Escrow Agent. If the Holdback Escrow has been depleted, the Escrow Agent shall, from time to time (but not more often than monthly), following receipt of a requisition from GPLP and copies of receipts, contracts, waivers and other evidence of Remediation Cost (copies of which shall concurrently be delivered to Purchaser), release portions of the Remediation Escrow to GPLP to reimburse GPLP for Remediation Costs, and if not previously released to GPLP pursuant to this Paragraph 6, Escrow Agent shall disburse the entire balance of the Holdback Escrow to GPLP upon Escrow Agent's receipt of a "Release of Liability Letter" for the Property from the PADEP. If GPLP has funded the Remediation Escrow with a letter of credit, the release of funds from the Remediation Escrow shall occur by GPLP first depositing with the Escrow Agent a new letter of credit equal to the amount of the Remediation Escrow after the proposed release, and the prior letter of credit shall be released by the Escrow Agent to GPLP.

7. Purchaser hereby acknowledges receipt of the opinion letter addressed to Purchaser from Seller's independent environmental counsel attached hereto as Exhibit "B" and made a part hereof, and agrees that from and after delivery to Purchaser of the Act 2 Release of Liability Letter referred to in Section 6 of this Agreement, GPLP shall have no further liability to Purchaser under the provisions of Section 5 hereof.

8. Except as expressly set forth herein, the Purchase Agreement shall remain unchanged and in full force and effect.

8. This Agreement shall survive the Closing and the transfer of title to the Property to Purchaser, or its successors, assigns or nominees.

9. This Agreement shall inure to the benefit of and be binding upon Seller and Purchaser, and their successors, assigns and legal representatives.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth hereinabove.

SELLER:

LOYAL PLAZA VENTURE, L.P., a Delaware limited partnership

By: GLIMCHER LOYAL PLAZA, INC., a Delaware corporation,
its general partner

By: /s/ Herbert Glimcher

Herbert Glimcher
Chairman & CEO

GLIMCHER PROPERTIES LIMITED PARTNERSHIP
a Delaware limited partnership
by Glimcher Properties Corporation
a Delaware corporation

By: /s/ Herbert Glimcher

Herbert Glimcher
Chairman & CEO

PURCHASER:

CEDAR INCOME FUND PARTNERSHIP, L.P.
a Delaware limited partnership
by Cedar Income Fund, Ltd., a Maryland Real Estate Investment Trust,
its sole general partner

By: /s/ Leo S. Ullman

Leo S. Ullman
President

AGREEMENT TO ASSIGN AGREEMENT

In consideration of the sum of One Dollar ($1.00) and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, Cedar Income Fund Partnership, LP ("Assignor") hereby assigns to Loyal Plaza Associates, L.P (together with its successors and assigns, "Assignee"), without recourse, all of its right, title and interest in and to that certain Agreement to Purchase Real Estate dated as of January 7, 2002 made by and between Assignor and Loyal Plaza Venture, L.P., a copy of which agreement and all amendments thereto (the "Agreement") is attached hereto as Exhibit A and made a part hereof.

Assignee hereby assumes and agrees to perform all of the terms, covenants and conditions on the part of Assignor (if any) to be performed under the Agreement from and after the date hereof.

This Assignment and Assumption Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of June___, 2002.

Cedar Income Fund Partnership, L.P.

By: Cedar Income Fund, LTD
Its general partner

By: /s/ Brenda J. Walker

Brenda J. Walker
Vice-President

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PARTNERSHIP AGREEMENT OF
LOYAL PLAZA ASSOCIATES, L.P.

- ----------

LIMITED PARTNERSHIP AGREEMENT OF
lOYAL PLAZA ASSOCIATES, L.P.

This Limited Partnership Agreement (this "Agreement") is entered into as of June 28, 2002, between CIF-LOYAL PLAZA ASSOCIATES, L.P., a Delaware limited partnership (the "Developer Partner"), and Kimco Preferred Investor IV Trust, a Pennsylvania business trust (the "Preferred Partner").

ARTICLE 1

DEFINITIONS

Section 1.1. Definitions. As used in this Agreement, the following terms shall have the following meanings:

"Act" means the Delaware Revised Uniform Limited Partnership Act, as it may be amended from time to time.

"Additional Capital Contribution" has the meaning assigned to such term in Section 6.2.

"Additional Capital Contribution Balance" means, for each Partner, the cumulative Additional Capital Contributions of that Partner less the cumulative distributions to that Partner in return thereof pursuant to Section 8.2(d).

"Additional Capital Contribution Preferred Return Balance" means, for each Partner, the cumulative accrued Preferred Return of that Partner on its Additional Capital Contribution Balance less all amounts distributed by the Partnership to that Partner in payment thereof pursuant to Sections 8.1(b) and 8.2(c).

"Adjusted Capital Account Deficit" means, with respect to any Partner for any taxable year or other period, the deficit balance, if any, in such Partner's Capital Account as of the end of such year or other period, after giving effect to the following adjustments:

(a) Credit to such Capital Account any amounts that such Partner is obligated to restore or is deemed obligated to restore as described in the penultimate sentence of Regulation Section 1.704-2(g)(1) and in Regulation Section 1.704-2(i)(5); and

(b) Debit to such Capital Account the items described in Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5), and (6).

"Affiliate" means, with respect to a Person, another Person, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the Person in question. The term "control" as used in the preceding sentence means, with respect to a Person that

is a corporation, the right to exercise, directly or indirectly, more than 5% of the voting rights attributable to the shares of the controlled corporation, and, with respect to a Person that is not a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management or

policies of the controlled Person.

"Approved Loans" shall mean loans made to the Partnership which are approved in writing by the Preferred Partner. The Mortgage Loan shall be an Approved Loan.

"Bankruptcy" means, with respect to a Person, the occurrence of (1) an assignment by the Person for the benefit of creditors; (2) the filing by the Person of a voluntary petition in bankruptcy; (3) the entry of a judgment by any court that the Person is bankrupt or insolvent, or the entry against the Person of an order for relief in any bankruptcy or insolvency proceeding; (4) the filing of a petition or answer by the Person seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation; (5) the filing by the Person of an answer or other pleading admitting or failing to contest the material allegations of a petition filed against it in any proceeding for reorganization or of a similar nature; (6) the consent or acquiescence of the Person to the appointment of a trustee, receiver or liquidator of the Person or of all or any substantial part of its properties; or (7) any other event which would cause the Person to cease to be a Partner of a limited liability Partnership under Section 18-304 of the Act.

"Business Day" means any day other than Saturday, Sunday, or other day on which commercial banks in New York are authorized or required to close under the laws of the State of New York.

"Capital Account" shall have the meaning set forth in Section 9.1.

"Capital Contribution" means, with respect to each Partner, the amount of (a) cash and the initial Gross Asset Value of any property (net of liabilities assumed by the Partnership resulting from such contribution and liabilities to which the property is subject) contributed to the Partnership by that Partner plus (b) with the Preferred Partner's written consent, the amount of such Partner's payments made to creditors of the Property LLC after the date hereof with respect to Property LLC obligations (until such amount is reimbursed to such Partner).

"Capital Proceeds" means funds of the Partnership arising from a Capital Transaction, less (a) the actual costs incurred by the Partnership with third parties in consummating the Capital Transaction, (b) the amount of any Approved Loan repaid from such funds, and (c) reserves approved by the Partners in amounts reasonably estimated to be required to pay Partnership or Property LLC expenses.

"Capital Sharing Ratios" means the percentages in which the Partners participate in, and bear, certain Partnership items specified in this Agreement. The initial Capital Sharing Ratios of the Partners are as follows:

Developer Partner	25%
Preferred Partner	75%

"Capital Transaction" means the sale, financing, refinancing or similar transaction of or involving any part or all of the Project Interests (including condemnation awards, payment of title insurance proceeds or casualty loss insurance proceeds [other than business interruption or rental loss insurance proceeds], to the extent such awards and proceeds are not applied to mortgage indebtedness and not used to repair damage caused by a casualty or taking or in alleviation of any title defect).

"Certificate" shall mean a certificate of limited partnership dated June 21, 2002 filed pursuant to the Act forming the Partnership.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and any corresponding provisions of succeeding law.

"Default Capital Contribution" has the meaning assigned to such term in Section 6.3.

"Default Capital Contribution Balance" means, for each Partner, the cumulative Default Capital Contributions of that Partner, less the cumulative distributions to that Partner in return thereof pursuant to Section 8.2(b).

"Default Capital Contribution Preferred Return Balance" means, for each Partner, the cumulative accrued Default Preferred Return of that Partner less all amounts distributed by the Partnership to that Partner in payment thereof pursuant to Sections 8.1(a) and 8.2(a).

"Default Loan" has the meaning assigned to such term in Section 6.3(a).

"Default Preferred Return" means, for each Partner, the cumulative amount that accrues on the balance of its Default Capital Contribution Balance at a rate equal to the greater of (a) 14% per annum and (b) the sum of the Prime Rate plus 5% per annum (in either case, compounded on the last day of each calendar year).

"Delinquent Partner" has the meaning assigned to such term in Section 6.3(a).

"Depreciation" means, for each taxable year or other period, an amount equal to the federal income tax depreciation, amortization or other cost recovery deduction allowable with respect to an asset for the year or other period, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of the year or other period, Depreciation will be an amount which bears the same ratio to the beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction for the year or other period bears to the beginning adjusted tax basis, provided that if the federal income tax depreciation, amortization, or other cost recovery deduction for the year or other period is zero, Depreciation will be determined with reference to the beginning Gross Asset Value using any reasonable method selected by the Developer Partner, subject to the Preferred Partner's approval. Notwithstanding the foregoing of this definition, if the Company has adopted the "remedial allocation method" described in Section 1.704-3(d) of the Regulations with respect to any asset, Depreciation for such asset shall be determined in accordance with Section 1.704-3(d)(2) of the Regulations, rather than in accordance with the preceding sentence.

"First Mortgagee" has the meaning assigned to such term in Article 14.

"14% IRR Threshold" means the amount which must have been received by a Partner in order that the Partner will have (a) received the return of all of its Capital Contributions and (b) achieved a 14% Internal Rate of Return.

"14% Internal Rate of Return" means, with respect to a Partner, a 14% cumulative rate of return on such Partner's investment in the Partnership, which shall be satisfied as of a given date when the difference between (a) the present value (defined hereinafter) of the Partner's Capital Contributions to the Partnership, less (b) the present value of distributions to such Partner from the Partnership pursuant to Sections 8.1 and 8.2, equals zero. The present value of all such distributions and Capital Contributions shall be calculated by discounting such amounts monthly (on the last day of each month) from the date such distribution or Capital Contribution was made, back to the date (the "Initial Date") the Partner made its Initial Capital Contribution, using a monthly discount rate of 1.0979%. For example, a Partner shall have received a 14% Internal Rate of Return upon its receipt of a cumulative amount of distributions that cause (a) the present value as of the Initial Date of the Partner's Capital Contributions, discounted monthly at a rate of 1.0979% from the date of each such Capital Contribution (it being understood that the Capital Contribution made by a Partner on the Initial Date shall have a present value equal to the amount of such Capital Contribution), reduced by (b) the present

value (as of the Initial Date) of the aggregate of all distributions to such Partner, discounted monthly (on the last day of each month) at a rate of 1.0979% from the date of each such distribution, to equal zero. The Internal Rate of Return shall be calculated on the basis of the actual number of days elapsed over a 365 or 366-day year, as the case may be.

"GAAP" means generally accepted accounting principles, consistently applied.

"Gross Asset Value" has the meaning assigned to it in Section 9.2.

"Guaranty" shall mean that Guaranty and Suretyship Agreement dated as of the date hereof from Pledgor to Preferred Partner, as the same may hereafter be amended or restated.

"Imputed Closing Costs" means an amount that would normally be incurred by the Partnership if the Project were sold for an amount specified in Articles 12 or 13 (as applicable), for title insurance premiums, survey costs, brokerage commissions (such commissions not to exceed 1.5% of the purchase price) and other commercially reasonable closing costs.

"Initial Capital Contributions" mean the initial Capital Contribution made by each Partner as set forth in Section 6.1.

"Initial Capital Contribution Balance" means, for each Partner, the total Initial Capital Contributions of that Partner, less the cumulative distributions to that Partner in return thereof pursuant to Sections 8.2(f).

"Initial Capital Contribution Preferred Return Balance" means, for each Partner, the cumulative accrued Preferred Return of that Partner on the balance of its Initial Capital Contribution Balance less all amounts distributed by the Partnership to that Partner in payment thereof pursuant to Sections 8.1(c) and 8.2(e).

"Interest Rate" means the lesser of (a) the maximum lawful rate or (b) the sum of the Prime Rate and 4% per annum.

"Lease Parameters" shall mean the lease parameters that the Developer Partner and the Preferred Partner agree upon from time to time in writing.

"Major Decision" has the meaning assigned to such term in Section 4.1(b).

"Management Agreement" has the meaning assigned to such term in Section 4.8.

"General Partner" means the Partner designated as a General Partner in accordance with this Agreement, until such Person ceases to be the General Partner.

"Mortgage Loan" shall mean the mortgage loan in the sum of $14,000,000 originally made by Lehman Brothers Bank, FSB to Loyal Plaza Venture, L.P., as evidenced by a Promissory Note made by Loyal Plaza Venture, L.P. to Lehman Brothers Bank, FSB in the original principal face amount of $14,0000,000 currently held by the First Mortgagee and to be assumed by the Partnership by an Assumption Agreement to be entered into by the Partnership with First Mortgagee (the current holder of such loan).

"Net Cash Flow" for any period means Net Operating Income for such period less debt service on Approved Loans actually paid during such period.

"Net Operating Income" for any period means the amount by which Operating Revenues for such period exceed Operating Expenses for such period.

"Nonrecourse Deductions" has the meaning set forth in Regulations Section 1.704-2(b)(1). The amount of Nonrecourse Deductions for a given period equals the excess, if any, of the net increase, if any, in the amount of Partnership Minimum Gain during such period, over the aggregate amount of any distributions during such period of proceeds of a Nonrecourse Liability that are allocable to an increase in Partnership Minimum Gain, determined according to the provisions of Regulations Section 1.704-2(c).

"Nonrecourse Liability" has the meaning set forth in Regulations Section 1.704-2(b)(3).

"Operating Budget" means the annual budget, prepared by the General Partner and approved in writing by the Preferred Partner, and setting forth the estimated capital and operating expenses of the Partnership for the then current or immediately succeeding calendar year and for each month and each calendar quarter of such calendar year, in such detail as the Preferred Partner shall reasonably require.

"Operating Expenses" means, for any period, amounts actually paid by the Partnership for such period (calculated on a cash basis), for operating expenses of the Project, for capital expenditures not paid from the Partners' Capital Contributions, for indemnification obligations incurred under Section 4.9 and for reserves actually funded and approved by the Preferred Partner (or permitted under the current Operating Budget). Operating Expenses shall not include debt service on Approved Loans, and any non-cash expenses such as depreciation or amortization.

"Operating Revenues" means, for any period, the gross receipts of the Partnership and the Property LLC (calculated on a cash basis) arising from the ownership and operation of the Project during such period, including proceeds of any business interruption insurance maintained by the Partnership or Property LLC from time to time, but specifically excluding Capital Proceeds and

Capital Contributions.

"Partner Nonrecourse Debt" means "partner nonrecourse debt" as defined in Regulations Sections 1.704-2(b)(4).

"Partner Nonrecourse Debt Minimum Gain" means an amount, with respect to each Partner Nonrecourse Debt, equal to the Partnership Minimum Gain that would result if such Partner Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Regulations Section 1.704-2(i)(3).

"Partner Nonrecourse Deductions" means "partnership nonrecourse deductions" as defined in Regulations Sections 1.704-2(i)(1) and 1.704-2(i)(2).

"Partners" means the Preferred Partner, the Developer Partner, and each Person hereafter admitted as a Partner in the Partnership in accordance with this Agreement, until such Person ceases to be a Partner of the Partnership.

"Partnership" means Loyal Plaza Associates, L.P., a Delaware limited partnership, or any successor thereto.

"Partnership Interests" means all of the rights and interests of whatsoever nature of the Partners in the Partnership, including without limitation the right to participate in management to the extent herein expressly provided, to receive distributions of funds, and to receive allocations of income, gain, loss, deduction, and credit.

"Partnership Minimum Gain" means "partnership minimum gain" as defined in Regulations Sections 1.704-2(b)(2) and 1.704-2(d).

"Person" means an individual or entity.

"Pledgor" shall mean Cedar-Point Limited Partner, LLC and its permitted successors and assigns.

"Preferred Return" means, for each Partner, an amount that accrues at the per annum rate (a) of 12% (in the case of the Preferred Partner) and 10% (in the case of the Developer Partner) on Capital Contributions (excluding Default Capital Contributions) and (b) equal to the Interest Rate on all Default Capital Contributions. The Preferred Return shall accrue on all Capital Contributions from the date such contributions are made until they are returned to the contributing Partner. The Preferred Return of the Partners shall be cumulative but shall not be compounded.

"Prime Rate" means, for each calendar month, the highest prime rate reported in the Money Rates column or section of The Wall Street Journal published on the second business day of that month, as having been the rate in effect for corporate loans at large U.S. money center commercial banks (whether or not such rate has actually been charged by any such bank) as of the first calendar day of such month. If The Wall Street Journal ceases publication of the Prime Rate, the "Prime Rate" shall mean the prime rate (or base rate) announced by The Chase Manhattan Bank, N.A., New York, New York (whether or not such rate has actually been charged by such bank). If such bank discontinues the practice of announcing the Prime Rate, the "Prime Rate" shall mean the highest rate charged by such bank on short-term, unsecured loans to its most creditworthy large corporate borrowers.

"Profits" and "Losses" mean, for each taxable year or other period, an amount equal to the taxable income or loss of the Partnership for the year or other period, determined in accordance with Section 703(a) of the Code (including all items of income, gain, loss or deduction required to be stated separately under Section 703(a)(1) of the Code), with the following adjustments:

1. Any income that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses will be added to taxable income or loss;

2. Any expenditures described in Code Section 705(a)(2)(B) or treated as Section 705(a)(2)(B) expenditures under Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses, will be subtracted from taxable income or loss;

3. Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes will be computed by reference to the Gross Asset Value of the property, notwithstanding that the adjusted tax basis of the property differs from its Gross Asset Value;

4. In lieu of depreciation, amortization and other cost recovery deductions taken into account in computing taxable income or loss,

there will be taken into account Depreciation for the taxable year or other period;

5. Any items which are specially allocated under Section 9.3(c), 9.3(d), or 9.3(e) will not affect calculations of Profits or Losses; and

6. If the Gross Asset Value of any Partnership asset is adjusted under Section 9.2(b) or 9.2(c), the adjustment will be taken into account as gain or loss from disposition of the asset for purposes of computing Profits or Losses.

"Project" means the land and the improvements located thereon known as Loyal Plaza, located in Williamsport, Pennsylvania, consisting of approximately 29 acres with a shopping center constructed thereon.

"Regulations" means the regulations promulgated by the United States Department of the Treasury pursuant to and in respect of provisions of the Code. All references herein to sections of the Regulations shall include any corresponding provisions of succeeding, similar, substitute proposed or final Regulations.

"Regulatory Allocations" has the meaning assigned to it in Section 9.4(d).

"Removal Event" has the meaning assigned to such term in Section 4.4.

"Residual Sharing Ratios" means the percentages in which Partners participate in distributions arising from Capital Proceeds after prior distributions as more particularly set forth in Section 8.2. The initial Residual Sharing Ratios of the Partners are as follows:

Developer Partner	50%
Preferred Partner	50%

The Residual Sharing Ratios are subject to change as set forth in Section 4.4.

"Security Agreement" shall mean the Security Agreement dated as of the date hereof between Pledgor and Preferred Partner, as the same may hereafter be amended or restated.

"Sharing Ratios" means the percentages in which the Partners participate in, and bear, certain Partnership items specified in this Agreement. The initial Sharing Ratios of the Partners are as follows:

Developer Partner	30%
Preferred Partner	70%

The Sharing Ratios are subject to change as set forth in Section 4.4.

"Transfer" means, with respect to a particular property, right or interest, the assignment, sale, transfer, pledge, disposition, hypothecation, mortgage, pledge or the grant of a lien or security interest in such right or interest (or any part thereof), whether voluntarily, involuntarily or by operation of law, and whether for consideration or no consideration.

ARTICLE 2

ORGANIZATIONAL MATTERS; PURPOSE; TERM

Section 2.1. Formation of Partnership. The Partnership has been organized as a Delaware limited partnership by filing the Certificate under the Act.

Section 2.2. Name. The name of the Partnership shall be Loyal Plaza Associates, L.P., and all Partnership business must be conducted in that name or such other name as the General Partner and the Preferred Partner approve.

Section 2.3. Registered Office; Registered Agent; Principal Office. The registered office and the registered agent of the Partnership shall be as specified in the Certificate or as designated by the General Partner with the Preferred Partner's approval. The principal office of the Partnership shall be at c/o SKR Brentway, 44 South Bayles Avenue, Suite 304, Port Washington, New York 11050, or at such other location as the General Partner and the Preferred Partner approve.

Section 2.4. Foreign Qualification. Before the Partnership conducts business in any jurisdiction other than Delaware, the General Partner shall cause the Partnership to comply with all requirements necessary to qualify the Partnership as a foreign limited partnership in that jurisdiction. At the request of the General Partner, each Partner shall execute, acknowledge, swear to, and deliver all certificates and other instruments conforming with this Agreement that are necessary or appropriate to qualify, continue, or terminate the Partnership as a foreign limited liability Partnership in all jurisdictions in which the Partnership may conduct business.

Section 2.5. Purpose and Scope; Actions Consistent with Certificate. The purposes and scope of the Partnership's activities are strictly limited to acquiring, maintaining, owning, leasing, and selling the Project; financing the foregoing activities; and performing all other activities reasonably necessary or incidental to the furtherance of such purposes. The Partnership shall not take any action inconsistent with the Certificate and, to the extent of any inconsistencies between this agreement and the provisions of the Certificate, provisions of the Certificate shall control. The Partnership shall conduct its business at all times so as to comply with the requirements of the Certificate. The provisions of this Section 2.5 are subject in all respects to the "special purpose entity" provisions of Article 14. In addition, the Partnership shall at

all times conduct its business so as to comply with the provisions of Article 14 of this Agreement, notwithstanding any other provision in this Agreement to the contrary. The Partners acknowledge receipt of the documents evidencing and securing the Mortgage Loan and are aware of provisions in such documents providing for a default upon occurrence of, among other things, certain property transfers and transfers of interests in the Partnership; the incurrence of certain indebtedness; the creation of certain liens; and the liquidation or dissolution of the Partnership or the General Partner, in each case as more particularly set for in the documents evidencing or securing the Mortgage Loan.

Section 2.6. Term. The Partnership shall commence on the effective date of the Certificate and shall terminate on May 31, 2037, unless sooner dissolved as herein provided.

ARTICLE 3

PARTNERSHIP; DISPOSITIONS OF INTERESTS

Section 3.1. Partners. The initial Partners of the Partnership are the Preferred Partner and the Developer Partner, each of which is admitted to the Partnership as a Partner as of the date hereof.

Section 3.2. Dispositions of Partnership Interests.

(a) General Restriction. No Partner may Transfer all or any portion of its Partnership Interest, except with the consent of the other Partner or as permitted in Sections 3.2(b) or 3.2(c). Any attempted Transfer of all or any portion of a Partnership Interest, other than in strict accordance with this Section 3.2, shall be void. Except as permitted in Sections 3.2(b) or 3.2(c), a Person to whom a Partnership Interest is Transferred may be admitted to the Partnership as a Partner only with the consent of the other Partner, which may be given or withheld in the other Partner's sole and absolute discretion. In connection with any Transfer of a Partnership Interest or any portion thereof, and any admission of an assignee of a Partnership Interest as a Partner, the Partner making such Transfer and the assignee shall furnish the other Partner with such documents regarding the Transfer as the other Partner may reasonably request (in form and substance reasonably satisfactory to the other Partner), including a copy of the Transfer instrument, a ratification by the assignee of this Agreement (if the assignee is to be admitted as a Partner), a legal opinion that the Transfer complies with applicable federal and state securities laws, and a legal opinion that the Transfer will not result in the Partnership's termination under Section 708 of the Code. For purposes hereof, a Transfer shall be deemed to have occurred with respect to a Partner's Partnership Interest upon any Transfer of an interest in that Partner or in any entity which directly or indirectly controls such Partner.

(b) Permitted Transfers of Developer Partner. The Developer Partner may Transfer all or a portion of its Partnership Interest (direct or indirect) with the consent of Preferred Partner, such consent not to be unreasonably withheld, to any Affiliate of the Developer Partner (in which Developer Partner owns at least a 51% interest) or to an Affiliate of Cedar Income Fund Partnership, L.P. (in which Cedar Income Fund Partnership, L.P., directly or indirectly, owns at least a 51% interest) and, at the election of the Developer Partner, upon any such Transfer that transferee shall be admitted as a Partner. Transfers of interest in the Developer Partner may also be made (without Preferred Partner's consent) to Affiliates of Developer Partner or

Cedar Income Fund Partnership, L.P. so long as not more than 49% of such interests, in the aggregate, are Transferred and Preferred Partner receives prior written notice thereof. Transfers of interests in Cedar Income Fund Partnership, L.P. may be made at any time without Preferred Partner's consent.

(c) Permitted Transfers of Preferred Partner. The Preferred Partner may Transfer all or a portion of its Partnership Interest (1) to any Affiliate of Kimco Realty Corporation (in which Kimco Realty Corporation holds directly or indirectly at least a 40% interest and Kimco Realty Corporation (or an entity 100% controlled directly or indirectly by Kimco Realty Corporation) retains management authority over the Partnership Interest and also retains the right to give all required consents permitted to be given by the Preferred Partner hereunder) and, at the election of the Preferred Partner, upon any such Transfer that transferee shall be admitted as a Partner or (2) without ceasing to be a Partner, to any other Person so long as the Preferred Partner retains management authority over such Partnership Interest and the right to give all required consents permitted to be given by the Preferred Partner hereunder.

Section 3.3. Creation of Additional Partnership Interests. Additional Partnership Interests may be created and issued to existing Partners or to other Persons, and such other Persons may be admitted to the Partnership as Partners, with the approval of the General Partner and the Preferred Partner, on such terms and conditions as the General Partner and the Preferred Partner may determine at the time of admission. The General Partner may reflect the admission of any new Partners or the creation of any new class or group of Partner in an amendment to this Agreement which shall be valid if executed by the General Partner and Preferred Partner.

Section 3.4. Resignation; Redemption. A Partner may not resign or withdraw from the Partnership without the consent of the other Partners. A Partnership Interest may not be redeemed or purchased by the Partnership without the written consent of the Preferred Partner.

Section 3.5. Information. In addition to the other rights specifically set forth in this Agreement, each Partner is entitled to the following information under the circumstances and conditions set forth in the Act: (a) true and full information regarding the status of the business and financial condition of the Partnership; (b) promptly after becoming available, a copy of the Partnership's federal, state and local income tax returns for each year; (c) a current list of the name and last known business, residence or mailing address of each Partner and General Partner; (d) a copy of this Agreement, the Partnership's certificate of formation, and all amendments to such documents; (e) true and full information regarding the amount of cash and a description and statement of the agreed value of any other property or services contributed by each Partner and which each Partner has agreed to contribute in the future, and the date on which each became a Partner; and (f) other information regarding the affairs of the Partnership to which that Partner is entitled pursuant to Section 17-305 of the Act (including all Partnership books and records). Under no circumstances shall any information regarding the Partnership or its business be kept confidential from any Partner.

Section 3.6. Liability to Third Parties. No Partner shall be liable for the debts, obligations or liabilities of the Partnership.

ARTICLE 4

MANAGEMENT OF PARTNERSHIP AND THE PROPERTY LLC

Section 4.1. Management.

(a) General Partner. The Developer Partner shall initially be the sole General Partner. The General Partner shall manage the affairs of the Partnership and make all decisions with regard thereto, except where (1) the Preferred Partner's approval is required under this Agreement or (2) the approval of any of the Partners is expressly required by a non-waivable provision of applicable law. The Preferred Partner shall have sole authority to enforce any agreement between the Partnership and the Developer Partner (or its Affiliates) and to make all determinations on behalf of the Partnership with respect thereto, which determinations shall be reasonably made.

(b) Actions Requiring Approval of the Preferred Partner. Neither the General Partner nor the Partnership may take any action described below (the "Major Decisions") unless it has been approved in writing by the Preferred Partner (and any such action taken without Preferred Partner's written consent shall be null and void):

(1) Any sale, transfer, exchange, mortgage,

financing, hypothecation or encumbrance of all or any part of the Project, or any lease of the entire Project; however, the General Partner may make incidental sales, exchanges, conveyances, or transfers of Partnership personalty or fixtures in the ordinary course of business if such transaction, together with all other such transactions in the calendar year in question, involves property having a value or sales price of less than $25,000 in the aggregate. The Partners approve the assumption by the Partnership of the Mortgage Loan and the Partners approve the execution by the Partnership of any document necessary to evidence or secure the obligation of the Partnership to assume, repay and secure the Mortgage Loan.

(2) Determination of major accounting policies of the Partnership, including selection of accounting methods and making various decisions regarding treatment and allocation of transactions for federal and state income, franchise or other tax purposes.

(3) Determination of the terms and conditions of all borrowings of the Partnership and the identity of the lender thereof; guaranty the debt of any other Person, or permit the Partnership to incur any debt or other obligations other than Approved Loans or trade payables with respect to the Project. The Preferred Partner has approved the Mortgage Loan as a permitted borrowing of the Partnership.

(4) Making any expenditure or incurring any obligation by or for the Partnership in excess of the lesser of (i) 105% of the amount set forth therefor on an Operating Budget or (ii) an aggregate sum of $50,000 in any 12-month period for any transaction or group of similar or related transactions, except for expenditures made and obligations incurred pursuant to an Operating Budget; however, if emergency repairs to the Project are necessary to avoid imminent danger of injury to the Project or to an individual, the General Partner may cause the Partnership to make such expenditures as may be necessary to alleviate such situation and shall promptly notify the Preferred Partner in writing of the event giving rise to such repairs and the actions taken with respect thereto.

(5) Requiring Additional Capital Contributions(other than Additional Capital Contributions required to be made pursuant to Section 6.2).

(6) Approval of the execution of any lease of any part or all of the Project, the form of lease agreements, guidelines for minimum rental rates, minimum and maximum length of lease terms, brokerage commissions, credit standing of tenants, and approval of any lease amendments which extend the lease term by more than one year (unless the right to extend is set forth in the lease), reduce the rent or give a tenant additional rights or options;

notwithstanding the foregoing, the Partnership shall be permitted (without the consent of Preferred Partner) to execute leases and lease amendments that (i) meet the Lease Parameters and (ii) are on a form of lease or lease amendment that has been approved by the Preferred Partner. The Partnership may also execute lease amendments without the written consent of the Preferred Partner if the lease amendment does not extend the lease term by more than one year.

(7) Approval of property manager, leasing agents, management agreements, construction contracts, and brokerage agreements for the Project; insurance coverages, the underwriters thereof and claims related thereto; zoning changes, reciprocal operating agreements, cross-easement agreements and similar agreements; annual Operating Budgets, including the amount of reserves for capital improvements, replacements and purchases, tenant improvements, and leasing commissions included in such Operating Budget; material modifications of any of the foregoing; and all matters relating to the Project's compliance with environmental, health, access, and other laws.

(8) Using or referencing in any way the name of, or any affiliation with, the Preferred Partner or any of its Affiliates in any advertising.

(9) Taking of any legal action (including the filing of any bankruptcy or insolvency proceeding by or an behalf of the Partnership), except approval of the Partnership initiating action to collect rentals and other amounts payable to the Partnership under leases and other occupancy agreements affecting the Project and evicting tenants and terminating the leases of tenants who are in default under their leases and defending against tenant claims and liability claims for which the Partnership maintains insurance (except that the Partnership may not terminate any lease of a tenant who is not in default under its lease without the Preferred Partner's written consent).

(10) Filing of any petition or consenting to the filing of any petition that would subject the Partnership to a Bankruptcy.

(11) Entering into, or permitting the Property LLC to, enter into any agreement with the Developer Partner or an Affiliate of the

Developer Partner.

(12) Merging or consolidating the Partnership, with or into any Person, or dissolving, terminating or liquidating the Partnership.

(13) Amend or terminate the Certificates.

(14) Permit the Partnership to enter into any leases (or amendments of leases) of the Project or undertake any other activity if the rent from Project leases would (assuming the Preferred Partner were the sole owner of the Project) fail to qualify as "rents from real property" (as such term is defined in ss. 856 of the Code) or would subject Preferred Partner or Kimco Realty Corporation to taxes under sections 857 or 4981 of the Code. For example, a "percentage rent" or other provision in a lease providing for payment of a portion of rent based on the income or profits of a tenant, unless such clause is based on a fixed percentage or percentages of gross receipts or gross sales, would be prohibited unless consented to by the Preferred Partner. (Such a percentage rent clause may be based upon gross receipts or sales in excess of a fixed dollar amount, but only if (i) the fixed dollar amount does not depend in whole or in part on the income or profits of the tenant, and (ii) the percentage and the fixed amount must be fixed at the time the lease is executed and may not be renegotiated during the term of the lease).

(15) Permit the Partnership to approve a sublease of the Project having any percentage rent clauses, other than percentage rent clauses complying with the immediately preceding subparagraph 14.

(16) Engage directly in construction activities without using an independent contractor or independent subcontractors (for example, construction of tenant improvements) without the written consent of the Preferred Partner, unless the costs of such construction activities are within the Approved Budget or are otherwise approved by the Preferred Partner.

(17) Permit the Partnership to increase, modify, consolidate, prepay, or extend any Approved Loan.

(18) Make any loans to the Partnership, any Partner, any Affiliate of a Partner, or any other party.

(19) Cause the Partnership to make any distribution of property in kind to any Partner.

(20) Change the nature of the business conducted by the Partnership.

(21) Take any action inconsistent with the Certificate.

(c) Obligations of the General Partner. The General Partner shall discharge its duties in a good and proper manner as provided for in this Agreement. The General Partner, on behalf of the Partnership, shall in good faith use all reasonable efforts to implement all Major Decisions approved by the Preferred Partner, enforce agreements entered into by the Partnership, and conduct the ordinary business and affairs of the Partnership in accordance with good industry practice and this Agreement. The General Partner shall not delegate any of its rights or powers to manage and control the business and affairs of the Partnership without the prior written consent of the Preferred Partner.

(d) Operating Budgets. The Partnership shall operate under an annual Operating Budget, draft of which shall be prepared and submitted by the General Partner to the Preferred Partner for approval. After a draft annual Operating Budget has been approved, the General Partner shall use diligent good faith efforts to implement the Operating Budget on behalf of the Partnership and may cause the Partnership to incur the expenditures and obligations therein provided. Within 45 days after the date hereof the General Partner shall prepare and submit to the Preferred Partner for approval a proposed Operating Budget for the period beginning with the anticipated acquisition date of the Project and ending on December 31, 2002. If an Operating Budget is not approved by the Preferred Partner by the acquisition date of the Project, the General Partner may incur commercially reasonable expenses to operate the Project; however, no expenditures shall be made for capital items, to Affiliates of the Developer Partner (other than payment of the Management Fee in accordance with the Property Management Agreement), or in excess of $10,000 without the approval of the Preferred Partner. Thereafter, the General Partner shall deliver to the Preferred Partner for approval a proposed Operating Budget for each calendar year by November 1 of the preceding calendar year. Provided that the Preferred Partner receives the proposed Operating Budget for each calendar year by

November 1 of the preceding calendar year, together with all supporting information necessary for the Preferred Partner to review the Operating Budget, the Preferred Partner will approve, reject, or provide changes to the Operating Budget by December 15 of the year in which the proposed Operating Budget was submitted to the Preferred Partner. If an Operating Budget for any calendar year has not been approved by January 1 of that year, the Partnership shall continue to operate under the Operating Budget for the previous year with such adjustments as may be necessary to reflect deletion of non-recurring expense items set forth on the previous Operating Budget and increased insurance costs, taxes, utility costs, and debt service payments; however, no payments or reimbursements to the Developer Partner or any of its Affiliates (other than payment of the management fee in accordance with the previous Operating Budget and reimbursements to the Property General Partner for out-of-pocket expenses incurred in connection with the Project and in accordance with the previous Operating Budget) nor capital expenditures (other than deposits into the Capital Reserve) shall be made by the Partnership for that year until an Operating Budget for such year is approved, unless the Preferred Partner specifically consents thereto in writing.

Section 4.2. Meetings of Partners.

(a) Regular Meetings. The Partners shall hold annual meetings after the General Partner submits an Operating Budget to the Preferred Partner for its review, to discuss the Project, and to discuss such other matters regarding Partnership business as the Partners may elect. Any such meeting may be held by phone with the written consent of the Preferred Partner.

(b) Special Meetings. Special meetings of the Partners may be called by the General Partner or by the Preferred Partner at any time by delivering at least two-business days' prior notice thereof to the other Partner to discuss such matters regarding Partnership business as the Partners may elect. Any such meeting may be held by phone with the written consent of the Preferred Partner.

(c) Procedure. Each Partnership meeting shall be held at the principal place of business of the Partnership, unless the Partners otherwise agree. Attendance of a Person at a meeting shall constitute a waiver of notice of such meeting, unless such Person attends the meeting for the purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. A Person may vote at such meeting by written proxy executed by that Person and delivered to a General Partner or Partner. A proxy shall be revocable unless it is stated to be irrevocable. Any action required or permitted to be taken at such meeting may be taken without a meeting, without prior notice, and without a vote if a consent or consents in writing, setting forth the action so taken, is signed by the General Partner and the Partners that would be necessary to take the action at a meeting at which all Partners were present and voted. Any meeting may take place by means of telephone conference, video conference, or similar communication equipment by means of which all Persons participating therein can hear each other.

Section 4.3. Intentionally Omitted.

Section 4.4. Removal of General Partner. The General Partner may be removed by the Preferred Partner as provided herein under the following circumstances (each, which is not cured by the Developer Partner within the period set forth herein, a "Removal Event"):

(a) A Transfer in violation of Section 3.2(a) occurs, or Developer Partner (1) commits a criminal act (which has an adverse effect on the Partnership or the Preferred Partner), (2) misapplies any funds derived from the Project, including security deposits, insurance proceeds or condemnation awards, which action has an adverse effect on the Partnership or the Preferred Partner; (3) commits fraud, misrepresentation, gross negligence or willful misconduct (which has an adverse effect on the Partnership or the Preferred Partner); (4) fails to maintain insurance as required by this Agreement or to pay or provide

for payment of any taxes or assessments affecting the Project provided that funds are available to the Partnership with which to do so (which has an adverse effect on the Partnership or the Preferred Partner); or (5) intentionally damages or destroys the Project, or any part thereof not covered by insurance.

(b) Failure of the Developer Partner to make Additional Capital Contributions so that the outstanding aggregate amount of all unpaid Additional Capital Contributions of the Developer Partner exceed $600,000 (for purposes hereof any Additional Capital Contribution made by a Default Loan to the Developer Partner shall constitute a failure to make such Additional Capital Contribution by Developer Partner).

(c) Bankruptcy of the Partnership.

(d) The liquidation or dissolution of the General Partner.

(e) Bankruptcy of the General Partner (a "Bankruptcy Removal Event").

(f) The occurrence of a material default by an Affiliate of the Developer Partner under any management or other service contract between the Partnership and an Affiliate of the Developer Partner and the General Partner's failure within thirty (30) days of the giving of notice thereof by the Preferred Partner to the Developer Partner to cause such contract to be terminated and replaced with a contract with a non-affiliated third party.

(g) A Major Decision is made or taken without Preferred Partner's written consent (and, in the case of Major Decisions specified in clauses (2), (4), (6), (7), (9) or (16) taken without Preferred Partner's written consent, there is an adverse effect to either the Partnership or Preferred Partner as a result of the action so taken).

(h) The Partnership fails to make a distribution to Preferred Partner as and when required pursuant to Sections 8.1 or 8.2.

(i) The material breach by Developer Partner of a covenant set forth in this Agreement, the breach of which is not otherwise specified in this Section 4.4.

(j) A default (beyond expiration of any applicable grace or notice period) shall occur under either the Guaranty or the Security Agreement.

If Preferred Partner shall have reasonably determined that a Removal Event has occurred, Preferred Partner shall give written notice thereof to Developer Partner together with a detailed specification of the claimed Removal Event and the circumstances thereof. If such Removal Event shall be reasonably susceptible of cure, Developer Partner shall have the right to cure such Removal Event within the thirty (30) day period following receipt of notice thereof from the Preferred Partner. Notwithstanding anything in this paragraph to the contrary, however, (i) no cure rights shall be available with respect to Removal Events specified in Sections 4.4(a)(1), (2), (3) and (5) and Section 4.4(c) or (e) and (ii) if the notice is given by Preferred Member with respect to a Removal Event specified in Section 4.4(a)(4) or 4.4(h) the cure period shall be 5 business days. If Developer Partner shall fail to cure such Removal Event within such thirty (30) day period, then, subject to the rights of Developer Partner and Preferred Partner to cause such matter to be submitted to arbitration, the Preferred Partner may remove Developer Partner as the General Partner, in which event (i) the Preferred Partner may appoint itself or an Affiliate of the Preferred Partner, or a third party, as General Partner. If the Removal Event arises because of an event specified in Sections 4.4 (a)(1), (2), (3) or (5), 4.4(g) (which has an adverse effect on the Partnership or Preferred Partner), or 4.4(h), the Preferred Partner may at any time elect (by written notice to the Developer Partner) to purchase the Partnership Interest of the Developer Partner for a purchase price equal to the difference between (A) the lesser of (i) an amount which the Developer Partner would receive if the Project were sold for its fair market value (less Imputed Closing Costs), or (ii) the unreturned Capital Contributions of the Developer Partner, less (B) all damages and costs incurred by the Partnership in connection with such Removal Event.

The fair market value of the Project shall be determined by the Preferred Partner and the Developer Partner (or its representative) within 30 days after the Preferred Partner elects to purchase such Partnership Interest. If such Persons are unable to agree on the fair market value of the Project, the Preferred Partner, by notice to the Developer Partner (or its representative), may require the determination of the fair market value to be made by an independent appraiser specified in that notice. If the Person receiving that notice objects to the independent appraiser designated therein within ten days after it receives such notice and the Preferred Partner and such Person fail to agree on an independent appraiser, then either may request that the New York City, New York office of the American Arbitration Association (the "AAA") designate an independent appraiser, in which case the selection of the appraiser by the AAA shall be binding on the parties. The determination of the selected appraiser shall be final and binding on all parties. The Partnership shall pay the cost of the appraisal. The closing of such transaction shall occur within 30 days after the purchase price for the Partnership Interest in question is finally determined.

If Preferred Partner desires to remove Developer Partner as the General Partner because a Removal Event has occurred, then either the Developer Partner or the Preferred Partner shall have the right to require (by written notice to the other Partner) that the issue of whether or not a Removal Event has occurred be submitted to binding arbitration. The sole parties to such

arbitration shall be the Developer Partner and Preferred Partner. The sole issues to be submitted to and determined by such arbitration is whether or not a Removal Event has occurred, or, if a Removal Event has occurred, whether mitigating factors exist sufficient to allow Developer Partner to remain as the General Partner notwithstanding the occurrence of such Removal Event (and in the case of any election by the Preferred Partner to purchase the Developer Partner's Partnership Interest (if applicable), whether mitigating factors exist sufficient to deny the Preferred Partner the right to exercise such election). The arbitration shall be handled in the following manner:

(i) The matter shall be submitted to binding arbitration in New York City, New York in accordance with the rules of the AAA then in effect, except as otherwise set forth in this Agreement. A single arbitrator (not affiliated with any firm or organization providing services to either party or their Affiliates) shall be selected.

(ii) Each party shall have the right to take limited discovery, which shall in all event be completed within 60 days of the date arbitration has been requested by either party, unless the other party shall fail to cooperate in the taking of such discovery.

(iii) The matter shall be decided based on briefs and affidavits submitted to the arbitrator, and without any testimony of live witnesses, unless the arbitrator desires in its sole discretion to have a hearing with witnesses.

(iv) The decision of the arbitrator shall be final and non-appealable.

(v) Each party shall pay (x) its own attorneys' fees and costs in submitting the matter to arbitration and (y) 50% of the fees of the arbitrator. The losing party shall reimburse the prevailing party for any AAA filing fees paid by the prevailing party and any arbitration order shall so state the foregoing.

(vi) If the arbitrator decides that a Removal Event has occurred without mitigating factors, the arbitrator shall enter an order (x) declaring that a Removal Event has occurred, and (y) with the prevailing party's consent, declaring that the Developer Partner shall cease to be the General Partner of the Partnership and Preferred Partner (or its designee) shall be the new managing Partner. The arbitrator shall have the power to order injunctive relief consistent with the foregoing.

(vii) The arbitrator shall not have any power to enter any damage award except as specified in subsection (e) above.

Even if the parties elect to proceed to arbitration concerning whether or not a Removal Event has occurred, either Partner shall be permitted to pursue other remedies (at law or equity) permitted by this Agreement for breach by the other Partner of its obligations hereunder.

If the Developer Partner fails to make Additional Capital Contributions in the aggregate amount of $300,000, then from and after such date the Developer Partner's Residual Sharing Ratio shall be automatically changed to 35% and the Preferred Partner's Residual Sharing Ratio shall be automatically changed to 65%. For every $2,000 in Additional Capital Contributions in excess of $300,000 which the Developer Partner fails to make, the Developer Partner's Residual Sharing Ratio shall be decreased by .1% and the Preferred Partner's Residual Sharing Ratio shall be increased by .1% (for example, if the Developer Partner fails to make Additional Capital Contributions aggregating $400,000, the Developer Partner's Residual Sharing Ratio shall decrease to 30% and the Preferred Partner's Residual Sharing Ratio shall be increased to 70%), except that the Developer Partner's Residual Sharing Ratio shall never be reduced below 25%. At such time as the aggregate unpaid Additional Capital Contributions of the Developer Partner equal or exceed $600,000, the Preferred Partner may at any time elect (by written notice to the Developer Partner) to purchase the Partnership Interest of the Developer Partner for a purchase price equal to the difference between (A) the lesser of (i) an amount which the Developer Partner would receive if the Project were sold for its fair market value (less Imputed Closing Costs), or (ii) the unreturned Capital Contributions of the Developer Partner, less (B) all damages and costs incurred by the Partnership in connection with the Developer Partner's failure to so make such Additional Capital Contributions. In such event fair market value shall be determined as set forth in this section 4.4.

If the Developer Partner is ever removed as the General Partner, the Developer Partner shall have all rights of a limited partner specified in the Act.

Section 4.5. Reimbursement of Expenses. Each Partner shall be reimbursed for all out-of-pocket expenses actually incurred by it directly in conjunction with the business and affairs of the Partnership (including travel

costs, telephone costs, and similar expenses, but excluding any salary expenses, employee expenses, and administrative expenses even if such excluded expenses are incurred in connection with (or allocable to) Partnership business), to the extent set forth on an Operating Budget or as otherwise approved in writing by the Preferred Partner. Upon request, the General Partner shall provide

reasonable supporting verification to the other Partners for all expenditures for which any reimbursement is requested. The General Partner shall at all times maintain insurance in amounts required by the Mortgage Loan provided that there are funds available to the Partnership with which to do so and if there are no such funds to do so General Partner shall give immediate written notice to Preferred Partner (but if the cost thereof exceeds by more than 10% the budgeted amount therefor in an Operating Budget, the Developer Partner shall notify Preferred Partner in writing before paying the cost thereof).

Section 4.6. Compensation of General Partner. Except for expense reimbursements set forth in Section 4.5, no compensatory payment shall be made by the Partnership to the General Partner or any Partner for the services to the Partnership of such General Partner, Partner or any Partner or employee of such Partner.

Section 4.7. Transactions with Affiliates.

(a) General. When any service or activity to be performed on behalf of the Partnership is performed by an Affiliate of a Partner, the fee payable for such service or activity shall not exceed the fee which would be payable by the Partnership to an unaffiliated third party of comparable standing providing the same services.

(b) Termination of Agreements with Affiliates. If the Developer Partner is removed as General Partner as a result of the occurrence of a Removal Event, then the Partnership may terminate all agreements with Developer Partner's Affiliates without penalty or fee, and all such agreements must contain a provision that allows for the exercise of the right of termination under this Section 4.7(b). The Preferred Partner may enforce this provision on behalf of the Partnership.

Section 4.8. Property Management Agreement. The Partnership is contemporaneously entering into a Property Management Agreement ("Management Agreement") with Brentway Management LLC ("Property Manager"), an Affiliate of the Developer Partner, under which Property Manager shall manage and lease the Project. The Management Agreement will provide that Property Manager shall be paid fees more particularly set forth in the Management Agreement. The General Partner or an Affiliate shall also be entitled to a fee on a sale or refinancing equal to .75% of the sale price or refinance amount, as the case may be, subject to a total cap on fees to third parties and the General Partner or its Affiliate of 1.5% (for example, if an outside broker's fee is 1.5%, no fee shall be payable to the General Partner or its Affiliate).

Section 4.9. Indemnification; Reimbursement of Expenses; Insurance. To the fullest extent permitted by the Act: the Partnership shall hold harmless, indemnify and defend the General Partner from all losses, liabilities, claims, damages, expenses, obligations, penalties, actions, judgments, suits, costs or disbursements of any kind or nature whatsoever, including the reasonable fees and actual expenses of the General Partner's counsel, which arise, result from or relate to any threatened, pending or completed action, suit or proceeding ("Proceeding"), relating to the ownership or operation of the Project or the business of the Partnership (other than claims and liabilities excluded below), including, without limitation, expenses incurred by the General Partner (1) in advance of the final disposition of any Proceeding to which such General Partner was, is or is threatened to be made a party, and (2) in connection with its as a witness or other participation in any Proceeding. The foregoing indemnity shall also extend to any Affiliate of the General Partner (including Cedar Income Fund Partnership, L.P. and Cedar Income Fund Ltd.) which may execute an environmental indemnity in favor of the holder of the Mortgage Loan such that such Affiliate shall be reimbursed by the Partnership (prior to distributions to Partners) for any amount paid on account of such environmental indemnity. The foregoing indemnity shall also extend to any brokerage commissions or finder's fees claimed by any broker or other party against the General Partner in connection with the Project, or any of the transactions contemplated by this Agreement. The Partnership shall indemnify and advance expenses to an Officer, employee or agent of the Partnership to the same extent and subject to the same conditions under which it may indemnify and advance expenses to General Partners under the preceding sentence. The provisions of this Section 4.9 shall not be exclusive of any other right under any law, provision of the Certificate or this Agreement, or otherwise. Notwithstanding the foregoing, this indemnity shall not apply to actions constituting gross negligence, willful misconduct or bad faith, or involving a breach of this Agreement, but shall apply to actions constituting simple negligence. The Partnership may purchase and maintain insurance to

protect itself and any General Partner, officer, employee or agent of the Partnership, whether or not the Partnership would have the power to indemnify such Person under this Section 4.9. This indemnification obligation shall be limited to the assets of Partnership and no Partner shall be required to make a Capital Contribution in respect thereof.

Section 4.10. Other Business Activities. Subject to the other express provisions of this Agreement, each Partner, General Partner, Officer or Affiliate thereof may engage in and possess interests in other business ventures of any and every type and description, independently or with others, including ones in direct or indirect competition with the Partnership, with no obligation to offer to the Partnership or any other Partner, General Partner or Officer the right to participate therein or to account therefor. The Partnership may transact business with any Partner, General Partner, Officer or Affiliate thereof, subject to the approval rights of the Preferred Partner described herein, provided the terms of those transactions are no less favorable than those the Partnership could obtain from unrelated third parties. Each Partner and its Affiliates has numerous ownership interests in other real estate projects and neither Partner shall be required to offer any business opportunity or interest to the Partnership.

Section 4.11. Indemnification of Preferred Partner. The Partnership shall indemnify, defend and hold Preferred Partner harmless from and against any and all losses, liabilities, claims, damages, expenses, obligations, penalties, actions, judgments, suits, costs or disbursements of any kind or nature whatsoever, including the reasonable fees and actual expenses of Preferred Partner's counsel, arising in connection with (1) any investigative, administrative, mediation, arbitration, or judicial proceeding, commenced or threatened at any time against Preferred Partner (whether or not the Partnership is a party thereto), in any way related to the execution, delivery or performance of this Agreement or to the Project, and (2) any proceeding instituted by the seller of the Project against Preferred Partner (whether or not the Partnership is a party thereto), and (3) any brokerage commissions or finder's fees claimed by any broker or other party against Partnership or Preferred Partner in connection with the Project, or any of the transactions contemplated by this Agreement. Preferred Partner shall not be entitled to indemnification to the extent any of the foregoing are caused solely by the Preferred Partner's gross negligence or willful misconduct. This indemnification obligation shall be limited to the assets of Partnership and no Partner shall be required to make a Capital Contribution in respect thereof.

ARTICLE 5

ACCOUNTING AND REPORTING

Section 5.1. Fiscal Year, Accounts, Reports.

(a) The fiscal year of the Partnership shall be the calendar year.

(b) The books of account of the Partnership shall be kept and maintained (at Partnership expense) by the General Partner on an accrual basis in accordance with GAAP. The Partnership shall report its operations for tax purposes on an accrual basis. The General Partner shall prepare a reconciliation of such books and records to cash receipts and disbursements. The books of account shall be kept at the principal place of business of the Partnership, and shall at all times be available for inspection by the Partners. All distributions of Net Cash Flow and Capital Proceeds shall be accompanied by income statements prepared by the General Partner setting forth in detail the calculation of the amount of each such distribution.

(c) The General Partner shall, at Partnership expense, furnish to the Partners (1) on or before the 30th day after the end of each calendar quarter, an unaudited statement setting forth and describing in reasonable detail the receipts and expenditures of the Partnership and the Property LLC during the preceding month and comparing the results of operations of the Partnership for such month and for the year to date to the appropriate Operating Budget, (2) on or before 90 days after the end of each fiscal year, a balance sheet of the Partnership dated as of the end of such fiscal year, a statement of the Partners' Capital Accounts, Default Capital Contribution Balances, Default Capital Contribution Preferred Return Balances, Additional Capital Contribution Balances, Additional Capital Contribution Preferred Return Balances, Initial Capital Contribution Balances, and Initial Capital Contribution Preferred Return Balances, a statement of Net Cash Flow, and a statement setting forth the Profits and Losses for such fiscal year, audited by an independent firm of certified public accountants as selected by the General Partner and approved by the Preferred Partner (the Preferred Partner hereby approves Ernst & Young, LLP as the initial certified public accounting firm for the Partnership), and unaudited statements of the foregoing for the prior calendar year shall be sent

to the Partners within 60 days following the end of each calendar year, and (3) from time to time, all other information relating to the Partnership and the business and affairs of each, reasonably requested by any Partner.

(d) Each Partner, at its expense, may at all reasonable times during usual business hours audit, examine, and make copies of or extracts from the books of account records, files, and bank statements of the Partnership. Such right may be exercised by any Partner, or by its designated agents or employees.

Section 5.2. Bank Accounts. The General Partner shall open and maintain (in the name of the Partnership) a special bank account or accounts in a bank or savings and loan association, the deposits of which are insured, up to the applicable limits, by an agency of the United States government, in which shall be deposited all funds of the Partnership.

Section 5.3. Financial Accounting Matters . The method by which the financial statements of the Partnership and the Property LLC shall be prepared (including the allocation of all revenues and expenses, including depreciation, to the respective Partner's Capital Accounts) shall be such reasonable method as is employed by the General Partner for other properties of which it shall be the owner or the general partner or managing Partner thereof.

ARTICLE 6

CAPITAL CONTRIBUTIONS

Section 6.1. Initial Capital Contributions. (a) The Developer Partner has contributed cash of $1,408,453.24 to the Partnership on the date hereof which shall constitute the Developer Partner's Initial Capital Contribution.

The Preferred Partner has contributed cash of $4,000,000.00 to the Partnership on the date hereof which shall constitute the Preferred Partner's Initial Capital Contribution.

Section 6.2. Additional Capital Contributions. After the Initial Capital Contributions have been made, each Member shall make Capital Contributions to the Partnership in proportion to their respective Capital Sharing Ratios as may be approved by the General Partner and the Preferred Partner for the conduct of the Partnership's business, maintenance of its assets, and discharge of its liabilities (except that costs to fit out the space recently vacated by Family Toys in an amount up to $300,000 shall be funded solely by Preferred Partner and not by Developer Partner upon approval by Preferred Member of the new lease for such space and all construction contracts, plans and budgets related to the improvements to be made to such space; such Family Toy payment by the Preferred Member shall, when funded, be considered an Initial Capital Contribution, rather than an Additional Capital Contribution under this Agreement); however, the Partners shall be required to make (without the approval of the Partners) additional Capital Contributions (in proportion to their respective Capital Sharing Ratios) needed to permit the Partnership to pay regularly scheduled payments on the Mortgage Loan or to pay costs set forth on an Operating Budget (to the extent that Operating Revenues are insufficient to pay debt service or such budgeted costs). From time to time as the Partnership requires funds to conduct its business, General Partner (with the consent of the Partners (if required)) or the Preferred Partner (to the extent that the approval of the Partners is not required pursuant to the immediately preceding sentence and the General Partner fails to notify the Partners of a required Capital Contribution), shall notify the Partners of the amount of funds required, the use and purpose of such funds, and each Partner's required contribution amount. Those Partners obligated to contribute capital at that time shall fund the amount called for within 30 days after notice is given. Each additional contribution made under this Section 6.2 (excluding the $300,000 Capital Contribution to be made by Preferred Partner as aforesaid for the Family Toys space which shall be considered an Initial Capital Contribution) is an "Additional Capital Contribution". No Partner shall, however, be personally obligated to make Additional Capital Contributions to the Partnership and the recourse of one Partner against another for failure to so make an Additional Capital Contribution are limited to those remedies set forth in this Agreement.

Section 6.3. Failure to Make Contributions.

(a) Any Partner which fails to timely contribute all or any portion of any required Additional Capital Contribution shall be considered a "Delinquent Partner." The Partnership may, upon notice to a Delinquent Partner, exercise either one of the following remedies:

(1) permit the non-Delinquent Partners which elect to do so, in proportion to their respective Capital Sharing Ratios or in such other percentages as they may agree (the "Lending Partners," whether one or more), to

advance that portion of the Capital Contribution that is in default, as a loan (a "Default Loan") with the following results:

(A) the sum thus advanced shall constitute a loan to the Delinquent Partner,

(B) such loan and all interest accruing thereon under subsection (C) hereof shall be due 10 years after the date of the loan;

(C) the loan shall bear interest at the Interest Rate from the date made until the date fully repaid;

(D) all Partnership distributions and other payments that otherwise would be made to the Delinquent Partner (whether before or after dissolution of the Partnership) under this Agreement (including those under Articles 12 and 13) shall be paid to the Lending Partners until the loan and all interest accrued thereon is paid in full (with all such payments being applied first to accrued and unpaid interest and then to principal);

(E) payment of the loan shall be secured by a security interest in the Delinquent Partner's Partnership Interest as set forth in Section 6.3(b); and

(F) the Lending Partners may, in addition to the other rights granted herein, take such action as they may deem appropriate to obtain payment of the loan at the expense of the Delinquent Partner; or

(2) permit the non-Delinquent Partner to elect (A) not to make its share of the requested Capital Contribution, in which case any portion of its share of such requested Capital Contribution already contributed to the Partnership shall be returned to it or (B) to contribute its share of the requested Capital Contribution and none or any portion of the Delinquent Partner's Capital Contribution, in which case, all Capital Contributions made by the non-Delinquent Partner in respect of the requested Capital Contribution (including the non-Delinquent Partner Capital Contribution in respect thereof) shall constitute "Default Capital Contributions" by the non-Delinquent Partner.

No Partner nor any of its Affiliates shall be personally liable for making of any Additional Capital Contribution and recourse against a Partner for failure to make an Additional Capital Contribution shall be limited as set forth in this Section 6.3.

If the Developer Partner is a Delinquent Partner, then exercise of the foregoing remedies by the Partnership shall be determined by the Preferred Partner in its sole discretion and not by the General Partner.

(b) Each Partner hereby grants to the other Partner and the Partnership, equally and ratably, a security interest in its Partnership Interest to secure performance of its obligations to repay a Default Loan when due and payable hereunder (collectively, the "Secured Obligations"). Upon any default in the Secured Obligations, the Persons to whom such obligations are owed (each, a "Secured Party") shall have all the rights and remedies of a secured party under the Uniform Commercial Code with respect to the security interest granted herein, and the proceeds arising from any foreclosure of the security interest herein granted may be applied to attorneys' fees and expenses incurred by the Secured Party in exercising such rights and remedies. Each Partner authorizes the other Partner and/or the Partnership to file all such financing statements and other instruments as may be required to evidence or perfect the security interest provided for herein. This Agreement may serve as the necessary financing statement, or the General Partner and/or the Lending Partner may execute and file a financing statement naming the other Partner as debtor and the other Partner hereby authorizes the General Partner and/or the Lending Partner to file such financing statements and other instruments as may be necessary to evidence or perfect (or continue the perfection of) the security interest herein granted.

Section 6.4. Return of Contributions. Except as expressly provided herein, no Partner shall be entitled to (a) the return of any part of its Capital Contributions, (b) any interest in respect of any Capital Contribution, or (c) the fair market value of its Partnership Interest in connection with a withdrawal from the Partnership or otherwise. Unrepaid Capital Contributions shall not be a liability of the Partnership or of any Partner. No Partner shall be required to contribute or lend any cash or property to the Partnership to enable the Partnership to return any Partner's Capital Contributions to the Partnership.

Section 6.5. Partner Loans. If the Partnership shall have insufficient cash to pay its obligations, any Partner, with the approval of the Preferred

Partner and the General Partner, may advance such funds for the Partnership on such terms and conditions as the lending Partner, the Preferred Partner, and the General Partner may determine. Each such advance shall constitute a loan from such Partner to the Partnership and shall not constitute a Capital Contribution.

Section 6.6. Balances. The Partnership's books and records shall contain entries indicating the type and amount of Capital Contributions made to the Partnership and the Preferred Return thereon.

ARTICLE 7

THIRD PARTY FINANCING

Section 7.1. Initial Financing. The Partnership approves borrowing pursuant to the Mortgage Loan. The Mortgage Loan is secured by a first-priority mortgage lien on the Project. General Partner shall deliver (or cause to be delivered to Preferred Partner) to the Preferred Partner all notices, correspondence, and information delivered by the holder (or servicer) of the Mortgage Loan to the Property LLC and/or the Partnership.

ARTICLE 8

DISTRIBUTIONS

Section 8.1. Distribution of Net Cash Flow. The Net Cash Flow for each calendar quarter shall (subject to Section 6.3 which requires certain prior distributions to a Lending Partner) be distributed to the Partners on or before the 10th day following the end of each calendar quarter in the following order of priority:

(a) first, to the Partners in proportion to and in payment of their respective Default Capital Contribution Preferred Return Balances until their respective Default Capital Contribution Preferred Return Balances have been reduced to zero;

(b) next, to the Partners in proportion to and in payment of their respective Additional Capital Contribution Preferred Return Balances until their respective Additional Capital Contribution Preferred Return Balances have been reduced to zero;

(c) next, to the Preferred Partner in payment of its Preferred Return on its Initial Capital Contribution until its Initial Capital Contribution Preferred Return Balance has been reduced to zero;

(d) next, to the Developer Partner in payment of its Preferred Return on its Initial Capital Contribution until its Initial Capital Contribution Preferred Return Balance has been reduced to zero; and

(e) next, to the Partners proportionally in accordance with their respective Sharing Ratios.

Section 8.2. Distribution of Capital Proceeds. Capital Proceeds of the Partnership shall (subject to Section 6.3 which requires certain prior distributions to a Lending Partner) be distributed to the Partners within 10 days following receipt by the Partnership of such Capital Proceeds, in the following order of priority:

(a) first, to the Partners in proportion to and in payment of their respective Default Capital Contribution Preferred Return Balances until their respective Default Capital Contribution Preferred Return Balances have been reduced to zero;

(b) next, to the Partners in proportion to and in return of their respective Default Capital Contributions until their respective Default Capital Contribution Balances have been reduced to zero;

(c) next, to the Partners in proportion to and in payment of their respective Additional Capital Contribution Preferred Return Balances until their respective Additional Capital Contribution Preferred Return Balances have been reduced to zero;

(d) next, to the Partners in proportion to and in return of their respective Additional Capital Contributions until their respective Additional Capital Contribution Balances have been reduced to zero;

(e) next, to the Preferred Partner until its Initial Capital Contribution Balance has been reduced to zero;

(f) next, to the Preferred Partner until all distributions to the Preferred Partner pursuant to Sections 8.1 and 8.2 have satisfied the 14% IRR Threshold with respect to the Preferred Partner;

(g) next, to the Developer Member until its Initial Capital Contribution Balance has been reduced to zero;

(h) next, to the Developer Partner until all distributions to the Developer Partner pursuant to Sections 8.1 and 8.2 have satisfied the 14% IRR Threshold with respect to the Developer Member;

(i) next, to the Partners in accordance with their respective Residual Sharing Ratios.

Section 8.3. Statements. All distributions of Net Cash Flow and Capital Proceeds shall be accompanied by income statements setting forth in detail the calculation of the amount of each such distribution.

ARTICLE 9

CAPITAL ACCOUNTS, ALLOCATIONS, AND TAX MATTERS

Section 9.1. Capital Accounts.

(a) Establishment and Maintenance. A separate capital account ("Capital Account") will be maintained for each Partner in accordance with Regulations 1.704-1(b)(iv). The General Partner shall establish and maintain a single Capital Account for each Partner which reflects each Partner's Capital Contributions to the Partnership. Each Capital Account shall also reflect the allocations and distributions made pursuant to Article 8 and otherwise be adjusted in accordance with Code Section 704 and the principles set forth in Treasury Regulations Sections 1.704-1(b) and 1.704-2. In applying such principles, any expenditures of the Partnership described in Code Section 705(a)(2)(B) or treated as Code Section 704(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i) shall be allocated among the Partners in proportion to their respective Capital Sharing Ratios. The Partners intend that the Partnership be treated as a partnership for tax purposes.

The Capital Accounts will be adjusted as follows:

(1) Each Partner's Capital Account will be credited with the Partner's Capital Contributions, the Partner's distributive share of Profits, any items in the nature of income or gain that are specially allocated to the Partner under Sections 9.4(c), 9.4(d), or 9.4(e), and the amount of any Partnership liabilities that are assumed by the Partner or secured by any Partnership property distributed to the Partner.

(2) Each Partner's Capital Account will be debited with the amount of cash and the Gross Asset Value of any Partnership property distributed to the Partner under any provision of this Agreement, the Partner's distributive share of Losses, any items in the nature of deduction or loss that are specially allocated to the Partner under Sections 9.4(c), 9.4(d) or 9.4(e), and the amount of any liabilities of the Partner assumed by the Partnership or which are secured by any property contributed by the Partner to the Partnership.

(b) Initial Capital Accounts. The initial Capital Account balance of each Partner equals the amount of cash contributed by each Partner as its Initial Capital Contribution, which balances have been determined in accordance with the provisions of Treasury Regulation Section 1.704-1(b)(2)(iv)(f).

(c) Transfer. If any interest in the Partnership is transferred in accordance with the terms of this Agreement, the transferee will succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

(d) Modifications by General Partner. The provisions of this Section 9.2 and the other provisions of this Agreement relating to the maintenance of Capital Accounts have been included in this Agreement to comply with Section 704(b) of the Code and the Regulations promulgated thereunder and will be interpreted and applied in a manner consistent with those provisions and the Regulations. The General Partner may, with the consent of the Preferred Partner, modify the manner in which the Capital Accounts are maintained under this Section 9.2 to comply with those provisions and the Regulations, as well as upon the occurrence of events that might otherwise cause this Agreement not to comply with those provisions and the Regulations; however, without the unanimous consent of all Partners, the General Partner may not make any modification to the way Capital Accounts are maintained if such modification would have the effect of changing the amount of distributions to which any Partner would be entitled during the operation, or upon the liquidation, of the Partnership.

Section 9.2. Adjustment of Gross Asset Value. "Gross Asset Value", with respect to any asset, is the adjusted basis of that asset for federal income tax

purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed (or deemed contributed under Regulations Section 1-708-1(b)(1)(iv) by a Partner to the Partnership will be the fair market value of the asset on the date of the contribution, as determined by the General Partner and the Preferred Partner.

(b) The Gross Asset Values of all assets will be adjusted to equal the respective fair market values of the assets, as determined by the General Partner and the Preferred Partner, as of (1) the acquisition of an additional interest in the Partnership by any new or existing Partner in exchange for more than a de minimis capital contribution, (2) the distribution by the Partnership to a Partner of more than a de minimis amount of Partnership property as consideration for an interest in the Partnership if an adjustment is necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership, and (3) the liquidation of the Partnership within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g).

(c) The Gross Asset Value of any asset distributed to any Partner will be the gross fair market value of the asset on the date of distribution as approved by General Partner and Preferred Partner.

(d) The Gross Asset Values of assets will be increased or decreased to reflect any adjustment to the adjusted basis of the assets under Code Section 734(b) or 743(b), but only to the extent that the adjustment is taken into account in determining Capital Accounts under Regulations Section 1.704-1(b)(2)(iv)(m), provided that Gross Asset Values will not be adjusted under this Section 9.2 to the extent that the General Partner determines that an adjustment under Section 9.2(b) is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment under this Section 9.2(d).

(e) After the Gross Asset Value of any asset has been determined or adjusted under Section 9.2(a), 9.2(b) or 9.2(d), Gross Asset Value will be adjusted by the Depreciation taken into account with respect to the asset for purposes of computing Profits or Losses.

Section 9.3. Profits, Losses and Distributive Shares of Tax Items.

(a) Profits (other than from Capital Transactions). Except as otherwise provided in Sections 9.3(d), 9.3(e) and 9.3(f), and except as otherwise provided in Article 10 (relating to allocation of Profits upon dissolution), Profits for any taxable year (other than those arising from a Capital Transaction) shall be allocated to the Partners in the following manner:

(1) first, to the Partners in proportion to distributions of Default Preferred Returns made to the Partners during such taxable year until the Partners have been allocated an amount under this Section 9.3(a)(1) equal to amounts distributed during such taxable year to the Partners pursuant to Section 8.1(a);

(2) next, to the Partners in proportion to distributions of Preferred Return on their Additional Capital Contributions made to the Partners during such taxable year until the Partners have been allocated a cumulative amount under this Section 9.3(a)(2) equal to amounts distributed during such taxable year to the Partners pursuant to Section 8.1(b);

(3) next, to the Partners in proportion to distributions made to the Partners during such taxable year of Preferred Return on their Initial Capital Contributions, until the Partners have been allocated an amount under this Section 9.3(a)(3) equal to amounts distributed to the Partners pursuant to Sections 8.1(c) and 8.1(d); and

(4) next, to the Partners in accordance with their respective Sharing Ratios.

(b) Profits (from Capital Transactions). Except as otherwise provided in Sections 9.3(c), 9.3(d), 9.3(e) and 9.3(f), and except as otherwise provided in Article 10 (relating to allocation of Profits upon dissolution), Profits for any taxable year arising from a Capital Transaction shall be allocated to the Partners in the following manner:

(1) first, to the Partners in proportion to their respective Default Preferred Returns distributed to the Partners during such taxable year until they have been allocated an amount under this Section 9.3(b)(1) equal to amounts distributed during such taxable year to the Partners pursuant to Section 8.2(a);

(2) next, to the Partners in proportion to their

respective Preferred Return on their respective Additional Capital Contributions distributed to the Partners during such taxable year until they have been allocated an amount under this Section 9.3(b)(2) equal to amounts distributed during such taxable year to the Partners pursuant to Section 8.2(c);

(3) next, to the Partners in proportion to distributions made to the Partners during such taxable year pursuant to Sections 8.2(f) and 8.2(h) inclusive until the Partners have been allocated an amount under this Section 9.3(b)(3) equal to the amounts distributed during such taxable year to the Partners pursuant to Sections 8.2(f) and 8.2(h) inclusive;

(4) next, to the Partners proportionally in accordance with their respective Residual Sharing Ratios.

(c) Losses. Except as otherwise provided in Sections 9.3(d), 9.3(e), and 9.3(f), Losses for any taxable year shall be allocated in the following manner:

(1) First, to the Partners in proportion to their respective adjusted Capital Account balances, but not in excess of the adjusted Capital Account balance of each such Partner before the allocation provided for in this Section 9.3(c)(1); and

(2) thereafter, to the Partners with positive Capital Account balances (in proportion to such balances) to the extent further allocations of Losses to a Partner under this Section 9.3(c) would cause such Partner to have an Adjusted Capital Account Deficit.

(d) Special Allocations. The following special allocations will be made in the following order and priority before allocations of Profits and Losses:

(1) Partnership Minimum Gain Chargeback. If there is a net decrease in Partnership Minimum Gain during any taxable year or other period for which allocations are made, before any other allocation under this Agreement, each Partner will be specially allocated items of Partnership income and gain for that period (and, if necessary, subsequent periods) in proportion

to, and to the extent of, an amount equal to such Partner's share of the net decrease in Partnership Minimum Gain during such year determined in accordance with Regulations Section 1.704-2(g)(2). The items to be allocated will be determined in accordance with Regulations Sections 1.704(2)(f)(6) and 1.704-2(j)(2). This Section 9.3(d)(1) is intended to comply with the Partnership Minimum Gain chargeback requirements of the Regulations, will be interpreted consistently with the Regulations and will be subject to all exceptions provided therein.

(2) Partner Nonrecourse Debt Minimum Gain Chargeback. Notwithstanding any other provision of this Section 9.3 (other than Section 9.3(d)(1) which shall be applied first), if there is a net decrease in Partner Nonrecourse Debt Minimum Gain with respect to a Partner Nonrecourse Debt during any taxable year or other period for which allocations are made, any Partner with a share of such Partner Nonrecourse Debt Minimum Gain (determined under Regulations Section 1.704-2(i)(5)) as of the beginning of the year will be specially allocated items of Partnership income and gain for that period (and, if necessary, subsequent periods) in an amount equal to such Partner's share of the net decrease in the Partner Nonrecourse Debt Minimum Gain during such year determined in accordance with Regulations Section 1.704-2(i)(4). The items to be so allocated will be determined in accordance with Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2). This Section 9.3(d)(2) is intended to comply with the Partner Nonrecourse Debt Minimum Gain chargeback requirements of the Regulations, will be interpreted consistently with the Regulations and will be subject to all exceptions provided therein.

(3) Qualified Income Offset. A Partner who unexpectedly receives any adjustment, allocation or distribution described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5) or (6) will be specially allocated items of Partnership income and gain in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of the Partner as quickly as possible.

(4) Nonrecourse Deductions. Nonrecourse Deductions for any taxable year or other period for which allocations are made will be allocated among the Partners in proportion to their respective Capital Sharing Ratios.

(5) Partner Nonrecourse Deductions. Notwithstanding anything to the contrary in this Agreement, any Partner Nonrecourse Deductions for any taxable year or other period for which allocations are made will be allocated to the Partner who bears the economic risk of loss with respect to the Partner Nonrecourse Debt to which the Partner Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(i).

(6) Code Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Partnership asset under Code Sections 734(b) or 743(b) is required to be taken into account in determining Capital Accounts under Regulations Section 1.704-1(b)(2)(iv)(m), the amount of the adjustment to the Capital Accounts will be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis), and the gain or loss will be specially allocated to the Partners in a manner consistent with the manner in which their Capital Accounts are required to be adjusted under Regulations Section 1.704-1(b)(2(iv)(m).

(e) Curative Allocations. The allocations set forth in Section 9.3(d) (the "Regulatory Allocations") are intended to comply with certain requirements of the Regulations. The Regulatory Allocations may effect results which would be inconsistent with the manner in which the Partners intend to divide Partnership distributions. Accordingly, the General Partner is authorized to divide other allocations of Profits, Losses, and other items among the Partners, to the extent that they exist, so that the net amount of the Regulatory Allocations and the special allocations to each Partner is zero. The General Partner will have discretion to accomplish this result in any reasonable manner that is consistent with Code Section 704 and the related Regulations.

(f) Tax Allocations--Code Section 704(c). For federal, state and local income tax purposes, Partnership income, gain, loss, deduction or expense (or any item thereof) for each fiscal year shall be allocated to and among the Partners to reflect the allocations made pursuant to the provisions of this Section 9.3 for such fiscal year. In accordance with Code Section 704(c) and the related Regulations, income, gain, loss and deduction with respect to any property contributed to the capital of the Partnership, solely for tax purposes, will be allocated among the Partners so as to take account of any variation between the adjusted basis to the Partnership of the property for federal income tax purposes and the initial Gross Asset Value of the property (computed in accordance with Section 9.2). If the Gross Asset Value of any Partnership asset is adjusted under Section 9.2(b), subsequent allocations of income, gain, loss and deduction with respect to that asset will take account of any variation between the adjusted basis of the asset for federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the related Regulations. Any elections or other decisions relating to allocations under this Section 9.3(f) will be made in any manner that the General Partner determines reasonably reflects the purpose and intention of this Agreement as consented to by the Members. Allocations under this Section 9.3(f) are solely for purposes of federal, state and local taxes and will not affect, or in any way be taken into account in computing, any Partner's Capital Account or share of Profits, Losses or other items or distributions under any provision of this Agreement.

(g) Reporting. Partners shall be bound by the provisions of this Section 9.3(g) in reporting their shares of Partnership income and loss for income tax purposes.

Section 9.4. Tax Returns. The General Partner shall cause to be prepared and filed (but no filing shall be made until the Preferred Partner has approved in writing such tax returns) all necessary federal and state income tax returns for the Partnership, including making the elections described in Section 9.5. Each Partner shall furnish to the General Partner all pertinent information in its possession relating to Partnership operations that is necessary to enable such income tax returns to be prepared and filed.

Section 9.5. Tax Elections. The following elections shall be made on the appropriate returns of the Partnership:

(a) to adopt the calendar year as the Partnership's fiscal year;

(b) to adopt the accrual method of accounting and to keep the Partnership's books and records on the accrual method;

(c) if there is a distribution of Partnership property as described in section 734 of the Code or if there is a transfer of a Partnership interest as described in section 743 of the Code, upon written request of any Partner, to elect, pursuant to section 754 of the Code, to adjust the basis of Partnership properties; and

(d) to elect to amortize the organizational expenses of the Partnership ratably over a period of 60 months as permitted by section 709(b) of the Code.

No election shall be made by the Partnership or any Partner to be excluded from the application of the provisions of subchapter K of chapter 1

of subtitle A of the Code or any similar provisions of applicable state laws.

Section 9.6. Tax Matters Partner. The Partner serving as General Partner shall be the "tax matters partner" of the Partnership pursuant to section 6231(a)(7) of the Code. As tax matters partner, such Partner shall take such action as may be necessary to cause each other Partner to become a "notice partner" within the meaning of section 6223 of the Code. Such Partner shall inform each other Partner of all significant matters that may come to its attention in its capacity as tax matters partner by giving notice thereof within ten days after becoming aware thereof and, within such time, shall forward to each other Partner copies of all significant written communications it may receive in such capacity. Such Partner shall not take any action contemplated by sections 6222 through 6232 of the Code without the consent of the Preferred Partner. This provision is not intended to authorize such Partner to take any action left to the determination of an individual Partner under sections 6222 through 6232 of the Code.

Section 9.7. Allocations on Transfer of Interests. All items of income, gain, loss, deduction, and credit allocable to any interest in the Partnership that may have been transferred shall be allocated between the transferor and the transferee based upon the closing of the books method, unless the transferor and transferee otherwise agree.

Section 9.8. Sharing of Company Nonrecourse Debt. Solely for purposes of determining a Partner's proportionate share of the "excess nonrecourse liabilities" of the Company within the meaning of Regulations Section 1.752-3(a), the Partners' interests in Company profits are in proportion to their Residual Sharing Ratios.

Section 9.9. Intent of Allocations. The parties intend that the foregoing tax allocation provisions of this Article 9 shall produce final Capital Account balances of the Partners such that distributions made in accordance with Section 10.2(c)(2) (after unpaid loans and interest thereon, including those owed to Partners have been paid) are made in accordance with final Capital Account balances. To the extent that the tax allocation provisions of this Article 9 would fail to produce such final Capital Account balances, (i) such provisions shall be amended by the General Partner (with the Preferred Partner's written consent) if and to the extent necessary to produce such result and (ii) taxable income and taxable loss of the Partnership for prior open years (or items of gross income and deduction of the Partnership for such years) shall be reallocated by the General Partner among the Partners (with the Preferred Partner's written consent) to the extent it is not possible to achieve such result with allocations of items of income (including gross income) and deduction for the current year and future years, as approved by the General Partner and Preferred Partner. This Section 9.9 shall control notwithstanding any reallocation or adjustment of taxable income, taxable loss, or items thereof by the Internal Revenue Service or any other taxing authority.

ARTICLE 10

WITHDRAWAL, DISSOLUTION, LIQUIDATION, AND TERMINATION

Section 10.1. Dissolution, Liquidation, and Termination Generally. The Partnership shall be dissolved (but not prior to payment in full of the Mortgage Loan) upon the first to occur of any of the following:

(a) the first day of the first taxable year of the Partnership following the taxable year in which occurs the sale or disposition of all of the assets of the Partnership and the receipt, in cash, of all consideration therefor unless all the Partners elect not to dissolve the Partnership;

(b) the determination of the General Partner and the Preferred Partner to dissolve the Partnership; or

(c) the occurrence of any event which, as a matter of law, requires that the Partnership be dissolved (other than a Bankruptcy of a Partner which shall not dissolve the Partnership).

Section 10.2. Liquidation and Termination. Upon dissolution of the Partnership, unless it is continued as provided above, the General Partner shall act as liquidator or may appoint one or more other Persons as liquidator; however, if the Partnership is dissolved because of an event occurring with respect to the General Partner, the liquidator shall be one or more Persons selected in writing by the other Partner. The liquidator shall proceed diligently to wind up the affairs of the Partnership and make final distributions as provided herein. The costs of liquidation shall be a Partnership expense. Until final distribution, the liquidator shall continue to operate the Partnership properties with all of the power and authority of the General Partner hereunder. The steps to be accomplished by the liquidator are as

follows:

(a) as promptly as possible after dissolution and again after final liquidation, the liquidator shall cause a proper accounting to be made by Ernst & Young, LLC or such other firm of certified public accountants as is acceptable to the Preferred Partner of the Partnership's assets, liabilities, and operations through the last day of the calendar month in which the dissolution shall occur or the final liquidation shall be completed, as applicable;

(b) the liquidator shall pay all of the debts and liabilities of the Partnership or otherwise make adequate provision therefor (including the establishment of a cash escrow fund for contingent liabilities in such amount and for such term as the liquidator may reasonably determine); and

(c) all remaining assets of the Partnership shall be distributed to the Partners as follows:

(1) the liquidator may sell any or all Partnership property and the sum of (A) any resulting gain or loss from each sale plus (B) the fair market value of such property that has not been sold shall be determined and (notwithstanding the provisions of Article 9) income, gain, loss, and deduction inherent in such property (that has not been reflected in the Capital Accounts previously) shall be allocated among the Partners to the extent possible to cause the Capital Account balance of each Partner to equal the amount distributable to such Partner under Article 8; and

(2) after Capital Accounts have been adjusted for all distributions under Article 8 and all allocations of Profits and Losses under Sections 9.3, 9.9 and Section 10.2(c)(1), Partnership property shall be distributed in accordance with Section 8.2.

Notwithstanding anything to the contrary, in the event the Partnership is "liquidated" within the meaning of Regulations ss. 1.704-1(b)(2)(ii)(g), liquidating distributions shall be made pursuant to this Section 10.2 by the end of the taxable year in which the Partnership is liquidated, or, if later, within ninety (90) days after the date of such liquidation. Distributions pursuant to the preceding sentence may be made to a trust for the purpose of an orderly liquidation of the Partnership by the trust in accordance with the Act.

Section 10.3. Deficit Capital Accounts. No Partner shall be required to pay to the Partnership, to any other Partner or to any third party any deficit balance which may exist from time to time in the Partner's capital account.

Section 10.4. Cancellation of Certificate. On completion of the distribution of Partnership assets, the Partner (or such other person as the Act may require or permit) shall file a Certificate of Cancellation with the Secretary of State of Delaware, cancel any other filings made pursuant to Section 2.5, and take such other actions as may be necessary to terminate the existence of the Partnership.

ARTICLE 11

MISCELLANEOUS PROVISIONS

Section 11.1. Notices. All notices provided for or permitted to be given pursuant to this Agreement must be in writing and shall be given or served by (a) depositing the same in the United States mail addressed to the party to be notified, postpaid and certified with return receipt requested, (b) by delivering such notice in person to such party, or (c) by prepaid telegram, telex, or telecopy. By giving written notice thereof, each Partner shall have the right from time to time to change its address pursuant hereto. Notices shall be given to the parties at the following addresses:

If to Developer Partner: Cedar Bay Income Fund Partnership, L.P.
c/o Cedar Bay Realty Advisors
44 South Bayles Avenue
Port Washington, New York 11050
Attention: Mr. Leo S. Ullman

with a copy to: c/o Cedar Bay Realty Advisors
44 South Bayles Avenue
Port Washington, New York 11050
Attention: General Counsel

If to Preferred Partner: c/o Kimco Realty Corporation
3333 New Hyde Park Road
New Hyde Park, NY 11042
Attention: Mr. Michael Pappagallo

with a copy to: Stephen M. Lyons III, Esq.
Reed Smith LLP
2500 One Liberty Place
Philadelphia, PA 19103

Section 11.2. Governing Law. This Agreement and the obligations of the Partners hereunder shall be construed and enforced in accordance with the laws of the State of Delaware, excluding any conflicts of law rule or principle which might refer such construction to the laws of another state or country. Each Partner submits to the jurisdiction of the state and federal courts in the State of Delaware.

Section 11.3. Entireties; Amendments. This Agreement and its exhibits constitute the entire agreement between the Partners relative to the formation of the Partnership. Except as otherwise provided herein, no amendments to this Agreement shall be binding upon any Partner unless set forth in a document duly executed by such Partner.

Section 11.4. Waiver. No consent or waiver, express or implied, by any Partner of any breach or default by any other Partner in the performance by the other Partner of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such other Partner of the same or any other obligation hereunder. Failure on the part of any Partner to complain of any act or to declare any other Partner in default, irrespective of how long such failure continues, shall not constitute a waiver of rights hereunder.

Section 11.5. Severability. If any provision of this Agreement or the application thereof to any Person or circumstances shall be invalid or unenforceable to any extent, and such invalidity or unenforceability does not destroy the basis of the bargain between the parties, then the remainder of this Agreement and the application of such provisions to other Persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

Section 11.6. Ownership of Property and Right of Partition. A Partner's interest in the Partnership shall be personal property for all purposes. No Partner shall have any right to partition the property owned by the Partnership or any Subsidiary.

Section 11.7. Captions, References. Pronouns, wherever used herein, and of whatever gender, shall include natural persons and corporations and associations of every kind and character, and the singular shall include the plural wherever and as often as may be appropriate. Article and section headings are for convenience of reference and shall not affect the construction or interpretation of this Agreement. Whenever the terms "hereof", "hereby", "herein", or words of similar import are used in this Agreement they shall be construed as referring to this Agreement in its entirety rather than to a particular section or provision, unless the context specifically indicates to the contrary. Whenever the word "including" is used herein, it shall be construed to mean including without limitation. Any reference to a particular "Article" or a "Section" shall be construed as referring to the indicated article or section of this Agreement unless the context indicates to the contrary.

Section 11.8. Involvement of Partners in Certain Proceedings. Should any Partner become involved in legal proceedings unrelated to the Partnership's business in which the Partnership is required to provide books, records, an accounting, or other information, then such Partner shall indemnify, defend and hold harmless the Partnership from all liabilities and expenses (including reasonable attorneys' fees and costs) incurred in conjunction therewith.

Section 11.9. Interest. No amount charged as interest on loans hereunder shall exceed the maximum rate from time to time allowed by applicable law.

Section 11.10. Counterparts. This Agreement may be executed in one or more counterparts (and by different parties hereto on different counterparts), each of which will constitute an original, but all of which when taken together shall constitute a single contract.

Section 11.11. Approvals and Consents of Preferred Partner. Whenever under the terms of this Agreement the approval or consent of the Preferred Partner shall be required, the Preferred Partner shall not unreasonably withhold or condition such approval or consent and such approval or consent shall be deemed given if the Preferred Partner shall not respond to any written request for consent or approval within ten (10) days after the Preferred Partner's receipt of such written request for consent or approval. If the Preferred Partner shall give notice to the Developer within such ten (10) day period that it does not believe the Developer Partner has provided the necessary information or documentation on which Preferred Partner may reasonably make a decision on

the matter in question (and shall specify the additional information or documentation required), then the foregoing ten (10) day period shall be extended to the date which is ten (10) days after Developer Partner has provided the Preferred Partner with such additional information or documentation as shall be reasonably required by the Preferred Partner in order to make a decision on the matter in question.

ARTICLE 12

BUY-SELL OPTION

Section 12.1. Exercise. At any time (a) after June 30, 2007, or (b) the Partners are unable to agree on a Major Decision (but only a Major Decision involving the sale or financing of the Project or the filing of a bankruptcy petition by the Partnership), any Partner may exercise its right to initiate the provisions of this Article 12; however, the Developer Partner may not exercise this right if a Removal Event has occurred and has not been timely cured in accordance with the provisions of Section 4.4. Additionally, if a Removal Event has occurred and is not timely cured in accordance with the provisions of Section 4.4, then the Preferred Partner may initiate the provisions of this Article 12 at any time (which rights are in addition to Preferred Partner's rights under Section 4.4). The Partner desiring to exercise such right (the "Offeror") shall do so by giving notice to the other Partner (the "Offeree") setting forth a statement of intent to invoke the Offeror's rights under this Article 12, stating therein the aggregate dollar amount (the "Valuation Amount") which the Offeror would be willing to pay for the assets of the Partnership as of the Closing Date (defined below) free and clear of all liabilities, and setting forth all oral or written offers and inquiries received by the Offeror during the previous 12-month period relating to the financing, disposition or leasing of the Project (including proposals for the formation of a new entity for the ownership and operation of the Project). After receipt of such notice the Offeree shall elect to either (1) sell its entire Partnership Interest to the Offeror for an amount equal to the amount the Offeree would have been entitled to receive if the Partnership had sold its assets for the Valuation Amount on the Closing Date and the Partnership had immediately paid all Partnership liabilities and Imputed Closing Costs and distributed the net proceeds of sale to the Partners in satisfaction of their interests in the Partnership pursuant to Section 10.2, or (2) purchase the entire Partnership Interest of the Offeror for an amount equal to the amount the Offeror would have been entitled to receive if the Partnership had sold all of its assets for the Valuation Amount on the Closing Date and the Partnership had immediately paid all Partnership liabilities and Imputed Closing Costs and distributed the net proceeds of the sale to the Partners in satisfaction of their interests in the Partnership pursuant to Section 10.2. The Offeree shall have 30 days from the giving of the Offeror's notice in which to exercise either of its options by

giving written notice to the Offeror. If the Offeree does not elect to acquire the Offeror's Partnership Interest within such time period, the Offeree shall be deemed to have elected to sell its interest to the Offeror. Within three business days after an election has been made under this Section 12.1 (whether deemed or otherwise), the acquiring Partner shall deposit with the selling Partner a non-refundable earnest money deposit in the amount of 10% of the amount the selling Partner is entitled to receive for its Partnership Interest under this Section 12.1, which amount shall be applied to the purchase price at closing; however, if the acquiring Partner should thereafter fail to consummate the transaction, such amount shall be retained by the selling Partner, free of all claims of the other Partner, but shall not constitute a waiver of any rights and remedies otherwise available to the selling Partner because of a default by the acquiring Partner. The acquiring Partner may, in its sole discretion, elect to acquire the other Partner's Partnership Interest in the name of a designee of the acquiring Partner but this shall not relieve the acquiring Partner of its purchase obligations.

Section 12.2. Closing. The closing of an acquisition pursuant to Sections 12.1 through 12.3 shall be held at the principal place of business of the Partnership on a mutually acceptable date (the "Closing Date") not later than 150 days after Offeree's election. At the Closing of the disposition and acquisition of such interests the following shall occur:

(a) The selling Partner shall assign to the acquiring Partner or its designee the selling Partner's Partnership Interest in accordance with the instructions of the acquiring Partner, and shall execute and deliver to the acquiring Partner all documents which may be required to give effect to the disposition and acquisition of such interests, in each case free and clear of all liens, claims, and encumbrances, with covenants of general warranty; and

(b) The acquiring Partner shall pay to the selling Partner the consideration therefor in cash.

Section 12.3. Enforcement. It is expressly agreed that the remedy at law for breach of the obligations of the Partners set forth in this Article 12 is inadequate in view of (a) the complexities and uncertainties in measuring the actual damage to be sustained by reason of the failure of a Partner to comply fully with such obligations, and (b) the uniqueness of the Partnership business and the Partners' relationships. Accordingly, each of such obligations shall be, and is hereby expressly made, enforceable by a specific performance.

ARTICLE 13

RIGHT OF FIRST OFFER

Section 13.1. Offers. If after June 30, 2007, either Partner desires to offer the Project for sale on specified terms or receives from an unaffiliated purchaser a bona fide written cash offer (i.e., not seller financed) for the purchase of the Project on terms which such Partner desires for the Partnership to accept (such specified terms or bona fide offer being herein called the "Offer"), the Partner desiring to make or accept the Offer (the "Initiating Partner") shall provide notice of the terms of such Offer (the "Sale Notice") to the other Partner (the "Non-Initiating Partner"). The procedures set forth in this Article 13 shall apply only if an Offer is in an amount at least equal to the amount of any indebtedness secured by the Project plus the aggregate then-existing unreturned Capital Contributions.

Section 13.2. Response. The Non-Initiating Partner shall have 30 days from the date of receipt of the Sale Notice (the "Response Period") to provide written notice to the Initiating Partner of the Non-Initiating Partner's willingness or unwillingness to accept the Offer or offer the Project for sale on terms specified in the Offer, as the case may be. If the Non-Initiating Partner fails to deliver such notice within said time period (or fails to deliver any written notice to the Initiating Partner), the Non-Initiating Partner shall be deemed to have consented to the sale of the Project on the terms of the Offer, provided, however that it the Initiating Partner has proposed the terms of sale (rather than having received a written offer to purchase the Project from an unaffiliated third party), then the Non-Initiating Partner shall have the right to cause the Partnership to obtain an appraisal of the Project from a licensed appraiser (at the cost of the Partnership), and the Project shall thereafter be marketed for sale by the Initiating Partner at a price no less than the price determined by such appraisal.

(a) Offer Unacceptable. If the Non-Initiating Partner does not desire for the Partnership to accept the Offer or offer the Project for sale on terms specified in the Offer (or, in the case of terms of sale proposed by the Initiating Partner, for the sale price subsequently determined pursuant to the appraisal requested by the Non-initiating Partner), as the case may be, the Initiating Partner may elect to sell to the Non-Initiating Partner, in which case the Non-Initiating Partner must purchase, the Initiating Partner's Partnership Interest for an amount equal to the amount that would be distributable to the Initiating Partner if the Partnership had sold the Project pursuant to the terms of such Offer, immediately paid all Partnership and Partnership liabilities and Imputed Closing Costs and distributed the net sales proceeds to the Partners (without any recourse) pursuant to Section 8.2. The Initiating Partner must exercise this option, if at all, by delivering written notice thereof to the Non-Initiating Partner within 30 days after the end of the Response Period (or, if the Non-Initiating Partner has requested an appraisal of the Project, within thirty (30) days after the completion of the appraisal). The

Non-Initiating Partner shall pay the Initiating Partner cash for its Partnership Interest. Closing shall take place on or before as specified in the Sale Notice, but if the Non-Initiating Partner is purchasing the Initiating Partners' Partnership Interest, the Non-Initiating Partner shall have until 150 days after the Sale Notice in which to close. If the Initiating Partner or the Non-Initiating Partner defaults at closing, the non-defaulting party shall have the right to bring suit for damages, for specific performance, or exercise any other remedy available at law or in equity. Upon payment at closing, the Initiating Partner shall execute and deliver all documents reasonably required to transfer the interest being sold. If the Non-Initiating Partner fails to deliver such notice within said time period (or fails to deliver any written notice to the Initiating Partner), the Non-Initiating Partner shall be deemed to have consented to the sale of the Project on the terms of the Offer.

(b) Offer Acceptable. If the Non-Initiating Partner consents to the Property LLC selling the Project on the terms of the Offer, then the Initiating Partner shall have authority, on behalf of the Partnership, to cause the Project to be sold for cash on the terms of the Offer (or better terms) for a period of up to 90 days following the expiration of the Response Period. If the Initiating Partner obtains a bona fide third party contract to sell the Project on the terms of the Offer (or better terms) within such 90-day period, the Initiating Partner shall have an additional period of 120 days after the

date of such contract (that is, within 210 days after the Sale Notice) in which to cause the Project to be sold. If after having received the consent of the Non-Initiating Partner to the sale of the Project on the terms of the Offer, the Initiating Partner is unable to cause the Partnership to obtain a bona fide contract within such 90-day period, or if after having obtained such bona fide contract, Initiating Partner is unable to consummate such sale within 210 days after the Sale Notice, then Initiating Partner must again submit an Offer to Non-Initiating Partner pursuant to Section 13.1 before it may sell the Project.

ARTICLE 14

SPE PROVISIONS

Notwithstanding any provision hereof to the contrary, the following shall govern:

1. The nature of the business and of the purposes to be conducted and promoted by the Partnership is to engage solely in the following activities:

(a) To acquire the Project.

(b) To own, hold, sell, assign, transfer, operate, lease, mortgage, pledge and otherwise deal with the Project.

(c) To exercise all powers enumerated in the Revised Uniform Limited Partnership Act of the State of Delaware necessary or convenient to the conduct, promotion or attainment of the business or purposes otherwise set forth herein.

2. The Partnership shall only incur indebtedness in an amount necessary to acquire, operate and maintain the Project. For so long as any mortgage lien in favor of LaSalle Bank, National Association, as Trustee for the Registered Holders of LB-UBS Commercial Mortgage Trust 2001-C3, Commercial Mortgage Pass-Through Certificates, 2001-C3 or its successors or assigns (the "First Mortgagee") exists on any portion of the Project (the first mortgage presently held by the First Mortgagee is referred to herein as the "First Mortgage"), the Partnership shall not incur, assume, or guaranty any other indebtedness. For so long as the First Mortgage exists on any portion of the Project the Partnership shall not consolidate or merge with or into any other entity or convey or transfer its properties and assets substantially as an entirety to any entity. For so long as the First Mortgage exists on any portion of the Project, the Partnership will not voluntarily commence a case with respect to itself, as debtor, under the Federal Bankruptcy Code or any similar federal or state statute without the unanimous consent of all of the partners of the Partnership. For so long as the First Mortgage exists on any portion of the Project, no material amendment to this partnership certificate may be made without first obtaining approval of the holder of the First Mortgage.

3. Any indemnification shall be fully subordinated to any obligations respecting the Project (including, without limitation, the First Mortgage) and such indemnification shall not constitute a claim against the Partnership in the event that cash flow is insufficient to pay such obligations.

4. For so long as the First Mortgage exists on any portion of the Project, in order to preserve and ensure its separate and distinct identity, the Partnership shall conduct its affairs in accordance with the following provisions:

a. It shall establish and maintain an office through which its business shall be conducted separate and apart from that of any of its affiliate and shall allocate fairly and reasonably any overhead for shared office space;

b. It shall maintain separate partnership records and books of account from those of any affiliate;

c. It shall not commingle assets with those of any affiliate;

d. It shall conduct its own business in its own name;

e. It shall maintain financial statements separate from any affiliate;

f. It shall pay any liabilities out of its own funds, including salaries of any employees, not funds of any affiliate;

g. It shall maintain an arm's length relationship

with any affiliate;

h. It shall not guarantee or become obligated for the debts of any other entity, including any affiliate or hold out its credit as being available to satisfy the obligations of others;

i. It shall use stationery, invoices and checks separate from any affiliate;

j. It shall not pledge its assets for the benefit of any other entity, including any affiliate;

k. It shall hold itself out as an entity separate from any affiliate;

l. It shall at all times have a special purpose limited partnership general partner as its general partner, which limited partnership general partner shall have a special purpose corporation as its general partner, and such general partner shall at all times be a special purpose corporation with an Independent Director; and

For purpose of this Article 14, the following terms shall have the following meanings:

"affiliate" means any person controlling or controlled by or under common control with the Partnership including, without limitation (i) any person who has a familial relationship, by blood, marriage or otherwise with any partner or employee of the Partnership, or any affiliate thereof and (ii) any person which receives compensation for administrative, legal or accounting services from this Partnership, or any affiliate. For purposes of this definition, "control" when used with respect to any specified person, means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Independent Director" shall be an individual who: (i) is not and has not been employed by the limited partnership general partner or any of its affiliates as a director, officer or employee within the five (5) years immediately prior to such individual's appointment as an Independent Director; (ii) is not (and is not affiliated with a company or firm that is) a significant advisor or consultant to the limited partnership general partner or any of its affiliates; (iii) is not affiliated with a significant customer or supplier of the limited partnership general partner or any of its affiliates; (iv) is not affiliated with a company of which the limited partnership general partner or any of its affiliates is a significant customer or supplier; (v) does not have significant personal service contract(s) with the limited partnership general partner or any of its affiliates; (vi) is not affiliated with a tax exempt entity that receives significant contributions from the limited partnership general partner or any of its affiliates; (vii) is not a beneficial owner at the time of such individual's appointment as an Independent Director, or at any time thereafter while serving as Independent Director, of more than five percent (5%) of the partnership interest of the limited partnership general partner; and (viii) is not a spouse, parent, sibling or child of any person described by (i) through (vii).

"person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated organization, or government or any agency or political subdivision thereof.

5. For as long as the First Mortgage exists on any portion of the Project, the Partnership shall not terminate solely as a consequence of the bankruptcy of one or more of the general partners of the Partnership (or a general partner of a general partner of the Partnership) so long as there remains a solvent general partner of the Partnership

7. For as long as the First Mortgage exists on any portion of the Project notwithstanding any provision hereof to the contrary, the following shall govern: Subject to applicable law, dissolution of the Partnership shall not occur so long as the Partnership remains mortgagor of the Project.

[signatures continued on next page]

Executed effective as of the date above written.

GENERAL PARTNER/DEVELOPER

PARTNER:

CIF-LOYAL PLAZA ASSOCIATES, L.P.,
a Delaware limited partnership

By: CIF-Loyal Plaza Associates, Corp.,
general partner

By: /s/ Leo S. Ullman

President

[signatures continued on next page]

PREFERRED PARTNER:

KIMCO PREFERRED INVESTOR IV TRUST

By: /s/ Gleen G. Cohen

Name: Gleen G. Cohen

Title: Trustee

LIMITED PARTNERSHIP AGREEMENT

OF

CIF-Loyal Plaza Associates, L.P.

This Limited Partnership Agreement ("Agreement") dated as of the 28th day of June, 2002, by and among CIF-Loyal Plaza Associates, Corp., a Delaware corporation (the "General Partner"), as "General Partner", and Cedar Income Fund Partnership, L.P., as Limited Partner (the "Limited Partner").

W I T N E S S E T H:

WHEREAS, the parties hereto (the "Partners", which term shall also include any persons hereafter admitted to the partnership as a General Partner or a Limited Partner) are the partners of a limited partnership (the "Partnership") formed for the purposes hereinafter set forth;

NOW, THEREFORE, the parties, in consideration of the foregoing and the promises hereinafter expressed, agree as follows:

ARTICLE 1

GENERAL PROVISIONS

1.1 Formation and Name. The Partnership has been formed as a limited partnership under the Delaware Revised Uniform Limited Partnership Act. The name of the Partnership is CIF-Loyal Plaza Associates, L.P. The General Partner shall have the right to change the name of the Partnership upon written consent of the holder of the First Mortgage and written notice to the Limited Partners.

1.2 Principal Address. The principal address of the Partnership shall be at such place within or without the State of Delaware as the General Partner may determine from time to time and give notice of to the Limited Partners.

1.3 Single Purpose Entity Provisions.

(a) Purpose. Notwithstanding any provision hereof to the contrary, the following shall govern: the nature of the business and of the purposes to be conducted and promoted by the Partnership is to engage solely in the following activities:

(i) To serve as the general partner of a limited partnership (the "First Partnership") acquiring from Loyal Plaza Venture, L.P., certain parcels of real property, together with all improvements located thereon, in the City of Loyalsock, State of Pennsylvania (the "Property").

(ii) To own, hold, sell, assign, transfer, operate, lease, mortgage, pledge and otherwise deal with the Property to the extent of its interest in the Property.

(iii) To exercise all powers enumerated in the Uniform Limited Partnership Act of Delaware necessary or convenient to the conduct, promotion or attainment of the business or purposes otherwise set forth herein.

The Partnership shall have authority to do all things necessary or convenient to accomplish or otherwise incidental to the foregoing purposes and activities, and to conduct its affairs as contemplated herein.

(b) Certain Prohibited Activities. Notwithstanding any provision hereof to the contrary, the following shall govern: the Partnership shall only incur or cause the First Partnership to incur indebtedness in an amount necessary to acquire, operate and maintain the Property. For so long as any mortgage lien in favor of LaSalle Bank National Association as Trustee for the registered holders of the LB-UBS Commercial Mortgage Trust 2001-C3, Commercial Mortgage Pass Through Certificates Series 2001-C3, or its successors or assigns (the "First Mortgage") exists on any portion of the Property, the Partnership shall not incur, assume, or guaranty any other indebtedness. For so long as the First Mortgage exists on any portion of the Property the partnership shall not and shall not cause the First Partnership to, consolidate or merge with or into any other entity or convey or transfer its properties and assets substantially as an entirety to any entity. For so long as the First Mortgage exists on any portion of the Property, the Partnership will not and will not cause the First Partnership to voluntarily commence a case with respect to itself, as debtor, under the Federal Bankruptcy Code or any similar federal or state statute without the unanimous consent of all of the partners of the Partnership or the First Partnership, as applicable. For so long as the First

Mortgage exists on any portion of the Property, no material amendment to this partnership agreement or the First Partnership's partnership agreement may be made without first obtaining approval of the holder of the First Mortgage. The Partnership, and the General Partner on behalf of the Partnership, may enter into and perform (1) the Loan Assumption and Modification Agreement, (2) the Allonge to the Note, (3) UCC-3 Financing Statements, (4) UCC-1 Financing Statements, (5) the Substitution of Indemitors Agreement, (6) the Consent and Subordination of Property Management Agreement, and (7) the Post Closing Agreement and documents contemplated thereby or related thereto and any amendments thereto, without any further act, vote or approval of any person, including any Partner, notwithstanding any other provision of this Agreement. The General Partner is hereby authorized to enter into the documents described in the preceding sentence on behalf of the Partnership, but such authorization shall not be deemed a restriction on the power of the General Partner to enter into other documents on behalf of the Partnership.

(c) Indemnification. Notwithstanding any provision hereof to the contrary, the following shall govern: any indemnification shall be fully subordinated to any obligations respecting the Partnership, the First Partnership, or the Property (including, without limitation, the First Mortgage) and such indemnification shall not constitute a claim against the Partnership in the event that cash flow is insufficient to pay such obligations.

(d) Separateness Covenants. Notwithstanding any provision hereof to the contrary, the following shall govern: for so long as the First Mortgage exists on any portion of the Property, in order to preserve and ensure its separate and distinct identity, in addition to the other provisions set forth in this partnership agreement, the partnership shall conduct its affairs in accordance with the following provisions:

(i) It shall allocate fairly and reasonably any overhead for shared office space.

(ii) It shall maintain separate partnership records and books of account from those of any affiliate.

(iii) It shall not commingle assets with those of any affiliate.

(iv) It shall conduct its own business in its own name.

(v) It shall maintain financial statements separate from any affiliate.

(vi) It shall pay any liabilities out of its own funds, including salaries of any employees, not funds of any affiliate.

(vii) It shall maintain an arm's length relationship with any affiliate.

(viii) It shall not guarantee or become obligated for the debts of any other entity, including any affiliate or hold out its credit as being available to satisfy the obligations of others.

(ix) It shall use stationery, invoices and checks separate from any affiliate.

(x) It shall not pledge its assets for the benefit of any other entity, including any affiliate.

(xi) It shall hold itself out as an entity separate from any affiliate.

(xii) It shall at all times have a special purpose corporate general partner with an Independent Director.

For purpose of this Section 1.3, the following terms shall have the following meanings:

"affiliate" means any person controlling or controlled by or under common control with the Partnership including, without limitation (i) any person who has a familial relationship, by blood, marriage or otherwise with any partner or employee of the partnership, or any affiliate thereof and (ii) any person which receives compensation for administrative, legal or accounting services from this partnership, or any affiliate. For purposes of this definition, "control" when used with respect to any specified person, means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Independent Director" shall be an individual who (other than acting as

an Independent Director for certain related and/or unrelated single-purpose entities): (i) is not and has not been employed by the corporate general partner or any of its respective subsidiaries or affiliates as a director, officer or employee within the five years immediately prior to such individual's appointment as an Independent Director, (ii) is not (and is not affiliated with a company or firm that is) a significant advisor or consultant to the corporate general partner or any of its subsidiaries or affiliates, (iii) is not affiliated with a significant customer or supplier of the corporate general partner or any of its subsidiaries or affiliates; (iv) is not affiliated with a company of which the corporate general partner or any of its subsidiaries or affiliates is a significant customer or supplier; (v) does not have significant personal service contract(s) with the corporate general partner or any of its subsidiaries or affiliates; (vi) is not affiliated with a tax exempt entity that receives significant contributions from the corporate general partner or any of its subsidiaries or affiliates; (vii) is not a beneficial owner at the time of such individual's appointment as an Independent Director, or at any time thereafter while serving as Independent Director, of such number of shares of any classes of common stock of the corporate general partner the value of which constitutes more than 5% of the outstanding common stock of the corporate general partner; and (viii) is not a spouse, parent, sibling or child of any person described by (i) through (vii).

"person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated organization, or government or any agency or political subdivision thereof.

(e) Dissolution. Notwithstanding any provision hereof to the contrary, the following shall govern: For as long as the First Mortgage exists on any portion of the Property, the Partnership shall not terminate solely as a consequence of the Bankruptcy of one or more of the general partners of the Partnership so long as there remains a solvent general partner of the Partnership. For as long as the First Mortgage exists on any portion of the Property notwithstanding any provision hereof to the contrary, the following shall govern: Subject to applicable law, dissolution of the Partnership shall not occur so long as the First Partnership remains mortgagor of the Property.

1.4 Term. The Partnership shall be deemed to have commenced upon the filing of its certificate of limited partnership in the appropriate governmental offices of the State of Delaware in accordance with the provisions of the Delaware Revised Uniform Limited Partnership Act (such certificate, as the same may be amended from time to time being herein sometimes called the "Certificate") and the Partnership shall continue until the earlier of (a) December 31, 2049, (b) the occurrence of an act or event specified in this Agreement as resulting in the termination or dissolution of the Partnership (unless the same shall be continued or reconstituted as provided in this Agreement), or (c) subject to the provisions of this Agreement, the occurrence of another act or event of dissolution of the Partnership mandated by the laws of the State of Delaware.

1.5 Nature of Partners.

(a) The general partner of the Partnership shall be the General Partner and any other person or entity who agrees in writing pursuant to this Agreement to be bound hereby, and is admitted to the Partnership, as a general partner of the Partnership. The limited partners of the Partnership shall be the Limited Partner and each other person or entity who agrees in writing pursuant to this Agreement to be bound hereby, and is admitted to the Partnership by the General Partner, as a limited partner of the Partnership.

(b) No Limited Partner shall be bound by or liable for the repayment, satisfaction or discharge of any debts, liabilities or obligations of the Partnership, except to the extent of (i) any distribution of capital to such Limited Partner necessary to discharge Partnership liabilities to creditors who extended credit or whose claims arose before such distribution was made which such Limited Partner is required to return or repay under applicable provisions of the Delaware Revised Uniform Limited Partnership Act, as the same may be amended from time to time, and (ii) any Partnership funds or property wrongfully distributed to such Limited Partner.

ARTICLE 2

MANAGEMENT

2.1 Management of Partnership. Except as otherwise expressly provided in this Agreement, (i) the management of the Partnership shall be vested exclusively in the General Partner, (ii) no Limited Partner shall take part in the management, control or operation of the Partnership, and (iii) no Limited Partner shall transact any business for the Partnership and no Limited Partner may act for, bind or obligate the Partnership.

2.2 Powers of the General Partner.

(a) Except as expressly provided in this Agreement or by Delaware law, the General Partner shall possess and enjoy all the rights and powers of partners of a partnership without limited partners.

(b) In addition to all powers provided or permitted by the Delaware Revised Uniform Limited Partnership Act or any other applicable law, the General Partner is hereby authorized on behalf of the Partnership: to expend Partnership funds in furtherance of the purpose and activities of the Partnership or the First Partnership; to incur obligations for and on behalf of the Partnership and the First Partnership in connection with their activities; to enter into agreements or arrangements in connection with Partnership business and to exercise, carry out and implement any and all of the authority, rights and powers as provided in any such agreement and/or to exercise, carry out and implement any and all of said authority, rights and powers as a shareholder or partner or in any other capacity; to execute and deliver, in the name and on behalf of the Partnership, as general partner any such agreement, in such form and containing such terms as the General Partner shall approve; to purchase, sell, develop, lease, subdivide and in any other manner whatsoever deal with or in real estate or real estate related investments or interests of any kind and the Partnership's interest in the First Partnership; to open, maintain and close, in the name of the Partnership and the First Partnership bank and other accounts, and to draw checks or other orders for the payment of money; to register, in its discretion, any or all securities and other property owned by the Partnership in the Partnership name, in the name of a nominee or in "street name"; to waive any default under any note, loan, limited partnership interest subscription or purchase, or other agreement to which the Partnership may be a party; to determine, subject to the provisions of this Agreement, the terms of offerings of interests in the Partnership and the manner of complying with applicable law and, in connection therewith, to execute for and on behalf of the Partnership any registration statement, notice, form or other document required under any federal or state securities law and to take any additional action as the General Partner shall deem necessary or desirable to effectuate the offering of interests in the Partnership; to prepare, execute, file and deliver any documents, instruments or agreements; to employ such agents, management firms, consultants, advisors, employees, attorneys and accountants as the General Partner deems necessary or appropriate to the conduct of the Partnership, whether or not they are associates or affiliates of the Partnership or the General Partner, and pay such remuneration thereto as the General Partner deems advisable; to obtain such insurance for the protection of the Partnership, its property and the Partners as the General Partner deems advisable; to commence or defend any claim, litigation or arbitration involving the Partnership and/or the General Partner in its capacity as General Partner, and to retain legal counsel in connection therewith and to pay out of the assets of the Partnership any and all liabilities and expenses, including fees of legal counsel, incurred in connection therewith, and to make such other decisions and enter into any other agreements or take such other action as the General Partner believes to be necessary or desirable to carry out activities of the Partnership.

2.3 More than One General Partner. In the event there shall at any time be more than one General Partner acting as such concurrently, references in this Agreement to acts, approvals, signatures or determinations of the General Partner and/or to the discretion of the General Partner and the like shall be deemed to refer to and require the act, approval, signature, determination or discretion and the like of a majority in number of the then General Partners, and other references in this Agreement to rights or obligations of the General Partner shall be deemed to refer to each or all of the then General Partners as the context may require.

2.4 Reliance by Third Parties. Persons dealing with the Partnership are entitled to rely conclusively upon the power and authority of the General Partner, and upon the certificate of the General Partner to the effect that it is then acting as General Partner with authority to act on behalf of the Partnership. Any bank, corporation, brokerage firm, transfer agent, seller or purchaser of real estate, lessor or lessee of real estate or recording or filing official called upon to transfer or record the transfer of any securities or assets to or from the name of the Partnership shall be entitled to rely on instructions or assignments signed or purporting to be signed by the General Partner without inquiry as to the authority of the person signing or purporting to sign such instructions or assignments or as to the validity of any transfer to or from the name of the Partnership. At the time of any such transfer, any such corporation, brokerage firm, transfer agent or recording or filing official shall be entitled to assume that (i) the Partnership is then in existence and (ii) that this Agreement is in full force and effect and has not been amended, in each case unless such corporation, brokerage firm, transfer agent or recording or filing official shall have received written notice to the contrary.

2.5 Duties of General Partner. During the continuance of the Partnership, the General Partner shall devote such time and effort to the Partnership as it may, in its sole discretion, determine to be reasonable to promote adequately the interests of the Partnership.

2.6 Liability of General Partner.

(a) Except as otherwise specifically provided herein, the General Partner shall not be liable, responsible or accountable in damages or otherwise to the Partnership or to the Limited Partner, or to any successor, assignee or transferee thereof, in connection with the Partnership or the activities of the Partnership except by reason of acts or omissions found by a court of competent jurisdiction upon entry of a final judgment to be due to fraud, gross negligence or bad faith and willful and intentional misconduct.

(b) The General Partner shall not be personally liable for the return or payment of all or any portion of the capital of or profits allocable to or loans to the Partnership by any Partner (or any successor, assignee or transferee thereof), it being expressly agreed that any such return of capital or payment of profits made pursuant to this Agreement, or any payment or repayment in respect of any such loan, shall be made solely from the assets (which shall not include any right of contribution from the General Partner) of the Partnership.

2.7 Indemnification. Except as limited pursuant to Section 1.3(c) hereof:

(a) The Partnership shall indemnify, defend and hold harmless the General Partner and any officer, director or controlling person of the General Partner, and in the discretion of the General Partner, any the General Partner's agents, employees, advisors and consultants, from and against any and all loss, liability, damage, cost or expense, including reasonable attorneys' fees, suffered or incurred in defense of any demands, claims or lawsuits against the General Partner or any such other person, in or as a result of or relating to his or its capacity, actions or omissions as General Partner or as an officer, director or controlling person of the General Partner, or as an agent, employee, advisor or consultant, or concerning the Partnership or any activities undertaken on behalf of the Partnership, including, without limitation, any demand, claim or lawsuit initiated by a Limited Partner or resulting from or relating to the offer and sale of interests in the Partnership, provided that the acts or omissions of the General Partner or such other person are not found by a court of competent jurisdiction upon entry of a final judgment to be the result of fraud, gross negligence or bad faith and willful and intentional misconduct, or to have violated such a lesser standard of conduct or public policy as under applicable law prevents indemnification hereunder.

(b) The General Partner, and any other indemnifiable person referred to in this Section 2.7, shall be entitled to receive, upon request therefor, to the extent cash or cash equivalent funds are available to the Partnership, advances to cover the costs of defending any claim or action against it or him; provided, that such advances shall be repaid to the Partnership, without interest, if the General Partner or such other person, as the case may be, is found by a court of competent jurisdiction upon entry of a final judgment to have violated the standards for indemnification set forth in the immediately preceding subsection (a). All rights of the General Partner and others to indemnification and advances shall survive the dissolution of the Partnership and the death, retirement, removal, dissolution, incompetency or insolvency of the General Partner or any such officer, director, controlling person, agent, employee, advisor or consultant, as the case may be.

2.8 No Right to Partition. Except as otherwise expressly provided in this Agreement, the Partners, on behalf of themselves and their shareholders, partners, successors and assigns, if any, hereby specifically renounce, waive and forfeit all rights, whether arising under contract or statute or by operation of law, to seek, bring or maintain any action in any court of law or equity for partition of the Partnership, or any interest which is considered to be Partnership assets, regardless of the manner in which title to any such property may be held.

ARTICLE 3

EXPENSES

The General Partner shall have the right to incur, or cause the Partnership to incur, costs, fees and expenses (including fees and expenses of attorneys and accountants) in connection with the formation, organization, management, administration and operation of the Partnership and the Partnership's investments and business activities, and the Partnership shall pay, or reimburse the General Partner for, all such costs, fees and expenses.

ARTICLE 4

CAPITAL; PARTNER LOANS; INCOME AND LOSSES; DISTRIBUTIONS

4.1 Definitions.

(a) The "Capital Contributions" of a Partner shall be the sum of the amounts which such Partner contributes or has contributed to the capital of the Partnership as provided in this Article 4.

(b) The term "Code" shall mean the Internal Revenue Code of 1986, as amended.

(c) "Net Income" or "Net Loss" for any Partnership Year shall mean the net income or loss of the Partnership for such year, determined in accordance with Code Section 703(a), increased by any income exempt from federal income tax and decreased by any expenditure of the Partnership described in Code Section 705(a)(2)(B), or treated as such pursuant to Regulations Section 1.704-1(b)(2)(iv)(i). Without limiting the generality of the foregoing, Net Income and Net Loss shall reflect any gains or losses realized by the Partnership on the sale, exchange or other disposition of Partnership assets and all deductible Partnership expenses including, without limitation, (A) any deduction or amortization of expenses incurred in connection with the formation and organization of the Partnership, (B) any taxes imposed on the Partnership, (C) interest payable by the Partnership, and (D) general operating expenses of the Partnership. Net Income and Net Loss shall be determined net of items of Partnership gross income, gain, loss, or deduction specially allocated pursuant to Section 4.6 hereof.

(d) A "Partnership Year" shall mean the fiscal year of the Partnership for federal income tax purposes.

(e) "Percentage Interest", as to a particular Partner, shall mean the Percentage Interest set forth in Schedule A hereto as to such Partner, as the same may be amended from time to time.

(f) The term "Regulations" means the United States Treasury Income Tax Regulations promulgated under the Code, as such regulations may be amended from time to time.

(g) "Unrecovered Capital" shall mean, as to a particular Partner at a particular time, the excess, if any, of (i) the aggregate Capital Contributions of such Partner pursuant to this Article 4 up to such time over (ii) all amounts theretofore distributed to such Partner as a return of its Unrecovered Capital pursuant to Section 4.5(b)(ii). The Partners' Unrecovered Capital balances as of the date hereof are set forth on Schedule A hereto.

4.9 Contributions; Partner Loans.

(a) Each Partner has contributed or is deemed to have contributed to the capital of the Partnership the amount set forth on Schedule A to this Agreement, opposite the name of such Partner.

(b) The General Partner may make a capital contribution, and acquire a partnership interest in the Partnership, as a Limited Partner, and shall be treated in all respects as a Limited Partner with respect thereto; provided, however, that the General Partner shall not have limited liability as provided in Section 1.5 hereof solely by virtue of its additional capacity as a Limited Partner.

(c) No Partner shall be required to make any additional Capital Contributions. However, a Partner may elect, with the consent of the General Partner, to make additional Capital Contributions, in such amounts as may be approved by the General Partner.

(d) In the event that the General Partner reasonably believes that an additional infusion of capital is needed by the Partnership for working capital or other business needs, the General Partner shall be entitled to loan such capital to the Company (any such loan, a "Partner Loan").

(i) Each Partner Loan shall bear interest on the unpaid principal amount from time to time outstanding thereunder at a rate of interest equal to the prime rate, as published from time to time in The Wall Street Journal, plus 2% per annum, and be repaid by the Partnership as promptly as practicable out of its available net cash flow prior to any distributions to Partners (other than distributions described in Section 4.5(b)(i) hereof). The making of a Partner Loan shall not be treated as a Capital Contribution by the General Partner and the repayment of a Partner Loan shall not be treated as a distribution in respect of the General Partner's interest in the Partnership.

(ii) Each Partner shall cooperate to execute and deliver any documents and legal instruments which may be reasonably necessary to effect any Partner Loan as contemplated by this Section 4.2(d) and

otherwise to effectuate and carry out the provisions of this Section 4.2(d).

4.10 Capital Accounts.

(a) A separate capital account ("Capital Account") shall be established and maintained for each Partner in accordance with the substantial economic effect and special rule provisions of Regulations Sections 1.704-1(b)(2) and 1.704-2. The Partners' respective Capital Accounts shall be kept separate and apart from the books in which the Partnership maintains records of the Partnership's adjusted tax basis in its assets and the Partners' adjusted tax bases in their Partnership Interests. Each Partner's Capital Account shall be (i) increased by the amount of such Partner's Capital Contributions (if any) and any Net Income and items of Partnership gross income and gain allocated to such Partner pursuant to this Article 4, and (ii) reduced by the amount of all distributions made to such Partner in respect of its interest in the Partnership, whether pursuant to this Article 4 or otherwise, and any Net Loss and items of Partnership gross deduction and loss allocated to such Partner pursuant to this Article 4. In addition, the Partners' Capital Accounts are to be adjusted in accordance with Section 4.3(b) hereof, if applicable. Allocations under Section 4.3(d) hereof shall affect the Partners' Capital Accounts only to the extent provided in such Section.

(b) The assets of the Partnership shall be revalued on the books of the Partnership to equal their fair market values in accordance with Regulations Section 1.704-1(b)(2)(iv)(f) at the following times: (i) the acquisition of an additional interest in the Partnership by any new or existing Partner in exchange for more than a de minimis contribution to the capital of the Partnership; (ii) the distribution by the Partnership to a Partner of more than a de minimis amount of Partnership assets other than money as consideration for an interest in the Partnership; and (iii) the liquidation of the Partnership within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g), provided that adjustments pursuant to clauses (i) and (ii) above shall be made only if deemed necessary by the General Partner. Upon a revaluation of the Partnership's assets pursuant to this Section 4.3(b), each Partner's Capital Account shall be increased or decreased as if such assets were sold for their fair market values (determined as provided in Section 4.11 hereof) and the gain or loss realized thereon were allocated among the Partners in accordance with Article 4 and Regulations Section 1.704-1(b)(2)(iv)(f).

(c) When property is reflected in the Capital Accounts at a book basis different from the basis of such property for federal income tax purposes, all Net Income, Net Loss and items of Partnership gross income, gain, deduction and loss with respect to such property shall be determined for purposes of adjusting Capital Accounts based on the book basis of such property in accordance with Regulations Section 1.704-1(b)(2)(iv)(g).

(d) For federal income tax purposes, all gain, loss, depreciation or amortization with respect to property which is reflected in the Capital Accounts at a basis different from the tax basis of such property shall be allocated among the Partners in a manner that takes into account such difference in accordance with the principles of Code Section 704(c) and Regulations Section 1.704-3. Allocations pursuant to the previous sentence are solely for federal, state and local income tax purposes and shall not affect or in any way be taken into account in computing a Partner's Capital Account or share of distributions pursuant to any provision of this Agreement. Similarly, items of tax credit and tax credit recapture shall be allocated to the Partners in accordance with Regulations Section 1.704-1(b)(4)(ii), but shall not be credited or charged to their respective Capital Accounts except to the extent required under Regulations Section 1.704-1(b)(2)(iv)(j).

4.11 Allocations of Net Income and Net Loss. (a) Net Income and Net Loss for each Partnership Year shall be allocated to the Partners pro rata, in accordance with their respective Percentage Interests.

(b) Notwithstanding any provisions of this Article 4 to the contrary, and in accordance with Section 1.704-1(b)(2)(ii)(d) of the Regulations, no Partner shall be allocated Net Loss to the extent such allocation would cause or increase a deficit balance in such Partner's Capital Account in excess of such Partner's then Permissible Capital Account Deficit (as defined in Section 4.6(a)(iii) hereof). Solely for purposes of the limitation in the previous sentence, the Partners' Capital Accounts shall be deemed reduced by the reasonably expected adjustments, allocations and distributions described in paragraphs (4), (5) and (6) of Regulations Section 1.704-1(b)(2)(ii)(d). Allocations of Net Loss that would be made to a Partner but for such limitation shall be made to the other Partners to the extent not inconsistent with such limitation.

4.12 Distributions. (a) Except as provided in paragraph (b)(i) of this Section 4.5 or in connection with the liquidation of the Partnership pursuant to Article 7 hereof, no distributions, whether in respect of the Net Income of the Partnership or otherwise, shall be made to the Partners, except if, as and then only to the extent, determined from time to time by the General Partner in its sole and absolute discretion. Distributions described in

paragraph (b)(i) of this Section 4.5 shall be made at least annually to the extent the cash flow of the Partnership is available therefor.

(b) Distributions, other than distributions upon the liquidation of the Partnership pursuant to Article 7 hereof, if and when made, shall be made as follows and in the following order of priority:

(i) First, to the Partners, pro rata, in an amount (to the extent not theretofore distributed to them respectively) as to each Partner which equals 45% of the amount by which the aggregate amount of Net Income credited to the Capital Account of such Partner for such Partnership Year and all prior Partnership Years shall exceed the aggregate amount of Net Loss charged to the Capital Account of such Partner for such Partnership Years.

(ii) Second, to the Limited Partners in the ratio and to the extent of the current balances of their respective Unrecovered Capital.

(iii) Third, any further distributions shall be made to the Partners, pro rata in accordance with their respective Percentage Interests.

4.13 Regulatory Allocations

(a) The following allocations shall be made in accordance with and to the extent required by Regulations Sections 1.704-2(f), 1.704-2(i), and 1.704-1(b)(2)(ii)(d).

(i) If there is a net decrease in partnership minimum gain during a Partnership Year (determined in accordance with Regulations Section 1.704-2(d)), items of Partnership gross income and gain shall be allocated to the Partners as quickly as possible in the amounts and manner described in Section 1.704-2(f) of the Regulations. This provision is intended to comply with the minimum gain chargeback requirement relating to any nonrecourse liability of the Partnership set forth in Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

(ii) If there is a net decrease in partner nonrecourse debt minimum gain during a Partnership Year (determined in accordance with Regulations Section 1.704-2(i)(3)), items of Partnership gross income and gain shall be allocated as quickly as possible to those Partners who had a share of such partner nonrecourse debt minimum gain at the end of the preceding Partnership fiscal year (determined in accordance with Regulations Section 1.704-2(i)(5)) in the amounts and manner described in Regulations Section 1.704-2(i)(4). This provision is intended to comply with the minimum gain chargeback requirement relating to partner nonrecourse debt set forth in Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(iii) If a Partner unexpectedly receives an adjustment, allocation or distribution described in Section 1.704-1(b)(2)(ii)(d) of the Regulations which creates or increases a deficit balance in its Capital Account in excess of the sum (with respect to each Partner, such Partner's "Permissible Capital Account Deficit") of such Partner's share of the partnership minimum gain (as determined at the end of such Partnership Year in accordance with Regulations Section 1.704-2(g)), such Partner's share of the partner nonrecourse debt minimum gain (as determined at the end of such Partnership Year in accordance with Regulations Section 1.704-2(i)(3)), and such Partner's deficit Capital Account restoration obligation hereunder, if any, then items of Partnership gross income and gain shall be allocated to such Partner as quickly as possible to eliminate such excess, as required by Regulations Section 1.704-1(b)(2)(ii)(d), provided that an allocation pursuant to this provision shall be made only if and to the extent such excess would exist after all other allocations provided for in this Article 4 have been tentatively made for such Partnership Year as if this provision were not in this Agreement. This provision is intended to comply with the qualified income offset requirement set forth in Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(iv) Notwithstanding anything in this Agreement to the contrary, all items of Partnership gross deduction and loss attributable to a partner nonrecourse debt (as defined in Regulations Section 1.704-2(b)(4)) shall be allocated to the Partner or Partners that bear the economic risk of loss for such partner nonrecourse debt in accordance with Regulations Section 1.704-2(i)(1).

(b) The allocations required by Sections 4.4(b) and 4.6(a)(iii) hereof (the "QIO Allocations") are intended to comply with certain requirements of the Regulations. It is the intent of the Partners that, to the extent permissible under the Regulations, all QIO Allocations shall be offset either with other QIO Allocations or with special allocations of other items of

Partnership gross income, gain, loss or deduction pursuant to this Section 4.6(b). Therefore, notwithstanding any other provision of this Article 4 (other than Section 4.6(a)), the General Partners shall make such offsetting special allocations of Partnership gross income, gain, loss or deduction in whatever manner it determines appropriate so that, after such offsetting allocations are made, each Partner's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Partner would have had if the QIO Allocations were not part of this Agreement and all Partnership items were otherwise allocated pursuant to Section 4.4(a) hereof.

(c) Items of Partnership gross income, gain, loss, or deduction specially allocated pursuant to this Section 4.6 shall not be taken into account in determining Net Income and Net Loss.

(d) Subject to Section 1.3(b), the General Partner may, without the consent of any Limited Partner, amend the provisions of this Agreement and the manner in which tax items are allocated to the extent necessary to comply with Regulations Sections 1.704-1(b) and -2; provided, however, that any such amendment may be made only if it is not likely to have a material effect on the amounts distributable to any Partner pursuant to Article 7 hereof upon the liquidation of the Partnership.

4.14 Determination by General Partner of Certain Matters. All matters concerning the determination and allocation among the Partners of the amounts to be determined and allocated pursuant to Article 4 hereof, including the taxes thereon and accounting procedures applicable thereto, shall be determined by the General Partner, in all cases unless expressly otherwise provided for by the provisions of this Agreement. All such determinations and allocations shall be final and binding on all the Partners.

4.15 No Interest on Capital. No Partner shall be entitled to receive any interest on or in respect of any amount credited to his Capital Account or on or in respect of any distribution or withdrawal therefrom or thereof permitted under this Agreement.

4.16 Withdrawals by Partners. No Partner shall have the right to withdraw any funds or other assets from the Partnership or its Capital Account without the prior written consent of the General Partner.

4.17 Form of Distributions. All distributions to Partners under this Agreement, including, but not limited to, those made pursuant to Article 7 hereof, may be made in cash or in securities or otherwise in kind or in any combination thereof, as the General Partner (or the Liquidating Partner (as hereinafter defined), as the case may be) shall determine.

4.18 Fair Market Value Determinations. For purposes of determining any appreciation in the value of securities and other assets to be distributed in kind pursuant to this Agreement, and for purposes of allocating such securities and assets among the Partners in the case of any distribution, such securities or assets shall be valued at the fair market value thereof as of the most recent practicable date prior to such distribution by the General Partner in its reasonable judgment, unless the Limited Partner requests, in writing, that an independent appraiser perform such valuation, then by an independent appraiser selected by the General Partner and reasonably acceptable to the Limited Partner.

ARTICLE 5

ADMISSION OF NEW PARTNERS

5.1 New Partners. The General Partner, acting on behalf of the Partnership, may admit one or more additional Partners at any time into the Partnership. The terms and conditions, including the capital contribution, of each such admission shall be fixed by the General Partner at the time of such admission; provided, however, that:

(i) if any Limited Partner is admitted to the Partnership, the terms and conditions of such admission shall not materially reduce the rights and entitlements of any then Limited Partner without such Limited Partner's written consent thereto, unless such reduction represents a pro rata reduction in the Percentage Interests of all then Partners and such pro rata reduction is consented to by at least 81% in Interest of Limited Partners; and

(ii) if any additional General Partner is admitted to the Partnership, the General Partner shall determine, in its sole discretion, the manner in which they shall divide the respective allocations to, and the respective liabilities of, the General Partner and the respective percentage interest(s) in the Partnership to be granted to such new General Partner; provided that each other General Partner's respective percentage interest in the Partnership for the Partnership Year in which such admission takes place shall be reduced pro rata to reflect the respective percentage interest in the Partnership so granted to any new General Partner.

5.2 New Limited Partners. In the event the General Partner shall determine to admit an additional Limited Partner (other than as an assignee or transferee of the interest of a Limited Partner), it shall be a condition to such admission that such new Limited Partner make a Capital Contribution to the Partnership in an amount proportionate (in accordance with the Percentage Interest proposed to be allocated to such Limited Partner) to the net fair market value of the Partnership interests held by the other Limited Partners, unless otherwise consented to by the Limited Partner. It is specifically acknowledged that the shareholders or employees of the General Partner may be admitted as Limited Partners of the Partnership in the sole discretion of the General Partner in accordance with the provisions of Section 5.1(i).

ARTICLE 6

ASSIGNMENT OR OTHER TRANSFER OF A PARTNERSHIP INTEREST

6.1 Assignment of the General Partner's Interest.

(a) Subject to the other provisions of this Article 6, the General Partner may not sell, assign, transfer, pledge, encumber or otherwise dispose of (herein a "Transfer") its rights and interest as a General Partner hereunder, and the General Partner shall not have the right to substitute an assignee in its place as a General Partner, without the prior written consent of the Limited Partner and subject to the terms of the First Mortgage, the prior written consent of the holder of the First Mortgage. If such written consent shall be obtained, then the General Partner shall have the right to sell or assign all of its rights and interest as a General Partner to any person, corporation or other entity approved by the Limited Partner and such person, corporation or other entity shall become a successor General Partner. Any successor General Partner shall execute and acknowledge such instruments, in form and substance reasonably satisfactory to the Limited Partner as such Limited Partner(s) shall reasonably deem necessary or advisable to effectuate such designation and to confirm the agreement of the person, corporation or other entity so designated to act as a General Partner to be bound by all of the terms and provisions of this Agreement, as the same may have been amended from time to time and then be in force. Any such successor General Partner shall have all of the powers, rights and obligations of his predecessor. Such successor General Partner shall pay all expenses in connection with its admission, including, but not limited to, legal fees and the cost of preparing, filing and publishing any amendment of the Certificate necessary or advisable in connection therewith.

6.2 Assignment of a Limited Partner's Interest.

(a) Except as otherwise provided herein, the interest of a Limited Partner may not be Transferred other than to another Partner and no Limited Partner shall have any right to substitute a non-Partner assignee in its place as a Limited Partner (a "Substituted Limited Partner"), unless such Transfer or substitution is consented to in writing by the General Partner, which consent may be withheld in its sole discretion.

(b) If such written consent shall be obtained, then as a condition to its admission as a Substituted Limited Partner with respect to the whole or any portion of the interest of its predecessor in interest, such transferee (i) shall execute and acknowledge such instruments, in form and substance satisfactory to the General Partner, as the General Partner shall reasonably deem necessary or advisable to effectuate such admission and to confirm the agreement of the person, corporation or other entity being admitted as such Substituted Limited Partner to be bound by all of the terms and provisions of this Agreement, as the same may have been amended from time to time and then be in force, and to evidence its intention to acquire such interest for investment and not with a view to the public distribution thereof, and (ii) if requested by the General Partner, shall deliver to the Partnership an opinion of counsel satisfactory to the General Partner that such Transfer does not violate applicable securities laws. Such transferee shall pay all expenses in connection with its admission as a Substituted Limited Partner, including, but not limited to, legal fees and the cost of preparing, filing and publishing any amendment of the Certificate necessary or advisable in connection therewith. The original Capital Account established for such Substituted Limited Partner shall be in the same amount as the Capital Account of its predecessor in interest as of the date upon which such Substituted Limited Partner was admitted to the Partnership, and for the purposes of this Agreement such Substituted Limited Partner shall be deemed to have made the Capital Contributions to the Partnership of its predecessor in interest.

(c) A Transfer by a Limited Partner of all or part of his or her Limited Partner interest in the Company, whether on death or inter vivos (in trust or otherwise), to or for the benefit of any member of his or her family or to a charitable, religious or educational organization, or a corporation more than 50% of the voting stock of which is owned by him or her,

shall be permitted, provided, that any such transferee shall not be admitted as a Substitute Limited Partner, unless the General Partner approves the same and the conditions set forth in paragraph (b) of this Section 6.2 are satisfied.

(d) The General Partner's failure or refusal to grant consent to the substitution of a transferee as a Substituted Limited Partner as provided above, or the failure of the General Partner to obtain Limited Partner consent to the substitution of a new General Partner therefor, shall not affect the validity and effectiveness of any Transfer as a transfer of the right to receive Partnership distributions and allocations applicable to such Partnership interest under this Agreement, provided (i) the instrument effecting such assignment is in form reasonably satisfactory to the General Partner, (ii) a duly executed and acknowledged counterpart of such instrument is filed with the Partnership, (iii) the transferee (the trustee in the case of a transfer into trust) is not a person below the age of majority or a person theretofore adjudged to be incompetent and (iv) the proposed Transfer does not violate federal or applicable state securities laws. Any such attempted Transfer which does not satisfy each proviso in the immediately preceding sentence shall be void and ineffectual and shall not bind the Partnership. Except for the right to receive such distributions and allocations, such transferee shall not have any rights of a Partner hereunder (such rights to remain with the transferor), including, without limitation, the right to receive any information or account of the Partnership's transactions, to inspect the Partnership's books, to participate in any vote or consent of the Partners pursuant to the provisions of this Agreement.

6.3 Bankruptcy, Dissolution, Liquidation, Resignation or Withdrawal of General Partner. Subject to the terms of Section 1.3(a) hereof, promptly upon the bankruptcy, dissolution or liquidation of the General Partner, the trustee in bankruptcy of the bankrupt General Partner or the successor of the dissolved or liquidated General Partner shall give written notice to each Limited Partner, and ninety (90) days after the receipt of such written notice the Partnership shall be dissolved unless the Partnership is continued by the remaining General Partner(s), if any, by a written election to continue sent to each Limited Partner within such ninety (90) day period.

(b) If the General Partner seeks to resign or withdraw from the Partnership, it shall send a notice to such effect to the Limited Partner. The resignation or withdrawal of the General Partner shall cause a dissolution of the Partnership unless the Partnership is continued by the remaining General Partner(s), if any, by a written election to continue sent to the Limited Partners within ninety (90) days after the later of the receipt of written notice from the resigning or withdrawing General Partner of its resignation or withdrawal or the effective date of such General Partner's resignation or withdrawal. The foregoing notwithstanding The General Partner's resignation shall not, while the First Mortgage remains outstanding, cause dissolution of the Partnership and any resignation or withdrawal of the General Partner shall not, while the First Mortgage remains outstanding, become effective until a successor General Partner has been appointed.

(c) Upon the bankruptcy, dissolution, liquidation, resignation or withdrawal of a General Partner, the interest in the Partnership of such General Partner shall not be forfeited or terminated, but shall be converted into a Limited Partner interest with the same percentage interest as that which was applicable to it immediately prior to such event, and such General Partner shall thenceforth be considered a Limited Partner.

(d) As used in this Agreement, the word "bankruptcy" shall refer to a situation where a Partner shall: (i) be adjudicated a bankrupt, (ii) suffer or permit a receiver to be appointed to hold or administer any substantial portion of its assets and such appointment shall remain in effect for ninety (90) days, (iii) make an assignment for the benefit of his creditors, or (iv) file a petition for an arrangement with its creditors under the provisions of the Federal Bankruptcy Code or any state statute for the relief of debtors.

6.4 Bankruptcy, Dissolution, Liquidation, Death or Incompetence of Limited Partner. The bankruptcy, dissolution, liquidation, death or incompetence of any Limited Partner shall not cause dissolution of the Partnership. Upon such bankruptcy, dissolution, liquidation, death or incompetence, the executors, administrators, legal representatives or successors of the Limited Partner, as the case may be, shall be deemed to be an assignee of such Limited Partner and may become a Substituted Limited Partner for such Limited Partner in accordance with the provisions of Section 6.2 hereof. Any Transfer to or from such executors, administrators, legal representatives or successors shall be subject to the provisions of Section 6.2 hereof.

6.5 To Whom Distributions May Be Made. Unless named in this Agreement, or unless admitted to the Partnership as General Partner or Limited Partner as in this Agreement provided, no person or entity shall be considered a Partner. The Partnership and the General Partner need deal only with the person,

corporation or other entity so named or admitted as a Limited Partner and shall not be required to deal with any other person or entity merely because of a Transfer of a Partnership interest to such person or entity, as a result of a Transfer thereof by reason of the bankruptcy, death or incompetence of the Limited Partner, or for any other reason; provided, however, that any distribution by the Partnership to the person or entity shown on the Partnership records as the Limited Partner, or to its legal representatives or successors, or to the assignee of the right to receive Partnership distributions as provided in subparagraph (c) of Section 6.2, shall release the Partnership and the General Partner of all liability to any other person or entity which may be interested in such distribution by reason of any other Transfer by the Partner or by reason of the bankruptcy, death or incompetence thereof, or for any other reason. Nothing herein, however, shall confer any rights upon any assignee to which such assignee was not otherwise entitled by law or under this Agreement.

ARTICLE 7

DISSOLUTION AND LIQUIDATION

7.1 Dissolution. The Partnership shall dissolve upon the expiration of its term or upon the first to occur of the following, but in no case shall dissolution occur so long as the Property remains subject to the First Mortgage:

(a) dissolution, liquidation, bankruptcy, death, incompetence, resignation or withdrawal of the General Partner, except as otherwise provided in Section 6.3 hereof;

(b) a determination by the General Partner that the Partnership should dissolve; or

(c) subject to the terms of this Agreement, another event causing the dissolution of the Partnership under the laws of the State of Delaware.

Upon the dissolution of the Partnership, no further business shall be done in the Partnership name except the completion of any incomplete transactions and the taking of such action as shall be necessary for the winding up of the affairs of the Partnership and the distribution of its assets.

7.2 Liquidation. Upon dissolution of the Partnership, the General Partner or, if there shall be none, the Limited Partner (the General Partner or, under the aforementioned limited circumstances, such Limited Partner being referred to as the "Liquidating Partner") shall (i) within a reasonable time cause the Partnership assets to be liquidated in an orderly and business-like manner so as not to involve undue sacrifice or to be distributed to the Partners in kind, all in the sole discretion of the Liquidating Partner, and (ii) take the following actions and make the following distributions out of the assets of the Partnership in the following manner and order:

(a) first, pay or make appropriate provision for all debts and liabilities of the Partnership to persons and entities other than Partners and expenses of liquidation in the order of priority provided by law;

(b) then, establish any reserves which the Liquidating Partner deems necessary or advisable to provide for any contingent or unforeseen liabilities or obligations of the Partnership; provided, however, that at the expiration of such period of time as the Liquidating Partner may deem advisable, the balance of any reserves shall be paid or distributed as provided in subparagraphs (c) through (d) (in the order of priority thereof) of this Section 7.2, it being agreed that such reserves may, in the discretion of the Liquidating Partner, be paid over to an escrow agent selected by it to be held by it as escrowee for the purpose of disbursing such reserves in payment of any of the aforesaid contingencies;

(c) then, pay the outstanding balance of all remaining debts and liabilities of the Partnership, if any, to the Partners to whom the same are owed, pro rata, including, without limitation, Member Loans; and

(d) then, pay the Partners, pro rata, in accordance with their respective positive Capital Account balances (determined after giving effect to all allocations called for by Article 4 hereof), the balance, if any, of such assets.

Except as otherwise expressly provided herein, upon such distribution, no Partner shall have any rights or claims against the Partnership or any other Partner, notwithstanding any imbalance in the respective Capital Accounts of the Partners.

7.3 Certain Obligations. No Partner shall be required to pay to the Partnership or to any other Partner or Person any deficit in such Partner's Capital Account upon "liquidation" (as such term is defined in

Regulations Section 1.704-1(b)(2)(ii)(g)) of its interest in the Partnership or upon dissolution of the Partnership or otherwise.

7.4 Distribution in Kind. Notwithstanding the provisions of Section 7.2 hereof, if, on dissolution of the Partnership, the Liquidating Partner shall determine that sale of part or all of the Partnership's assets would cause undue loss to the Partners, the Liquidating Partner may, in order to avoid such losses, either:

(a) Defer the liquidation of, and withhold from distribution for a reasonable time, any assets of the Partnership except those necessary to satisfy debts and liabilities of the Partnership (other than those to Partners); or

(b) Distribute to the Partners, in lieu of cash, interests in any Partnership assets and liquidate only such assets as are necessary in order to pay the debts and liabilities of the Partnership (which distribution shall be made in accordance with the provisions of Section 4.11 hereof).

ARTICLE 8

ACCOUNTING AND REPORTS TO LIMITED PARTNERS

8.1 Fiscal Year. The fiscal year of the Partnership shall end on December 31 or on such other date as the General Partner may determine.

8.2 Books and Records. Appropriate accounts shall be kept at all times by the Partnership and shall be open to inspection by the Limited Partners during normal business hours. The books of account shall be examined and/or reviewed as of the close of each fiscal year and at any other time, and in such manner, as the General Partner may deem necessary or desirable by such firm of accountants as shall be designated by the General Partner. Such books of account shall be maintained in accordance with generally accepted accounting principles.

8.3 Tax Returns and Elections. The Partnership shall prepare, or cause to be prepared, all necessary federal, state and local income tax returns and reports required of the Partnership. The General Partner, in its discretion, may, but shall not be required to, exercise or revoke any or all of the elections available to the Partnership under the Code, including, without limitation, any election under Section 754 of the Code to adjust the basis of the Partnership's assets. Each of the Partners shall supply to the Partnership the information necessary properly to give effect to any such election.

8.4 Reports to Partners. As soon as reasonably practicable after the close of each fiscal year of the Partnership, the Partnership shall cause to be prepared and furnished to each Partner an annual report containing:

(a) financial statements for such fiscal year;

(b) a tax statement showing the items of income, deduction, gain, loss or credit allocated to such Partner pursuant to the provisions of the Code in sufficient detail to enable such Partner to prepare its own income tax returns in accordance with the laws, rules and regulations thereunder then prevailing; and

(c) such Partner's Capital Account as of the close of such fiscal year.

8.5 Determinations Binding. Any determination made by the General Partner with respect to accounting matters shall be final and binding upon the other Partners and their respective legal representatives.

ARTICLE 9

MISCELLANEOUS

9.1 Power of Attorney. Each Limited Partner hereby constitutes and appoints the General Partner, and each of the officers of the General Partner, and each of them severally, the true and lawful representative and attorney-in-fact of such Limited Partner in the name, place and stead of such Limited Partner to make, execute, sign, acknowledge and file with respect to the Partnership:

(a) a certificate or amended certificate of limited partnership under the laws of the State of Delaware, including therein all information required by the laws of such state;

(b) all instruments which the General Partner deems appropriate to reflect any amendment, change or modification of the Partnership or of this Agreement in accordance with the terms of this Agreement;

(c) all such other instruments, documents and certificates which may from time to time be required by the laws of the State of Delaware, the United States of America, or any other jurisdiction the laws of which affect or govern the Partnership's affairs, or any political subdivision or agency thereof, to effectuate, implement, continue and defend the valid and subsisting existence of the Partnership as a limited partnership;

(d) all applications, certificates, certifications, reports or similar instruments or documents required to be submitted by or on behalf of the Partnership to any governmental or administrative agency or body or to any other self-regulatory organization or trade association; and

(e) all papers which may be deemed necessary or desirable by the General Partner to effect the dissolution and liquidation and/or termination of the Partnership as provided for in this Agreement;

provided, however, that no such representative and attorney-in-fact shall have any right, power or authority to amend or modify this Agreement when acting in such capacity, except as provided in Section 9.2 hereof. The foregoing power of attorney is hereby declared to be a power coupled with an interest and irrevocable, shall survive the death or incompetency of any Limited Partner, and shall extend to each Limited Partner's heirs, legal representatives, successors and assigns. Each Limited Partner hereby waives any and all defenses which may be available to contest, negate or disaffirm the action of the General Partner taken in good faith pursuant to such power of attorney.

9.2 Amendments. (a) Except as otherwise provided in this Section 9.2, this Agreement may not be amended except as unanimously approved in writing by the Partners and with the written consent of the holder of the First Mortgage.

(b) With the written consent of the holder of the First Mortgage, the General Partner may amend this Agreement without the consent of any of the Limited Partners (i) to reflect changes validly made in the membership of the Partnership and corresponding changes in the terms and provisions of this Agreement necessary to reflect or conform with any such change in membership, (ii) to reflect permitted changes in the Capital Accounts of the Partners, or (iii) if such amendment is of an inconsequential nature (as reasonably determined by the General Partner) and does not affect the rights of the Limited Partners in any material adverse respect.

(c) Anything in the foregoing provisions of this Section 9.2 to the contrary notwithstanding, this Agreement shall be amended from time to time (without any required consent of the Limited Partners, but with the written consent of the holder of the First Mortgage), in each and every manner deemed necessary or appropriate by the General Partner to comply with the then existing requirements of the Code, and the Regulations and the Rulings of the Treasury Department or Internal Revenue Service affecting the Partnership.

9.3 Defense of Certain Claims. The General Partner may act in the capacity of a "Tax Matters Partner" as defined in Section 6231(a)(7) of the Code and shall have full authority to take all actions permitted or required of the Tax Matters Partner under the Code. If requested by any such Tax Matters Partner, the Partnership shall assume, and in connection therewith retain and pay counsel chosen by the General Partner for, the defense of any claims made by the Internal Revenue Service to the extent such claims arise out of and relate to a Partner's investment in the Partnership. In no case, however, shall the Partnership be liable for any additional tax payable by a Partner or for any costs of separate counsel chosen by such Partner.

9.4 Severability. In the event that any provision of this Agreement shall be held to be void or unenforceable for any reason whatsoever, the remaining provisions of this Agreement shall not be affected thereby and shall continue in full force and effect.

9.5 Notices. All notices to the Partnership shall be addressed to its principal mailing address as established from time to time by the General Partner. All notices addressed to a Partner shall be addressed to such Partner at the address of such Partner reflected in the books and records of the Partnership. Any Partner may designate a new address by notice to such effect given to the Partnership. Unless otherwise specifically provided in this Agreement, a notice shall be deemed to have been effectively given to the Partnership when received by the Partnership and to have been effectively given to a Partner when delivered or on the third day after the same shall have been deposited in a post office or a regularly maintained letter box.

9.6 No Waiver. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other subsequent breach or condition, whether of like or different nature.

9.7 Waiver of Certain Rights. Each of the Partners hereby

agrees not to file a bill for a partnership accounting or otherwise proceed adversely in any manner whatsoever against the other Partners or the Partnership, except for fraud or violation of this Agreement.

9.8 Creditors. None of the provisions of this Agreement shall be for the benefit of, or enforceable by, any creditor of the Partnership. No creditor who makes a loan to the Partnership may have or acquire as a result of making the loan any direct or indirect interest in the profits, capital or property of the Partnership (other than as a result, if applicable, of being a secured creditor).

9.9 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware.

9.10 Counterparts. This Agreement may be executed in one or more counterparts, and each of such counterparts shall, for all purposes, be deemed to be an original, but all of such counterparts shall constitute one and the same instrument.

9.11 Pronouns and Plurals. Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine or neuter forms and the singular form of nouns, pronouns and verbs shall include the plural and vice versa.

9.12 Binding Effect. This Agreement shall be binding upon and inure to the benefit of all of the parties hereto and, to the extent permitted herein, their respective personal representatives, executors, administrators, estates, heirs, legal representatives, successors and assigns.

9.13 Captions. The article and section titles and captions contained in this Agreement are for convenience only, and shall not be deemed a part of this Agreement.

9.14 Entire Agreement. This Agreement constitutes the entire agreement and understanding among the parties hereto pertaining to the subject matter hereof and supersedes all prior and contemporaneous understandings or oral or written agreements between or among any of the parties hereto in connection with such subject matter. There are no representations, agreements, arrangements or understandings, oral or written, between or among any of the parties hereto in connection herewith which are not fully expressed herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

GENERAL PARTNER:

CIF-Loyal Plaza Associates, Corp.

By: /s/ Brenda J. Walker

Brenda J. Walker, Vice President

LIMITED PARTNER:

Cedar Income Fund Partnership, L.P.

By: Cedar Income Fund, Ltd., its general partner

By: /s/ Brenda J. Walker

Brenda J. Walker, Vice President

SCHEDULE A

Partner	Amount of Capital Contribution	Percentage Interest
General Partner:		

CIF-Loyal Plaza Associates, Corp.	$ _____	1.0%
Limited Partners:		
Cedar Income Fund Partnership, L.P.	$ _____	99.0%

- ---

LOYAL PLAZA VENTURE, L.P., as borrower
A Delaware limited partnership
And
GLIMCHER LOYAL PLAZA TENANT, L.P.,
A Delaware limited partnership, as tenant
(collectively, Mortgagor)

To
LEHMAN BROTHERS BANK, FSB, as mortgagee
(Lender)

- ---

OPEN-END MORTGAGE AND SECURITY AGREEMENT

THIS INSTRUMENT SECURES FUTURE ADVANCES UP TO A MAXIMUM PRINCIPAL AMOUNT OF $14,000,000 PLUS ACCRUED INTEREST AND OTHER INDEBTEDNESS AS DESCRIBED IN PENNSYLVANIA ACT NO. 42 PENNSYLVLVANIA CONSOLIDATED STATUTES ANNOTATED SECTIONS 8143 AND 8144

Dated: the 31st day of May, 2001, to be effective as of May 31, 2001

Location: Loyal Plaza, Loyalsock Township, Pennsylvania

- ---

RECORDING REQUESTED BY AND WHEN RECORDED PLEASE RETURN TO:
Stroock & Stroock & Lavan, LLP
I 80 Maiden Lane
New York, New York 10038
Attention: Oumar Diop

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THIS OPEN-END MORTGAGE AND SECURITY AGREEMENT IN THE MAXIMUM AMOUNT OF $14,000,000 (this "Security Instrument") is made on the 31st day of May, 2001, to be effective as of the 31st day of May, 2001, by LOYAL PLAZA VENTURE, L.P., a Delaware limited partnership, having its principal place of business at 20 South Third Street, Columbus, Ohio 43215, as borrower ("Borrower"), and GLIMCHER LOYAL PLAZA TENANT, L.P., a Delaware limited partnership, having its principal place of business at 20 South Third Street, Columbus, Ohio 43215, as tenant ("Tenant") (Borrower and Tenant collectively hereinafter referred to as "Mortgagor") to LEHMAN BROTHERS BANK, FSB, a federal stock savings bank, having an address at Three World Financial Center, New York, New York 10285, as beneficiary ("Lender").

WITNESSETH:

WHEREAS, this Security Instrument is given to secure a loan (the "Loan") in the principal sum of FOURTEEN MILLION AND 00/100 DOLLARS ($14,000,000) or so much thereof as may be advanced pursuant to that certain Loan Agreement dated as of the date hereof between Borrower and Lender (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, the "Loan Agreement") and evidenced by that certain Promissory Note dated the date hereof made by Borrower to Lender (such Note, together with all extensions, renewals, replacements, restatements or modifications thereof being hereinafter referred to as the "Note"); and

WHEREAS, Mortgagor desires to secure the payment of the Debt (as defined in the Loan Agreement) and the performance of all of its obligations under the Note, the Loan Agreement and the other Loan Documents; and

WHEREAS, Borrower is the fee owner of Parcels I and II in Exhibit A hereto ("Parcel I" and "Parcel II", respectively); and

WHEREAS, Borrower is the holder of the tenant's interest under the Ground Lease (hereinafter defined), which affects Parcel III described in Exhibit A hereto ("Parcel III"); and

WHEREAS, Borrower has leased its interest in Parcel I and Parcel II to Tenant pursuant to the Operating Lease (hereinafter defined) and subleased its interest in Parcel III to Tenant pursuant to the Ground Sublease (hereinafter defined); and

WHEREAS, this Security Instrument is given pursuant to the Loan Agreement, and payment, fulfillment, and performance by Borrower and Tenant, where applicable, of their respective obligations thereunder and under the other Loan Documents are secured hereby, and each and every term and provision of the Loan Agreement and the Note, including the rights, remedies, obligations, covenants, conditions, agreements, indemnities, representations and warranties of the parties therein, are hereby incorporated by reference herein as though set forth in full and shall be considered a part of this Security Instrument (the Loan Agreement, the Note, this Security Instrument, that certain Assignment of Leases and Rents of even date herewith made by Borrower and Tenant in favor of Lender (the "Assignment of Leases") and all other documents evidencing or securing the Debt are hereinafter referred to collectively as (the "Loan Documents").

NOW THEREFORE, in consideration of the making of the Loan by Lender and the covenants, agreements, representations and warranties set forth in this Security Instrument:

Article I - GRANTS OF SECURITY

Section 1.1 PROPERTY MORTGAGED. Mortgagor does hereby irrevocably mortgage, grant, bargain, sell, pledge, assign, warrant, transfer and convey to Lender, the following property, rights, interests and estates now owned, or hereafter acquired by Mortgagor (collectively, the "Property"):

(a) Land. The real property described in Exhibit A attached hereto and made a part hereof (the "Land");

(b) Ground Lease. All right, title and interest of Borrower as lessee under that certain Agreement of Lease made between Robert M. Zaner and Ruth S. Zaner, as lessor (together with their successors and assigns "Lessor"), and Murray H. Goodman, as lessee, dated January 15, 1963, a memorandum of which was recorded February 27, 1963 in Deed Book 492, Page 1142, as amended by Amendatory Agreement dated March 26, 1964 and recorded April 13, 1964 in Deed Book 500, Page 920, as assigned by Assignment, Assumption Indemnity Agreement made by and between Murray H. Goodman, as assignor, and Williamsport Plaza Associates, as assignee, dated July 1, 1989 and recorded July 19, 1989 in Deed Book 1433, Page 291 and as further assigned by Warranty Assignment of Tenant's Interest in Ground Lease and Assumption Agreement by and between Williamsport Plaza Associates, L.P. a/k/a Williamsport Plaza Associates, a Pennsylvania limited partnership, as assignor and Glimcher Centers Limited Partnership, a Delaware limited partnership, as assignee, dated January 17, 1994 and recorded February,

1994 in Record Book 2216, Page 210, and as further assigned by Assignment of Ground Lease, dated on or about the date hereof by Glimcher Centers Limited Partnership, as assignor, to Borrower, as assignee, and intended to be recorded contemporaneously herewith in the Deed Records of Lycoming County, Pennsylvania (the "Ground Lease"), of the real property described in Exhibit A as Parcel III (the "Ground Lease Land), an amended memorandum of which is intended to be recorded contemporaneously herewith in the Deed Records of Lycoming County, Pennsylvania;

(c) Operating Lease. All right, title and interest of Tenant as lessee of Parcel I and Parcel II and as sublessee (under the Ground Lease) of Parcel III, pursuant to that certain Lease Agreement of even date herewith between Borrower, as landlord as to Parcel I and Parcel II and sublandlord as to Parcel III, and Glimcher Properties Limited Partnership ("GPLP"), as tenant as to Parcel I

and Parcel II and subtenant as to Parcel III (the "Operating Lease"), a memorandum of which has been recorded contemporaneously herewith in the Deed Records of Lycoming County, Pennsylvania, as assigned by that certain Assignment and Assumption of Lease agreement of even date herewith between GPLP, as assignor and Tenant, as assignee.

(d) Additional Land. All additional lands, estates and development rights hereafter acquired by Mortgagor for use in connection with the Land and the development of the Land and all additional lands and estates therein which may, from time to time, by supplemental mortgage or otherwise be expressly made subject to the lien of this Security Instrument;

(e) Improvements. The buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and improvements now or hereafter erected or located on the Land (collectively, the "Improvements");

(f) Easements. All easements, rights-of-way or use, rights, strips and gores of land, streets, ways, alleys, passages, sewer rights, water, water courses, water rights and powers, air rights and development rights, and all estates, rights, titles, interests, privileges, liberties, servitudes, tenements, hereditaments and appurtenances of any nature whatsoever, in any way now or hereafter belonging, relating or pertaining to the Land and the Improvements and the reversion and reversions, remainder and remainders, and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Land, to the center line thereof and all the estates, rights, titles, interests, dower and rights of dower, curtesy and rights of curtesy, property, possession, claim and demand whatsoever, both at law and in equity, of Mortgagor of, in and to the Land and the Improvements and every part and parcel thereof, with the appurtenances thereto;

(g) Equipment. All "equipment," as such term is defined in Article 9 of the Uniform Commercial Code, now owned or hereafter acquired by Mortgagor, which is used at or in connection with the Improvements or the Land or is located thereon or therein (including, but not limited to, all machinery, equipment, furnishings, and electronic data-processing and other office equipment now owned or hereafter acquired by Mortgagor and any and all additions, substitutions and replacements of any of the foregoing), together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto (collectively, the "Equipment"). Notwithstanding the foregoing, Equipment shall not include any property belonging to tenants under leases except to the extent that Mortgagor shall have any right or interest therein;

(h) Fixtures. All Equipment now owned, or the ownership of which is hereafter acquired, by Mortgagor which is so related to the Land and Improvements forming part of the Property that it is deemed fixtures or real

property under the law of the particular state in which the Equipment is located, including, without limitation, all building or construction materials intended for construction, reconstruction, alteration or repair of or installation on the Property, construction equipment, appliances, machinery, plant equipment, fittings, apparatuses, fixtures and other items now or hereafter attached to, installed in or used in connection with (temporarily or permanently) any of the Improvements or the Land , including, but not limited to, engines, devices for the operation of pumps, pipes, plumbing, cleaning, call and sprinkler systems, fire extinguishing apparatuses and equipment, heating, ventilating, plumbing, laundry, incinerating, electrical, air conditioning and

air cooling equipment and systems, gas and electric machinery, appurtenances and equipment, pollution control equipment, security systems, disposals, dishwashers, refrigerators and ranges, recreational equipment and facilities of all kinds, and water, gas, electrical, storm and sanitary sewer facilities, utility lines and equipment (whether owned individually or jointly with others, and, if owned jointly, to the extent of Mortgagor's interest therein) and all other utilities whether or not situated in easements, all water tanks, water supply, water power sites, fuel stations, fuel tanks, fuel supply, and all other structures, together with all accessions, appurtenances, additions, replacements, betterments and substitutions for any of the foregoing and the proceeds thereof (collectively, the "Fixtures"). Notwithstanding the foregoing, "Fixtures" shall not include any property which tenants are entitled to remove pursuant to leases except to the extent that Mortgagor shall have any right or interest therein;

(i) Personal Property . All furniture, furnishings, objects of art, machinery, goods, tools, supplies, appliances, general intangibles, contract rights, accounts, accounts receivable, franchises, licenses, certificates and permits, and all other personal property of any kind or character whatsoever (as defined in and subject to the provisions of the Uniform Commercial Code as hereinafter defined), other than Fixtures, which are now or hereafter owned by Mortgagor and which are located within or about the Land and the Improvements, together with all accessories, replacements and substitutions thereto or therefor and the proceeds thereof (collectively, the "Personal Property"), and the right, title and interest of Mortgagor in and to any of the Personal Property which may be subject to any security interests, as defined in the Uniform Commercial Code, as adopted and enacted by the state or states where any of the Property is located (the "Uniform Commercial Code"), superior in lien to the lien of this Security Instrument and all proceeds and products of the above;

(j) Leases and Rents. All leases and other agreements affecting the use, enjoyment or occupancy of the Land and the Improvements heretofore or hereafter entered into, whether before or after the filing by or against Mortgagor of any petition for relief under 11 U.S.C. ss.101 et seq., as the same may be amended from time to time (the "Bankruptcy Code") (collectively, the "leases") and all right, title and interest of Mortgagor, its successors and assigns therein and thereunder, including, without limitation, cash or securities deposited

thereunder to secure the performance by the lessees of their obligations thereunder and all rents, additional rents, revenues, issues and profits (including all oil and gas or other mineral royalties and bonuses) from the Land and the Improvements whether paid or accruing before or after the filing by or against Mortgagor of any petition for relief under the Bankruptcy Code (collectively, the "rents") and all proceeds from the sale or other disposition of the Leases and the right to receive and apply the Rents to the payment of the Debt;

(k) Condemnation Awards. Except to the extent required to be applied under the Ground Lease with respect to the Ground Lease Land, all awards or payments, including interest thereon, which may heretofore and hereafter be made with respect to the Property, whether from the exercise of the right of eminent domain (including but not limited to any transfer made in lieu of or in anticipation of the exercise of the right), or for a change of grade, or for any other injury to or decrease in the value of the Property;

(1) Insurance Proceeds. Except to the extent required to be applied under the Ground Lease, all proceeds in respect of the Property under any insurance policies covering the Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Property;

(m) Tax Certiorari. All refunds, rebates or credits in connection with reduction in real estate taxes and assessments charged against the Property as a result of tax certiorari or any applications or proceedings for reduction;

(n) Conversion. All proceeds of the conversion, voluntary or involuntary, of any of the foregoing including, without limitation, proceeds of insurance and condensation awards, into cash or liquidation claims;

(o) Rights. The right, in the name and on behalf of Mortgagor, to appear in and defend any action or proceeding brought with respect to the Property and to commence any action or proceeding to protect the interest of Lender in the Property;

(p) Agreements. All agreements, contracts, certificates, instruments, franchises, permits, licenses, plans, specifications and other documents, now or hereafter entered into, and all rights therein and thereto, respecting or pertaining to the use, occupation, construction, management or operation of the Land and any part thereof and any Improvements or respecting any business or

activity conducted on the Land and any part thereof and all right, title and interest of Mortgagor therein and thereunder, including, without limitation, the right, upon the happening of any default hereunder, to receive and collect any sums payable to Mortgagor thereunder;

(q) Trademarks. All tradenames, trademarks, servicemarks, logos, copyrights, goodwill, books and records and all other general intangibles relating to or used in connection with the operation of the Property;

(r) Ground Lease Rights. Any contract right, option or right of first refusal, now owned or hereafter acquired by Mortgagor, to purchase or otherwise acquire the interest of the lessor (the "Lessor") under the Ground Lease or any other estate, title or interest in or to the property subject to the Ground Lease; any right of Mortgagor to reject or terminate, or to agree to or acquiesce in any rejection or termination of the Ground Lease, whether made with respect to any election under Section 365(b) of the Bankruptcy Code (or any successor provision) or under any similar law or right of any nature, or otherwise; and all other rights and privileges (including but not limited to any credit, security, deposit and offset) of Mortgagor as lessee under the Ground Lease and all rights, privileges and prerogatives to terminate, cancel, modify, change, supplement, alter, amend or renew the Ground Lease; and

(s) Other Rights. Any and all other rights of Mortgagor in and to the items set forth in Subsections (a) through (q) above.

AND without limiting any of the other provisions of this Security Instrument, to the extent permitted by applicable law, Mortgagor expressly grants to Lender, as secured party, a security interest in the portion of the Property which is or may be subject to the provisions of the Uniform Commercial Code which are applicable to secured transactions; it being understood and agreed that the Improvements and Fixtures are part and parcel of the Land (the Land, the Ground Lease Land, the Improvements and the Fixtures collectively referred to as the "Real Property") appropriated to the use thereof and, whether affixed or annexed to the Real Property or not, shall for the purposes of this Security Instrument be deemed conclusively to be real estate and conveyed hereby.

Section 1.2 ASSIGNMENT OF RENTS. Mortgagor hereby absolutely and unconditionally assigns to Lender all of Mortgagor's right, title and interest in and to all current and future Leases and Rents; it being intended by Mortgagor that this assignment constitutes a present, absolute assignment and not an assignment for additional security only. Nevertheless, subject to the terms of the Assignment of Leases and Section 7.1(h) of this Security Instrument, Lender grants to Mortgagor a revocable license to collect, receive, use and enjoy the Rents. Mortgagor shall hold the Rents, or a portion thereof sufficient to discharge all current sums due on the Debt, for use in the payment of such sums.

Section 1.3 SECURITY AGREEMENT. This Security Instrument is both a real property deed of trust and a "security agreement" within the meaning of the Uniform Commercial Code. The Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Mortgagor in the Property. By executing and delivering this Security Instrument, Mortgagor hereby grants to Lender, as security for the Obligations (hereinafter defined), a security interest in the Fixtures, the Equipment and the Personal Property to the full extent that the Fixtures, the Equipment and the

Personal Property may be subject to the Uniform Commercial Code (said portion of the Property so subject to the Uniform Commercial Code being called the "Collateral"). If an Event of Default shall occur and be continuing, Lender, in addition to any other rights and remedies which it may have, shall have and may exercise immediately and without demand, any and A rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including, without limiting the generality of the foregoing, the right to take possession of the Collateral or any part thereof, and to take such other measures as Lender may deem necessary for the care, protection and preservation of the Collateral. Upon request or demand of Lender after the occurrence and during the continuance of an Event of Default, Mortgagor shall, at its expense, assemble the Collateral and make it available to Lender at a convenient place (at the Land if tangible property) reasonably acceptable to Lender. Mortgagor shall pay to Lender on demand any and all expenses, including reasonable legal expenses and attorneys' fees, incurred or paid by Lender in protecting its interest in the Collateral

and in enforcing its rights hereunder with respect to the Collateral after the occurrence and during the continuance of an Event of Default. Any notice of sale, disposition or other intended action by Lender with respect to the Collateral sent to Mortgagor in accordance with the provisions hereof at least ten (10) business days prior to such action, shall, except as otherwise provided by applicable law, constitute reasonable notice to Mortgagor. The proceeds of any disposition of the Collateral, or any part thereof, may, except as otherwise required by applicable law, be applied by Lender to the payment of the Debt in such priority and proportions as Lender in its discretion shall deem proper. Mortgagor's (Debtor's) principal place of business is as set forth on page one hereof and the address of Lender (Secured Party) is as set forth on page one hereof.

Section 1.4 FIXTURE FILING. Certain of the Property is or will become "fixtures" (as that term is defined in the Uniform Commercial Code) on the Land, described or referred to in this Security Instrument, and this Security Instrument, upon being filed for record in the real estate records of the city or county wherein such fixtures are situated, shall operate also as a financing statement naming Borrower as the Debtor and Lender as the Secured Party filed as a fixture filing in accordance with the applicable provisions of said Uniform Commercial Code upon such of the Property that is or may become fixtures.

Section 1.5 PLEDGES OF MONIES HELD. Borrower hereby pledges to Lender any and all monies now or hereafter held by Lender or on behalf of Lender, including, without limitation, any sums deposited in the Clearing Account, the Reserve Funds and Net Proceeds, as additional security for the Obligations until expended or applied as provided in this Security Instrument.

CONDITIONS TO GRANT

TO HAVE AND TO HOLD the above granted and described Property unto and to the use and benefit of Lender and its successors and assigns, forever;

PROVIDED, HOWEVER, these presents are upon the express condition that, if Borrower shall well and truly pay to Lender the Debt at the time and in the manner provided in the Note, the Loan Agreement and this Security Instrument and Borrower and Tenant, where applicable, shall well and truly perform the Other Obligations as set forth in this Security

Instrument and shall well and truly abide by and comply with each and every covenant and condition set forth herein and in the Note, the Loan Agreement and the other Loan Documents, these presents and the estate hereby granted shall cease, terminate and be void; provided, however, that Mortgagor's obligation to indemnify and hold harmless Lender pursuant to the provisions hereof shall survive any such payment or release.

Article 2 - DEBT AND OBLIGATIONS SECURED

Section 2.1 DEBT. This Security Instrument and the grants, assignments and transfers made in Article I are given for the purpose of securing the Debt which by its definition (as set forth in Loan Agreement) includes, but is not limited to, the obligations of Borrower to pay to Lender the principal and interest owing pursuant to the terms and conditions of the Note.

Section 2.2 OTHER OBLIGATIONS. This Security Instrument and the grants, assignments and transfers made in Article I are also given for the purpose of securing the following (the "Other Obligations"):

(a) the performance of all other obligations of Mortgagor contained herein;

(b) the performance of each obligation of Mortgagor contained in the Loan Agreement and any other Loan Document; and

(c) the performance of each obligation of Borrower and Tenant, where applicable, contained in any renewal, extension, amendment, modification, consolidation, change of, or substitution or replacement for, all or any part of the Note, the Loan Agreement or any other Loan Document.

A copy of each of the Loan Documents is available for review during regular business hours at the office of Lender at the address first set forth above.

Section 2.3 DEBT AND OTHER OBLIGATIONS. Borrower's obligations for the payment of the Debt and the performance of the Other Obligations by Borrower and Tenant, where applicable, may sometimes be referred to collectively herein as the "Obligations."

Article 3 - BORROWER AND TENANT COVENANTS

Borrower covenants and agrees that:

Section 3.1 PAYMENT OF DEBT. Borrower will pay the Debt at the time and in the manner provided in the Loan Agreement, the Note and this Security Instrument.

Section 3.2 INCORPORATION BY REFERENCE. All the covenants, conditions and agreements contained in (a) the Loan Agreement, (b) the Note and (c) all and any of the other Loan Documents, are hereby made a part of this Security Instrument.

Section 3.3 INSURANCE. Borrower shall obtain and maintain, or cause to be maintained, in full force and effect at all times insurance with respect to Borrower and the Property as required pursuant to the Loan Agreement.

Section 3.4 MAINTENANCE OF PROPERTY. (a) Mortgagor shall cause the Property to be maintained in a good and safe condition and repair. The Improvements, the Fixtures, the Equipment and the Personal Property shall not be removed, demolished or materially altered (except for normal replacement of the Fixtures, the Equipment or the Personal Property, tenant finish and refurbishment of the Improvements) without the consent of Lender. Mortgagor shall promptly repair, replace or rebuild any part of the Property which may be destroyed by any casualty, or become damaged, worn or dilapidated and shall complete and pay for any structure at any time in the process of construction or repair on the Land .

Section 3.5 WASTE. Mortgagor shall not commit or suffer any waste of the Property or make any change in the use of the Property which will in any way materially increase the risk of fire or other hazard arising out of the operation of the Property, or take any action that might invalidate or allow the cancellation of any Policy, or do or permit to be done thereon anything that may in any way materially impair the value of the Property or the security of this Security Instrument. Mortgagor will not, without the prior written consent of Lender, permit any drilling or exploration for or extraction, removal, or production of any minerals from the surface or the subsurface of the Land , regardless of the depth thereof or the method of mining or extraction thereof.

Section 3.6 PAYMENT FOR LABOR AND MATERIALS. (a) Mortgagor will promptly pay when due all bills and costs for labor, materials, and specifically fabricated materials ("Labor and Material Costs") incurred in connection with the Property and never permit to exist beyond the due date thereof in respect of the Property or any part thereof any lien or security interest, even though inferior to the liens and the security interests hereof, and in any event never permit to be created or exist in respect of the Property or any part thereof any other or additional lien or security interest other than the liens or security interests hereof except for the Permitted Encumbrances.

(b) After prior written notice to Lender, Mortgagor, at its own expense, may contest by appropriate legal proceeding, promptly initiated and conducted in good faith and with due diligence, the amount or validity or application in whole or in part of any of the Labor and Material Costs, provided that (i) no Event of Default has occurred and is continuing under the Loan Agreement, the Note, this Security Instrument or any of the other Loan Documents, (ii) Mortgagor is permitted to do so under the provisions of any other mortgage, deed of trust or deed to secure debt affecting the Property, (iii) such proceeding shall suspend the collection of the Labor and Material Costs from Mortgagor and from the Property or Mortgagor shall have paid all of the Labor and Material Costs under protest, (iv) such proceeding shall be permitted under and be conducted in accordance with the provisions of any other instrument to which Borrower or Tenant is subject and shall not constitute a default thereunder, (v) neither the Property nor any part thereof or interest therein will be in danger of being sold, forfeited, terminated, canceled or lost, and (vi) Mortgagor shall have furnished he security as may be required in the proceeding, or as may be reasonably requested by Lender to insure the payment of any contested Labor and Material Costs, together with all interest and penalties thereon.

Section 3.7 ADDITIONAL PROVISIONS REGARDING GROUND LEASE.

(a) Mortgagor shall promptly pay all rent, additional rent, contingent rent, taxes and all other sums and charges when due and payable under the terms of the Ground Lease, shall fully and promptly perform and observe all of the agreements, terms, covenants and conditions required to be performed and observed by Mortgagor under the Ground Lease within the grace periods provided therein for Mortgagor's performance (in contrast to any additional grace periods provided for therein or by any separate agreement for curative action by the Lender), and shall do all things necessary to preserve and keep unimpaired Mortgagor's rights under the Ground Lease. Upon demand, Mortgagor shall furnish to Lender proof of payment of all sums which the Ground Lease requires Mortgagor to pay.

(b) Mortgagor shall immediately notify Lender in writing of: (i) any default (or alleged default) by Mortgagor or Lessor in the performance or observance of any of the terms, covenants or conditions on the part of Mortgagor or Lessor to be performed or observed under the Ground Lease; (ii) the receipt by Mortgagor of any notice or other writing or communication from Lessor noting or claiming any default by Mortgagor in such performance or observance under the Ground Lease; and (iii) the receipt by Mortgagor of any notice from Lessor of any termination of the Ground Lease pursuant to the terms thereof or otherwise. Mortgagor shall immediately cause a copy of each such notice to be delivered to Lender.

(c) If Mortgagor fails to observe or perform any covenant or agreement to be observed or performed under the Ground Lease on the part of Mortgagor, or if Lender receives from Lessor any notice of any default by Mortgagor thereunder, Lender may rely on such notice and may take any action that Lender in its sole discretion deems necessary or advisable to cure such default, even if the existence of such default or the nature thereof is questioned or denied by Mortgagor; provided, however, that Lender shall not take any action to cure such default if, and so long as (i) Mortgagor shall take all steps necessary to challenge or take any action to cure such default; and (ii) during such challenge or cure: (A) the interests of Lender may in no way be adversely affected, (B) no time limits or grace periods under the Ground Lease would expire which would give Lessor any right or option to terminate the Ground Lease, and (C) no additional right or remedy would become available to Lessor by reason of the deferral by Lender of any action to effect a cure of the claimed default; and (iii) if the default is a default in the payment of a sum of money, Mortgagor shall post with Lender security acceptable to Lender to pay the amount in dispute. Mortgagor hereby

expressly grants to Lender the absolute and immediate right to enter in and upon the Land to such extent and as often as Lender in its sole discretion deems necessary or desirable to prevent or cure any default by Mortgagor under the Ground Lease or this Security Instrument. Lender may pay and expend such sums of money as Lender in its sole discretion deems necessary for any such purpose, and upon so doing shall be subrogated to any and all rights of Mortgagor. as lessee, and all such sums shall be secured by the lien of this Security Instrument, shall be added to the principal amount of the Debt and shall accrue interest at the Default Rate (as defined in the Loan Agreement).

(d) Without the prior written consent of the Lender, which Lender may grant or withhold in its sole discretion, Mortgagor shall not: (i) surrender the Ground Lease or terminate, cancel or release, or assign the Ground Lease (nor permit any of the foregoing to occur), whether under Section 365 of the Bankruptcy Code (or any successor provision) or under any similar law or right of any nature. or otherwise; nor (ii) modify, abridge, change, supplement, alter or amend the Ground Lease, either orally or in writing and hereby irrevocably grants and assigns to Lender the power and right to modify, abridge, change, supplement, alter or amend the Ground Lease, and no agreement seeking to modify, abridge, change, supplement, alter or amend the Ground Lease shall be valid or binding without the prior written consent of Lender; nor (iii) waive any of its rights against Lessor under the Ground Lease; nor (iv) subordinate the Ground Lease to any mortgage encumbering any portion of the Land ; nor (v) agree to or acquiesce in any rejection or termination of the Ground Lease by Lessor or Lessor's trustee in bankruptcy, whether under Section 365 of the Bankruptcy Code (or any successor provision) or under any similar law or provision, and any such surrender, abandonment, termination, cancellation, release, modification, change, supplement, alteration, amendment, waiver, subordination, agreement or acquiescence without Lender's prior written consent shall be ineffective as against Lender, and shall constitute a default under this Security Instrument for which no grace or curative period shall apply. In addition to the provisions of this Section 3.7(d):

(i) If any action, proceeding, motion or notice shall be commenced or filed in respect of the Ground Lease by any party thereto, in connection with any case under the Bankruptcy Code, Lender shall have the option, to the exclusion of Mortgagor, to conduct and control any such litigation with counsel of Lender's choice. Lender may proceed in its own name or in the name of Mortgagor in connection with any such

litigation, and Mortgagor agrees to execute any and all powers, authorizations, consents and other documents required by the Lender in connection therewith. Mortgagor shall, upon demand, pay to Lender all costs and expenses (including attorneys' fees and costs) paid or incurred by Lender in connection with the prosecution or conduct of any such proceedings. Any such costs and expenses not paid by Mortgagor as aforesaid shall be

secured by the lien of this Security Instrument, shall be added to the principal amount of the Debt and shall accrue interest at the Default Rate. Mortgagor shall not commence any action, suit, proceeding or case, or file any application or make any motion, in respect of the Ground Lease, in any case under the Bankruptcy Code as amended from time to time without the prior written consent of Lender.

(ii) Mortgagor shall promptly after obtaining knowledge thereof, notify Lender orally of any filing by or against Mortgagor of a petition under the Bankruptcy Code. Mortgagor shall thereafter forthwith deliver written notice of such filing to Lender, setting forth any information available to Mortgagor as of the date of such filing, the court in which such petition was filed, and the relief sought therein. Upon its receipt thereof, Mortgagor shall promptly deliver to Lender any and all notices, summonses, pleadings, applications and other documents received by Mortgagor in connection with any such petition and any proceedings relating thereto.

(iii) The lien of this Security Instrument attaches to all of Mortgagor's and Lessor's rights and remedies at any time arising under or pursuant to Section 365 of the Bankruptcy Code (whether as Land lord or tenant under any lease), including, without limitation, all of Mortgagor's rights to remain in possession of the Land and Improvements in the event of Lessor's rejection of the Ground Lease. Mortgagor shall not, without Lender's prior written consent, elect to treat the Ground Lease as terminated under Section 365 of the Bankruptcy Code. Any such election made without Lender's prior written consent shall be void.

(iv) Mortgagor hereby unconditionally assigns, transfers and sets over to Lender all of Mortgagor's claims and rights to the payment of damages (including but not limited to the right to any offsets or credits) arising from any rejection of the Ground Lease by Lessor under the Bankruptcy Code. Lender shall have the right to proceed in its own name or in the name of Mortgagor in respect of any claim, suit, action or proceeding relating to the rejection of the Ground Lease, including, without limitation, the right to file and prosecute, to the exclusion of Mortgagor, any proofs of claim, complaints, motions, applications, notices and other documents, in any case under the Bankruptcy Code. This assignment constitutes a present, irrevocable and unconditional assignment of the foregoing claims, rights and remedies, and shall continue in effect until all of the Debt shall have been satisfied and discharged in full. Any amounts received by Lender as damages arising out of the rejection of the Ground Lease as aforesaid shall be applied first to all costs and expenses of Lender (including, without limitation, attorneys' fees and costs) incurred in connection with the exercise of any

of its rights or remedies under this Security Instrument. For the purposes of construing Section 365(h) of the Bankruptcy Code, the intention of the parties hereto is that the term "possession" shall mean the right to possession of all of the leased premises granted to Mortgagor under the Ground Lease, whether or not all or part of the leased premises is covered by any of the Leases.

(v) If there shall be filed by or against Mortgagor a petition under the Bankruptcy Code, and Mortgagor, as lessee under the Ground Lease or lessor under the Leases, shall determine to reject the Ground Lease or any of the Leases pursuant to Section 365 of the Bankruptcy Code, Mortgagor shall give the Lender not less than ten days' prior written notice of the date on which Mortgagor shall apply to the bankruptcy court for authority to reject the Ground Lease or any of the Leases. Lender shall have the right, but not the obligation, to serve upon Mortgagor within such ten day period a notice stating that (A) the Lender demands that Mortgagor assume and assign the Lease in question to the Lender pursuant to Section 365 of the Bankruptcy Code and (B) the Lender covenants to cure (or provide adequate assurance of prompt cure of) all defaults and provide adequate assurance of future

performance under such Lease. If the Lender serves upon Mortgagor the notice described in the preceding sentence, Mortgagor shall not seek to reject such Lease and shall comply with the demand provided for in clause (A) of the preceding sentence within thirty (30) days after the notice shall have been given, subject to the performance by the Lender of the covenant provided for in clause (B) of the preceding sentence.

(e) Mortgagor shall require strict and full performance by Lessor of all the agreements, terms, covenants and conditions required to be performed and observed by Lessor under the Ground Lease.

(f) Mortgagor shall promptly notify Lender in writing of any claim, action or proceeding (including, but not limited to, any request for arbitration or institution of such arbitration) made by any party to the Ground Lease, and the progress thereof and any determination made by the court and/or arbitrators thereunder. Lender shall have the right to participate in any such claim, action or proceedings as an interested party.

(g) Mortgagor shall use its best efforts to obtain from Lessor under the Ground Lease, and deliver to Lender within thirty (30) days after demand from the Lender, a statement in writing certifying that the Ground Lease is in full force and effect and the dates to which the ground rent and other charges, if any, have been paid in advance. and stating whether or not, to the best knowledge of Lessor, Mortgagor is in default in the performance of any covenant, agreement or condition contained in the Ground Lease and if so, specifying each such default of which Lessor has knowledge.

(h) Unless Lender shall otherwise consent in writing, the fee simple title to the property subject to the Ground Lease shall not merge with the leasehold estate under the Ground Lease for so long as any obligations secured by this Security Instrument remain outstanding, but such estates shall always remain separate and distinct estates, notwithstanding the union of any thereof in any person whatsoever, whether by purchase or otherwise.

(i) No release or forbearance of any of Mortgagor's obligations under the Ground Lease, pursuant to the Ground Lease or otherwise, shall release Borrower or Tenant, where applicable, from any of their respective obligations under this Security Instrument, the Loan Agreement, the Note or the other Loan Documents.

(j) Mortgagor acknowledges and agrees that it shall not have any right to terminate the Ground Lease without the prior written consent of Lender, and any attempt to terminate, or purported exercise of termination, shall be void.

Section 3.8 PERFORMANCE OF OTHER AGREEMENTS. Borrower and Tenant, where applicable, shall observe and perform each and every term, covenant and provision to be observed or performed by Borrower and Tenant, where applicable, pursuant to the Loan Agreement, any other Loan Document and any other agreement or recorded instrument affecting or pertaining to the Property and any amendments, modifications or changes thereto.

Section 3.9 CHANGE, OF NAME, IDENTITY OR STRUCTURE. Borrower and Tenant shall not change their respective names, identities (including trade name or names) or, if not an individual, their respective corporate, partnership or other structure without notifying Lender of such change in writing at least thirty (30) days prior to the effective date of such change and, in the case of a change in Borrower's structure, without first obtaining the prior written consent of Lender. Borrower and Tenant shall execute and deliver to Lender, prior to or contemporaneously with the effective date of any such change, any financing statement or financing statement change required by Lender to establish or maintain the validity, perfection and priority of the security interest granted herein. At the request of Lender, Mortgagor shall execute a certificate in form satisfactory to Lender listing the trade names under which Mortgagor intends to operate the Property, and representing and warranting that Mortgagor does business under no other trade name with respect to the Property.

Article 4 - OBLIGATIONS AND RELIANCES

Section 4.1 RELATIONSHIP OF BORROWER AND LENDER. The relationship between Borrower and Lender is solely that of debtor and creditor, and Lender has no fiduciary or other special relationship with Borrower, and no term or condition of any of the Loan Agreement, the Note, this Security Instrument and the other Loan Documents shall be construed so as to deem the relationship between Borrower and Lender to be other than that of debtor and creditor.

Section 4.2 NO RELIANCE ON LENDER. The general partners, members, principals and (if Borrower or Tenant is a trust) beneficial owners of Borrower or Tenant are experienced in the ownership and operation of properties similar to the Property, and Borrower and Tenant and Lender are relying solely upon such expertise and business plan in connection with the ownership and operation of the Property. Borrower and Tenant are not relying on Lender's expertise, business acumen or advice in connection with the Property.

Section 4.3 NO LENDER OBLIGATIONS. (a) Notwithstanding the provisions of Subsections 1.1(h) and (n) or Section 1.2, Lender is not undertaking the performance of (i) any obligations under the Leases; or (ii) any obligations with respect to such agreements, contracts, certificates, instruments, franchises, permits, trademarks, licenses and other documents.

(b) By accepting or approving anything required to be observed, performed or fulfilled or to be given to Lender pursuant to this Security Instrument, the Loan Agreement, the Note or the other Loan Documents, including, without limitation, any officer's certificate, balance sheet, statement of profit and loss or other financial statement, survey, appraisal, or insurance policy, Lender shall not be deemed to have warranted, consented to, or affirmed the sufficiency, the legality or effectiveness of same, and such acceptance or approval thereof shall not constitute any warranty or affirmation with respect thereto by Lender.

Section 4.4 RELIANCE. Borrower and Tenant, where applicable, recognize and acknowledge that in accepting the Loan Agreement, the Note, this Security Instrument and the other Loan Documents, Lender is expressly and primarily relying on the truth and accuracy of the warranties and representations set forth in Section 4.1 of the Loan Agreement without any obligation to investigate the Property and notwithstanding any investigation of the Property by Lender; that such reliance existed on the part of Lender prior to the date hereof, that the warranties and representations are a material inducement to Lender in making the Loan; and that Lender would not be willing to make the Loan and accept this Security Instrument in the absence of the warranties and representations as set forth in Section 4.1 of the Loan Agreement.

Article 5 - FURTHER ASSURANCES

Section 5.1 RECORDING OF SECURITY INSTRUMENT, ETC. Mortgagor forthwith upon the execution and delivery of this Security Instrument and thereafter, from time to time, will cause this Security Instrument and any of the other Loan Documents creating a lien or security interest or evidencing the lien hereof upon the Property and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect and perfect the lien or security interest hereof upon, and the interest of Lender in, the Property. Mortgagor will pay all taxes, filing, registration or recording fees, and all expenses incident to the preparation, execution, acknowledgment and/or recording of the Note, this Security Instrument, the other Loan Documents, any note, deed of trust or mortgage supplemental hereto, any security instrument with respect to the Property and any instrument of further assurance, and any modification or amendment of the foregoing documents, and all federal, state, county and

municipal taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Security Instrument, any deed of trust or mortgage supplemental hereto, any security instrument with respect to the Property or any instrument of further assurance, and any modification or amendment of the foregoing documents, except where prohibited by law so to do.

Section 5.2 FURTHER ACTS, ETC. Mortgagor will, at the cost of Mortgagor, and without expense to Lender, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances. deeds of trust, assignments, notices of assignments, transfers and assurances as Lender shall, from time to time, reasonably require, for the better assuring, conveying, assigning, transferring, and confirming unto Lender the property and rights hereby deeded, granted, bargained, sold, conveyed, confirmed, pledged, assigned, warranted and transferred or intended now or hereafter so to be, or which Mortgagor may be or may hereafter become bound to convey or assign to Lender, or for carrying out the intention or facilitating the performance of the terms of this Security Instrument or for filing, registering or recording this Security Instrument, or for complying with all Legal Requirements. Mortgagor, on demand, will execute and deliver, and in the event it shall fail to so execute and

deliver, hereby authorizes Lender to execute in the name of Mortgagor or without the signature of Mortgagor to the extent Lender may lawfully do so, one or more financing statements to evidence more effectively the security interest of Lender in the Property. Mortgagor grants to Lender an irrevocable power of attorney coupled with an interest for the purpose of exercising and perfecting any and all rights and remedies available to Lender at law and in equity, including without limitation such rights and remedies available to Lender pursuant to this Section 5.2. Nothing contained in this Section 5.2 shall be deemed to create an obligation on the part of Mortgagor to pay any costs and expenses incurred by Lender in connection with the Securitization or other sale or transfer of the Loan.

Section 5.3 CHANGES IN TAX, DEBT, CREDIT AND DOCUMENTARY STAMP LAWS. (a) If any law is enacted or adopted or amended after the date of this Security Instrument which deducts the Debt from the value of the Property for the purpose of taxation or which imposes a tax, either directly or indirectly, on the Debt or Lender's interest in the Property, Mortgagor will pay the tax. with interest and penalties thereon, if any. If Lender is advised by counsel chosen by it that the payment of tax by Mortgagor would be unlawful or taxable to Lender or unenforceable or provide the basis for a defense of usury then Lender shall have the option by written notice of not less than one hundred twenty (120) days to declare the Debt immediately due and payable.

(b) Mortgagor will not claim or demand or be entitled to any credit or credits on account of the Debt for any part of the Taxes or Other Charges assessed against the Property, or any part thereof, and no deduction shall otherwise be made or claimed from the assessed value of the Property, or any part thereof, for real estate tax purposes by reason of this Security Instrument or the Debt. If such claim, credit or deduction shall be required by law, Lender shall have the option, by written notice of not less than one hundred twenty (120) days, to declare the Debt immediately due and payable.

(c) If at any time the United States of America, any State thereof or any subdivision of any such State shall require revenue or other stamps to be affixed to the Note, this Security Instrument, or any of the other Loan Documents or impose any other tax or charge on the same, Borrower and Tenant, where applicable, will pay for the same, with interest and penalties thereon, if any.

Section 5.4 SPLITTING OF MORTGAGE. This Security Instrument and the Note shall, at any time until the same shall be fully paid and satisfied, at the sole election of Lender, be split or divided into two or more notes and two or more security instruments, each of which shall cover all or a portion of the Property to be more particularly described therein. To that end, Mortgagor, upon written request of Lender, shall execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered by the then owner of the Property, to Lender and/or its designee or designees substitute notes and security instruments in such principal amounts, aggregating not more than the then unpaid principal amount of this Security Instrument, and containing terms, provisions and clauses similar to those contained herein and in the Note, and such other documents and instruments as may be required by Lender.

Section 5.5 REPLACEMENT DOCUMENTS. Upon receipt of an affidavit of an officer of Lender as to the loss, theft, destruction or mutilation of the Note or any other Loan Document which is not of public record, and, in the case of any such mutilation, upon surrender and cancellation of such Note or other Loan Document, Borrower and Tenant, where applicable, will issue, in lieu thereof, a replacement Note or other Loan Document, dated the date of such lost, stolen, destroyed or mutilated Note or other Loan Document in the same principal amount thereof and otherwise of like tenor.

Article 6 - DUE ON SALE/ENCUMBRANCE

Section 6.1 LENDER RELIANCE. Mortgagor acknowledges that Lender has examined and relied on the experience of Mortgagor and its general partners, members, principals and (if Mortgagor is a trust) beneficial owners in owning and operating properties such as the Property in agreeing to make the Loan, and will continue to rely on Mortgagor's ownership of the Property as a means of maintaining the value of the Property as security for repayment of the Debt and the performance of the Other Obligations. Mortgagor acknowledges that Lender has a valid interest in maintaining the value of the Property so as to ensure that, should Borrower default in the repayment of the Debt or the should Borrower or Tenant, where applicable default in the performance of the Other Obligations, Lender can recover the Debt by a sale of the Property.

Section 6.2 NO SALE/ENCUMBRANCE. Mortgagor agrees that Mortgagor shall not, without the prior written consent of Lender, sell, convey, mortgage, grant, bargain, encumber, pledge, assign, or otherwise transfer the

Property or any part thereof or permit the Property or any part thereof to be sold, conveyed, mortgaged, granted, bargained, encumbered, pledged, assigned, or otherwise transferred, unless Lender shall consent thereto in accordance with Section 6.4 hereof.

Section 6.3 SALE/ENCUMBRANCE DEFINED. A sale, conveyance, mortgage, grant, bargain, encumbrance, pledge, assignment, or transfer within the meaning of this Article 6 shall be deemed to include, but not be limited to, (a) an installment sales agreement wherein Mortgagor agrees to sell the Property or any part thereof for a price to be paid in installments; (b) an agreement by Mortgagor leasing all or a substantial part of the Property for other than actual occupancy by a space tenant thereunder or a sale, assignment or other transfer of, or the grant of a security interest in, Mortgagor's right, title and interest in and to any Leases or any Rents; (c) the voluntary or involuntary sale, conveyance, transfer or pledge of the stock of the general partner of Mortgagor (or the stock of any corporation directly or indirectly controlling such general partner by operation of law or otherwise) or the creation or issuance of new stock by which an aggregate of more than ten percent (10%) of such general partner's stock shall be vested in a party or parties who are not now stockholders; (d) the voluntary or involuntary sale, conveyance, transfer or pledge of any general or limited partnership interest in Mortgagor; (e) if Mortgagor, any general partner of Mortgagor, any guarantor or any indemnitor is a limited liability company, the change, removal or resignation of a member or managing member or the transfer or pledge of the interest of any member or managing member or any profits or proceeds relating to such interest; or (f) any other transfer prohibited by the terms of the Loan Agreement.

Section 6.4 LENDER'S RIGHTS. Lender reserves the right to condition the consent required hereunder upon (a) a modification of the terms hereof and of the Loan Agreement, the Note or the other Loan Documents; (b) an assumption of the Loan Agreement, the Note, this Security Instrument and the other Loan Documents as so modified by the proposed transferee, subject to the provisions of Section 9.4 of the Loan Agreement; (c) payment of all of Lender's reasonable expenses incurred in connection with such transfer; (d) the confirmation in writing by the applicable Rating Agencies that the proposed transfer will not, in and of itself, result in a downgrade, qualification or withdrawal of the initial, or, if higher, then current ratings assigned in connection with any Securitization; (e) the delivery of a nonconsolidation opinion reflecting the proposed transfer satisfactory in form and substance to Lender; (f) the proposed transferee's continued compliance with the representations and covenants set forth in Section 4.1.30 and 5.2.14 of the Loan Agreement; (g) the delivery of evidence satisfactory to Lender that the single purpose nature and bankruptcy remoteness of Mortgagor, its shareholders, partners or members, as the case may be, following such transfers are in accordance with the standards of the Rating Agencies; (h) the proposed transferee's ability to satisfy Lender's then-current underwriting standards; (i) payment of a transfer fee to Lender equal to 1% of the outstanding principal balance of the Loan at the time of such transfer; or (j) such other conditions as Lender shall determine in its reasonable discretion to be in the interest of Lender, including, without limitation, the creditworthiness, reputation and qualifications of the transferee with respect to the Loan and the Property. Lender shall not be required to demonstrate any actual impairment of its security or any increased risk of default hereunder in order to declare the Debt immediately due and payable upon Mortgagor's sale, conveyance, mortgage, grant, bargain, encumbrance, pledge, assignment, or transfer of the Property without Lender's consent. This provision shall apply to every sale, conveyance, mortgage, grant, bargain, encumbrance, pledge, assignment, or transfer of the Property regardless of whether voluntary or not, or whether or not Lender has consented to any previous sale, conveyance, mortgage, grant, bargain, encumbrance, pledge, assignment, or transfer of the Property.

Notwithstanding anything to the contrary contained in this Article 6, and in addition to the transfers permitted hereunder, following the sale of the Loan in a securitization, Lender's consent to a sale, assignment, or other transfer of the Property shall not be withheld provided that Lender receives sixty (60) days prior written notice of such transfer hereunder and no Event of Default has occurred and is continuing, and further provided that, the following additional requirements are satisfied:

(a) Mortgagor shall pay Lender a transfer fee equal to 1 % of the outstanding principal balance of the Loan at the time of such transfer;

(b) Mortgagor shall pay any and all out-of-pocket costs incurred in connection with the transfer of the Property (including, without

limitation, Lender's counsel fees and disbursements and all recording fees, title insurance premiums and mortgage and intangible taxes and the fees and expenses of the Rating Agencies pursuant to clause (x) below);

(c) The proposed transferee (the "Transferee") or Transferee's Principals (hereinafter defined) must have demonstrated expertise in owning and operating properties similar in location, size and operation to the Property, which expertise shall be reasonably determined by Lender. The term "Transferee's Principals" shall include Transferee's (A) managing members, general partners or principal shareholders and (B) such other members, partners or shareholders which directly or indirectly shall own a 15% or greater interest in Transferee;

(d) Transferee and Transferee's Principals shall, as of the date of such transfer, have an aggregate net worth and liquidity reasonably acceptable to Lender;

(e) Transferee, Transferee's Principals and all other entities which may be owned or controlled directly or indirectly by Transferee's Principals ("Related Entities") must not have been a party to any bankruptcy proceedings, voluntary or involuntary, made an assignment for the benefit of creditors or taken advantage of any insolvency act, or any act for the benefit of debtors within seven (7) years prior to the date of the proposed transfer of the Property;

(f) Transferee shall assume all of the obligations of Borrower and Tenant, where applicable, under the Loan Documents in a manner satisfactory to Lender in all respects, including, without limitation, by entering into an assumption agreement in form and substance satisfactory to Lender and one or more Transferee's Principals having an aggregated net worth and liquidity reasonably acceptable to Lender shall execute in favor of Lender a Guaranty of Recourse Obligations and Environmental Indemnity Agreement in form acceptable to Lender;

(g) There shall be no material litigation or regulatory action pending or threatened against Transferee, Transferee's Principals or Related Entities which is not reasonably acceptable to Lender;

(h) Transferee, Transferee's Principals and Related Entities shall not have defaulted under its or their obligations with respect to any other indebtedness in a manner which is not reasonably acceptable to Lender;

(i) No Event of Default or event which, with the giving of notice, passage of time or both, shall constitute an Event of Default, shall otherwise occur as a result of such transfer, and Transferee and Transferee's Principals shall deliver (A) all organization documentation reasonably requested by Lender, which shall be reasonably satisfactory to Lender, and (B) all certificates, agreements and covenants reasonably required by Lender; and

(j) Mortgagor shall deliver, at its sole cost and expense, an endorsement to the existing title policy insuring this Security Instrument, as modified by the assumption agreement, as a valid first lien on the Property and naming the Transferee as owner of the Property, which endorsement shall insure that, as of the date of the recording of the assumption agreement, the Property shall not be subject to any additional exceptions or liens other than those contained in the title policy issued on the date hereof.

In addition to the foregoing, Lender shall have the right to condition the consent required hereunder upon the confirmation in writing by the applicable Rating Agencies that the proposed transfer to, and assumption of the Loan by, the Transferee will not, in and of itself, result in a downgrade, qualification or withdrawal of the initial, or, if higher, then current ratings assigned in connection with any Securitization.

Immediately upon a transfer of the Property to such Transferee and the satisfaction of all of the above requirements, the named Mortgagor herein shall be released from all liability under this Security Instrument the Note and the other Loan Documents accruing after such transfer. The foregoing release shall be effective upon the date of such transfer, but Lender agrees to provide written evidence thereof reasonably requested by Mortgagor.

Article 7 - RIGHTS AND REMEDIES UPON DEFAULT

Section 7.1 REMEDIES. Upon the occurrence and during the continuance of any Event of Default, Mortgagor agrees that Lender may take such action, without notice or demand, as it deems advisable to protect and enforce its rights against Mortgagor and in and to the Property, including, but not

limited to, the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as Lender may determine, in their sole discretion, without impairing or otherwise affecting the other rights and remedies of Lender:

(a) declare the entire unpaid Debt to be immediately due and payable;

(b) institute proceedings, judicial or otherwise, for the complete foreclosure of this Security Instrument under any applicable provision of law, in which case the Property or any interest therein may be sold for cash or upon credit in one or more parcels or in several interests or portions and in any order or manner,

(c) with or without entry, to the extent permitted and pursuant to the procedures provided by applicable law, institute proceedings for the partial foreclosure of this Security Instrument for the portion of the Debt then due and payable. subject to the continuing lien and security interest of this Security Instrument for the balance of the Debt not then due, unimpaired and without loss of priority;

(d) sell for cash or upon credit the Property or any part thereof and all estate, claim, demand, right, title and interest of Mortgagor therein and rights of redemption thereof, pursuant to power of sale or otherwise, at one or more sales, as an entity or in parcels, at such time and place, upon such terms and after such notice thereof, all as may be required or permitted by law; and, without limiting the foregoing:

(i) In connection with any sale or sales hereunder, Lender shall be entitled to elect to treat any of the Property which consists of a right in action or which is property that can be severed from the Real Property covered hereby or any improvements without causing structural damage thereto as if the same were personal property, and dispose of the same in accordance with applicable law, separate and apart from the sale of Real Property. Where the Property consists of Real Property, Personal Property, Equipment or Fixtures, whether or not such Personal Property or Equipment is located on or within the Real Property, Lender shall be entitled to elect to exercise its rights and remedies against any or all of the Real Property, Personal Property, Equipment and Fixtures in such order and manner as is now or hereafter permitted by applicable law;

(ii) Lender shall be entitled to elect to proceed against any or all of the Real Property, Personal Property, Equipment and Fixtures in any manner permitted under applicable law; and if Lender so elects pursuant to applicable law, the power of sale herein granted shall be exercisable with respect to all or any of the Real Property, Personal Property, Equipment and Fixtures covered hereby, as designated by Lender, and Lender is hereby authorized and empowered to conduct any such sale of any Real Property, Personal Property, Equipment and Fixtures in accordance with the procedures applicable to Real Property;

(iii) Should Lender elect to sell any portion of the Property which is Real Property or which is Personal Property, Equipment or Fixtures that the Lender has elected under applicable law to sell together

with Real Property in accordance with the laws governing a sale of Real Property, Lender shall give such notice of Event of Default, if any, and election to sell as may then be required by law. Thereafter, upon the expiration of such time and the giving of such notice of sale as may then be required by law, and without the necessity of any demand on Mortgagor, Lender at the time and place specified in the notice of sale, shall sell such Real Property or part thereof at public auction to the highest bidder for cash in lawful money of the United States. Lender may from time to time postpone any sale hereunder by public announcement thereof at the time and place noticed therefor;

(iv) If the Property consists of several lots, parcels or

items of property, Lender shall, subject to applicable law, (A) designate the order in which such lots, parcels or items shall be offered for sale or sold, or (B) elect to sell such lots, parcels or items through a single sale, or through two or more successive sales, or in any other manner Lender designates. Any Person, including Mortgagor or Lender, may purchase at any sale hereunder. Should Lender desire that more than one sale or other disposition of the Property be conducted, Lender shall, subject to applicable law, cause such sales or dispositions to be conducted simultaneously, or successively, on the same day, or at such different days or times and in such order as Lender may designate, and no such sale shall terminate or otherwise affect the lien of this Security Instrument on any part of the Property not sold until all the Debt has been paid in full. In the event Lender elects to dispose of the Property through more than one sale, except as otherwise provided by applicable law, Mortgagor agrees to pay the costs and expenses of each such sale and of any judicial proceedings wherein such sale may be made;

(e) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained herein, in the Note, the Loan Agreement or in the other Loan Documents;

(f) recover judgment on the Note either before, during or after any proceedings for the enforcement of this Security Instrument or the other Loan Documents;

(g) apply for the appointment of a receiver, trustee, liquidator or conservator of the Property, without notice and Lender shall be entitled to the appointment of such a receiver as a matter of right without regard for the adequacy of the security for the Debt and without regard for the solvency of Mortgagor, any guarantor, indemnitor with respect to the Loan or of any Person, liable for the payment of the Debt;

(h) the license granted to Mortgagor under Section 1.2 hereof shall automatically be revoked and Lender may enter into or upon the Property, either

personally or by its agents, nominees or attorneys and dispossess Mortgagor and its agents servants therefrom, without liability for trespass, damages or otherwise and exclude Mortgagor and its agents or servants wholly therefrom, and take possession of all books, records and accounts relating thereto and Mortgagor agrees to surrender possession of the Property and of such books, records and accounts to Lender upon demand, and thereupon Lender may (i) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Property and conduct the business thereat; (ii) complete any construction on the Property in such manner and form as Lender deems advisable; (iii) make alterations, additions, renewals, replacements and improvements to or on the Property; (iv) exercise all rights and powers of Mortgagor with respect to the Property, whether in the name of Mortgagor or otherwise, including, without limitation, the right to make, cancel, enforce or modify Leases, obtain and evict tenants, and demand, sue for, collect and receive all Rents of the Property and every part thereof; (v) require Mortgagor to pay monthly in advance to Lender, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of such part of the Property as may be occupied by Mortgagor; (vi) require Mortgagor to vacate and surrender possession of the Property to Lender or to such receiver and, in default thereof, Mortgagor may be evicted by summary proceedings or otherwise; and (vii) apply the receipts from the Property to the payment of the Debt, in such order, priority and proportions as Lender shall deem appropriate in its sole discretion after deducting therefrom all expenses (including reasonable attorneys' fees) incurred in connection with the aforesaid operations and all amounts necessary to pay the Taxes, Other Charges. insurance and other expenses in connection with the Property, as well as just and reasonable compensation for the services of Lender, its counsel, agents and employees;

(i) exercise any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including, without limiting the generality of the foregoing: (i) the right to take possession of the Fixtures, the Equipment, the Personal Property or any part thereof, and to take such other measures as Lender may deem necessary for the care, protection and preservation of the Fixtures, the Equipment, the Personal Property, and (ii) request Mortgagor at its expense to assemble the Fixtures, the Equipment, the Personal Property

and make it available to Lender at a convenient place acceptable to Lender. Any notice of sale, disposition or other intended action by Lender with respect to the Fixtures, the Equipment, the Personal Property sent to Mortgagor in accordance with the provisions hereof at least ten (10) days prior to such action, shall constitute commercially reasonable notice to Mortgagor;

(j) apply any sums then deposited or held in escrow or otherwise by or on behalf of Lender in accordance with the terms of the Loan Agreement, this Security Instrument or any other Loan Document to the payment of the following items in any order in its uncontrolled discretion:

(i) Taxes and Other Charges;

(ii) Insurance Premiums;

(iii) Interest on the unpaid principal balance of the Note;

(iv) Amortization of the unpaid principal balance of the Note; law; or

(v) All other sums payable pursuant to the Note, the Loan Agreement, this Security Instrument and the other Loan Documents, including without limitation advances made by Lender pursuant to the terms of this Security Instrument;

(k) pursue such other remedies as Lender may have under applicable law; or

(l) apply the undisbursed balance of any Net Proceeds Deficiency deposit, together with interest thereon, on to the payment of the Debt in such order, priority and proportions as Lender shall deem to be appropriate in its discretion.

In the event of a sale, by foreclosure, power of sale or otherwise, of less than all of Property, this Security Instrument shall continue as a lien and security interest on the remaining portion of the Property unimpaired and without loss of priority.

Lender reserves the right at any time to subordinate the lien of this Security Instrument to any one or more of the leases now or in the future pertaining to any part of the Property upon the unilateral execution and recording by Lender of said subordination agreement prior to the filing of any action by Lender to foreclose upon the Property, such subordination agreement to be effective as of the date of execution of this Security Instrument as to those leases identified by Lender in such subordination agreement.

Section 7.2 APPLICATION OF PROCEEDS. The purchase money, proceeds and avails of any disposition of the Property, and or any part thereof, or any other sums collected by Lender pursuant to the Note, this Security Instrument or the other Loan Documents, may be applied by Lender to the payment of the Debt in such priority and proportions as Lender in its discretion shall deem proper, to the extent consistent with law.

Section 7.3 RIGHT TO CURE DEFAULTS. Upon the occurrence and during the continuance of any Event of Default, Lender may remedy such Event of Default in such manner and to such extent as Lender may deem necessary to protect the security hereof, but without any obligation to do so and without notice to or demand on Mortgagor, and without releasing Mortgagor from any obligation hereunder. Lender is authorized to enter upon action or proceeding to the Property for such purposes, or appear in, defend, or bring any action or proceeding to protect its interest in the Property or to foreclose this Security Instrument or collect the Debt and the cost and expense thereof (including reasonable attorneys' fees to the extent permitted by law), with interest as provided in this Section 7.3, shall constitute a portion of the

Debt and shall be due and payable to Lender upon demand. All such costs and expenses incurred by Lender in remedying such Event of Default or such failed payment or act or in appearing in, defending, or bringing any such action or proceeding shall bear interest at the Default Rate, for the period after notice from Lender that such cost or expense was incurred to the date of payment to Lender. All such costs and expenses incurred by Lender together with interest thereon calculated at the Default Rate shall be deemed to constitute a portion of the Debt and be secured by this Security Instrument and the other Loan Documents and shall be immediately due and payable upon demand by Lender

therefor.

Section 7.4 ACTIONS AND PROCEEDINGS. Lender has the right to appear in and defend any action or proceeding brought with respect to the Property and to bring any action or proceeding, in the name and on behalf of Mortgagor, which Lender, in its discretion, decides should be brought to protect its interest in the Property.

Section 7.5 RECOVERY OF SUMS REQUIRED TO BE PAID. Lender shall have the right from time to time to take action to recover any sum or sums which constitute a part of the Debt as the same become due, without regard to whether or not the balance of the Debt shall be due, and without prejudice to the right of Lender thereafter to bring an action of foreclosure, or any other action, for a default or defaults by Mortgagor existing at the time such earlier action was commenced.

Section 7.6 EXAMINATION OF BOOKS AND RECORDS. At reasonable times and upon reasonable notice, Lender, its agents, accountants and attorneys shall have the right to examine the records, books, management and other papers of Mortgagor which reflect upon their financial condition, at the Property or at any office regularly maintained by Mortgagor where the books and records are located. Lender and its agents shall have the right to make copies and extracts from the foregoing records and other papers. In addition, at reasonable times and upon reasonable notice, Lender, its agents, accountants and attorneys shall have the right to examine and audit the books and records of Mortgagor pertaining to the income, expenses and operation of the Property during reasonable business hours at any office of Mortgagor where the books and records are located. This Section 7.6 shall apply throughout the term of the Note and without regard to whether an Event of Default has occurred or is continuing.

Section 7.7 OTHER RIGHTS, ETC. (a) The failure of Lender to insist upon strict performance of any term hereof shall not be deemed to be a waiver of any term of this Security Instrument. Mortgagor shall not be relieved of Mortgagor's obligations hereunder by reason of (i) the failure of Lender to comply with any request of Mortgagor or any guarantor or indemnitor with respect to the Loan to take any action to foreclose this Security Instrument or otherwise enforce any of the provisions hereof or of the Note or the other Loan Documents, (ii) the release, regardless of consideration, of the whole or any part of the Property, or of any person liable for the Debt or any portion thereof, or (iii) any agreement or stipulation by Lender extending the time of payment or otherwise modifying or supplementing the terms of the Note, this Security Instrument or the other Loan Documents.

(b) It is agreed that the risk of loss or damage to the Property is on Mortgagor, and Lender shall have no liability whatsoever for decline in value of

the Property, for failure to maintain the Policies, or for failure to determine whether insurance in force is adequate as to the amount of risks insured. Possession by Lender shall not be deemed an election of judicial relief, if any such possession is requested or obtained, with respect to any Property or collateral not in Lender's possession.

(c) Lender may resort for the payment of the Debt to any other security held by Lender in such order and manner as Lender, in its discretion, may elect. Lender may take action to recover the Debt, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of Lender thereafter to foreclose this Security Instrument. The rights of Lender under this Security Instrument shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Lender shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision. Lender shall not be limited exclusively to the rights and remedies herein stated but shall be entitled to every right and remedy now or hereafter afforded at law or in equity.

Section 7.8 RIGHT TO RELEASE ANY PORTION OF THE PROPERTY. Lender may release any portion of the Property for such consideration as Lender may require without, as to the remainder of the Property, in any way impairing or affecting the lien or priority of this Security Instrument, or improving the position of any subordinate lienholder with respect thereto, except to the extent that the obligations hereunder shall have been reduced by the actual monetary consideration, if any, received by Lender for such release, and may accept by assignment, pledge or otherwise any other property in place thereof as Lender may require without being accountable for so doing to any other lienholder. This Security Instrument shall continue as a lien and security interest in the remaining portion of the Property.

Section 7.9 VIOLATION OF LAWS. If the Property is not in material compliance with Legal Requirements, Lender may impose additional requirements upon Mortgagor in connection herewith including, without limitation, monetary reserves or financial equivalents.

Section 7.10 RECOURSE AND CHOICE OF REMEDIES. Notwithstanding any other provision of this Security Instrument or the Loan Agreement, including, without limitation, Section 9.4 of the Loan Agreement, Lender and other Indemnified Parties (as hereinafter defined) are entitled to enforce the obligations of Borrower and Tenant, where applicable, any guarantor and indemnitor contained in Sections 9.2, 9.3 and 9.4 herein and Section 9.2 of the Loan Agreement without first resorting to or exhausting any security or collateral and without first having recourse to the Note or any of the Property, through foreclosure, exercise of a power of sale or acceptance of a deed in lieu of foreclosure or otherwise, and in the event Lender commences a foreclosure action against the Property, or exercises the power of sale pursuant to this Security Instrument, Lender is entitled to pursue a deficiency judgment with respect to such obligations against Borrower and Tenant, where applicable, and any guarantor or indemnitor with respect to the Loan. The provisions of Sections 9.2, 9.3 and 9.4 herein and Section 9.2 of the Loan Agreement are exceptions to any non-recourse or exculpation provisions in the Loan Agreement, the Note, this Security Instrument or the other Loan Documents, and Borrower and Tenant, where applicable, and any guarantor or indemnitor with respect to the Loan are fully and personally liable for the obligations pursuant to Sections 9.2, 9.3 and 9.4 herein and Section 9.2 of the Loan Agreement. The liability of Borrower and Tenant, where applicable, and any guarantor or indemnitor with respect to the Loan pursuant to Sections 9.2, 9.3 and 9.4 herein and Section 9.2 of the Loan Agreement is not limited to the original principal amount of the Note. Notwithstanding the foregoing, nothing herein shall inhibit or prevent Lender from foreclosing or exercising a power of sale pursuant to this Security Instrument or exercising any other rights and remedies pursuant to the Loan Agreement, the Note, this Security Instrument and the other Loan Documents, whether simultaneously with foreclosure proceedings or in any other sequence. A separate action or actions may be brought and prosecuted against Borrower and Tenant, where applicable, pursuant to Sections 9.2, 9.3 and 9.4 herein and Section 9.2 of the Loan Agreement, whether or not action is brought against any other Person or whether or not any other Person is joined in the action or actions. In addition, Lender shall have the right but not the obligation to join and participate in, as a party if it so elects, any administrative or judicial proceedings or actions initiated in connection with any matter addressed in Article 8 or Section 9.4 herein.

Section 7.11 RIGHT OF ENTRY. Upon reasonable notice to Mortgagor, Lender and its agents shall have the right to enter and inspect the Property at all reasonable times.

Article 8 - ENVIRONMENTAL HAZARDS

Section 8.1 ENVIRONMENTAL REPRESENTATIONS AND WARRANTIES. Based upon an environmental assessment of the Property and information that Mortgagor knows after due inquiry of the Manager, and except as otherwise disclosed by that certain Environmental Site Assessment of the Property delivered to Lender (such report is referred to below as the "Environmental Report"), (a) there are no Hazardous Substances (defined below) or underground storage tanks in, on, or under the Property, except those that are both (i) in compliance with Environmental Laws (defined below) and with pen-nits issued pursuant thereto and (ii) fully disclosed to Lender in writing pursuant the Environmental Report; (b) there are no past, present or threatened Releases (defined below) of Hazardous Substances in, on, under or from the Property which has not been fully remediated in accordance with Environmental Law; (c) there is no threat of any Release of Hazardous Substances migrating to the Property; (d) there is no past or present non-compliance with Environmental Laws, or with permits issued pursuant thereto, in connection with the Property which has not been fully remediated in accordance with Environmental Law; (e) Mortgagor does not know of, and has not received, any written or oral notice or other communication from any Person (including but not limited to a governmental entity) relating to Hazardous Substances or Remediation (defined below) thereof, of possible liability of any Person pursuant to any Environmental Law, other environmental conditions in connection with the Property, or any actual or potential administrative or judicial proceedings in connection with any of the foregoing; and (f) Mortgagor has truthfully and fully provided to Lender, in writing, any and all information relating to conditions in, on, under or from the Property that is known to Mortgagor and that is contained in Mortgagor's files and records, including but not limited to any reports relating to Hazardous Substances in, on, under or from the Property and/or to the environmental condition of the Property.

"Environmental Law" means any present and future federal, state and local laws, statutes. ordinances, rules, regulations and the like, as well as common law, relating to protection of human health or the environment, relating to Hazardous Substances, relating to liability for or costs of Remediation or prevention of Releases of Hazardous Substances or relating to liability for or costs of other actual or threatened danger to human health or the environment. Environmental Law includes, but is not limited to, the following statutes, as amended, any successor thereto, and any regulations promulgated pursuant thereto, and any state or local statutes, ordinances, rules, regulations and the like addressing similar issues: the Comprehensive Environmental Response, Compensation and Liability Act; the Emergency Planning and Community Right-to-Know Act; the Hazardous Substances Transportation Act; the Resource Conservation and Recovery Act (including but not limited to Subtitle I relating to underground storage tanks); the Solid Waste Disposal Act; the Clean Water Act; the Clean Air Act; the Toxic Substances Control Act; the Safe Drinking Water Act; the Occupational Safety and Health Act; the Federal Water Pollution Control Act; the Federal Insecticide, Fungicide and Rodenticide Act; the Endangered Species Act; the National Environmental Policy Act; and the River and Harbors Appropriation Act. Environmental Law also includes, but is not limited to, any present and future federal, state and local laws, statutes, ordinances, rules, regulations and the like, as well as common law: conditioning transfer of property upon a negative declaration or other approval of a governmental authority of the environmental condition of the Property; requiring notification or disclosure of Releases of Hazardous Substances or other environmental condition of the Property to any governmental authority or other Person, whether or not in connection with transfer of title to or interest in property; imposing conditions or requirements in connection with permits or other authorization for lawful activity; relating to nuisance, trespass or other causes of action related to the Property; and relating to wrongful death, personal injury, or property or other damage in connection with any physical condition or use of the Property.

"Hazardous Substances" include but are not limited to any and all substances (whether solid, liquid or gas) defined, listed, or otherwise classified as pollutants, hazardous wastes, hazardous substances, hazardous materials, extremely hazardous wastes, or words of similar meaning or regulatory effect under any present or future Environmental Laws or that may have a negative impact on human health or the environment, including but not limited to petroleum and petroleum products, asbestos and asbestos-containing materials, polychlorinated biphenyls, lead, radon, radioactive materials, flammables and explosives, but excluding substances of kinds and in amounts ordinarily and customarily used or stored in similar properties for the purpose of cleaning or other maintenance or operations and otherwise in compliance with all Environmental Laws.

"Release" of any Hazardous Substance includes but is not limited to any release, deposit, discharge. emission, leaking, spilling, seeping, migrating, injecting, pumping, pouring, emptying, escaping, dumping, disposing or other movement of Hazardous Substances.

"Remediation" includes but is not limited to any response, remedial, removal, or corrective action, any activity to cleanup, detoxify, decontaminate, contain or otherwise remediate any Hazardous Substance, any actions to prevent, cure or mitigate any Release of any Hazardous Substance, any action to comply with any Environmental Laws or with any permits

issued pursuant thereto, any inspection, investigation, study, monitoring, assessment, audit, sampling and testing, laboratory or other analysis, or evaluation relating to any Hazardous Substances or to anything referred to in Article 8.

Section 8.2 ENVIRONMENTAL COVENANTS. Mortgagor covenants and agrees that: (a) all uses and operations on or of the Property, whether by Mortgagor or any other Person, shall be in compliance with all Environmental Laws and permits issued pursuant thereto; (b) there shall be no Releases of Hazardous Substances in, on, under or from the Property; (c) there shall be no Hazardous Substances in, on, or under the Property, except those that are both (i) in compliance with all Environmental Laws and with permits issued pursuant thereto and (ii) fully disclosed to Lender in writing; (d) Mortgagor shall keep the Property free and clear of all liens and other encumbrances imposed pursuant to any Environmental Law, whether due to any act or omission of Mortgagor or any other Person (the "Environmental Liens"); (e) Mortgagor shall, at its sole cost and expense, fully and expeditiously cooperate in all activities pursuant to Section 8.3 below, including but not limited to providing all relevant information and making knowledgeable persons available for interviews; (f) Mortgagor shall, at its sole cost and expense, perform any environmental site

assessment or other investigation of environmental conditions in connection with the Property, pursuant to any reasonable written request of Lender made in the event that Lender has reason to believe that an environmental hazard exists on the Property (including but not limited to sampling, testing and analysis of soil, water, air, building materials and other materials and substances whether solid, liquid or gas), and share with Lender the reports and other results thereof, and Lender and other Indemnified Parties shall be entitled to rely on such reports and other results thereof; (g) Mortgagor shall, at its sole cost and expense, comply with all reasonable written requests of Lender made in the event that Lender has reason to believe that an environmental hazard exists on the Property (i) reasonably effectuate Remediation of any condition (including but not limited to a Release of a Hazardous Substance) in, on, under or from the Property;, (ii) comply with any Environmental Law; (iii) comply with any directive from any governmental authority; and (iv) take any other reasonable action necessary or appropriate for protection of human health or the environment; (h) Mortgagor shall not do or allow any tenant or other user of the Property to do any act that materially increases the dangers to human health or the environment, poses an unreasonable risk of harm to any Person (whether on or off the Property), impairs or may impair the value of the Property, is contrary to any requirement of any insurer, constitutes a public or private nuisance, constitutes waste, or violates any covenant, condition, agreement or easement applicable to the Property; and (i) Mortgagor shall immediately notify Lender in writing of (A) any presence or Releases or threatened Releases of Hazardous Substances in, on, under, from or migrating towards the Property; (B) any non-compliance with any Environmental Laws related in any way to the Property; (C) any actual or potential Environmental Lien; (D) any required or proposed Remediation of environmental conditions relating to the Property; and (E) any written or oral notice or other communication of which Mortgagor becomes aware from any source whatsoever (including but not limited to a governmental entity) relating in any way to Hazardous Substances or Remediation thereof, possible liability of any Person pursuant to any Environmental Law, other environmental conditions in connection with the Property, or any actual or potential administrative or judicial proceedings in connection with anything referred to in this Article 8.

Section 8.3 LENDER'S RIGHTS. In the event that Lender has reason to believe that an environmental hazard exists on the Property, upon reasonable notice from Lender, Mortgagor shall, at Mortgagor's expense, promptly cause an engineer or consultant satisfactory to Lender to conduct any environmental assessment or audit (the scope of which shall be determined in Lender's sole and absolute discretion) and take, any samples of soil, groundwater or other water, air, or building materials or any other invasive testing requested by Lender and promptly deliver the results of any such assessment, audits sampling or other testing; provided, however, if such results are not delivered to Lender within a reasonable period, upon reasonable notice to Mortgagor, Lender and any other Person designated by Lender, including but not limited to any receiver, any representative of a governmental entity, add any environmental consultant shall have the right but not the obligation, to enter upon the Property at all reasonable times to assess any and all aspects of the environmental condition of the Property and its -use, including but not limited to conducting any environmental assessment or audit (the scope of which shall be determined in Lender's sole and absolute discretion) and taking samples of soil, groundwater or other water, air, or building materials, and reasonably conducting other invasive testing. Mortgagor shall cooperate with. and provide access to Lender and any such Person designated by Lender.

Article 9 - INDEMNIFICATION

Section 9.1 GENERAL INDEMNIFICATION. Borrower and Tenant, where applicable, shall, at its sole cost and expense, protect, defend, indemnify, release and hold harmless the Indemnified Parties from and against any and all claims, suits, liabilities (including, without limitation, strict liabilities), actions, proceedings, obligations, debts, damages, losses, costs, expenses, diminutions in value, fines, penalties, charges, fees, expenses, judgments, awards, amounts paid in settlement, punitive damages, foreseeable and unforeseeable consequential damages, of whatever kind or nature (including but not limited to reasonable attorneys' fees and other costs of defense) (collectively, the "Losses") imposed upon or incurred by or asserted against any Identified Parties and directly or indirectly arising out of or in any way relating to any one or more of the following: (a) ownership of this Security Instrument, the Property or any interest therein or receipt of any Rents; (b) any amendment to, or restructuring of, the Debt, and the Note, the Loan Agreement, this Security Instrument, or any other Loan Documents; (c) any and all lawful action that may be taken by Lender in connection with the enforcement of the provisions of this Security Instrument or the Loan Agreement or the Note or any of tae other Loan Documents, whether or not suit is filed in connection with same, or in connection with Borrower or Tenant, any guarantor or indemnitor and/or any partner, joint venturer or shareholder thereof becoming a party to a voluntary or involuntary federal or state bankruptcy, insolvency or similar proceeding; (d) any accident, injury to or death of persons or loss of or damage

to property occurring in, on or about the Property or any part thereof or on the adjoining sidewalks, curbs, adjacent property or adjacent parking areas, streets or ways; (e) any use, nonuse or condition in, on or about the Property or any part thereof or on the adjoining sidewalks, curbs, adjacent property or adjacent parking areas, streets or ways; (f) any failure on the part of Mortgagor to perform or be in compliance with any of the terms of this Security Instrument; (g) performance of any labor or services or the furnishing of any materials or other property in respect of the Property or any part thereof; (h) the failure of any person to file timely

with the Internal Revenue Service an accurate Form 1099-B, Statement for Recipients of Proceeds from Real Estate, Broker and Barter Exchange Transactions, which may be required in connection with this Security Instrument, or to supply a copy thereof in a timely fashion to the recipient of the proceeds of the transaction in connection with which this Security Instrument is made; (i) any failure of the Property to be in compliance with any Legal Requirements; 0) the enforcement by any Indemnified Party of the provisions of this Article 9; (k) any and all claims and demands whatsoever which may be asserted against Lender by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants, or agreements contained in any Lease; (1) the payment of any commission, charge or brokerage fee to anyone claiming through Borrower or Tenant which may be payable in connection with the funding of the Loan; or (in) any misrepresentation made by Borrower or Tenant, where applicable, in this Security Instrument or any other Loan Document. Notwithstanding the foregoing, Mortgagor shall not be liable to the Indemnified Parties under this Section 9.1 for any Losses to which the Indemnified Parties may become subject to the extent such Losses arise by reason of the gross negligence, illegal acts, fraud or willful misconduct of the Indemnified Parties. Any amounts payable to Lender by reason of the application of this Section 9.1 shall become immediately due and payable and shall bear interest at the Default Rate from the date loss or damage is sustained by Lender until paid. For purposes of this Article 9, the term "Indemnified Parties" means Lender and any Person who is or will have been involved in the origination of the Loan, any Person who is or will have been involved in the servicing of the Loan secured hereby, any Person in whose name the encumbrance created by this Security Instrument is or will have been recorded, persons and entities who may hold or acquire or will have held all or partial interest in the Loan secured hereby (including, but not limited to, investors or prospective investors in the Securities, as well as custodians, trustees and other fiduciaries who hold or have held a full or partial interest in the Loan secured hereby for the benefit of third parties) as well as the respective directors, officers, shareholders, partners, employees, agents, servants, representatives, contractors, subcontractors, affiliates, subsidiaries, participants, successors and assigns of any and all of the foregoing (including but not limited to any other Person who holds or acquires or will have held a participation or other full or partial interest in the Loan, whether during the term of the Loan or as a part of or following a foreclosure of the Loan and including, but not limited to, any successors by merger, consolidation or acquisition of all or a substantial portion of Lender's assets and business).

Section 9.2 MORTGAGE AND/OR INTANGIBLE TAX. Borrower and Tenant, where applicable, shall, at their sole cost and expense, protect, defend, indemnify, release and hold harmless the Indemnified Parties from and against any and all Losses imposed upon or incurred by or asserted against any Indemnified Parties and directly or indirectly arising out of or in any way relating to any tax on the making and/or recording of this Security Instrument, the Note or any of the other Loan Documents, but excluding any income, franchise or other similar taxes.

Section 9.3 ERISA INDEMNIFICATION. Borrower and Tenant, where applicable, shall, at their sole cost and expense, protect, defend, indemnify, release and hold harmless, the Indemnified Parties from and against any and all Losses (including, without limitation, reasonable attorneys' fees and costs incurred in the investigation, defense, and

settlement of Losses incurred in correcting any prohibited transaction or in the sale of a prohibited loan, and in obtaining any individual prohibited transaction exemption under ERISA that may be required, in Lender's sole discretion) that Lender may incur, directly or indirectly, as a result of a default under Sections 4.1.9 or 5.2.12 of the Loan Agreement.

Section 9.4 ENVIRONMENTAL INDEMNIFICATION. Mortgagor shall, at its sole cost and expense, protect, defend, indemnify, release and hold harmless

the Indemnified Parties from and against any and all Losses and costs of Remediation (whether or not performed voluntary), engineers' fees, environmental consultants' fees, and costs of investigation (including but not limited to sampling, testing, and analysis of soil, water, air, building materials and other materials and substances whether solid, liquid or gas) imposed upon or incurred by or asserted against any Indemnified Parties, and directly or indirectly arising out of or in any way relating to any one or more of the following: (a) any presence of any Hazardous Substances in, on, above, or under the Property; (b) any past, present or threatened Release of Hazardous Substances in, on, above, under or from the Property; (c) any activity by Mortgagor, any Person affiliated with Mortgagor or any tenant or other user of the Property in connection with any actual, proposed or threatened use, treatment, storage, holding, existence, disposition or other Release, generation, production, manufacturing, processing, refining, control, management, abatement, removal, handling, transfer or transportation to or from the Property of any Hazardous Substances at any tine located in, under, on or above the Property; (d) any activity by Mortgagor, any Person affiliated with Mortgagor or any tenant or other user of the Property in connection with any actual or proposed Remediation of any Hazardous Substances at any time located in, under, on or above the Property, whether or not such Remediation is voluntary or pursuant to court or administrative order, including but not limited to any removal, remedial or corrective action; (e) any past or present non-compliance or violations of any Environmental Laws (or permits issued pursuant to any Environmental Law) in connection with the Property or operations thereon, including but not limited to any failure by Mortgagor, any Affiliate of Mortgagor or any tenant or other user of the Property to comply with any order of any Governmental Authority in connection with any Environmental Laws; (f) the imposition, recording or filing of any Environmental Lien encumbering the Property; (g) any administrative processes or proceedings or judicial proceedings in any way connected with any matter addressed in Article 8 and this Section 9.4; (h) any past, present or threatened injury to, destruction of or loss of natural resources in any way connected with the Property, including but not limited to costs to investigate and assess such injury, destruction or loss; (i) any acts of Mortgagor or other users of the Property in arranging for disposal or treatment, or arranging with a transporter for transport for disposal or treatment, of Hazardous Substances owned or possessed by such Mortgagor or other users, at any facility or incineration vessel owned or operated by another Person and containing such or any similar Hazardous Substance; 0) any acts of Mortgagor or other users of the Property, in accepting any Hazardous Substances for transport to disposal or treatment facilities, incineration vessels or sites selected by Mortgagor or such other users, from which there is a Release, or a threatened Release of any Hazardous Substance which causes the incurrence of costs for Remediation; (k) any personal injury, wrongful death, or property damage arising under any statutory or common law or tort law theory, including but not limited to damages assessed for the maintenance of a private or public nuisance or for the conducting of an abnormally dangerous activity on or near the Property; and (1) any misrepresentation or inaccurate in any representation or warranty or material breach or failure to perform any covenants or other obligations pursuant to Article 8. Notwithstanding the foregoing, Mortgagor shall not be liable under this Section 9.4 for any Losses or costs of Remediation to which the Indemnified Parties may become subject to the extent such Losses or costs of Remediation arise by reason of the gross negligence, illegal acts, fraud of willful misconduct of the Indemnified Parties. This indemnity shall survive any termination, satisfaction or foreclosure of this Security Instrument, subject to the provisions of Section 10.5.

Section 9.5 DUTY TO DEFEND; ATTORNEYS' FEES AND OTHER FEES AND EXPENSES.

Upon written request by any Indemnified Party, Mortgagor shall defend such Indemnified Party (if requested by any Indemnified Party, in the name of the Indemnified Party) by attorneys and other professionals approved by the Indemnified Parties. Notwithstanding the foregoing, if the defendants in any such claim or proceeding include both Mortgagor and any Indemnified Party and Mortgagor and such Indemnified Party shall have reasonably concluded that there are any legal defenses available to it and/or other Indemnified Parties that are different from or additional to those available to Mortgagor, such Indemnified Party shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on behalf of such Indemnified Party, provided that no compromise or settlement shall be entered without Mortgagor's consent, which consent shall not be unreasonably withheld. Upon demand, Mortgagor shall pay or, in the sole and absolute discretion of the Indemnified Parties, reimburse, the Indemnified Parties for the payment of reasonable fees and disbursements of attorneys, engineers, environmental consultants, laboratories and other professionals in connection therewith.

Article 10 - WAIVERS

Section 10.1 WAIVER OF COUNTERCLAIM. To the extent permitted by applicable law, Mortgagor hereby waives the right to assert a counterclaim, other than a mandatory or compulsory counterclaim, in any action or proceeding brought against it by Lender arising out of or in any way connected with this Security Instrument, the Loan Agreement, the Note, any of the other Loan Documents, or the Obligations.

Section 10.2 MARSHALLING AND OTHER MATTERS. To the extent permitted by applicable law, Mortgagor hereby waives, to the extent permitted by law, the benefit of all appraisement, valuation, stay, extension, reinstatement and redemption laws now or hereafter in force and all rights of marshalling in the event of any sale hereunder of the Property or any part thereof or any interest therein- Further, Mortgagor hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Security Instrument on behalf of Mortgagor, and on behalf of each and every person acquiring any interest in or title to the Property subsequent to the date of this Security Instrument and on behalf of all persons to the extent permitted by applicable law.

Section 10.3 WAIVER OF NOTICE. To the extent permitted by applicable law, Mortgagor shall not be entitled to any notices of any nature whatsoever from Lender except with respect to matters for which this Security Instrument or the Loan Documents specifically and expressly provide for the giving of notice by Lender to Mortgagor and except with respect to

matters for which Lender is required by applicable law to give notice, and Mortgagor hereby expressly waives the right to receive any notice from Lender with respect to any matter for which this Security Instrument does not specifically and expressly provide for the giving of notice by Lender to Mortgagor.

Section 10.4 WAIVER OF STATUTE OF LIMITATIONS. To the extent permitted by applicable law, Mortgagor hereby expressly waives and releases to the fullest extent permitted by law, the pleading of any statute of limitations as a defense to payment of the Debt or performance of its Other Obligations.

Section 10.5 SURVIVAL. The indemnifications made pursuant to Sections 9.3 and 9.4 herein and the representations and warranties, covenants, and other obligations arising under Article 8, shall continue indefinitely in full force and effect and shall survive and shall in no way be impaired by: any satisfaction, release or other termination of this Security Instrument, any assignment or other transfer of all or any portion of this Security Instrument or Lender's interest in the Property (but, in such case, shall benefit both Indemnified Parties and any assignee or transferee), any exercise of Lender's rights and remedies pursuant hereto including but not limited to foreclosure or acceptance of a deed in lieu of foreclosure, any exercise of any rights and remedies pursuant to the Loan Agreement, the Note or any of the other Loan Documents, any transfer of all or any portion of the Property (whether by Mortgagor or by Lender following foreclosure or acceptance of a deed in lieu of foreclosure or at any other time), any amendment to this Security Instrument, the Loan Agreement, the Note or the other Loan Documents, and any act or omission that might otherwise be construed as a release or discharge of Mortgagor, from the obligations pursuant hereto. Notwithstanding anything to the contrary contained in this Security Instrument or the other Loan Documents, Mortgagor shall not have any obligations or liabilities under the indemnification under Section 9.4 herein or other indemnifications with respect to Hazardous Substances contained in the other Loan Documents with respect to those obligations and liabilities that Mortgagor can prove arose solely from Hazardous Substances that (i) were not present on or a threat to the -Property prior to the date that Lender or its nominee acquired title to the Property, whether by foreclosure, exercise by power of sale, acceptance of a deed-in-lieu of foreclosure or otherwise and (ii) were not the result of any act or negligence of Mortgagor or any of Mortgagor's affiliates, agents or contractors.

Article 11 - EXCULPATION

The provisions of Section 9.4 of the Loan Agreement are hereby incorporated by reference into this Security Instrument to the same extent and with the same force as if fully set forth herein.

Article 12 - NOTICES

All notices or other written communications hereunder shall be delivered in accordance with Section 10.6 of the Loan Agreement.

Article 13 - APPLICABLE LAW

Section 13.1 GOVERNING LAW. THIS SECURITY INSTRUMENT SHALL BE GOVERNED, CONSTRUED, APPLIED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED AND THE APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

Section 13.2 USURY LAWS. Notwithstanding anything to the contrary, (a) all agreements and communications between Mortgagor and Lender are hereby and shall automatically be limited so that, after taking into account all amounts deemed interest, the interest contracted for, charged or received by Lender shall never exceed the maximum lawful rate or amount, (b) in calculating whether any interest exceeds the lawful maximum, all such interest shall be amortized, prorated, allocated and spread over the full amount and term of all principal indebtedness of Borrower to Lender, and (c) if through any contingency or event, Lender receives or is deemed to receive interest in excess of the lawful maximum, any such excess shall be deemed to have been applied toward payment of the principal of any and all then outstanding indebtedness of Borrower to Lender, or if there is no such indebtedness, shall immediately be returned to Borrower.

Section 13.3 PROVISIONS SUBJECT TO APPLICABLE LAW. All rights, powers and remedies provided in this Security Instrument may be exercised only to the extent that the exercise thereof does not violate any applicable provisions of law and are intended to be limited to the extent necessary so that they will not render this Security Instrument invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable law. If any term of this Security Instrument or any application thereof shall be invalid or unenforceable, the remainder of this Security Instrument and any other application of the term shall riot be affected thereby.

Article 14 - DEFINITIONS

All capitalized terms not defined herein shall have the respective meanings set forth in the Loan Agreement. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Security Instrument may be used interchangeably in singular or plural form and the word "Borrower" shall mean "each Borrower and any subsequent owner or owners of the Property or any part thereof or any interest therein," the word "Lender" shall mean "Lender and any subsequent holder of the Note," the word "Note" shall mean "the Note and any other evidence of indebtedness secured by this Security Instrument," the word "Property" shall include any portion of the Property and any interest therein, and the phrases "attorneys' fees", "legal fees" and "counsel fees" shall include any and all attorneys', paralegal and law clerk fees and disbursements, including, but not limited to, fees and disbursements at the pre-trial, trial and appellate levels incurred or paid by Lender in protecting its interest in the Property, the Leases and the Rents and enforcing its rights hereunder.

Article 15 - MISCELLANEOUS PROVISIONS

Section 15.1 No ORAL CHANGE. This Security Instrument, and any provisions hereof, may not be modified, amended, waived, extended, changed, discharged or terminated orally by any act or failure to act on the part of Mortgagor or Lender, but only by an agreement in writing signed by the party against whom enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

Section 15.2 SUCCESSORS AND ASSIGNS. This Security Instrument shall be binding upon and inure to the benefit of Mortgagor and Lender and their respective successors and assigns forever.

Section 15.3 INAPPLICABLE PROVISIONS. If any term, covenant or condition of the loan Agreement, the Note or this Security Instrument is held to be invalid, illegal or unenforceable in any respect, the Loan Agreement, the Note and this Security Instrument shall be construed without such provision.

Section 15.4 HEADINGS, ETC. The headings and captions of various Sections of this Security Instrument are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

Section 15.5 NUMBER AND GENDER. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

Section 15.6 SUBROGATION. If any or all of the proceeds of the Note have been used to extinguish, extend or renew any indebtedness heretofore

existing against the Property, then, to the extent of the funds so used, Lender shall be subrogated to all of the rights, claims, liens, titles, and interests existing against the Property heretofore held by, or in favor of, the holder of such indebtedness and such former rights, claims, liens, titles, and interests, if any, are not waived but rather are continued in full force and effect in favor of Lender and are merged with the lien and security interest created herein as cumulative security for the repayment of the Debt, the performance and discharge of Borrower's and Tenant's, where applicable, obligations hereunder, under the Loan Agreement, the Note and the other Loan Documents and the performance and discharge of the Other Obligations.

Section 15.7 ENTIRE AGREEMENT. The Note, the Loan Agreement, this Security Instrument and the other Loan Documents constitute the entire understanding and agreement between Borrower, Lender and where applicable, Tenant, with respect to the transactions arising in connection with the Debt and supersede all prior written or oral understandings and agreements between Mortgagor and Lender with respect thereto. Mortgagor hereby acknowledges that, except as incorporated in writing in the Note, the Loan Agreement, this Security Instrument and the other Loan Documents, there are not, and were not, and no persons are or were authorized by Lender to make, any representations, understandings, stipulations, agreements or promises, oral or written, with respect to the transaction which is the subject of the Note, the Loan Agreement, this Security Instrument and the other Loan Documents.

Section 15.8 LIMITATION ON LENDER'S RESPONSIBILITY. No provision of this Security Instrument shall operate to place any obligation or liability for the control, care, management or repair of the Property upon Lender, nor shall it operate to make Lender responsible or liable for any waste committed on the Property by the tenants or any other Person, or for any dangerous or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of the Property resulting in loss or injury or death to any tenant, licensee, employee or stranger. Nothing herein contained shall be construed as constituting Lender a "mortgagee in possession."

Article 16 - INTENTIONALLY DELETED

Article 17 - STATE-SPECIFIC PROVISIONS

Section 17.1 PRINCIPALS OF CONSTRUCTION. In the event of any inconsistencies between the terms and provisions of this Security Instrument and Article 17 of this Security Instrument, the terms and provisions of Article 17 shall govern and control.

Section 17.2 OPEN-END MORTGAGE. (a) This Security Instrument is an open- end mortgage pursuant to 42 PA. C.S.A. ss. 8143, and secures, inter alia present and future advances made by Lender pursuant to the Loan Documents, including, without limitation, advances for the payment of taxes, assessments, maintenance charges, insurance premiums or costs incurred for the protection of the Property or the lien of this Security Instrument, or expenses incurred by the Lender by reason of default by the Mortgagor under this Security Instrument, and to enable any completion of the improvements comprising the property as may be contemplated by the Loan Documents. Nothing contained herein shall impose any obligation on the part of Lender to make any such additional loan(s) to Borrower.

(b) Without limiting any other provisions of this Security Instrument, this Security Instrument secures present and future loans, advances and extensions of credit made by Lender to or for the benefit of Borrower, and the lien of such future advances shall relate back to the date of this Security Instrument. This Security Instrument shall also secure additional loans hereafter made by Lender to Borrower. Nothing contained herein shall impose any obligation on the part of Lender to make any such additional loans, advances and extensions of credit to or for the benefit of Borrower.

(c) If Mortgagor sends a written notice to Lender which purports to limit the indebtedness secured by this Security Instrument and to release the obligation of the Lender to make any additional advances to Borrower, such notice shall be ineffective as to any future advances made: (i) to pay taxes, assessments, maintenance charges and insurance premiums; (ii) costs incurred for the protection of the Property or the lien of this Security Instrument, (iii) expenses incurred by Lender by reason of the default of Mortgagor and (iv) any other costs incurred by Mortgagor to protect and preserve the Property. It is the intention of the parties hereto that any such advance made by Lender after any such notice by Mortgagor shall be secured by the lien of this Security Instrument on the Property.

Section 17.3 ACTION IN EJECTMENT. For the purpose of obtaining possession of the Land and the Improvements in the event of any Event of Default hereunder or under the Note, Mortgagor hereby authorizes and empowers any attorney of any court of record in the Commonwealth of Pennsylvania or elsewhere, as attorney for Mortgagor and all persons claiming under or through Mortgagor, to appear for and confess judgment against Mortgagor, and against all persons claiming under or through Mortgagor, in an action in ejectment for possession of the Property, in favor of Lender, for which this Security Instrument, or a copy thereof verified by affidavit. shall be a sufficient warrant; and thereupon a writ of possession may immediately issue for possession of the Property, without any prior writ or proceeding whatsoever and without any stay of execution. If for any reason after such action has been commenced it shall be discontinued, or possession of the Property shall remain in or be restored to Mortgagor, Lender shall have the right for the same default or any subsequent default to bring one or more further actions as above provided to recover possession of the Property. Lender may confess judgment in an action in ejectment before or after the institution of proceedings to foreclose this Security Instrument or to enforce the Note, or after entry of judgment therein or on the Note, or after a sheriffs sale or judicial sale or other foreclosure sale of the Property in which Lender is the successful bidder, it being the understanding of the parties that the authorization to pursue such proceedings for confession of judgment therein is an essential part of the remedies for enforcement of this Security Instrument and the Note, and shall survive any execution sale to Lender.

Mortgagor confirms to Lender that (i) Mortgagor is a business entity and that its principals are knowledgeable in business matters; (ii) the terms of this Security Instrument, including the foregoing warrant of attorney to confess judgment, have been negotiated and agreed upon in a commercial context; and (iii) Mortgagor has fully reviewed the aforesaid warrant of attorney to confess judgment with its own counsel and is knowingly and voluntary waiving certain rights it would otherwise possess, including but not limited to, the right to any notice of a hearing prior to the entry of judgment by Lender pursuant to the foregoing warrant.

Section 17.4 CONFLICTING PROVISIONS. The provisions of this Article are intended to supplement, and not limit, the other provisions of this Security Instrument; provided, however that in the event the provisions of this Article contradict any other provision of this Security Instrument, the provisions of this Article shall govern.

[NO FURTHER TEXT ON THIS PAGE]

IN WITNESS WHEREOF, THIS SECURITY INSTRUMENT has been executed by Mortgagor as of the day and year first above written.

MORTGAGOR:

BORROWER
LOYAL PLAZA VENTURE, L.P.,
a Delaware limited partnership

By: GLIMCHER LOYAL PLAZA, INC.,
a Delaware corporation, its general
partner

By: /s/ George A. Schmidt

Name: George A. Schmidt
Title: Executive Vice President

Date of execution: 05/29/01

TENANT

GLIMCHER LOYAL PLAZA TENANT, L.P.,
a Delaware limited partnership

By: GLIMCHER LOYAL PLAZA TENANT,
INC., a Delaware corporation, its
general partner

By: /s/ George A. Schmidt

Name: George A. Schmidt
Title: Executive Vice President

Date of execution: 05/29/01

The address of the within named mortgagee is:
LEHMAN BROTHERS BANK, FSB,
Three World Financial Center,
200 Vesey Street
New York, New York 10285

/s/
- ---
On behalf of mortgagee

ACKNOWLEDGEMENTS
- ---

STATE OF OHIO)
)ss.:
COUNTY OF FRANKLIN)

On this, the 29TH day of May 2001, before me, the undersigned officer, personally appeared George A. Schmidt, who acknowledged himself to be the executive vice president of Glimcher Loyal Plaza, Inc. and that he as such executive vice president, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as executive vice president.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

NOTARIAL SEAL Barbara B. Howison
STATE OF OHIO Notary Public My Commission Espires: July 2, 2005

STATE OF OHIO)
)ss.:
COUNTY OF FRANKLIN)

On this, the 29th day of May 2001, before me, the undersigned officer, personally appeared George A. Schmidt, who acknowledged himself to be the executive vice president of Glitter Loyal Plaza Tenant, Inc. and that he as such executive vice president, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as executive vice president.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

NOTARIAL SEAL Barbara B. Howison
STATE OF OHIO Notary Public My Commission Espires: July 2, 2005

EXHIBIT A
LEGAL DESCRIPTION
[To Be Attached]

EXHIBIT A

PARCEL I - Fee Simple:

Loyal Plaza, for The Glimcher Company, Pa. State Highway, State Route No. 2014, (also known as 1915 East Third Street), Loyalsock Township, Lycoming County, Pa.

Beginning at a Drill Hole, at the intersection of the Northern Right-of-way line of Pa. State Highway, State Route No. 2014, (also known as East Third Street), and the Southeastern corner of land of Thomas H. & Virginia McConnell, said beginning point being South 68 Degrees 00 Minutes 00 Seconds East - 133.00 feet from a point, at the intersection of the Northern Right-of-way line of said Pa. State Highway, State Route No. 2014, (also known as East Third Street), and the Eastern line of Tinsman Avenue.

Thence from the said place of beginning and along the Eastern line of land of said Thomas H. & Virginia McConnell, and along the Eastern line of other Lots facing Tinsman Avenue, the Eastern end of Homewood Avenue, and the Eastern line of other Lots facing Tinsman Avenue, North 22 Degrees 00 Minutes 00 Seconds East - -1000.00 feet to a point, at the intersection of the Eastern line of land of Paul G. Urian, and the Southwestern corner of Parcel No. 2, on the Plan of Loyal Plaza. Thence along the Southern line of said Parcel No. 2, on the Plan of Loyal Plaza, South 68 Degrees 00 Minutes 00 Seconds East - 359.61 feet to a point, at the intersection of the Southeastern corner of said Parcel No. 2, on the Plan of Loyal Plaza, and the Western line of Litton Industrials, Inc. Thence along the Western line of land of said Litton Industrials, Inc., South 22 Degrees 00 Minutes 00 Seconds West - 297.75 feet to a Railroad Spike. Thence along the Southern line of land of said Litton Industrials, Inc., the Southern line of land of Cresticone Inc., Litton Precision Products, Inc., and along the Southern line of land of Litton Precision Products, Inc., South 68 Degrees 00 Minutes 00 Seconds East - 948.53 feet to an Iron Pin, at the intersection of the Southeastern corner of land of said Litton Precision Products, Inc., and the Western line of land of Daniel J. & Karen S.. Eiswerth. Thence along the Western line of land of said Daniel J. & Karen S. Eiswerth, the Western line of land of Global Space Developing, Inc. the Western end of Nottingham Road, and the Western line of other Lots facing Westminster Drive, South 02 Degrees 24 Minutes 45 Seconds West - 539.26 feet to an Iron Pin, at the intersection of the Western-line of land of Williamsport Colonial Motor Lodge, and the Northeastern corner of Parcel No. 3, on the Plan of

Continued ...

PARCEL I - Fee Simple, Continued ...

Loyal Plaza. Thence along the lines of said Parcel No. 3, on the Plan of Loyal Plaza, by the Four (4) following Courses and Distances. First: North 68 Degrees 00 Minutes 00 Seconds West - 87.76 feet to a point. Second: South 17 Degrees 24 Minutes 07 Seconds West -26.50 feet to a point; Third: South 68 Degrees 00 Minutes 00 Seconds East - 5.00 feet to a point. Fourth: South 15 Degrees 56 Minutes 10 Seconds West - 168.72 feet to a point, at the intersection of the Southwestern corner of said Parcel No. 3, on the Plan of royal Plaza, and the Northern Right-of-way line of the aforesaid Pa. State Highway, State Route No. 2014, (also known as East Third Street). Thence along the Northern Right-of-way line of said Pa. State Highway, State Route No. 2014, (also known as East Third Street), North 68 Degrees 00 Minutes 00 Seconds West -1267.06 feet to a Drill Hole. Thence along the lines of land of The Commonwealth of Pennsylvania, Department of Transportation, by the Five (5) following Courses and Distances. First: North 22 Degrees 00 Minutes 00 Seconds East - 8.00 feet to an Iron Pin. Second: North 68 Degrees 00 Minutes 00 Seconds West - 10.00 feet to an Iron Pin. Third: North 55 Degrees 54 Minutes 19 Seconds West - 42.95 feet to an iron Pin. Fourth: North 68 Degrees 00 Minutes 00 Seconds West - 82.00 feet to an Iron Pin. Fifth: South 22 Degrees 00 Minutes 00 Seconds West - 17.00 feet to a Drill Hole, - -an The Northern Right-of-way line of the aforesaid Pa. State Highway, State Route No. 2014, (also known as East Third Street). Thence along the Northern Right-of-way line of said Pa. State Highway, State Route No. 2014,' (also known as East Third Street), North 68 Degrees 00 Minutes 00 Seconds West - 26.05 feet to the place of beginning. Containing 25 033 Acres.

(Note: Any reference to acreage or square footage is for informational purposes only)

PARCEL II - Fee Simple:
Loyal Plaza, for the Glimcher Company Pa. State Highway, State Route No. 2014 (also known as East Third Street) Loyalsock Township, Lycoming County, Pa.

Beginning at a point, at the intersection of the Eastern line of land of Paul G. Urian, and the Northwestern corner of Parcel No. 1, on the Plan of Loyal Plaza, said

Continued...

PARCEL II - Fee Simple, Continued..

beginning point being referenced from a point, at the intersection of the Northern line of said Pa. State Highway, State Route No. 2014, (also known as East Third Street), and the Eastern line of Tinsman Avenue, by the Two (2) following Courses and Distances. First: Along the Northern line of Pa. State Highway, State Route No. 2014, (also known as East Third Street), South 68 Degrees 00 Minutes 00 Seconds East - 133.00 feet to a Drill Hole, at the intersection of the Northern line of said Pa. State Highway, State Route No. 2014, (also known as East Third Street), and the Southeastern corner of land of Thomas H. & Virginia McConnell. Second: Along the Eastern line of land of said Thomas H. & Virginia McConnell, and along the Eastern line of other Lots facing Tinsman Avenue, the Eastern end of Homewood Avenue, and the Eastern line of other lots facing Tinsman Avenue, North 22 Degrees 00 Minutes 00 Seconds East - -1000.00 feet to the place of beginning. Thence continuing along the Eastern line of land of said Paul G. Urian, and along the Eastern line of other lots facing Tinsman Avenue, North 22 Degrees 00 minutes 00 Seconds East - 391.60 feet to an Iron Pin, at the intersection of the Northeastern corner of land of James R. & Patricia Wehr, and the Southern line of Catalpa Lane, (unopened). Thence along the Southern line of said Catalpa Lane, (unopened), South 79 Degrees 53 Minutes 30 Seconds East - 367.50 feet to an Existing iron Pipe, at the intersection of the Southern- line of said Catalpa Lane, (unopened), and the Northwestern corner of land of Cresticone, Inc., Litton Precision Products, Inc., Thence along-the Western line of said Cresticone, Inc., Litton Precision Products, Inc., and along the Western line of Litton Industries, Inc., South 22 Degrees 00 Minutes 00 Seconds West - 467.33 feet to a point, at the intersection of the Western line of land of said Litton Industries, Inc., and the Northeastern corner of the aforesaid Parcel No. 1, on the Plan of Loyal Plaza, Thence along the Northern line of Parcel No. 1, on the Plan of royal Plaza, North 68 Degrees 00 Minutes 00 Seconds West - 359.61 feet to the place of beginning. Containing 3.545 Acres.

(Note: Any reference to acreage or square footage is for informational purposes only)

PARCEL II - Fee Simple, Continued ...

Parcel I And Parcel II BEING the same premises which Williamsport Plaza Associates, L.P., by Deed dated January 17, 1994 and recorded February 26, 1994, in Record Book 2216 Page 172 (See Tab 2), at Lycoming County, Pennsylvania, granted and conveyed unto Glimcher Centers Limited Partnership, in fee.

PARCEL III - Leasehold
ALL THAT CERTAIN messuage or tenement and tract of land, situate in the Township of Loyalsock, County of Lycoming and Commonwealth of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point on the Northerly right of way line of Pennsylvania Highway Traffic Route Number 220, also known as East Third Street, said beginning point being measured South 68 degrees East 1559.11 from the intersection of the Northerly right of way line of Tinsman Avenue; thence along lands of M. M. Goodman and Company the following four courses and distances: (1) North 15 degrees 56 minutes 10 seconds East 168.72 feet to an iron pin; (2) North 68 degrees 00 minutes 00 seconds West 5.00 feet to an iron pin; (3) North 17 degrees 24 minutes 07 seconds East 26.50 feet to an iron pin; (4) South 68 degrees 00 minutes 00 seconds East 47-76 feet to an iron pin; thence along other lands of R. M. Zaner South 2 degrees 24 minutes 45 seconds West 206.12 feet to an iron pin in the aforementioned North legal right of way line of Pennsylvania Highway Traffic Route No. 220; thence along said North legal right of way line North 68 degrees 00 minutes 00 seconds West 132.93 feet to the place of beginning.

CONTAINS 21 033 square feet of land more or less or 0.483 acre.

(Note: Any reference to acreage or square footage is for informational purposes only)

PARCEL IV - Easement

Together with those rights and easements constituting rights in real property created defined and limited by that certain lease from Robert M. Zaner and Ruth S., his wife, Lessor to Murray H. Goodman, Lessee, dated January 15, 1963, a Memorandum of which is recorded February 27, 1963 in Deed Book 492, Page 1142 (See Tab 31, and described as follows:

BEGINNING at an iron pin, said iron pin being South 68 degrees 00 minutes 00 seconds East 1198.39 feet from a concrete monument at the Southwest corner of lands of M. H. Goodman and Company and in the North legal right of way line of U.S. Route 220, also know as East Third Street; thence along land of R. M. Zaner the following three courses and distances (1) North 2 degrees 24 minutes 45 seconds East 150.00 feet to a point; (2) South 47 degrees 35 minutes 15 seconds East at 20.00 feet to a point; (3) South 2 degrees 24 minutes 45 seconds West 156.70 feet to a point; thence along the aforementioned North legal right of way line North 68 degrees 00 minutes 00 seconds West 21.23 feet to the place of beginning.

CONTAINS 3 067 square feet of land more or less.

(Note: Any reference to acreage or square footage is for informational purposes only)

Upon recordation, return to:
James A. L. Daniel, Jr., Esq.
Parker, Poe, Adams & Bernstein L.L.P.
Three Wachovia Center
401 South Tryon Street, Suite 3000
Charlotte, NC 28202-1935

LASALLE BANK NATIONAL ASSOCIATION,
as Trustee for the Registered Holders of LB-UBS
Commercial Mortgage Trust 2001-C3, Commercial Mortgage
Pass-Through Certificates, Series 2001-C3

LOAN ASSUMPTION

AND

MODIFICATION AGREEMENT

Dated as of July 2, 2002, but executed on the date shown on

the signature pages hereto

LOAN ASSUMPTION AND MODIFICATION AGREEMENT

THIS LOAN ASSUMPTION AND MODIFICATION AGREEMENT (this "Agreement") is made and entered into as of July 2, 2000, but executed on the date shown on the signature page by and among Loyal Plaza Associates, L.P. a Delaware limited partnership, having an address of c/o Brentway Management LLC, 44 South Bayles Avenue, Suite 304, Port Washington, NY 11050 ("Assuming Borrower"), Cedar Income Fund Partnership, L.P. a Delaware limited partnership; Cedar Income Fund, Ltd., a Maryland corporation, having an address at c/o Brentway Management LLC, 44 South Bayles Avenue, Suite 304, Port Washington, NY 11050 (individually and collectively, if more than one, "Assuming Principal"), Loyal Plaza Venture, L.P., a Delaware limited partnership having an address at 20 South Third Street, Columbus, OH 43215 ("Original Borrower"), Glimcher Properties Limited Partnership ("Glimcher") and Glimcher Loyal Plaza Tenant, L.P. ("Tenant") having an address at 20 South Third Street, Columbus, OH 43215 in favor of LASALLE BANK NATIONAL ASSOCIATION, as Trustee for the Registered Holders of LB-UBS Commercial Mortgage Trust 2001-C3, Commercial Mortgage Pass-Through Certificates, Series 2001-C3, whose mailing address is c/o Wachovia Securities, Structured Products Servicing, 8739 Research Drive-URP4, Charlotte, NC 28288-1075 (28262-1075 for overnight deliveries)("Lender").

Recitals

A. Lehman Brothers Bank, FSB (the "Original Lender"), pursuant to the

Loan Documents (as hereinafter defined) made a loan to Original Borrower in the original principal amount of $14,000,000.00 (the "Loan"). The Loan is evidenced and secured by the following documents executed in favor of Original Lender:

(1) Promissory Note dated May 31, 2001, payable by Original Borrower to Original Lender in the original principal amount of $14,000,000.00 (the "Note");

(2) Open-End Mortgage and Security Agreement of even date with the Note, granted by Original Borrower and Tenant to Original Lender, recorded in Record Book 4025, Page 91 in Lycoming County, Pennsylvania ("Recorder's Office") (the "Mortgage");

(3) Assignment of Leases and Rents of even date with the Note granted by Original Borrower and Tenant to Original Lender, recorded in Record Book 4025, Page 81, in the Recorder's Office (the "Assignment");

(4) UCC-1 financing statements (i) with Original Borrower and Tenant as debtor and Original Lender as secured party, filed with the Recorder's Office in Book 3831, Page 164; (ii) with Tenant as debtor and Original Lender as secured party, filed with the Recorder's Office in Book 3831, Page 153 and with the Secretary of State of Pennsylvania as Instrument No. 34061604; and (iii) with Original Borrower as debtor and Original Lender as secured party, filed with the Secretary of State of Pennsylvania as Instrument No. 34061593 (collectively the "Financing Statements");

(5) Holdback and Indemnity Agreement by and between Glimcher, Tenant (in such capacity Glimcher and Tenant are herein referred to as "Holdback Principals"), Original Borrower and Original Lender of even date with the Note (the "Indemnity Agreement");

(6) Environmental Indemnity Agreement by and between Original Borrower, Tenant (in such capacity, Tenant is herein referred to as "Environmental Principal" and collectively with the Holdback Principals, the "Original Principal") and Original Lender of even date with the Note (the "Environmental Indemnity Agreement");

(7) Loan Agreement by and between Original Borrower and Original Lender of even date with the Note (the "Loan Agreement");

(8) Assignment of Personal Property Leases, Service Agreements, Permits, Licenses, Franchises and other Agreements by and between Original Borrower and Tenant of even date with the Note;

(9) Clearing Account Agreement by and between Firstar Bank, National Association, Original Borrower and Tenant of even date with the Note (the "Clearing Account Agreement"); and

(10) Cash Management Agreement by and between Original Borrower, Tenant, Original Lender, Wachovia Bank, National Association (f/k/a First Union National Bank), Glimcher and Glimcher Development Corporation.

The foregoing documents, together with any and all other documents executed by Original Borrower, Tenant and/or Original Principal in connection with the Loan, are collectively called the "Loan Documents." As used herein, the term "Assuming Obligors" shall mean Assuming Borrower and Assuming Principal; the term "Original Obligors" shall mean Original Borrower, Original Principal and Tenant.

B. Original Lender assigned, sold and transferred its interest in the Loan and all Loan Documents to Lender pursuant to certain assignment documents including, without limitation, that certain Assignment dated as of May 1, 2001 and recorded in Book 4025, Page 91, in the Recorder's Office, and Lender is the current holder of all of Original Lender's interest in the Loan and Loan Documents.

C. Original Borrower continues to be the owner of the Property (as defined below). Pursuant to that certain Agreement to Purchase Real Estate, dated January 7, 2002 as amended by: First Amendment dated February 22, 2002; Second Amendment dated February 27, 2002; Third Amendment dated March 1, 2002; Fourth Amendment dated March 8, 2002; Fifth Amendment dated March 13, 2002; Sixth Amendment dated March 15, 2002, and Seventh Amendment dated March 22, 2002

(as amended, and as assigned to Assuming Borrower, the "Sales Agreement"), Original Borrower agreed to sell, and Assuming Borrower agreed to purchase, that certain real property more particularly described on Exhibit A attached hereto, together with all other property encumbered by the Mortgage and the other Loan Documents (collectively, the "Property"). The Sales Agreement requires that the Assuming Borrower assume the Loan and the obligations of Original Borrower under the Loan Documents, and conditions the closing of the sale of the Property upon the Lender's consent to the sale of the Property and the assumption of the Loan.

D. Pursuant to Section 6.4 of the Mortgage, Original Borrower has the right to sell the Property to a third party subject to the satisfaction of certain conditions specified therein. Original Borrower and Assuming Borrower have requested that Lender consent to the sale, conveyance, assignment and transfer of the Property by Original Borrower to Assuming Borrower, subject to the Mortgage and the other Loan Documents, and to the assumption by Assuming Borrower of the Loan and the assumption by Assuming Obligors of the obligations of Original Obligors under the Loan Documents.

E. Lender is willing to consent to the sale, conveyance, assignment and transfer of the Property by Original Borrower to Assuming Borrower, subject to the Mortgage and the other Loan Documents, and to the assumption by Assuming Borrower of the Loan, the assumption by Assuming Borrower of the obligations of Original Obligors and the assumption by Assuming Principal of the obligations of Original Principal under the Loan Documents, on and subject to the terms and conditions set forth in this Agreement and in the Mortgage and in the other Loan Documents.

F. Lender, Original Obligors and Assuming Obligors by their respective executions hereof, evidence their consent to the transfer of the Property to Assuming Borrower and the modification and assumption of the Loan Documents as hereinafter set forth.

Statement of Agreement

In consideration of the mutual covenants and agreements set forth herein, the parties hereto hereby agree as follows:

1. Representations, Warranties, and Covenants of Original Obligors, Release of Lender.

(a) Original Obligors hereby represent to Lender, as of the date hereof, that (i) contemporaneously with the execution and delivery hereof, Original Borrower has conveyed and transferred all of the Property to Assuming Borrower; (ii) contemporaneously with the execution and delivery hereof, Original Borrower has assigned and transferred to Assuming Borrower all leases, tenancies, security deposits and prorated rents of the Property in effect as of the date hereof ("Leases") retaining no rights therein or thereto; (iii) Original Borrower has not received a mortgage from Assuming Borrower encumbering the Property to secure the payment of any sums due Original Borrower or obligations to be performed by Assuming Borrower; (iv) the Mortgage is a valid first lien on the Property for the full unpaid principal amount of the Loan and all other amounts as stated therein; (v) there are no defaults by them under the provisions of the Note, the Mortgage, the Indemnity Agreement, the Environmental Indemnity Agreement, or the other Loan Documents; (vi) there are no defenses, set-offs or rights of defense, set-off or counterclaim whether legal, equitable or otherwise to the obligations evidenced by or set forth in the Note, the Mortgage, the Indemnity Agreement, the Environmental Indemnity Agreement, or the other Loan Documents; (vii) all provisions of the Note, Mortgage, the Indemnity Agreement, the Environmental Indemnity Agreement, and other Loan Documents are in full force and effect, except as modified herein; (viii) there are no subordinate liens of any kind covering or relating to the Property nor are there any mechanics' liens or liens for unpaid taxes or assessments encumbering the Property, nor has notice of a lien or notice of intent to file a lien been received and (ix) the representations and warranties made by Original Obligors in the Mortgage, Note, other Loan Documents or in any other documents or instruments delivered in connection with the Note, the Mortgage, or other Loan Documents are true, on and as of the date hereof, with the same force and effect as if made on and as of the date hereof.

(b) Original Obligors hereby covenant and agree that: (i) from and after the date hereof, Lender may deal solely with Assuming Obligors in all matters relating to the Loan, the Loan Documents, and the Property; (ii) they

shall not at any time hereafter take a mortgage encumbering the Property from Assuming Obligors to secure any sums to be paid or obligations to be performed by Assuming Obligors so long as any portion of the Loan remains unpaid; and (iii) Lender has no further duty or obligation of any nature relating to this Loan or the Loan Documents to Original Obligors.

Original Obligors understand and intend that Lender shall rely on the representations, warranties and covenants contained herein.

2. Representations, Warranties, and Covenants of Assuming Obligors.

(a) Assuming Obligors hereby represent and warrant to Lender, as of the date hereof, that: (i) simultaneously with the execution and delivery hereof, Assuming Borrower has purchased from Original Borrower all of the Property, and has accepted Original Borrower's assignment of the Leases (as defined in the Mortgage); (ii) Assuming Borrower has assumed the performance of Original Borrower's obligations under the Leases; (iii) Assuming Borrower has not granted to Original Borrower a mortgage or other lien upon the Property to secure any debt or obligations owed to Original Borrower; (iv) to the knowledge of Assuming Obligors, no default or Event of Default (as defined in the Mortgage) has occurred or is continuing; (v) to the knowledge of Assuming Obligors, all provisions of the Loan Documents are in full force and effect; (vi) to the knowledge of Assuming Obligors, the representations and warranties made in the Mortgage, Note, and other Loan Documents or in any other documents or instruments delivered in connection with the Note, the Mortgage, or the other Loan Documents are true, on and as of the date hereof; and (vii) Assuming Obligors have reviewed all of the Loan Documents and consent to the terms thereof.

(b) Assuming Obligors hereby covenant and agree that: (i) they hereby assume all the respective past, present and future obligations contained in the Loan Documents in accordance with the terms of this Agreement; (ii) Assuming Borrower shall pay when and as due all sums due under the Note and other Loan Documents (as modified hereby); and (iii) Assuming Principal shall perform all the obligations imposed upon the Original Principal and Assuming Borrower shall perform all the obligations imposed upon Original Obligors under the Note, Mortgage, Indemnity Agreement, Environmental Indemnity Agreement and all other Loan Documents, all as modified hereby. Assuming Borrower shall not hereafter, without Lender's prior consent in accordance with the terms of the Loan Documents, further encumber the Property or sell or transfer the Property or any interest therein, except as may be specifically permitted in the Loan Documents. Assuming Obligors have no knowledge that any of the representations and warranties made by the Original Obligors herein are untrue, incomplete, or incorrect.

Assuming Obligors understand and intend that Lender shall rely on the representations, warranties and covenants contained herein.

3. Assumption of Obligations. Assuming Borrower hereby assumes the Loan (as defined in the Mortgage) and Assuming Borrower hereby assumes all the other respective past, present and future obligations of Original Borrower and Tenant, as applicable, of every type and nature set forth in the Note, Mortgage, Indemnity Agreement, Environmental Indemnity Agreement, and the other Loan Documents in accordance with their respective terms and conditions, as the same may be modified by this Agreement. Assuming Principal hereby assumes all the respective past, present and future obligations of Original Borrower and Holdback Principals of every type and nature set forth in the Indemnity Agreement, and of Original Borrower and Environmental Principal of every type and nature set forth in the Environmental Indemnity Agreement, and the other Loan Documents in accordance with their respective terms and conditions, as the same may be modified by this Agreement. Assuming Obligors further agree to abide by and be bound by all of the terms of the Loan Documents applicable to such party pursuant to the terms set forth above, in accordance with their respective terms and conditions, including but not limited to, the representations, warranties, covenants, assurances and indemnifications therein, all as though each of the Loan Documents applicable to such party had been made, executed, and delivered by Assuming Borrower or Assuming Principal, as appropriate. Assuming Borrower or Assuming Principal, as appropriate, agree to pay, perform, and discharge each and every obligation of payment and performance applicable to such party under, pursuant to and as set forth in the Note, the Mortgage, the Indemnity Agreement, the Environmental Indemnity Agreement, and the other Loan Documents at the time, in the manner and otherwise in all respects as therein provided. Assuming Obligors hereby acknowledge, agree and warrant that (i) there are no rights of set-off or counterclaim, nor any defenses of any kind, whether legal, equitable or otherwise, which would enable Assuming Obligors to avoid or delay timely performance of their respective obligations under the Note, Mortgage, Indemnity Agreement, Environmental Indemnity Agreement, or any of the Loan Documents, as applicable; (ii) there are no monetary encumbrances or liens

of any kind or nature against the Property except those created by the Loan Documents, and all rights, priorities, titles, liens and equities securing the payment of the Note are expressly recognized as valid and are in all things renewed, continued and preserved in force to secure payment of the Note, except as amended herein.

4. Release and Covenant Not to Sue. Original Obligors and Assuming Obligors, on behalf of themselves and their heirs, successors and assigns, hereby release and forever discharge Lender, each of its predecessors in interest and its successors and assigns, together with any officers, directors, partners, employees, investors, certificate holders and agents (including, without limitation, servicers of the loan) of each of the foregoing (collectively the "Lender Parties"), from all debts, accountings, bonds, warranties, representations, covenants, promises, contracts, controversies, agreements, claims, damages, judgments, executions, actions, inactions, liabilities demands or causes of action of any nature, at law or in equity, known or unknown, which Original Obligors and Assuming Obligors now have by reason of any cause, matter, or thing through and including the date hereof, including, without limitation, matters arising out of or relating to: (a) the Loan, including, without limitation, its funding, administration and servicing; (b) the Loan Documents; (c) the Property; (d) any reserve and/or escrow balances held by Lender or any servicers of the Loan; (e) the sale, conveyance, assignment and transfer of the Property or (f) any other disclosed agreement or transaction between Original Obligors and/or Assuming Obligors and the Lender Parties. Original Obligors and Assuming Obligors, on behalf of themselves and their heirs, successors and assigns, covenant and agree never to institute or cause to be instituted or continue prosecution of any suit or other form of action or proceeding of any kind or nature whatsoever against any of the Lender Parties by reason of or in connection with any of the foregoing matters, claims or causes of action.

5. Consent to Conveyance and Assumption; Release. Subject to the terms and conditions set forth in this Agreement, Lender consents to: (a) the sale, conveyance, assignment and transfer of the Property by Original Borrower to Assuming Borrower, subject to the Mortgage and the other Loan Documents; and (b) the assumption by Assuming Borrower of the Loan, the assumption by the Assuming Borrower of the obligations of Original Obligors and the assumption by the Assuming Principal of the obligations of the Original Principal under the Loan Documents. Original Obligors are hereby released from any liability to Lender under any and all of the Note, Mortgage and the other Loan Documents arising or first accruing subsequent to the transfer of the Property to Assuming Borrower and the assumption by Assuming Borrower hereunder. Lender's consent to such transfer and assumption shall, however, not constitute its consent to any subsequent transfers of the Property. Original Obligors hereby acknowledge and agree that the foregoing release shall not be construed to release Original Obligors from any personal liability under the Note or any of the other Loan Documents for any acts or events occurring or obligations arising prior to or simultaneously with Closing.

6. Acknowledgment of Indebtedness. This Agreement recognizes the reduction of the principal amount of the Note and the payment of interest thereon to the extent of payments made by Original Borrower prior to the date of execution of this Agreement. The parties acknowledge and agree that, as of the date of this Agreement, the principal balance of the Note is $13,877,087.23 and interest on the Note is paid to June 10, 2002. Assuming Borrower acknowledges and agrees that the Loan, as evidenced and secured by the Loan Documents, is a valid and existing indebtedness payable by Assuming Borrower to Lender. The parties acknowledge that Lender is holding the following escrow and/or reserve balances:

Tax Escrow:	$168,496.05
Insurance Escrow:	$4,642.50
Replacement Reserve:	$59,008.38
Deferred Maintenance:	$5,000.00
Environmental Escrow:	$459,607.10

The parties acknowledge and agree that Lender shall continue to hold the escrow and reserve balances for the benefit of Assuming Borrower in accordance with the terms of the Loan Documents. Original Obligors covenant and agree that the Lender Parties have no further duty or obligation of any nature to Original Obligors relating to such escrow and/or reserve balances except the obligation of Lender to use the Tax Escrow to pay taxes for periods during which the Original Borrower was owner of the Property, to the extent Original Borrower made contributions to the Tax Escrow for such period. Except as provided in the foregoing sentence, Original Obligors hereby release and forever discharge the Lender Parties from any obligations to Original Obligors relating to such escrow and/or reserve balances. Assuming Obligors acknowledge and agree that the funds listed above constitute all of the reserve and escrow funds currently held by Lender with respect to the Loan and authorize such funds to be transferred to an

account controlled by Lender for the benefit of Lender and Assuming Borrower.

The parties further acknowledge and agree that Lender shall direct the Clearing Bank (as defined in the Clearing Account Agreement) to continue to hold and manage the accounts established pursuant to the Clearing Account Agreement for the benefit of Assuming Borrower in accordance with the terms thereof. Original Obligors covenant and agree that the Clearing Bank and Lender Parties have no further duty or obligation of any nature to Original Obligors relating to such accounts. Original Obligors hereby release and forever discharge the Clearing Bank and Lender Parties from any obligations to Original Obligors relating to such accounts.

7. Modifications of the Loan Documents. The Loan Documents are hereby modified as follows:

(a) Section 10.6 of the Loan Agreement is hereby deleted in its entirety and the following substituted in its stead:

"10.6. Notices. All notices, demands, requests or other written communications hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of the same in person to the intended addressee, or by depositing the same with Federal Express or another reputable private courier service for next business day delivery, or by depositing the same in the United States mail, postage prepaid, registered or certified mail, return receipt requested, in any event addressed to the intended addressee addressed as follows:

If to Borrower:	Loyal Plaza Associates, L.P. a Delaware limited partnership c/o Brentway Management LLC 44 South Bayles Avenue, Suite 304 Port Washington, NY 11050 Brenda J. Walker President Ph: (516) 767-6492 Fax: (516) 767-6497
With a copy to:	Stuart H. Widowski, Esq. General Counsel c/o Brentway Management, LLC 44 South Bayles Avenue, Suite 304 Ph: (516) 767-6492 Fax: (516) 767-6497
If to Lender:	LASALLE BANK NATIONAL ASSOCIATION, as Trustee for the Registered Holders of LB-UBS Commercial Mortgage Trust 2001-C3 Commercial Mortgage Pass-Through Certificates Series 2001-C3 c/o Wachovia Securities, Structured Products Servicing, 8739 Research Drive-URP4, Charlotte, NC 28288-1075 (28262-1075 for overnight deliveries)
with a copy to:	Parker, Poe, Adams & Bernstein L.L.P. Three Wachovia Center 401 South Tryon Street, Suite 3000 Charlotte, NC 28202-1935 Attn: James A. L. Daniel, Jr. Esq.

All notices, demands and requests shall be effective (i) upon delivery, if delivered in person, (ii) one (1) business day after having been deposited for overnight delivery with any reputable overnight courier service, or (iii) three (3) business days after having been deposited in the United States mail as provided above. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given as herein required shall be deemed to be receipt of the notice, demand or request sent. By giving to the other party hereto at least fifteen (15) days' prior written notice thereof in accordance with the provisions hereof, the parties hereto shall have the right from time to time to change their respective addresses and each shall have the

right to specify as its address any other address within the United States of America.

(b) Section 4.1.30(o) of the Loan Agreement is hereby modified by inserting the clause "or a limited partnership whose sole asset is its interest in Borrower with at least one general partner which is a corporation and whose sole asset is its interest in the limited partnership which is the general partner of the Borrower (such corporation shall be deemed an SPC Party for purposes of this Agreement)" after the phrase "its interest in Borrower" in the third and fourth line thereof.

8. Interest Accrual Rate and Monthly Installment Payment Amount to Remain the Same. The interest rate and the monthly payments set forth in the Note shall remain unchanged. Prior to the occurrence of an Event of Default hereunder or under the Note, interest shall accrue on the principal balance outstanding from time to time at the Applicable Interest Rate (as defined in the Note) and principal and interest (which does not include such amounts as may be required to fund escrow obligations under the terms of the Loan Documents) shall continue to be paid in accordance with the provisions of the Note.

9. Conditions. This Agreement shall be of no force and effect until each of the following conditions has been met to the complete satisfaction of Lender:

(a) Fees and Expenses. Original Borrower and/or Assuming Borrower shall pay, or cause to be paid at closing: (i) all costs and expenses incident to the preparation, execution and recordation hereof and the consummation of the transaction contemplated hereby, including, but not limited to, recording fees, filing fees, surveyor fees, broker fees, transfer or mortgage taxes, rating agency confirmation fees, application fees, all third party fees, transfer fees, inspection fees, title insurance policy or endorsement premiums or other charges of Title Company and the fees and expenses of legal counsel to any Lender Party and any applicable rating agency and (ii) an assumption fee to Lender in the amount of $138,770.87 being one percent (1%) of the outstanding principal balance of the Note as of the date of the transfer and assumption contemplated by this Agreement, the next regularly scheduled monthly payment due.

(b) Title Endorsement. Borrower shall cause the title company (the "Title Company") that issued the original mortgagee's title policy (the "Policy") to Original Lender to issue a "bring down" or similar endorsement (the "Endorsement") to the Policy, which endorsement shall: (i) reflect the current ownership of the Property; (ii) reflect the Lender as the owner of the Loan Documents; (iii) be effective as of the date of delivery of this Agreement; (iv) continue to insure the Mortgage as a first lien on the Property; (v) show no new title exceptions unacceptable to Lender and (vi) otherwise be in form and content acceptable to Lender, in its sole discretion.

(c) Loan Documents. Assuming Borrower shall authorize and execute and deliver to Lender: (i) an Allonge to the Note, (ii) UCC-1, UCC-3 and/or "in lieu of continuation" financing statements, as may be required by Lender, with Assuming Borrower as debtor and Lender as secured party, covering the property which is covered by the financing statements, for filing as a personal property filing with the Recorder's Office and the Office of the Secretary of State of the State of Delaware and as a fixture filing with the Recorder's Office, and (iii) a Consent and Subordination of Property Management Agreement. Assuming Obligors and Original Obligors shall execute and deliver to Lender a Substitution of Indemnitor and Assumption of Obligations of Indemnitor regarding the Indemnity Agreement and Environmental Indemnity Agreement. Assuming Obligors and Original Obligors shall execute such other agreements, instruments, documents and other writings as may be requested by Lender to maintain the perfection of Lender's security interest in the Property and to consummate the transactions contemplated by or in the Loan Documents and this Agreement.

(d) Recordation. Upon execution hereof by Lender, Original Borrower and Assuming Borrower shall cause this Agreement to be recorded in the Recorder's Office, and Assuming Borrower shall cause a certified file stamped copy of the recorded original hereof and a certified file stamped copy of the recorded Deed conveying the Property to Assuming Borrower to be delivered to Lender within thirty (30) days from the execution date hereof.

(e) Insurance. Assuming Borrower shall deliver to Lender a copy of Assuming Borrower's insurance policies or insurance certificate evidencing that the Property is insured in accordance with the requirements of the Loan Documents and that the Lender is named as an additional insured under such insurance policies, and otherwise satisfactory to Lender in its sole discretion.

(f) Opinions of Counsel. Assuming Borrower shall cause Assuming Borrower's counsel (which counsel shall be approved by Lender) to deliver to Lender a counsel's opinion (including a local counsel's opinion if applicable) satisfactory to Lender in its sole discretion. Original Borrower shall cause

Original Borrower's counsel (which counsel shall be approved by Lender) to deliver to Lender a counsel's opinion (including a local counsel's opinion if applicable) satisfactory to Lender in its sole discretion. Counsel for Lender shall be in a position to issue a REMIC tax opinion satisfactory to Lender in its sole discretion.

(g) Organizational Documents. Assuming Borrower shall cause its organizational documents, the organizational documents of its General Partner and the General Partner of its General Partner to conform to Lender's requirements and said documents shall be otherwise acceptable to Lender in its complete discretion.

(h) Purchase Documents. The Sales Agreement and all documents executed in conjunction with the transfer of the Property from Original Borrower to Assuming Borrower shall be acceptable to Lender in its complete discretion.

(i) Property Manager. Assuming Borrower shall deliver to Lender a new management agreement executed by Assuming Borrower and the property manager for the Property, which agreement and manager shall be acceptable to Lender in its complete discretion. Assuming Borrower shall deliver to Lender a Consent and Subordination of Property Management Agreement which shall be acceptable to Lender in its complete discretion.

(j) Other Conditions. Satisfaction of all requirements under the Loan Documents, the closing checklist for the this transaction, and such other conditions as Lender or its counsel, in their sole discretion, shall impose.

(k) Default.

(1) Breach. Any breach of Assuming Obligors or Original Obligors of any of the representations and warranties contained herein shall constitute a default under the Mortgage and each other Loan Document.

(2) Failure to Comply. Any failure of Assuming Obligors or Original Obligors to fulfill any one of the conditions set forth in this Agreement shall constitute a default under this Agreement and the Loan Documents.

10. No Further Consents. Assuming Obligors and Original Obligors acknowledge and agree that Lender's consent herein contained is expressly limited to the sale, conveyance, assignment and transfer herein described, that such consent shall not waive or render unnecessary Lender's consent or approval of any subsequent sale, conveyance, assignment or transfer of the Property, and that Article VI of the Mortgage shall continue in full force and effect.

11. Additional Representations, Warranties and Covenants of Assuming Obligors. As a condition of this Agreement, Assuming Obligors represent and warrant to Lender as follows:

(a) Assuming Borrower is a limited partnership duly organized and validly existing under the laws of the State of Delaware and is qualified to do business and in good standing in the State of Pennsylvania. Assuming Borrower has full power and authority to enter into and carry out the terms of this Agreement and to assume and carry out the terms of the Loan Documents.

(b) CIF-Loyal Plaza Associates, L.P. is a limited partnership duly organized and validly existing in good standing under the laws of the State of Delaware and is authorized to transact business as a foreign limited partnership in each jurisdiction in which such authorization is necessary for the operation of the business or properties of Original Borrower. CIF-Loyal Plaza Associates, L.P. is, and shall remain, the sole General Partner of Assuming Borrower and has full power and authority to enter into this Agreement as General Partner on behalf of Assuming Borrower, and to execute this Agreement.

(c) CIF-Loyal Plaza Associates, Corp., is a corporation duly organized and validly existing in good standing under the laws of the State of Delaware and is authorized to transact business as a foreign corporation in each jurisdiction in which such authorization is necessary for the operation of the business or properties of Original Borrower. CIF-Loyal Plaza Associates, Corp., is, and shall remain, the sole General Partner of CIF-Loyal Plaza Associates, L.P. and has full power and authority to enter into this Agreement as General Partner on behalf of CIF-Loyal Plaza Associates, L.P. and to execute this Agreement.

(d) Cedar Income Fund, LTD. is a Real Estate Investment Trust duly organized and validly existing under the laws of the State of Maryland and is qualified to do business and in good standing in each jurisdiction in which such qualification is necessary for the operation of its business. Assuming Principal has full power and authority to enter into and carry out the terms of this Agreement and to assume and carry out the terms of the Loan Documents to which it is a party.

(e) Cedar Income Fund Partnership, L.P. is a limited partnership duly organized and validly existing under the laws of the State of Delaware and is qualified to do business and in good standing in each jurisdiction in which such qualification is necessary for the operation of its business. Cedar Income Fund Partnership, L.P. has full power and authority to enter into and carry out the terms of this Agreement and to assume and carry out the terms of the Loan Documents to which it is a party.

(f) This Agreement and the Loan Documents to which Assuming Obligors are a party pursuant to the terms hereof constitute legal, valid and binding obligations of Assuming Obligors, enforceable in accordance with their respective terms. Neither the entry into nor the performance of and compliance with this Agreement or any of the Loan Documents has resulted or will result in any violation of, or a conflict with or a default under, any judgment, decree, order, mortgage, indenture, contract, agreement or lease by which Assuming Obligors or any property of Assuming Obligors are bound or any statute, rule or regulation applicable to Assuming Obligors.

(g) Neither the execution of this Agreement nor the assumption and performance of the obligations hereunder has resulted or will result in any violation of, or a conflict with or a default under, any judgment, decree, order, mortgage, indenture, contract, agreement or lease by which the Assuming Obligors or any property of Assuming Obligors are bound or any statute, rule or regulation applicable to the Assuming Obligors.

(h) There is no action, proceeding or investigation pending or threatened which questions, directly or indirectly, the validity or enforceability of this Agreement or any of the other Loan Documents, or any action taken or to be taken pursuant hereto or thereto, or which might result in any material adverse change in the condition (financial or otherwise) or business of Assuming Obligors.

(i) There has been no legislative action, regulatory change, revocation of license or right to do business, fire, explosion, flood, drought, windstorm, earthquake, accident, other casualty or act of God, labor trouble, riot, civil commotion, condemnation or other action or event which has had any material adverse effect, on the business or condition (financial or otherwise) of Assuming Obligors or any of their properties or assets, whether insured against or not, since Assuming Obligors submitted to Lender their request to assume the Loan.

(j) The financial statements and other data and information supplied by Assuming Obligors in connection with Assuming Obligors' request to assume the Loan or otherwise supplied in contemplation of the assumption of the Loan by Assuming Obligors were in all material respects true and correct on the dates they were supplied, and since their dates no material adverse change in the financial condition of Assuming Obligors has occurred, and there is not any pending or threatened litigation or proceedings which might impair to a material extent the business or financial condition of Assuming Obligors.

(k) Without limiting the generality of the assumption of the Loan Documents by Assuming Obligors, Assuming Obligors hereby specifically remake and reaffirm the representations, warranties and covenants set forth in the Mortgage, the Indemnity Agreement and the Environmental Indemnity Agreement.

(l) No representation or warranty of Assuming Obligors made in this Agreement contains any untrue statement of material fact or omits to state a material fact necessary in order to make such representations and warranties not misleading in light of the circumstances under which they are made.

Any breach of Assuming Obligors of any of the representations and warranties shall constitute an Event of Default under the Mortgage and each other Loan Document.

12. Additional Representations, Warranties and Covenants of Original Obligors. As a condition of this Agreement, Original Obligors represent and warrant to Lender as follows:

(a) Original Borrower is a limited partnership duly organized and validly existing under the laws of the State of Delaware and is qualified to do

business and in good standing in the State of Pennsylvania. Original Borrower has full power and authority to enter into and carry out the terms of this Agreement and to convey the Property and assign the Loan Documents.

(b) Glimcher Loyal Plaza, Inc. a Delaware corporation is a corporation organized and validly existing in good standing under the laws of the State of Delaware and is authorized to transact business as a foreign corporation in each jurisdiction in which such authorization is necessary for the operation of the business or properties of Original Borrower. Glimcher Loyal Plaza, Inc. a Delaware corporation is the sole General Partner of Original Borrower and has full power and authority to enter into this Agreement as General Partner on behalf of Original Borrower, and to execute this Agreement.

(c) Glimcher Loyal Plaza Tenant, L.P. is a limited partnership duly organized and validly existing under the laws of the State of Delaware and is qualified to do business and in good standing in the State of Pennsylvania. Glimcher Loyal Plaza Tenant, L.P. has full power and authority to enter into and carry out the terms of this Agreement.

(d) Glimcher Properties Limited Partnership is a limited partnership duly organized and validly existing under the laws of the State of Delaware and is qualified to do business and in good standing in the State of Pennsylvania. Glimcher Properties Limited Partnership has full power and authority to enter into and carry out the terms of this Agreement.

(e) This Agreement, the Sales Agreement and all other documents executed by Original Obligors in connection therewith, constitute legal, valid and binding obligations of Original Obligors enforceable in accordance with their respective terms. Neither the entry into nor the performance of and compliance with this Agreement, the Sales Agreement and all other documents executed by Original Obligors in connection therewith has resulted or will result in any violation of, or a conflict with or a default under, any judgment, decree, order, mortgage, indenture, contract, agreement or lease by which Original Obligors or any property of Original Obligors are bound or any statute, rule or regulation applicable to Original Obligors.

(f) Original Obligors have not received any written notices from any governmental entity claiming that Original Obligors or the Property is not presently in compliance with any laws, ordinances, rules, and regulations bearing upon the use and operation of the Property, including, without limitation, any notice relating to zoning laws or building code regulations.

(g) The Certified Rent Roll provided to Lender of even date herewith, is a true, complete and accurate summary of all tenant leases ("Tenant Leases" or individually a "Tenant Lease") affecting the Property as of the date of this Agreement. No rent has been prepaid under any Tenant Lease except rent for the current month. To the best of Original Borrower's knowledge after due inquiry, each Tenant Lease has been duly executed and delivered by, and is a binding obligation of, the respective tenant, and each Tenant Lease is in full force and effect. Each Tenant Lease represents the entire agreement between the landlord and the respective tenant and no Tenant Lease has been terminated, renewed, amended, modified or otherwise changed without the prior written consent of Lender as provided in the Loan Documents except as permitted by the Loan Documents. Except for Family Toy, the tenant under each Tenant Lease has taken possession of and is in occupancy of the premises therein described and is open for business. Rent payments have commenced under each Tenant Lease, and all tenant improvements in such premises and other conditions to occupancy and/or rent commencement have been completed by Landlord. All obligations of the landlord under the Tenant Leases have been performed, and no event has occurred and no condition exists that, with the giving of notice or lapse of time or both, would constitute a default by Landlord under any Tenant Lease. Except for K-Mart's rights as debtor in possession, there are no offsets or defenses that any tenant has against the full enforcement of any Tenant Lease by the landlord thereunder. Each Tenant Lease is fully and freely assignable by the landlord without notice to or the consent of the tenant thereunder.

(h) Original Borrower is the current owner of the Property. There are no pending or threatened suits, judgments, arbitration proceeding, administrative claims, executions or other legal or equitable actions or proceedings against Original Obligors or the Property, or any pending or threatened condemnation or annexation proceedings affecting the Property, or any agreements to convey any portion of the Property, or any rights thereto, not disclosed in this Agreement, including, without limitation to any governmental agency.

(i) No representation or warranty of Original Obligors made in this Agreement contains any untrue statement of material fact or omits to state a material fact necessary in order to make such representations and warranties not misleading in light of the circumstances under which they are made.

13. Incorporation of Recitals. Each of the Recitals set forth above in this Agreement are incorporated herein and made a part hereof.

14. Property Remains as Security for Lender. All of the Mortgaged Property as described and defined in the Mortgage shall remain in all respects subject to the lien, charge or encumbrance of the Mortgage, and, except as expressly set forth herein, nothing herein contained and nothing done pursuant hereto shall affect or be construed to release or affect the liability of any party or parties who may now or hereafter be liable under or on account of the Note or the Mortgage, nor shall anything herein contained or done in pursuance hereof affect or be construed to affect any other Security for the Note, if any, held by Lender.

15. No Waiver by Lender. Nothing contained herein shall be deemed a waiver of any of Lender's rights or remedies under any loan agreement, the Note, the Mortgage, any of the other Loan Documents, or under applicable law.

16. References. From and after the date hereof: (a) references in any of the Loan Documents to any of the other Loan Documents will be deemed to be references to such of the Loan Documents as modified by this Agreement; (b) references in the Note, Mortgage and the Loan Documents to Borrower or Mortgagor shall hereafter be deemed to refer to Assuming Borrower; (c) references in the Indemnity Agreement, Environmental Indemnity Agreement and the other Loan Documents to the Guarantor, Indemnitor or Principal shall hereafter be deemed to refer to Assuming Principal; and (d) all references to the term "Loan Documents" in the Mortgage and Assignment of Rents shall hereinafter refer to the Loan Documents referred to herein, this Agreement, and all documents executed in connection with Agreement.

17. Relationship with Loan Documents. To the extent that this Agreement is inconsistent with the Loan Documents, this Agreement will control and the Loan Documents will be deemed to be amended hereby. Except as amended hereby, the Loan Documents shall remain unchanged and in full force and effect.

18. Captions. The headings to the Sections of this Agreement have been inserted for convenience of reference only and shall in no way modify or restrict any provisions hereof or be used to construe any such provisions.

19. Partial Invalidity. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement.

20. Entire Agreement. This Agreement and the documents contemplated to be executed herewith constitutes the entire agreement among the parties hereto with respect to the assumption of the Loan and shall not be amended unless such amendment is in writing and executed by each of the parties. The Agreement supersedes all prior negotiations regarding the subject matter hereof. This Agreement and the Loan Documents may not be amended, revised, waived, discharged, released or terminated orally, but only by a written instrument or instruments executed by the party against which enforcement of the amendment, revision, waiver, discharge, release or termination is asserted. Any alleged amendment, revision, waiver, discharge, release or termination which is not so documented shall not be effective as to any party.

21. Binding Effect. This Agreement and the documents contemplated to be executed in connection herewith shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided, however, that the foregoing provisions of this Section shall not be deemed to be a consent by Lender to any further sale, conveyance, assignment or transfer of the Property by Assuming Borrower.

22. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which will be an original, but all of which, taken together, will constitute one and the same Agreement.

23. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State where the Property is located.

24. Effective Date. This Agreement shall be effective as of the date of its execution by the parties hereto and thereupon is incorporated into the terms of the Loan Documents.

25. Time of Essence. Time is of the essence with respect to all provisions of this Agreement.

26. Cumulative Remedies. All remedies contained in this Agreement are cumulative and Lender shall also have all other remedies provided at law and in equity or in the Mortgage and other Loan Documents. Such remedies may be pursued separately, successively or concurrently at the sole subjective direction of Lender and may be exercised in any order and as often as occasion therefor shall arise.

27. Construction. Each party hereto acknowledges that it has participated in the negotiation of this Agreement and that no provision shall be construed against or interpreted to the disadvantage of any party. Assuming Obligors and Original Obligors have had sufficient time to review this Agreement, have been represented by legal counsel at all times, have entered into this Agreement voluntarily and without fraud, duress, undue influence or coercion of any kind. No representations or warranties have been made by Lender to any party except as set forth in this Agreement.

28. WAIVER OF JURY TRIAL. ORIGINAL OBLIGORS, ASSUMING OBLIGORS AND LENDER, TO THE FULL EXTENT PERMITTED BY LAW, HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY, WITH AND UPON THE ADVICE OF COMPETENT COUNSEL, WAIVE, RELINQUISH AND FOREVER FORGO THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO THE NOTE, THE MORTGAGE, THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the date first aforesaid.

ASSUMING
BORROWER: Loyal Plaza Associates, L.P. a Delaware limited partnership

By: CIF-Loyal Plaza Associates, L.P. a Delaware limited partnership
Its: General Partner

By: CIF-Loyal Plaza Associates, Corp., a Delaware corporation
Its: General Partner

By: /s/ Brenda J. Walker

Name: Brenda J. Walker

Title: Vice President

Executed on the 2nd day of July, 2002

ASSUMING
PRINCIPAL: Cedar Income Fund Partnership, L.P., a Delaware limited partnership

By: Cedar Income Fund, Ltd., a Maryland corporation
Its: General Partner

By: /s/ Brenda J. Walker

Name: Brenda J. Walker

Title: Vice President

Executed on the 2nd day of July, 2002

Cedar Income Fund, Ltd., a Maryland corporation

By: /s/ Brenda J. Walker

Name: Brenda J. Walker

Title: Vice President

Executed on the 2nd day of July, 2002

ORIGINAL BORROWER: Loyal Plaza Venture, L.P. a Delaware limited partnership

By: Glimcher Loyal Plaza, Inc. a Delaware corporation
Its: General Partner

By: /s/ William J. Cornely

Name: William J. Cornely

Title: Executive V. P., COO and CFO

Executed on the ____ day of June, 2002

ORIGINAL PRINCIPAL: Glimcher Properties Limited Partnership, a Delaware limited partnership

By: Glimcher Properties Corporation, a Delaware corporation
Its: General Partner

By: /s/ William J. Cornely

Name: William J. Cornely

Title: Executive V. P., COO and CFO

Executed on the ____ day of June, 2002

Glimcher Loyal Plaza Tenant, L.P., a Delaware limited partnership

By: Glimcher Loyal Plaza Tenant, Inc., a Delaware corporation
Its: General Partner

By: /s/ William J. Cornely

Name: William J. Cornely

Title: Executive V. P., COO and CFO

Executed on the ____ day of June, 2002

LENDER: LASALLE BANK NATIONAL ASSOCIATION
as Trustee for the Registered Holders of
LB-UBS
Commercial Mortgage Trust 2001-C3
Commercial Mortgage Pass-Through
Certificates
Series 2001-C3

By: WACHOVIA BANK, NATIONAL ASSOCIATION
(f/k/a First Union National Bank),
solely in its capacity as Master
Servicer, as authorized under that
certain Pooling and Servicing
Agreement dated as of July 11, 2001

By: /s/ Matthew Liebler

Name: Matthew Liebler

Title: Asst. V. P.

Executed on the ____ day of June, 2002

STATE OF NORTH CAROLINA)
)SS.
COUNTY OF MEKLENBURG)

On this 27th day of June, 2002, before me, the undersigned officer, personally appeared Matthew Leibler, who acknowledged himself/herself to be the Asst. V.P. of Wachovia Bank, National Association, and that he/she as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained on behalf of LaSalle Bank, National Association as Trustee for the Registered holders of LB-UBS Commercial Mortgage Trust 2001-C3, Commercial Mortgage Pass-Through Certificates, Series 2001-C3 by himself/herself as .

IN WITNESS WHEREOF, I hereto set my hand and official seal.

/s/ Judith L. DeBear

Notary Public

My Commission Expires: 5/30/2006

[OFFICIAL SEAL]

[ATTACH APPROPRIATE ACKNOWLEDGEMENTS--SHOULD BE PREPARED BY
COUNSEL FOR ASSUMING AND ORIGINAL OBLIGORS]

[TITLE COMPANY TO ATTACH EXHIBIT A LEGAL
DESCRIPTION OF THE PROPERTY]

ALLONGE TO NOTE

July 2, 2002

A. LASALLE BANK NATIONAL ASSOCIATION, as Trustee for the Registered Holders of LB-UBS Commercial Mortgage Trust 2001-C3, Commercial Mortgage Pass-Through Certificates, Series 2001-C3 ("Lender"), is the owner and holder of that certain Note dated May 31, 2001 (the "Note"), evidencing a loan (the "Loan") in the original principal amount of $14,000,000.00 made by Loyal Plaza Venture, L.P. a Delaware limited partnership ("Original Borrower"), in favor of Lehman Brothers Bank, FSB (the "Original Lender").

B. Pursuant to that certain Open-End Mortgage and Security Agreement of even date with the Note, (the "Mortgage"), Original Borrower and Glimcher Loyal Plaza Tenant, L.P. mortgaged, gave, granted, bargained, sold, aliened, enfeoffed, conveyed, confirmed, pledged, assigned and hypothecated all of its right, title and interest in, to and under the Mortgaged Property (as defined in the Mortgage) for the purpose of securing (a) the Loan, including interest thereon, and all modifications, extensions and renewals thereof, (b) the payment and performance of all Debt (as defined in the Mortgage) by the Original Borrower and all other obligations of Original Borrower under the Note, Mortgage and the other Security Documents (as defined in the Mortgage) and (c) the payment of any money advanced by the Original Lender, or its successors, under the terms of the Note, Mortgage or other Security Documents or otherwise, together with interest thereon.

C. Certain obligations regarding environmental remediation were undertaken by Original Borrower, Glimcher Properties Limited Partnership and Glimcher Loyal Plaza Tenant, L.P. ("Tenant" and, collectively with Glimcher Properties Limited Partnership, the "Holdback Principal") under a Holdback and Indemnity Agreement of even date with the Note (the "Holdback Agreement") and certain obligations of the Original Borrower under the Note, Mortgage and other Security Documents are guaranteed by Original Borrower and Tenant (in such capacity, the "Environmental Principal" and together with the Holdback Principal, the "Original Principal") (the Original Borrower, Tenant and Original Principal are collectively referred to as the "Original Obligors") under an Environmental Indemnity Agreement of even date with the Note (collectively with the Holdback Agreement, the "Indemnity Agreements") (the Note, Mortgage, other Security Documents, Indemnity Agreements and all other documents executed in connection with the Loan are collectively referred to as the "Loan Documents").

D. Original Lender transferred, assigned and conveyed all of its right, title and interest in and to the Note the other Loan Documents to Lender, and Lender is the current holder of Original Lender's interest in the Loan and the Loan Documents, including, without limitation, the Note, Mortgage and Indemnity Agreements.

E. Original Borrower, with the consent of Lender, has transferred the Mortgaged Property (as defined in the Mortgage) to Loyal Plaza Associates, L.P., a Delaware limited partnership ("Assuming Borrower") subject to the Mortgage and other Security Documents and Assuming Borrower has assumed each and every obligation of the Original Borrower. Cedar Income Fund Partnership, L.P. a Delaware limited partnership and Cedar Income Fund, LTD a Maryland Real Estate Investment Trust (individually or collectively, if more than one, the "Assuming Principal", and together with the Assuming Borrower, the "Assuming Obligors") have respectively assumed each and every obligation of the Original Principal under the Indemnity Agreements. In connection therewith, Original Obligors and Assuming Obligors executed and delivered to the Lender the Loan Assumption and Modification Agreement (the "Assumption Agreement") of even date herewith.

FOR VALUE RECEIVED, the Assuming Borrower represents, warrants and agrees, in favor of Lender, its successors and assigns, under the Note made by Original Borrower, to which this Allonge is attached, as follows:

1. Confirmation of Recitals. Each of the foregoing statements is incorporated herein and is made a part hereof.

2. Loan Terms to Remain Same. The terms of the Note, including, without limitation, the rate of interest accrual and the amount of monthly installments due thereunder are unchanged and shall remain in full force and effect, enforceable against Assuming Borrower in accordance therewith. The terms of the Mortgage, Indemnity Agreements and other Loan Documents shall, except as modified herein and by the Assumption Agreement, remain in full force and effect, enforceable against Assuming Obligors in accordance therewith.

3. Confirmation of Balance. The principal balance owing to Lender and pursuant to the Note is $13,877,087.23, as of the date hereof, with interest accruing from and after June 11, 2002.

4. Confirmation of Obligations. Assuming Borrower hereby confirms its obligation to pay, perform and discharge each and every obligation of payment and performance under and pursuant to the Note in accordance with its terms. Assuming Borrower hereby confirms its obligation to pay, perform and discharge each and every obligation of payment and performance under and pursuant to the

Mortgage and Other Loan Documents in accordance with their terms.

5. Estoppel. Assuming Borrower hereby represents and warrants that no defaults, defenses, offsets or claims by the Assuming Obligors exist under or pursuant to the Note, Mortgage and other Loan Documents, and fully, unconditionally and forever waives, relinquishes and discharges any defenses, offsets or claims which may now exist or hereafter accrue by reason of facts or circumstances presently in existence.

6. Miscellaneous. This Allonge shall be interpreted, construed and enforced according to the laws of the State of Pennsylvania, and shall be binding upon and inure to the benefit of the Assuming Borrower and Lender and their respective heirs, personal representatives, legal representatives, successors-in-title and assigns whether by voluntary action of the parties or by operation of law.

This Allonge is to be firmly affixed and attached to the Note as a part thereof.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Allonge to the Note as of the date and year first above written.

ASSUMING
BORROWER: Loyal Plaza Associates, L.P., a Delaware limited partnership

By: CIF-Loyal Plaza Associates, L.P. a Delaware limited partnership
Its: General Partner

By: CIF-Loyal Plaza Associates, Corp., a Delaware corporation
Its: General Partner

By: /s/ Brenda J. Walker

Name: Brenda J. Walker

Title: Vice President

SUBSTITUTION OF INDEMNITOR
AND ASSUMPTION OF OBLIGATIONS OF INDEMNITOR

THIS SUBSTITUTION OF INDEMNITOR AND ASSUMPTION OF OBLIGATIONS OF INDEMNITOR (this "Substitution Agreement") is made and entered into as of July 2, 2002, by and among Cedar Income Fund Partnership, L.P. a Delaware limited partnership, Cedar Income Fund, Ltd. a Maryland corporation (individually or collectively, if more than one, the "Assuming Principal"), Loyal Plaza Associates, L.P. a Delaware limited partnership (the "Assuming Borrower"), Glimcher Properties Limited Partnership ("Glimcher"), Glimcher Loyal Plaza Tenant, L.P. ("Tenant") and Loyal Plaza Venture, L.P. a Delaware limited partnership (the "Original Borrower"), and LASALLE BANK NATIONAL ASSOCIATION, as Trustee for the Registered Holders of LB-UBS Commercial Mortgage Trust 2001-C3, Commercial Mortgage Pass-Through Certificates, Series 2001-C3 (the "Lender").

RECITALS

A. Original Borrower is indebted to the Lender with respect to a loan (the "Loan") in the original principal amount of $14,000,000.00

B. The Loan is evidenced by that certain Promissory Note dated May 31, 2001 (the "Note"), made by the Original Borrower, in the original principal amount of the Loan, payable to the order of Lehman Brothers Bank, FSB (the "Original Lender").

C. The Note is secured by inter alia that certain Open-End Mortgage and Security Agreement dated as the date as the Note (the "Mortgage"), executed by the Original Borrower and Tenant to the Original Lender.

D. The Note and the Mortgage, the Indemnity (as defined below), the Environmental Indemnity (as defined below), together with any other instruments, certificates, assignments, financing statements, opinions, documents and instruments of writing evidencing, guaranteeing, securing or pertaining to the Loan, are sometimes hereinafter collectively referred to as the "Loan Documents."

E. In connection with the execution and delivery of the Loan Documents, Glimcher and Tenant represented to the Original Lender that Glimcher and Tenant are affiliates of the Original Borrower and that Glimcher and Tenant would derive substantial economic benefit from the Original Lender making the Loan to the Original Borrower, and Glimcher and Tenant undertook certain obligations and agreements and assumed certain liabilities as the "Indemnitor", "Guarantor" and/or "Principal" (collectively referred to herein as "Indemnitor") under that certain Holdback and Indemnity Agreement dated as of the same date as the Note (the "Indemnity"), by Glimcher, Tenant (in such capacity, Glimcher and Tenant are herein referred to as the "Holdback Principals") and Original Borrower in favor of the Original Lender, the Original Borrower being jointly and severally liable with the Holdback Principals for the performance of the obligations and agreements of the Indemnitors set forth in the Indemnity.

F. In connection with the execution and delivery of the Loan Documents, Tenant represented to the Original Lender that Tenant is an affiliate of the Original Borrower and that Tenant would derive substantial economic benefit from the Original Lender making the Loan to the Original Borrower, and Tenant undertook certain obligations and agreements and assumed certain liabilities under, pursuant to, and in accordance with the Loan Documents, including, without limitation, those obligations and agreements of the "Principal", "Indemnitor" and/or "Guarantor" (collectively referred to herein as "Principal") set forth in that Environmental Indemnity Agreement dated as of the same date as the Note (the "Environmental Indemnity"), by the Tenant (in such capacity, Tenant is herein referred to as the "Environmental Principal") and the Original Borrower in favor of the Original Lender, the Original Borrower being jointly and severally liable with the Environmental Principal for the performance of the obligations and agreements of the Principals set forth in the Environmental Indemnity.

G. The Holdback Principals and Original Borrower, by executing this Substitution Agreement, hereby acknowledge, ratify and re-affirm each obligation to pay and perform each and all of the obligations, agreements and liabilities of the Indemnitor under, pursuant to, and in accordance with the Indemnity, and the Environmental Principal and Original Borrower, by their execution hereof, hereby acknowledge, ratify and re-affirm their obligation to pay and perform each and all of the obligations, agreements and liabilities of a Principal pursuant to, and in accordance with the Environmental Indemnity, as fully and completely as if they were re-executing and re-delivering each of the Indemnity, the Environmental Indemnity and the other Loan Documents as of the date of this Substitution Agreement.

H. The Original Lender has assigned, sold and transferred all of its right, title and interest in and to the Note, the Mortgage and the other Loan Documents to the Lender and the Lender is the current holder of all of the

Original Lender's interest in the Loan and Loan Documents.

I. Pursuant to that certain purchase and sale agreement (as amended, the "Sales Agreement"), by and between Original Borrower and Cedar Income Fund Partnership, whose right, title and interest in the Sales Agreement was subsequently assigned to Assuming Borrower, the Original Borrower has agreed to sell, and Assuming Borrower has agreed to purchase, that certain real property more particularly described on Exhibit A attached to the Mortgage, together with all other property encumbered by the Mortgage, and the other Loan Documents (collectively, the "Property").

J. The Original Borrower and the Assuming Borrower have requested that the Lender consent to the sale, conveyance, assignment and transfer of the Property by the Original Borrower to the Assuming Borrower, subject to the Mortgage and the other Loan Documents, and subject to the assumption by the Assuming Borrower of the Loan and the obligations of the Original Borrower under the Loan Documents (the "Sale and Assumption"). The Lender has required, among other things, as a condition of its consent to the Sale and Assumption, that the Assuming Principal, effective from and after the date hereof, become obligated and responsible for the performance of each and all of the obligations and agreements of the Holdback Principals and Environmental Principal under the Loan Documents, and that the Assuming Principal, effective from and after the date hereof, become liable and responsible for each and all of the liabilities of the Holdback Principals and Environmental Principal, as fully and completely as if the Assuming Principal had originally executed and delivered the Loan Documents as the Principal or the Indemnitor thereunder, as the case may be, including, without limitation, all of those obligations, agreements and liabilities which would have, but for the provisions of this Substitution Agreement, been the obligations, agreements and liabilities of the Holdback Principals and Environmental Principal, without regard to when such obligations, agreements and liabilities arise or accrue, and without regard to the Principal or the Indemnitor, as the case may be, then responsible or liable therefor. In

addition, the Lender has required, as a condition of its consent to the Sale and Assumption, that the Assuming Borrower, effective from and after the date hereof, become obligated and responsible for the performance of each and all of the obligations and agreements of the Original Borrower, as a Principal under the Environmental Indemnity and an Indemnitor under the Indemnity, and that the Assuming Borrower, effective from and after the date hereof, become liable and responsible for each and all of the liabilities of the Original Borrower thereunder, as fully and completely as if the Assuming Borrower had originally executed and delivered the Environmental Indemnity and Indemnity as the Borrower, the Indemnitor or Principal thereunder, including, without limitation, all of those obligations, agreements and liabilities which would have, but for the provisions of this Substitution Agreement, been the obligations, agreements and liabilities of the Original Borrower, without regard to when such obligations, agreements and liabilities arise or accrue, and without regard to the Borrower, the Indemnitor or Principal then responsible or liable therefor.

K. Holdback Principals and Environmental Principal have requested, in connection with the Assuming Principal becoming obligated and responsible for the performance of each and all of the obligations and agreements of the Principal or the Indemnitor under the Loan and the Loan Documents, and in connection with the Assuming Principal becoming liable and responsible for each and all of the liabilities of the Principal or the Indemnitor thereunder, that the Holdback Principals and Environmental Principal be released, from and after the date of this Substitution Agreement, from the obligations, agreements and liabilities of the Principal or the Indemnitor, as the case may be, under the Loan Documents.

L. The Lender has required, among other things, as a condition of its consent to such requested release of the Holdback Principals and Environmental Principal, that the Assuming Principal be substituted, in each and every respect, for the Holdback Principals and Environmental Principal pursuant to the Loan Documents, in lieu of and in place of the Holdback Principals and Environmental Principal with respect to each and every reference to the Principal or the Indemnitor in the Loan Documents, including, without limitation, in connection with all of those obligations, agreements and liabilities which would have, but for the provisions of this Substitution Agreement, been the obligations, agreements and liabilities of the Holdback Principals and Environmental Principal, without regard to when such obligations, agreements and liabilities arise, accrue, or have arisen or accrued, and without regard to the Principal or the Indemnitor, as the case may be, then responsible or liable therefor.

M. The Lender, the Holdback Principals, the Environmental Principal, the Original Borrower, the Assuming Principal and the Assuming Borrower, by their respective executions hereof, evidence their consent to (i) the assumption, effective from and after the date hereof, by the Assuming Principal of each and all of the obligations, agreements and liabilities of the Principal and the Indemnitor, as the case may be, under the Loan Documents, (ii) the assumption, effective from and after the date hereof, by the Assuming Borrower

of each and all of the obligations, agreements and liabilities of the Borrower and the Principal under the Environmental Indemnity and the Borrower and Indemnitor under the Indemnity, (iii) the release of the Holdback Principals and Environmental Principal and the Original Borrower, from the obligation to perform and be liable for each and all of the obligations, agreements and liabilities of the Principal or the Indemnitor, as the case may be, which accrue or arise from and after the date hereof, under the Loan Documents, including without limitation, the Indemnity and the Environmental Indemnity and (iv) the substitution, in each and every respect, of the Assuming Principal for the Holdback Principals and Environmental Principal under the Loan Documents, and in addition of the Assuming Borrower for the Original Borrower under the Indemnity and the Environmental Indemnity, all of the foregoing being upon the terms and conditions hereinafter set forth.

STATEMENT OF AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Recitals. The foregoing recitals are incorporated herein by this reference as if fully set forth at this point in the text of this Substitution Agreement.

2. Acknowledgment and Agreement of Assuming Principal. Assuming Principal hereby represents and warrants to the Lender that Assuming Principal is an affiliate of the Assuming Borrower and Assuming Principal will derive substantial economic benefit from the Lender's agreement to consent to the Sale and Assumption. The Assuming Principal hereby acknowledges and agrees that the Assuming Principal has executed this Substitution Agreement and agreed to be bound by the covenants and agreements set forth herein in order to induce the Lender to consent to the Sale and Assumption. Accordingly, the Assuming Principal acknowledges that the Lender would not consent to the Sale and Assumption without the execution and delivery by the Assuming Principal of this Substitution Agreement. The Assuming Principal intentionally and unconditionally enters into the covenants and agreements set forth herein and understands that, in reliance upon and in consideration of such covenants and agreements, the Lender has consented to the Sale and Assumption and would not have otherwise done so but for such reliance.

The Lender hereby acknowledges that it has the same rights and obligations under the Indemnity as the Original Lender.

3. Acknowledgment and Agreement of Assuming Borrower. The Assuming Borrower hereby represents and warrants to the Lender that it has executed this Substitution Agreement, and agreed to be bound by the covenants and agreements relating to the Assuming Borrower set forth herein, in order to induce the Lender to consent to the Sale and Assumption. Accordingly, the Assuming Borrower acknowledges that the Lender would not consent to the Sale and Assumption without the execution and delivery by the Assuming Borrower of this Substitution Agreement. The Assuming Borrower intentionally and unconditionally enters into the covenants and agreements relating to the Assuming Borrower set forth herein and understands that, in reliance upon and in consideration of such covenants and agreements, the Lender has consented to the Sale and Assumption and would not have otherwise done so but for such reliance.

4. Joint and Several Liability. With respect to the Indemnity and the Environmental Indemnity, the liability of Assuming Principal shall be joint and several with that of the Assuming Borrower.

5. Transfer Fee and Other Fees. The effectiveness and validity of this Substitution Agreement, and the consent of the Lender to the Sale and Assumption, is expressly conditioned upon the Lender's receipt, in accordance with the provisions of the Loan Documents, of the non-refundable application fee, the transfer fee and any and all other fees, payments or reimbursements payable to the Lender in connection with the transactions set forth herein.

6. Assumption of Obligations, Agreements and Liabilities of the Principal and the Indemnitor. From and after the date of this Substitution Agreement, the Assuming Principal shall be obligated and responsible for the performance of each and all of the obligations and agreements of the Indemnitor and Principal under the Loan and the Loan Documents, including, without limitation, the Indemnity and the Environmental Indemnity, and the Assuming Principal shall be liable and responsible for each and all of the liabilities of the Indemnitor and Principal thereunder, as fully and completely as if the Assuming Principal had originally executed and delivered the Loan Documents as the Indemnitor and Principal thereunder, including, without limitation, all of those obligations, agreements and liabilities which would have, but for the provisions of this Substitution Agreement, been the obligations, agreements and liabilities of the Holdback Principals and Environmental Principal, without regard to when such obligations, agreements and liabilities arise, accrue or

have arisen or accrued, and without regard to the Indemnitor or Principal then responsible or liable therefor at the time of such accrual. From and after the date hereof, the Assuming Principal further agrees to abide by and be bound by all of the terms of the Loan Documents having reference to the Indemnitor and Principal, all as though each of the Loan Documents had been made, executed, and delivered by the Assuming Principal as the Indemnitor and Principal. From and after the date hereof, the Assuming Principal hereby agrees to pay, perform, and discharge each and every obligation of payment and performance of the Indemnitor and Principal under, pursuant to and as set forth in the Loan Documents at the time, in the manner and otherwise in all respects as therein provided.

7. Assumption of Obligations, Agreements and Liabilities of the Borrower, Indemnitor and Principal under the Environmental Indemnity and Indemnity. From and after the date of this Substitution Agreement, the Assuming Borrower shall be obligated and responsible for the performance of each and all of the obligations and agreements of the Original Borrower, Indemnitor and Principal under the Indemnity and the Environmental Indemnity, and the Assuming Borrower shall be liable and responsible for each and all of the liabilities of the Borrower, Indemnitor and Principal thereunder, as fully and completely as if the Assuming Borrower had originally executed and delivered the Indemnity and the Environmental Indemnity as the Borrower, Indemnitor and Principal thereunder, including, without limitation, all of those obligations, agreements and liabilities which would have, but for the provisions of this Substitution Agreement, been the obligations, agreements and liabilities of the Original Borrower, without regard to when such obligations, agreements and liabilities arise, accrue or have arisen or accrued, and without regard to the Borrower, Indemnitor and Principal then responsible or liable therefor at the time of such accrual. From and after the date hereof, the Assuming Borrower further agrees to abide by and be bound by all of the terms of the Indemnity and the Environmental Indemnity having reference to the Borrower, Indemnitor and Principal, all as though the Indemnity and the Environmental Indemnity had been made, executed, and delivered by the Assuming Borrower as the Borrower, Indemnitor or Principal. From and after the date hereof, the Assuming Borrower hereby agrees to pay, perform, and discharge each and every obligation of payment and performance of the Borrower, Indemnitor or Principal under, pursuant to and as set forth in the Indemnity and the Environmental Indemnity at the time, in the manner and otherwise in all respects as therein provided.

8. Substitution of Indemnitor. From and after the date of this Substitution Agreement, the Holdback Principals and Environmental Principal (and in the case of the Indemnity and the Environmental Indemnity, the Original Borrower) shall, with respect only to those matters first arising or accruing after the date of this Substitution Agreement and in connection with which the Holdback Principals, Environmental Principal and the Original Borrower had no involvement, be fully released of their liability as the Indemnitor and Principal under the Loan Documents, including without limitation, the Indemnity and Environmental Indemnity, Assuming Principal and Assuming Borrower) shall be substituted, in each and every respect, for the Holdback Principals, Environmental Principal and the Original Borrower, in lieu of and in place of the Holdback Principals, Environmental Principal and the Original Borrower with respect to each and every reference to the Indemnitor and Principal, in the Loan Documents, including without limitation, the Indemnity and Environmental Indemnity. Notwithstanding the foregoing, the Assuming Principal and the Assuming Borrower acknowledge and agree that the Assuming Borrower shall in addition be responsible and liable for the payment and performance of each and all of the obligations, covenants and agreements of the Indemnitor and Principal pursuant to the Indemnity and the Environmental Indemnity. The Holdback Principals, Environmental Principal and the Original Borrower hereby acknowledge and agree that the release set forth herein shall not be construed to release the Holdback Principals, Environmental Principal or the Original Borrower, as the case may be, from any liability under the Note or any of the other Loan Documents, including, without limitation, the Indemnity and Environmental Indemnity, for any acts or events occurring or obligations arising prior to or upon the date of this Substitution Agreement, whether or not such acts, events or obligations are, as of the date of this Substitution Agreement, known or ascertainable.

9. Notice to Indemnitor. Without amending, modifying or otherwise affecting the provisions of the Loan Documents except as expressly set forth herein, the Lender shall, from and after the date of this Substitution Agreement, deliver any notices to the Indemnitor or Principal which are required to be delivered pursuant to the Loan Documents, or are otherwise delivered by the Lender thereunder at Lender's sole discretion, to the Assuming Principal's address set forth at the foot of this Substitution Agreement.

10. No Waiver by Lender. Except for the express release of the Holdback Principals, Environmental Principal and Original Borrower as set forth in Section 8 herein, nothing contained herein shall be deemed a waiver of any of the Lender's rights or remedies under any loan agreement, the Note, the Mortgage, or any of the other Loan Documents.

11. Relationship with Loan Documents. To the extent that this Substitution Agreement is inconsistent with the Loan Documents, this Substitution Agreement will control and the Loan Documents will be deemed to be amended hereby. Except as amended hereby, the Loan Documents shall remain unchanged and in full force and effect.

12. Captions. The headings to the sections of this Substitution Agreement have been inserted for convenience of reference only and shall in no way modify or restrict any provisions hereof or be used to construe any such provisions.

13. Partial Invalidity. If any provision of this Substitution Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable, and this Substitution Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Substitution Agreement.

14. Entire Agreement. This Substitution Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof (it being hereby acknowledged and agreed that this Substitution Agreement is not intended to address or otherwise relate to the liability or obligations of the Assuming Borrower under any of the Loan Documents, except as expressly set forth herein in connection with, and with regard to, the Environmental Indemnity). This Substitution Agreement shall not be amended unless such amendment is in writing and executed by each of the parties. This Substitution Agreement supersedes all prior negotiations regarding the subject matter hereof.

15. Binding Effect. This Substitution Agreement and the documents contemplated to be executed in connection herewith shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided, however, that the foregoing provisions of this Section shall not be deemed to be a consent by the Lender to any further sale, conveyance, assignment or transfer of the Property by the Assuming Borrower.

16. Multiple Counterparts. This Substitution Agreement may be executed in multiple counterparts, each of which will be an original, but all of which, when taken together, will constitute one and the same Substitution Agreement.

17. Governing Law. This Substitution Agreement shall be governed by and construed in accordance with the laws of the State of Pennsylvania.

18. Effective Date. This Substitution Agreement shall be effective as of the date of its execution by the parties hereto and thereupon is incorporated into the terms of the Loan Documents.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Substitution Agreement under seal to be effective as of the date first aforesaid.

ASSUMING PRINCIPAL:

Cedar Income Fund Partnership, L.P., a Delaware limited Partnership

By: Cedar Income Fund, Ltd., a Maryland corporation
Its: General Partner

By: /s/ Brenda J. Walker

Name: Brenda J. Walker

Its: Vice President

Cedar Income Fund, Ltd., a Maryland corporation

By: /s/ Brenda J. Walker

Name: Brenda J. Walker

Its: Vice President

Address of Assuming Principal:

c/o Brentway Management, LLC
44 South Bayles Avenue, Suite 304

Port Washington, NY 11050

ASSUMING BORROWER:

Loyal Plaza Associates, L.P. a Delaware limited partnership

By: CIF-Loyal Plaza Associates, L.P. a Delaware limited partnership
Its: General Partner

By: CIF-Loyal Plaza Associates, Corp., a Delaware corporation
Its: General Partner

By: /s/ Brenda J. Walker
Name: Brenda J. Walker
Its: Vice President

Address of Assuming Borrower:

c/o Brentway Management, LLC
44 South Bayles Avenue, Suite 304
Port Washington, NY 11050

HOLDBACK PRINCIPALS AND ENVIRONMENTAL PRINCIPAL:

Glimcher Properties Limited Partnership, a Delaware limited partnership

By: Glimcher Properties Corporation, a Delaware corporation
Its: General Partner

By:
Name:
Its:

Glimcher Loyal Plaza Tenant, L.P., a Delaware limited partnership

By: Glimcher Loyal Plaza Tenant, Inc., a Delaware corporation
Its: General Partner

By:
Name:
Its:

ORIGINAL BORROWER:

Loyal Plaza Venture, L.P. a Delaware limited partnership

By: Glimcher Loyal Plaza, Inc. a Delaware corporation
Its: General Partner

By:
Name:
Its:

LENDER:

LASALLE BANK NATIONAL ASSOCIATION, as Trustee for the Registered Holders of LB-UBS Commercial Mortgage Trust 2001-C3, Commercial Mortgage Pass-Through Certificates, Series 2001-C3

By: WACHOVIA BANK, NATIONAL ASSOCIA-TION (f/k/a First Union National Bank), as Master Servicer, as authorized under that certain Pooling and Servicing Agreement dated as of July 11, 2001

By: _____

Name: _____

Title: _____

ASSIGNMENT AND ASSUMPTION OF LEASES

This Assignment and Assumption of Leases (this "Agreement") is dated as of the 2nd day of July, 2002 (the "Effective Date"), but executed on the date shown on the signature page, by and between Loyal Plaza Venture, L.P., having its principal place of business at c/o Glimcher Development Company, 20 South Third Street, Columbus, OH 43215 ("Assignor"), and Loyal Plaza Associates, L.P. ("Purchaser"), a Delaware limited partnership, having offices at c/o Cedar Bay Realty Advisors, Inc., 44 South Bayles Avenue, Port Washington, New York 11050 ("Assignee").

A. Assignor and Assignee have entered into an Agreement to Purchase Real Estate dated January 7, 2002 (the "Purchase Agreement"), pursuant to which Assignor has agreed to convey to Assignee that certain tract of land more particularly described on Exhibit A attached hereto and made a part hereof, together with any and all of the buildings and improvements located thereon and appurtenant thereto and all the tenements, hereditaments, and appurtenances thereto belonging or in any way appertaining (collectively, the "Property").

B. Assignor desires to assign and to transfer to Assignee all of Assignor's right, title, and interest as lessor in, under, and to all of the leases, licenses, and concession agreements affecting the Property, including all amendments, modifications, and addenda thereto, and specifically including the leases of those current tenants on the Property listed on the Exhibit "B" attached hereto and made a part hereof (collectively, the "Leases"), and Assignee desires to accept such assignment, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, for and in consideration of the sum of Ten and no/100 Dollars ($10.00) and other good and valuable consideration to Assignor in hand paid by Assignee, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee, intending to be legally bound, do hereby agree as follows:

Section 1. Effective Date.
This Agreement, and the rights and obligations of Assignor and Assignee hereunder, shall be effective from and after July 2, 2002. ("Effective Date").

Section 2. Assignment of Lessor's Interest In Leases.
Effective on the Effective Date, Assignor hereby grants, bargains, sells, assigns, transfers, remises, releases, and conveys to Assignee all of Assignor's right , title, and interest as lessor in, under, and to all of the Leases, including, but not limited to, all guarantees of such Leases, all unforfeited security and other deposits with respect to such Leases, all of the rights, powers, estate, and privileges of Assignor in, to, and under the Leases and rent to accrue thereunder on and after the Effective Date, and all rights of reversion and all rights and benefits of every description whatsoever belonging to or for the benefit of the lessor in said Leases.

Section 3. Assignor's Representations and Warranties.
Assignor represents and warrants to Assignee:

(a) that Assignor is the owner and holder of the lessor interest in and to the Leases and has the full right, power and authority to assign the same as herein provided; and

(b) that there are no leases, tenancies, occupancies, licenses, concessions, offers to lease, letters of intent or other like commitments affecting the Property, except for the Leases.

Section 4. Assignee's Covenants and Agreements.
Assignee hereby accepts the foregoing assignment and, by its acceptance, Assignee hereby assumes and covenants and agrees to keep and to perform all of the terms, conditions, covenants, agreements, and provisions of the Leases to be kept and performed by the lessor in accordance with the Leases from and after the Effective Date.

Section 5. Indemnification.

(a) By Assignor. Assignor hereby agrees to defend, indemnify and hold harmless Assignee from and against all liability, loss, cost, damage or expense arising out of or resulting from the breach by Assignor of: (i) any of Assignor's representations or warranties contained herein; or (ii) any obligations of Assignor as landlord under the Leases arising prior to the Effective Date.
(b) By Assignee. Assignee hereby agrees to defend, indemnify and hold harmless Assignor from and against all liability, loss, cost, damage or expense arising out of or resulting from any obligations of Assignee as landlord under the Leases arising from and after the Effective Date.

Section 4. Parties in Interest. This Agreement shall be binding upon and inure to the benefit of Assignor and Assignee, and their respective legal representatives, successors, and assigns.

[signatures on following page]

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Assignment and Assumption of Leases on the date first written above, but effective as of the Effective Date.

ASSIGNOR:

LOYAL PLAZA VENTURE, L.P.
a Delaware limited partnership

By: GLIMCHER LOYAL PLAZA, INC.
a Delaware corporation, its general partner

By: /s/ George A. Schmidt

George A. Schmidt
Executive Vice President

Executed on the 2nd day of July, 2002

ASSIGNEE:

LOYAL PLAZA ASSOCIATES, L.P.
a Delaware limited partnership

By: CIF-Loyal Plaza Associates, L.P.,
a Delaware limited partnership, its general partner

By: CIF-Loyal Plaza Corp.
a Delaware limited partnership, its general partner

By: /s/ Brenda J. Walker

Brenda J. Walker
Vice President

Executed on the 2nd day of July, 2002

STATE OF OHIO)
)Ss.
COUNTY OF FRANKLIN)

On this, the _____ day of _____ 2002, before me, a notary public, personally appeared the above named George A. Schmidt, the Executive Vice President of Glimcher Loyal Plaza, Inc., a Delaware corporation, which is the general partner of Loyal Plaza Venture, L.P., a Delaware limited partnership, and acknowledged the foregoing instrument to be the free act and deed of the said corporation on behalf of said entities.

Notary Public

My Commission Expires: _____

STATE OF NEW YORK)
)Ss.
COUNTY OF)

On this, the _____ day of _____, 2002, before me, a notary public, personally appeared the above named Brenda J. Walker, the Vice President of CIF-Loyal Plaza Corp. a Delaware limited partnership, the general partner of CIF-Loyal Plaza Associates, L.P., a Delaware limited partnership, the general partner of Loyal Plaza Associates, L.P., a Delaware limited partnership, and acknowledged the foregoing instrument to be the free act and deed of said

entities.

Notary Public

My Commission Expires: _____

EXHIBIT "A"
Legal Description

EXHIBIT "B"
(leases)

CONSENT AND SUBORDINATION OF
PROPERTY MANAGEMENT AGREEMENT

THIS CONSENT AND SUBORDINATION OF PROPERTY MANAGEMENT AGREEMENT (this "Agreement") is made and entered into on July 2, 2002, by and between Loyal Plaza Associates, L.P. a Delaware limited partnership ("Assuming Borrower"), and Brentway Management, LLC ("Manager") in connection with that certain loan (the "Loan") in the original principal amount of $14,000,000.00 made by Lehman Brothers Bank, FSB (the "Original Lender"), and assigned to LASALLE BANK NATIONAL ASSOCIATION, as Trustee for the Registered Holders of LB-UBS Commercial Mortgage Trust 2001-C3, Commercial Mortgage Pass-Through Certificates, Series 2001-C3 ("Lender"). The Loan was originally made to Loyal Plaza Venture, L.P. a Delaware limited partnership to finance certain real property and improvements located in Lycoming County, Pennsylvania and more particularly described in that certain Open-End Mortgage and Security Agreement, dated May 31, 2001, given by Original Borrower and Glimcher Loyal Plaza Tenant, L.P. to Original Lender and assigned to Lender (the "Mortgage"), (said real property and improvements being hereinafter referred to as the "Premises"). Assuming Borrower and Manager acknowledge and agree that Assuming Borrower has assumed the Loan and all obligations of Original Borrower and Glimcher Loyal Plaza Tenant, L.P. under the Mortgage and other Loan Documents (as defined in the Mortgage) pursuant to a Loan Assumption and Modification Agreement of even date herewith and certain other documents executed in connection therewith.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Manager and Assuming Borrower hereby agree as follows:

1. Assuming Borrower hereby transfers, assigns and sets over to Lender, its successors and assigns, all right, title and interest of Assuming Borrower in and to that certain Property Management Agreement, dated _____, between Manager and Assuming Borrower (as the same may have been amended, modified, extended and assigned heretofore, the "Contract"). Manager hereby acknowledges and consents to the foregoing assignment. The foregoing assignment is being made by Assuming Borrower to Lender as collateral security for obligations under all of the Loan Documents. However, until the occurrence of an Event of Default (as such term is defined in the Mortgage), Assuming Borrower may exercise all rights as owner of the Premises under the Contract. The foregoing assignment shall remain in effect as long as the Loan, or any part thereof, remains unpaid, but shall automatically terminate upon the release of the Mortgage as a lien on the Premises.

2. (a) Lender shall have the right and option at any time after the occurrence of an Event of Default (as defined in the Mortgage) under the Mortgage or any of the other Loan Documents either: (1) to require Manager to continue performance under the Contract on behalf of Lender, whereupon Lender shall have the right to exercise all of the rights and remedies of the owner of the Premises under the Contract; or (2) to terminate the Contract upon thirty (30) days' written notice to Manager, whereupon Manager will cooperate in transferring its responsibility for management of the Property to a management company selected by Lender in Lender's sole and absolute discretion.

(b) If Lender shall exercise its right to require Manager to continue performance under the Contract, manager will perform its obligations under the Contract for the benefit and at the direction of Lender, notwithstanding any counterclaim, right of set-off, claim for additional payment, defense or like right of Manager against Assuming Borrower or Assuming Borrower's default (including non-payment) under, or breach of, the Contract; provided however, that Manager receives the compensation provided for in the Contract, for services performed for Lender after notice from Lender of its exercise of its rights to require performance.

(c) If Lender shall exercise its right to require Manager to perform under the Contract, Lender shall have the right at any time thereafter, upon not less than thirty (30) days' prior notice to Manager, to terminate the Contract, without cause.

(d) On the effective date of termination of the Contract, Manager shall turn over to Lender all books and records relating to the Premises (copies of which may be retained by Manager at Manager's expense), together with such authorizations and letters of direction addressed to tenants, suppliers, employees, banks and other parties as Lender may reasonably require; and Manager shall cooperate with Lender in the transfer of the management responsibilities to Lender or its designee. A final accounting of unpaid fees (if any) due to Manager under the Contract shall be made by Manager or Lender at Manager's expense within sixty (60) days after the effective date of termination, but Lender shall not have any liability or obligation to Manager for unpaid fees or other amounts payable under the Contract which accrue before Lender (or its nominee) acquires title to the Premises or Lender becomes a mortgagee in possession.

(e) Lender shall not be liable for any action or omission of any prior owner of the Premises that is the subject of the Contract, bound by any amendment or modification of the Contract made without Lender's prior written

consent or subject to any counterclaim or claims which Manager might or is entitled to assert against Assuming Borrower.

(f) Any and all monies, rents, deposits, penalties and the like held by Manager pursuant to the terms of the Contract shall be payable to Lender upon demand except to the extent said funds are required by law or contract to be repaid to a tenant.

(g) If Lender succeeds to the interests of Assuming Borrower, or in the event Lender exercises its option to terminate the Contract, notwithstanding any provision of the Contract to the contrary, no termination fee, commission (unpaid or otherwise), construction management fee, administrative fee, charge, penalty or other compensation shall be due and payable by Lender to Manager as a result thereof.

3. In addition to the foregoing, in the event that Lender, in Lender's reasonable discretion, at any time during the term of the assignment of the Contract, determines that the Premises are not being managed in accordance with generally accepted management practices for property similarly situated, Lender shall deliver written notice thereof to Assuming Borrower and Manager, which notice shall specify with particularity the grounds for Lender's determination. If Lender reasonably determines that the conditions specified in Lenders' notice are not remedied to Lender's reasonable satisfaction by Assuming Borrower or Manager within thirty (30) days from receipt of such notice or that Assuming Borrower or Manager have failed to undertake correcting such conditions within such thirty (30) day period, Assuming Borrower shall, upon Lender's written request, terminate the Contract and replace Manager with a management company selected by Assuming Borrower and acceptable to Lender in Lender's sole discretion.

4. Manager hereby certifies to lender that (i) the document attached hereto as Exhibit 1 is a true, correct and complete copy of the Contract, including all modifications and amendments thereto, if any, (ii) the Contract has been executed by the duly authorized officers of Manager and is a valid, binding and enforceable obligation of Manager in full force and effect and (iii) neither party is in default in performing any of its obligations under the Contract, and no event has occurred or condition exists which, with the passage of time or giving of notice, or both, would constitute a default under the Contract.

5. Manager expressly acknowledges that by accepting the assignment of the Contract or by exercising any of its rights by reason thereof, Lender assumes no obligations or liabilities of Assuming Borrower under the Contract and that Lender shall have no obligation to Manager to exercise its rights under, or to declare a default under, the Mortgage or any of the other Loan Documents, but that the right and option to exercise such rights or declare a default rests in the sole and absolute discretion of Lender.

6. Manager acknowledges that it has no interest whatsoever enforceable against Lender in proceeds of the Loan or any right of action under the Mortgage or any of the other Loan Documents to garnish, require or compel payment of proceeds of the Loan to be applied toward payment of Assuming Borrower's liabilities or obligations under the Contract.

7. Manager agrees that the liens of the Mortgage and the other Loan Documents, and Lender's right to payment under the Loan Documents, shall be superior to and have priority over the Contract as well as any claim, security interest or right to payment of Manager arising out of or in any way connected with its services performed under the Contract. In furtherance of the foregoing, Manager hereby fully and completely subordinates to the liens of, and Lender's right to payment under, the Mortgage and the other Loan Documents, the following: (a) its rights under the Contract; (b) any such claim or security interest Manager may now or hereafter have against the Premises and/or the rents, issues, profits and income therefrom; and (c) any right to payment of Manager arising out of or in any way connected with its services performed under the Contract.

8. Manager agrees that it will not terminate the Contract and will not cease to perform its services thereunder for any reason, including, but not limited to, Assuming Borrower's failure to make any payments to Manager or other breach of default, without giving written notice to Lender of such intention to terminate or cease performing its work at least thirty (30) days prior thereto in order to afford Lender the opportunity to cure such breach or default and/or to exercise its rights as described in the Loan Documents and this Agreement.

9. Any notice, demand, statement, request, consent or other communication made hereunder shall be given as follows:

If to Manager:

Brentway Management, LLC
44 South Bayles Avenue, Suite 304
Port Washington, NY 11050

If to Assuming Borrower:

Loyal Plaza Associates, L.P.
c/o Brentway Management, LLC
44 South Bayles Avenue, Suite 304
Port Washington, NY 11050
Attn: Stuart H. Widowski, Esq.

If to Lender:

LASALLE BANK NATIONAL ASSOCIATION as Trustee for the Registered Holders of LB-UBS Commercial Mortgage Trust 2001-C3, Commercial Mortgage Pass-Through Certificates Series 2001-C3 c/o Wachovia Securities Structured Product Servicing 8739 Research Dr., URP4 Charlotte, NC 28288-1075 (28262-1075 for overnight deliveries)

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this Agreement is executed and delivered as of the first date set forth hereinabove.

MANAGER: Brentway Management, LLC

By: /s/ Brenda J. Walker
Name: Brenda J. Walker
Title: President

ASSUMING BORROWER: Loyal Plaza Associates, L.P., a Delaware limited partnership

By: CIF-Loyal Plaza Associates, L.P., a Delaware limited partnership
Its: General Partner

By: CIF-Loyal Plaza, Corp., a Delaware corporation
Its: General Partner

By: /s/ Brenda J. Walker
Name: Brenda J. Walker
Title: Vice President

EXHIBIT 1

CONTRACT

PROPERTY MANAGEMENT AGREEMENT

[Loyal Plaza]

THIS PROPERTY MANAGEMENT AGREEMENT ("Agreement") made as of _____, 2002 by and between LOYAL PLAZA ASSOCIATES, L.P., a Delaware limited partnership ("Owner") and BRENTWAY MANAGEMENT LLC, a New York limited liability company ("Manager").

BACKGROUND

A. Owner is the owner of the land and improvements known as Loyal Plaza, Willamsport, Pennsylvania (the "Property").

B. Owner desires to retain Manager as Owner's exclusive manager and broker for the purposes of leasing and managing the Property on behalf of Owner and Manager is willing to act as Manager for Owner with respect to the Property on the terms and conditions of the Agreement as more fully set forth herein.

NOW THEREFORE, in consideration of the agreements and covenants herein contained, and intending to be legally bound hereby, Owner and Manager agree as follows:

1. Owner hereby employs Manager to manage and lease as the exclusive broker the Property upon the terms and conditions hereinafter set forth for an initial term of one (1) year from the date hereof unless otherwise extended, renewed or terminated as hereinafter set forth.

2. Manager agrees to perform the following:

2.1. Use its best efforts to lease or cause brokers or other agents to lease on behalf of Owner all available space in the Property;

2.2. Diligently to collect rents, additional rents and all other sums due from tenants when due and, where necessary or appropriate, and except as directed otherwise by Owner (in which event Owner shall bear the administrative costs of relieving Manager of such duty or duties), take all such actions as Manager shall deem necessary or advisable to enforce all rights and remedies of Owner under the leases relating to the Property (the "Leases") or to protect the interest of Owner, including, without limitation, the preparation and delivery to tenants under the Leases ("Tenants") of all "late payment", default, and other appropriate notices, requests, bills, demands, and statements. Manager may retain counsel, collection agencies, and such other persons and firms as Manager shall deem appropriate or advisable to enforce, after notification to Owner, by legal action the rights and remedies of Owner against any Tenant default in the performance of its obligations under a Lease. Manager shall promptly notify Owner of the progress of any such legal action;

2.3. To pay from the operating funds of the Property or such other funds as are provided by Owner bills and expenses for the maintenance, repair and operation of the Property, provided, however, that all expenditures in excess of $5,000 in any single transaction or more than $50,000 in the aggregate in any period of twelve (12) consecutive months shall be subject to Owner's approval unless such expenditure is included in the operating budget for the Property that has been approved by Owner, and provided further that Manager shall notify Owner of budget expenditures cumulatively exceeding one hundred ten percent (110%) of the total expenditures shown on any approved annual budget;

2.4. To establish and maintain such books of account, records, and other documentation pertaining to the operation and maintenance of the Property as are customarily maintained by managing Managers of properties similar in location and size to that of the Property. Manager shall prepare or cause to be prepared and file all returns and other reports relating to the Property (other than (a) income tax returns and (b) any reports or returns that may be required of any foreign owner of U.S. real property) as may be required by any governmental authority or otherwise under this Agreement. Manager shall periodically report to Owner on the general operations, occupancy, physical condition, disbursements, delinquencies, uncollectible accounts, and other matters relating to the Property. Manager shall prepare and forward to Owner a written report each month showing the receipts and expenditures for such month, the receipts and expenditures year-to-date and the variations from the agreed upon budget. These statements shall, upon Owner's request, be accompanied by appropriate documentation of all expenditures made by Manager under this Agreement. As soon as practicable after the end of each calendar year and after the expiration or termination of this Agreement, Manager shall use reasonable efforts to prepare and deliver to Owner statements pertaining to the operation and maintenance of the Property during the preceding calendar year. Manager shall prepare and submit to Owner for its approval no later than December 1st of each calendar year (or such later date as the parties agree) a proposed pro forma budget for all costs pertaining to the operation and maintenance of the

Property during the ensuing calendar year. Each such budget shall be substantially in the same form as the approved budget in effect for the prior calendar year, shall set forth expenditures on an annual and a monthly basis, and shall not, except for informational purposes, include estimates for costs and expenses for which Owner will be reimbursed by Tenants under the Leases. Manager shall make such reasonable modifications to each proposed pro forma budget it prepares in accordance with this section until Owner shall have approved this budget in writing, which approval shall not be unreasonably withheld or delayed;

2.5. To account for all advance deposits of Tenants;

2.6. To refund to Tenants from escrow accounts, funds of the Property or funds provided by Owner, as appropriate, pro-rated rents, rebates, allowances, advance deposit refunds, and such other amounts as are legally due Tenants;

2.7. To collect from Tenants all insurance policies, Tenant insurance certificates, or other evidence of insurance required to be carried by Tenants;

2.8. Unless otherwise instructed by Owner, to secure for and on behalf of and at the expense of Owner such insurance, including without limitation, employee dishonesty insurance, fire and extended coverage property insurance, public liability insurance and workers' compensation insurance, as may be deemed by Owner (or any mortgagees) to be necessary or appropriate, in amounts satisfactory to Owner and Manager and naming Owner and Manager as co-insureds and in form and substance satisfactory to Owner, Manager and any mortgagees; provided, however, that if Manager promptly notifies Owner of the insurance so secured on behalf of Owner, and promptly complies with Owner's instructions regarding such insurance, Owner releases and holds Manager harmless of and from any claims, loss, damages and liability of any nature whatsoever based upon or in any way relating to Manager's securing or failure to secure any insurance, or any decision made by Manager with respect to the amount or extent of coverage thereof or the company or companies issuing, brokering or negotiating such insurance;

2.9. To respond to complaints and inquiries by Tenants, prospective tenants and others, and to take such corrective actions as Manager deems appropriate;

2.10. To contract on behalf of and at the expense of Owner for such supplies and services in reasonable quantities and at reasonable prices as may be appropriate with respect to the Property, and to supervise and administer such contracts, including, without limitation, contracts for mechanical maintenance (including preventative maintenance), window and facade maintenance and cleaning, metal maintenance, pest control, trash removal, janitorial and maintenance supplies, building security, public relations, collection and credit reporting, legal and accounting services, computer services, architectural and engineering services, laundry services, and janitorial or cleaning services;

2.11. Intentionally omitted;

2.12. Intentionally omitted;

2.13. To supervise and coordinate the moving in and moving out of Tenants to accomplish efficient and time saving use of personnel and elevators and maintain appropriate public relations with Tenants and prospective tenants;

2.14. Manager shall maintain casualty and liability insurance in the name of the Owner for the Property in amounts reasonably acceptable to Owner;

2.15. To prepare and file or cause to be prepared and filed on behalf of Owner such applications for permits, and/or licenses as may be required for the operation of the Property;

2.16. To prepare and, where appropriate, transmit payroll records, accounting reports, vacancy and occupancy reports, delinquency reports, cash flow reports, and disbursement ledgers. Manager may contract with others, including but not limited to entities or persons affiliated with it, or provide its own personnel for the performance of accounting, bookkeeping and computer services in connection with such preparation and transmittal, all without any additional charge to Owner;

2.17. To institute and prosecute on behalf of Owner such legal actions or proceedings as the Manager deems appropriate; to collect sums due Owner; with Owner's approval, to evict a Tenant, former Tenant or occupant of the Property; to regain possession of the Property or any part thereof; to contest any bill or charge asserted against or with respect to the Property; to

defend any administrative or legal action brought against Manager; to defend any administrative or legal action brought against Owner with respect to the Property or the Property with Owner's approval;

2.18. To maintain such bank or similar accounts on behalf of Owner, and in Owner's name, as are necessary or appropriate in the operation of the Property, including such reserve, investment, security, escrow and other accounts, it being understood that all rents and income from the Property shall be deposited into an account in Owner's name;

2.19. To open and maintain accounts on behalf of Owner with such suppliers and vendors as are necessary or appropriate for the efficient operation of the Property;

2.20. Subject to the approval by the Owner, to join and participate on Owner's behalf in such professional, trade or industry organizations and associations relating to shopping centers as is necessary or appropriate with respect to the operation of the Property;

2.21. To notify Owner of any violations of any laws, orders, rules, or determinations of any governmental authority or agency affecting the Property promptly after such occurrence is known to Manager;

2.22. To notify Owner of any catastrophe or major loss or damage or other material adverse change with respect to the Property, and to similarly notify all appropriate insurance authorities of the same, promptly upon Manager's knowledge thereof;

2.23. To supervise and arrange for all construction work performed on behalf of Owner at, in or about the Property. Manager shall be paid a construction supervision fee in the amount of five percent (5%) of the total construction costs or such greater amount as is negotiated and agreed upon by Manager and Owner;

2.24. Upon request of Owner, to provide or arrange for such engineering, architectural, design or consulting services with respect to construction, rehabilitation or decorating work or proposed construction, rehabilitation or decorating work at the Property, all such services to be paid for by Owner;

2.25. With Owner's approval, to handle on behalf of Owner the submission to appropriate insurance officials of insurance claims and, with the consent of the Owner, the settlement thereof;

2.26. To prepare such reports, data, presentations, market surveys or other material as Owner requests in connection with the sale, refinancing, disposition or master leasing of the Property;

2.27. To institute at Owner's expense, advertising, marketing and public relations campaigns pertaining to the Property;

2.28. To recommend to Owner, where Manager deems it appropriate, programs for the rehabilitation, remodeling, repairs and marketing of the Property; and

2.29. To perform such other services on behalf of Owner with respect to the Property customarily performed by Managers within the Property's geographical area as shall be reasonably requested from time to time by Owner. If Owner and Manager disagree as to which services are customarily performed by Managers as aforesaid, Manager shall not be required to perform such service until resolution of such dispute, and such non-performance shall not be the basis of termination by Owner of this Agreement.

3. Owner expressly withholds from Manager any power or authority to make any structural changes in any building or to make any other major alterations or additions in or to any such building or equipment therein, or to incur any expense chargeable to Owner other than expenses related to exercising the express powers above vested in Manager without the prior written direction of Owner (or any party that Owner shall direct), except such emergency repairs as may be required because of danger to life or property or which are immediately necessary for the preservation and safety of the Property or the safety of the occupants thereof or are required to avoid the suspension of any necessary service to the Property.

3.1. Manager agrees to remit promptly to the account designated by Owner, all receipts received in the prior calendar month with respect to the Property in excess of budgeted operating expenses and reserves.

3.2. Manager's duties under this Agreement are limited as follows:

(i) Manager shall not have any authority to enter into any leases for or on behalf of the Owner, although the Manager shall be authorized to negotiate term sheets for leases of space in the Property and present those term sheets to Owner for Owner's approval. All leases of space in the Property must be signed by the Owner and must be on a lease form approved by the Owner. (ii) Manager shall obtain and present to Owner for approval and execution by Owner contracts for electricity, gas, fuel, water and telephone, maintenance services, trash services, and other services as Manager deems advisable. Manager may enter into contracts on behalf of Owner only after Owner's written approval thereof provided that Owner's approval is not required for a contract for a service in which the cost for such service under such contract does not exceed the cost specified in the Budget. Manager shall not have authority to enter into any contract for any services whose estimated cost would exceed the cost specified therefor in the Budget.

(iii) Manager shall give Owner prompt written notice of any claim which may affect the Property, or of any alleged violations of any applicable law relating to the Property. Manager may not hire any legal counsel to defend any such claim against Owner without Owner's prior written consent.

(iv) To the extent that operating revenues of the Property are available to do so, Manager shall use all reasonable efforts to cause the Property to be operated in accordance with applicable law and all insurance requirements; provided, however, that Manager shall not, without the prior written consent of Owner, make any alterations or repairs, if not included in the then current budget, except for emergency repairs described in paragraph 3.

(v) To the extent that operating revenues of the Property are available to do so, Manager shall enforce all provisions of all contracts and leases to which Owner is a party, except that Manager may not institute any legal action against a vendor or a tenant without the written approval of the Owner.

(vi) Manager shall establish, maintain and supervise at the Manager's office such books and records necessary or desirable in order for Manager to render monthly financial statements to the Owner. Such records shall be kept for a period of not less than three (3) years and, upon termination of this Agreement for any reason, Manager shall turn over all of such books and records to the Owner and be relieved of any obligation to maintain records thereafter. Owner or any partner of Owner shall have the right to inspect such records at any time upon 24 hours notice to the Manager.

(vii) If Manager must engage employees to render the services required by Manager hereunder, all such employees shall be employees of the Manager, and not employees of the Owner.

4. Owner, and not Manager, shall be responsible for providing the necessary funds to maintain and operate the Property as efficiently as possible and in a first class manner in keeping with the standards of operations for similarly situated shopping centers in the area and Manager's obligations hereunder are conditioned upon Owner doing so. Owner shall advance such funds to Manager no later than fifteen (15) days after its receipt from Manager of notice of the necessity for such advance. Owner agrees to provide any anticipated cash deficits fifteen (15) days prior to its occurrence. If Owner fails to provide such funds to Manager, however, Owner shall not be liable in damages or for specific performance and Manager's remedies for breach by Owner of Owner's covenants in this paragraph 4 shall be to terminate this Agreement, in which event the provisions of Section 10 hereof shall be applicable.

5. Except as otherwise provided for herein, Owner shall pay to Manager a property management fee in an amount equal to 3% of the gross receipts of the Property. This fee shall be payable in monthly installments from the operating accounts maintained pursuant to Section 2.18 hereof. Gross receipts of the Property shall include all rents, percentage rents, tenant charges, reimbursements from Tenants for common area maintenance charges, insurance, utilities and real estate taxes and such other amounts as are collected from Tenants, but shall exclude the proceeds from any sale or refinancing of the Property or any portion thereof and the proceeds of any settlements, insurance award (except for rental loss insurance) or condemnation award. This fee does not include commissions for leasing services set forth in paragraph 5.2.

5.1. To the extent that operating revenues of the Property are insufficient to pay the management fee in full when due, and to the extent that Manager agrees in writing in advance to defer receipt by it of any part of the management fee due it, the amount so deferred shall bear interest at the rate of two (2) percentage points in excess of the "prime rate" or "base rate" from time to time announced by Citibank, N.A., New York New York compounded monthly. Nothing herein contained, however, shall be construed to obligate Manager to defer receipt by it of any management fee or other fees whatsoever.

5.2. Manager or its affiliate shall be the leasing agent for the Property. Owner shall pay brokerage commissions as follows:

(a) Subject to the provisions of subsection (e) hereof, with respect to all leases negotiated with new tenants a commission of (a) 4% of gross minimum rent (which, as used in this agreement, excludes common area maintenances, taxes and expense reimbursements payable by a tenant) for leases of less than 5000 rentable square feet and (6) 3% of gross minimum rent for leases of 5000 or more rentable square feet. One half (1/2) of said commission shall be paid when the lease has been signed by the Owner and tenant and the tenant opens for business, and the remainder of the commission shall be paid upon the later of the date tenant opens for business or the date tenant pays its first full monthly rent payment.

(b) With respect to any new lease with an existing tenant, extension of the term of an existing lease (beyond any then existing lease term, plus renewals) with a then existing tenant, or the exercise by a tenant of a renewal option, the commission shall be 2% of the gross minimum rent, but in no event shall the fee be less than $300.00.

(c) No commissions shall be due and payable upon any sale, refinancing or ground lease of the entire Property except as set forth in Section 4.8 of the Limited Partnership Agreement of Owner (such fee may be payable to Manager in lieu of General Partner or another Affiliate (as defined in the Limited Partnership Agreement of Owner)).

(d) In the event that a tenant vacates the Property prior to the expiration of its lease, Manager will, subject to the following conditions in this subsection, reimburse Owner for a pro rata credit for the unearned portion of the commission, provided that Manager negotiated the original lease and received a commission. Manager's obligation to return a pro rata portion of the commission shall be, in the event of a co-broker, only that share of the commission retained by Manager. Said reimbursement to Owner shall be due only as a credit against the next commission earned in re-leasing said vacated space. It shall be the duty of the Manager to renegotiate leases, where possible, with existing tenants in the Property.

(e) Manager shall have an exclusive listing of all rentals in the Property and shall be entitled to a commission in those instances where another real estate broker represents the tenant or is otherwise responsible for causing a lease to be executed, it being the responsibility of the Manager to pay such other broker any commissions due it. In the event that Manager has to pay an outside broker, the commission payable to Manager shall be one and one-half times the commission amounts as stated in 5.2(a) and Manager agrees to pay such outside broker a commission of not less than 50% of Manager's commissions specified in paragraph 5.2(a) (and if Manager negotiate a lesser amount, the amount payable to Manager under this subparagraph 5.2(e) shall be reduced by the amount of such savings).

(f) Notwithstanding anything to the contrary in this paragraph 5, however, no commission shall be payable under any lease for a period covering more than 15 years. For example, if Owner enters into a 20 year lease with a tenant, a commission shall be based only on the initial 15 years; or if the Owner enters into a lease with a tenant providing for one initial 5-year term and three 5-year renewal terms, commissions shall be based solely on the initial 5-year term and two of the 5-year renewal terms. However, if all renewal options in a lease have expired, and the lease is then renewed or a new lease is entered into with the same tenant, the Manager will be entitled to a commission thereon pursuant to paragraph 5.2(b).

6. Owner shall reimburse Manager for reasonable, actual out-of-pocket expenses including telephone and facsimile charges, postage and express mail service and travel and food expenses incurred by Manager in connection with Manager's on site supervision of the Property by Manager's officers and personnel (evidenced by receipts submitted to Owner).

7. The Manager, on behalf of Owner, shall engage Stuart H. Widowski, Esq., or his successor, as legal counsel to provide legal services for Owner and the Property. Such services shall be provided as required and at a rate of $200 per hour unless otherwise agreed to by Owner and Manager.

8. In performing its obligations hereunder, Manager shall comply with all applicable federal, state and local laws and regulations.

9. The initial term of this Agreement shall be for a period of one (1) year from the date hereof and this Agreement shall automatically renew from year to year thereafter unless and until terminated by either party upon ninety (90) days' prior written notice thereof. Notwithstanding the foregoing, Owner shall be entitled to terminate this Agreement (with no additional compensation) at any time upon fifteen (15) days' notice to Manager in the event of the malfeasance or breach of this Agreement by Manager or upon the filing of a bankruptcy petition against or by Manager. This Agreement shall terminate automatically (with no additional compensation) if:

(i) all or substantially all of the Property is condemned or acquired by eminent domain; or

(ii) all or substantially all of the Property is destroyed by fire or other casualty as a result of which all or substantially all of the Tenants are unable to continue the normal conduct of their business in their respective occupied spaces and are permanently released under their respective leases from the payment of all rent thereunder; or

(iii) all of the Property is sold to an unrelated, third-party purchaser.

10. Owner shall pay or reimburse Manager for any monies due it under this Agreement for services prior to termination, notwithstanding termination of this Agreement. All provisions of this Agreement that require Owner to have insured or to defend, reimburse or indemnify Manager shall survive any termination and, if Manager is or becomes involved in any proceeding or litigation by reason of having been Owner's Manager, such provisions shall apply as if this Agreement were still in effect. Owner agrees that Manager may withhold funds for thirty (30) days after the end of the month in which this Agreement is terminated to pay bills previously incurred but not yet invoiced, and to close accounts.

At the expiration or earlier termination of this Agreement, and as a condition to paying any fees due to the Manager, Manager shall deliver to Owner all cash and security deposits, if any, previously collected and not properly expended or otherwise delivered to Owner by Manager for the benefit of Owner; all originals and executed copies of leases and all related lease files; all other books and records in the possession of the Manager relating to the Property; all licenses and permits relating to the Property; and all other software associated with the foregoing. Manager shall cooperate in good faith to achieve the orderly transfer of the management responsibilities for the Property to the new manager designated by Owner.

11. Owner agrees to indemnify, defend, and save the Manager, its officers and employees harmless from and against all claims, disputes, losses, liabilities and suits (including but not limited to all attorneys' fees and litigation expenses and Manager's costs in connection therewith) in any way:

(i) relating to or arising in connection with the Property and/or damage to property and injuries to or death of any employee, invitee or other person whomsoever, and/or Manager's performance of its duties hereunder;

(ii) relating to any proceeding or suit involving an alleged violation by Owner of any law applicable to the Property or operations thereof; and

(iii) relating to obligations assumed by Manager, its officers or employees in connection with any financing or refinancing entered into in connection with the Property.

11.1. The obligations of Owner to indemnify, hold harmless, and reimburse Manager are subject to the following conditions:

(i) Manager shall promptly notify Owner of any matter with respect to which Owner is required to indemnify, hold harmless, or reimburse Manager; and

(ii) Manager shall not take or fail to take any actions, including an admission of liability, which would bar Owner from enforcing any applicable coverage under policies of insurance held by Owner or would prejudice any defense of Owner in any appropriate legal proceedings pertaining to any such matter or otherwise prevent Owner from defending itself with respect to any such matter, provided such action or failure to act resulted from the gross negligence or willful malfeasance of Manager.

Notwithstanding the foregoing, Owner shall not be required to indemnify, hold harmless, or reimburse Manager with respect to any matter (a) to the extent the same resulted from the gross negligence or willful malfeasance of Manager or actions taken by Manager outside of the scope of Manager's authority under this Agreement or any express or implied direction of Owner, (b) which are covered workmen's compensation, disability benefits or other insurance, or (c) to damages or injuries to persons or property caused or occasioned by the operation of a motor vehicle of any description which are covered by automobile liability insurance maintained by Manager as required herein (Manager shall be entitled to indemnification if such damages or injuries are not covered by such automobile liability insurance provided that such damages or injuries are not due to actions by Manager outside of the scope of Manager's authority under this Agreement). Manager agrees to insure itself and its employees, with appropriate

limits of liability, against liability for damages or injuries to persons or property caused or occasioned by the operation of any motor vehicle, and to furnish evidence of such insurance to Owner; provided that Manager is entitled to be reimbursed for the pro rata share of any auto policy apportionable to the Property.

The provisions of this section shall survive the expiration or any termination of this Agreement.

12. Owner and Manager shall each waive any claim for loss or damage against the other and mutually agree to hold each other harmless for loss to the Property to the extent that either party is reimbursed or indemnified by insurance coverage.

13. Manager will promptly notify Owner of any violations of any requirements of any statute, ordinance, law or regulation of any Governmental body or any public authority or official thereof having jurisdiction and shall promptly take all actions necessary to cure such violations and to prevent any civil or criminal liability from being imposed.

14. In the event it is alleged or charged that the Property or any equipment therein or any act or failure to act by the Owner or its Managers with respect to the Property or the sale, rental, or other disposition thereof fails to comply with, or is in violation of, any of the requirements of any provision, statute, ordinance, law, or regulation of any governmental body or any order or ruling of any public authority or official thereof having or claiming to have jurisdiction thereover, and Manager, in its sole and absolute discretion, considers that the action or position of Owner may result in damage or liability to Manager, Manager shall have the right to cancel this Agreement at any time by giving not less than thirty (30) days' prior written notice to Owner of its election so to do, which cancellation shall be effective upon the service of such notice. Such notice may be served personally or by United States certified mail, and if served by mail shall be deemed to have been served when deposited in the United States mail system. Such cancellation shall not release the indemnities of Owner and Manager set forth herein and shall not terminate (i) any liability or obligation of Owner to Manager for any payment, reimbursement, or other sum of money then due and payable to Manager hereunder as of the date of such cancellation, or (ii) any obligation of Manager to remit moneys to Owner or to complete its obligations hereunder to the date of such cancellation. Manager shall cooperate with Owner to ensure a smooth and efficient transition to a new managing Manager, including but not limited to, prompt delivery of files relating to the Property.

15. Manager agrees to indemnify, defend and save Owner harmless from and against all claims, disputes, losses, liabilities and suits (including but not limited to all attorneys' fees and litigation expenses and Owner's costs in connection therewith) in any way resulting from the gross negligence or willful malfeasance of Manager, or its employees:

(i) Relating to or arising in connection with the Property and/or damage to property and injuries to or death of any employee, invitee or other person whomsoever, and/or Manager's performance of its duties hereunder; and

(ii) Relating to any proceeding or suit involving an alleged violation by Manager of any law applicable to the Property or operations thereof.

16. Manager shall furnish Owner with evidence that Manager has in force during the term of this Agreement liability insurance (in amounts not less than $1,000,000 per occurrence and $3,000,000 in the aggregate) and will maintain these limits throughout the term of this Agreement.

17. It is expressly agreed by the parties that:

17.1. The parties have entered into this Agreement without any inducements, representations, statements, warranties or agreements made by either party other than those expressly stated herein.

17.2. This Agreement embodies the entire understanding of the parties with respect to the subject matters stated herein and there are no other understandings or undertakings related to the within subject matters. This Agreement may be modified only by a written agreement signed by the parties hereto.

17.3. The provisions of this Agreement are severable and to the extent that any provision herein is determined by court order, law or rule to be invalid, such invalidity shall in no way affect nor invalidate the other provisions of this Agreement.

17.4. This Agreement shall be governed by and construed in

accordance with the laws of the State of New York.

17.5. With respect to any and all disputes under or relating to this Agreement, the parties consent to the exclusive jurisdiction and venue of the Supreme Court of the State of New York, Nassau County and the United States District Court for the Eastern District of New York and the appellate courts with supervisory powers thereover.

17.6. The parties agree that in any litigation or proceeding commenced by either party against the other, service of process shall be deemed to be effective either by hand delivery thereof or by the mailing thereof via certified mail, postage prepaid, with a proof of mailing receipt validated by the U.S. Postal Service constituting the sufficient evidence of service of process.

17.7. With respect to any notices that are required or permitted to be made pursuant to this Agreement, they shall be in writing and either delivered personally or sent by United States mail addressed as follows:

As to Owner: Loyal Plaza Associates, L.P.
c/o Cedar Bay Realty Advisors, Inc.
44 South Bayles Avenue, Suite 304
Port Washington, New York 11050
Attention: Leo S. Ullman

With a copy to: Kimco Realty Corporation
3333 New Hyde Park Road
New Hyde Park, New York
Attention: Bruce Rubenstein, Esq.

As to Manager: Brentway Management LLC
44 South Bayles Avenue
Suite 304
Port Washington, New York 11050
Attention: Brenda J. Walker

17.8. This Agreement may not be assigned by Manager without the prior written consent of Owner, provided, however, that Owner consents to Manager's designating a subsidiary or affiliate of Manager to act on behalf of Manager as leasing and rental Manager for the Property. This Agreement shall be binding upon and benefit the parties hereto and their respective successors and permitted assigns.

17.9. This Agreement shall not be deemed at any time to be an interest in real estate or a lien of any kind against the Property. The rights of Manager created hereby shall not run with the land. The rights of Manager hereunder shall at all times be subject and subordinate to any mortgage encumbering any or all of the Property and Manager agrees to execute from time to time documents required by a Mortgagee to confirm the foregoing subordination.

17.10. Manager's relationship to Owner is strictly and solely that of an independent contractor. Nothing contained in this Agreement shall be deemed or construed to create a partnership or joint venture between Manager and Owner.

17.11. Neither the Owner nor any present or future member, manager, officer, director, employee, representative or agent of Owner shall have any personal liability of any kind or nature whatsoever arising under this agreement, and the liability of the Owner (and any present or future partner of Owner) for its obligations under this agreement shall be limited solely to Owner's interest in the Property and Manager shall look solely to the Property (and the cash flow therefrom) for the enforcement of Manager's rights hereunder.

17.12. This Agreement may not be amended, altered or modified except by written instruments signed by Owner and Manager and consented to by Owner's Partners.

[Remainder of Page Blank; Signatures Follow]

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties have executed this Property Management Agreement as of the day and year first set forth above.

MANAGER

BRENTWAY MANAGEMENT LLC

By:

Brenda J. Walker
President

OWNER

LOYAL PLAZA ASSOCIATES, L.P.

By: CIF-Loyal Plaza Associates,
L.P., its general partner

By: CIF-Loyal Plaza Associates,
Corp., its general partner

By: /s/ Brenda J. Waker

Name: Brenda J. Waker
Title: Vice President

SPECIAL WARRANTY DEED

This Indenture, dated as of the 2nd day of July, 2002, but executed on the date shown on the signature page,

Between Loyal Plaza Venture, L.P., a Delaware limited partnership (hereinafter called the Grantor), of the first part,

and Loyal Plaza Associates, L.P., a Delaware limited partnership

(hereinafter called the Grantee), of the second part,

Witnesseth that the said Grantor, for and in consideration of the sum of Ten Dollars ($10.00) lawful money of the United States of America, unto it well and truly paid by the said Grantee, at or before the sealing and delivery hereof, the receipt whereof is hereby acknowledged, has granted, bargained and sold, released and confirmed, and by these presents does grant, bargain and sell, release and confirm unto the said Grantee, its successors and assigns,

All that certain real property described in the Exhibit "A" attached hereto and made a part hereof.

Being the same premises which were conveyed to Grantor by that certain Special Warranty Deed dated May 31, 2001, and recorded in Record Book 3817, Page 240, at Lycoming County, Pennsylvania.

Together with all and singular the buildings and improvements, ways, streets, alleys, driveways, passages, waters, water-courses, rights, liberties, privileges, hereditaments and appurtenances, whatsoever unto the hereby granted premises belonging, or in any wise appertaining, and the reversions and remainders, rents, issues, and profits thereof, and all the estate, right, title, interest, property, claim and demand whatsoever of the said Grantor, as well at law as in equity, of, in, and to the same and every part thereof.

To have and to hold the said lot or piece of ground above described, with the buildings and improvements thereon erected, hereditaments and premises hereby granted, or mentioned and intended so to be, with the appurtenances, unto the said Grantee, its successors and assigns, to and for the only proper use and behoof of the said Grantee, its successors and assigns forever.

And the said Grantor, for itself, its successors and assigns does covenant, promise and agree, to and with the said Grantee, its successors and assigns, by these presents, that it, the said Grantor, and its successors and assigns, all and singular the hereditaments and premises hereby granted or mentioned and intended so to be, with the appurtenances, unto the said Grantee, its successors and assigns, against it, the said Grantor, and its successors and assigns, and against all and every person and persons whomsoever lawfully claiming or to claim the same or any part thereof by, from or under him, her, them or any of them, shall and will Warrant and forever Defend.

This Deed may be executed in several counterparts, each of which counterparts shall be deemed an original instrument and all of which together shall constitute a single Deed.

In Witness Whereof, the said Grantor has duly executed this Deed on the date first above written.

LOYAL PLAZA VENTURE, L.P., a Delaware limited partnership

Sealed and Delivered
IN THE PRESENCE OF US:

By: GLIMCHER LOYAL PLAZA, INC., a Delaware corporation,
its general partner

_____
Name:_____
Title:_____

By: /s/ George A. Schmidt

George A. Schmidt
Executive Vice President

Executed on the 26th day of June, 2002

_____
Name:_____

Title:_____

Commonwealth of Pennsylvania
)
: SS.
County of Philadelphia)

On This, the 26th day of June, 2002, before me, the undersigned officer, personally appeared George A. Schmidt, who acknowledged himself to be the Executive Vice President of Glimcher Loyal Plaza, Inc., a Delaware corporation, the general partner of Loyal Plaza Venture, L.P., a Delaware limited partnership, and that he as such officer, being authorized to do so, executed the foregoing Special Warranty Deed for the purposes therein contained, by signing the name of the corporation by him as said officer.

In Witness Whereof, I hereunto set my hand and official seal.

/s/ Barbara B Howison

Notary Public
(Notarial Seal)
Expires 7/02/2002

The address of the above-named Grantee is:

c/o Cedar Bay Realty Advisors
44 South Bayles Avenue
Port Washington, NY 11050

DEED

_____, 2002

RECORD AND RETURN TO:

Stuart H. Widowski, Esq.
Brentway, Management LLC
44 South Bayles Ave, #304
Port Washington, NY 11050

From

Loyal Plaza Venture, L.P.

Grantor

to

Loyal Plaza Associates, L.P.

Grantee

POST CLOSING AGREEMENT

July 2, 2002

LASALLE BANK NATIONAL ASSOCIATION
as Trustee for the Registered Holders
of LB-UBS Commercial Mortgage Trust 2001-C3
Commercial Mortgage Pass-Through Certificates
Series 2001-C3
c/o Wachovia Securities
Structured Products Servicing
8739 Research Drive-URP4
Charlotte, NC 28288-1075

Re: Assumption by Loyal Plaza Associates, L.P. a Delaware limited partnership ("Assuming Borrower") of that certain loan in the original principal amount of $14,000,000.00 (the "Loan") as evidenced by that certain Note (the "Note"), dated May 31, 2001 payable by Loyal Plaza Venture, L.P. a Delaware limited partnership ("Original Borrower"), to Lehman Brothers Bank, FSB ("Original Lender"), as secured by that certain Open-End Mortgage and Security Agreement, of even date with the Note made by Original Borrower and Glimcher Loyal Plaza Tenant, L.P. (the "Mortgage") and the other Security Documents (as defined in the Mortgage), said Loan being currently held and owned by LASALLE BANK NATIONAL ASSOCIATION, as Trustee for the Registered Holders of LB-UBS Commercial Mortgage Trust 2001-C3, Commercial Mortgage Pass-Through Certificates, Series 2001-C3 ("Lender").

Ladies and Gentlemen:

As a material inducement for the Lender to consent to the referenced assumption of the Loan (the "Assumption") on the date hereof pursuant to a Loan Assumption and Modification Agreement (the "Assumption Agreement") and certain other documents referenced therein (together with the Assumption Agreement, the "Assumption Documents"), the Lender has required that this Agreement be executed and delivered to the Lender. In regard to the Loan, the undersigned does hereby certify to and agree with the Lender as follows:

1. Additional Documents. To the extent the Lender, in its reasonable opinion, should at any time during the term of the Loan, require any additional documents to be executed by the Assuming Borrower to further document and evidence the Assumption or the Loan, as set forth in any of the Assumption Documents or Loan Documents (as defined in the Assumption Agreement), the Assuming Borrower shall immediately comply with said request and execute such documents. In regard to said matters, the Assuming Borrower shall pay any reasonable additional attorneys' fees incurred by the Lender in said matters. The failure to do so shall be and constitute a default under the Loan.

2. Specific Post Closing Matters. To the extent applicable, attached hereto as Exhibit "A" is a list of specific requirements which must be met within the time set forth in said Exhibit. If said matters are not met or complied with within said time period(s), the same shall constitute an Event of Default under the Loan. The undersigned acknowledges that the Assumption Documents are being executed at this time and the Assumption closed and funds disbursed in connection therewith without all the Assumption requirements being met and that the execution of the Assumption Documents shall not constitute any admission by the Lender that all the Assumption requirements have been met.

3. Default under this Agreement. The failure of the Assuming Borrower to comply with the provisions of this Agreement at any time shall be and constitute a default under the Loan.

4. Survival of Agreement. This Agreement shall survive the closing of the Assumption.

ASSUMING
BORROWER: Loyal Plaza Associates, L.P. a Delaware limited partnership

By: CIF-Loyal Plaza Associates, L.P. a Delaware limited partnership
Its: General Partner

By: CIF-Loyal Plaza Associates, Corp., a

Delaware corporation
Its: General Partner

By: /s/ Brenda J. Walker
Name: Brenda J. Walker
Title: Vice President

CLT 624794v4

EXHIBIT "A"

SCHEDULE OF POST CLOSING ITEMS

Description of Item:	To Be Accomplished By:
Revision to survey to reflect correct metes and bounds description of Parcel III	July 15, 2002
Certified, filed Amendment to Articles of Incorporation of CIF-Loyal Plaza Associates, Corp. amending only restriction of independent director acting for affiliate of company	

Press Release

CEDAR INCOME FUND, LTD.
44 South Bayles Avenue, #304
Port Washington, New York 11050

Contact: Brenda J. Walker
Vice President
(516) 767-6492

FOR IMMEDIATE RELEASE:
==========

CEDAR INCOME FUND, LTD. - ANNOUNCES COMPLETION OF PURCHASE OF LOYAL PLAZA SHOPPING CENTER, WILLIAMSPORT, PA

Port Washington, New York - July 2, 2001 - Cedar Income Fund, Ltd., (the "Company"), a Nasdaq-listed real estate investment trust, today announced that a newly formed partnership consisting of wholly-owned affiliates of the Company and of Kimco Realty Corp. (NYSE:KIM) had completed the purchase on July 2, 2002 of Loyal Plaza in Williamsport, Pennsylvania, a 293,000 sq. ft. shopping center anchored among others by a 67,000 sq. ft. Giant supermarket; the shopping center is 98% leased.

The purchase price was $18.3 million exclusive of closing costs. The Seller was an affiliate of Glimcher Realty Trust (NYSE:GRT).

The investment by the Company represents the sixth shopping center in eastern Pennsylvania and Southern New Jersey, all but one supermarket-anchored, in which it has acquired a controlling ownership interest since May 2001.

Cedar Income Fund, Ltd. is a real estate investment trust administered by Cedar Bay Realty Advisors, Inc., Port Washington, New York. Shares of Cedar Income Fund Ltd. are traded on the NASDAQ Small Cap Market under the symbol "CEDR".