

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)

March 5, 2004

CEDAR SHOPPING CENTERS, INC.

(Exact name of registrant as specified in charter)

Maryland	0-14510	42-1241468
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(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
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(Former name or former address, if changed since last report)

Item 2. Acquisition or Disposition of Assets

Purchase of Dubois Commons, Dubois, Pennsylvania and Townfair Center, Indiana, Pennsylvania

On March 5, 2004, pursuant to an Agreement of Purchase and Sale dated as of December 24, 2003, Cedar Shopping Centers Partnership, L.P. (the "Operating Partnership"), through a newly created wholly-owned limited liability company, purchased Dubois Commons, an approximate 190,000 sq. ft. of gross leasable area ("GLA") community shopping center located on approximately 23 acres in Dubois, Pennsylvania, for approximately \$17.4 million plus closing costs of approximately \$280,000. Anchor tenants include a 52,600 sq. ft. SuperValu Shop 'n Save supermarket, and a 54,400 sq. ft. Elder Beerman department store. Other tenants include Pier 1 Imports, Fashion Bug, Blockbuster, Dollar Tree and Radio Shack. The property is also anchored by a (non-owned) Lowe's home improvement center of approximately 117,000 sq. ft. The property was completed in 1999 and expanded in 2003.

The Dubois Commons property is presently projected to generate net operating income of approximately \$1,475,000 for the year ending December 31, 2004.

Purchase of the property was funded from the Company's floating rate revolving credit facility which bears interest at the rate of 225 basis points over 30-day LIBOR (London Inter Bank Offered Rate). Fleet National Bank is the lead arranger and administrative agent under this facility.

On March 17, 2004, pursuant an Agreement of Purchase and Sale dated as of December 24, 2003, the Operating Partnership, through two newly created wholly-owned limited liability companies, purchased Townfair Center, an approximate 216,000 sq. ft. of GLA community shopping center located on approximately 20 acres in Indiana, Pennsylvania, for approximately \$16.6 million plus closing costs of approximately \$260,000. Anchor tenants include a 95,000 sq. ft. Lowe's home improvement center, a 50,000 sq, ft, SuperValu Shop 'n Save supermarket and a 17,600 sq. ft. Michael's craft store. Other tenants include CVS pharmacy and Pier 1 Imports. The property was constructed in 1997 and expanded in 2001-2003. The largest portion, consisting of approximately 191,000 sq. ft. of GLA on approximately 15 acres of land, is encumbered by a first

mortgage, as described below. The balance of the center consists of approximately 25,000 sq. ft. of GLA leased to Michael's and Pier 1, plus certain expansion space, on approximately 5 acres of land and is presently unencumbered.

The purchase price for the Townfair Center included assumption of an existing first mortgage loan on the 15 acre parcel in the amount of approximately \$9.99 million. The balance of approximately \$6.87 million was funded from the Company's floating rate revolving credit facility. The first mortgage loan on the Cedar Townfair, LLC land and buildings is due March 1, 2008, and carries interest at 6.96% with a 30-year amortization schedule.

The Townfair Center property is presently projected to generate net operating income of approximately \$1,400,000 for the year ending December 31, 2004. Annualized debt service on the first mortgage is approximately \$851,000.

This filing is made with respect to the two properties in a single filing as each of the properties has been purchased from ownership entities affiliated with Michael Joseph Development Corporation. The transactions were negotiated on an arm's length basis. The Company will continue to use the properties as community shopping centers.

The information contained herein includes summaries, prepared by management, of written agreements with respect to the described transactions. Such summaries are intended to reflect and describe the terms and provisions of various agreements with respect to such transactions and are subject in each case to the terms and provisions of the underlying agreements, where applicable, filed together with this Report.

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) Loan Agreement by and among Cedar Shopping Centers Partnership, L.P., Fleet National Bank, Commerzbank AG New York Branch, PB Capital Corporation, Manufacturers and Traders Trust Company, Sovereign Bank, Raymond James Bank, FSB, Citizens Bank and the other lending institutions which are or may become parties to the Loan Agreement (the "Lenders") and Fleet National Bank (as Administrative Agent), dated January 30, 2004;
- (10.2) Agreement of Purchase and Sale between Dubois Realty Partners, L.P. and Cedar Shopping Centers Partnership, L.P., dated as of December 24 2003;
- (10.3) Guaranty of Cedar Dubois, LLC by and among Cedar Shopping Centers Partnership, L.P. and Fleet National Bank, dated January 30, 2004;
- (10.4) Pledge and Security Agreement of Cedar Dubois, LLC by and between Cedar Shopping Centers Partnership, L.P. and Fleet National Bank, dated as of March 2004;
- (10.5) Open-End Mortgage and Security Agreement of Cedar Dubois, LLC between Fleet National Bank and Cedar Shopping Centers Partnership, L.P., dated as of March 2004;
- (10.6) Collateral Assignment of Leases and Rents of Cedar Dubois, LLC by and among Cedar Shopping Centers Partnership, L.P. and Fleet National Bank, dated as of March 2004;
- (10.7) Environmental Compliance and Indemnity Agreement of Cedar Dubois, LLC by and among Cedar Shopping Centers Partnership, L.P. and Fleet National Bank, dated January 30, 2004;
- (10.8) Limited Liability Company Agreement of Cedar Dubois, LLC by Cedar Shopping Centers Partnership, L.P. as sole member, dated March 2004;
- (10.9) Agreement of Purchase and Sale between Townfair Center Associates and Townfair Center Associates, Phase III (comprised of P.J. Dick Incorporated and Michael Joseph Limited Partnership) and Cedar Shopping Centers Partnership, L.P., dated as of December 24, 2003;
- (10.10) Loan Agreement between Patrician Financial Company Limited Partnership as Lender and Townfair Center Associates as Borrower, dated as of February 13, 1998;
- (10.11) Promissory Note (Townfair Center Phases I & II) from Cedar Shopping Centers Partnership, L.P. to Patrician Financial Company Limited Partnership, Note Date: February 13, 1998;
- (10.12) Open-End Mortgage, Assignment of Leases and Rents and Security Agreement by Townfair Center Associates in favor of Patrician Financial Company Limited Partnership, entered into as of February 13, 1998;
- (10.13) Capital Improvement and Tenant Fitout Escrow Agreement between

- Wells Fargo Bank, N.A. and Cedar Townfair, LLC, made as of March 17, 2004;
- (10.14) Consent and Assumption Agreement with Limited Release by and among Townfair Center Associates and Cedar Townfair, LLC, entered into as of March 17, 2004;
 - (10.15) Assignment and Assumption of Leases and Security Deposits between Townfair Center Associates, Phase III, (comprised of P.J. Dick Incorporated and Michael Joseph Limited Partnership) and Cedar Townfair Phase III, LLC, dated March 2004;
 - (10.16) Assignment and Assumption Agreement from Cedar Shopping Centers Partnership, L.P. to Cedar Townfair Phase III, LLC by and between Townfair Center Associates and Townfair Center Associates, Phase III, dated March 2004;

 - (10.17) Limited Liability Company Agreement of Cedar Townfair, LLC between Cedar Shopping Centers Partnership, L.P. as sole member and Frank Ullman as special member, dated March 2004;
 - (10.18) Limited Liability Company Agreement of Cedar Townfair Phase III, LLC between Cedar Shopping Centers Partnership, L.P. as sole member, dated March 2004;
 - (10.19) Conditional Assignment of Management Agreement by Cedar Townfair, LLC and Wells Fargo Bank, N.A., made as of March 17, 2004;
 - (10.20) Deed between Townfair Center Associates and Cedar Townfair, LLC dated March 16, 2004;
 - (10.21) Deed between Townfair Center Associates, Phase III and Cedar Townfair Phase III, LLC dated March 16, 2004;
 - (10.22) Deed between Dubois Realty Partners and Cedar Dubois, LLC, dated March 5, 2004;
 - (10.23) Assignment and Assumption Agreement of Cedar Shopping Centers Partnership (Assignor), L.P. for Cedar Dubois, LLC ("Assignee") by and between Assignor and Dubois Realty Partners, L.P., dated March 5, 2004;
 - (10.24) Assignment and Assumption of Leases and Security Deposits between Dubois Realty Partners, L.P. and Cedar Dubois, LLC, dated March 5, 2004;
 - (10.25) General Instrument of Transfer and Bill of Sale between Dubois Realty Partners, L.P. and Cedar Dubois, LLC, dated March 5, 2004; and
 - (99.1) Press Release issued by Cedar Shopping Centers, Inc. regarding purchase of Dubois Commons, Dubois, Pennsylvania and Townfair Center, Indiana, Pennsylvania, dated March 17, 2004.

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 SHOPPING CENTERS, INC.

By: /s/ Leo S. Ullman

Leo S. Ullman
Chairman

Dated: March 22, 2004

LOAN AGREEMENT

Dated: As of January 30, 2004

Among

CEDAR SHOPPING CENTERS PARTNERSHIP, L.P. a Delaware limited partnership

("Borrower")

and

FLEET NATIONAL BANK, as Administrative Agent ("Administrative Agent"),

and

FLEET NATIONAL BANK, COMMERZBANK AG NEW YORK BRANCH, PB CAPITAL CORPORATION, MANUFACTURERS AND TRADERS TRUST COMPANY, SOVEREIGN BANK, RAYMOND JAMES BANK, FSB, CITIZENS BANK, and any other Lenders, if any, which may become parties to this Agreement ("Lenders")

FLEET SECURITIES, INC. ("Arranger")

\$100,000,000.00 LOAN

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LOAN AGREEMENT

This agreement ("Loan Agreement" or "Agreement") is made and entered into as of the 30th day of January, 2004, by and between CEDAR SHOPPING CENTERS PARTNERSHIP, L.P., a Delaware limited partnership having an address at 44 South Bayles Avenue, Port Washington, New York 11050 ("Borrower") and FLEET NATIONAL BANK, a national banking association, with a place of business at 100 Federal Street, Boston, Massachusetts, 02110, COMMERZBANK AG NEW YORK BRANCH, with an address at 2 World Financial Center, New York, New York 10281, PB CAPITAL CORPORATION, with an address at 590 Madison Avenue, New York, New York, 10022, MANUFACTURERS AND TRADERS TRUST COMPANY, with an address at One M & T Plaza, Buffalo, New York 14240, SOVEREIGN BANK, with an address at 75 State Street, Boston, Massachusetts 02109 RAYMOND JAMES BANK, FSB, with an address at 710 Carillon Parkway, St. Petersburg, Florida 33716, CITIZENS BANK, with an address at 3025 Chemical Road 194-0245, Suite 245, Plymouth Meeting, Pennsylvania 19462, and the other lending institutions which are or may hereafter become parties to this Agreement pursuant to Section 13.3 (the "Lenders") and FLEET NATIONAL BANK, a national banking association, with a place of business at 100 Federal Street, Boston, Massachusetts, 02110, as agent for itself and such other lending institutions (the "Administrative Agent").

WITNESSETH:

1. BACKGROUND.

1.1 Defined Terms. Capitalized terms used in this Agreement are defined either in Exhibit A, or in specific sections of this Agreement, or in another Loan Document, as referenced in Exhibit A.

1.2 Borrower. Borrower is a limited partnership organized under the laws of the State of Delaware of which the sole general partner is CSC.

1.3 Use of Loan Proceeds. Borrower has applied to Lenders for a revolving loan of not to exceed ONE HUNDRED MILLION DOLLARS (\$100,000,000.00) ("Loan"), the proceeds of which are to be used to (a) repay certain existing indebtedness of the Borrower, (b) provide working capital to the Borrower, CSC, and the Borrower Subsidiaries, (c) to provide funds for acquisitions, development, capital expenditures, and refinancings of real estate properties by the Borrower, CSC, and the Borrower Subsidiaries, (d) to pay certain closing and transactional costs as approved by the Administrative Agent, and (e) for other lawful REIT purposes, including, without limitation, the disbursements on the Closing Date set forth in Schedule 1.3.

1.4 Guaranties. As an inducement to Lenders to make the Loan, CEDAR SHOPPING CENTERS, INC., a Maryland corporation, ("CSC") and each Borrowing Base Property Owner (severally and collectively called "Guarantor" or "Guarantors") have agreed to furnish guaranties to the Administrative Agent, for the ratable benefit of the Lenders. The establishment of the facility provided for herein and the making of the Loan is in the best interest of each of the Guarantors as the proceeds of the Loan are being, or may be, used to satisfy Debt of certain of the Guarantors and to make available funds to the Guarantors for working capital purposes and for acquisitions, development, capital expenditures, and refinancings of real estate properties. The Lenders have advised the Borrower that the Lenders will not establish this facility without the Guaranty from the Guarantors.

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1.5 Loan. Subject to all of the terms, conditions and provisions of this Agreement, and of the agreements and instruments referred to herein, each of the Lenders agrees severally to make a loan to the Borrower up to a maximum aggregate principal amount equal to such Lender's Commitment, and Borrower agrees to accept and repay the Loan in accordance with the terms of this Agreement.

2. LOAN PROVISIONS.

2.1 General Loan Provisions.

2.1.1 Limit.

(i) Subject to all of the terms and conditions hereof, the Lenders hereby agree to lend to Borrower, and Borrower may borrow, reborrow and repay from time to time sums (the "Loan Advances") between the date hereof and the Initial

Maturity Date, provided that (a) the aggregate of (1) outstanding principal balance of the Loan plus (2) the L/C Exposure, shall at no time exceed (b) the least of (1) the Established Loan Amount, (2) the Total Commitment, or (3) the Availability (the least of (1), (2) or (3), the "Maximum Loan Amount").

(ii) The obligations of the Lenders hereunder are several and independent and not joint. Failure of any Lender to fulfill its obligations hereunder shall not result in any other Lender becoming obligated to advance more than its Commitment Percentage of the Loan.

(iii) The Borrower acknowledges and agrees that no Loan Advances shall be made during the Extended Term, if applicable.

2.1.2 Procedures and Limits. Until the Initial Maturity Date, the Lenders shall, subject to compliance with all of the other terms, conditions and provisions of this Agreement and there then occurring no Default or Event of Default, make disbursements to Borrower of Loan Advances in installments in accordance with the following:

(i) Written Requests. Loan Advances shall be made, at Borrower's written request to Administrative Agent, not more frequently than four (4) times a month, on the basis of written requests, made in accordance with the method and procedures described in Section 2.1.3 below; and Administrative Agent shall act upon such requests within three (3) Business Days following the receipt of a written request from Borrower for a Loan Advance, which action may include, without limitation, funding the requested Loan Advance, or specifying the basis for not funding and, when applicable, requesting additional information and supporting documentation. The date on which any Loan Advance is funded (or Letter of Credit is issued) is herein called a "Drawdown Date."

(ii) Requisitions, Certifications. Each request for a Loan Advance shall be in writing and in the form attached hereto as Exhibit B-1, and shall include an updated Availability Certificate in the form of Exhibit B-1 attached hereto. Each such request shall specify (i) the amount of the Loan Advance requested, (ii) the purpose of the Loan Advance requested, (iii) the aggregate outstanding principal balance of the Loan plus L/C Exposure, (iv) the then aggregate remaining amount which may be funded under the Note, and (v) calculations evidencing the Borrower's continued compliance with the Financial Covenants, as satisfied by the Closing Compliance Certificate, or once delivered,

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the most recent Compliance Certificate delivered by the Borrower, except to the extent the contemplated Loan Advance will result in noncompliance with the Financial Covenants. Each request for a Loan Advance hereunder shall be for (a) a minimum amount of \$500,000.00, and (b) an amount not to exceed (x) the Maximum Loan Amount less (y) the aggregate of the then outstanding principal balance of the Loan plus L/C Exposure.

2.1.3 Funding Procedures. The following terms and provisions shall apply to any Loan Advance:

(i) Upon the satisfaction of the conditions set forth in this Section 2.1, to the extent applicable, Administrative Agent on behalf of the Lenders will either (x) deposit into a Depository Account of the Borrower or (y) disburse to, or for the benefit of, the Borrower or any Borrower Subsidiary (as directed by the Borrower) the amount of the Loan Advance requested by Borrower pursuant to this Section 2.1 provided the Administrative Agent has received from the Lenders immediately available funds not later than 1:00 p.m. (Eastern time) on the proposed Drawdown Date (to the extent immediately available funds are received later than 1:00 p.m. (Eastern time), Administrative Agent, on behalf of the Lenders, will make the deposit into the Depository Account on the following Business Day), provided that if Borrower's request for a Loan Advance so specifies, instead of making such deposit, Administrative Agent on behalf of the Lenders shall fund all or a portion of such Loan Advance received by the Administrative Agent from the Lenders directly by wire transfer of immediately available funds to a third party (in accordance with wiring instruction specified in such request),

in which event such funds shall be wired by no later than 2:00 p.m. (Eastern time) on the proposed Drawdown Date.

(ii) Each request for a Loan Advance hereunder shall constitute a representation and warranty by Borrower that the conditions set forth in Section 5.1 hereof, as the case may be, have been satisfied on the date of such request and will be satisfied on the proposed Drawdown Date, unless otherwise disclosed in writing to the Administrative Agent prior to or at the time of such request, including the Borrower's continued compliance with the Financial Covenants, as satisfied by the Closing Compliance Certificate, or once delivered, the most recent Compliance Certificate delivered by the Borrower, except to the extent the contemplated Loan Advance will result in noncompliance with the Financial Covenants. Notwithstanding any such disclosure, the disclosure by Borrower to Administrative Agent that one or more of the conditions set forth in Section 5.1 hereof are not satisfied as of the date of Borrower's request for a Loan Advance or will not be satisfied as of the proposed Drawdown Date shall entitle Administrative Agent to refuse to make the Loan Advance requested by Borrower.

(iii) If any Event of Default shall occur and be continuing, the Administrative Agent may, by notice to Borrower, terminate the obligation of the Lenders to fund Loan Advances in respect of the then unfunded portion of the Note, and, upon such notice being given, such obligation of the Lenders to make any further Loan Advances in respect of the then unfunded portion of the Note shall terminate immediately and the Lenders shall be relieved of all further obligations to make any Loan Advances to Borrower.

2.2 Term of Loan.

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2.2.1 The Loan shall be for a term (the "Initial Term") commencing on the date hereof and ending on January 30, 2007 or such earlier date as the Loan is accelerated pursuant to the terms of this Agreement upon an Event of Default (the "Initial Maturity Date"). The Initial Term may be extended for one year ("Extended Term") until January 30, 2008 ("Extended Maturity Date") upon satisfaction of the conditions set forth in Section 2.2.3 (hereinafter, the Initial Maturity Date and the Extended Maturity Date may be referred to herein sometimes as the "Maturity Date" as may be applicable).

2.2.2 Termination/Reduction.

(i) The Borrower shall have the right to terminate the Loan prior to the originally scheduled Maturity Date by providing the Administrative Agent with ten (10) days' written notice of the Borrower's intention to terminate the Loan (the date of such termination being the "Borrower Termination Date"). In the event that the Borrower provides such written notice to the Administrative Agent, (i) as of the date of the notice, the Lenders shall have no further obligation to make or issue, and the Borrower shall have no further right to receive or request, any Loan Advances or any Letters of Credit hereunder, and (ii) the Borrower shall be obligated on the Borrower Termination Date to (x) pay in full all accrued interest, principal and other charges due with respect to the Loan, including, without limitation, any Breakage Fees due on account of such payment and (y) either (1) provide Administrative Agent with cash collateral equal to the outstanding amount of all outstanding Letters of Credit from a source other than the proceeds of the Loan or (2) return all outstanding Letters of Credit to the Administrative Agent. If such cash collateral is posted, such funds shall be held in an interest bearing account at the Administrative Agent, shall be pledged to secure the Obligations, and shall be refunded on a dollar for dollar basis to the Borrower upon the return to the Administrative Agent, or the expiration, of each Letter of Credit.

(ii) The Borrower shall have the right to reduce the Established Loan Amount to an amount not less than \$75,000,000.00 prior to the originally scheduled Maturity Date by providing the Administrative Agent with ten (10) days' written notice of the Borrower's intention to reduce the Established Loan Amount (the date of such reduction being the "Borrower Reduction Date"). In the event that the Borrower provides such written notice to the Administrative Agent, (i) as of the date of the notice, the Lenders shall have no further obligation to make or issue, and the Borrower shall

have no further right to receive or request, any Loan Advances or any Letters of Credit such that the (1) outstanding principal balance of the Loan plus (2) the L/C Exposure, would exceed such reduced Established Loan Amount, and (ii) the Borrower shall be obligated on the Borrower Reduction Date to (x) pay in full the excess of (1) outstanding principal balance of the Loan plus (2) the L/C Exposure (less any portion of the L/C Exposure which is cash collateralized as set forth in section (y) below), over the reduced Established Loan Amount, including, without limitation, any Breakage Fees due on account of such payment and/or (y) provide Administrative Agent with cash collateral equal to such excess with respect to Letters of Credit from a source other than the proceeds of the Loan. If such cash collateral is posted, such funds shall be held in an interest bearing account at the Administrative Agent, shall be pledged to secure the Obligations, and shall be refunded on a dollar for dollar basis to the Borrower upon the return to the Administrative Agent, or the expiration, of each Letter of Credit. In order to effect such reduced Established Loan Amount, the Administrative Agent shall be entitled to reduce the Lenders'

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Commitments in such fashion as the Administrative Agent deems reasonably appropriate.

2.2.3 Upon satisfaction of each of the following conditions, Borrower may extend the Initial Maturity Date of the Loan until the Extended Maturity Date:

(i) No Default. No Default shall exist on the date of the Borrower's written notice for an extension as provided for below and on the Initial Maturity Date.

(ii) Notice From Borrower. Borrower shall have given Administrative Agent (and the Administrative Agent shall give prompt notice thereof to the Lenders) written notice of Borrower's request to exercise its extension right at least forty five (45) days, but no more than ninety (90) days, before the Initial Maturity Date.

(iii) Covenant Compliance. No breach of any covenants imposed upon Borrower or Guarantor shall exist including, without limitation, the Financial Covenants.

(iv) Conditions Satisfied. All of the conditions set forth in Section 5.1 of this Agreement, to the extent applicable, shall continue to be satisfied.

(v) Extension Fee. The Borrower shall have paid to the Administrative Agent an extension fee (the "Extension Fee") for the pro rata benefit of the Lenders of one-quarter percent (0.25%) of the outstanding principal balance of the Loan, such Extension Fee to be payable at least five (5) days prior to the Initial Maturity Date.

(vi) Appraisals. The Administrative Agent shall have obtained an updated Appraisal on each Borrowing Base Property.

(vii) Additional Documents. Borrower and Guarantor shall have executed and delivered to Administrative Agent such agreements and documents as Administrative Agent may reasonably require incident to the extension.

(viii) Before End of Term. Each of the foregoing conditions are satisfied not later than, and on, the Initial Maturity Date.

Within thirty (30) days following receipt by Administrative Agent and each of the Lenders of Borrower's written notice under clause 2.2.3(ii) above requesting the extension accompanied by those of the items described above which are then available, Administrative Agent shall notify Borrower in writing if all of the conditions precedent to the extension, other than payment of the Extension Fee, have been satisfied, or if further information, certificates or work are required. If Administrative Agent determines that the conditions to extension have been satisfied, other than payment of the Extension Fee, Administrative Agent shall so notify Borrower and the Lenders and upon Administrative Agent's receipt of the Extension Fee not later than five (5) days prior to the Initial Maturity Date, so long as no Default exists, the term of the Loan shall be extended until the Extended Maturity Date.

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2.3 Interest Rate and Payment Terms. The Loan shall be payable as to interest and principal in accordance with the provisions of this Agreement and the Note. This Agreement also provides for interest at a Default Rate, Late Charges and prepayment rights and fees. All payments for the account of Lenders shall be applied to the respective accounts of the Lenders in accordance with each Lender's Commitment Percentage of the Loan. Any and all interest rate selection and conversion provisions in this Agreement are to be administered by the Administrative Agent and to be allocated on a pro rata basis to the portion of the balance due under the Note held by each Lender based upon such Lender's Commitment Percentage.

2.3.1 Borrower's Options. Principal amounts outstanding under the Loan shall bear interest at the following rates, at Borrower's selection, subject to the conditions and limitations provided for in this Agreement: (i) Variable Rate or (ii) Effective LIBO Rate.

2.3.2 Selection To Be Made. Borrower shall select, and thereafter may change the selection of, the applicable interest rate, from the alternatives otherwise provided for in this Agreement, by giving Administrative Agent a Notice of Rate Selection (in accordance with the requirements of Section 2.3.3, below): (i) three (3) Business Days prior to each Loan Advance, (ii) two (2) Business Days prior to the end of each Interest Period applicable to an Effective LIBO Rate Advance which shall be continued as an Effective LIBO Rate Advance, or (iii) two (2) Business Days prior to any Business Day on which Borrower desires to convert an outstanding Variable Rate Advance to an Effective LIBO Rate Advance.

2.3.3 Notice. A "Notice of Rate Selection" shall be a written notice, given by cable, tested telex, telecopier, or by telephone if immediately confirmed by such a written notice, from an Authorized Representative of Borrower which: (i) is received by Administrative Agent not later than 10:00 a.m. (Eastern time): (a) if an Effective LIBO Rate is selected, at least two (2) Business Days prior to the first day of the Interest Period to which such selection is to apply, (b) if a Variable Rate is selected, on the first day of the Interest Period to which such selection is to apply; and (ii) as to each selected interest rate option, sets forth the aggregate principal amount(s) to which such interest rate option(s) shall apply and the Interest Period(s) applicable to each Effective LIBO Rate Advance.

2.3.4 If No Notice. If Borrower fails to select an interest rate option in accordance with the foregoing prior to a Loan Advance, or at least two (2) Business Days prior to the last day of the applicable Interest Period of an outstanding Effective LIBO Rate Advance, or if an Effective LIBO Rate Advance is not available, any new Loan Advance made shall be deemed to be a Variable Rate Advance, and on the last day of the applicable Interest Period all outstanding principal amounts of the applicable Effective LIBO Rate Advance shall be deemed converted to a Variable Rate Advance.

2.3.5 Telephonic Notice. Without any way limiting Borrower's obligation to confirm in writing any telephonic notice, Administrative Agent may act without liability upon the basis of telephonic notice believed by Administrative Agent in good faith to be from Borrower prior to receipt of written confirmation. In each case Borrower hereby waives the right to dispute Administrative Agent's record of the terms of such telephonic Notice of Rate Selection in the absence of manifest error.

2.3.6 Limits On Options, One Selection Per Month. Each Effective LIBO Rate Advance shall be in a minimum amount of \$1,000,000.00. At no time shall there be outstanding a total of more than five (5) Effective LIBO Rate Advances combined at any time.

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2.3.7 Payment and Calculation of Interest. All interest shall be: (a) payable in arrears commencing February 1, 2004 and on the same day of each month thereafter until the principal together with all interest and other charges payable with respect to the Loan shall be fully paid; and (b) calculated on the basis of a 360 day year and the actual number of days elapsed. Each change in the Prime Rate shall simultaneously change the Variable Rate payable under this Agreement. Interest at the Effective LIBO Rate shall be computed from and including the first day of the applicable Interest Period to, but excluding, the last day thereof.

2.3.8 Mandatory Principal Payments.

(i) If, on any day, the aggregate of (a) the outstanding principal balance of the Loan, plus (b) the L/C Exposure, exceeds the Maximum Loan Amount, then the Borrower shall make a principal payment to the Administrative Agent, for the ratable benefit of the Lenders, in the amount of such

excess, including, without limitation, any payment required to comply with the terms of Section 3.4, below, in immediately available funds within ten (10) Business Days of demand from the Administrative Agent; provided, however, if during such ten (10) Business Day period the Borrower delivers to the Administrative Agent satisfactory Funding Evidence, such ten (10) Business Day period shall be extended for such additional time as is determined by the Administrative Agent to be required for Borrower, acting in due diligence, to obtain such funds, not to exceed an additional sixty (60) days.

(ii) In connection with the release of the Lien in favor of the Administrative Agent on behalf of the Lenders on any Borrowing Base Property in accordance with Section 3.3, the Borrower shall prepay the Loan in an amount equal to the Release Price, if any, of the said Borrowing Base Property simultaneously with, or prior to, the release of the said Lien (any payment due under subsections (i) or (ii), a "Mandatory Principal Payment").

(iii) If the Initial Maturity Date is extended to the Extended Maturity Date, in addition to any other payments required under this Section 2.3.8, the Borrower shall make monthly principal payments commencing on February 1, 2007 and on the first Business Day of each month thereafter, based on a twenty five (25) year amortization schedule of the outstanding principal balance of the Loan as of the Initial Maturity Date and an assumed interest rate equal to the Effective LIBO Rate as of the Initial Maturity Date.

(iv) The entire principal balance of the Loan shall be due and payable in full on the Maturity Date.

2.3.9 Prepayment. The Loan or any portion thereof may be prepaid in full or in part at any time upon five (5) days' prior written notice to the Administrative Agent without premium or penalty with respect to Variable Rate Advances and, with respect to Effective LIBO Rate Advances subject to the Breakage Fee. Any Mandatory Principal Prepayment and any other partial prepayment of principal shall first be applied to the principal due in the reverse order of maturity, and no such partial prepayment shall relieve Borrower of the obligation to pay each installment of principal when due. Any amounts prepaid may be reborrowed subject to the terms hereof.

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2.3.10 Maturity. At Maturity all accrued interest, principal and other charges due with respect to the Loan shall be due and payable in full and the principal balance and such other charges, but not unpaid interest, shall, at the option of the Administrative Agent, continue to bear interest thereafter at the Default Rate until so paid.

2.3.11 Method of Payment; Date of Credit. All payments of interest, principal and fees shall be made in lawful money of the United States in immediately available funds, without counterclaim or setoff and free and clear of, and without any deduction or withholding for, any taxes or other payments: (a) by direct charge to an account of Borrower maintained with Administrative Agent, or (b) by wire transfer to Administrative Agent or (c) to such other bank or address as the holder of the Loan may designate in a written notice to Borrower. Payments shall be credited on the Business Day on which immediately available funds are received prior to 1:00 p.m. (Eastern time); payments received after 1:00 p.m. (Eastern time) shall be credited to the Loan on the next Business Day. Payments which are by check, which Administrative Agent may at its option accept or reject, or which are not in the form of immediately available funds shall not be credited to the Loan until such funds become immediately available to Administrative Agent, and, with respect to payments by check, such credit shall be provisional until the item is finally paid by the payor bank.

2.3.12 Billings. Administrative Agent may submit monthly billings reflecting payments due; however, any changes in the interest rate which occur between the date of billing and the due date may be reflected in the billing for a subsequent month. Neither the failure of Administrative Agent to submit a billing nor any error in any such billing shall excuse Borrower from the obligation to make full payment of all Borrower's payment obligations when due.

2.3.13 Default Rate. Administrative Agent shall have the option of imposing, and shall impose upon the direction of the Required Lenders, and Borrower shall pay upon billing therefor, an interest rate which is four percent (4.0%) per annum above the Effective LIBO Rate or Variable Rate then in effect with respect to Loan Advances (as the case may be) ("Default Rate"): (a) following any Event of Default, unless

and until the Event of Default is waived by Administrative Agent; and (b) after Maturity. Borrower's right to select pricing options shall cease upon the occurrence of any Event of Default unless and until the Event of Default is waived by Administrative Agent.

2.3.14 Late Charges. Borrower shall pay a late charge (herein, the "Late Charge") equal to five percent (5%) of the amount of any interest or scheduled payment of principal (other than the final principal payment due upon the Maturity Date), which is not paid within ten (10) days of the due date thereof. Late charges are: (a) payable in addition to, and not in limitation of, the Default Rate, (b) intended to compensate Administrative Agent and the Lenders for administrative and processing costs incident to late payments, (c) are not interest, and (d) shall not be subject to refund or rebate or credited against any other amount due.

2.3.15 Breakage Fees. Borrower shall pay to Administrative Agent, for the ratable benefit of the Lenders, immediately upon request and notwithstanding contrary provisions contained in any of the Loan Documents, such amounts as shall, in the conclusive judgment of Administrative Agent (in the absence of manifest error), compensate Administrative Agent and the Lenders for the loss, cost or expense which it may reasonably incur as a result of (i) any payment or prepayment, under any circumstances whatsoever, whether voluntary or involuntary, of all or any portion of an Effective LIBO Rate Advance on a date other than the last day of the applicable Interest

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Period of an Effective LIBO Rate Advance, (ii) the conversion, for any reason whatsoever, whether voluntary or involuntary, of any Effective LIBO Rate Advance to a Variable Rate Advance on a date other than the last day of the applicable Interest Period, (iii) the failure of all or a portion of a Loan which was to have borne interest at the Effective LIBO Rate pursuant to the request of Borrower to be made under the Loan Agreement (except as a result of any act or omission of Lender), or (iv) the failure of Borrower to borrow in accordance with any request submitted by it for an Effective LIBO Rate Advance. Such amounts payable by Borrower shall be equal to any administrative costs actually incurred plus any amounts required to compensate for any loss, cost or expense incurred by reason of the liquidation or redeployment of deposits or other funds acquired by Administrative Agent or any Lender to fund or maintain an Effective LIBO Rate Advance (herein, collectively, the "Breakage Fee").

2.4 Loan Fees; Administrative Agent's Fees.

2.4.1 Loan Fees. Borrower shall pay Administrative Agent for its own account the various fees in accordance with the Fee Letter between the Borrower and the Administrative Agent.

2.4.2 Line Fee. Borrower agrees to pay an unused line fee (the "Line Fee") to Administrative Agent for the pro rata benefit of the Lenders calculated at the rate of the Line Percentage multiplied by the average daily amount during each quarter or portion thereof from the date hereof to the Maturity Date by which the Total Commitments exceeds the aggregate of (i) the outstanding principal balance of the Loan and (ii) the L/C Exposure. The Line Fee shall be payable to the Administrative Agent quarterly in arrears on the first day of each calendar quarter for the immediately preceding calendar quarter or portion thereof, with a final payment on the Maturity Date and the first and last payments to be prorated based upon the partial calendar quarters to which they apply.

2.4.3 Issuance Fees. Upon the issuance of a Letter of Credit, Borrower shall pay to the Administrative Agent for its own account an issuance fee in the amount of one-eighth of one percent (0.125%) of the face amount of each Letter of Credit.

2.4.4 Letter of Credit Fees. Borrower agrees to pay a per annum Letter of Credit fee to Administrative Agent for the pro rata benefit of the Lenders equal to the Applicable Margin for LIBO Rate Advances multiplied by the face amount of each Letter of Credit, payable quarterly in arrears on the first day of each calendar quarter for the immediately preceding calendar quarter or portion thereof, with a final payment on the Maturity Date. The first and last payments of such Letter of Credit fee are to be prorated based upon the partial calendar quarters to which they apply.

2.5 Acceleration. The Administrative Agent may, and upon the request of the Required Lenders shall, accelerate the Loan, upon the occurrence an Event of Default which remains continuing. Upon such an acceleration, all principal, accrued interest, Breakage Fee, any other fees, and costs and expenses shall be due and payable together with interest on such principal at the Default Rate

from the date of the Event of Default until paid.

2.6 Additional Provisions Related to Interest Rate Selection.

2.6.1 Increased Costs. If, due to any one or more of: (i) the introduction of any applicable law or regulation or any change (other than any change by way of imposition or increase of reserve requirements already referred to in the definition of Effective LIBO Rate) in the interpretation or application by any authority charged with

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the interpretation or application thereof of any law or regulation; or (ii) the compliance with any guideline or request from any governmental central bank or other governmental authority (whether or not having the force of law) (an event described in the preceding clause (i) or (ii) an "Increased Cost Event"), there shall be an increase in the cost to any Lender of agreeing to make or making, funding or maintaining Effective LIBO Rate Advances, including without limitation changes which affect or would affect the amount of capital or reserves required or expected to be maintained by any such Lender, with respect to all or any portion of the Loan, or any corporation controlling any Lender, on account thereof, then Borrower from time to time shall, within twenty (20) days after written demand by Administrative Agent, pay to such Lender the incremental increase in Lender's cost due to the Increased Cost Event. A certificate as to the amount of the increased cost and the reason therefor submitted to Borrower by Administrative Agent, in the absence of manifest error, shall be conclusive and binding for all purposes.

2.6.2 Illegality. Notwithstanding any other provision of this Agreement, if the introduction of or change in or in the interpretation of any law, treaty, statute, regulation or interpretation thereof shall make it unlawful, or any central bank or government authority shall assert by directive, guideline or otherwise, that it is unlawful, for any Lender to make or maintain Effective LIBO Rate Advances or to continue to fund or maintain Effective LIBO Rate Advances, and such Lender, without cost or expense, cannot hold or administer its Commitment from an office where maintaining and funding Effective LIBO Rate Advances can be accomplished, then, on written notice thereof and demand by Administrative Agent to Borrower, (a) the obligation of Administrative Agent to make Effective LIBO Rate Advances and to convert or continue any Loan as Effective LIBO Rate Advances shall terminate and (b) at the end of the applicable Interest Period, Borrower shall convert all principal outstanding under this Agreement into Variable Rate Advances.

2.6.3 Additional LIBO Rate Conditions. The selection by Borrower of an Effective LIBO Rate and the maintenance of the Effective LIBO Rate Advance at such rate shall be subject to the following additional terms and conditions:

A. Availability. If, before or after Borrower has selected to take or maintain an Effective LIBO Rate Advance, but before the Interest Period with respect thereto commences, the Administrative Agent notifies Borrower that:

(a) Dollar deposits in the amount and for the maturity requested are not available to Lenders in the London interbank market at the rate specified in the definition of LIBO Rate set forth above, or

(b) reasonable means do not exist for Administrative Agent to determine the Effective LIBO Rate for the amounts and maturity requested,

then the principal which would have been an Effective LIBO Rate Advance shall be a Variable Rate Advance.

B. Payments Net of Taxes. All payments and prepayments of principal and interest under this Agreement shall be made net of any taxes (excluding taxes imposed on or measured by the overall net income of any Lender or any agent of any Lender and all franchise or gross receipts tax of any Lender or any agent of any Lender) and costs resulting from having principal outstanding at or computed with reference, to an Effective LIBO Rate. Without limiting the

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generality of the preceding obligation, illustrations of such taxes and costs as to which payments are to be made net of are taxes, or the withholding of amounts for taxes, of any nature whatsoever including income, excise, interest equalization taxes (other than United States or state income taxes) as well

as all levies, imposts, duties or fees whether now in existence or as the result of a change in or promulgation of any treaty, statute, regulation, or interpretation thereof or any directive guideline or otherwise by a central bank or fiscal authority (whether or not having the force of law) or a change in the basis of, or the time of payment of, such taxes and other amounts resulting therefrom. Each Lender organized under the laws of a jurisdiction outside of the United States (a "Foreign Lender") shall provide to the Borrower and the Administrative Agent two properly completed and executed Internal Revenue Service Forms W-8BEN or other applicable forms, certificates or documents prescribed by the Internal Revenue Service of the United States certifying as to such Foreign Lender's entitlement to complete exemption from United States withholding tax under an applicable statute or tax treaty with respect to payments to be made to such Foreign Lender hereunder ("Certificates of Exemption"). Each Foreign Lender shall provide such Certificates of Exemption on or before the Closing Date, and shall provide Certificates of Exemption on or before the first business day of each taxable year of such Foreign Lender thereafter. Each Foreign Lender that becomes a Lender pursuant to Section 13.3 after the Closing Date shall provide Certificates of Exemption on or before the date such Foreign Lender becomes a Lender and on or before the first business day of each taxable year of such Foreign Lender thereafter. If a Foreign Lender does not provide a Certificate of Exemption to Borrower and the Administrative Agent within the time periods set forth in the preceding sentence, Borrower shall withhold taxes from payments to such Foreign Lender at the applicable statutory rates and Borrower shall be permitted to deduct the amount withheld from the amount it otherwise would have been required to pay, provided that all such withholding shall cease upon delivery by such Foreign Lender of a Certificate of Exemption to Borrower and Administrative Agent. Each Lender that is not a Foreign Lender and is not exempt from backup withholding under the Code with respect to payments made under this Agreement shall provide a properly completed and executed IRS Form W-9 to the Borrower promptly after becoming a Lender under this Agreement. If a Lender fails to comply with its obligations under the preceding sentence and Borrower pays backup withholding as a result of such failure, Borrower shall be permitted to deduct the amount withheld from the amount it otherwise would have been required to pay to the Lender.

2.6.4 Variable Rate Advances. Each Variable Rate Advance shall continue as a Variable Rate Advance until Maturity of the Loan, unless sooner converted, in whole or in part, to an Effective LIBO Rate Advance, subject to the limitations and conditions set forth in this Agreement.

2.7 Letters of Credit.

2.7.1 Borrower has requested the Administrative Agent, and Administrative Agent has agreed, until the Maturity Date and subject to compliance with all of the other terms, conditions and provisions of this Agreement and there then occurring no Default or Event of Default, to issue on behalf of the Lenders one or more letters of credit (individually, a "Letter of Credit" and collectively, "Letters of Credit") for the Borrower as the account party in an aggregate amount not to exceed the lesser of (1) the difference

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between (x) the Maximum Loan Amount and (y) the then outstanding principal amount of the Loan plus the L/C Exposure or (2) Five Million Dollars (\$5,000,000.00). The Borrower shall give the Administrative Agent written notice (each a "Notice of Letter of Credit") that it requires the issuance of a Letter of Credit not later than 11:00 a.m. (Eastern time) on the fourth (4th) Business Day preceding the requested date for issuance thereof under this Agreement (or such later date as the Administrative Agent may in its sole discretion agree to). Such notice shall specify (i) the aggregate amount of the requested Letters of Credit, (ii) the individual amount of each requested Letter of Credit and the number of Letters of Credit to be issued, (iii) the date of such issuance (which shall be a Business Day), (iv) the name and address of the beneficiary and if other than the Borrower, the name and address of the Borrower Subsidiary for whose account the Letter of Credit will be issued, (v) the expiration date of the Letter of Credit, (vi) the purpose and circumstances for which such Letter of Credit is being issued, (vii) the terms upon which each such Letter of Credit may be drawn down (which terms shall not leave any discretion to Administrative Agent), (viii) that no Default or Event of Default has occurred and is continuing both before and after giving effect to such

issuance, (ix) that the Borrower and all Loan Parties are in compliance in all material respects with all covenants set forth herein after giving effect to such issuance, with compliance with the Financial Covenants being satisfied by the Closing Compliance Certificate, or once delivered, the most recent Compliance Certificate delivered by the Borrower, except to the extent the issuance of the contemplated Letter of Credit will result in noncompliance with the Financial Covenants, (x) that all representations and warranties made under the Loan Documents (other than representations and warranties which speak as of a specific date or as to which the Administrative Agent has previously been advised in writing by the Borrower are no longer true and correct) are true, correct and complete in all material respects as if made as of the date of such issuance, and (xii) the L/C Exposure. No later than 10:00 a.m. (Eastern time), on the date that is four (4) Business Days prior to the date of issuance, the Borrower shall specify a precise description of the documents and the verbatim text of any certificate to be presented by the beneficiary of such Letter of Credit, which if presented by such beneficiary prior to the expiration date of the Letter of Credit would require the Administrative Agent to make a payment under the Letter of Credit; provided, that Administrative Agent may, in its reasonable judgment, require changes in any such documents and certificates only in conformity with changes in customary and commercially reasonable practice or law. In determining whether to pay on such Letter of Credit, the Administrative Agent shall be responsible only to determine that the documents and certificates required to be delivered under the Letter of Credit have been delivered and that they comply on their face with the requirements of that Letter of Credit.

2.7.2 In the event that prior to the Maturity Date, the beneficiary of any Letter of Credit draws all or a portion of the amount thereof, then the portion so drawn shall be treated as a Loan Advance under the Note, and shall bear interest at the Variable Rate and shall be treated as a Variable Rate Advance under, and shall otherwise be payable on the same terms and conditions hereof (provided that the portion so drawn shall not be deemed to be a new Loan Advance for purposes of calculating the Availability, to the extent the issuance of the Letter of Credit shall have so reduced such Availability in accordance with the terms of this Agreement). The foregoing is not intended to prohibit Borrower from converting such Variable Rate Advance to an Effective LIBO Advance in accordance with the provisions of the Note.

2.7.3 Each Letter of Credit shall be issued using the standard form of letter of

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credit then being used by Administrative Agent (which standard form shall, at Borrower's request, be provided by Administrative Agent to Borrower prior to the issuance of any Letter of Credit), and shall have an expiration date no later than thirty (30) days prior to the Maturity Date.

2.7.4 Notwithstanding anything to the contrary contained in this Agreement or the Note, in no event shall Borrower have the right to pay off the entire indebtedness evidenced by the Note and, in connection therewith, advise Administrative Agent and the applicable Lenders that it unconditionally waives its right to obtain further applicable Loan Advances and Letters of Credit under the Loan (i.e., Borrower desires to cancel the applicable Note) unless Borrower either (i) provides Administrative Agent with cash collateral equal to the outstanding amount of the Letters of Credit from a source other than the proceeds of the Loan or (ii) returns all outstanding Letters of Credit to the Administrative Agent.

2.7.5 Upon the issuance of each Letter of Credit, a participation therein in an amount equal to each Lender's Commitment Percentage, shall automatically be deemed granted by the Administrative Agent to each such Lender on the date of such issuance and each Lender shall automatically be obligated to reimburse the Administrative Agent to the extent of its Commitment Percentage for all obligations incurred by the Administrative Agent to third parties in respect of such Letters of Credit, if not otherwise deemed to be a Loan Advance hereunder.

2.7.6 The Administrative Agent may accept or pay any draft presented to it, regardless of when drawn and whether or not negotiated, if such draft, the other required documents and any transmittal advice are presented to the Administrative Agent and dated on or before the expiration date of the Letter of Credit under which such draft is drawn. The Administrative Agent may honor as complying with the terms of the Letter of Credit and with this Agreement any drafts or other documents otherwise in order signed or issued by an administrator, executor, conservator, trustee in bankruptcy, debtor in possession, assignee for benefit of creditors, liquidator, receiver or other legal representative of the party authorized under such Letter of

Credit to draw or issue such other drafts or other documents.

2.7.7 The Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500, and any subsequent revisions thereof approved by a Congress of the International Chamber of Commerce and adhered to by the Administrative Agent (the "Uniform Customs and Practice"), shall be binding on the Borrower and the Administrative Agent except to the extent otherwise provided herein, in any Letter of Credit or in any other Loan Document. Anything in the Uniform Customs and Practice to the contrary notwithstanding:

(i) None of the Loan Parties nor any beneficiary of any Letter of Credit shall be deemed an agent of the Administrative Agent or the Lenders.

(ii) With respect to any Letter of Credit, neither the Administrative Agent nor its correspondents nor the Lenders shall be responsible for or shall have any duty to ascertain:

A. the genuineness of any signature;

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B. the validity, sufficiency, accuracy, genuineness or legal effect of any endorsements;

C. delay in giving, or failure to give, notice of arrival, notice of refusal of documents or of discrepancies in respect of which the Administrative Agent refuses the documents or any other notice, demand or protest;

D. the performance by any beneficiary under any Letter of Credit of such beneficiary's obligations to the Borrower or any Loan Party;

E. inaccuracy in any notice received by the Administrative Agent; or

F. the validity, sufficiency, accuracy, genuineness or legal effect of any instrument, draft, certificate or other document required by such Letter of Credit to be presented before payment of a draft, or the office held by or the authority of any Person signing any of the same.

(iii) The obligations of the Borrower under the Loan Documents are absolute, unconditional, and irrevocable and shall be performed strictly in accordance with the terms hereof under all circumstances, whatsoever, including the following:

A. any lack of validity or enforceability or restriction, restraint, or stay in the enforcement of this Agreement, the Letters of Credit, or any other agreement or instrument relating thereto, unless the Administrative Agent is restrained or stayed from honoring a drawing under the subject Letter of Credit;

B. any amendment or waiver of, or consent to the departure from, the Letters of Credit, unless the said amendment, waiver or consent has been made in accordance with the Administrative Agent's procedures with respect thereto and with the written authorization or acknowledgment of the Administrative Agent; or

C. the existence of any claim, set-off, defense, or other right which the Borrower may have at any time against the beneficiary of the Letters of Credit.

(iv) The occurrence of any of the events referred to in the preceding clauses of this Section 2.7.7 shall not affect or prevent the vesting of any of the Administrative Agent's rights or powers hereunder or the Borrower's obligation to make reimbursement of amounts paid under any Letter of Credit or any draft accepted thereunder.

(v) All directions, correspondence, and funds transfers relating to the Letter of Credit are at the risk of the Borrower. Administrative Agent shall have discharged Administrative Agent's obligations under the Letter of Credit by the initiation of the method of payment called for in any drawing which includes payment instructions (or by any other

commercially reasonable and comparable method). Unless caused by the gross negligence or willful misconduct of the Administrative Agent, Administrative Agent and the Lenders shall not have any responsibility for any inaccuracy, interruption, error, or delay in transmission or delivery by post, telegraph or cable, or for any inaccuracy of translation.

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(vi) The Borrower recognizes that:

A. Neither Administrative Agent nor the Lenders have any financial or other interests in the beneficiary of Letters of Credit.

B. Administrative Agent is irrevocably obligated to honor a proper drawing under the Letters of Credit.

C. In the event of any conflict between the provisions of this Agreement and the Uniform Customs and Practice, the provisions of this Agreement shall govern.

3. SECURITY FOR THE LOAN; LOAN AND SECURITY DOCUMENTS.

3.1 Security. The Loan together with interest thereon and all other charges and amounts payable by, and all other obligations of, Borrower and the other Loan Parties to the Administrative Agent and/or each of the Lenders, whenever incurred, direct or indirect, absolute or contingent, arising under or with respect to this Agreement, the Security Documents, or any other Loan Document, together with all other Obligations, shall be secured by the following collateral (the "Collateral") which Borrower agrees to provide and maintain, or cause to be provided and maintained (whether provided for each in separate agreements or combined with various other agreements):

3.1.1 Mortgage/ Deed of Trust and Security Agreement.

(i) A first priority mortgage/deed of trust (as applicable) and security agreement (individually and collectively, the "Mortgage") granted by each Borrowing Base Property Owner to the Administrative Agent or a trustee on behalf of the Administrative Agent, as applicable, for the ratable benefit of the Lenders, on (i) each Collateral Property, (ii) all land, improvements, furniture, fixtures, equipment, and other assets (including, without limitation, property management agreements, contracts, contract rights, accounts, Licenses and Permits and general intangibles), including all after-acquired property, owned, or in which each Borrowing Base Property Owner has or obtains any interest, in connection with each Collateral Property; (iii) all insurance proceeds and other proceeds therefrom, and (iv) all other assets of each Borrowing Base Property Owner, whether now owned or hereafter acquired and related to each Collateral Property.

(ii) Each Mortgage shall secure the payment and performance of the Obligations.

(iii) At the option of the Administrative Agent, each Mortgage shall be either (x) a first priority mortgage/deed of trust (as applicable) and security agreement granted by the applicable Borrowing Base Property Owner to the Administrative Agent or a trustee on behalf of the Administrative Agent, as applicable, on behalf of the Lenders, or (y) an amendment, restatement and consolidation of a first priority mortgage/deed of trust (as applicable) and security agreement acquired by the Administrative Agent, for the ratable benefit of the Lenders, with proceeds of a Loan Advance.

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(iv) In the event that in connection with the granting of any Mortgage on a Borrowing Base Property, the Administrative Agent, for the ratable benefit of the Lenders, purchases by assignment an existing mortgage loan or loans on such Borrowing Base Property, the Borrower represents, warrants, covenants and agrees as follows:

(a) The request for the Administrative Agent to purchase by assignment such loan or loan shall constitute a representation and warranty by the Borrower that (i) all signatures by the Borrower, any

Borrower Subsidiary and, to the best of the Borrower's knowledge, all other persons or entities on the assigned promissory note, mortgage, and all other documents, instruments, and agreements executed in connection therewith are genuine, (ii) such documents, together with any other documents or instruments supplied by the Borrower to the Administrative Agent, sets forth the entire agreement with respect to the loan arrangement evidenced thereby, (iii) the applicable Borrowing Base Property Owner is absolutely and unconditionally indebted under said documents and does not have any offsets, defenses, or counterclaims thereunder, or otherwise against the lender thereunder, or any predecessor in interest to such lender;

(b) The Borrower waives, on its own behalf and on behalf of CSC and the Loan Parties any offsets, defenses or counterclaims that exist or may have existed with respect to such assigned loan arrangement and assigned documents; and

(c) The Borrower shall cause to be delivered to the Administrative Agent such documents, instruments and agreements as the Administrative Agent shall reasonably require in order to evidence and effectuate such assignment and the terms and conditions hereof.

3.1.2 Collateral Assignment of Leases and Rents. A first priority collateral assignment of leases and rents (individually and collectively, the "Assignment of Leases and Rents") granted by each Borrowing Base Property Owner to the Administrative Agent, for the ratable benefit of the Lenders, with respect to all Leases of each Collateral Property and all income and profits to be derived from the operation and leasing of each Collateral Property.

3.1.3 Collateral Assignment of Contracts. A first priority collateral assignment and security agreement granted by each Borrowing Base Property Owner to the Administrative Agent, for the ratable benefit of the Lenders, with respect to all Licenses and Permits and all contracts, agreements and warranties now owned or hereafter acquired by each Collateral Property Owner and related in any manner to each Collateral Property.

3.1.4 Guaranties. The unconditional, continuing guaranty (singly and collectively the "Guaranty") from the Guarantor, pursuant to which each Guarantor shall guaranty the prompt, punctual, and faithful payment of the Loan and the performance of all Borrower's other Obligations to the Administrative Agent and each of the Lenders under the Loan Documents.

3.1.5 Environmental Compliance and Indemnification Agreement.

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compliance and indemnification agreement with respect to environmental matters ("Environmental Indemnity") from Borrower and each Guarantor in favor of the Administrative Agent and each of the Lenders.

3.1.6 Ownership Interest and Inter-Company Loan Pledge. A first priority pledge granted to the Administrative Agent, for the ratable benefit of the Lenders, with respect to (i) the one-hundred (100%) percent ownership interest in (x) each Borrowing Base Property Owner held by any Loan Party or Borrower Subsidiary (with the exception of any Borrowing Base Property directly owned by the Borrower) and (y) each manager/general partner of a Borrowing Base Property Owner (with the exception of any Borrowing Base Property directly owned by the Borrower) and (ii) any inter-company loans from time to time due from any Borrowing Base Property Owner held by the Borrower or any Loan Party to the Borrower.

3.1.7 Additional Documents. Any other documents, instruments and agreements set forth on the Loan Agenda.

3.2 Loan Documents and Security Documents. The Loan shall be made, evidenced, administered, secured and governed by all of the terms, conditions and provisions of the following loan documents (the "Loan Documents"), each as the same may be hereafter modified or amended, consisting of: (i) this Loan Agreement; (ii) a separate promissory note in the form of Exhibit C, annexed hereto, payable to each Lender in the aggregate principal amount of Established Loan Amount; (iii) the various documents and agreements referenced in Section 3.1, above, and (iv) any other documents, instruments, or agreements heretofore

or hereafter executed to further evidence or secure the Loan.

The Loan Documents, referenced in items 3.1.1 through and including 3.1.7, together with any such other Loan Documents as may be executed in accordance with Section 3.5, below, as to any Collateral Property, are sometimes referred to herein, singly and collectively as the "Security Documents".

3.3 Removal of Individual Property as a Borrowing Base Property - Borrower. From time to time during the term of this Agreement following (i) Borrower's written request ("Collateral Release Request") indicating that (x) the Borrower intends to sell or refinance the subject Borrowing Base Property or (y) the removal of one or more Borrowing Base Properties is necessary to cure or remedy a Default hereunder, and (ii) satisfaction of the Release Conditions, the Administrative Agent shall release such Borrowing Base Property from the Lien held by the Administrative Agent, for the ratable benefit of the Lenders, release the subject Borrowing Base Property Owner from the Guaranty, terminate the assignments made by such Borrowing Base Property Owner pursuant to Sections 3.1.2 and 3.1.3, release the Environmental Indemnity delivered pursuant to Section 3.1.5, and release its Lien upon the ownership interest in such Borrowing Base Property Owner and its manager or general partner which was pledged by the Borrower as Collateral pursuant to Section 3.1.6, and thereafter such Borrowing Base Property Owner shall no longer be a Loan Party for the purposes of this Agreement (provided, however, any such release by the Administrative Agent shall not be deemed to terminate or release such Borrowing Base Property Owner from any obligation or liability under any Loan Document which specifically by its terms survives the said release or the payment in full of the Obligations). The "Release Conditions" are the following:

3.3.1 The Borrower shall make a Mandatory Principal Payment equal to the Release Price, if any, relative to the subject Borrowing Base Property or substitute a new

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Borrowing Base Property subject to the requirements of Section 3.5 below.

3.3.2 Upon release of the Lien on the subject Borrowing Base Property, the Financial Covenants shall remain satisfied (or be satisfied if the release cures a Default which resulted from the Financial Covenants not being satisfied).

3.3.3 No Default shall exist under this Agreement or the other Loan Documents at the time of any such release, except for any Default which is cured or remedied by the removal of such Individual Property from being a Borrowing Base Property.

3.3.4 No Event of Default shall exist under this Agreement or the other Loan Documents at the time of the Collateral Release Request or at the time of any such release, except for any Event of Default which is cured or remedied by the removal of such Individual Property from being a Borrowing Base Property.

3.3.5 All representations and warranties contained herein or in the other Loan Documents shall be true and correct in all material respects as of the time of any such release (other than representations and warranties which speak as of a specific date or which Administrative Agent was notified of were not true and correct prior to a request for a Loan Advance which was nonetheless made or which apply to the Individual Property being released).

3.3.6 The Borrower shall pay or reimburse the Administrative Agent for all appraisal fees, title insurance and recording costs, reasonable legal fees and expenses and other reasonable costs and expenses incurred by Administrative Agent in connection with the release.

Any failure of any removal and release requested by the Borrower to meet in all material respects all of the Release Conditions shall be deemed a rejection of the proposed Collateral Release Request and, subject to the other terms and conditions hereof as to whether any Individual Property is a Borrowing Base Property, such Borrowing Base Property shall remain a Borrowing Base Property hereunder and shall be included within the Collateral.

3.3.7 Notwithstanding the foregoing provisions of this Section 3.3, the Administrative Agent and the Lenders acknowledge and agree that provided no Event of Default is then in existence, the Administrative Agent shall, upon the written request of the Borrower and without requiring Borrower to satisfy any of the Release Conditions, release the portion of the Individual Property owned by Cedar-Riverview, L.P., as described on Exhibit TP, from the lien of the Security Documents, and consent to the execution and recording of a customary reciprocal or other easement agreement with respect such

property, provided, however, the foregoing provisions of the Section 3.3.7 shall not apply in the event that such portion of such Individual Property has been accepted by the Lenders as a Borrowing Base Property.

3.4 Removal of Individual Property as a Borrowing Base Property - Administrative Agent.

3.4.1 An Individual Property shall no longer be deemed to be a Borrowing Base Property upon the determination by the Administrative Agent of the occurrence of any of the following:

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(i) A Borrowing Base Property is a Non-Stabilized Asset for a period of three (3) consecutive months;

(ii) A Major Event of Loss occurs as to a Borrowing Base Property;

(iii) A Borrowing Base Property as to which an Event of Loss occurs is not, or ceases to be, a Restoration Property, or upon completion of the Repair Work, will not meet all of the Borrowing Base Property Requirements; or

(iv) The Required Lenders have instructed the Administrative Agent to remove a Borrowing Base Property if a tenant or tenants which have Leases in such Borrowing Base Property are subject to bankruptcy or insolvency proceedings and are not paying rent as required under such Leases or have filed a motion to reject such Lease, or have not assumed such Lease within sixty (60) days (or such longer period granted by the applicable bankruptcy court, not to exceed one hundred eighty (180) days) after such tenant's bankruptcy filing, and to the extent the space occupied by such tenants is deemed vacant, the Occupancy Ratio for such Borrowing Base Property would be less than 80%.

3.4.2 Upon any such Individual Property no longer being deemed to be a Borrowing Base Property, the Borrower shall make a Mandatory Principal Payment when required equal to the Release Price (if any) for such Borrowing Base Property.

3.4.3 With respect to any Individual Property determined by the Administrative Agent to no longer be deemed a Borrowing Base Property in accordance with this Section 3.4, if the Release Conditions are satisfied with respect thereto, the Administrative Agent shall release such Individual Property from the Lien held by the Administrative Agent, release the subject Borrowing Base Property Owner from the Guaranty, terminate the assignments made by such Borrowing Base Property Owner pursuant to Sections 3.1.2 and 3.1.3, release the Environmental Indemnity delivered pursuant to Section 3.1.5, and release its Lien upon the ownership interest in such Borrowing Base Property Owner and its manager or general partner which was pledged by the Borrower as Collateral pursuant to Section 3.1.6, and thereafter such Borrowing Base Property Owner shall no longer be a Loan Party for the purposes of this Agreement (provided, however, any such release by the Administrative Agent shall not be deemed to terminate or release such Borrowing Base Property Owner from any obligation or liability under any Loan Document which specifically by its terms survives the said release or the payment in full of the Obligations). However, if the said Release Conditions are not satisfied with respect to such Individual Property, although such Individual Property shall no longer be a Borrowing Base Property, the Individual Property shall not be released from the Lien held by the Administrative Agent (shall continue to be a Collateral Property) and there shall be no release of the Collateral relating to such Individual Property or the subject Borrowing Base Property Owner, until such time as the Release Conditions are satisfied with respect thereto.

3.5 Additional Borrowing Base Property. From time to time during the term of this Agreement following Borrower's written request ("Additional Collateral Request"), compliance with the provisions of this Section 3.5, and compliance with the requirements for inclusion as a Borrowing Base Property, as set forth in the definition thereof, the Lenders shall authorize the Administrative Agent to accept one or more Individual Properties as Borrowing Base Properties

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(as identified by the Borrower in its written request) to be held by the Administrative Agent as Collateral. The Lenders shall agree to the acceptance of the Individual Property as an additional Borrowing Base Property only upon the satisfaction of the following conditions, in a manner reasonably acceptable to the Administrative Agent and the Lenders:

3.5.1 The Borrower shall have obtained Preliminary Approval for the addition of such Individual Property.

3.5.2 The Borrower (or applicable Loan Party) shall have satisfied all of the Borrowing Base Property Requirements as to such Individual Property.

3.5.3 No Event of Default shall exist under this Agreement or the other Loan Documents at the time of the Additional Collateral Request or at the time of any such Individual Property becoming a Borrowing Base Property, except for any Default which is cured or remedied by such Individual Property becoming a Borrowing Base Property.

3.5.4 All representations and warranties contained herein or in the other Loan Documents shall be true and correct in all material respects as of the time of any such Individual Property becoming a Borrowing Base Property (or shall become true by virtue of such Individual Property becoming a Borrowing Base Property) (other than representations and warranties which speak as of a specific date or which Administrative Agent was notified of were not true and correct prior to a request for a Loan Advance which was nonetheless made), including the Borrower's continued compliance with the Financial Covenants, as satisfied by the Closing Compliance Certificate, or once delivered, the most recent Compliance Certificate delivered by the Borrower.

3.5.5 The Borrower shall pay or reimburse the Administrative Agent for all appraisal fees, title insurance and recording costs, reasonable legal fees and expenses and other costs and expenses incurred by Administrative Agent in connection with the additional Borrowing Base Property.

3.5.6 The Borrower, the subject Borrowing Base Property Owner, and the subject Individual Property shall have satisfied all applicable conditions precedent set forth in Article 5 prior to the inclusion of the Individual Property as a Borrowing Base Property.

Any failure of the proposed Borrowing Base Property to meet in all material respects all of the foregoing conditions shall be deemed a rejection of the proposed Borrowing Base Property for that Additional Collateral Request and such proposed Borrowing Base Property shall not be included in the Borrowing Base for any purpose unless and until all of the foregoing conditions are satisfied or waived by the Administrative Agent and the Lenders. The Administrative Agent shall give the Borrower prompt written notice of the decision of the Lenders with respect to the admission or rejection of any Individual Property as a Borrowing Base Property.

4. CONTINUING AUTHORITY OF AUTHORIZED REPRESENTATIVES. Administrative Agent and each of the Lenders are authorized to rely upon the continuing authority of the persons, officers, signatories or agents hereafter designated ("Authorized Representatives") to bind Borrower with respect to all matters pertaining to the Loan and the Loan Documents including, but not limited to, the selection of interest rates, the submission of requests for Loan Advances or Letters of Credit and certificates with regard thereto. Such authorization may be changed only upon written notice to Administrative Agent accompanied by

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evidence, reasonably satisfactory to Administrative Agent, of the authority of the person giving such notice and such notice shall be effective not sooner than five (5) Business Days following receipt thereof by Administrative Agent. The present Authorized Representatives are listed on Exhibit D.

5. CONDITIONS PRECEDENT.

5.1 Closing Loan and Funding Initial Loan Advance. It shall be a condition precedent of Lenders' obligation to close the Loan and to fund the initial proceeds of the Loan that each of the following conditions precedent be satisfied in full (as determined by each Lender in its discretion which discretion shall be exercised reasonably and in good faith having due regard for the advice of the Administrative Agent), unless specifically waived in writing by all of the Lenders at or prior to the date of the closing and funding of the initial Loan Advance (the "Closing Date") (in the event that the closing of the Loan is an earlier date than the date of the initial funding of the Loan, then the Closing Date shall refer to the date of the initial funding of the Loan):

5.1.1 Satisfactory Loan Documents. On the Closing Date, each of the Loan Documents shall be satisfactory in form, content and manner of execution and delivery to Administrative Agent and Administrative Agent's counsel and all Loan Documents shall be in full force and effect.

5.1.2 Financial Information; No Material Change.

(i) No change shall have occurred in the financial condition, business, affairs, operations or control of Borrower and/or the Loan Parties, since the date of their respective financial statements most recently delivered to Administrative Agent or any of the Lenders, which change has had or could reasonably be expected to have a Material Adverse Effect, with the Administrative Agent and the Lenders acknowledging notice of the potential loss for the quarter ending December 31, 2003, to be incurred by CSC and the Borrower as a result of the restructuring necessary in connection with the recently completed equity offering by CSC (the "Fourth Quarter Losses") and agreeing that for purposes of this Section 5.1.2(i), the Fourth Quarter Losses shall be deemed not to have a Material Adverse Effect; and Borrower and the other Loan Parties shall have furnished Administrative Agent such other financial information, and certifications as reasonably requested by the Administrative Agent.

(ii) The Borrower shall have provided to the Administrative Agent such certificates and other evidence as the Administrative Agent may reasonably require to evidence that the Borrower, CSC and each of the Borrowing Base Property Owners (both before and after giving effect to the Loan) is solvent, has assets having a fair value in excess of the amount required to pay such Person's probable liabilities and existing Debts as such become absolute and mature, and has adequate capital for the conduct of such Person's business and the ability to pay such Person's Debts from time to time incurred in connection therewith as such Debts mature, including the Closing Compliance Certificate (the "Closing Compliance Certificate") set forth as Exhibit CC hereto.

5.1.3 Warranties and Representations Accurate. All warranties and representations made by or on behalf of any of the Borrower and the other Loan Parties,

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or any of them, to Administrative Agent or any of the Lenders shall be true, accurate and complete in all material respects and shall not omit any material fact necessary to make the same not misleading.

5.1.4 Validity and Sufficiency of Security Documents. The Security Documents shall create a valid and perfected lien in and to the Collateral and each of the Security Documents and related UCC filings shall have been duly recorded and filed to the satisfaction of Administrative Agent and Administrative Agent's counsel, including, without limitation, as follows:

(i) Prior to funding the Loan Advances, the Borrower, the other Loan Parties, and any other Persons executing Loan Documents on the Closing Date shall have delivered to the Administrative Agent with respect to the Security Documents or, in the case of UCC-1 financing statements, delivery of such financing statements in proper form for recording, and shall have taken all such other actions as may be necessary or, in the reasonable opinion of the Administrative Agent, desirable to perfect the Liens and security interests intended to be created by the Security Documents in the Collateral covered thereby. Notwithstanding the foregoing, the recordation of the Security Documents and the UCC filings shall not be a condition precedent under this Section 5.1.4 provided that Administrative Agent shall obtain satisfactory gap title insurance coverage. Such filings, recordings and other actions shall include, without limitation, in addition to the Mortgage, the Assignment of Leases and Rents, and the UCC-1 financing statements; and

(ii) on or prior to the Closing Date, the Administrative Agent shall have received the results of a UCC, tax lien and judgment search as may be reasonably requested by the Administrative Agent with respect to the Borrower, the Borrower Subsidiaries, and any other Loan Parties, and the results of such search shall indicate there are no judgments which the Administrative Agent shall reasonably determine in good faith could reasonably be expected to have a Material Adverse Effect or Liens not permitted under the Loan Documents or to be satisfied with the proceeds of the initial Loan Advance or otherwise permitted by Administrative Agent.

5.1.5 Litigation. On the Closing Date, there shall not be any actions, suits or proceedings at law or in equity or by or before any governmental instrumentality or other agency or regulatory authority by

any entity (private or governmental) pending or, to the best of the Borrower's knowledge, threatened with respect to the Loan, the transactions contemplated in the Loan Documents, or the Borrower, any other Loan Party, or any other Borrower Subsidiary, which are not fully covered (subject to deductibles) by an insurance policy issued by a reputable and financially viable insurance company, or, to the extent not so covered, which the Administrative Agent shall reasonably determine in good faith could reasonably be expected to have a Material Adverse Effect.

5.1.6 Formation Documents and Entity Agreements.

(i) On the Closing Date, the Administrative Agent shall have received a certificate of an officer of each limited liability company which is a manager or general partner of a Loan Party or limited partnership which is a general partner of a Loan Party annexing and certifying as to (a) resolutions of such limited liability

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company authorizing and approving the transactions contemplated by the Loan Documents, and the execution and delivery thereof by such limited liability company in respect of the documents to which it is a party on its own behalf, or as a general partner or manager of such other Loan Party or limited partnership, in respect of any of the Loan Documents, (b) signatures and incumbency of all officers of such limited liability company executing documentation on behalf of such entity or on behalf of any entity as to which such limited liability company is a general partner or manager, as the case may be, in connection with the transactions contemplated by the Loan Documents, (c) the Formation Documents of such limited liability company, the Loan Party which it is a manager or general partner of, the limited partnership which it is general partner of, and the Loan Party which such limited partnership is a general partner of, having been duly executed, delivered and filed (to the extent required by applicable Legal Requirements) and remaining in full force and effect and unmodified except as stated therein as of the date of such certificate (and annexing copies thereof) and (d) such limited liability company, the Loan Party which it is a manager or general partner of, the limited partnership which it is general partner of, and the Loan Party which such limited partnership is a general partner of, being in good standing and authorized to do business in each jurisdiction where the conduct of its business and ownership of its assets requires such qualification.

(ii) On the Closing Date, the Administrative Agent shall have received a certificate of the secretary of each corporation which is a Loan Party or the general partner of another Loan Party annexing and certifying as to (a) corporate resolutions of such entity authorizing and approving the transactions contemplated by the Loan Documents, and the execution and delivery thereof by such entity in respect of the documents to which it is a party on its own behalf, or as a general partner of such other Loan Party, in respect of any of the Loan Documents, (b) signatures and incumbency of all officers of such corporation executing documentation on behalf of such entity or on behalf of any entity as to which such corporation is a general partner, in connection with the transactions contemplated by the Loan Documents, (c) the Formation Documents of such corporation and Loan Party having been duly executed, delivered and filed (to the extent required by applicable Legal Requirements) and remaining in full force and effect and unmodified except as stated therein as of the date of such certificate (and annexing copies thereof) and (d) such corporation and Loan Party being in good standing and authorized to do business in each jurisdiction where the conduct of its business and ownership of its assets requires such qualification.

5.1.7 Compliance With Law. Administrative Agent and each of the Lenders shall have received and approved evidence that there are no Legal Requirements which prohibit or adversely limit the capacity or authority of the Borrower or any Loan Party to enter into the Loan and perform the obligations of such Person with respect thereto.

5.1.8 Compliance With Financial Covenants. Administrative Agent shall have received the Closing Compliance Certificate or other evidence reflecting the Borrower's compliance with the Financial Covenants and the terms and conditions hereof subject, however, to the

5.1.9 Borrowing Base Property Due Diligence. Administrative Agent shall have received and completed a review of such due diligence as the Administrative Agent

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may reasonably require with respect to any Borrowing Base Property, consistent with customary commercial lending practices for properties of a similar nature including, without limitation, satisfaction of the Borrowing Base Property Requirements.

5.1.10 Condition of Property. There shall have been no material unrepaired or unrestored damage or destruction by fire or otherwise to any of the real or tangible personal property comprising or intended to comprise the Borrowing Base Properties.

5.1.11 Insurance. Borrower shall have provided to Administrative Agent with respect to each Borrowing Base Property, the Borrower and the Collateral evidence of: (i) insurance coverages which meet the property, hazard, and other insurance requirements set forth on Exhibit E of this Loan Agreement to the satisfaction of Administrative Agent; and (ii) payment of the premiums for such insurance in accordance with the requirements set forth in Section 7.5.3.

5.1.12 Third Party Consents and Agreements. The Administrative Agent shall have received such third party consents and agreements as the Administrative Agent may reasonably require with respect to the Loan.

5.1.13 Cash Management. The Borrower shall open the Depository Account, as provided for herein.

5.1.14 Legal and other Opinions. Administrative Agent shall have received and approved legal opinion letters from counsel representing the Borrower and the other Loan Parties which meet Administrative Agent's legal opinion requirements and covering such matters incident to the transactions contemplated herein as the Administrative Agent may request.

5.1.15 No Default. There shall not be any Default under any of the Loan Documents.

6. WARRANTIES AND REPRESENTATIONS. The Administrative Agent and the Lenders acknowledge and agree that all representations and warranties made in this Section 6 shall be deemed to be made only as of the date hereof; however, as provided for in Section 6.22, all such representations and warranties shall be deemed to be reaffirmed as of any proposed Drawdown Date, unless modified by such additional disclosures as shall be provided to the Administrative Agent in writing after the date hereof and prior to or with a request for a Loan Advance and/or the issuance of a Letter of Credit, including the Borrower's continued compliance with the Financial Covenants, as satisfied by the Closing Compliance Certificate, or once delivered, the most recent Compliance Certificate delivered by the Borrower, except to the extent the contemplated action will result in noncompliance with the Financial Covenants. Subject to such limitations, Borrower warrants and represents to Administrative Agent and each of the Lenders for the express purpose of inducing Lenders to enter into this Agreement, to make each Loan Advance, to issue each Letter of Credit, and to otherwise complete all of the transactions contemplated hereby as follows:

6.1 Formation. Each Loan Party has been duly formed and is validly existing and in good standing as a corporation, partnership or limited liability company, as the case may be, under the laws of the State of its formation. Each Loan Party has the requisite corporate, partnership or company power and authority, as applicable, to own its assets and conduct its businesses as currently conducted and owned, and to enter into and perform its obligations under

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each Loan Document to which it is a party. Each Loan Party is in good standing and authorized to do business in each jurisdiction where the ownership of its assets and/or the conduct of its business requires such qualification except where the failure to be so qualified would not have a Material Adverse Effect.

6.2 Proceedings; Enforceability. Each Loan Party has taken all requisite corporate, partnership or company action, as applicable, to authorize the execution, delivery and performance by such Loan Party of the Loan Documents to which it is a party. Each Loan Document which is required to be executed and

delivered on or prior to the date on which this representation and warranty is being made has been duly authorized, executed and delivered and constitutes the legal, valid and binding obligation of each Loan Party thereto, enforceable against each such Loan Party in accordance with its respective terms except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency and similar laws affecting rights of creditors generally and to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

6.3 Conflicts. Neither the execution, delivery and performance of the Loan Documents by the Loan Parties or compliance by any Loan Party with the terms and provisions thereof (including, without limitation, the granting of Liens pursuant to the Security Documents), (i) will contravene any provision of any law, statute, rule or regulation or any order, writ, injunction or decree of any court or governmental instrumentality having jurisdiction over Borrower, the Property or any Loan Party, (ii) will conflict with or result in any breach of any of the terms, covenants, conditions of, or constitute a default under, or result in the creation or imposition (or the obligation to create or impose) of any Lien (except pursuant to the Security Documents) upon any of the property or assets of any Loan Party pursuant to the terms of any indenture, mortgage, deed of trust, credit agreement or loan agreement or any other agreement, contract or instrument to which any Loan Party is a party or by which it or any of its properties or assets is bound or to which it may be subject, or (iii) will violate any provision of any Formation Document of any Loan Party.

6.4 Ownership and Taxpayer Identification Numbers. All of the partners, owners, stockholders, and members, respectively and as may be applicable, of each Loan Party (other than the Borrower and CSC) are listed in Exhibit F (as such may be updated from time to time in accordance with Section 6.22). The exact correct name and organizational number(s) and federal employment identification number(s) of the Borrower, CSC and each such Loan Party are accurately stated in Exhibit F. Each Borrowing Base Property Owner is a Wholly-Owned Subsidiary of the Borrower or, as stated in Exhibit F, CSC.

6.5 Litigation. There are no actions, suits or proceedings at law or in equity or by or before any governmental instrumentality or other agency or regulatory authority by any entity (private or governmental) pending or, to the best of each Loan Party's knowledge, threatened with respect to the Loan, the transactions contemplated in the Loan Documents, or any other Borrower Subsidiary, which are not fully covered (subject to deductibles) by an insurance policy issued by a reputable and financially viable insurance company, or, to the extent not so covered, could have or reasonably be expected to have a Material Adverse Effect.

6.6 Information. All factual information furnished by or on behalf of the Borrower or any Loan Party to the Administrative Agent and/or any of the Lenders (including, without limitation, all information contained in the Loan Documents) for purposes of or in connection with this Agreement, the other Loan Documents or any transaction contemplated herein or therein is, and all other such factual information hereafter furnished by or on behalf of the

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Borrower or any Loan Party to the Administrative Agent and/or any of the Lenders will be, true and accurate in all material respects on the date as of which such information is dated or certified and not incomplete by omitting to state any fact necessary to make such information not misleading in any material respect at such time in light of the circumstances under which such information was provided. There is no material fact presently known to the Borrower which has not been disclosed to Administrative Agent, and thereupon disclosed by Administrative Agent to the Lenders, which could have or reasonably be expected to have a Material Adverse Effect.

6.7 Taxes. All Loan Parties have made all required tax filings and are not delinquent in the payment of any federal, state and local taxes, assessments, impositions or other governmental charges applicable to them and/or their respective assets, except to the extent same are being contested in a manner which complies with the requirements of Section 8.2.3.

6.8 Financial Information. The Consolidated financial statements of CSC, the Borrower, and the Loan Parties delivered to the Administrative Agent (and which statements Administrative Agent has delivered to the Lenders) present fairly the financial condition of each at the dates of such statements of financial condition and the results of operations for the periods covered thereby. Since the dates of the relevant financial statements, no change has occurred which could reasonably be expected to have a Material Adverse Effect (with the Fourth Quarter Losses being deemed to not have a Material Adverse Effect), except as may be disclosed in any update from time to time in accordance with Section 6.22. All financial statements of the Borrower, the Borrower Subsidiaries, or any other Loan Parties hereafter furnished to Administrative Agent or any of the Lenders shall be true, accurate and complete in all material respects and shall fairly present the financial condition of Borrower and respective Loan Party as of the date thereof.

6.9 Control Provisions. The Borrower controls, directly or indirectly, and without the requirement for consent of any other Person (other than CSC), the management of each Borrowing Base Property Owner, subject to the rights of those minority or other equity interest holders as the Administrative Agent may approve.

6.10 Formation Documents. The Borrower has delivered or caused to be delivered to the Administrative Agent true and complete copies of all Formation Documents of the Loan Parties, and all amendments thereto.

6.11 Bankruptcy Filings. No Loan Party is contemplating either a filing of a petition under any state or federal bankruptcy or insolvency laws or the liquidation of all or a major portion of its assets or property, and the Borrower has no knowledge of any Person contemplating the filing of any such petition against any Loan Party.

6.12 Investment Company. No Loan Party is an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

6.13 Holding Company. No Loan Party is a "holding company," or a "subsidiary company" of a "holding company," or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company," within the meaning of the Public Utility Holding Company Act of 1935, as amended.

6.14 Borrowing Base Properties.

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6.14.1 Each of the Borrowing Base Property Owners possesses such Licenses and Permits issued by the appropriate federal, state, or local regulatory agencies or bodies necessary to own and operate each Borrowing Base Property, except where the failure to possess any such License or Permit would not have a Material Adverse Effect. The Borrowing Base Property Owners are in material compliance with the terms and conditions of all such Licenses and Permits, except where the failure so to comply would not, singly or in the aggregate, result in a Material Adverse Effect. All of the Licenses and Permits are valid and in full force and effect, except where the invalidity of such Licenses and Permits or the failure of such Licenses and Permits to be in full force and effect would not result in a Material Adverse Effect. Neither the Borrower nor any of the Borrowing Base Property Owners has received any written notice of proceedings relating to the revocation or modification of any such Licenses and Permits which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would result in a Material Adverse Effect.

6.14.2 (i) The Borrowing Base Property Owners have either (x) fee simple title to the Borrowing Base Properties or (y) a leasehold estate interest in the Borrowing Base Properties, as set forth in Schedule 6.14.2(i) (as such may be updated from time to time in accordance with Section 6.22); (ii) the interest of the Borrowing Base Property Owners in the Borrowing Base Properties are not subject to any Liens except for those in favor of the Administrative Agent for the ratable benefit of the Lenders securing the repayment of Obligations and other Permitted Liens, (iii) neither the Borrower nor any of the Borrowing Base Property Owners has received written notice of the assertion of any claim by anyone adverse to any Loan Party's ownership, or leasehold rights in and to any Borrowing Base Property (except as may be disclosed in any update from time to time in accordance with Section 6.22); (iv) no Person has an option or right of first refusal to purchase all or part of any Borrowing Base Property or any interest therein which has not been waived (except as may be disclosed in Schedule 6.14.2(i) or in any update from time to time in accordance with Section 6.22);

6.14.3 Except to the extent the failure of the following to be true would not result in a Material Adverse Effect or is disclosed in the Environmental Reports (as defined in the Environmental Indemnity) or in the S-11 registration statement filed by CSC on October 23, 2003, (i) each Borrowing Base Property is free of any Hazardous Materials in violation of any Environmental Legal Requirements applicable to such property; (ii) none of the Borrowing Base Property Owners or Borrower has received any written notice of a claim under or pursuant to any Environmental Legal Requirements applicable to a Borrowing Base Property or under common law pertaining to Hazardous Materials on or originating from any Borrowing Base Property (except as may be disclosed in any update from time to time in accordance with Section 6.22); and (iii) none of the Borrowing Base Property Owners or Borrower has received any written notice from any Governmental Authority claiming any material violation of any Environmental Legal Requirements that is uncured or unremediated (except as may be disclosed in any update from time to time in accordance with Section 6.22);

6.14.4 Except to the extent the failure of the following to be true would not result in a Material Adverse Effect, (i) with respect to the Borrowing Base Properties, each Major Lease is in full force and effect (except as may be disclosed in any update from time to time in accordance with Section 6.22), (ii) except as set forth in Schedule 6.14.4(ii) (as such may be updated from time to time in accordance with Section 6.22), to the Borrower's knowledge, none of the Borrowing Base Property Owners is in default

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after notice and the expiration of all applicable cure periods in the performance of any material obligation under any Major Lease and the Borrower has no knowledge of any circumstances which, with the passage of time or the giving of notice, or both, would constitute an event of default by any party under any of the Major Leases, (iii) except as set forth in Schedule 6.14.4(iii) (as such may be updated from time to time in accordance with Section 6.22), to the Borrower's knowledge, no tenant is in default under any Major Lease, (iv) except as otherwise expressly set forth in Schedule 6.14.4(iv) (as such may be updated from time to time in accordance with Section 6.22), to the Borrower's Knowledge, there are no actions, voluntary or involuntary, pending against any tenant under a Major Lease under any bankruptcy or insolvency laws, and (v) none of the Major Leases and none of the rents or other amounts payable thereunder has been assigned, pledged or encumbered by any of the Borrowing Base Property Owners or any other Person, except with respect to the Lien in favor of the Administrative Agent on behalf of the Lenders securing the repayment of Obligations.

6.14.5 Except to the extent the failure of the following to be true would not result in a Material Adverse Effect, (i) each Ground Lease with respect to a Borrowing Base Property is valid, binding and in full force and effect as against the applicable Borrowing Base Property Owners and, to the Borrower's knowledge, the other party thereto, (ii) none of Borrowing Base Property Owner's interest in the Ground Leases is subject to any pledge, lien, assignment, license or other agreement granting to any third party any interest therein, and (iii) no payments under any Ground Lease with respect to a Borrowing Base property are delinquent and no notice of default thereunder has been sent or received by any Loan Party which has not been cured or waived prior to the date hereof, and to the knowledge of the Borrower, there does not exist under any of the Ground Leases any default by any Borrowing Base Property Owners or any event which merely with notice or lapse of time or both, would constitute such a default by any of the Borrowing Base Property Owners, and (iv) the identity of each ground lessor under a Ground Lease with respect to a Borrowing Base Property and whether each such ground lessor is an Affiliate of any Loan Party are set forth in Schedule 6.14.5.

6.15 Use of Proceeds. The proceeds of the Loan shall be used solely and exclusively as provided in Section 1.3. No portion of the proceeds of the Loan shall be used directly or indirectly, and whether immediately, incidentally or ultimately (i) to purchase or carry any margin stock or to extend credit to others for the purpose thereof or to repay or refund indebtedness previously incurred for such purpose, or (ii) for any purpose which would violate or in inconsistent with the provisions of regulations of the Board of Governors of the Federal Reserve System including, without limitation, Regulations T, U and X thereof.

6.16 Insurance. The Collateral Properties are insured by insurers of recognized financial responsibility against such losses and risks in compliance with the requirements of Exhibit E hereto.

6.17 Deferred Compensation and ERISA. Neither Borrower nor any other Loan Party, other than CSC, has any pension, profit sharing, stock option, insurance or other arrangement or Plan for employees covered by ERISA except as may be designated to Administrative Agent in writing by Borrower from time to time and, to the best of the Borrower's Knowledge, no Reportable Event has occurred and is now continuing with respect to any such ERISA Plan. The granting of the Loan, the performance by Borrower and/or any of the Loan Parties of their respective obligations under the Loan Documents and Borrower's and/or such other Loan Parties' conducting of their respective operations do not and will not violate any provisions of ERISA.

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6.18 Conditions Satisfied. Assuming that the Administrative Agent and the Lenders have approved all matters requiring their approval, all of the conditions precedent to closing and funding the initial Loan Advance have been satisfied or waived.

6.19 No Default. There is no Default on the part of Borrower or any of the other Loan Parties under this Agreement or any of the other Loan Documents and no event has occurred and is continuing which could constitute a Default under any Loan Document.

6.20 Other Loan Parties' Warranties and Representations. Borrower has no reason to believe that any warranties or representations made in writing by any of the Loan Parties to the Administrative Agent or any of the Lenders are untrue, incomplete or misleading in any material respect.

6.21 Qualification as a REIT. CSC qualified as a REIT under the provisions of the Code, as applicable, for its fiscal year ended December 31, 2002, and has remained qualified from December 31, 2002 through the date hereof. All appropriate federal income tax returns for the fiscal years through December 31, 2002 have been filed by CSC with the IRS and no previously filed return has been examined and reported on by the IRS. CSC has not incurred any liability for excise taxes pursuant to Section 4981 of the Code. CSC is organized in conformity with the requirements for qualification as a REIT pursuant to Sections 856 through 860 of the Code, and CSC's proposed method of operation consistent with CSC's business and the business activities contemplated by this Agreement will enable it to meet the requirements for qualification and taxation as a REIT under the Code.

6.22 Regarding Representations and Warranties Each request by any Borrower for a Loan Advance and/or the issuance of a Letter of Credit: (i) shall constitute an affirmation by Borrower that the foregoing representations and warranties remain true and correct as of the date of such request (except as modified by matters specifically disclosed in writing to Administrative Agent or as reflected in any update to the representations or warranties, Schedules or Exhibits referred to in this Article 6 delivered to the Administrative Agent prior to or simultaneously with such written request) and, unless Administrative Agent is notified to the contrary prior to the disbursement of the requested Loan Advance or the issuance of the requested Letter of Credit, will be so on the date of such Loan Advance or issuance of such Letter of Credit, and (ii) shall constitute the representation and warranty of Borrower to Administrative Agent and each of the Lenders that the information set forth in each such request is true and correct in all material respects and omits no material fact necessary to make the same not misleading. All representations, warranties, covenants and agreements made in this Agreement or in the other Loan Documents by each Loan Party shall be deemed to have been relied upon by the Administrative Agent and each of the Lenders notwithstanding any investigation heretofore or hereafter made by the Administrative Agent and/or any of the Lenders or on its behalf.

7. AFFIRMATIVE COVENANTS. Borrower covenants and agrees that from the date hereof and so long as any indebtedness is outstanding hereunder, or any of the Loan or other obligations remains outstanding, as follows:

7.1 Notices. Borrower shall within five (5) business days after it has actual knowledge thereof, notify Administrative Agent in writing (and Administrative Agent shall thereafter promptly notify the Lenders) of the occurrence of any act, event or condition which constitutes a Default or Event of Default under any of the Loan Documents. Such notification shall include a written statement of any remedial or curative actions which Borrower proposes to

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undertake and/or to cause any of other Loan Parties to cure or remedy such Default or Event of Default.

7.2 Financial Statements; Reports; Officer's Certificates. Borrower shall furnish or cause to be furnished to Administrative Agent (and Administrative Agent shall thereafter promptly furnish copies of same to the Lenders) from time to time, the following financial statements, reports, certificates, and other information, all in form and manner of presentation reasonably acceptable to Administrative Agent:

7.2.1 Annual Statements. Within ninety (90) days after the close of each Fiscal Year, (i) the Consolidated statement of financial condition of CSC, as at the end of such Fiscal Year and the related Consolidated statement of income and retained earnings and statement of cash flows for such Fiscal Year, in each case, commencing with the Fiscal Year ending December 31, 2003, setting forth comparative figures for the preceding fiscal year and certified by Ernst & Young LLP or other independent certified public accountants of recognized national standing reasonably acceptable to the Administrative Agent, in an unqualified opinion, together with (ii) consolidating income statements for the Borrower and each Borrower Subsidiary; such financial statements to include and to be supplemented by such detail and supporting data and schedules as Administrative Agent may from time to time reasonably determine;

7.2.2 Periodic Statements Within forty five (45) days after

the close of each calendar quarter (except for the quarter ending on December 31), the following (i) the Consolidated statement of financial condition of CSC, as at the end of such quarterly period, the related Consolidated statement of income and retained earnings (for the current quarter and on a year to date basis), and statement of cash flows (on a year to date basis), in each case commencing with the Fiscal Year ending December 31, 2004, setting forth comparative figures for the related periods in the prior Fiscal Year, internally prepared in accordance with GAAP, consistently applied, subject to normal year-end audit adjustments, all in form and manner of presentation reasonably acceptable to Administrative Agent, such financial statements to include and to be supplemented by such detail and supporting data and schedules as Administrative Agent may from time to time reasonably determine, together with (ii) consolidating income statements for the Borrower and each Borrower Subsidiary, (iii) an Officer's Certificate from the Borrower certifying that such financial statements fairly present the financial condition of CSC and that no Event of Default has occurred and is continuing, or if it is, a statement as to the nature thereof, (iv) a listing of all filings by Borrower or CSC with the SEC, including, without limitation, full copies of Guarantor's 10-Q and 10-K filings, and (v) an updated Cash Flow Projection specifically identifying, without limitation, (a) any changes to the Cash Flow Projection provided in the immediately prior Officer's Certificate and (b) any Distributions projected during the next one-hundred and eighty (180) days.

7.2.3 Borrowing Base Property Reports. Quarterly and annually, upon delivery of each of the financial statements required pursuant to Sections 7.2.1 and 7.2.2, above, the following financial statements for each of the Borrowing Base Property Owners internally prepared by Borrower and certified by Borrower to be true, accurate and complete in all material respects: (i) to the extent not included in the deliveries under Section 7.2.1. or 7.2.2., an operating statement showing all Net Operating Income, including, without limitation, the results of operation for the current quarter and on a year-to-date basis for the period just ended and, annually, an operating statement for the year just ended; and (ii) in the form customarily used by the Borrower, a detailed, current

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rent roll of the subject Borrowing Base Property, containing such details as Administrative Agent may reasonably request.

7.2.4 SEC Reports. Within five (5) days after being received, copies of all correspondence from the SEC, other than routine non-substantive general communications from the SEC.

7.2.5 Compliance Certificates. Within forty-five (45) days after the close of each quarterly accounting period in each Fiscal Year of the Borrower (except for the quarter ending on December 31, which shall be submitted within ninety days after the close of such quarter), a Compliance Certificate in form of Exhibit G, annexed hereto, together with an Officer's Certificate from the Borrower providing and otherwise certifying the compliance or non-compliance by the Borrower with the Financial Covenants, with such supporting detail as is reasonably deemed necessary by the Administrative Agent to verify the calculations incorporated therein, along with a report containing, to the extent not included in the deliveries under Sections 7.2.1, 7.2.2, or 7.2.3 for all Individual Properties, a summary listing of all Net Operating Income, revenues, rent roll, mortgage Debt, if any, and, in addition, for each Individual Property acquired during the quarter just ended, the cost basis and the amount and terms of any assumed Debt.

7.2.6 Data Requested. Within a reasonable period of time and from time to time, such other financial data or information as Administrative Agent may reasonably request with respect to the Collateral Properties, the Borrower, and/or the other Loan Parties including, but not limited to, rent rolls, aged receivables, aged payables, leases, budgets, forecasts, reserves, cash flow projections, deposit accounts, mortgage information, physical condition of the Collateral Properties and pending lease proposals;

7.2.7 Tax Returns. Upon Administrative Agent's request, copies of all federal and state tax returns of the Borrower and the other Loan Parties;

7.2.8 Lease Notices. Concurrently with the giving or receipt thereof, and within ten (10) Business Days of receipt thereof, copies of all notices of default given or received by any Loan Party with respect to any Major Lease.

7.2.9 Ground Lessor Interest Notices. Concurrently with the giving thereof, and within five (5) Business Days of receipt thereof, copies of all material notices, other than routine correspondence, given or received by any Loan Party with respect to any Ground Lease with respect to a Borrowing Base Property.

7.2.10 Entity Notices. Concurrently with the issuance thereof, copies of all material written notices (excluding routine correspondence) given to the partners, owners, stockholders, and/or members, respectively, of the Borrower.

7.2.11 Property Acquisition or Sale. Within five (5) Business Days of receipt thereof, copies of all notices in any way relating to a proposed sale or acquisition of any Individual Property by the Borrower or any Borrower Subsidiary.

7.2.12 Property Finance. Within five (5) Business Days of receipt thereof, copies of all notices in any way relating to (a) a proposed finance or refinance of any Individual Property by the Borrower or any Borrower Subsidiary, (b) the occurrence of

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any monetary or material non-monetary default or monetary or material non-monetary event of default under any Debt which is recourse the Borrower, or any other default or event of default under any Debt which is recourse to the Borrower, the occurrence of which could reasonably be expected to have a Material Adverse Effect, or (c) the occurrence of any monetary or material non-monetary default or monetary or material non-monetary event of default under any Debt in excess of \$10,000,000.00 which is secured by an Individual Property, or any other default or event of default under any Debt in excess of \$10,000,000.00 which is secured by an Individual Property, the occurrence of which could reasonably be expected to have a Material Adverse Effect.

7.2.13 Notice of Litigation. Within ten (10) Business Days after an officer of either Borrower, any Borrower Subsidiary, or any Loan Party obtains knowledge thereof, written notice of any pending or, to the best of the Borrowers' knowledge, threatened action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency or regulatory authority by any entity (private or governmental) relating in any way to the Loan, the transactions contemplated in the Loan Documents (including, without limitation, with regard to all Distributions), or the transactions contemplated in any documentation executed in connection therewith, or the Borrower, any other Loan Party, or any other Borrower Subsidiary, which is not fully covered (subject to deductibles) by an insurance policy issued by a reputable and financially viable insurance company, or, to the extent not so covered, which could reasonably be expected to have a Material Adverse Effect.

7.3 Existence. Borrower shall do or cause to be done all things necessary to (i) preserve, renew and keep in full force and effect (x) the partnership, company or corporate existence, as applicable, of each Loan Party and (y) the material rights, licenses, permits and franchises of each Loan Party, (ii) comply with all laws and other Legal Requirements applicable to it and its assets, business and operations, the non-compliance with which could reasonably be expected to have a Material Adverse Effect, (iii) to the extent applicable, at all times maintain, preserve and protect all material franchises and trade names and all the remainder of its property used or useful in the conduct of its business, and (iv) keep and cause each Loan Party to keep, its assets in good working order and repair, ordinary wear and tear and damage by casualty or taking by condemnation excepted, and from time to time make, or cause to be made, all reasonably necessary repairs, renewals, replacements, betterments and improvements thereto.

7.4 Payment of Taxes. Borrower shall duly pay and discharge, and cause each Loan Party to duly pay and discharge, before the same shall become overdue, all taxes, assessments, impositions, and other governmental charges payable by it or with respect to the Collateral Properties, to the extent that same are not paid by the tenants under the respective Leases; provided, however, the failure of any Loan Party to pay such taxes, assessments, impositions, or other governmental charges shall not constitute a Default or Event of Default as long as same are being contested in a manner which complies with the requirements of Section 8.2.3.

7.5 Insurance; Casualty, Taking.

7.5.1 Borrower shall at all times maintain or cause the appropriate Person to maintain in full force and effect the following insurance: (i) the Collateral Properties shall be insured by insurers of recognized financial responsibility against such losses and risks in compliance with the Major Leases and the requirements set forth in

Exhibit E hereto, and (ii) all other assets of the Borrower and the Borrower Subsidiaries shall be insured with such insurance as is reasonable and usual for Persons conducting business operations

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similar to those of the Borrower and in compliance with the terms of any secured financing with respect thereto.

7.5.2 Without limiting the generality of the insurance requirements set forth herein, only if commercially available at commercially reasonable rates (in an amount reasonably consistent with the amount of such insurance generally obtained by companies engaging in real estate business operations of a similar size and nature as that of the Borrower) either (i) the insurance policies required hereunder shall not include any so called "terrorist exclusion" or similar exclusion or exception to insurance coverage relating to the acts of terrorist groups or individuals, or (ii) excess or blanket coverage with respect thereto shall be provided, which excess or blanket coverage must be in an amount, from an insurer, and in accordance with terms and conditions reasonably acceptable to the Administrative Agent.

7.5.3 All insurance premiums shall be paid, at Borrower's option either annually in advance or in installments when due, and Administrative Agent shall be provided with evidence of such payment of insurance premiums (or evidence of the relevant installment payment) prior to each renewal or replacement of such coverages.

7.5.4 In the event of any damage or destruction to any Collateral Property by reason of fire or other hazard or casualty, Borrower shall give immediate written notice thereof to Administrative Agent. With respect to any such damage or destruction, the Borrower shall make the Mandatory Principal Payment, if any is required, set forth herein. If there is any condemnation for public use of any Collateral Property Borrower shall give immediate written notice thereof to Administrative Agent (and Administrative Agent shall thereafter promptly notify the Lenders). With respect to any such condemnation, the Borrower shall make the Mandatory Principal Payment, if any is required, set forth herein. Further, Borrower shall upon the request of the Administrative Agent provide to the Administrative Agent a report as to the status of any insurance adjustment, condemnation claim, or restoration resulting from any casualty or taking.

7.6 Inspection. Borrower shall cause the other Loan Parties to permit the Administrative Agent and the Lenders and its/their agents, representatives and employees to inspect the Collateral Properties, and any and all other assets of the Borrower or any of the Loan Parties, at reasonable hours upon reasonable notice. The Borrower shall be responsible for the reasonable costs incurred by the Administrative Agent of one (1) such inspection of each Borrowing Base Property or other asset per year, and all such inspections if an Event of Default is in existence.

7.7 Loan Documents. Borrower shall (and shall cause the other Loan Parties to) observe, perform and satisfy all the terms, provisions, covenants and conditions to be performed by it under, and to pay when due all costs, fees and expenses, and other Obligations to the extent required under, the Loan Documents.

7.8 Further Assurances. Borrower shall and shall cause the other Loan Parties to execute and deliver to the Administrative Agent such documents, instruments, certificates, assignments and other writings, and do such other acts, necessary or desirable in the reasonable judgment of the Administrative Agent, to evidence, preserve and/or protect the Collateral at any time securing or intended to secure the Obligations or for the better and more effective carrying out of the intents and purposes of this Agreement and the other Loan Documents.

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7.9 Books and Records. Borrower shall and shall cause the other Loan Parties and Borrower Subsidiaries to keep and maintain in accordance with GAAP (or such other accounting basis reasonably acceptable to the Administrative Agent), proper and accurate books, records and accounts reflecting all of the financial affairs of the Borrower and such other Loan Parties and Borrower Subsidiaries and all items of income and expense in connection with their respective business and operations and in connection with any services, equipment or furnishings provided in connection with the operation of the business of the Borrower, the other Loan Parties, and the Borrower Subsidiaries, whether such income or expense is realized thereby or by any other Person. The Administrative Agent shall have the right, not more than once each quarter (unless an Event of Default shall have occurred and be continuing in which case as often as the Administrative Agent shall reasonably determine), during normal

business hours and upon reasonable notice, to examine such books, records and accounts at the office of the Person maintaining such books, records, correspondence, and accounts and to make such copies or extracts thereof as the Administrative Agent shall desire at Administrative Agent's cost and expense. Borrower shall give the Administrative Agent fifteen (15) Business Days notice of any change in the location of its financial records from the address specified at the beginning of this Agreement. The Administrative Agent may discuss the financial and other affairs of the Borrower, the other Loan Parties, and the Borrower Subsidiaries with any of its partners, owners, and any accountants hired by Borrower, it being agreed that Administrative Agent and each of the Lenders shall use reasonable efforts not to divulge information obtained from such examination to others except in connection with Legal Requirements and in connection with administering the Loan, enforcing its rights and remedies under the Loan Documents and in the conduct, operation and regulation of its banking and lending business (which may include, without limitation, the transfer of the Loan or of participation interests therein). Any assignee or transferee of the Loan, co-lender, or any holder of a participation interest in the Loan shall deal with such information in the same manner and in connection with any subsequent transfer of its interest in the Loan or of further participation interests therein.

7.10 Business and Operations. Borrower shall (and shall cause the other Loan Parties and Borrower Subsidiaries to) (i) continue to engage in the type of businesses, acquisition, sale, financing, development and operation of retail properties and usual and customary uses incidental to such retail activities presently conducted by them as of the Closing Date, respectively, and (ii) be qualified to do business and in good standing under the laws of each jurisdiction, and otherwise to comply with all Legal Requirements, as and to the extent the same are required for the ownership, maintenance, management and operation of the assets of such Person except where the failure to be so qualified could not reasonably be expected to have a Material Adverse Effect.

7.11 Title. (i) Borrower shall and shall cause the other Loan Parties to warrant and defend (x) the title to each item of Collateral owned by such Person and every part thereof, subject only to the Liens (if any) permitted hereunder, (y) the validity and priority of the Liens and security interests held by the Administrative Agent pursuant to the Loan Documents, in each case against the claims of all Persons whomsoever, and (z) the title to and in the Collateral Properties, and (ii) Borrower and the other Loan Parties shall be responsible, jointly and severally, to reimburse Administrative Agent and the Lenders for any losses, costs, damages or expenses (including reasonable attorneys' fees and court costs) incurred by the Administrative Agent and/or any of the Lenders if an interest in any item of Collateral, other than as permitted hereunder, is claimed by another Person.

7.12 Estoppel. Borrower shall (and shall cause the other Loan Parties to), within ten (10) Business Days after a request therefor from the Administrative Agent, which request shall

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not be made by Administrative Agent more than once each Fiscal Year, furnish to the Administrative Agent a statement, duly acknowledged and certified, setting forth (i) the amount then owing by Borrower in respect of the Obligations, (ii) the date through which interest on the Loan has been paid, (iii) any offsets, counterclaims, credits or defenses to the payment by any Loan Party to the Obligations of which Borrower has knowledge and (iv) whether any written notice of Default from Administrative Agent to the Borrower or any of the other Loan Parties is then outstanding and acknowledging that this Agreement and the other Loan Documents are in full force and effect and unmodified, or if modified, giving the particulars of such modification.

7.13 ERISA. Borrower shall (and shall cause each of the other Loan Parties and Borrower Subsidiaries to) as soon as possible and, in any event, within ten (10) days after any Loan Party, Borrower Subsidiary, or any ERISA Affiliate knows of the occurrence of any of the following which could reasonably be expected to have a Material Adverse Effect, deliver to Administrative Agent a certificate of an executive officer of the Borrower setting forth details as to such occurrence and the action, if any, that the applicable Borrower or other Loan Party or Borrower Subsidiary or such ERISA Affiliate is required or proposes to take, together with any notices required or proposed to be given to or filed with or by such Borrower, Loan Party, the ERISA Affiliate, the PBGC, a Plan participant or the Plan administrator with respect thereto: (i) that a Reportable Event has occurred; (ii) that an accumulated funding deficiency has been incurred or an application may be or has been made to the Secretary of the Treasury for a waiver or modification of the minimum funding standard (including any required installment payments) or an extension of any amortization period under Section 412 of the Code with respect to a Plan; (iii) that a contribution required to be made to a Plan has not been timely made; (iv) that a Plan has been or may be terminated, reorganized, partitioned or declared insolvent under Title IV of ERISA; (v) that a Plan has an Unfunded Current Liability giving rise to a lien under ERISA or the Code; (vi) that proceedings may be or have been instituted to terminate or appoint a trustee to administer a Plan; (vii) that a proceeding has been instituted pursuant to Section 515 of ERISA to collect a

delinquent contribution to a Plan; (viii) that such Borrower, Loan Party, Borrower Subsidiary, or ERISA Affiliate will or may incur any liability (including any indirect, contingent, or secondary liability) to or on account of the termination of or withdrawal from a Plan under Section 4062, 4063, 4064, 4069, 4201, 4204 or 4212 of ERISA or with respect to a Plan under Section 401(a)(29), 4971, 4975 or 4980 of the Code or Section 409 or 502(i) or 502(l) of ERISA; or (ix) or that such Borrower, the Loan Party or Borrower Subsidiary may incur any material liability pursuant to any employee welfare benefit plan (as defined in Section 3(1) of ERISA) that provides benefits to retired employees or other former employees (other than as required by Section 601 of ERISA) or any employee pension benefit plan (as defined in Section 3(2) of ERISA). Upon the request of the Administrative Agent, the Borrower shall (and shall cause the other Loan Parties and Borrower Subsidiaries to) deliver to Administrative Agent a complete copy of the annual report (Form 5500) of each Plan required to be filed with the Internal Revenue Service. In addition to any certificates or notices delivered to Administrative Agent pursuant to the first sentence hereof, copies of any material notices received by the Borrower, a Loan Party, a Borrower Subsidiary, or any ERISA Affiliate with respect to any Plan shall be delivered to Administrative Agent no later than ten (10) days after the date such report has been filed with the Internal Revenue Service or such notice has been received by such Borrower, Loan Party or Borrower Subsidiary or ERISA Affiliate, as applicable.

7.14 Depository Account.

7.14.1 Borrower shall maintain an operating and other depository account (the "Depository Account") with Fleet National Bank (or any successor thereto), unless otherwise agreed by Administrative Agent in writing.

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7.14.2 Administrative Agent is hereby authorized, on or after the due date, to charge such Depository Account of Borrower with the amount of all payments due under this Agreement, the Note or the other Loan Documents, with the Borrower's obligation to make any required payment being satisfied to the extent there are sufficient collected funds in the Depository Account in the amount of such payment.

7.15 Costs and Expenses. Borrower shall pay all costs and expenses (excluding salaries or wages of full time employees of Administrative Agent) reasonably incurred by Administrative Agent in connection with the implementation and syndication of the Loan and the administration of the Loan, and reasonably incurred by the Administrative Agent or any of the Lenders in connection with the enforcement of the Administrative Agent's and Lenders' rights under the Loan Documents, including, without limitation, legal fees and disbursements, appraisal fees, inspection fees, plan review fees, travel costs, fees and out-of-pocket costs of independent engineers and other consultants. Borrower's obligations to pay such costs and expenses shall include, without limitation, all reasonable attorneys' fees and other costs and expenses for preparing and conducting litigation or dispute resolution arising from any breach by Borrower or the Loan Parties of any covenant, warranty, representation or agreement under any one or more of the Loan Documents.

7.16 Appraisals

7.16.1 Appraisal. Administrative Agent shall have the right at its option, from time to time, to order an appraisal of one or more of the Borrowing Base Properties prepared at Administrative Agent's direction by an appraiser selected by Administrative Agent (the "Appraisal"), after notice to the Borrower. An appraiser selected by Administrative Agent shall be an MAI member with an appropriate level of professional experience appraising commercial properties in the respective area(s) of the Borrowing Base Properties and otherwise qualified pursuant to provisions of applicable laws and regulations under and pursuant to which Administrative Agent operates.

7.16.2 Costs of Appraisal. Borrower shall pay for the costs of each Appraisal and each updated Appraisal only (i) after the occurrence of an Event of Default, or (ii) in connection with an annual Appraisal to be ordered by the Administrative Agent for each Borrowing Base Property, or (iii) in connection with any request by the Borrower to extend the Initial Maturity Date to the Extended Maturity Date, or (iv) if a material adverse change has occurred to any Borrowing Base Property.

7.17 Indemnification. Borrower shall at all times, both before and after repayment of the Loan, at its sole cost and expense defend, indemnify, exonerate and save harmless Administrative Agent and each of the Lenders and all those claiming by, through or under Administrative Agent and each of the Lenders ("Indemnified Party") against and from all damages, losses, liabilities, obligations, penalties, claims, litigation, demands, defenses, judgments, suits,

proceedings, costs, disbursements or expenses of any kind whatsoever, including, without limitation, reasonable attorneys' fees and experts' fees and disbursements, which may at any time (including, without limitation, before or after discharge or foreclosure of the Security Documents) be imposed upon, incurred by or asserted or awarded against the Indemnified Party and arising from or out of:

(i) any liability for damage to person or property arising out of any violation of any Legal Requirement, or

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(ii) any and all liabilities, damages, penalties, costs, and expenses, relating in any manner to any brokerage or finder's fees in respect of the Loan arising from any act or course of dealing by the Borrower or any Loan Party, or

(iii) any act, omission, negligence or conduct at any Collateral Property, or arising or claimed to have arisen, out of any act, omission, negligence or conduct of Borrower, any Borrower Subsidiary, or any tenant, occupant or invitee thereof which is in any way related to any Collateral Property.

Notwithstanding the foregoing, an Indemnified Party shall not be entitled to indemnification in respect of claims arising from acts of its own gross negligence or willful misconduct to the extent that such gross negligence or willful misconduct is determined by the final judgment of a court of competent jurisdiction, not subject to further appeal, in proceedings to which such Indemnified Party is a proper party.

7.18 Leasing Matters.

7.18.1 Administrative Agent's Approval Required.

(i) Except as provided for herein, the Loan Parties may enter into, modify, terminate, or amend any Lease for any Individual Property without the approval of the Administrative Agent or the Lenders.

(ii) Administrative Agent's prior written approval, which shall not be unreasonably withheld or delayed, shall be required in each instance as to the entering into of any Major Lease.

(iii) For any Major Lease requiring approval hereunder, the approval shall relate to: (i) the economic and other terms of the Major Lease; (ii) each tenant under a proposed Major Lease; (iii) each guarantor of a tenant's obligations under a proposed Major Lease; (iv) any material modification or amendment to the Major Lease, and (v) any optional termination, cancellation or surrender of any Major Lease by the Loan Party thereto but not a termination resulting from a default of the tenant thereunder.

7.18.2 Borrower's Requests. Subject to Section 7.18.5, any request by Borrower for an approval from Administrative Agent with respect to leasing matters shall be sent to the Administrative Agent and shall be accompanied to the extent available, by the following: (i) the proposed lease or amendment or modification thereof complete with all applicable schedules and exhibits and a lease abstract; (ii) a complete copy of any proposed guaranty; (iii) comprehensive financial information with respect to the proposed tenant and, if applicable, the proposed guarantor (as to new leases or amendments or modifications to existing leases involving material economic changes); and (iv) an executive summary of the terms and conditions of the proposed lease and, if applicable, the proposed guaranty.

7.18.3 Response. The Administrative Agent shall act on requests from Borrower for any approval required under Section 7.18.2 in a commercially reasonable manner and shall use commercially reasonable efforts to respond to any such request within ten (10) Business Days for approvals required under Section 7.18.2, in each

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instance following Administrative Agent's receipt thereof with all required supporting information. Administrative Agent's response may consist of an approval or disapproval of the request, or a conditional approval thereof subject to specified conditions, or a request for further data or information, or any combination thereof.

7.18.4 Advance Information. In order to expedite the processing of requests for such approvals, Borrower agrees to provide

the Administrative Agent with as much advance information as is possible in a commercially reasonable manner in advance of Borrower's formal request for an approval.

7.18.5 Preliminary Submission.

(i) At Borrower's option, after the preparation or execution of a term sheet or letter of intent with any proposed tenant under a Major Lease requiring approval herein, the Borrower may deliver to the Administrative Agent a preliminary submission consisting of, to the extent available, (x) an executive summary or abstract of the terms and conditions of the proposed lease and, if applicable, the proposed guaranty and (y) comprehensive financial information with respect to the proposed tenant and, if applicable, the proposed guarantor. Administrative Agent shall act on requests from Borrower for any approval under this section in a commercially reasonable manner and shall use commercially reasonable efforts to respond to any such request within ten (10) Business Days following Administrative Agent's receipt thereof. In the event that Administrative Agent approves such summary material and financial information for any Major Lease, the material shall be referred to herein as an "Approved Lease Term Sheet".

(ii) Administrative Agent shall not withhold its approval of (x) the economic terms of any lease which are not materially less favorable than the economic terms established by an Approved Lease Term Sheet, or (y) the identity of the tenant and each guarantor, and any terms or other substantive provisions, reflected in an Approved Lease Term Sheet, unless there has been a material adverse change in the financial condition of the tenant or any such guarantor since the approval of such Approved Lease Term Sheet.

7.19 Interest Expense Coverage. The Interest Expense Coverage as determined as of each Calculation Date shall be not less than 2.00:1. The Interest Expense Coverage covenant shall be tested by the Administrative Agent as of the Calculation Date with results based upon the results for the most recent Calculation Period, such calculation and results to be verified by the Administrative Agent.

7.20 Leverage Ratio. The Leverage Ratio as determined as of each Calculation Date shall be less than seventy percent (70%). The Leverage Ratio covenant shall be tested by the Administrative Agent as of each Calculation Date, such calculation and results to be verified by the Administrative Agent.

7.21 Fixed Charge Ratio. The Fixed Charge Ratio as determined as of each Calculation Date shall be not less than 1.50:1. The Fixed Charge Ratio covenant shall be tested by the Administrative Agent as of each Calculation Date with results based upon the results for the most recent Calculation Period, such calculation and results to be verified by the Administrative Agent.

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7.22 Net Worth. The Borrower's Net Worth as determined as of each Calculation Date shall be equal to or greater than the aggregate of (a) eighty-five percent (85%) of Borrower's Net Worth as of December 31, 2003, plus (b) eighty-five percent (85%) of the cumulative net cash proceeds received from and the value of assets acquired (net of Debt incurred or assumed in connection therewith) through the issuance of Capital Stock by CSC or the Borrower after December 31, 2003. For purposes of this section "net" means net of underwriters' discounts, commissions and other reasonable out-of-pocket expenses of issuance actually paid to any Person (other than a Loan Party or an Affiliate of any Loan Party). The Net Worth covenant shall be tested by the Administrative Agent as of each Calculation Date, such calculation and results to be verified by the Administrative Agent.

7.23 Borrowing Base Property Covenants.

7.23.1 The aggregate Occupancy Ratio for all Borrowing Base Properties (determined on an aggregate rentable square foot basis) shall not at any time be less than Eighty-Five (85%) percent for a period of ninety (90) consecutive days.

7.23.2 Each Borrowing Base Property shall at all times be a retail center located in the United States owned by a Borrowing Base Property Owner.

7.23.3 The ownership of each Borrowing Base Property shall at all times be consistent with the Borrower's business strategy, and each Borrowing Base Property shall at all times be of an asset quality consistent with the quality of Borrowing Base Properties owned by the

Borrowing Base Property Owners as of the date hereof.

7.24 Variable Rate Debt. The aggregate Pro Rata amount of the Debt (including the Loan) of the Consolidated CSC Entities and the Unconsolidated CSC Entities which is Variable Rate Indebtedness shall not exceed thirty percent (30%) of the Pro Rata amount of such total Debt.

7.25 Replacement Documentation. Upon receipt of an affidavit of an officer of Administrative Agent as to the loss, theft, destruction or mutilation of the Note or any other security document which is not of public record, and, in the case of any such loss, theft, destruction or mutilation, upon surrender and cancellation of such Note or other security document, Borrower will issue, in lieu thereof, a replacement Note or other security document in the same principal amount thereof and otherwise of like tenor.

7.26 Other Covenants. The Borrower hereby represents and warrants to Administrative Agent and the Lenders that no Collateral is in the possession of any third party bailee (such as at a warehouse). In the event that the Borrower and/or any of the other Loan Parties, after the date hereof, intends to store or otherwise deliver any Collateral or other personal property in which the Administrative Agent has been granted a security interest to such a bailee, then the Borrower shall receive the prior written consent of the Administrative Agent not to be unreasonably withheld or delayed and such bailee must acknowledge in writing that the bailee is holding such Collateral or such other personal property for the benefit of the Administrative Agent and the Lenders.

7.27 Maintenance of REIT Status. CSC shall engage in such business activities, and shall refrain from engaging in such activities, so as to continue to meet the requirements for qualification and taxation as a REIT under the Code.

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7.28 Lenders' Consultants.

7.28.1 Right to Employ. The Borrower agrees that the Administrative Agent shall have the right to employ on its behalf and on behalf of the Lenders, its own personnel, or one or more engineers, architects, environmental advisors, scientists, accountants, and attorneys to act as an advisor to Administrative Agent and the Lenders in connection with the Loan (each of which shall be a "Lenders' Consultant").

7.28.2 Functions. The functions of a Lenders' Consultant shall include, without limitation: (i) inspection and physical review of any Collateral Property; (ii) review and analysis of environmental matters; (iii) review and analysis of financial and legal matters; and (iv) providing usual inspection and review services in the event of the use of Net Proceeds for any Repair Work.

7.28.3 Payment. The reasonable costs and fees of Lenders' Consultants shall be paid by Borrower upon billing therefor and, if not so paid within thirty (30) days, may be paid directly by the Lenders through a Loan Advance.

7.28.4 Access. Borrower shall provide Lenders' Consultants with reasonable access to all Collateral Properties.

7.28.5 No Liability. Neither Administrative Agent nor any Lender shall have liability to Borrower, any Loan Party, Guarantor, or third party on account of: (i) services performed by Lenders' Consultant; or (ii) any failure or neglect by Lenders' Consultant to properly perform services. Borrower shall have no rights under or relating to any agreement, report, or similar document prepared by any Lenders' Consultant for Administrative Agent or Lenders. No Lenders' Consultant shall have liability to Borrower, any Loan Party, Guarantor, or third party on account of: (i) services performed by such Lenders' Consultant; or (ii) any failure or neglect by such Lenders' Consultant to properly perform services, except for its gross negligence or willful misconduct.

8. NEGATIVE COVENANTS. Borrower covenants and agrees that from the date hereof and so long as any indebtedness is outstanding hereunder, or any of the Loan or other obligations remains outstanding, the Borrower shall not (and shall not suffer or permit the other Loan Parties, and/or the Borrower Subsidiaries to):

8.1 No Changes to Borrower and other Loan Parties. Without the prior written consent of the Administrative Agent, not to be unreasonably withheld or delayed after not less than thirty (30) days' prior written notice (with reasonable particularity of the facts and circumstances attendant thereto): (i) change its jurisdiction of organization, (ii) change its organizational structure or type, (iii) change its legal name, or (iv) change the organizational number (if any) assigned by its jurisdiction of formation or its

federal employment identification number (if any). Borrower agrees to take all such action and execute all such documents as the Administrative Agent may reasonably require in order to maintain the Administrative Agent's priority and perfection in the Collateral.

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8.2 Restrictions on Liens. Create, incur, assume or suffer to exist any Lien upon or with respect to any property or assets (real or personal, tangible or intangible, including, without limitation, the Borrowing Base Properties), whether now owned or hereafter acquired, or sell any such property or assets subject to an understanding or agreement, contingent or otherwise, to repurchase such property or assets (including sales of accounts receivable with recourse) or assign any right to receive income or permit the filing of any financing statement under the UCC or any other similar notice of Lien under any similar recording or notice statute, or grant rights with respect to, or otherwise encumber or create a security interest in, such property or assets (including, without limitation, any item of Collateral) or any portion thereof or any other revenues therefrom or the proceeds payable upon the sale, transfer or other disposition of such property or asset or any portion thereof, or permit or suffer any such action to be taken, except the following (singly and collectively, "Permitted Liens"):

8.2.1 Liens created by the Loan Documents;

8.2.2 Liens to secure Permitted Debt, provided that (x) the Borrower will be in compliance with the Financial Covenants considering the consequences of the granting of any such Lien and (y) no such Lien shall be secured by any Borrowing Base Property, the ownership interest in any Borrowing Base Property Owner, or any other assets of any Borrowing Base Property Owner;

8.2.3 Liens for taxes, assessments or other governmental charges not yet delinquent or which are being diligently contested in good faith and by appropriate proceedings, if (x) to the extent such contest concerns a Borrowing Base Property, reasonable reserves in an amount not less than the tax, assessment or governmental charge being so contested shall have been established in a manner reasonably satisfactory to the Administrative Agent or deposited in cash (or cash equivalents) with the Administrative Agent to be held during the pendency of such contest, or such contested amount shall have been duly bonded in accordance with applicable law, (y) no imminent risk of sale, forfeiture or loss of any interest in any Borrowing Base Property or the Collateral or any part thereof arises during the pendency of such contest and (z) such contest does not have and could not reasonably be expected to have a Material Adverse Effect;

8.2.4 Liens in respect of property or assets imposed by law, which do not secure Debt, such as judgment Liens (provided such judgment Liens do not cause the occurrence of an Event of Default under Section 10.1), carriers', warehousemen's, material men's and mechanics' liens and other similar Liens arising in the ordinary course of business, (x) which, except for such judgment Liens, do not in the aggregate materially detract from the value of any property or assets or have, and could not reasonably be expected to have, a Material Adverse Effect, (y) which, except for such judgment Liens, are being contested in good faith by appropriate proceedings, which proceedings have the effect of preventing the forfeiture or sale of the property or assets subject to any such Lien, and (z) which as to any Borrowing Base Property do not have a lien priority prior to the Lien in favor of the Administrative Agent, for the benefit of the Lenders, with respect to the Obligations, including, without limitation, any future Loan Advances;

8.2.5 Personal property financing leases entered into in the ordinary course of business with respect to equipment, fixtures, furniture, furnishings and similar assets

8.3 Consolidations, Mergers, Sales of Assets, Issuance and Sale of Equity. (i)

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Dissolve, terminate, liquidate, consolidate with or merge with or into any other Person, (ii) issue, sell, lease, transfer or assign to any Persons or otherwise dispose of (whether in one transaction or a series of transactions) any portion of its assets (whether now owned or hereafter acquired), including, without limitation, any securities, membership or partnership interests, or other interests of any kind in any other Loan Party or Borrower Subsidiary, directly or indirectly (whether by the issuance of rights of, options or warrants for, or securities convertible into, any such security, membership or partnership interests or other interests of any kind), (iii) permit another Person to merge with or into it, (iv) acquire all or substantially all the capital stock,

membership or partnership interests or assets of any other Person, or (v) take any action which could have the effect, directly or indirectly, of diluting the economic interest of any Loan Party in any other Loan Party or Borrower Subsidiary; except the following:

8.3.1 Transfers pursuant to the Security Documents and other agreements in favor of Administrative Agent for the ratable benefit of the Lenders;

8.3.2 Any such dissolution, liquidation, or termination which does not involve a Loan Party;

8.3.3 With the prior written consent of the Administrative Agent and the Lenders, such consent not to be unreasonably withheld or delayed, any consolidation, merger, or issuance so long as the Borrower is the surviving entity, provided that (x) the Borrower will be in compliance with the Financial Covenants considering the consequences of such event, (y) no such event shall cause a Change of Control, and (z) except as otherwise approved by the Administrative Agent, each Borrowing Base Property Owner will continue to be a Wholly-Owned Subsidiary of the Borrower or CSC as of the date hereof;

8.3.4 Sales of any Borrowing Base Property, provided the Release Conditions are satisfied with respect thereto;

8.3.5 Leases of all or any portion of any Borrowing Base Property which either (i) are permitted by the terms of this Agreement without Administrative Agent's consent or approval or (ii) are approved as provided for in this Loan Agreement;.

8.3.6 Sales, transfers or assignments of other assets of the Borrower, any Loan Party or any Borrower Subsidiary which are not within the Collateral, provided that the Borrower will be in compliance with the Financial Covenants considering the consequences of the sale; provided further, however, that the prior written approval of the Administrative Agent and the Required Lenders must be obtained (not to be unreasonably withheld or delayed), in every instance, in the event that the aggregate amount of any such sales, transfers, or assignments of said other assets exceeds ten percent (10%) of the Total Asset Value, as verified by the Administrative Agent;

8.3.7 Sales or dispositions in the ordinary course of business of worn, obsolete or damaged items of personal property or fixtures which are suitably replaced;

8.3.8 Transactions, whether outright or as security, for which Administrative Agent's, the Required Lenders' or the Lenders', as applicable, prior written consent has been obtained to the extent such approval is required under this Agreement;

8.3.9 In connection with a Permitted Investment;

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8.3.10 The issuance or sale of equity interests in the Borrower or CSC;

8.3.11 The sale, transfer, assignment, redemption or other disposition of all or a portion of any preferred limited partnership interest in Cedar-Riverview LP or Delaware 1851 Associates, L.P.; or

8.3.12 Mergers of and between Loan Parties, provided (i) the Borrower and CSC shall at all times remain surviving entities, (ii) the Administrative Agent receives ten (10) Business Days prior written notice of the proposed merger, and (iii) Borrower agrees to take all such action and execute all such documents as the Administrative Agent may reasonably require in order to maintain the Administrative Agent's priority and perfection in the Collateral.

8.4 Restrictions on Debt. (i) Create, incur or assume any Debt, or make any voluntary prepayments of any Debt in respect of which it is an obligor, (ii) enter into, acquiesce, suffer or permit any amendment, restatement or other modification of the documentation evidencing and/or securing any Debt under which it is an obligor, (iii) increase the amount of any Debt existing as of the Closing Date; except with respect to the following (singly and collectively, "Permitted Debt"):

8.4.1 The Obligations;

8.4.2 Customary permanent Debt of the Borrower, CSC or any Borrower Subsidiary secured by an Individual Property, other than a Borrowing Base Property; provided that the Borrower will be in compliance with the Financial Covenants considering the consequences of

the incurrence of such Debt and provided further that the total aggregate amount of all such Debt which is secured by more than one Individual Property shall not at any time exceed \$25,000,000;

8.4.3 Individual Property secured Debt of the Borrower, CSC or any Borrower Subsidiary which is recourse to the Borrower or CSC consistent with customary project finance market terms and conditions in an amount not to exceed \$50,000,000.00 in the aggregate outstanding at any one time, provided that the Borrower will be in compliance with the Financial Covenants considering the consequences of the incurrence of such Debt;

8.4.4 Individual Property secured Debt of the Borrower, CSC or any Borrower Subsidiary which is nonrecourse to the Borrower (other than recourse in connection with customary nonrecourse or "bad boy" carve out provisions) or CSC, provided that the Borrower will be in compliance with the Financial Covenants considering the consequences of the incurrence of such Debt;

8.4.5 Indebtedness incurred in the ordinary course of business for the purchase of goods or services which are payable, without interest, within ninety (90) days of billing; and

8.4.6 Transactions, whether secured or unsecured, for which Administrative Agent's prior written consent has been obtained to the extent such approval is required under this Agreement; and

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8.4.7 Debt under capital leases of the type described in Section 8.2.5.

8.5 Other Business. Enter into any line of business or make any material change in the nature of its business, purposes or operations, or undertake or participate in activities other than the continuance of its present business except as otherwise specifically permitted by this Agreement or the other Loan Documents.

8.6 Change of Control. Permit or otherwise suffer to occur any Change of Control.

8.7 Forgiveness of Debt. Voluntarily cancel or otherwise forgive or release any Debt owed to it by any Person, except for adequate consideration and except for settlement of lease obligations of tenants in the Borrower's reasonable business judgement.

8.8 Affiliate Transactions. Except as disclosed in the S-11 registration statement filed by CSC on October 23, 2003, after the Closing Date, enter into, or be a party to, any transaction with any Person which is an Affiliate of any Loan Party, except transactions (a) involving the offering or sale of a Person's equity interests on an arm's length basis, or (b) entered into in the ordinary course of business and on terms which are no less favorable to such Loan Party or Borrower Subsidiary than would be obtained in a comparable arm's-length transaction with an unrelated third party, provided that this Section 8.8 shall not apply to transactions between and among Loan Parties or between and among Borrower Subsidiaries or to transactions between Loan Parties and Borrower Subsidiaries.

8.9 ERISA. Except for Code Section 401(k) plans, establish or be obligated to contribute to any Plan.

8.10 Bankruptcy Filings. With respect to any of the Loan Parties, file a petition under any state or federal bankruptcy or insolvency laws for the liquidation of all or a major portion of its assets or property.

8.11 Investment Company. Become an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

8.12 Holding Company. Become a "holding company," or a "subsidiary company" of a "holding company," or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company," within the meaning of the Public Utility Holding Company Act of 1935, as amended.

8.13 Use of Proceeds. Permit the proceeds of the Loan, or any other accommodation at any time made hereunder, to be used for any purpose which entails a violation of, or is inconsistent with, Regulation T, U or X of the Board, or for any purpose other than those set forth in Section 1.3.

8.14 Distributions. Authorize, declare, or pay any Distributions on behalf of the Borrower, except for Permitted Distributions.

8.15 Restrictions on Investments. make or permit to exist or to remain

outstanding any Investment except which are in:

(i) marketable direct or guaranteed general obligations of the United States of

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America which mature within one year from the date of purchase;

(ii) bank deposits, certificates of deposit and banker's acceptances, or other obligations in or of the Lenders or banks located within and chartered by the United States of America or a state and having assets of over \$500,000,000.00;

(iii) the Borrower's Subsidiaries (both Subsidiaries as of the date hereof and any other Person that becomes a Borrower Subsidiary), subject in all instances to the terms of this Agreement; and

(iv) Permitted Investments.

8.16 Negative Pledges, etc. Enter into any agreement subsequent to the Closing Date (other than a Loan Document) which (a) prohibits the creation or assumption of any Lien upon any of the Collateral, including, without limitation, any hereafter acquired property, (b) specifically prohibits the amendment or other modification of this Agreement or any other Loan Document, or (c) could reasonably be expected to have a Material Adverse Effect.

9. SPECIAL PROVISIONS.

9.1 Legal Requirements. Borrower, any Borrower Subsidiary or any Loan Party may contest in good faith any claim, demand, levy or assessment under any Legal Requirements by any person or entity if: (i) the contest is based upon a material question of law or fact raised by Borrower in good faith; (ii) such Person properly commences and thereafter diligently pursues the contest; (iii) the contest will not materially impair the ability to ultimately comply with the contested Legal Requirement should the contest not be successful; (iv) if the contest concerns a Borrowing Base Property or a Borrowing Base Property Owner, reasonable reserves in an amount necessary to undertake and pay for such contest and any corrective or remedial action then or thereafter reasonably likely to be necessary shall have been established in a manner reasonably satisfactory to the Administrative Agent or deposited in cash (or cash equivalents) with the Administrative Agent to be held during the pendency of such contest, or such contested amount shall have been duly bonded in accordance with applicable law; (v) no Event of Default exists; (vi) if the contest relates to an Environmental Legal Requirement, the conditions set forth in the Environmental Indemnity relating to such contests shall be satisfied; (viii) no imminent risk of sale, forfeiture or loss of any interest in any Borrowing Base Property or the Collateral or any part thereof arises during the pendency of such contest; and (ix) such contest could not reasonably be expected to have a Material Adverse Effect.

9.2 Limited Recourse Provisions.

9.2.1 Borrower Fully Liable. Borrower shall be fully liable for the Loan and the Obligations of Borrower to the Administrative Agent and each of the Lenders.

9.2.2 Certain Non-Recourse. This Agreement and all Loan Documents have been executed by the undersigned in its capacity as an officer of CSC, as general partner of the Borrower on behalf of the Borrower or the Loan Parties, and not individually, and none of the trustees, officers, directors, members, limited partners, or shareholders of the Borrower or CSC or any Loan Party shall be bound or have any personal liability hereunder or thereunder except under any Guaranty or other Loan Document signed by such Person, other than a signature in a representative capacity. Under no circumstances shall any party be entitled to seek recourse or commence any action against any of the

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trustees, officers, directors, members, limited partners, or shareholders of the Borrower or CSC or any such Person's personal assets for the performance or payment of any obligation hereunder. In all other Loan Documents, all parties shall not seek recourse or commence any action against any of the trustees, officers, directors, members, limited partners, or shareholders of Borrower or CSC or any of such Person's personal assets for the performance or payment of any obligation hereunder or thereunder, except under any Guaranty or other Loan Document signed by such Person, other than a signature in a

representative capacity.

9.2.3 Additional Matters. Nothing contained in the foregoing non-recourse provisions or elsewhere shall: (i) limit the right of Administrative Agent or any of the Lenders to obtain injunctive relief or to pursue equitable remedies under any of the Loan Documents, excluding only any injunctive relief ordering payment of obligations by any Person or entity for which personal liability does not otherwise exist; or (ii) limit the liability of any attorney, law firm, accountant or other professional who or which renders or provides any written opinion or certificate to Administrative Agent or any of the Lenders in connection with the Loan even though such person or entity may be a limited partner of Borrower.

9.3 Payment of Obligations. Upon the return to the Administrative Agent, or the expiration, of all of the Letters of Credit and the payment in full of the Obligations, in immediately available funds, including, without limitation, all unreimbursed costs and expenses of the Administrative Agent and of each Lender for which the Borrower is responsible, and the termination of the Loan, the Administrative Agent shall release any security and other collateral interests as provided for herein and under the other Loan Documents and shall execute and deliver such documents and termination statements as Borrower or any other Loan Party reasonably requests to evidence such termination and release. However, such release by the Administrative Agent shall not be deemed to terminate or release any Person from any obligation or liability under the Loan Documents which specifically by its terms survives the payment in full of the Obligations.

10. EVENTS OF DEFAULT. The following provisions deal with Default, Events of Default, notice, grace and cure periods, and certain rights of Administrative Agent following an Event of Default.

10.1 Default and Events of Default. The term "Default" as used herein or in any of the other Loan Documents shall mean any fact or circumstance which constitutes, or upon the lapse of time, or giving of notice, or both, could constitute, an Event of Default. The occurrence of any of the following events, continuing uncured beyond any applicable grace, notice or cure period, respectively, shall constitute an event of default ("Event of Default"). Upon the occurrence of any Event of Default described in Section 10.1.8, any and all Obligations shall become due and payable without any further act on the part of the Administrative Agent. Upon the occurrence of any other Event of Default, the Administrative Agent may declare that any and all Obligations shall become immediately due and payable.

10.1.1 Failure to Pay the Loan. The failure by the Borrower to pay when due any principal of, interest on, or fees in respect of, the Loan, and the specific grace period, if any, allowed for the default in question in Section 10.2 or elsewhere in this Agreement shall have expired without such default having been cured.

10.1.2 Failure to Make Other Payments. The failure by the Borrower to pay

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when due (or upon demand, if payable on demand) any payment Obligation other than any payment Obligation on account of the principal of, or interest on, or fees in respect of, the Loan, and the specific grace period, if any, allowed for the default in question in Section 10.2 or elsewhere in this Agreement shall have expired without such default having been cured.

10.1.3 Note, Security Documents, and Other Loan Documents. Any other default in the performance of any term or provision of the Note, or of the Security Documents, or of any of the other Loan Documents, or a breach, or other failure to satisfy, any other term, provision, condition or warranty under the Note, the Security Documents, or any other Loan Document, regardless of whether any then undisbursed portion of the Loan is sufficient to cover any payment of money required thereby, and the specific grace period, if any, allowed for the default in question in Section 10.2 or elsewhere in this Agreement shall have expired without such default having been cured.

10.1.4 Default under Other Agreements. The occurrence of any breach of any covenant or Obligation imposed by, or of any default under, any agreement (including any Loan Document) between the Administrative Agent and/or the Lenders and the Borrower, and/or the Loan Parties in connection with the Loan, or any instrument given by the Borrower and such Persons to the Administrative Agent and/or the Lenders, in connection with the Loan and the expiry, without cure, of any applicable grace period in Section 10.2, elsewhere in this Agreement, or in the applicable Loan Document (notwithstanding that the Administrative Agent and/or the Lenders may not have exercised all or any of its/their rights on account of such breach or default).

10.1.5 Representations and Warranties. If any representation or warranty made by the Borrower or by any of the other Loan Parties or the Borrower Subsidiaries in the Loan Documents was untrue or misleading in any material respect as of the date made or deemed made (updated as provided for herein), including, without limitation, all representations and warranties made in Article 6 herein, and shall have a Material Adverse Effect.

10.1.6 Affirmative Covenants. The breach of any covenant contained in Article 7 herein, including, without limitation, the Financial Covenants.

10.1.7 Negative Covenants. The breach of any covenant contained in Article 8 herein.

10.1.8 Financial Status and Insolvency.

A. Borrower shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) file a petition in bankruptcy or a petition to take advantage of any insolvency act; (iii) make an assignment for the benefit of creditors; (iv) consent to, or acquiesce in, the appointment of a receiver, liquidator or trustee of itself or of the whole or any substantial part of its properties or assets; (v) file a petition or answer seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the Federal Bankruptcy laws or any other applicable law; (vi) have a court of competent jurisdiction enter an order, judgment or decree appointing a receiver, liquidator or trustee of Borrower, or of the whole or any substantial part of the property or assets of Borrower, and such order, judgment or decree shall remain unvacated or not set aside or unstayed for ninety (90) days; (vii) have a petition filed against it seeking

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reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the Federal Bankruptcy laws or any other applicable law and such petition shall remain undismissed for ninety (90) days; (viii) have, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction assume custody or control of Borrower or of the whole or any substantial part of its property or assets and such custody or control shall remain unterminated or unstayed for ninety (90) days; or (ix) have an attachment or execution levied against any substantial portion of the property of Borrower or against any portion of the Collateral which is not discharged or dissolved by a bond within sixty (60) days; or

B. any such event set forth in subsection A above shall occur with respect to any Loan Party;

10.1.9 Loan Documents. If any Loan Document for any reason other than the satisfaction in full of all Obligations shall cease to be in full force and effect (other than in accordance with its terms), thereby preventing the Administrative Agent and/or the Lenders from obtaining the practical realization of the benefits thereof, or if any Loan Document shall be declared null and void or any Loan Party shall claim or declare any such Loan Document to no longer be in full force and effect or is null and void, or if the Liens and security interests purported to be created by any of the Loan Documents shall cease to be valid, perfected, first priority (except as otherwise expressly provided herein) security interests;

10.1.10 Judgments. One or more judgments or decrees shall be entered against Borrower or any Loan Party or Borrower Subsidiary involving a liability (not paid or fully covered (subject to deductibles) by a reputable and solvent insurance company) and such judgments and decrees either shall be final and non-appealable or shall not be vacated, discharged or stayed or bonded pending appeal for any period of sixty (60) consecutive days, and the aggregate amount of all such judgments exceeds \$750,000.00;

10.1.11 ERISA. (i) If any Plan shall fail to satisfy the minimum funding standard required for any plan year or part thereof and a waiver of such standard or extension of any amortization period is not granted under Section 412 of the Code, any Plan shall have had or is likely to have a trustee appointed to administer such Plan, any Plan is, shall have been or is likely to be terminated or to be the subject of a distress termination proceeding under ERISA, any Plan shall have an Unfunded Current Liability, a contribution required to be made to a Plan has not been timely made, a Loan Party or any ERISA Affiliate has incurred or is likely to incur a liability to or on account of a Plan under Section 409, 502(i), 502(1), 515, 4062, 4063, 4064, 4069, 4201, 4204 or 4212 of ERISA or Section 401(a)(29), 4971, 4975 or 4980 of the

Code, or a Loan Party has incurred or is likely to incur liabilities pursuant to one or more employee welfare benefit plans (as defined in Section 3(1) of ERISA) that provide benefits to retired employees or other former employees (other than as required by Section 601 of ERISA) or employee pension benefit plans (as defined in Section 3(2) of ERISA) and any of the foregoing could have a Material Adverse Effect; (ii) if there shall result from any such event or events the imposition of a lien, the granting of a security interest, or a liability or a material risk of incurring a liability which could have, or reasonably be expected to have, a Material Adverse Effect; or (iii) if any such lien, security interest or liability is imposed or granted and, individually, and/or in the aggregate, in the reasonable opinion of the Administrative Agent could have, or reasonably be expected to have, a Material Adverse Effect.

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10.1.12 Change of Control. If a Change of Control shall occur.

10.1.13 Indictment; Forfeiture. The indictment of, or institution of any legal process or proceeding against, the Borrower, any other Loan Party, and/or any Borrower Subsidiary under any applicable law where the relief, penalties, or remedies sought or available include the forfeiture of any property of Borrower and/or any other such Person and/or the imposition of any stay or other order, the effect of which could be to restrain in any material way the conduct by the Borrower and/or any other such Person of its business in the ordinary course.

10.1.14 Termination of Guaranty or Consent. Except as otherwise provided herein, the termination or attempted termination of any Guaranty by any Guarantor of the Obligations.

10.1.15 Generally. A default by Borrower in the performance of any term, provision or condition of this Agreement to be performed by Borrower, or a breach, or other failure to satisfy, any other term provision, condition, covenant or warranty under this Agreement and such default remains uncured beyond any applicable specific grace period provided for in this Agreement, including, without limitation, as set forth in Section 10.2. below.

10.2 Grace Periods and Notice. As to each of the foregoing events the following provisions relating to grace periods and notice shall apply:

10.2.1 No Notice or Grace Period. There shall be no grace period and no notice provision with respect to the payment of principal at maturity and/or in connection with a Mandatory Principal Prepayment (except as provided in Section 2.3.8. above) and no grace period and no notice provision with respect to defaults related to the voluntary filing of bankruptcy or reorganization proceedings or an assignment for the benefit of creditors, or subject to Sections 10.2.4 and 10.2.5, with respect to a breach of warranty or representation under Article 6, or (subject to Section 10.2.5) with respect to the breach of any of the affirmative covenants set forth in Article 7 (unless a grace or cure period is specifically provided for therein) or (subject to Section 10.2.5) with respect to the breach of any of the negative covenants set forth in Article 8.

10.2.2 Nonpayment of Interest. As to the nonpayment of interest there shall be a three (3) Business Day grace period without any requirement of notice from Administrative Agent.

10.2.3 Other Monetary Defaults. All other monetary defaults shall have a three (3) Business Day grace period following notice from Administrative Agent.

10.2.4 Nonmonetary Defaults Capable of Cure. As to non-monetary Defaults which are reasonably capable of being cured or remedied, unless there is a specific shorter or longer grace period provided for in this Loan Agreement or in another Loan Document, there shall be a thirty (30) day grace period following notice from Administrative Agent or, if such Default would reasonably require more than thirty (30) days to cure or remedy, such longer period of time not to exceed a total of ninety (90) days from Administrative Agent's notice as may be reasonably required so long as Borrower shall commence reasonable actions to remedy or cure the default within thirty (30) days following such

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notice and shall diligently prosecute such curative action to completion within such ninety (90) day period. However, where there is an emergency situation in which there is danger to person or property, it shall be an immediate Event of Default if such curative action shall

not be commenced as promptly as possible. As to breaches of warranties and representations there shall be a thirty (30) day grace period following notice from Administrative Agent.

10.2.5 Borrowing Base Property Defaults. As to any non-monetary Defaults which are reasonably capable of being cured or remedied by the removal of any Individual Property or Individual Properties from being Borrowing Base Properties, there shall be a thirty (30) day grace period following notice from the Administrative Agent for the Borrower to cure or remedy such Default by paying the Release Price with respect thereto, if required.

11. REMEDIES.

11.1 Remedies. Upon the occurrence and during the continuance of an Event of Default, whether or not the indebtedness evidenced by the Note and secured by the Security Documents shall be due and payable or Administrative Agent shall have instituted any foreclosure or other action for the enforcement of the Security Documents or the Note, Administrative Agent may, and shall upon the direction of the Required Lenders, in addition to any other remedies which Administrative Agent may have hereunder or under the other Loan Documents, or otherwise, and not in limitation thereof, and in Administrative Agent's sole and absolute discretion:

11.1.1 Accelerate Debt. Administrative Agent may, and with the direction of the Required Lenders shall, declare the indebtedness evidenced by the Note and secured by the Security Documents immediately due and payable (provided that in the case of a voluntary petition in bankruptcy filed by Borrower or an involuntary petition in bankruptcy filed against Borrower (after expiration of the grace period, if any, set forth in Section 10.1.8), such acceleration shall be automatic).

11.1.2 Collateralize Letters of Credit. Administrative Agent may require the borrower to deposit into accounts maintained with, and pledged to the Administrative Agent, cash proceeds in an amount equal to the L/C Exposure, which deposits shall secure the L/C Exposure.

11.1.3 Pursue Remedies. Administrative Agent may pursue any and all remedies provided for hereunder, under any one or more of the other Loan Documents, and/or otherwise.

11.2 Written Waivers. Except as otherwise provided in Section 13.4, if a Default or an Event of Default is waived by the Required Lenders, in their sole discretion, pursuant to a specific written instrument executed by an authorized officer of Administrative Agent, the Default or Event of Default so waived shall be deemed to have never occurred.

11.3 Power of Attorney. For the purpose of exercising the rights granted by this Article 11, as well as any and all other rights and remedies of Administrative Agent under the Loan Documents, Borrower hereby irrevocably constitutes and appoints Administrative Agent (or any agent designated by Administrative Agent) its true and lawful attorney-in-fact, with full power of substitution, upon and following any Event of Default which is continuing, to execute,

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acknowledge and deliver any instruments and to do and perform any acts in the name and on behalf of Borrower. In connection with the foregoing power of attorney, the Borrower hereby grants unto the Administrative Agent (acting through any of its officers) full power to do any and all things necessary or appropriate in connection with the exercise of such powers as fully and effectually as the Borrower might or could do, hereby ratifying all that said attorney shall do or cause to be done by virtue of this Agreement. The foregoing power of attorney shall not be affected by any disability or incapacity suffered by the Borrower and shall survive the same. All powers conferred upon the Administrative Agent by this Agreement, being coupled with an interest, shall be irrevocable until this Agreement is terminated by a written instrument executed by a duly authorized officer of the Administrative Agent.

12. SECURITY INTEREST AND SET-OFF.

12.1 Security Interest. Borrower hereby grants (and shall cause each other Loan Party to grant) to the Administrative Agent and each of the Lenders, a continuing lien, security interest and right of setoff (with setoff being subject to Section 12.2) as security for all of the Obligations, upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of Administrative Agent or any of the Lenders or any entity under the control of FleetBoston Financial Corporation and its successors and assigns, or in transit to any of them.

12.2 Set-Off. If any Event of Default occurs, any such deposits, balances or other sums credited by or due from Administrative Agent, any affiliate of Administrative Agent or FleetBoston Financial Corporation or any of

the Lenders, or from any such affiliate of Administrative Agent or FleetBoston Financial Corporation or any of the Lenders, to Borrower may to the fullest extent not prohibited by applicable law at any time or from time to time, without regard to the existence, sufficiency or adequacy of any other collateral, and without notice or compliance with any other condition precedent now or hereafter imposed by statute, rule of law or otherwise, all of which are hereby waived, be set off, appropriated and applied by Administrative Agent against any or all of Borrower's Obligations irrespective of whether demand shall have been made and although such obligations may be unmatured, in the manner set forth herein. Within five (5) Business Days of making any such set off, appropriation or application, Administrative Agent agrees to notify Borrower thereof, provided the failure to give such notice shall not affect the validity of such set off or appropriation or application. ANY AND ALL RIGHTS TO REQUIRE ADMINISTRATIVE AGENT OR ANY OF THE LENDERS TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE LOAN, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF THE BORROWER OR ANY GUARANTOR, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED. Each of the Lenders agrees with each other Lender that (a) if an amount to be set off is to be applied to indebtedness of the Borrower to such Lender, other than the Obligations evidenced by the Note due to such Lender, such amount shall be applied ratably to such other indebtedness and to the Obligations evidenced by the Note due to such Lender, and (b) if such Lender shall receive from the Borrower, whether by voluntary payment, exercise of the right of setoff, counterclaim, cross action, enforcement of the claim evidenced by the Note due to such Lender by proceedings against the Borrower at law or in equity or by proof thereof in bankruptcy, reorganization, liquidation, receivership or similar proceedings, or otherwise, and shall retain and apply to the payment of the Note due to such Lender any amount in excess of its ratable portion of the payments received by all of the Lenders with respect to Obligations under the Note due to all of the Lenders, such Lender will make such disposition and arrangements with the other Lenders with respect to such excess, either by way of

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distribution, pro tanto assignment of claims, subrogation or otherwise as shall result in each Lender receiving in respect of the Note its proportionate payment as contemplated by this Agreement; provided that if all or any part of such excess payment is thereafter recovered from such Lender, such disposition and arrangements shall be rescinded and the amount restored to the extent of such recovery, but without interest.

12.3 Right to Freeze. The Administrative Agent and each of the Lenders shall also have the right, at its option, upon the occurrence of any event which would entitle the Administrative Agent and each of the Lenders to set off or debit as set forth in Section 12.2, to freeze, block or segregate any such deposits, balances and other sums so that Borrower may not access, control or draw upon the same.

12.4 Additional Rights. The rights of Administrative Agent, the Lenders and each affiliate of Administrative Agent and each of the Lenders under this Article 12 are in addition to, and not in limitation of, other rights and remedies, including other rights of set off, which Administrative Agent or any of the Lenders may have.

13. THE ADMINISTRATIVE AGENT AND THE LENDERS

13.1 Rights, Duties and Immunities of the Administrative Agent.

13.1.1 Appointment of Administrative Agent. Each Lender hereby irrevocably designates and appoints Fleet National Bank as Administrative Agent of such Lender to act as specified herein and in the other Loan Documents, and each such Lender hereby irrevocably authorizes the Administrative Agent to take such actions, exercise such powers and perform such duties as are expressly delegated to or conferred upon the Administrative Agent by the terms of this Loan Agreement and the other Loan Documents, together with such other powers as are reasonably incidental thereto. The Administrative Agent agrees to act as such upon the express conditions contained in this Article 13. The Administrative Agent shall not have any duties or responsibilities except those expressly set forth herein or in the other Loan Documents, nor shall it have any fiduciary relationship with any Lender, and no implied covenants, responsibilities, duties, obligations or liabilities shall be read into this Loan Agreement or otherwise exist against the Administrative Agent. Except as provided for in Section 13.3, the provisions of this Article 13 are solely for the benefit of the Administrative Agent and the Lenders, and the Borrower shall not have any rights as a third party beneficiary of any of the provisions hereof; provided, however, the Borrower may rely on any consent, waiver, approval, certificate or instrument delivered by the Administrative Agent as evidencing that the Administrative Agent has received, to the extent required hereunder, the prior approval of the Required Lenders or the Lenders.

13.1.2 Administration of Loan by Administrative Agent. The Administrative Agent shall be responsible for administering the Loan on a day-to-day basis. In the exercise of such administrative duties, the Administrative Agent shall use the same diligence and standard of care that is customarily used by the Administrative Agent with respect to similar loans held by the Administrative Agent solely for its own account.

Each Lender delegates to the Administrative Agent the full right and authority on its behalf to take the following specific actions in connection with its administration of the Loan:

(i) to fund the Loan in accordance with the provisions of the Loan

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Documents, but only to the extent of immediately available funds provided to the Administrative Agent by the respective Lenders for such purpose;

(ii) to receive all payments of principal, interest, fees and other charges paid by, or on behalf of, the Borrower and, except for fees to which the Administrative Agent is entitled pursuant to the Loan Documents or otherwise, to distribute all such funds to the respective Lenders as provided for hereunder;

(iii) to keep and maintain complete and accurate files and records of all material matters pertaining to the Loan, and make such files and records available for inspection and copying by each Lender and its respective employees and agents during normal business hours upon reasonable prior notice to the Administrative Agent;

(iv) to provide the Lenders with copies of all material and/or substantive notices, reports and other information, and notice of all material and/or substantive matters or occurrences, obtained by the Administrative Agent provided by or with respect to the Borrower or any other Loan Party; and

(v) to do or omit doing all such other actions as may be reasonably necessary or incident to the implementation, administration and servicing of the Loan and the rights and duties delegated hereinabove.

13.1.3 Delegation of Duties. The Administrative Agent may execute any of its duties under this Loan Agreement or any other Loan Document by or through its agents or attorneys-in-fact, and shall be entitled to the advice of counsel concerning all matters pertaining to its rights and duties hereunder or under the Loan Documents. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

13.1.4 Exculpatory Provisions. Neither the Administrative Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or affiliates shall be liable for any action lawfully taken or omitted to be taken by it or them under or in connection with this Loan Agreement or the other Loan Documents, except for its or their gross negligence or willful misconduct. Neither the Administrative Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or affiliates shall be responsible for or have any duty to ascertain, inquire into, or verify (i) any recital, statement, representation or warranty made by the Borrower or any of its officers or agents contained in this Loan Agreement or the other Loan Documents or in any certificate or other document delivered in connection therewith; (ii) the performance or observance of any of the covenants or agreements contained in, or the conditions of, this Loan Agreement or the other Loan Documents; (iii) the state or condition of any properties of the Borrower or any other obligor hereunder constituting Collateral for the Obligations of the Borrower hereunder, or any information contained in the books or records of the Borrower; (iv) the validity, enforceability, collectibility, effectiveness or genuineness of this Loan Agreement or any other Loan Document or any other certificate, document or instrument furnished in connection therewith; or (v) the validity, priority or perfection of any lien securing or purporting to secure the Obligations or the value or sufficiency of any of the Collateral.

13.1.5 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any notice, consent, certificate, affidavit, or other document or writing believed by it to be genuine and correct

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and to have been signed, sent or made by the proper person or persons, and upon the advice and statements of legal counsel (including, without, limitation, counsel to the Borrower), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent shall be fully justified in failing or refusing to take any action under this Loan Agreement or any other Loan Document unless it shall first receive such advice or concurrence of the Required Lenders as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of the taking or failing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Loan Agreement and the other Loan Documents in accordance with any written request of the Required Lenders, and each such request of the Required Lenders, and any action taken or failure to act by the Administrative Agent pursuant thereto, shall be binding upon all of the Lenders; provided, however, that the Administrative Agent shall not be required in any event to act, or to refrain from acting, in any manner which is contrary to the Loan Documents or to applicable law.

13.1.6 Notice of Default. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default unless the Administrative Agent has actual knowledge of the same or has received notice from a Lender or the Borrower referring to this Loan Agreement, describing such Default or Event of Default and stating that such notice is a notice of default (a "Notice of Default"). In the event that the Administrative Agent obtains such actual knowledge or receives such a notice, the Administrative Agent shall give prompt notice thereof to each of the Lenders. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders. Unless and until the Administrative Agent shall have received such direction, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to any such Default or Event of Default as it shall deem advisable in the best interest of the Lenders.

13.1.7 Lenders' Credit Decisions. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender, and based on the financial statements prepared by the Borrower and such other documents and information as it has deemed appropriate, made its own credit analysis and investigation into the business, assets, operations, property, and financial and other condition of the Borrower and has made its own decision to enter into this Loan Agreement and the other Loan Documents. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in determining whether or not conditions precedent to Closing any Loan hereunder have been satisfied and in taking or not taking any action under this Loan Agreement and the other Loan Documents.

13.1.8 Administrative Agent's Reimbursement and Indemnification. The Lenders agree to reimburse and indemnify the Administrative Agent, ratably in proportion to their respective Commitments, for (i) any amounts not reimbursed by the Borrower for which the Administrative Agent is entitled to reimbursement by the Borrower under this Loan Agreement or the other Loan Documents, (ii) any other expenses incurred by the Administrative Agent on behalf of the Lenders in connection with the preparation, execution, delivery, administration, amendment, waiver and/or enforcement of this Loan Agreement and the other Loan Documents, and (iii) any

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liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever which may imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of this Loan Agreement or the other Loan Documents or any other document delivered in connection therewith or any transaction contemplated thereby, or the enforcement of any of the terms hereof or thereof, provided that no Lender shall be liable for any of the foregoing to the extent that they arise from the gross negligence or willful misconduct of the Administrative Agent. If any indemnity furnished to the Administrative Agent for any purpose shall, in the opinion of the Administrative Agent, be insufficient or become impaired, the Administrative Agent may call for additional indemnity and cease, or not commence, to do the action indemnified against until such additional indemnity is furnished.

13.1.9 Administrative Agent in its Individual Capacity. With respect to its Commitment as a Lender, and the Loans made by it and the Note issued to it, the Administrative Agent shall have the same rights and powers hereunder and under any other Loan Document as any Lender and may exercise the same as though it were not the Administrative Agent, and the term "Lender" or "Lenders" shall, unless the context otherwise indicates, include the Administrative Agent in its individual capacity. The Administrative Agent and its subsidiaries and affiliates may accept deposits from, lend money to, and generally engage in any kind of commercial or investment banking, trust, advisory or other business with the Borrower or any subsidiary or affiliate of the Borrower as if it were not the Administrative Agent hereunder.

13.1.10 Successor Administrative Agent. The Administrative Agent may resign at any time by giving thirty (30) days' prior written notice to the Lenders and Borrower. The Required Lenders, for good cause, may remove Administrative Agent at any time by giving thirty (30) days' prior written notice to the Administrative Agent, the Borrower and the other Lenders. Upon any such resignation or removal, the Required Lenders shall appoint a successor Administrative Agent, which successor Administrative Agent shall, if such appointment is prior to the occurrence of an Event of Default which is continuing, be subject to the approval of the Borrower, which approval shall not be unreasonably withheld or delayed. If no successor Administrative Agent shall have been so appointed by the Required Lenders and accepted such appointment within thirty (30) days after the retiring Administrative Agent's giving notice of resignation or the Required Lenders' giving notice of removal, as the case may be, then the retiring Administrative Agent may appoint, on behalf of the Borrower and the Lenders, a successor Administrative Agent. If in such instance the retiring Administrative Agent appoints as the successor Administrative Agent a Lender, such Lender shall accept such appointment. Each such successor Administrative Agent shall be a Lender or a financial institution which meets the requirements of an Eligible Assignee. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents. After any retiring Administrative Agent's resignation hereunder, the provisions of this Article 13 shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Administrative Agent hereunder.

13.1.11 Duties in the Case of Enforcement. In case one or more Events of

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Default have occurred and shall be continuing, and whether or not acceleration of the Obligations shall have occurred, the Administrative Agent may, and shall at the direction of the Required Lenders, and provided that the Lenders have given to the Administrative Agent such additional indemnities and assurances against expenses and liabilities as the Administrative Agent may reasonably request, proceed to enforce the provisions of this Loan Agreement and the other Loan Documents respecting the foreclosure, the sale, or other disposition of all or any part of the Collateral and the exercise of any other legal or equitable rights or remedies as it may have hereunder or under any other Loan Document or otherwise by virtue of applicable law, or to refrain from so acting if similarly requested by the Required Lenders. The Administrative Agent shall be fully protected in so acting or refraining from acting upon the instruction of the Required Lenders, and such instruction shall be binding upon all the Lenders. The Required Lenders may direct the Administrative Agent in writing as to the method and the extent of any such foreclosure, sale or other disposition or the exercise of any other right or remedy, the Lenders hereby agreeing to indemnify and hold the Administrative Agent harmless from all costs and liabilities incurred in respect of all actions taken or omitted in accordance with such direction, provided that the Administrative Agent need not comply with any such direction to the extent that the Administrative Agent reasonably believes the Administrative Agent's compliance with such direction to be unlawful or commercially unreasonable in any applicable jurisdiction. The Administrative Agent may, in its discretion but without obligation, in the absence of direction from the Required Lenders, take such interim actions as it believes necessary to preserve the rights of the Lenders hereunder and in and to any Collateral securing the Obligations, including but not limited to petitioning a court for injunctive relief, appointment of a receiver or preservation of the proceeds of any Collateral. Each of the Lenders acknowledges and agrees that no individual Lender may separately enforce or exercise any of the

provisions of any of the Loan Documents, including without limitation the Note, other than through the Administrative Agent.

13.2 Respecting Loans and Payments.

13.2.1 Procedures for Loans. Administrative Agent shall give written notice to each Lender of each request for a Loan Advance, or conversion of an existing Loan Advance from a Variable Rate Advance to an Effective LIBO Rate Advance, by facsimile transmission, hand delivery or overnight courier, not later than 11:00 a.m. (Eastern time) (i) three (3) Business Days prior to the making of any Loan Advance, (ii) two (2) Business Days prior to any conversion of an existing Loan Advance to an Effective LIBO Rate Advance, or (iii) on the first day of any conversion to a Variable Rate Advance. Each such notice shall be accompanied by a written summary of the request for a Loan Advance and shall specify (a) the date of the requested Loan Advance, (b) the aggregate amount of the requested Loan Advance, (c) each Lender's pro rata share of the requested Loan Advance, and (d) the applicable interest rate selected by Borrower with respect to such Loan Advance, or any portion thereof, together with the applicable Interest Period, if any, selected, or deemed selected, by Borrower. Each Lender shall, before 11:00 a.m. (Eastern time) on the date set forth in any such request for a Loan Advance, make available to Administrative Agent, at an account to be designated by Administrative Agent at Fleet National Bank in Boston, Massachusetts, in same day funds, each Lender's ratable portion of the requested Loan Advance. After Administrative Agent's receipt of such funds and upon Administrative Agent's determination that the applicable conditions to making the requested Loan Advance have been fulfilled, Administrative Agent shall make such funds available to Borrower as provided for in this Loan Agreement. Within a

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reasonable period of time following the making of each Loan Advance, but in no event later than ten (10) Business Days following such Loan Advance, Administrative Agent shall deliver to each Lender a copy of Borrower's request for Loan Advance. Promptly after receipt by Administrative Agent of written request from any Lender, Administrative Agent shall deliver to the requesting Lender the accompanying certifications and such other instruments, documents, certifications and approvals delivered by or on behalf of Borrower to Administrative Agent in support of the requested Loan Advance.

13.2.2 Nature of Obligations of Lenders. The obligations of the Lenders hereunder are several and not joint. Failure of any Lender to fulfill its obligations hereunder shall not result in any other Lender becoming obligated to advance more than its Commitment Percentage of the Loan, nor shall such failure release or diminish the obligations of any other Lender to fund its Commitment Percentage provided herein.

13.2.3 Payments to Administrative Agent. All payments of principal of and interest on the Loan or the Note shall be made to the Administrative Agent by the Borrower or any other obligor or guarantor for the account of the Lenders in immediately available funds as provided in the Note and this Loan Agreement. Except as otherwise expressly provided herein, the Administrative Agent agrees promptly to distribute to each Lender, on the same Business Day upon which each such payment is made, such Lender's proportionate share of each such payment in immediately available funds excluding Liquidation Proceeds which shall be distributed in accordance with Section 13.2.4 below. The Administrative Agent will disburse such payments to the Lenders on the date of receipt thereof if received prior to 10:00 a.m. on such date and, if not, on the next Business Day. The Administrative Agent shall upon each distribution promptly notify Borrower of such distribution and each Lender of the amounts distributed to it applicable to principal of, and interest on, the proportionate share held by the applicable Lender. Each payment to the Administrative Agent under the first sentence of this Section shall constitute a payment by the Borrower to each Lender in the amount of such Lender's proportionate share of such payment, and any such payment to the Administrative Agent shall not be considered outstanding for any purpose after the date of such payment by the Borrower to the Administrative Agent without regard to whether or when the Administrative Agent makes distribution thereof as provided above. If any payment received by the Administrative Agent from the Borrower is insufficient to pay both all accrued interest and all principal then due and owing, the Administrative Agent shall first apply such payment to all outstanding interest until paid in full and shall then apply the remainder of such payment to all principal then due and owing, and shall distribute the payment to each Lender accordingly.

13.2.4 Distribution of Liquidation Proceeds. Subject to the terms and conditions hereof, the Administrative Agent shall distribute all Liquidation Proceeds in the order and manner set forth below:

- First: To the Administrative Agent, towards any fees and any expenses for which the Administrative Agent is entitled to reimbursement under this Agreement or the other Loan Documents not theretofore paid to the Administrative Agent.
- Second: To all applicable Lenders in accordance with their proportional share based upon their respective Commitment Percentages until all Lenders have been reimbursed for all fees and expenses which such Lenders have previously paid to the Administrative Agent and not theretofore paid to such Lenders.

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- Third: To all applicable Lenders in accordance with their proportional share based upon their respective Commitment Percentages until all Lenders have been paid in full all principal and interest due to such Lenders under the Loan, with each Lender applying such proceeds for purposes of this Agreement first against the outstanding principal balance due to such Lender under the Loan and then to accrued and unpaid interest due under the Loan.
- Fourth: To all applicable Lenders in accordance with their proportional share based upon their respective Commitment Percentages until all Lenders have been paid in full all other amounts due to such Lenders under the Loan including, without limitation, any costs and expenses incurred directly by such Lenders to the extent such costs and expenses are reimbursable to such Lenders by the Borrower under the Loan Documents.
- Fifth: To the Borrower or such third parties as may be entitled to claim Liquidation Proceeds.

13.2.5 Adjustments. If, after Administrative Agent has paid each Lender's proportionate share of any payment received or applied by Administrative Agent in respect of the Loan and other Obligations, that payment is rescinded or must otherwise be returned or paid over by Administrative Agent, whether pursuant to any bankruptcy or insolvency law, sharing of payments clause of any loan agreement or otherwise, such Lender shall, at Administrative Agent's request, promptly return its proportionate share of such payment or application to Administrative Agent, together with such Lender's proportionate share of any interest or other amount required to be paid by Administrative Agent with respect to such payment or application.

13.2.6 Setoff. If any Lender (including the Administrative Agent), acting in its individual capacity, shall exercise any right of setoff against a deposit balance or other account of the Borrower held by such Lender on account of the obligations of the Borrower under this Loan Agreement, such Lender shall remit to the Administrative Agent all such sums received pursuant to the exercise of such right of setoff, and the Administrative Agent shall apply all such sums for the benefit of all of the Lenders hereunder in accordance with the terms of this Loan Agreement.

13.2.7 Distribution by Administrative Agent. If in the opinion of the Administrative Agent distribution of any amount received by it in such capacity hereunder or under the Note or under any of the other Loan Documents might involve any liability, it may refrain from making distribution until its right to make distribution shall have been adjudicated by a court of competent jurisdiction or has been resolved by the mutual consent of all Lenders. In addition, the Administrative Agent may request full and complete indemnity, in form and substance satisfactory to it, prior to making any such distribution. If a court of competent jurisdiction shall adjudge that any amount received and distributed by the Administrative Agent is to be repaid, each person to whom any such distribution shall have been made shall either repay to the Administrative Agent its proportionate share of the amount so adjudged to be repaid or shall pay over to the same in such manner and to such persons as shall be determined by such court.

13.2.8 Delinquent Lender. If for any reason any Lender shall fail or refuse to abide by its obligations under this Loan Agreement, including without limitation its obligation to make available to Administrative Agent its pro rata share of any Loans,

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expenses or setoff (a "Delinquent Lender") and such failure is not cured within five (5) days of receipt from the Administrative Agent of

written notice thereof, then, in addition to the rights and remedies that may be available to Administrative Agent, other Lenders, the Borrower or any other party at law or in equity, and not at limitation thereof, (i) such Delinquent Lender's right to participate in the administration of, or decision-making rights related to, the Loans, this Loan Agreement or the other Loan Documents shall be suspended during the pendency of such failure or refusal, with such Delinquent Lender's Commitment not being included when calculating any Required Lender or Unanimous Lender decision hereunder, and (ii) a Delinquent Lender shall be deemed to have assigned any and all payments due to it from the Borrower, whether on account of outstanding Loans, interest, fees or otherwise, to the remaining non-delinquent Lenders for application to, and reduction of, their proportionate shares of all outstanding Loans until, as a result of application of such assigned payments the Lenders' respective pro rata shares of all outstanding Loans shall have returned to those in effect immediately prior to such delinquency and without giving effect to the nonpayment causing such delinquency. The Delinquent Lender's decision-making and participation rights and rights to payments as set forth in clauses (i) and (ii) hereinabove shall be restored only upon the payment by the Delinquent Lender of its pro rata share of any Loans or expenses as to which it is delinquent, together with interest thereon at the Default Rate from the date when originally due until the date upon which any such amounts are actually paid.

The non-delinquent Lenders shall also have the right, but not the obligation, in their respective, sole and absolute discretion, to acquire for no cash consideration, (pro rata, based on the respective Commitments of those Lenders electing to exercise such right) the Delinquent Lender's Commitment to fund future Loans (the "Future Commitment"). Upon any such purchase of the pro rata share of any Delinquent Lender's Future Commitment, the Delinquent Lender's share in future Loans and its rights under the Loan Documents with respect thereto shall terminate on the date of purchase, and the Delinquent Lender shall promptly execute all documents reasonably requested to surrender and transfer such interest, including, if so requested, an Assignment and Acceptance. Each Delinquent Lender shall indemnify Administrative Agent and each non-delinquent Lender from and against any and all loss, damage or expenses, including but not limited to reasonable attorneys' fees and funds advanced by Administrative Agent or by any non-delinquent Lender, on account of a Delinquent Lender's failure to timely fund its pro rata share of a Loan or to otherwise perform its obligations under the Loan Documents.

13.2.9 Holders. The Administrative Agent may deem and treat the Lender designated in the Register as the proportionate owner of such interest in the Note for all purposes hereof unless and until a written notice of the assignment, transfer or endorsement thereof, as the case may be, shall have been filed with the Administrative Agent. Any request, authority or consent of any person or entity who, at the time of making such request or giving such authority or consent, is the holder of any designated interest in the Note shall be conclusive and binding on any subsequent holder, transferee or endorsee, as the case may be, of such interest in the Note or of any Note or Note issued in exchange therefor.

13.3 Assignment and Participation.

13.3.1 Conditions to Assignment by Lenders. Except as provided herein, each Lender may assign to one or more Eligible Assignees all or a portion of its interests, rights and obligations under this Loan Agreement (including all or a portion of its

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Commitment Percentage and Commitment and the same portion of the Loans at the time owing to it and the portion of the Note held by it), upon satisfaction of the following conditions: (a) each of the Administrative Agent, in its reasonable discretion, and the Borrower shall have given its prior written consent to such assignment (provided that, in the case of the Borrower, such consent shall not be unreasonably withheld, delayed, or conditioned and shall not be required if a Default or Event of Default shall have occurred and be continuing); (b) each such assignment shall be of a constant, and not a varying, percentage of all the assigning Lender's rights and obligations under this Loan Agreement, (c) each assignment shall be in an amount that is at least \$5,000,000.00 and is a whole multiple of \$1,000,000.00, (d) each Lender which is a Lender at the time of such assignment shall retain, free of any such assignment, an amount of its Commitment of not less than \$5,000,000.00, and (e) the parties to such assignment shall execute and deliver to the Administrative Agent, for recording in the Register (as hereinafter defined), an Assignment and Acceptance, substantially in the form of Exhibit H hereto (an "Assignment and Acceptance"). Upon such execution, delivery, acceptance and recording, from and after the effective date specified in each Assignment and Acceptance, which effective date shall be at least five (5) Business Days after the execution thereof, and written notice

thereof to the Borrower, (x) the assignee thereunder shall be a party hereto and, to the extent provided in such Assignment and Acceptance, have the rights and obligations of a Lender hereunder, and (y) the assigning Lender shall, to the extent provided in such assignment and upon payment to the Administrative Agent of the registration fee referred to in Section 13.3.3, be released from its obligations under this Loan Agreement.

13.3.2 Certain Representations and Warranties. Limitations, Covenants. By executing and delivering an Assignment and Acceptance, the parties to the assignment thereunder confirm to and agree with each other and the other parties hereto as follows:

(a) other than the representation and warranty that it is the legal and beneficial owner of the interest being assigned thereby free and clear of any adverse claim, the assigning Lender makes no representation or warranty, express or implied, and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Loan Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Loan Agreement, the other Loan Documents or any other instrument or document furnished pursuant hereto or the attachment, perfection or priority of any security interest or mortgage;

(b) the assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower and its affiliates, related entities or subsidiaries or any other person primarily or secondarily liable in respect of any of the Obligations, or the performance or observance by the Borrower or any other person primarily or secondarily liable in respect of any of the Obligations of any of their obligations under this Loan Agreement or any of the other Loan Documents or any other instrument or document furnished pursuant hereto or thereto;

(c) such assignee confirms that it has received a copy of this Loan Agreement, together with copies of the most recent financial statements provided by the Borrower as required by the terms of this Loan Agreement, together with such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance;

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(d) such assignee will, independently and without reliance upon the assigning Lender, the Administrative Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Loan Agreement;

(e) such assignee represents and warrants that it is an Eligible Assignee;

(f) such assignee appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under this Loan Agreement and the other Loan Documents as are delegated to the Administrative Agent by the terms hereof or thereof, together with such powers as are reasonably incidental thereto;

(g) such assignee agrees that it will perform in accordance with their terms all of the obligations that by the terms of this Loan Agreement are required to be performed by it as a Lender; and

(h) such assignee represents and warrants that it is legally authorized to enter into such Assignment and Acceptance.

13.3.3 Register. The Administrative Agent shall maintain a copy of each Assignment and Acceptance delivered to it and a register or similar list (the "Register") for the recordation of the names and addresses of the Lenders and the Commitment Percentage of, and principal amount of the Loan owing to the Lenders from time to time. The entries in the Register shall be conclusive, in the absence of manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each person whose name is recorded in the Register as a Lender hereunder for all purposes of this Loan Agreement. The Register shall be available for inspection by the Borrower and the Lenders at any reasonable time and from time to time upon reasonable prior notice. Upon each such recordation, the assigning Lender agrees to pay to the Administrative Agent a registration fee in the sum of \$3,000.00.

13.3.4 New Notes. Upon its receipt of an Assignment and Acceptance executed by the parties to such assignment, together with

each Note subject to such assignment, the Administrative Agent shall (a) record the information contained therein in the Register, and (b) give prompt notice thereof to the Borrower and the Lenders (other than the assigning Lender). Within five (5) Business Days after receipt of such notice, the Borrower, at its own expense, shall execute and deliver to the Administrative Agent, in exchange for each surrendered Note, a new Note to the order of such Eligible Assignee in an amount equal to the amount assumed by such Eligible Assignee pursuant to such Assignment and Acceptance and, if the assigning Lender has retained some portion of its obligations hereunder, a new Note to the order of the assigning Lender in an amount equal to the amount retained by it hereunder. Such new Notes shall provide that they are replacements for the surrendered Notes, shall be in an aggregate principal amount equal to the aggregate principal amount of the surrendered Notes, shall be dated the effective date of such Assignment and Acceptance and shall otherwise be substantially the form of the assigned Notes. The surrendered Notes shall be cancelled and returned to the Borrower.

13.3.5 Participations. Each Lender may sell participations to one or more banks or other financial institutions in all or a portion of such Lender's rights and obligations under this Loan Agreement and the other Loan Documents; provided that (a) each such

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participation shall be in a minimum amount of \$5,000,000.00, (b) each participant shall meet the requirements of an Eligible Assignee, (c) any such sale or participation shall not affect the rights and duties of the selling Lender hereunder to the Borrower, and (d) the only rights granted to the participant pursuant to such participation arrangements with respect to waivers, amendments or modifications of the Loan Documents shall be the rights to approve waivers, amendments or modifications that would reduce the principal of or the interest rate on any Loans, extend the term or increase the amount of the Commitment of such Lender as it relates to such participant, reduce the amount of any commitment fees to which such participant is entitled or extend any regularly scheduled payment date for principal or interest.

13.3.6 Disclosure. The Borrower agrees that in addition to disclosures made in accordance with standard and customary banking practices any Lender may disclose information obtained by such Lender pursuant to this Loan Agreement to assignees or participants and potential assignees or participants hereunder; provided that such assignees or participants or potential assignees or participants shall agree (a) to treat in confidence such information unless such information otherwise becomes public knowledge, (b) not to disclose such information to a third party, except as required by law or legal process and (c) not to make use of such information for purposes of transactions unrelated to such contemplated assignment or participation.

13.3.7 Miscellaneous Assignment Provisions. Any assigning Lender shall retain its rights to be indemnified pursuant to Section 7.18 with respect to any claims or actions arising prior to the date of such assignment. If any assignee Lender is not incorporated under the laws of the United States of America or any state thereof, it shall, prior to the date on which any interest or fees are payable hereunder or under any of the other Loan Documents for its account, deliver to the Borrower and the Administrative Agent certification as to its exemption from deduction or withholding of any United States federal income taxes. Anything contained in this Section 13.3.7 to the contrary notwithstanding, any Lender may at any time pledge all or any portion of its interest and rights under this Loan Agreement (including all or any portion of its Note) to any of the twelve Federal Reserve Banks organized under ss.4 of the Federal Reserve Act, 12 U.S.C. ss.341. No such pledge or the enforcement thereof shall release the pledgor Lender from its obligations hereunder or under any of the other Loan Documents.

13.3.8 Assignment by Borrower. The Borrower shall not assign or transfer any of its rights or obligations under any of the Loan Documents without the prior written consent of each of the Lenders.

13.4 Administrative Matters.

13.4.1 Amendment, Waiver, Consent, Etc. Except as otherwise provided herein or as to any term or provision hereof which specifically provides for the consent or approval of the Administrative Agent, the Required Lenders and/or the Lenders, as applicable, no term or provision of this Loan Agreement or any other Loan Document may be changed, waived, discharged or terminated, nor may any consent required or permitted by this Loan Agreement or any other Loan Document be given, unless such change, waiver, discharge, termination or consent receives the written approval of the Required Lenders.

Notwithstanding the foregoing, the unanimous written approval of all the Lenders (other

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than a Defaulting Lender) shall be required with respect to any proposed amendment, waiver, discharge, termination, or consent which:

(i) has the effect of (a) extending the final scheduled maturity or the date of any amortization payment of any Loan or Note, (b) reducing the rate or extending the time of payment of interest or fees thereon, (c) increasing or reducing the principal amount thereof, or (d) otherwise postponing or forgiving any indebtedness thereunder,

(ii) releases or discharges any material portion of the Collateral other than in accordance with the express provisions of the Loan Documents,

(iii) amends, modifies or waives any provisions of this Section 13.4,

(iv) amends any of the Financial Covenants,

(v) modifies the percentage specified in the definition of Required Lenders,

(vi) approves any Individual Property as a Borrowing Base Property,

(vii) except as otherwise provided in this Loan Agreement, changes the amount of any Lender's Commitment or Commitment Percentage, or

(viii) releases or waives any guaranty of the Obligations or indemnifications provided in the Loan Documents;

and provided, further, that without the consent of the Administrative Agent, no such action shall amend, modify or waive any provision of this Article or any other provision of any Loan Document which relates to the rights or obligations of the Administrative Agent.

13.4.2 Deemed Consent or Approval. With respect to any requested amendment, waiver, consent or other action which requires the approval of the Required Lenders or all of the Lenders, as the case may be, in accordance with the terms of this Loan Agreement, or if the Administrative Agent is required hereunder to seek, or desires to seek, the approval of the Required Lenders or all of the Lenders, as the case may be, prior to undertaking a particular action or course of conduct, the Administrative Agent in each such case shall provide each Lender with written notice of any such request for amendment, waiver or consent or any other requested or proposed action or course of conduct, accompanied by such detailed background information and explanations as may be reasonably necessary to determine whether to approve or disapprove such amendment, waiver, consent or other action or course of conduct. The Administrative Agent may (but shall not be required to) include in any such notice, printed in capital letters or boldface type, a legend substantially to the following effect:

"THIS COMMUNICATION REQUIRES IMMEDIATE RESPONSE. FAILURE TO RESPOND WITHIN TEN (10) CALENDAR DAYS FROM THE RECEIPT OF THIS COMMUNICATION SHALL CONSTITUTE A DEEMED APPROVAL BY THE ADDRESSEE OF THE ACTION REQUESTED BY THE BORROWER OR THE COURSE OF CONDUCT PROPOSED BY THE ADMINISTRATIVE AGENT AND RECITED ABOVE,"

and if (and only if) the foregoing legend is included by the Administrative Agent in its

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communication, a Lender shall be deemed to have approved or consented to such action or course of conduct for all purposes hereunder if such Lender fails to object to such action or course of conduct by written notice to the Administrative Agent within ten (10) calendar days of such Lender's receipt of such notice.

13.5 Arranger. Notwithstanding the provisions of this Agreement or of the other Loan Documents, the Arranger shall have no powers, rights, duties, responsibilities or liabilities with respect to this Agreement and the other Loan Documents. To the extent requested by the Administrative Agent, the Arranger has coordinated, or will coordinate, the initial syndication of the Loan and the assignment of interests in the Loan.

14. CASUALTY AND TAKING.

14.1 Casualty or Taking; Obligation To Repair. In the event of the occurrence of an Event of Loss as to any Collateral Property, Borrower shall give immediate written notice thereof to Administrative Agent and proceed with reasonable diligence, in full compliance with all Legal Requirements and the other requirements of the Loan Documents, to repair, restore, rebuild or replace the affected Collateral Property (each, the "Repair Work").

14.2 Adjustment of Claims. All insurance claims or condemnation or similar awards shall be adjusted or settled by Borrower, at Borrower's sole cost and expense, but subject to Administrative Agent's prior written approval for any Borrowing Base Property, which approval shall not be unreasonably withheld; provided that (i) the Administrative Agent shall have the right to participate in any adjustment or settlement for any Borrowing Base Property with respect to which the Net Proceeds in the aggregate are equal to or greater than Five Hundred Thousand Dollars (\$500,000.00) and (ii) if any Event of Default exists under any of the Loan Documents, Administrative Agent shall have the right to adjust, settle, and compromise such claims without the approval of Borrower.

14.3 Payment and Application of Insurance Proceeds and Condemnation Awards.

14.3.1 Except as otherwise provided for herein, all Net Proceeds shall be paid to Administrative Agent and, at Administrative Agent's option, be applied to Borrower's Obligations or released, in whole or in part, to pay for the actual cost of repair, restoration, rebuilding or replacement (collectively, "Cost To Repair"). If any Net Proceeds are received directly by any Loan Party, such Loan Party shall hold such Net Proceeds in trust for the Administrative Agent and shall promptly deliver such Net Proceeds in kind to the Administrative Agent. Notwithstanding any other term or provision of this Agreement, provided no Default or Event of Default is then in existence, all Net Proceeds related to any Collateral Property which is not a Borrowing Base Property shall be released to the Borrower to such repair and reconstruction, without the Borrower having to satisfy the conditions of section 14.3 and 14.4 hereof.

14.3.2 Notwithstanding the terms and provisions hereof, with respect to any Borrowing Base Property, if the Net Proceeds do not exceed Five Hundred Thousand Dollars (\$500,000.00) and the Insurance/Taking Release Conditions have been satisfied in a manner reasonably acceptable to the Administrative Agent, Administrative Agent shall release the Net Proceeds to pay for the actual Cost to Repair and the applicable Loan Party shall commence and diligently prosecute to completion, the Repair Work relative to the subject Collateral Property, with any excess being retained by the applicable Loan Party.

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14.3.3 Notwithstanding the terms and provisions hereof, with respect to any Borrowing Base Property, if either (i) the Net Proceeds are equal to or greater than Five Hundred Thousand Dollars (\$500,000.00) or (ii) the Net Proceeds do not exceed Five Hundred Thousand Dollars (\$500,000.00), but the Insurance/Taking Release Conditions have not been satisfied with respect to such Event of Loss, the Administrative Agent shall release so much of the Net Proceeds as may be required to pay for the actual Cost To Repair in accordance the limitations and procedures set forth in Section 14.4, if the following conditions are satisfied in a manner reasonably acceptable to the Administrative Agent:

- (i) no Default or Event of Default shall have occurred and be continuing under the Loan Documents;
- (ii) in Administrative Agent's good faith judgment such Net Proceeds together with any additional funds as may be deposited with and pledged to Administrative Agent, on behalf of the Lenders, are sufficient to pay for the Cost To Repair. In order to make this determination, Administrative Agent shall be furnished by the Borrower with an estimate of the Cost to Repair accompanied by an independent architect's or engineer's certification as to such Cost to Repair and appropriate plans and specifications for the Repair Work;
- (iii) the subject Event of Loss was not a Major Event of Loss;
- (iv) Administrative Agent in the exercise of its reasonable discretion, shall have determined that all rents from Leases of the subject Collateral Property which are to abate pursuant to their terms are to be payable to the Borrowing Base Property Owner, subject to deductibles, if any, permitted pursuant to the insurance policies to be maintained pursuant to this Agreement, from Rent Loss Proceeds;

(v) in Administrative Agent's good faith judgment, the Repair Work can reasonably be completed on or before the time required under applicable Legal Requirements; and

(vi) the Borrowing Base Property remains a Stabilized Asset.

14.4 Conditions To Release of Insurance Proceeds. If Administrative Agent elects or is required to release insurance proceeds, Administrative Agent may impose reasonable conditions on such release which shall include, but not be limited to, the following:

14.4.1 Prior written approval by Administrative Agent, which approval shall not be unreasonably withheld or delayed of plans, specifications, cost estimates, contracts and bonds for the Repair Work;

14.4.2 Waivers of lien, architect's and/or engineer's certificates, and other evidence of costs, payments and completion as Administrative Agent may reasonably require;

14.4.3 The funds shall be released upon final completion of the Repair Work, unless Borrower requests earlier funding, in which event partial monthly disbursements equal to 90% of the costs of the work completed prior to the certification by the

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applicable Lender's Consultant and if there is no Lender's Consultant, an independent architect or engineer retained by the Borrower, that the Repair Work is completed, and then upon final completion of the Repair Work as certified by such Lender's Consultant or independent architect or engineer, and the receipt by Administrative Agent of satisfactory evidence of payment and release of all liens, the balance of the funds shall be released;

14.4.4 Determination by Administrative Agent that the undisbursed balance of such Net Proceeds on deposit with Administrative Agent, together with additional funds deposited for the purpose, shall be at least sufficient to pay for the remaining Cost To Repair, free and clear of all liens and claims for lien;

14.4.5 All work to comply with the Legal Requirements applicable to the construction of the Improvements; and

14.4.6 The absence of any Default under any Loan Documents.

14.5 The Administrative Agent shall have the right to hire, at the cost and expense of the Borrower, a Lender's Consultant to assist the Administrative Agent in the determination of the satisfaction of the conditions provided for herein for the release of the Net Proceeds, to pay the Costs to Repair and to periodically inspect the status of the construction of any Repair Work.

14.6 In the event that the Administrative Agent makes any Net Proceeds available to any Loan Party for the payment of Costs to Repair as provided for herein, upon the completion of the Repair Work as certified by the applicable Lender's Consultant and if there is no Lender's Consultant, an independent architect or engineer retained by the Borrower, and receipt by Administrative Agent of satisfactory evidence of payment and release of all liens, any excess Net Proceeds still held by the Administrative Agent shall be remitted by the Administrative Agent to the Borrower provided that no Event of Default shall have occurred and be continuing;

14.7 The terms and provisions of this Article 14 shall be subject to the terms and provisions of any Lease as to which the Administrative Agent has agreed otherwise with respect to the use and disbursement of Net Proceeds in any agreement entered into between the tenant under such Lease and the Administrative Agent.

14.8 The Administrative Agent acknowledges that provided that no Event of Default has occurred and is continuing, all Rent Loss Proceeds shall be payable to the Borrower or the applicable Loan Party.

15. GENERAL PROVISIONS.

15.1 Notices. Any notice or other communication in connection with this Loan Agreement, the Note, the Security Documents, or any of the other Loan Documents, shall be in writing, and (i) deposited in the United States Mail, postage prepaid, by registered or certified mail, or (ii) hand delivered by any commercially recognized courier service or overnight delivery service such as Federal Express, or (iii) sent by facsimile transmission if a FAX Number is designated below addressed:

If to Borrower:

Cedar Shopping Centers Partnership, L.P.
44 South Bayles Avenue
Port Washington, New York 11050
Attention: Leo S. Ullman
FAX Number: (516) 767-6497

and

Attention: Thomas J. O'Keefe
FAX Number: (516) 767-6497

with copies by regular mail or such hand delivery or facsimile transmission to:

Cedar Shopping Centers Partnership, L.P.
44 South Bayles Avenue
Port Washington, New York 11050
Attention: Stuart H. Widowski, Esquire
FAX Number: (516) 767-6497

and to:

Stroock & Stroock & Lavan LLP
180 Maiden Lane
New York, NY 10038-4982
Attention: Mark A. Levy, Esquire
Fax Number: (212) 806-6006

If to Administrative Agent or as Lender:

Fleet National Bank
100 Federal Street
Boston, Massachusetts 02110
Attention: James L. Keough
Mail Stop: MA DE 10008H
FAX Number: (617) 434-6384

And

Attention: Commercial Real Estate Loan
Administration Manager,

with copies by regular mail or such hand delivery or facsimile transmission to:

Riemer & Braunstein LLP
Three Center Plaza
Boston, Massachusetts 02108
Attention: Kevin J. Lyons, Esquire
FAX Number: (617) 880-3456

If to Lenders:

COMMERZBANK AG NEW YORK BRANCH
2 World Financial Center
New York, New York 10281

PB CAPITAL CORPORATION
590 Madison Avenue
New York, New York 10022

MANUFACTURERS AND TRADERS TRUST COMPANY
One M & T Plaza
Buffalo, New York 14240
Attention: Office of the General Counsel

SOVEREIGN BANK
75 State Street, 3rd floor
Mail Code: MA1 SST 04-11
Boston, Massachusetts 02109
Attention: T. Gregory Donahue, Vice President

RAYMOND JAMES BANK, FSB
710 Carillon Parkway
St. Petersburg, Florida 33716

and to such addresses as set forth in the Assignment and Acceptance.

Any such addressee may change its address for such notices to such other address in the United States as such addressee shall have specified by written notice given as set forth above. All periods of notice shall be measured from the deemed date of delivery.

A notice shall be deemed to have been given, delivered and received for the purposes of all Loan Documents upon the earliest of: (i) if sent by such certified or registered mail, on the third Business Day following the date of postmark, or (ii) if hand delivered at the specified address by such courier or overnight delivery service, when so delivered or tendered for delivery during customary business hours on a Business Day, or (iii) if so mailed, on the date of actual

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receipt as evidenced by the return receipt, or (iv) if so delivered, upon actual receipt, or (v) if facsimile transmission is a permitted means of giving notice, upon receipt as evidenced by confirmation.

15.2 Limitations on Assignment. Borrower may not assign this Agreement or the monies due thereunder without the prior written consent of the Lenders in each instance, but in such event Lenders may nevertheless at their option make the Loan under this Agreement to Borrower or to those who succeed to the title of Borrower and all sums so advanced by Lenders shall be deemed a Loan Advance under this Agreement and not to be modifications thereof and shall be secured by all of the Collateral given at any time in connection herewith.

15.3 Further Assurances. Borrower shall upon request from Administrative Agent from time to time execute, seal, acknowledge and deliver such further instruments or documents which Administrative Agent may reasonably require to better perfect and confirm its rights and remedies hereunder, under the Note, under the Security Documents and under each of the other Loan Documents.

15.4 Payments.

(i) All payments shall be applied first to the payment of all fees, expenses and other amounts due to the Administrative Agent (excluding principal and interest), then to accrued interest, and the balance on account of outstanding principal; provided, however, that after an Event of Default, payments will be applied to the obligations of Borrower to Administrative Agent and the Lenders as Administrative Agent determines in its sole discretion.

(ii) Any payments required by this Agreement, the Note or any of the other Loan Documents, or any other instruments or agreements executed in connection herewith or therewith, may (but not before the due date thereof) be deducted by each Lender from the amount, if any, not already advanced, and the same shall be deemed to be a Loan Advance, or may be deducted from any Loan Advance due hereunder. Any attorneys' fees, appraisal charge, inspection fee, or any other expense payable by Borrower as herein provided for, or incurred in connection with the drafting of the Loan Documents and other instruments evidencing or securing the Obligations and all other Loan Documents may be likewise deducted from the amounts, if any, not already advanced or from any Loan Advance payable to Borrower and, in any event, charged as a Loan Advance hereunder.

15.5 Parties Bound. The provisions of this Agreement and of each of the other Loan Documents shall be binding upon and inure to the benefit of Borrower and the Administrative Agent and each of the Lenders and their respective successors and assigns, except as otherwise prohibited by this Agreement or any of the other Loan Documents.

This Agreement is a contract by and among Borrower, the Administrative Agent and each of the Lenders for their mutual benefit, and no third person shall have any right, claim or interest against either Administrative Agent, any of the Lenders or Borrower by virtue of any provision hereof.

15.6 Governing Law; Consent to Jurisdiction; Mutual Waiver of Jury Trial.

15.6.1 Substantial Relationship. It is understood and agreed that all of the Loan Documents were negotiated, executed and delivered in The Commonwealth of Massachusetts, which Commonwealth the parties agree has a substantial relationship to

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the parties and to the underlying transactions embodied by the Loan Documents.

15.6.2 Place of Delivery. Borrower agrees to furnish to Administrative Agent at the Administrative Agent's office in Boston, Massachusetts all further instruments, certifications and documents to be furnished hereunder.

15.6.3 Governing Law. This Agreement, except as otherwise provided in Section 15.6.4, and each of the other Loan Documents shall in all respects be governed, construed, applied and enforced in accordance with the internal laws of The Commonwealth of Massachusetts without regard to principles of conflicts of law, except insofar as the formation of Borrower under Delaware law requires Delaware law to apply with respect to matters of authorization to enter into the transactions contemplated by this Agreement.

15.6.4 Exceptions. Notwithstanding the foregoing choice of law:

(i) The procedures governing the enforcement by Administrative Agent of its foreclosure and other remedies under the Security Documents and under the other Loan Documents with respect to each Collateral Property shall be governed by the laws of the State in which such Collateral Property is located;

(ii) Administrative Agent shall comply with applicable law of such State to the extent required by the law of such jurisdiction in connection with the foreclosure of the security interests and liens created under the Security Documents and the other Loan Documents with respect to each Collateral Property or other assets situated in such State; and

(iii) provisions of Federal law and the law of such State shall apply in defining the terms Hazardous Materials, Environmental Legal Requirements and Legal Requirements applicable to each Collateral Property as such terms are used in this Loan Agreement, the Environmental Indemnity and the other Loan Documents.

Nothing contained herein or any other provisions of the Loan Documents shall be construed to provide that the substantive laws of any other State shall apply to any parties, rights and obligations under any of the Loan Documents, which, except as expressly provided in clauses (i), (ii) and (iii) of this Section 15.6.4., are and shall continue to be governed by the substantive law of The Commonwealth of Massachusetts, except as set forth in clauses (i), (ii) and (iii) of this Section 15.6.4. In addition, the fact that portions of the Loan Documents may include provisions drafted to conform to the law of any other State is not intended, nor shall it be deemed, in any way, to derogate the parties' choice of law as set forth or referred to in this Loan Agreement or in the other Loan Documents. The parties further agree that the Administrative Agent may enforce its rights under the Loan Documents including, but not limited to, its rights to sue the Borrower or to collect any outstanding indebtedness in accordance with applicable law.

15.6.5 Consent to Jurisdiction. Borrower hereby consents to personal jurisdiction in any state or Federal court located within The Commonwealth of Massachusetts.

15.6.6 JURY TRIAL WAIVER. BORROWER, ADMINISTRATIVE AGENT, AND EACH OF THE LENDERS MUTUALLY HEREBY KNOWINGLY,

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VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON THIS LOAN AGREEMENT, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS LOAN AGREEMENT OR ANY OTHER LOAN DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY, INCLUDING, WITHOUT LIMITATION, ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS OR ACTIONS OF ADMINISTRATIVE AGENT OR ANY LENDER RELATING TO THE ADMINISTRATION OF THE LOAN OR ENFORCEMENT OF THE LOAN DOCUMENTS, AND AGREE THAT NEITHER PARTY WILL SEEK TO CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. EXCEPT AS PROHIBITED BY LAW, BORROWER HEREBY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY LITIGATION ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. BORROWER CERTIFIES THAT NO REPRESENTATIVE, ADMINISTRATIVE AGENT OR ATTORNEY OF ADMINISTRATIVE AGENT OR ANY LENDER

HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT ADMINISTRATIVE AGENT OR ANY LENDER WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER. THIS WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR BORROWER, ADMINISTRATIVE AGENT, AND EACH OF THE LENDERS TO ENTER INTO THE TRANSACTIONS CONTEMPLATED HEREBY.

15.7 Survival. All representations, warranties, covenants and agreements of Borrower, or a Loan Party, herein or in any other Loan Document, or in any notice, certificate, or other paper delivered by or on behalf of Borrower or a Loan Party pursuant hereto are significant and shall be deemed to have been relied upon by Administrative Agent and each of the Lenders notwithstanding any investigation made by Administrative Agent or any of the Lenders or on its behalf and shall survive the delivery of the Loan Documents and the making of the Loan pursuant thereto. No review or approval by Administrative Agent or the Lenders or any of their representatives, of any opinion letters, certificates by professionals or other item of any nature shall relieve Borrower or anyone else of any of the obligations, warranties or representations made by or on behalf of Borrower or a Loan Party, or any one or more of them, under any one or more of the Loan Documents.

15.8 Cumulative Rights. All of the rights of Administrative Agent and the Lenders hereunder and under each of the other Loan Documents and any other agreement now or hereafter executed in connection herewith or therewith, shall be cumulative and may be exercised singly, together, or in such combination as Administrative Agent may determine in its sole good faith judgment.

15.9 Claims Against Administrative Agent or Lenders.

15.9.1 Borrower Must Notify. The Administrative Agent and each of the Lenders shall not be in default under this Agreement, or under any other Loan Document, unless a written notice specifically setting forth the claim of Borrower shall have been given to Administrative Agent and each of the Lenders within thirty (30) days after Borrower first had actual knowledge or actual notice of the occurrence of the event which

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Borrower alleges gave rise to such claim and Administrative Agent or any of the Lenders does not remedy or cure the default, if any there be, with reasonable promptness thereafter. Such actual knowledge or actual notice shall refer to what was actually known by, or expressed in a written notification furnished to, any of the persons or officials referred to in Exhibit D as Authorized Representatives.

15.9.2 Remedies. If it is determined by the final order of a court of competent jurisdiction, which is not subject to further appeal, that Administrative Agent or any of the Lenders has breached any of its obligations under the Loan Documents and has not remedied or cured the same with reasonable promptness following notice thereof, Administrative Agent's and each of the Lenders' responsibilities shall be limited to: (i) where the breach consists of the failure to grant consent or give approval in violation of the terms and requirements of a Loan Document, the obligation to grant such consent or give such approval and to pay Borrower's reasonable costs and expenses including, without limitation, reasonable attorneys' fees and disbursements in connection with such court proceedings; and (ii) in the case of any such failure to grant such consent or give such approval, or in the case of any other such default by Administrative Agent or any of the Lenders, where it is also so determined that Administrative Agent or any of the Lenders acted in gross negligence or bad faith, the payment of any actual, direct, compensatory damages sustained by Borrower as a result thereof plus Borrower's reasonable costs and expenses, including, without limitation, reasonable attorneys' fees and disbursements in connection with such court proceedings.

15.9.3 Limitations. In no event, however, shall Administrative Agent and each of the Lenders be liable to Borrower or to any Loan Party or anyone else for other damages such as, but not limited to, indirect, speculative or punitive damages whatever the nature of the breach by Administrative Agent or any of the Lenders of its obligations under this Loan Agreement or under any of the other Loan Documents. In no event shall Administrative Agent or any of the Lenders be liable to Borrower or to any Loan Party or anyone else unless a written notice specifically setting forth the claim of Borrower shall have been given to Administrative Agent and each of the Lenders within the time period specified above.

15.10 Regarding Consents. Except to the extent expressly provided herein, any and all consents to be made hereunder by the Administrative Agent, Required Lenders, or Lenders shall be in the discretion of the Party to whom consent rights are given hereunder.

15.11 Obligations Absolute. Except to the extent prohibited by

applicable law which cannot be waived, the Obligations of Borrower and the obligations of the Guarantor and the other Loan Parties under the Loan Documents shall be joint and several, absolute, unconditional and irrevocable and shall be paid strictly in accordance with the terms of the Loan Documents under all circumstances whatsoever, including, without limitation, the existence of any claim, set off, defense or other right which Borrower or any Loan Party may have at any time against Administrative Agent or any of the Lenders whether in connection with the Loan or any unrelated transaction.

15.12 Table of Contents, Title and Headings. Any Table of Contents, the titles and the headings of sections are not parts of this Loan Agreement or any other Loan Document and shall not be deemed to affect the meaning or construction of any of its or their provisions.

15.13 Counterparts. This Loan Agreement and each other Loan Document may be

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executed in several counterparts, each of which when executed and delivered is an original, but all of which together shall constitute one instrument. In making proof of this agreement, it shall not be necessary to produce or account for more than one such counterpart which is executed by the party against whom enforcement of such loan agreement is sought.

15.14 Satisfaction of Commitment Letter. The Loan being made pursuant to the terms hereof and of the other Loan Documents is being made in satisfaction of Administrative Agent's and each of the Lenders' obligations under the Commitment Letter dated October 16, 2003, as amended. The terms, provisions and conditions of this Agreement and the other Loan Documents supersede the provisions of the Commitment Letter.

15.15 Time Of the Essence. Time is of the essence of each provision of this Agreement and each other Loan Document.

15.16 No Oral Change. This Loan Agreement and each of the other Loan Documents may only be amended, terminated, extended or otherwise modified by a writing signed by the party against which enforcement is sought (except no such writing shall be required for any party which, pursuant to a specific provision of any Loan Document, is required to be bound by changes without such party's assent). In no event shall any oral agreements, promises, actions, inactions, knowledge, course of conduct, course of dealings or the like be effective to amend, terminate, extend or otherwise modify this Loan Agreement or any of the other Loan Documents.

15.17 Monthly Statements. While Administrative Agent may issue invoices or other statements on a monthly or periodic basis (a "Statement"), it is expressly acknowledged and agreed that: (i) the failure of Administrative Agent to issue any Statement on one or more occasions shall not affect Borrower's obligations to make payments under the Loan Documents as and when due; (ii) the inaccuracy of any Statement shall not be binding upon Lenders and so Borrower shall always remain obligated to pay the full amount(s) required under the Loan Documents as and when due notwithstanding any provision to the contrary contained in any Statement; (iii) all Statements are issued for information purposes only and shall never constitute any type of offer, acceptance, modification, or waiver of the Loan Documents or any of Lenders' rights or remedies thereunder; and (iv) in no event shall any Statement serve as the basis for, or a component of, any course of dealing, course of conduct, or trade practice which would modify, alter, or otherwise affect the express written terms of the Loan Documents.

[The balance of this page is intentionally left blank]

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IN WITNESS WHEREOF this Agreement has been duly executed and delivered as a sealed instrument at Boston, Massachusetts, as of the date first written above.

BORROWER: CEDAR SHOPPING CENTERS PARTNERSHIP, L.P.

By: Cedar Shopping Centers, Inc., general partner

By: _____
Name:
Title:

ADMINISTRATIVE AGENT: FLEET NATIONAL BANK
By: _____
Name: James L. Keough
Title: Director

LENDERS: FLEET NATIONAL BANK
By: _____
Name: James L. Keough
Title: Director

COMMERZBANK AG NEW YORK BRANCH
By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

PB CAPITAL CORPORATION
By: _____
Name: _____
Title: _____

MANUFACTURERS AND TRADERS TRUST
COMPANY
By: _____
Name: _____
Title: _____

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SOVEREIGN BANK
By: _____
Name: _____
Title: _____

RAYMOND JAMES BANK, FSB
By: _____
Name: _____
Title: _____

CITIZENS BANK
By: _____
Name: _____
Title: _____

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EXHIBITS:

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EXHIBIT A TO LOAN AGREEMENT

DEFINITIONS

Additional Collateral Request as defined in Section 3.5.

Administrative Agent. Fleet National Bank, acting as agent for the Lenders.

Adjusted Appraised Value. With respect to any Collateral Property that is the subject of an Appraisal, the appraised value set forth in such Appraisal, as such may be reviewed and adjusted by the Administrative Agent acting reasonably and in good faith.

Adjusted Capitalized Value. With respect to any Borrowing Base Property, (i) which is a Stabilized Asset, the most recent fiscal quarter Adjusted Net Operating Income for such Borrowing Base Property, annualized, capitalized at a nine and one-quarter percent (9.25%) capitalization rate and (ii) which is a Non-Stabilized Asset, undepreciated Book Value (as reported on the financial statements for the subject Borrowing Base Property Owner).

Adjusted LIBO Rate. The term "Adjusted LIBO Rate" means for each Interest Period the rate per annum obtained by dividing (i) the LIBO Rate for such Interest Period, by (ii) a percentage equal to one hundred percent (100%) minus the maximum reserve percentage applicable during such Interest Period under regulations issued from time to time by the Board of Governors of the Federal Reserve System for determining the maximum reserve requirements (including, without limitation, any basic, supplemental, marginal and emergency reserve requirements) for Administrative Agent (or of any subsequent holder of a Note which is subject to such reserve requirements) in respect of liabilities or assets consisting of or including Eurocurrency liabilities (as such term is defined in Regulation D of the Board of Governors of the Federal Reserve System) having a term equal to the Interest Period.

Adjusted Net Operating Income: For any period of determination, for any Individual Property, the Pro Rata Share of (i) Net Operating Income less (ii) management fees (calculated as the greater of either 3% of total revenue or actual management expenses incurred), to the extent not already deducted from Net Operating Income, less (iii) allowances for capital expenditures in the amount of \$0.20 per annum per rentable square foot of completed improvements.

Affiliate shall mean, as to any Person, any other Person that, directly or indirectly, is in control of, is controlled by or is under common control with such Person or is a director or officer of such Person. For purposes of this definition, control of a Person shall mean the power, direct or indirect, (i) to vote 10% or more of the securities having ordinary voting power for the election of directors of such Person or (ii) to direct or cause the direction of the management and policies of such Person, whether by contract or otherwise.

Aggregate Borrowing Base Value shall mean, as determined by the Administrative Agent as of each Calculation Date, the aggregate of the Borrowing Base Values for all Borrowing Base Properties.

Agreement as defined in the Preamble.

Applicable Margin shall mean for LIBO Rate Loans and for Variable Rate Loans, respectively, the following:

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Level	Leverage Ratio	Applicable Margin for LIBO Rate Loans	Applicable Margin for Variable Rate Loans
1	Leverage Ratio < 60%	225 basis points	50 basis points
2	Leverage Ratio > 60% to <= 65%	250 basis points	75 basis points
3	Leverage Ratio > 65%	275 basis points	100 basis points

The Applicable Margin shall remain in effect until the Administrative Agent has provided the Borrower with written notice (in the manner provided in the Loan Agreement) that the Applicable Margin has been modified due to a change in the Leverage Ratio as of any Calculation Date, with any such change then being implemented retroactively to such Calculation Date. The initial Applicable Margin hereunder shall be established at Level 1.

Appraisal shall mean an MAI appraisal ordered by the Administrative Agent in form and substance acceptable to the Required Lenders and prepared by an appraiser acceptable to the Administrative Agent.

Arranger as defined in the cover page.

Assignment and Acceptance as defined in Section 13.3.1.

Authorized Representatives as defined in Section 4 and listed on Exhibit D.

Availability shall mean, from time to time, an amount determined by the Administrative Agent as of each Calculation Date equal to the lesser of the following:

(a) sixty-five percent (65%) of the Aggregate Borrowing Base Value of the Borrowing Base Properties as of such Calculation Date; or

(b) the Implied Loan Amount.

Banking Day. The term "Banking Day" means a day on which banks are not required or authorized by law to close in the city in which Administrative Agent's principal office is situated.

Book Value shall mean the value of such property or asset, as determined in accordance with GAAP.

Borrower as defined in the Preamble.

Borrower GP shall mean CSC.

Borrower Subsidiaries shall mean, individually and collectively, all of the Subsidiaries of the

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Borrower and/or CSC.

Borrower Reduction Date as defined in Section 2.2.2.(ii).

Borrower Termination Date as defined in Section 2.2.2.(i).

Borrowing Base Property and Borrowing Base Properties. The Individual Properties initially listed in Exhibit J hereto, plus any Individual Property which subsequently becomes a Borrowing Base Property in accordance with Section 3.5, hereof, but not including (i) any Borrowing Base Property which is determined by the Administrative Agent to no longer be a Borrowing Base Property in accordance with Section 3.4, hereof, or (ii) any Borrowing Base Property which is released as Collateral in accordance with Section 3.3, hereof.

Borrowing Base Property Requirements.

(a) The Individual Property satisfies all Eligibility Criteria.

(b) The Borrower (or applicable Loan Party) has executed all Security Documents in connection with such Individual Property, including, without limitation, the Security Documents set forth in Sections 3.1.1 through and including Section 3.1.6, hereof.

(c) The Individual Property is owned, ground leased or net leased by a Wholly- Owned Subsidiary of the Borrower or CSC, except as otherwise approved by the Agent and the Lenders.

(d) Administrative Agent shall have received and completed a satisfactory review of such due diligence as the Administrative Agent and the Lenders may reasonably require with respect to any Individual Property, including, without limitation:

(i) (1) A mortgagee's title insurance policy naming the Administrative Agent, on behalf of the Lenders, as the first mortgagee, which meets Administrative Agent's title insurance requirements previously furnished to Borrower to the reasonable satisfaction of Administrative Agent and Administrative Agent's counsel; and (2) such other evidence of the perfection of its security interests as Administrative Agent and Administrative Agent's counsel may reasonably require;

(ii) A current, on site instrument survey of the Individual Property containing a certification thereon, or on a separate surveyor's certificate, of a land surveyor reasonably acceptable to Administrative Agent which meets Administrative Agent's survey requirements previously furnished to Borrower to the reasonable satisfaction of Administrative Agent and its counsel;

(iii) If the Individual Property is ground leased by the Borrowing Base Property Owner, a copy of the Ground Lease. Further, in the event that the ground lessor of the Individual Property is (i) an Affiliate of any Loan Party, the said ground lessor shall join in the Mortgage to include within the Collateral the fee interest in the said Individual Property or (ii) not an Affiliate of any Loan Party, the Administrative Agent shall receive an Estoppel Certificate in the form of Exhibit EC annexed hereto from the ground lessor or in the form required by the ground lease provided such form is reasonably acceptable to the Administrative Agent.

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(iv) The Borrower has utilized reasonable efforts to obtain executed estoppel certificates and subordination, nondisturbance and attornment agreements from tenants under Major Leases;

(v) Copies of all Major Leases and, to the extent required by the Administrative Agent, copies of other Leases;

(vi) A copy of the property management agreement with respect to the Individual Property, if any, and, if requested by the Administrative Agent, a consent by the property manager to the collateral assignment of the property management agreement to the Administrative Agent, on behalf of the Lenders;

(vii) A copy of any reciprocal easement agreements with respect to the Individual Property and, only if there are material financial obligations of a recurring and defined nature payable by the owner of the Borrowing Base Property thereunder, if requested by the Administrative Agent, an Estoppel Certificate from all of the parties thereto in form and substance reasonably acceptable to the Administrative Agent;

(viii) Evidence of existence of all Licenses and Permits to evidence compliance with Legal Requirements with respect to the use and operation of the Individual Property;

(ix) Evidence of insurance complying with the requirements of Exhibit E, hereto;

(x) A current Appraisal;

(xi) A current environmental Phase I Site Assessment performed by a firm reasonably acceptable to the Administrative Agent within six (6) months of submission to the Administrative Agent, which indicates the property is free from recognized hazardous materials or substances apparent

from the inspection, or affected by such environmental matters as may be reasonably acceptable to the Administrative Agent in its sole and absolute discretion;

(xii) A current structural report performed by a firm reasonably acceptable to the Administrative Agent within six (6) months of submission to the Administrative Agent relative to any improvements on the Individual Property; and

(xiii) Such other real estate documents reasonably deemed appropriate for commercially reasonable underwriting by the Administrative Agent in respect of the Borrowing Base Property.

Borrowing Base Property Owner and Borrowing Base Property Owners shall mean, from time to time, the Wholly-Owned Subsidiary or Subsidiaries of the Borrower or CSC which is or are the owner or owners of the fee simple interest in, or the approved ground lessee of, a Borrowing Base Property or the Borrowing Base Properties.

Borrowing Base Value shall mean, as of each Calculation Date, (i) for each Borrowing Base Property which is a Stabilized Asset, (x) the Adjusted Appraised Value of such Borrowing Base

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Property, as determined by an Appraisal completed within the prior twelve (12) month period, or, if selected by the Administrative Agent, (y) the Adjusted Capitalized Value of such Borrowing Base Property, and (ii) for each Borrowing Base Property which is a Non-Stabilized Asset, (x) the Adjusted Appraised Value of such Borrowing Base Property, as determined by the most recent Appraisal of such Borrowing Base Property, or, if by selected by the Administrative Agent, (y) the Adjusted Capitalized Value of such Borrowing Base Property. Notwithstanding the above, for purposes of determining the Borrowing Base Value, the Borrowing Base Value for any Borrowing Base Property as to which an Event of Loss has occurred shall be equal (x) the Adjusted Appraised Value of such Borrowing Base Property, as determined by an Appraisal completed within the prior twelve (12) month period, or, if selected by the Administrative Agent, the Adjusted Capitalized Value of such Borrowing Base Property for a period equal to the lesser of (i) twelve (12) months from the occurrence of the Event of Loss or (ii) the determination that the subject Borrowing Base Property is not, or ceases to be, a Restoration Property.

Breakage Fees as defined in Section 2.3.15.

Business Day shall mean any day of the year on which offices of Administrative Agent are not required or authorized by law to be closed for business in Boston, Massachusetts. If any day on which a payment is due is not a Business Day, then the payment shall be due on the next day following which is a Business Day, and such extension of time shall be included in computing interest and fees in connection with such payment. Further, if there is no corresponding day for a payment in the given calendar month (i.e., there is no "February 30th"), the payment shall be due on the last Business Day of the calendar month. Saturday and Sunday shall never be considered a Business Day.

Calculation Date shall mean the last day of each calendar quarter commencing with March 31, 2004.

Calculation Period shall mean for each Calculation Date, the just completed calendar quarter (inclusive of the applicable Calculation Date).

Capital Stock shall mean (i) with respect to any Person that is a corporation, any and all shares, interests, participations or other equivalents (however designated and whether or not voting) of corporate stock, including without limitation, each class or series of common stock and preferred stock of such Person and (ii) with respect to any Person that is not a corporation, any and all investment units, partnership, membership or other equity interests of such Person.

Cash Flow Projections shall mean a detailed schedule of all cash Distributions projected to be made to the Borrower from the Borrower Subsidiaries, as detailed on the model delivered to the Administrative Agent prior to the Closing Date, and subject to change as shall be detailed in the respective Officer's Certificate to be provided to the Administrative Agent as set forth herein.

Change of Control shall mean the occurrence of any of the following:

(a) The acquisition by any Person, or "group" (within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended) of Persons acting in concert, of beneficial ownership (within the meaning of Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended), directly or indirectly, of 50% or more of the outstanding shares of voting stock of CSC, other than short term acquisitions necessary in connection with

the ultimate sale or other offerings of equity interests otherwise permitted hereunder;

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(b) During any period of twelve (12) consecutive calendar months, individuals:

(1) who were directors of CSC on the first day of such period; or

(2) whose election or nomination for election to the board of directors of CSC was recommended or approved by at least a majority of the directors then still in office who were directors of CSC on the first day of such period, or whose election or nomination for election was so approved,

shall cease to constitute a majority of the board of directors of CSC; or

(c) CSC shall cease to be the sole general partner of Borrower; or

(d) CSC shall cease to own a minimum of 50% of the beneficial ownership interest in the Borrower, or

(e) With respect to any Borrowing Base Property Owner, the transfer of any ownership interest therein such that such Borrowing Base Property Owner is not a Wholly-Owned Subsidiary of the Borrower or CSC.

Closing Compliance Certificate as defined in Section 5.1.2(ii).

Closing Date as defined in Section 5.1.

Code shall mean the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and rulings issued thereunder. Section references to the Code are to the Code, as in effect at the date of this Agreement and any subsequent provisions of the Code, amendatory thereof, supplemental thereto or substituted therefor.

Collateral as defined in Section 3.1.

Collateral Property and Collateral Properties shall mean any Borrowing Base Property or Borrowing Base Properties and other Individual Properties which (i) were a Borrowing Base Property, (ii) were no longer deemed such under Section 3.4.1, and (iii) for which the Release Conditions have not been satisfied, as described in Section 3.4.3.

Collateral Release Request as defined in Section 3.3.

Combined EBITDA shall mean the sum of the Pro Rata share of EBITDA for each Consolidated CSC Entity and each Unconsolidated CSC Entity.

Commitment shall mean, with respect to each Lender, the amount set forth on Exhibit I hereto as the amount of such Lender's commitment to make advances to the Borrower, as may be amended from time to time by the Administrative Agent as provided in Article 13.

Commitment Percentage shall mean, with respect to each Lender, the percentage set forth on Exhibit I hereto as such Lender's percentage of the aggregate Commitments of all of the Lenders, as may be amended from time to time by the Administrative Agent as provided in Article 13.

Consolidated or Consolidating means consolidated or consolidating as defined in accordance with GAAP.

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Consolidated CSC Entity or Consolidated CSC Entities shall mean, singly and collectively, the Borrower, CSC, and any Wholly-Owned Subsidiary of the Borrower or CSC.

Cost to Repair as defined in Section 14.3.1.

CSC as defined in Section 1.4.

CSC Party and CSC Parties shall mean, singly and collectively, each Loan Party and each Borrower Subsidiary.

Debt shall mean, with respect to any Person, without duplication, (i) all indebtedness of such Person for borrowed money, (ii) all indebtedness of such Person for the deferred purchase price of property or services (other than property and services purchased, and expense accruals and deferred compensation items arising, in the ordinary course of business), (iii) all obligations of

such Person evidenced by notes, bonds, debentures or other similar instruments (other than performance, surety and appeal bonds arising in the ordinary course of business), (iv) all indebtedness of such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (v) all obligations of such Person under leases which have been, or should be, in accordance with generally accepted accounting principles, recorded as capital leases, to the extent required to be so recorded, (vi) all reimbursement, payment or similar obligations of such Person, contingent or otherwise, under acceptance, letter of credit or similar facilities (other than letters of credit in support of trade obligations or in connection with workers' compensation, unemployment insurance, old-age pensions and other social security benefits in the ordinary course of business), (vii) all Debt in the nature of that referred to in clauses (i) through (vi) above which is guaranteed directly or indirectly by such Person, or in effect guaranteed directly or indirectly by such Person through an agreement (A) to pay or purchase such Debt or to advance or supply funds for the payment or purchase of such Debt, (B) to purchase, sell or lease (as lessee or lessor) property, or to purchase or sell services, primarily for the purpose of enabling the debtor to make payment of such Debt or to assure the holder of such Debt against loss in respect of such Debt, (C) to supply funds to or in any other manner invest in the debtor (including any agreement to pay for property or services irrespective of whether such property is received or such services are rendered) or (D) otherwise to assure a creditor against loss in respect of such Debt, (viii) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any indebtedness or other obligation of any Person, either directly or indirectly, of the nature described in clauses (i) through (vi), and (ix) all Debt referred to in clauses (i) through (vi) above secured by (or for which the holder of such Debt has an existing right, contingent or otherwise, to be secured by) any Lien, security interest or other charge or encumbrance upon or in property (including, without limitation, accounts and contract rights) owned by such Person, even though such Person has not assumed or become liable for the payment of such Debt. For the purposes of the calculation of the Financial Covenants, Debt of any entity in which a Person owns an ownership interest shall be calculated on a Pro Rata basis, unless such Person has delivered a guaranty or other indemnity in connection with such Debt creating a greater proportionate liability, in which event, such greater liability shall apply.

Default as defined in Section 10.1.

Default Rate as defined in Section 2.3.13.

Delinquent Lender as defined in Section 13.2.8.

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Depository Account as defined in Section 7.14.1.

Development Assets shall mean Individual Properties as to which construction of the associated or contemplated improvements has commenced (either new construction or substantial renovation) but has not yet been completed such that a certificate of occupancy (or the local equivalent) for a substantial portion of the intended improvements has not yet been issued or, for any completed project, until the earlier to occur of (a) such Individual Property becoming a Stabilized Asset, or (b) one hundred eighty (180) days after completion.

Distribution shall mean, with respect to any Person, that such Person has paid a dividend or returned any equity capital to its stockholders, members or partners or made any other distribution, payment or delivery of property (other than common stock or partnership or membership interests of such Person) or cash to its stockholders, members or partners as such, or redeemed, retired, purchased or otherwise acquired, directly or indirectly, for a consideration any shares of any class of its capital stock or any membership or partnership interests (or any options or warrants issued by such Person with respect to its capital stock or membership or partnership interests), or shall have permitted any of its Subsidiaries to purchase or otherwise acquire for a consideration any shares of any class of the capital stock or any membership or partnership interests of such Person (or any options or warrants issued by such Person with respect to its capital stock or membership or partnership interests). Without limiting the foregoing, "Distributions" with respect to any Person shall also include all payments made by such Person with respect to any stock appreciation rights, plans, equity incentive or achievement plans or any similar plans.

Dollars shall mean lawful money of the United States.

Drawdown Date as defined in Section 2.1.2(i).

EBITDA shall mean for any Person the sum of (i) net income (or loss), plus (ii) actual interest paid or payable respecting all Debt to the extent included as an expense in the calculation of net income (or loss), plus (iii) total Tax Expenses to the extent included as an expense in the calculation of net income (or loss), plus (iv) total depreciation and amortization expense, to the extent

included as an expense in the calculation of net income (or loss), plus (v) losses from extraordinary items, nonrecurring items, asset sales, write-ups or forgiveness of debt, to the extent included as an expense in the calculation of net income, minus (vi) gains from extraordinary items, nonrecurring items, asset sales, write-ups or forgiveness of debt, to the extent included as income in the calculation of net income, minus (vii) allowances for capital expenditures in the amount of \$0.20 per annum per rentable square foot of improvements, adjusted (viii) for the elimination of straight line rents, all of the foregoing as determined in accordance with GAAP, as appropriate. Without limiting the generality of the foregoing, in determining EBITDA, net income shall include as income, Rent Loss Proceeds.

Effective LIBO Rate. The term "Effective LIBO Rate" means the per annum rate equal to the aggregate of (x) the Adjusted LIBO Rate, plus (y) the Applicable Margin for Effective LIBO Rate Loans.

Effective LIBO Rate Advance. The term "Effective LIBO Rate Advance" means any principal outstanding under this Agreement which pursuant to this Agreement bears interest at the Effective LIBO Rate.

Eligibility Criteria shall mean the following criteria which must be satisfied in a manner

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acceptable to the Administrative Agent for each Borrowing Base Property:

(a) the Borrowing Base Property is a retail center located in the United States owned by a Borrowing Base Property Owner;

(b) the Borrower provides reasonably acceptable historical operating and leasing information;

(c) the Borrower provides a certification as to the absence of any material environmental issues;

(d) the Borrower provides certification as to the absence of any material structural issues; and

(e) no liens or encumbrances shall exist on the Borrowing Base Property upon its inclusion as a Borrowing Base Property, other than Permitted Liens.

Eligible Assignee shall mean any of (a) a commercial bank organized under the laws of the United States, or any State thereof or the District of Columbia, and having total assets in excess of \$1,000,000,000; (b) a savings and loan association or savings bank organized under the laws of the United States, or any State thereof or the District of Columbia, and having a net worth of at least \$100,000,000, calculated in accordance with generally accepted accounting principles; (c) a commercial bank organized under the laws of any other country which is a member of the Organization for Economic Cooperation and Development (the "OECD"), or a political subdivision of any such country, and having total assets in excess of \$1,000,000,000, provided that such bank is acting through a branch or agency located in the country in which it is organized or another country which is also a member of the OECD; (d) the central bank of any country which is a member of the OECD; and (e) any other assignee that, in the reasonable judgment of the Administrative Agent, is a reputable institutional investor with substantial experience in lending and originating loans similar to the Loan, or in purchasing, investing in or otherwise holding such loans, having a financial net worth of at least \$100,000,000 and (f) any Lender Affiliate or a Related Fund of a Lender. For the purposes hereof, "Lender Affiliate" shall mean, (a) with respect to any Person who would otherwise be an Eligible Assignee under clauses (a) - (e), above (a "Qualified Assignee"), (i) an Affiliate of such Qualified Assignee or (ii) any entity (whether a corporation, partnership, trust or otherwise) that is engaged in making, purchasing, holding or otherwise investing in bank loans and similar extensions of credit in the ordinary course of its business and is administered (including as placement agent therefor) or managed by a Qualified Assignee or an Affiliate of such Qualified Assignee and (b) with respect to any Lender that is a fund which invests in bank loans and similar extensions of credit, any other fund that invests in bank loans and similar extensions of credit and is managed by the same investment advisor as such Lender or by an Affiliate of such investment advisor (i.e., a Related Fund of such Lender). Further, for the purposes hereof, "Related Fund" shall mean, with respect to a Lender which is a fund that invests in loans, any other such fund managed by the same investment advisor as such Lender or by an Affiliate of such Lender or such advisor. Neither the Borrower nor an affiliate of the Borrower shall be Eligible Assignee.

Environmental Indemnity as defined in Section 3.1.5.

Environmental Legal Requirements as defined in the Environmental Indemnity.

ERISA shall mean the Employee Retirement Income Security Act of 1974, as amended from

time to time, and the regulations promulgated and rulings issued thereunder. Section references to ERISA are to ERISA, as in effect at the date of this Agreement and any subsequent provisions of ERISA, amendatory thereof, supplemental thereto or substituted therefor.

ERISA Affiliate shall mean each person (as defined in Section 3(9) of ERISA) which together with either Borrower or a Loan Party would be deemed to be a "single employer" (i) within the meaning of Section 414(b), (c), (m) or (o) of the Code or (ii) as a result of either Borrower or a Loan Party being or having been a general partner of such person.

Established Loan Amount shall mean, as of the date hereof, One Hundred Million Dollars (\$100,000,000.00).

Event of Default as defined in Section 10.1.

Event of Loss shall mean, with respect to any Collateral Property, any of the following: (a) any loss or destruction of, or damage to, such Collateral Property; or (b) any actual condemnation, seizure or taking, by exercise of the power of eminent domain or otherwise, of such Collateral Property, or confiscation of such Collateral Property or the requisition of such Collateral Property by a Governmental Agency or any Person having the power of eminent domain, or any voluntary transfer of such Collateral Property or any portion thereof in lieu of any such condemnation, seizure or taking.

Extended Maturity Date as defined in Section 2.2.1.

Extended Term as defined in Section 2.2.1.

FAD shall mean, for CSC, FFO (i) adjusted for the Pro Rata share of straight line rents, (ii) less the Pro Rata share of all regularly scheduled principal amortization payments (other than any final "balloon" payments due at maturity) and (iii) less the Pro Rata share of allowances for tenant improvements and leasing costs in the amount of \$0.40 per annum per rentable square foot of improvements.

Federal Funds Rate shall mean: For any day, a fluctuating interest rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or if such rate is not so published for any day that is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by the Administrative Agent.

FFO shall mean, for CSC, net income (loss) (computed in accordance with GAAP) excluding gains (or losses) from debt restructurings and sales of real property, plus real estate related depreciation and amortization and after adjustments for unconsolidated partnerships and joint ventures, as set forth in more detail under the definitions and interpretations thereof relative to funds from operations promulgated by the National Association of Real Estate Investment Trusts or its successor.

Financial Covenants shall mean those covenants of the Borrower set forth in Sections 7.19, 7.20, 7.21, 7.22, 7.23 and 7.24.

Fiscal Year shall mean each twelve month period commencing on January 1 and ending on

December 31.

Fixed Charges shall mean the aggregate of the Pro Rata Share of all (a) Interest Expenses, (b) regularly scheduled principal amortization payments (other than any final "balloon" payments due at maturity) on all Debt of the Consolidated CSC Entities and the Unconsolidated CSC Entities, (c) preferred dividend payments or required Distributions (other than Distributions by the Borrower to holders of OP units and Distributions by CSC to common equity holders) paid or payable by the Consolidated CSC Entities and the Unconsolidated CSC Entities, (d) Ground Lease Payments unless already deducted from Net Operating Income or Combined EBITDA, and (e) Tax Expenses for the Consolidated CSC Entities and the Unconsolidated CSC Entities, all of the foregoing as determined in accordance with GAAP.

Fixed Charge Ratio shall mean, for each Calculation Period, the ratio of (a) Combined EBITDA to (b) Fixed Charges.

Foreign Lender as defined in Section 2.6.3(B).

Formation Documents shall mean, singly and collectively, the partnership agreements, joint venture agreements, limited partnership agreements, limited liability company or operating agreements and certificates of limited partnership and certificates of formation, articles (or certificate) of incorporation and by-laws and any similar agreement, document or instrument of any Person, as amended subject to the terms and provisions hereof.

Funding Evidence shall mean, in connection with the Borrower raising the funds necessary to make a Mandatory Principal Payment as required under Section 2.3.8(i), evidence in connection with (i) the sale of any asset, that the Borrower has entered into a sales agreement, letter of intent, or listed the asset for sale with a recognized broker or (ii) the financing or refinancing of an asset, that the Borrower has obtained a commitment for such financing or submitted a loan application to a recognized financial institution.

GAAP shall mean generally accepted accounting principles in the United States of America as of the date applicable.

Governmental Authority shall mean any court, board, agency, commission, office or authority of any nature whatsoever for any governmental unit (federal, state, county, district, municipal, city or otherwise) whether now or hereafter in existence.

Ground Leases shall mean, from time to time, any Ground Lease relative to an Individual Property and with respect to Ground Leases covering Borrowing Base Properties, for which the Administrative Agent has given its prior written approval.

Ground Lease Payments shall mean the sum of the Pro Rata share of (i) payments made by the Consolidated CSC Entities under Ground Leases, plus (ii) payments made under Ground Leases by Unconsolidated CSC Entities. Ground Lease Payments shall not include the payments made by Cedar-South Philadelphia I, LLC under that certain ground lease dated as of October 31, 2003 by and between SPSP Corporation, Passyunk Supermarket, Inc., and Twenty Fourth Street Passyunk Partners, L.P., as landlord, and Cedar-South Philadelphia I, LLC, as tenant.

Guaranty as defined in Section 3.1.4.

Guarantor or Guarantors as defined in Section 1.4.

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Hazardous Materials shall mean and include asbestos, mold, flammable materials, explosives, radioactive substances, polychlorinated biphenyls, radioactive substances, other carcinogens, oil and other petroleum products, pollutants or contaminants that could be a detriment to the environment, and any other hazardous or toxic materials, wastes, or substances which are defined, determined or identified as such in any past, present or future federal, state or local laws, rules, codes or regulations, or any judicial or administrative interpretation of such laws, rules, codes or regulations.

Implied Debt Service shall mean the greater of (a) the annual amount of principal and interest payable on a hypothetical loan in an amount equal to the Implied Loan Amount, based upon a twenty-five (25) year direct reduction monthly amortization schedule and a per annum interest rate equal to the greater of (i) the actual blended interest rate for the Loan, or (ii) the 10-year Treasury Rate as of the Calculation Date plus the Applicable Margin for LIBO Rate Loans, or (b) an annual debt service constant of eight percent (8.00%).

Implied Debt Service Coverage Ratio shall mean as of each Calculation Date, the ratio of the Adjusted Net Operating Income for all Borrowing Base Properties for the most recent fiscal quarter, annualized, to Implied Debt Service; such calculation and results to be as verified by the Administrative Agent.

Implied Loan Amount shall mean a principal amount which would generate as of any Calculation Date an Implied Debt Service Coverage Ratio of 1.60 to 1.00, which Implied Loan Amount may be revised by the Administrative Agent after the Closing Date or any Calculation Date, as applicable, to reflect additions, removals and other adjustments to the Borrowing Base Properties since the Closing Date or the most recent Calculation Date, as applicable.

Initial Maturity Date as defined in Section 2.2.1.

Initial Term as defined in Section 2.2.1.

Increased Cost Event as defined in Section 2.6.1.

Indemnified Party as defined in Section 7.17.

Individual Property and Individual Properties shall mean, from time to time, all real estate property owned or ground leased by any Consolidated CSC Entity or any Unconsolidated CSC Entity, together with all improvements, fixtures, equipment, and personalty relating to such property.

Insurance/Taking Release Conditions shall mean as to any Event of Loss, the following conditions: (a) the Cost to Repair is less than or equal to Five Hundred Thousand Dollars (\$500,000.00); (b) no Event of Default shall have occurred and be continuing; (c) the Borrowing Base Property and the use thereof after the Repair Work will be in compliance with, and permitted under, all applicable Legal Requirements; and (d) such Event of Loss does not materially impair access to the Borrowing Base Property.

Interest Expense shall mean the sum of the Pro Rata share of (i) the aggregate actual interest (whether expensed or capitalized) paid or payable respecting all Debt by the Consolidated CSC Entities, and (ii) the aggregate actual interest (whether expensed or capitalized) paid or payable by the Unconsolidated CSC Entities.

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Interest Expense Coverage shall mean the ratio for each Calculation Period of:
(A) Combined EBITDA to (B) Interest Expense.

Interest Period.

(A) The term "Interest Period" means with respect to each Effective LIBO Rate Advance: a period of one (1), two (2), or three (3) consecutive months, subject to availability, as selected, or deemed selected, by Borrower at least two (2) Business Days prior to the initial date of such Effective LIBO Rate Advance, or if an advance is already outstanding, at least two (2) Business Days prior to the end of the current Interest Period. Each such Interest Period shall commence on the Business Day so selected, or deemed selected, by Borrower and shall end on the numerically corresponding day in the first, second, or third month thereafter, as applicable. Provided, however: (i) if there is no such numerically corresponding day, such Interest Period shall end on the last Business Day of the applicable month, (ii) if the last day of such an Interest Period would otherwise occur on a day which is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day; but (iii) if such extension would otherwise cause such last day to occur in a new calendar month, then such last day shall occur on the next preceding Business Day.

(B) The term "Interest Period" shall mean with respect to each Variable Rate Advance consecutive periods of one (1) day each.

(C) No Interest Period may be selected which would end beyond the then Maturity Date of the Loan. If the last day of an Interest Period would otherwise occur on a day which is not a Business Day, such last day shall be extended to the next succeeding Business Day, except as provided above in clause (A) relative to an Effective LIBO Rate Advance.

Investment shall mean the acquisition of any real property or tangible personal property or of any stock or other security, any loan, advance, bank deposit, money market fund, contribution to capital, extension of credit (except for accounts receivable arising in the ordinary course of business and payable in accordance with customary terms), or purchase or commitment or option to purchase or otherwise acquire real estate or tangible personal property or stock or other securities of any party or any part of the business or assets comprising such business, or any part thereof.

Knowledge or knowledge shall mean with respect to the Borrower, CSC and the Borrower Subsidiaries, (a) the actual knowledge of Leo S. Ullman, Brenda J. Walker or Thomas J. O'Keefe, or (b) the actual knowledge of such Persons' successors to their positions (or positions similar thereto) as officers of CSC. Notwithstanding the foregoing, such named parties and their successors are not parties to this Agreement and shall have no liability for a breach of any representation, warranty, covenant or agreement deemed to be made to their actual knowledge.

Land Assets shall mean Individual Properties constituting raw or undeveloped land as to which construction of contemplated improvements has not commenced or which does not generate rental revenues under a Ground Lease.

Late Charge as defined in Section 2.3.14.

L/C Draw shall mean a payment made by the Administrative Agent pursuant to a Letter of Credit which was presented to the Administrative Agent for a draw of proceeds thereunder.

L/C Exposure shall mean, at any time, the sum of (a) the aggregate undrawn amount of all

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outstanding Letters of Credit at such time, plus (b) the aggregate amount of all L/C Draws that have not yet been reimbursed by or on behalf of the Borrower, or repaid through a Loan Advance, at such time.

Lease shall mean any lease relative to all or any portion of an Individual Property.

Legal Requirements shall mean all applicable federal, state, county and local laws, by-laws, rules, regulations, codes and ordinances, and the requirements of any governmental agency or authority having or claiming jurisdiction with respect thereto, including, but not limited to, those applicable to zoning, subdivision, building, health, fire, safety, sanitation, the protection of the handicapped, and environmental matters and shall also include all orders and directives of any court, governmental agency or authority having or claiming jurisdiction with respect thereto.

Lenders as defined in the Preamble.

Lenders' Consultant as defined in Section 7.28.

Letter of Credit as defined in Section 2.7.1.

Leverage Ratio shall mean the quotient (expressed as a percentage) resulting from dividing (i) the aggregate of all Debt of the Consolidated CSC Entities and the Unconsolidated CSC Entities by (ii) the Total Asset Value.

LIBO Rate. The term "LIBO Rate" means, as applicable to any Effective LIBO Rate Advance, the rate per annum as determined on the basis of the offered rates for deposits in Dollars, for a period of time equal to the Interest Period for the Effective LIBO Rate Advance which appears on the "Telerate Page 3750" as of 11:00 a.m. London time on the day that is two (2) London Banking Days preceding the first day of such Effective LIBO Rate Advance (or if the Effective LIBO Rate Advance is the conversion of an outstanding Effective LIBO Rate Advance, two London Banking Days preceding the end of the Interest Period of such outstanding advance); provided, however, if the rate described above does not appear on the Telerate System on any applicable interest determination date, the LIBO Rate shall be the rate (rounded upward, if necessary, to the nearest one hundred-thousandth of a percentage point), determined on the basis of the offered rates for deposits in Dollars for a period of time comparable to such Interest Period which are offered by four major banks in the London interbank market at approximately 11:00 a.m. London time, on the day that is two (2) London Banking Days preceding the first day of such Effective LIBO Rate Advance as selected by Administrative Agent (or if the Effective LIBO Rate Advance is the conversion of an outstanding Effective LIBO Rate Advance, two London Banking Days preceding the end of the Interest Period of such outstanding advance). The principal London office of each of the four major London banks will be requested to provide a quotation of its Dollar deposit offered rate. If at least two (2) such quotations are provided, the rate for that date will be the arithmetic mean of the quotations. If fewer than two (2) quotations are provided as requested, the rate for that date will be determined on the basis of the rates quoted for loans in Dollars to leading European banks for a period of time comparable to such Interest Period offered by major banks in New York City at approximately 11:00 a.m. New York City time, on the day that is two (2) London Banking Days preceding the first day of such Effective LIBO Rate Advance (or if the Effective LIBO Rate Advance is the conversion of an outstanding Effective LIBO Rate Advance, two London Banking Days preceding the end of the Interest Period of such outstanding advance).

Lien shall mean any mortgage, deed of trust, lien, pledge, hypothecation, assignment, security interest, or any other encumbrance, charge or transfer, including, without limitation, any conditional

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sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and mechanic's, materialmen's and other similar liens and encumbrances.

Licenses and Permits shall mean all licenses, permits, authorizations and agreements issued by or agreed to by any governmental authority, or by a private party pursuant to a Permitted Title Exception, and including, but not limited to, building permits, occupancy permits and such special permits, variances and other relief as may be required pursuant to Legal Requirements which may be applicable to any Collateral Property.

Line Fee as defined in Section 2.4.2.

Line Percentage shall mean 0.25% per annum for any quarter during which the average daily balance for such quarter of the aggregate of (x) the outstanding principal balance of the Loan and (y) the L/C Exposure is less than the Total Commitment.

Liquidation Proceeds. Amounts received by the Administrative Agent and/or the Lenders in the exercise of the rights and remedies under the Loan Documents (including, but not limited to, all rents, profits and other proceeds received by the Administrative Agent and/or the Lenders from the liquidation of, or exercising rights upon the occurrence of an Event of Default relative to, any Collateral, but not including any amount bid at a foreclosure sale or on behalf

of the Administrative Agent or otherwise credited to the Borrower in, any deed-in-lieu of foreclosure or similar transaction).

Loan as defined in Section 1.3.

Loan Advances shall mean any advance of any proceeds of the Loan hereunder, and as defined in Section 2.1.1.

Loan Agenda shall mean that Document Agenda respecting the establishment of the Loan annexed hereto as Exhibit K.

Loan Agreement as defined in the Preamble.

Loan Documents as defined in Section 3.2.

Loan Party and Loan Parties shall mean, singly and collectively, the Borrower, CSC, and any Borrower Subsidiary which is a party to any Loan Document or the beneficiary of any Letter of Credit, each Borrowing Base Property Owner, and any Subsidiary and Affiliate of any of the foregoing which is party to any Loan Document.

Loan Termination Date shall mean the Maturity Date.

London Banking Day. The term "London Banking Day" means any day on which dealings in deposits in Dollars are transacted in the London interbank market.

Major Event of Loss shall mean, with respect to any Borrowing Base Property, both (1) any of the following: (a) any loss or destruction of, or damage to, such Borrowing Base Property such that either (x) the repairs and restoration thereof cannot be completed, in the judgment of the applicable Lender's Consultant and if there is no Lender's Consultant, an independent architect or engineer retained by the Borrower, within six (6) months after the occurrence of such loss, damage or

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destruction or (y) rendering more than fifty (50%) percent of the said Borrowing Base Property unusable for the purposes conducted thereon immediately prior to such loss, destruction or damage, as determined by the applicable Lender's Consultant and if there is no Lender's Consultant, an independent architect or engineer retained by the Borrower; or (b) any actual condemnation, seizure or taking, by exercise of the power of eminent domain or otherwise, of such Borrowing Base Property, or confiscation of such Borrowing Base Property or the requisition of such Borrowing Base Property by a Governmental Agency or any Person having the power of eminent domain, or any voluntary transfer of such Borrowing Base Property or any portion thereof in lieu of any such condemnation, seizure or taking, rendering more than fifty (50%) percent of the said leaseable area of Borrowing Base Property unusable for the purposes conducted thereon immediately prior to action, as determined by the applicable Lender's Consultant and if there is no Lender's Consultant, an independent architect or engineer retained by the Borrower, and (2) the Administrative Agent does not elect under Section 14.3.3 to make the Net Proceeds with respect to such Event of Loss available for Repair Work.

Major Lease shall mean (i) any Lease for space in any Borrowing Base Property (x) in excess of 25,000 rentable square feet, or (y) in excess of 15,000 rentable square feet and in excess of ten (10%) percent of the rentable square footage of such Borrowing Base Property, or (ii) any Lease with a tenant who is a tenant in more than one Borrowing Base Property and who leases 25,000 or more rentable square feet, in the aggregate, in all Borrowing Base Properties.

Mandatory Principal Payment as defined in Section 2.3.8(ii).

Material Adverse Effect shall mean a material adverse effect on (i) the business, assets, operations or financial or other condition of any of the Borrower, CSC, or, taken as a whole, the Loan Parties, (ii) the ability of any of the Borrower, CSC, or, taken as a whole, the Loan Parties to perform any material Obligations or to pay any Obligations which it is or they are obligated to pay in accordance with the terms hereof or of any other Loan Document, (iii) the rights of, or benefits available to, the Administrative Agent and/or any of the Lenders under any Loan Document or (iv) any Lien given to Administrative Agent and/or any of the Lenders on any material portion of the Collateral or the priority of any such Lien.

Maturity shall mean the Initial Maturity Date, or, if extended pursuant to the terms hereof, the Extended Maturity Date, or, in any instance, upon acceleration of the Loan, if the Loan has been accelerated by Lenders upon an Event of Default.

Maturity Date as defined in Section 2.2.1.

Maximum Loan Amount as defined in Section 2.1.1.

Net Operating Income: For any period of determination, (i) net operating income

generated by an Individual Property for such period (i.e., gross operating income, inclusive of any rent loss insurance, less expenses (exclusive of debt service, capital expenditures and vacancy allowances and before depreciation and amortization)), determined in accordance with GAAP, as generated by, through or under Leases, and (ii) all other income arising from direct operations of or licenses or operating agreements for any part of the Individual Property determined on a GAAP basis. For purposes hereof, all rental income shall be adjusted for straight line rents. Borrower shall provide Administrative Agent with all information and materials required by Administrative Agent necessary for the determination of Net Operating Income. If any Leases are scheduled to expire during such period of determination, no rents or other amounts payable under such Leases with respect to any portion of such period occurring after such scheduled expiration date shall be included

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in the determination of Net Operating Income for such period. If any Leases are scheduled to commence (and rent and occupancy pursuant thereto are also scheduled to commence) during such period of determination, the rents and other amounts payable under such Leases with respect to any period occurring after the scheduled commencement date shall be included in the determination of Net Operating Income for such period.

Net Proceeds. (1) The net amount of all insurance proceeds received under any insurance policies other than Rent Loss Proceeds as a result of the occurrence of an Event of Loss described in clause (a) of the definition of Event of Loss with respect to any Collateral Property, after deduction of the reasonable costs and expenses (including, but not limited to reasonable counsel fees), if any, in collecting the same, or (2) the net amount of all awards and payments received with respect to the occurrence of an Event of Loss described in clause (b) of the definition of Event of Loss, after deduction of the reasonable costs and expenses (including, but not limited to reasonable counsel fees), if any, in collecting the same, whichever the case may be.

Net Worth shall mean (a) the sum of (i) total stockholders' equity and (ii) limited partners' interest in the Borrower as of the Calculation Date appearing on the consolidated financial statements of the Borrower and CSC, plus (b) depreciation and amortization provided after December 31, 2003 through the Calculation Date on a cumulative basis.

Non-Retail Assets shall mean Individual Properties that generate more than fifteen (15%) percent of base rental revenues from non-retail tenants.

Non-Stabilized Asset shall mean an Individual Property that is not a Stabilized Asset.

Note. Collectively, the Notes payable to each Lender in the aggregate original principal amount of the Established Loan Amount.

Notice of Default as defined in Section 13.1.6.

Notice of Letter of Credit as defined in Section 2.7.1.

Notice of Rate Selection as defined in Section 2.3.3.

Obligations shall mean without limitation, all and each of the following, whether now existing or hereafter arising:

(a) Any and all direct and indirect liabilities, debts, and obligations of the Borrower or any Loan Party to the Administrative Agent or any Lender under or arising out of the Loan Documents, each of every kind, nature, and description.

(b) Each obligation to repay any loan, advance, indebtedness, note, obligation, overdraft, or amount now or hereafter owing by the Borrower or any Loan Party to the Administrative Agent or any Lender (including all future advances whether or not made pursuant to a commitment by the Administrative Agent or any Lender) under or arising out of the Loan Documents, whether or not any of such are liquidated, unliquidated, primary, secondary, secured, unsecured, direct, indirect, absolute, contingent, or of any other type, nature, or description, or by reason of any cause of action which the Administrative Agent or any Lender may hold against the Borrower or any Loan Party including, without limitation, any obligation arising under any interest rate hedging, cap or other protection arrangement with the Administrative

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Agent or any Lender.

(c) All notes and other obligations of the Borrower or any

Loan Party now or hereafter assigned to or held by the Administrative Agent or any Lender under or arising out of the Loan Documents, each of every kind, nature, and description.

(d) All interest, fees, and charges and other amounts which may be charged by the Administrative Agent or any Lender to the Borrower or any Loan Party and/or which may be due from the Borrower or any Loan Party to the Administrative Agent or any Lender from time to time under or arising out of the Loan Documents.

(e) All costs and expenses incurred or paid by the Administrative Agent or any Lender in respect of any agreement between the Borrower or any Loan Party and the Administrative Agent or any Lender or instrument furnished by the Borrower or any Loan Party to the Administrative Agent or any Lender (including, without limitation, costs of collection, attorneys' reasonable fees, and all court and litigation costs and expenses) in connection with the Loan.

(f) Any and all covenants of the Borrower or any Loan Party to or with the Administrative Agent or any Lender and any and all obligations of the Borrower or any Loan Party to act or to refrain from acting in accordance with any agreement between the Borrower or any Loan Party and the Administrative Agent or any Lender or instrument furnished by the Borrower or any Loan Party to the Administrative Agent or any Lender in connection with the Loan.

Occupancy Ratio shall mean with respect to any Borrowing Base Property, the ratio as determined by the Administrative Agent of the rentable square footage thereof as to which tenants are in physical occupancy and paying rent, to the total rentable square footage thereof. For purposes of determining the Occupancy Ratio, the Occupancy Ratio for any Borrowing Base Property as to which an Event of Loss has occurred shall be equal to the greater of (i) the actual Occupancy Ratio with respect thereto or (ii) the Occupancy Ratio immediately prior to the said Event of Loss for a period equal to the lesser of (x) six (6) months from the occurrence of the Event of Loss or (y) the determination that the subject Borrowing Base Property is not, or ceases to be, a Restoration Property.

Officer's Certificate shall mean a certificate delivered to the Administrative Agent by the Borrower, a Borrower Subsidiary, or a Guarantor, as the case may be respectively, which is signed by an authorized officer thereof (or an authorized officer of the direct or indirect managing general partner or managing member, as applicable, of the Borrower, Borrower Subsidiary, or Guarantor, if and as applicable).

PBGC shall mean the Pension Benefit Guaranty Corporation established pursuant to Section 4002 of ERISA, or any successor thereto.

Permitted Debt as defined in Section 8.4.

Permitted Distributions shall mean (a) so long as no Event of Default exists and is continuing, or would be created thereby, any Distributions by the Borrower and CSC, (i) in any amount, provided that such Distributions shall not exceed (x) ninety-five (95%) percent of FFO for the trailing twelve (12) month period, and (y) one hundred (100%) percent of FAD for the trailing twelve (12) month period (with the initial test to be for the quarter ending December 31, 2004), (ii) concerning the repurchase or redemption of stock of CSC or partnership interests in the Borrower, or (iii)

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concerning the issuance of operating partnership units or stock in return for equity interests in connection with any Permitted Investment (provided, any Distributions by the Borrower or CSC shall be permitted as are necessary for CSC to maintain REIT status, if such Distributions are greater than the amounts set forth in subclause (a) (i), above) or (b) at any time after and during the continuance of any Event of Default, such Distributions as are necessary for CSC to maintain REIT status (measured on a trailing twelve (12) month period basis), all of the foregoing tested by the Administrative Agent on the Calculation Date with results based upon the results for the most recent Calculation Period, such calculation and results to be as verified by the Administrative Agent.

Permitted Liens as defined in Section 8.2.

Permitted Investments shall mean the following:

(a) The Pro Rata share of Investments in Development Assets (valued at undepreciated Book Value) which, in the aggregate, do not exceed twenty five percent (25%) of Total Asset Value;

(b) The Pro Rata share of Investments in Land Assets which, in the aggregate, valued at Book Value do not exceed five percent

(5%) of Total Asset Value;

(c) Investments in Unconsolidated CSC Entities including, without limitation, the purchase of all or any portion of any interests held by persons that are not Wholly-Owned Subsidiaries of the Borrower;

(d) The Pro Rata share of Investments in Non-Retail Assets which, in the aggregate, do not exceed five percent (5%) of Total Asset Value;

(e) Investments in interest rate swaps, caps and other similar rate protection agreements; and

(f) Investments in Individual Properties or in entities which own such Individual Properties, provided that such investment does not cause a breach of a Financial Covenant.

Provided, however, that the aggregate of the Pro Rata Share of Investments described in clauses (a), (b) and (d) above shall not exceed thirty percent (30%) of Total Asset Value.

Person shall mean any individual, corporation, partnership, joint venture, estate, trust, unincorporated association or limited liability company, any federal, state, county or municipal government or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.

Plan shall mean any multiemployer or single-employer plan as defined in Section 4001 of ERISA, which is maintained or contributed to by (or to which there is an obligation to contribute of) any Loan Party or an ERISA Affiliate, and each such plan for the five year period immediately following the latest date on which such Loan Party or an ERISA Affiliate maintained, contributed to or had an obligation to contribute to such plan.

Preliminary Approval shall mean the following:

(a) Delivery by the Borrower to the Administrative Agent and the Lenders of the

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following with respect to any Individual Property proposed to be a Borrowing Base Property, each such item to the reasonable satisfaction of the Administrative Agent and the Lenders:

(i) physical description;

(ii) current rent roll and operating statements;

(iii) to the extent then available in Borrower's files, the following: a survey, environmental reports, copies of existing title insurance policies or a title commitment, and copies of all title exceptions, engineering reports and similar information; and

(iv) the Borrower's certification that to its knowledge the proposed Borrowing Base Property presently satisfies (or is anticipated to satisfy upon the grant of such Collateral) the Eligibility Criteria set forth in subsections (a), (c), (d), and (e), of the definition of Eligibility Criteria.

(b) Administrative Agent and the Lenders shall, within ten (10) Business Days after delivery of all items described in subsection (a), above, grant or deny the preliminary approval for the proposed replacement Borrowing Base Property.

Prime Rate. The term "Prime Rate" means the greater of (i) a variable per annum rate of interest so designated from time to time by Fleet National Bank (or any successor thereto), as its prime rate, or (ii) the Federal Funds Rate plus 0.50% per annum. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate being charged to any customer.

Pro Rata shall mean a calculation based on the percentage of the Capital Stock of or other equity interest in any Person owned, directly or indirectly, by the Borrower and/or CSC. For the purposes of this definition, the Pro Rata Share of a Consolidated CSC Entity shall be deemed to be 100%.

Register as defined in Section 13.3.3.

REIT means a "real estate investment trust" as such term is defined in Section 856 of the Code.

Release Conditions as defined in Section 3.3.

Release Price shall mean, with respect to any Borrowing Base Property, the

amount, if any, necessary to reduce the aggregate outstanding principal amount of the Loans plus the L/C Exposure to the Maximum Loan Amount (computed without regard to the Borrowing Base Property for which the Borrower is seeking release).

Rent Loss Proceeds. The proceeds received under any rent loss or business interruption insurance policies.

Repair Work as defined in Section 14.1.

Reportable Event shall mean an event described in Section 4043(b) of ERISA with respect to a Plan other than those events as to which the 30-day notice period is waived under subsection .13, .14, .16, .18, .19 or .20 of PBGC Regulation Section 2615, or as otherwise now or hereafter defined in ERISA.

Required Lenders. As of any date, the Lenders holding at least Sixty-Six and 2/3rds (66 2/3%)

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percent of the outstanding principal amount due under the Note on such date; and if no such principal is outstanding, the Lenders whose aggregate Commitments constitute at least Sixty-Six and 2/3rds (66 2/3%) percent of the Total Commitment.

Restoration Property. Any Collateral Property as to which an Event of Loss has occurred and as to which the Net Proceeds are being made available in accordance with the terms and provisions of Article 14 for Repair Work relative to the subject Collateral Property and such Repair Work can be completed in six (6) months, as determined by the Administrative Agent in its reasonable discretion.

Security Documents as defined in Section 3.2.

Stabilized Asset shall mean an Individual Property which has an Occupancy Ratio of equal to or greater than eighty percent (80%). If due to the occurrence of an Event of Loss as to any Borrowing Base Property which was a Stabilized Asset prior to such Event of Loss, the Occupancy Ratio with respect thereto is less than eighty percent (80%), such Borrowing Base Property shall continue to be deemed to be a Stabilized Asset (notwithstanding that the Occupancy Ratio with respect thereto is less than eighty percent (80%) as a result of such Event of Loss) for a period equal to the lesser of (i) six (6) months from the occurrence of the Event of Loss or (ii) the determination that the subject Borrowing Base Property is not, or ceases to be, a Restoration Property.

State shall mean the State or Commonwealth in which the subject of such reference or any part thereof is located.

Subsidiary shall mean, with respect to any Person, any corporation, association, limited liability company, partnership or other business entity of which securities or other ownership interests representing more than 50% of either (x) the beneficial ownership interest or (y) ordinary voting power are, at the time as of which any determination is being made, owned or controlled, directly or indirectly, by such Person.

Tax Expenses shall mean tax expense (if any) attributable to income and franchise taxes based on or measured by income, whether paid or accrued.

Total Asset Value shall mean the aggregate of:

(a) for all Individual Properties (which are not Individual Properties acquired within the prior 90 days from the Calculation Date, Development Assets, or Land Assets), the Pro Rata share of the Calculations Period's aggregate Adjusted Net Operating Income for all such Individual Properties, annualized, capitalized at a rate of 9.25%, plus

(b) for Land Assets, and for all Individual Properties which were acquired within the prior 90 days from the Calculation Date, the Pro Rata share of the undepreciated Book Value as of the Calculation Date; plus

(c) for Development Assets, at the Borrower's option, either the Pro Rata share of the undepreciated Book Value as of the Calculation Date or the Pro Rata share of the Calculations Period's aggregate Adjusted Net Operating Income for such Development Asset, annualized, capitalized at a rate of 9.25%; plus

(d) for all unencumbered cash and cash equivalent investments, restricted cash held by a qualified intermediary, and escrows owned by the Consolidated CSC Entities and the Unconsolidated CSC Entities, the Pro Rata share of the Book Value as of the Calculation

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Date of such assets; plus

(e) deposits corresponding to outstanding Letters of Credit.

The Pro Rata Share of Development Assets completed within the prior 90 days from a Calculation Date will be valued as set forth in (c) above for a maximum of one hundred eighty (180) days from completion (and continuing until end of such Calculation Period) and based on Adjusted Net Operating Income under subsection (a) above thereafter.

Total Commitment. The sum of the Commitments of the Lenders, as in effect from time to time.

Treasury Rate The term "Treasury Rate" means, as of the date of any calculation or determination, the latest published rate for United States Treasury Notes or Bills (but the rate on Bills issued on a discounted basis shall be converted to a bond equivalent) as published weekly in the Federal Reserve Statistical Release H.15(519) of Selected Interest Rates in an amount which approximates (as determined by Administrative Agent) the amount (i) approximately comparable to the portion of the Loan to which the Treasury Rate applies for the Interest Period, or (ii) in the case of a prepayment, the amount prepaid and with a maturity closest to the original maturity of the installment which is prepaid in whole or in part.

UCC or the Uniform Commercial Code means the Uniform Commercial Code in effect in the Commonwealth of Massachusetts, provided, that as same relates to a Collateral Property, the UCC shall mean the Uniform Commercial Code as adopted in such jurisdiction.

Unconsolidated CSC Entity or Unconsolidated CSC Entities shall mean each Person as to which the Borrower and/or CSC own, directly or indirectly, any Capital Stock, but which is not a Wholly- Owned Subsidiary.

Unfunded Current Liability of any Plan means the amount, if any, by which the actuarial present value of the accumulated plan benefits under the Plan as of the close of its most recent plan year exceeds the fair market value of the assets allocable thereto, each determined in accordance with Statement of Financial Accounting Standards No. 35, based upon the actuarial assumptions used by the Plan's actuary in the most recent annual valuation of the Plan.

United States and U.S. shall each mean the United States of America.

Variable Rate means a per annum rate equal at all times to the Prime Rate plus the Applicable Margin for Prime Rate Loans, with changes therein to be effective simultaneously without notice or demand of any kind with any change in the Prime Rate.

Variable Rate Advance means any principal amount outstanding under this Agreement which pursuant to this Agreement bears interest at the Variable Rate.

Variable Rate Indebtedness means any Debt that bears interest at a variable rate without the benefit of an interest rate hedge or other interest rate protection agreement.

Wholly-Owned Subsidiary shall mean, with respect to any Person, any other Person as to which one- hundred (100%) percent of the Capital Stock thereof is owned, directly or indirectly, by such Person, and, for purposes of this definition, Cedar-Riverview, LP and Delaware 1851 Associates, L.P., shall be deemed to be Wholly-Owned Subsidiaries of the Borrower.

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EXHIBIT B-1 TO LOAN AGREEMENT

REQUISITION AND AVAILABILITY CERTIFICATE

TO: Fleet National Bank ("Administrative Agent")

RE: Loan Agreement dated as of January 30, 2004 (the "Loan Agreement") between Administrative Agent, the lenders described therein and Cedar Shopping Centers Partnership, L.P. ("Borrower")

LOAN REQUEST NO.: _____

AMOUNT OF LOAN ADVANCE REQUESTED: \$ _____

DATE: _____, 200__

This Borrower's Certificate and Request for Loan Advance is submitted by Borrower to Administrative Agent pursuant to the provisions of the Loan Agreement in order to induce Lenders to make the Loan Advance identified above. Capitalized terms used herein which are not otherwise specifically defined shall have the same meaning herein as in the Loan Agreement.

Borrower hereby requests Lenders to make a Loan Advance under the Notes in the following amount: \$_____.

The Loan Advance is requested for the following purposes: _____

_____.

The Loan Advance requested of \$_____, when added to prior Loan Advances under the Notes of \$_____, plus the L/C Exposure of \$_____, will result in aggregate Loans plus L/C Exposure of \$_____.

The types of Loans requested are as follows:

Variable Rate: \$ _____
Effective LIBO Rate \$ _____
Interest Period _____
\$ _____
Interest Period _____

The Maximum Loan Amount shall not be exceeded upon the making of the Loan Advance requested hereunder. Calculations of the Maximum Loan Amount, current Loan balance, and amount of the Loan available to be advanced and/or L/C's available to be issued are set forth on the Availability Certificate annexed hereto.

Borrower hereby certifies, warrants and represents to Administrative Agent and the Lenders that (except for each condition precedent to Lender's obligation to make the requested Loan Advance) this request: (i) constitutes an affirmation by Borrower that, except as otherwise disclosed

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in writing to the Administrative Agent, each of the warranties and representations made in the Loan Agreement, including, without limitation, the Borrower's continued compliance with the Financial Covenants, as satisfied by the Closing Compliance Certificate, or once delivered, the most recent Compliance Certificate delivered by the Borrower to the Agent, remains true and correct in all material respects as of the date of this request and, unless Administrative Agent is notified to the contrary prior to the disbursement of the Loan Advance, will be so on the date of such Loan Advance; and (ii) constitutes the representation and warranty of Borrower that the information set forth in this request is true, accurate and complete in all material respects.

The Borrower hereby further certifies, warrants and represents to Administrative Agent and the Lenders that: (i) to the best of the Borrower's knowledge, the financial information provided by the Borrower to the Agent remains true and accurate in all material respects; (ii) the Borrower is in compliance with the financial covenants contained in the Loan Agreement to the extent set forth below; (iii) to the best of the Borrower's knowledge, an Event of Default which is continuing has not occurred under the Loan Agreement or any of the other Loan Documents.

<TABLE>
<CAPTION>

Covenant	Requirement	Actual
Interest Expense Coverage	Not less than 2.00:1	<C>
Leverage Ratio	Less than 70%	
Fixed Charge Ratio	Not less than 1.50:1.	
Borrower's Net Worth	Not less than 85% of the Borrower's Net Worth as of December 31, 2003, plus 85% of cumulative net cash proceeds, as set forth in the Loan Agreement	
Occupancy Ratio for Borrowing Base Properties	Not less than 85% for the aggregate of all Borrowing	

Base Properties, and not less than 80% for each individual Borrowing Base Property

Aggregate Pro Rata amount of the Variable Rate Indebtedness of the Consolidated CSC Entities and the Unconsolidated CSC Entities	Less than 30% of the aggregate Pro Rata amount of the total Debt of the Consolidated CSC Entities and the Unconsolidated CSC Entities
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</TABLE>

Calculations of the Financial Covenants are set forth in the Closing Compliance Certificate, or once delivered, the most recent Compliance Certificate delivered by the Borrower to the Agent.

This request is submitted to Administrative Agent for the purpose of inducing Lenders to make a Loan Advance and Borrower intends that Administrative Agent and the Lenders shall rely upon the same being true, accurate and complete in all material respects.

If all conditions precedent to Lenders' obligation to make a Loan Advance are satisfied,

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please disburse the Loan Advance on _____, 200__.

WITNESS the execution hereof as an instrument under seal as of the _____ day of _____, 200__.

CEDAR SHOPPING CENTERS PARTNERSHIP, L.P.,
a Delaware limited partnership

By: Cedar Shopping Centers, Inc.,
its general partner

By: _____
Name: _____
Title: _____

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AVAILABILITY CERTIFICATE

<TABLE>			
<CAPTION>			
<S>	<C>		<C>
1.	Maximum Loan Amount		
	a. Established Loan Amount	\$	_____,000,000.00
	b. Total Commitment	\$	_____,000,000.00
	c. Availability (calculated below)	\$	_____
	lesser of (a), (b) and (c)		\$ _____
2.	Loan Balance		
	a. Outstanding Balance of Loan	\$	_____
	plus		
	b. L/C Exposure	\$	_____
	(a) plus (b)		\$ _____
3.	Amount of Loan available to be advanced and/or L/C's available to be issued		
	1 minus 2		\$ _____
</TABLE>			

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- a. Aggregate Borrowing Base Value* \$ _____
 (calculated below)
 Multiplied by 65% \$ _____
- b. Implied Loan Amount \$ _____
 (calculated below)
 lesser of (a) or (b) \$ _____

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*Borrowing Base Value Calculation
 (prepare for each Borrowing Base Property)

(a) If Stabilized Asset

- (i) Adjusted Appraised Value \$ _____
 (complete only if Appraisal completed
 within prior 12 months)
- (ii) Adjusted Capitalized Value** \$ _____
 (calculated below)

**Adjusted Capitalized Value Calculation (For Stabilized Asset)

Adjusted Net Operating Income for most recent
 fiscal quarter, annualized \$ _____
 capitalized at 9.25% \$ _____

(b) If Non-Stabilized Asset

- (i) Adjusted Appraised Value \$ _____
- (ii) Adjusted Capitalized Value \$ _____
 (Undepreciated Book Value)

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Calculation of Borrowing Base Value if Event of Loss Has Occurred

- (i) Adjusted Capitalized Value \$ _____
 (calculated in the
 manner set forth
 above for Stabilized Asset, subject
 to the limits of Borrowing Base Value,
 or Non Stabilized Asset, as applicable)
- Multiplied by 65% \$ _____

Implied Loan Amount Calculation

Principal amount which generates Implied Debt Service Coverage Ratio of 1.60 to 1.00, calculated in accordance with the worksheet which is to be annexed hereto.

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EXHIBIT C TO LOAN AGREEMENT

NOTE

PROMISSORY NOTE

\$__0,000,000.00

January __, 2004

19. Promise To Pay.

FOR VALUE RECEIVED, CEDAR SHOPPING CENTERS PARTNERSHIP, L.P., a Delaware limited partnership having an address at 44 South Bayles Avenue, Port Washington, New York 11050 (hereinafter, the "Borrower") promises to pay to the order of FLEET NATIONAL BANK, a national banking association having an address at 100 Federal Street, 8th Floor, Boston, Massachusetts 02110 (hereinafter, a "Lender"), the principal sum of _____ MILLION DOLLARS (\$____,000,000.00), or so much thereof as may be advanced by or on behalf of Lender, with interest thereon, or on the amount thereof from time to time outstanding, to be computed, as hereinafter provided, on each advance from the date of its disbursement until such principal sum shall be fully paid. Interest and principal shall be payable in installments as set forth in the Loan Agreement (as defined below). The total principal sum, or the amount thereof outstanding, together with any accrued but unpaid interest, shall be due and payable in full on January __, 2007 (hereinafter, the "Maturity Date"), which term is further defined in, and is subject to extension and/or acceleration in accordance with, the Loan Agreement pursuant to which this Note has been issued.

20. Loan Agreement.

This Note is issued pursuant to the terms, provisions and conditions of an agreement captioned "Loan Agreement" (hereinafter, as the same may be modified, amended or restated from time to time, the "Loan Agreement") dated as of even date among Borrower, Lender, and the other financial institutions named therein (the Lender and such other institutions, the "Lenders") and Fleet National Bank as Agent (hereinafter, the "Agent") and evidences the Loan and Loan Advances made by or on behalf of the Lender pursuant thereto. Capitalized terms used herein which are not otherwise specifically defined shall have the same meaning herein as in the Loan Agreement. This Note is one of several Notes executed and delivered by the Borrower to the Lenders in accordance with the terms and provisions of the Loan Agreement.

21. Acceleration; Event of Default.

At the option of the Agent, subject to the terms of the Loan Agreement, this Note and the indebtedness evidenced hereby shall become immediately due and payable without further notice or demand, and notwithstanding any prior waiver of any breach or default, or other indulgence, upon the occurrence of an Event of Default. Upon the occurrence and during the continuance of an Event of Default, Agent shall have, in addition to any rights and remedies contained herein, any and all rights and remedies set forth in the Loan Agreement or any other Loan Document.

22. Certain Waivers, Consents and Agreements.

Each and every party liable hereon, or for the indebtedness evidenced hereby, whether as maker, endorser, guarantor, surety or otherwise hereby: (a) waives presentment, demand, protest, suretyship defenses and defenses in the nature thereof; (b) waives any defenses based upon, and

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specifically assents to, any and all extensions and postponements of the time for payment, changes in terms and conditions and all other indulgences and forbearances which may be granted by the Agent or the holder to any party now or hereafter liable hereunder or for the indebtedness evidenced hereby; (c) agrees to any substitution, exchange, release, surrender or other delivery of any security or collateral now or hereafter held hereunder or in connection with the

Loan Agreement, or any of the other Loan Documents, and to the addition or release of any other party or person primarily or secondarily liable; (d) agrees that if any security or collateral given to secure this Note or the indebtedness evidenced hereby or to secure any of the obligations set forth or referred to in the Loan Agreement, or any of the other Loan Documents, shall be found to be unenforceable in full or to any extent, or if Agent or any other party shall fail to duly perfect or protect such collateral, the same shall not relieve or release any party liable hereon or thereon nor vitiate any other security or collateral given for any obligations evidenced hereby or thereby; (e) agrees to pay all costs and expenses actually incurred by Agent and Lenders or any other holder of this Note in connection with the indebtedness evidenced hereby pursuant to the Loan Agreement, including, without limitation, all reasonable attorneys' fees and costs, for the implementation of the Loan, the collection of the indebtedness evidenced hereby and the enforcement of rights and remedies hereunder or under the other Loan Documents, whether or not suit is instituted; and (f) consents to all of the terms and conditions contained in this Note, the Loan Agreement, the Mortgage, the Assignment of Leases and Rents, and all other instruments now or hereafter executed evidencing or governing all or any portion of the security or collateral for this Note and for such Loan Agreement, or any one or more of the other Loan Documents.

23. Delay Not A Bar.

No delay or omission on the part of the Agent or the holder in exercising any right hereunder or any right under any instrument or agreement now or hereafter executed in connection herewith, or any agreement or instrument which is given or may be given to secure the indebtedness evidenced hereby or by the Loan Agreement, or any other agreement now or hereafter executed in connection herewith or therewith shall operate as a waiver of any such right or of any other right of such holder, nor shall any delay, omission or waiver on any one occasion be deemed to be a bar to or waiver of the same or of any other right on any future occasion.

24. Partial Invalidity.

The invalidity or unenforceability of any provision hereof, of the Loan Agreement, of the other Loan Documents, or of any other instrument, agreement or document now or hereafter executed in connection with the Loan made pursuant hereto and thereto shall not impair or vitiate any other provision of any of such instruments, agreements and documents, all of which provisions shall be enforceable to the fullest extent now or hereafter permitted by law.

25. Compliance With Usury Laws.

All agreements among Borrower, Guarantor, Agent and Lenders are hereby expressly limited so that in no contingency or event whatsoever, whether by reason of acceleration of maturity of the indebtedness evidenced hereby or otherwise, shall the amount paid or agreed to be paid to Agent or Lenders for the use or the forbearance of the indebtedness evidenced hereby exceed the maximum permissible under applicable law. As used herein, the term "applicable law", shall mean the law in effect as of the date hereof, provided, however, that in the event there is a change in the law which results in a higher permissible rate of interest, then this Note shall be governed by such new law as of its effective date. In this regard, it is expressly agreed that it is the intent of Borrower, Agent and Lenders in the execution, delivery and acceptance of this Note to contract in strict compliance with

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the laws of the Commonwealth of Massachusetts from time to time in effect. If, under or from any circumstances whatsoever, fulfillment of any provision hereof or of any of the Loan Documents or the Security Documents at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed by applicable law, then the obligation to be fulfilled shall automatically be reduced to the limit of such validity, and if under or from any circumstances whatsoever Agent or Lenders should ever receive as interest an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the principal balance evidenced hereby and not to the payment of interest. This provision shall control every other provision of all agreements among Borrower, the Guarantor, Agent and Lenders.

26. Use of Proceeds.

All proceeds of the Loan shall be used solely for the purposes more particularly provided for and limited by the Loan Agreement.

27. Security.

This Note is secured by the Collateral as set forth in the Loan Agreement. The Collateral for this Note may be held by the Agent, on behalf of the Lender and the other Lenders.

28. Notices.

Any notices given with respect to this Note shall be given in the manner provided for in the Loan Agreement.

29. Governing Law and Consent to Jurisdiction.

29.1 Substantial Relationship. It is understood and agreed that all of the Loan Documents were delivered in the Commonwealth of Massachusetts, which Commonwealth the parties agree has a substantial relationship to the parties and to the underlying transactions embodied by the Loan Documents.

29.2 Place of Delivery. Borrower agrees to furnish to Lender at Lender's office in Boston, Massachusetts, all further instruments, certifications and documents to be furnished hereunder, if any.

29.3 Governing Law. This Note and each of the other Loan Documents, except as otherwise provided in Section 11.4, shall in all respects be governed, construed, applied and enforced in accordance with the internal laws of the Commonwealth of Massachusetts without regard to principles of conflicts of law, except insofar as formation of the Borrower under Delaware law requires Delaware law to apply with respect to matters of authorization to enter into the transaction contemplated by this Note.

29.4 Exceptions. Notwithstanding the foregoing choice of law:

(a) the procedures governing the enforcement by Agent and each of the Lenders of its foreclosure and other remedies against Borrower under the Security Documents and under the other Loan Documents with respect to each Collateral Property, including by way of illustration, but not in limitation, actions for foreclosure, for injunctive relief or for the appointment of a receiver, shall be governed by the laws of the State in which such

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Collateral Property is located;

(b) Agent and each of the Lenders shall comply with the applicable law of the State in which such Collateral Property is located to the extent required by the law of such jurisdiction in connection with the foreclosure of the security interests and liens created under the Security Documents and the other Loan Documents with respect to each Collateral Property or other assets situated in such State; and

(c) provisions of Federal law and the law of such State shall apply in defining the terms Hazardous Materials, Environmental Legal Requirements and Legal Requirements applicable to each Collateral Property as such terms are used in the Loan Agreement, the Environmental Indemnity and the other Loan Documents.

Nothing contained herein or any other provisions of the Loan Documents shall be construed to provide that the substantive laws of any other State shall apply to any parties' rights and obligations under any of the Loan Documents, which, except as expressly provided in clauses (A), (B) and (C) of this Section 11.4, are and shall continue to be governed by the substantive law of Commonwealth of Massachusetts. In addition, the fact that portions of the Loan Documents may include provisions drafted to conform to the law of any other State is not intended, nor shall it be deemed, in any way, to derogate the parties' choice of law as set forth or referred to in this Note, the Loan Agreement or in the other Loan Documents. The parties further agree that the Agent may enforce its rights under the Loan Documents including, but not limited to, its rights to sue the Borrower or to collect any outstanding indebtedness in accordance with applicable law

29.5 Consent to Jurisdiction. THE BORROWER AGREES THAT ANY SUIT FOR THE ENFORCEMENT OF THIS NOTE OR ANY OF THE OTHER LOAN DOCUMENTS MAY BE BROUGHT IN THE COURTS OF THE COMMONWEALTH OF MASSACHUSETTS OR ANY FEDERAL COURT SITTING THEREIN AND CONSENTS TO THE NONEXCLUSIVE JURISDICTION OF SUCH COURT AND THE SERVICE OF PROCESS IN ANY SUCH SUIT BEING MADE UPON THE BORROWER BY MAIL AT THE ADDRESS SPECIFIED IN THE LOAN AGREEMENT. THE BORROWER HEREBY WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH SUIT OR ANY SUCH COURT OR THAT SUCH SUIT IS BROUGHT IN AN INCONVENIENT COURT.

30. Waiver of Jury Trial.

BORROWER, AGENT AND LENDERS MUTUALLY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE OR ANY OTHER LOAN DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY, INCLUDING, WITHOUT LIMITATION, ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS OR ACTIONS OF AGENT OR ANY LENDER RELATING TO THE ADMINISTRATION OF THE LOAN OR ENFORCEMENT OF THE LOAN DOCUMENTS, AND AGREE THAT NEITHER PARTY WILL SEEK TO CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. EXCEPT AS PROHIBITED BY LAW, BORROWER HEREBY

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WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY LITIGATION ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. BORROWER CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF AGENT OR ANY LENDER HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT AGENT OR ANY LENDER WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER. THIS WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR LENDER TO ACCEPT THIS NOTE AND MAKE THE LOAN.

31. No Oral Change.

This Note and the other Loan Documents may only be amended, terminated, extended or otherwise modified by a writing signed by the party against which enforcement is sought in accordance with the terms and conditions of the Loan Agreement. In no event shall any oral agreements, promises, actions, inactions, knowledge, course of conduct, course of dealing, or the like be effective to amend, terminate, extend or otherwise modify this Note or any of the other Loan Documents.

32. Rights of the Agent and Holder.

This Note, and the rights and remedies provided for herein, may be enforced by Agent, the holder, or any subsequent holder hereof. Wherever the context permits, each reference to the term "holder" herein shall mean and refer to Agent, the holder, or the then subsequent holder of this Note.

33. Right to Pledge.

Lender may at any time pledge all or any portion of its rights under the Loan Documents including any portion of this Note to any of the twelve (12) Federal Reserve Banks organized under Section 4 of the Federal Reserve Act, 12 U.S.C. Section 341. No such pledge or enforcement thereof shall release Lender from its obligations under any of the Loan Documents.

34. Setoff.

The terms and provisions of Article 12 of the Loan Agreement are incorporated herein by reference.

[Remainder of page left intentionally blank]

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IN WITNESS WHEREOF, Borrower has caused this Note to be duly executed as of the date set forth above as a sealed instrument.

Witness:

BORROWER:

CEDAR SHOPPING CENTERS PARTNERSHIP, L.P.

By: Cedar Shopping Centers, Inc., Its General Partner

By: _____
Name: _____

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EXHIBIT D TO LOAN AGREEMENT

AUTHORIZED REPRESENTATIVES

1. Leo S. Ullman, President of Cedar Shopping Centers, Inc.
2. Brenda J. Walker, Vice President of Cedar Shopping Centers, Inc.
3. Thomas J. O'Keefe, Chief Financial Officer of Cedar Shopping Centers, Inc.

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EXHIBIT E TO LOAN AGREEMENT

REQUIRED PROPERTY, HAZARD AND OTHER INSURANCE

Borrower or the applicable Loan Party shall at all times provide and maintain the following insurance coverages with respect to each Collateral Property and the Collateral issued by companies qualified to do business in the applicable jurisdictions where the Collateral Property is located, having a Best's Rating of not less than A-VIII and otherwise acceptable to Administrative Agent in its sole reasonable discretion:

(i) physical insurance on an all-risk basis without exception (including, without limitation, flood required if property is in a "Special Flood Hazard Area" A or V, vandalism and malicious mischief, earthquake, collapse, boiler explosion, sprinkler coverage, mold infestation, cost of demolition, increased costs of construction and the value of the undamaged portion of the building and soft costs coverage) covering all the real estate, fixtures and personal property to the extent of the full insurable value thereof, on a builder's risk non-reporting form prior to completion and occupancy to Occupy Endorsement, having replacement cost and agreed amount endorsements (with deductibles not in excess of insurable value);

(ii) rent loss or business interruption insurance in an amount equal to one year's projected rentals or gross revenues;

(iii) public liability insurance, with underlying and umbrella coverages totaling not less than \$2,000,000.00 per occurrence and \$10,000,000.00 in the aggregate or such other amounts as may be determined by Administrative Agent from time to time;

(iv) automobile liability insurance (including non-owned automobile) with a coverage of \$1, 000, 000 per occurrence during construction;

(v) worker's compensation, employer's liability and other insurance required by law;

(vi) such other insurance coverages in such amounts as Administrative Agent may request consistent with the customary practices of prudent developers and owners of similar properties.

An actual insurance policy or certified copy thereof, or a binder, certificate of insurance, or other evidence of property coverage in the form of Acord 27 (Evidence of Property Coverage), Acord 25 (Certificate of Insurance), or a 30-day binder in form acceptable to Administrative Agent with an unconditional undertaking to deliver the policy or a certified copy within thirty (30) days, shall be delivered at closing of the Loan and prior to the first Loan Advance.

Flood insurance shall be provided if the property or the collateral is located in a flood zone, flood risk or flood hazard area as designated pursuant to the Federal Flood Disaster Protection Act of 1973, as amended, and the Regulations thereunder, or if otherwise reasonably required by Administrative Agent.

Administrative Agent, on behalf of the Lenders, shall be named as first mortgagee on policies of all-risk-type insurance on the Collateral Property, as loss payee on the Collateral and its contents, and as first mortgagee on rent-loss or business interruption coverages related thereto.

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Except with respect to public liability insurance, as to which Administrative Agent, on behalf of the Lenders, shall be named as an additional insured with respect to the Collateral Property or the Collateral, all other required insurance coverages shall have a so-called "Mortgagee's endorsement" or "Lenders' loss-payable endorsement" which shall provide in substance as follows:

A. Subject to the terms of this Agreement, loss or damage, if any, under the policy shall be paid to Administrative Agent and its successors and assigns in whatever form or capacity its interest may appear and whether said interest be vested in said Administrative Agent in its individual or in its disclosed or undisclosed fiduciary or representative capacity, or otherwise, or vested in a nominee or trustee of said Administrative Agent.

B. The insurance under the policy, or under any rider or endorsement attached thereto, as to the interest only of Administrative Agent, its successors and assigns, shall not be invalidated nor suspended:

(a) by any error, omission or change respecting the ownership, description, possession or location of the subject of the insurance or the interests therein or the title thereto; or

(b) by the commencement of foreclosure or similar proceedings or the giving of notice of sale of any of the property covered by the policy by virtue of any mortgage, deed of trust, or security interest; or

(c) by any breach of warranty, act, omission, neglect, or noncompliance with any provisions of the policy by the named insured, or any one else, whether before or after a loss, which under the provisions of the policy of insurance, would invalidate or suspend the insurance as to the named insured, excluding, however, any acts or omissions of Administrative Agent while exercising active control and management of the insured property.

C. Insurer shall provide Administrative Agent and each of the Lenders with not less than thirty (30) days, prior written notice of cancellation of the policy (for non-payment or any other reason) or of the non-renewal thereof.

D. The insurer reserves the right to cancel the policy at any time, but only as provided by its terms. However, in such case this policy shall continue in force for the benefit of Administrative Agent for thirty (30) days after written notice of such cancellation is received by Administrative Agent and shall then cease.

E. Should legal title to and beneficial ownership of any of the property covered under the policy become vested in Administrative Agent or its agents, successors or assigns, insurance under the policy shall continue for the term thereof for the benefit of Administrative Agent.

F. All notices herein provided to be given by the insurer to Administrative Agent in connection with this policy and Administrative Agent's loss payable endorsement shall be mailed to or delivered to Administrative Agent by certified or registered mail, return receipt requested, as follows:

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Fleet National Bank
Post Office Box 2984
Hartford, Connecticut 06101-2984
Mail Code CT4M10J
Attention: Central Insurance Unit

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EXHIBIT F TO LOAN AGREEMENT

OWNERSHIP INTERESTS AND TAXPAYER IDENTIFICATION NUMBERS

<TABLE>
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ENTITY NAME	PARTNERS/MEMBERS	TAX IDENTIFICATION NUMBER
<S> Cedar-South Philadelphia I, LLC	<C> Cedar-South Philadelphia II, LLC (100%)	<C> 90-0082050
Cedar-South Philadelphia II, LLC	Cedar Shopping Centers Partnership, L.P. (100%)	90-0082060
Cedar-Riverview LP	Cedar-Riverview LLC (1%; general partner); CSC-Riverview LLC (99%; limited partner)	20-0422200
Cedar-Riverview LLC	Cedar Shopping Centers Partnership, L.P. (100%)	20-0151534
CSC-Riverview LLC	Cedar Shopping Centers Partnership, L.P. (100%)	20-0151125
Cedar Lender LLC	Cedar Shopping Centers Partnership, L.P. (100%)	20-0447171
Delaware 1851 Associates, LP	Cedar-Columbus LLC (1%; general partner); CSC-Columbus LLC (99%; limited partner)	23-2999402
Cedar-Columbus LLC	Cedar Shopping Centers Partnership, L.P. (100%)	20-0151547
Cedar Sunset Crossing, LLC	Cedar Shopping Centers Partnership, L.P. (100%)	20-0579586

</TABLE>

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<CAPTION>

<S>	<C>	<C>
CSC-Columbus LLC	Cedar Shopping Centers Partnership, L.P. (100%)	20-0151526

</TABLE>

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EXHIBIT G TO LOAN AGREEMENT

COMPLIANCE CERTIFICATE

TO: The Administrative Agent and Lenders party to the Loan Agreement Described Below

This Compliance Certificate is furnished pursuant to that certain Loan Agreement dated as of January 30, 2004 (the "Loan Agreement"), among Cedar Shopping Centers Partnership, L.P. ("Borrower"), Fleet National Bank, as Administrative Agent and the Lenders identified therein. Unless otherwise defined herein, capitalized terms used in this Compliance Certificate have the meanings ascribed thereto in the Loan Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the duly elected/authorized _____ of Cedar Shopping Centers, Inc., general partner of the Borrower.

2. I have reviewed the terms of the Loan Agreement and I have made, or have caused to be made under my supervision, a review of the transactions and conditions of the Borrower during the accounting period covered by the attached financial statements.

3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or event which constitutes an Event of Default or an event which, with notice or the passage of time or both, would constitute an Event of Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate, except as set forth below.

4. Schedule 1 attached hereto sets forth financial data and computations at and for the period ending _____ evidencing the Borrower's compliance with certain covenants of the Loan Agreement, except as set forth below, all of which data and computations are true, complete and correct in all material respects to my knowledge.

Described below are the exceptions, if any, to paragraphs 3 and 4, listing the nature of the condition or event, the period during which it has existed and the action which the Borrower has taken, is taking, or proposes to take with respect to each such condition or event:

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IN WITNESS WHEREOF, the undersigned has executed this Certificate this ___ day of _____, 200__.

CEDAR SHOPPING CENTERS PARTNERSHIP, L.P.,
a Delaware limited partnership

By: Cedar Shopping Centers, Inc.,
its general partner

By: _____
Name: _____
Title: _____

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Schedule 1 to Compliance Certificate

Covenant	Requirement	Actual
<S> Interest Expense Coverage	<C> Not less than 2.00:1	<C>
Leverage Ratio	Less than 70%	
Fixed Charge Ratio	Not less than 1.50:1.	
Borrower's Net Worth	Not less than 85% of the Borrower's Net Worth as of December 31, 2003, plus 85% of cumulative net cash proceeds, as set forth in the Loan Agreement	
Occupancy Ratio for Borrowing Base Properties	Not less than 85% for the aggregate of all Borrowing Base Properties, and not less than 80% for each individual Borrowing Base Property	

Aggregate Pro Rata amount Less than 30% of the
of the Variable Rate aggregate Pro Rata amount of
Indebtedness of the the total Debt of the
Consolidated CSC Entities Consolidated CSC Entities
and the Unconsolidated CSC and the Unconsolidated CSC
Entities Entities

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EXHIBIT H TO LOAN AGREEMENT

FORM OF ASSIGNMENT AND ACCEPTANCE

Dated: as of _____

Reference is made to the Loan Agreement, dated as of January 30, 2004 (as amended and in effect from time to time, the "Loan Agreement"), by and among CEDAR SHOPPING CENTERS PARTNERSHIP, L.P., a Delaware limited partnership having an address at c/o Cedar Shopping Centers, Inc., 44 South Bayles Avenue, Port Washington, New York 11050 (hereinafter, the "Borrower", which Borrower is not a party to this Mortgage), Fleet National Bank and the other lending institutions which become parties to the Loan Agreement (Fleet National Bank and the other lending institutions which become parties to the Loan Agreement are collectively referred to as the "Lenders" and individually as the "Lender"), and Fleet National Bank, as Agent (hereinafter, the "Agent"). Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Loan Agreement.

_____ (the "Assignor") and _____ (the "Assignee") agree as follows:

1. The Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, a _____ (____%) interest in and to all of the Assignor's rights and obligations under the Loan Documents as of the Effective Date (as herein after defined). The amount of the Assignor's Commitment being purchased by and assigned to the Assignee as of the Effective Date is \$ _____

2. The Assignor (i) represents that as of the date hereof, its Commitment Percentage (without giving effect to assignments thereof which have not yet become effective) is _____ and the outstanding balance of the Loan owing to the Assignor under the Note held by the Assignor (unreduced by any assignments thereof which have not yet become effective) is \$ _____; (ii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Loan Documents or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any other instrument or document furnished pursuant thereto, other than that the Assignor is the legal and beneficial owner of the interest being assigned by it hereunder, that such interest is free and clear of any adverse claim, that it is legally authorized to enter into this Assignment and Acceptance, and it has no knowledge of the occurrence of an Event of Default under the Loan Agreement; (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower, or any other person which may be primarily or secondarily liable in respect of any of the Obligations or any of their obligations, or the performance or observance by the Borrower, or any other person prima rily or secondarily liable in respect of any of the obligations under any of the Loan Documents or any other instrument or document delivered or executed pursuant thereto; and (iv) requests that the Agent reflect on the Register maintained by the Agent the assignment to the Assignee of that portion of the Commitment as set forth herein.

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3. The Assignee (i) represents and warrants that it is legally authorized to enter into this Assignment and Acceptance; (ii) confirms that it has received a copy of the Loan Documents, together with copies of the most recent financial statements delivered pursuant to the Loan Agreement and such other documents and information as the Assignee has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance; (iii) agrees that it will, independently and without reliance upon the Assignor or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions

in taking or not taking action under the Loan Documents; (iv) confirms that it is an Eligible Assignee; (v) appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers as are expressly delegated to or conferred upon the Assignor as agent by the terms of the Loan Documents together with such other powers as are reasonably incidental thereto; (vi) agrees that it will perform all the obligations which by the terms of the Loan Documents are required to be performed by the Assignee as a Lender in accordance with the terms of the Loan Documents; and (vi) specifies as to its address for notices the office set forth beneath its name on the signature page hereof.

4. The effective date for this Assignment and Acceptance shall be _____, _____ (the "Effective Date"). Following the execution of this Assignment and Acceptance, it will be delivered to the Agent for acceptance and recording in the Register by the Agent.

5. Upon such acceptance and recording, from and after the Effective Date, (i) the Assignee shall be a party to the Loan Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender thereunder, and (ii) the Assignor shall, with respect to that portion of its interest under the Loan Documents assigned hereunder relinquish its future rights and be released from its future obligations under the Loan Documents but shall remain liable for all obligations which arose prior to such assignment.

6. Upon such acceptance and recording, from and after the Effective Date, the Agent shall make all payments in respect of the rights and obligations assigned hereby (including payments of principal, interest, fees and other amounts) to the Assignee. The Assignor and Assignee shall make all appropriate adjustments in payments for periods prior to the Effective Date by the Agent or with respect to the making of this assignment directly between themselves.

7. THIS ASSIGNMENT AND ACCEPTANCE IS INTENDED TO TAKE EFFECT AS A SEALED INSTRUMENT TO BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS.

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IN WITNESS WHEREOF, intending to be legally bound, each of the undersigned has caused this Assignment and Acceptance to be executed on its behalf by its officer thereunto duly authorized, as of the date first above written.

"Assignor"

By: _____

Title: _____

"Assignee"

By: _____

Title: _____

Notice Address: _____

Telephone No.: _____

Telecopier No.: _____

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Consented to in accordance with the terms of the Loan Agreement as of this ___ day of _____, 20__.

AGENT: FLEET NATIONAL BANK

By: _____

Name: _____

Title: _____

BORROWER: CEDAR SHOPPING CENTERS PARTNERSHIP, L.P.

By: Cedar Shopping Centers, Inc., general partner

By: _____
Name: _____
Title: _____

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EXHIBIT I TO LOAN AGREEMENT

LENDERS' COMMITMENT

<TABLE>
<CAPTION>

Lender	Commitment Amount	Commitment Percentage
FLEET NATIONAL BANK	\$19,000,000.00	19%
COMMERZBANK AG NEW YORK BRANCH	\$19,000,000.00	19%
PB CAPITAL CORPORATION	\$14,000,000.00	14%
MANUFACTURERS AND TRADERS TRUST COMPANY	\$14,000,000.00	14%
SOVEREIGN BANK	\$14,000,000.00	14%
RAYMOND JAMES BANK, FSB	\$10,000,000.00	10%
CITIZENS BANK	\$10,000,000.00	10%

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EXHIBIT J

BORROWING BASE PROPERTIES

Borrowing Base Property	Adjusted Appraised Value as of Closing
South Philadelphia Shopping Plaza Philadelphia, Pennsylvania	\$36,400,000.00
Riverview Shopping Center Philadelphia, Pennsylvania	\$21,900,000.00
Sunset Crossing Shopping Center, Dickson, Pennsylvania	\$11,250,000.00
Columbus Crossing Shopping Center Philadelphia, Pennsylvania	\$23,000,000.00

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EXHIBIT EC

ESTOPPEL CERTIFICATE

ESTOPPEL CERTIFICATE AND AGREEMENT

WHEREAS, _____ a _____ having an address at _____ (hereinafter, the "Landlord"), is the owner in fee simple of that certain parcel of real estate numbered _____, and commonly known as _____, as more particularly described in Exhibit A annexed hereto (hereinafter, the "Premises");

WHEREAS, the Landlord has leased the Premises to _____, a _____ having an address at _____ (hereinafter, the "Tenant"), pursuant to that certain ground lease dated as of _____, _____ (hereinafter, with any amendments, modifications, extensions, replacements or renewals, the "Lease"), a copy of which is attached hereto as Exhibit B and made a part hereof (All capitalized terms used herein which are not otherwise defined shall have the meaning ascribed to such term under the Lease);

WHEREAS, Fleet National Bank, a national banking association having an address at 100 Federal Street, 8th Floor, Boston, Massachusetts 02110, as agent (hereinafter, the "Agent") on behalf of itself and certain other lenders (hereinafter, individually and collectively referred to as the "Lender" or "Lenders"), has agreed to establish a loan arrangement (hereinafter, the "Loan Arrangement") with Cedar Shopping Centers Partnership, L.P., a Delaware limited partnership having an address at c/o Cedar Shopping Centers, Inc., 44 South Bayles Avenue, Suite 304, Port Washington, New York 11050 (hereinafter, the "Borrower");

WHEREAS, the Tenant has substantial financial dealings with the Borrower and is affiliated with the Borrower (by ownership and by contractual relationship and/or other meaningful business relationship), and the extension of credit and the providing of financial accommodations to the Borrower will enhance and benefit the business activities and interests of the Tenant;

WHEREAS, as a prior condition to establishing the Loan Arrangement, the Agent and the Lenders require that, among other collateral to be granted, the Tenant grant to the Agent, on behalf of the Lenders, a leasehold mortgage in and to the rights of the Tenant to the Lease and the Premises and a security interest in other property of the Tenant, said leasehold mortgage and security interests to be created by the execution and delivery by the Tenant of that certain Leasehold Mortgage and Security Agreement dated as of January __, 2004 (hereinafter, with any extensions, modifications and amendments, the "Leasehold Mortgage");

WHEREAS, as a further condition to establishing the Loan Arrangement, the Agent and

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the Lenders require that the Landlord certify, represent, covenant, and agree to the matters described in this Estoppel Certificate and Agreement (hereinafter, this "Estoppel Certificate"); and

WHEREAS, it is in the best interest of the Landlord that the Loan Arrangement be established.

NOW, THEREFORE, in consideration of the foregoing, and upon the request of the Agent and the Lenders, Landlord and the Tenant hereby make the following representations and covenants:

1. The Landlord and Tenant represent that:

- 1.1 the Lease is currently in full force and effect;
- 1.2 the Lease has not been modified or amended;
- 1.3 neither the Tenant nor Landlord is in default under the Lease, nor has any event occurred which is, or solely with the passage of time would be, an event of default under the Lease; and
- 1.4 the term of the Lease commences on _____, _____ and expires on _____, _____.

2. The Landlord represents that all rent presently due under the Lease has been paid in full, and no additional rent is presently due under the Lease; and as of the date of this Estoppel Certificate, there are no other payments due and payable from the Tenant to the Landlord under the Lease.

3. The Landlord represents and warrants that its fee interest in the

Premises is unencumbered, except as set forth in Exhibit C attached hereto.

4. The Landlord acknowledges and agrees that the interest of the Landlord in and to the Premises and the Lease shall not be encumbered beyond that which such interests are encumbered as of the date hereof in any manner whatsoever without the prior written consent of the Agent.

5. The Landlord hereby:

5.1 acknowledges and consents to the granting of the Leasehold Mortgage, and acknowledges and recognizes that the Agent, as the mortgagee of the leasehold interest in the Lease, is entitled to the benefit of all of the rights and privileges provided to a leasehold mortgagee under the Lease;

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5.2 recognizes the rights of the Agent, and any successor, assignee or transferee of the Agent, in and to the Premises as described in the Leasehold Mortgage, and consents to the exercise by the Agent of its rights under the Leasehold Mortgage upon the occurrence of an event of default by the Tenant under the Leasehold Mortgage;

5.3 recognizes the right of the Agent, and any successor, assignee or transferee of the Agent, to exercise any options, including, without limitation, any renewal or extension options or rights of first refusal provided to the Tenant under the Lease, and agrees that if, prior to the exercise by the Agent of its rights under the Leasehold Mortgage, the Tenant fails to exercise within the applicable time periods set forth in the Lease any option including, without limitation, any renewal or extension option or right of first refusal, the Landlord shall notify the Agent as attorney-in-fact for the Tenant and the Agent shall be authorized, at its option, to exercise any option or right within sixty (60) days of receipt of such notice and the Landlord shall recognize said exercise of any option or right by the Agent;

5.4 agrees that the interest of the Landlord in and to the Premises and the Lease shall not be transferred or assigned unless the transferee or assignee provides a written agreement to the Agent that (i) said transfer or assignment is subject to the terms and conditions of the Lease, and this Estoppel Certificate, and (ii) the transferee or assignee assumes the obligations of the Landlord thereunder and hereunder;

5.5 acknowledges that notwithstanding the occurrence of any event of default under the Lease, the Landlord will not terminate, or allow or suffer the termination of, the Lease, without the prior written consent of Agent; and

5.6 agrees that notwithstanding the terms of the Lease, any and all insurance proceeds or eminent domain or condemnation awards or proceeds with respect to the Premises shall be subject to the approval of the Agent and shall be payable to the Agent, or otherwise made available for the repair or restoration of the Premises, all in accordance with the terms and provisions of the Leasehold Mortgage.

6. Upon notice to the Landlord by the Agent of the exercise of Agent's rights against Tenant (whether pursuant to the Leasehold Mortgage or otherwise) the Landlord shall:

6.1 not interfere with any enforcement by the Agent of the Agent's rights in and to the personal property of the Tenant located on the Premises;

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6.2 not distraint nor assert any claim against the personal property of Tenant;

6.3 permit the Agent to enter upon the Premises and remove the personal property from the Premises, provided, the Agent agrees that it shall promptly repair, at the Agent's expense, any physical damage to the Premises caused by said removal; and

- 6.4 not interfere with the disposal of the personal property by sale (by public auction or otherwise) conducted on the Premises.
7. Until such time as the Agent executes and records a discharge of the Leasehold Mortgage:
 - 7.1 no modifications, extensions, renewals or surrender of the Lease shall be effective without the prior written consent of the Agent;
 - 7.2 the Landlord shall not convey the Premises to the Tenant without the prior written consent of the Agent;
 - 7.3 any and all rights, easements and development agreements to be granted by, or entered into with, the Landlord relative to the Premises shall not be granted or entered into without the prior written consent of the Agent; and
 - 7.4 the Landlord shall waive any provisions of the Lease which provide that Tenant shall, upon request of the Landlord, subordinate the Lease to any lien of any present or future mortgages granted by the Landlord.
8. In the event of any default by the Tenant under the Lease, the Landlord shall:
 - 8.1 cause a copy of any notice of default by the Tenant under the Lease or notice of termination of the Lease to be sent to the Agent, and the Landlord agrees that any such notice of default or termination shall not be deemed duly given and effective unless and until a copy of such notice is actually received by the Agent; and
 - 8.2 permit the Agent to cure or cause to be cured such default within thirty (30) days of the receipt of notice from the Landlord of Tenant's default if such default may be cured by the payment of money, or, otherwise, within sixty (60) days of the receipt of such notice.
9. If the Agent fails to cause any default of the Tenant under the Lease to be cured, or such default is incapable of being cured, during the applicable time period, the Landlord shall further refrain from exercising its rights and/or remedies under the Lease and shall not

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terminate the Lease if the Agent has provided the Landlord with written notice that either:

- 9.1 the Agent intends to cause the default to be cured and the Agent is diligently pursuing the cure of such default; or
 - 9.2 the Agent has or intends to make demand upon Tenant for payment or performance under any agreement between Tenant and the Agent pertaining to the Loan Arrangement and the Agent diligently pursues the exercise of its rights thereunder.
10. Any successor, assignee or transferee of the Agent shall have thirty (30) days from the consummation of such succession, assignment, or transfer within which to cure or cause to be cured any default of the Tenant under the Lease.
 11. Any default of the Tenant under the Lease which is cured or which is caused to be cured by the Agent within the applicable cure period, shall be deemed to have been waived by the Landlord and the Landlord shall not be entitled to exercise any rights or remedies granted to Landlord under the Lease on account of the occurrence of such default.
 12. In the event any default of Tenant under the Lease is incapable of being cured, the Landlord shall, upon the request of the Agent, execute a new lease with the Agent upon the same terms and conditions (but providing for the revival of any rights and/or options which may have lapsed due to the Tenant's action or inaction under the Lease) as the Lease and such new lease shall have the same relative priority in right, title and interest in and to the Premises as the Lease.
 13. The Agent shall not become liable for the obligations of the Tenant under the Lease unless and until the Agent obtains possession of the Premises and expressly agrees to assume all such obligations, and then, only for the period during which the Agent is in possession of the Premises. Upon the sale, transfer or assignment by the Agent of its interest in the Lease and/or the Premises, the Agent shall have no

further liability to the Landlord.

14. Whether or not the Agent assumes the obligations of Tenant pursuant to Section 13, above, the Agent shall have no liability to the Landlord for any obligations of Tenant under the Lease arising prior to such assumption by the Agent.

15. All notices under this Estoppel Certificate shall be sent certified mail, return receipt requested as follows:

If to Landlord:

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Attention: _____

With a copy to:

Attention: _____

If to the Tenant:

Attention: _____

With a copy to:

Attention: _____

If to the Agent:

Fleet National Bank
100 Federal Street, 8th Floor
Boston, Massachusetts 02110
Attention: James L. Keough, Director

With a copy to:

Riemer & Braunstein LLP
Three Center Plaza
Boston, Massachusetts 02108
Attn: Kevin J. Lyons, Esquire

All notices hereunder shall be deemed to have been received three (3) days after the date of mailing in accordance with the above described requirements.

16. Upon the request of the Agent, the Landlord will provide the Agent with estoppel

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certificates, in form acceptable to Agent, with respect to the status of the Lease and the compliance by the Landlord and/or Tenant with regard to specific terms, provisions and conditions set forth thereunder.

17. Each party hereto agrees to execute such documents as may be reasonably required from time to time to evidence or effectuate the terms and provisions hereof.

18. This Estoppel Certificate is binding on, and shall inure to the benefit of, the Tenant, the Agent, and the Landlord, and each of their successor and assigns.

[The balance of this page is intentionally left blank]

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It is intended that this Estoppel Certificate take effect as a sealed instrument as of this ___ day of _____, 2003.

LANDLORD:

By: _____
Name: _____
Title: _____

TENANT:

By: _____
Name: _____
Title: _____

AGENT:

FLEET NATIONAL BANK

By: _____
Name: _____
Title: _____

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EXHIBIT A

Premises

(See Attached)

EEC-9

EXHIBIT B

Lease

(See Attached)

EEC-10

EXHIBIT C

Encumbrances

EEC-11

EXHIBIT TP

THEATER PARCEL

ALL THAT CERTAIN lot or piece of ground, with the buildings and improvements thereon erected, SITUATE in the 1st Ward, City of Philadelphia, Commonwealth of Pennsylvania, being bounded and described according to a Plan of Survey, prepared by John J. Leapson, Professional Land Surveyor, dated February 19, 1997, last revised December 12, 2003, as follows:

BEGINNING at the intersection of the Northeast side of Dickinson Street (50 feet wide) with the Southeast side of Water Street (50 feet wide); thence along the same North 14 degrees 41 minutes 39 seconds East 331.03 feet to a point in line of Parcel "B" on said Plan; thence along the same the following two (2) courses and distances (1) South 63 degrees 36 minutes 02 seconds East passing partly through a party wall 61.271 feet to a point (2) North 14 degrees 41 minutes 39 seconds East 80.761 feet to a point on the Southwest side of Reed Street (80 feet wide); thence along the same South 75 degrees 13 minutes 21 seconds East 195.00 feet to a point on the Northwest side of Christopher Columbus Boulevard (formerly Delaware Avenue 150 feet wide); thence along the same South 14 degrees 41 minutes 39 seconds West 399.520 feet to a point on the previously mentioned Northeast side of Dickinson Street (50 feet wide); thence along the same North 75 degrees 13 minutes 21 seconds West 255.000 feet to the first mentioned point and place of beginning.

CONTAINING 97,401 square feet or 2.236 acres.

BEING known as #1400 South Christopher Columbus Boulevard (formerly Delaware Avenue).

BEING Registry #9 S 16-93, 94.

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SCHEDULE 1.3

1. \$17,000,000.00 from Cedar Shopping Centers Partnership, L.P., to Fleet National Bank to be applied against the existing \$17,000,000.00 loan of Fleet National Bank, as agent under that certain Loan Agreement dated December 23, 2003, to Cedar Shopping Centers Partnership, L.P.
2. \$1,000,000.00 to be advanced to the Borrower pay to certain closing and transactional costs and expenses, and other working capital needs of the Borrower.

SCHEDULE 6.14.2(i)

BORROWING BASE PROPERTY	FEE OR LEASEHOLD ESTATE INTEREST
South Philadelphia Shopping Plaza Philadelphia, Pennsylvania	Leasehold
Riverview Shopping Center Philadelphia, Pennsylvania	Fee and Leasehold
Sunset Crossing Shopping Center Dickson, Pennsylvania	Fee
Columbus Crossing Shopping Center Philadelphia, Pennsylvania	Fee

RIGHTS OF FIRST REFUSAL

Right of First Refusal, executed on October 31, 2003, and effective as of November 3, 2003, granted by Cedar-Riverview LP, a Pennsylvania limited partnership, to Firehouse Realty Corp., a Pennsylvania corporation, Reed Development Associates, Inc., a Pennsylvania corporation, South River View Plaza, Inc., a Pennsylvania corporation, River View Development Corp., a Pennsylvania corporation, and Riverview Commons, Inc., a Pennsylvania corporation.

Right of First Refusal, executed on November 19, 2003, and effective as of December 9, 2003, granted by Delaware 1851 Associates, LP, a Pennsylvania limited partnership, to Welsh-Square, Inc., a Pennsylvania corporation, Indenture of Trust of Bart Blatstein dated as of June 9, 1998, a Pennsylvania trust, and Irrevocable Indenture of Trust of Barton Blatstein dated July 13, 1999, a Pennsylvania trust.

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SCHEDULE 6.14.4(ii)

NONE

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SCHEDULE 6.14.4(iii)

NONE

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SCHEDULE 6.14.4(iv)

NONE

SCHEDULE 6.14.5

GROUND LESSOR(S)	AFFILIATED WITH AN AFFILIATE OF A LOAN PARTY?
SPSP Corporation 44 West Lancaster Avenue Suite 110 Ardmore, Pennsylvania 19003	No
Passyunk Supermarket, Inc. 44 West Lancaster Avenue Suite 110 Ardmore, Pennsylvania 19003	No
Twenty Fourth Street Passyunk Partners, L.P. 44 West Lancaster Avenue Suite 110 Ardmore, Pennsylvania 19003	No

AGREEMENT OF PURCHASE AND SALE (this "Agreement") dated as of December 24, 2003, by and between DUBOIS REALTY PARTNERS, L.P., a Pennsylvania limited partnership having an address at c/o Michael Joseph Acquisition Corporation, 2500 Brooktree Rd, Suite 300, Wexford, PA 15090 ("Seller"), and CEDAR SHOPPING CENTERS PARTNERSHIP, L.P., a Delaware limited partnership having an address at 44 South Bayles Avenue, Port Washington, New York 11050 ("Buyer").

WITNESSETH:

A. Seller owns certain parcels and improvements thereon comprising a portion of the real property and improvements located at the intersection of Route 255 and Commons Drive, Sandy Township, Pennsylvania, known as The Commons Shopping Center (such portions owned by Seller being more precisely described herein as the "Property").

B. Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Property, upon the terms and conditions and for the purchase price hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration set forth herein, the parties hereto agree as follows:

SECTION 1. Certain Definitions.

"Actions" mean any claims, actions, suits, proceedings or investigations, including, without limitation, condemnation and tax certiorari proceedings, whether at law or in equity or before any court, arbitrator, arbitration panel or Governmental Authority.

"Affiliate" of a party means any Person which, directly or indirectly, controls, is controlled by or is under common control with, such party.

"Broker" means Holliday Fenoglio Fowler, L.P., having an office at 429 Fourth Avenue, Suite 200, Pittsburgh, Pennsylvania 15219-1503.

"Court Order" means any judgment, decree, injunction, order, decision, directive, regulation or ruling of any Governmental Authority that is binding on any Person or its property under Law.

"Due Diligence Period" means the period commencing on the later to occur of (a) the date a complete copy of this Agreement executed by Buyer and Seller with all exhibits attached has been delivered to Buyer or its counsel, and (b) the date Seller has delivered to Buyer the documents described in Section 5(a), or written confirmation that Seller does not have such documents (such date, the "Effective Date") and expiring on the last day of the forty fifth (45th) calendar day following the Effective Date, provided, however, that if a Phase I environmental report of the Property obtained by Buyer within the Due Diligence Period (the "Phase I") indicates that a Phase II is recommended, and Buyer has initiated a Phase II investigation within the initial Due Diligence Period, but the results of such investigation have not been received by Buyer, then the Due Diligence Period shall be extended until five (5) days after the date Buyer has received the results of such Phase II investigation, provided that such extension of the Due Diligence Period shall not exceed thirty (30) days in any event.

"Escrow Agent" means Lawyers Title Insurance Corporation, or any substitute escrow agent appointed hereunder

"Governmental Authority" means any agency, instrumentality, department, commission, court, tribunal or board of any government, whether foreign or domestic and whether national, federal, state, municipal or local.

"Hazardous Substances" means, without limitation, (i) all substances which are designated pursuant to Section 311(b)(2)(A) of the Federal Water Pollution Control Act ("FWPCA"), 33 U.S.C. ss.1251 et seq.; (ii) any element, compound, mixture, solution, or substance which is designated pursuant to Section 102 of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. ss.9601 et seq.; (iii) any hazardous waste having the characteristics which are identified under or listed pursuant to Section 3001 of the Resource Conservation and Recovery Act ("RCRA"), ss.6901 et seq.; (iv) any toxic pollutant listed under Section 307(a) of the FWPCA; (v) any hazardous air pollutant which is listed under Section 112 of the Clean Air Act, 42 U.S.C. ss.7401 et seq.; (vi) any imminently hazardous chemical substance or mixture with respect to which action has been taken pursuant to Section 7 of the Toxic Substance Control Act, 15 U.S.C. ss.2601 et seq.; and (vii) petroleum, petroleum products, petroleum by-products, petroleum decomposition by-products, and waste oil; (viii) "hazardous materials" within the meaning of the Hazardous Materials Transportation Act, 49 U.S.C. ss. 1802 et seq.; (ix) any hazardous substance or material identified or regulated by or under any applicable

provisions of the laws of the Commonwealth, of Pennsylvania; (x) asbestos or any asbestos containing materials; or (xi) any other hazardous or toxic substance or pollutant identified in or regulated under any other applicable federal, state or local Laws.

"Knowledge" means the conscious awareness of factual matters, reasonably believed to be true, by any of Seller's individual partners or any officer of a corporate partner.

"Law" or "Laws" mean laws, statutes, rules, regulations, codes, orders, ordinances, judgments, injunctions, decrees and policies.

"Leases" mean all leases affecting the Property on the date hereof, which Seller represents and warrants are all listed on Exhibit F attached hereto and made a part hereof [this exhibit to contain a detailed listing of every document comprising the leases, including amendments, side letters, guaranties, etc], together with amendments or modifications made after the date hereof and which, have been approved by Buyer in writing.

"Liabilities" mean debts, liabilities, obligations, guarantees, indemnities, duties and responsibilities of any kind and description, whether absolute or contingent, monetary or non-monetary, direct or indirect, known or unknown or matured or unmatured, or of any other nature.

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"Licenses" means licenses, franchises, permits, certificates, certificates of occupancy, easements, rights and other authorizations issued by a Governmental Authority or any other Person.

"Major Tenant" means any Tenant occupying more than 10,000 leasable square feet under any of the Leases.

"Person" means any natural person, corporation, business trust, joint venture, association, company, limited liability entity, firm, partnership, or other entity or government or Governmental Authority.

"Property" means: (a) those certain tracts or parcels of real property owned by Seller comprising a unified commercial development project, commonly known as "The Commons Shopping Center", located in Sandy Township, Clearfield County, Pennsylvania, more particularly identified and described on Exhibit A annexed hereto and hereby made a part hereof (the "Land"), (b) the buildings and other improvements located upon the Land (collectively, the "Improvements"), (c) all easements, rights of way, privileges, appurtenances, development rights, air rights, strips, gores and other rights pertaining to the Land and the Improvements, if any, including, without limitation, development rights, and all income therefrom, including rights to any Taking awards or proceeds, (d) any land in the bed of any street, road, avenue, open or proposed, public or private, in front of or adjoining the Land or any portion thereof, to the center line thereof, and any award to be made in lieu thereof and in and to any unpaid award for damage to the Land and the Building by reasons of change of grade of any street occurring after the date of execution and delivery of this Agreement, (e) all Leases, (f) all Service Contracts, and (g) any Licenses required or used in or relating to the ownership, use, maintenance, occupancy or operation of any part of the Property.

"Service Contracts" means any all service agreements, maintenance agreements, supply agreements, and any other similar contracts and agreements affecting Property.

"Taking" means any proceedings or negotiations instituted which do or may result in a taking by condemnation or eminent domain of the Property or any portion thereof.

"Tenants" mean the tenants and other parties under the Leases.

SECTION 2. Sale and Purchase of the Property. Based upon and subject to the terms, agreements, warranties, representations and conditions of this Agreement, Seller hereby agrees to sell, convey, transfer, assign and deliver to Buyer on the Closing Date (as hereinafter defined), and Buyer hereby agrees to buy and accept on the Closing Date, the Property.

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SECTION 3. Purchase Price and Manner of Payment.

(a) The purchase price for the Property is the amount of SEVENTEEN MILLION FOUR HUNDRED THOUSAND and 00/100 DOLLARS (\$17,400,000.00) (the "Purchase Price"), and shall be payable as follows:

(i) upon the execution of this Agreement, the sum of \$100,000.00 (the "Initial Deposit") shall be paid by Buyer by wire transfer to Escrow Agent;

(ii) upon the expiration of the Due Diligence Period, the sum of \$100,000.00 (the "Additional Deposit"; the Initial Deposit and the Additional Deposit, together with interest accruing thereon, shall be referred to herein as the "Deposit") shall be paid by Buyer by wire transfer to Escrow Agent; and

(iii) upon closing of title, the balance of the Purchase Price, subject to adjustment in accordance with this Agreement, shall be paid by wire transfer of immediately available funds to Seller or its designee.

(b) The Deposit shall be held by Escrow Agent in escrow in an interest bearing account. Any interest accrued on the Deposit shall be paid to whichever party is entitled to the Deposit in accordance with the provisions of this Agreement. If the Closing shall occur, interest shall be credited against the Purchase Price. The Deposit shall be held and disbursed by Escrow Agent in accordance with the escrow provisions annexed hereto as Exhibit B.

(c) Seller represents that its federal tax identification number is 25-1840444. Seller acknowledges and agrees that Seller's tax identification number shall be used on the account into which the Deposit is placed.

SECTION 4. Title Matters.

(a) Seller shall convey to Buyer at the Closing good, marketable, insurable fee simple title to the Property, free of all deeds of trust, mortgages, liens, easements, covenants, restrictions, leases, licenses and other encumbrances ("Encumbrances"), subject only to the Permitted Encumbrances (as hereinafter defined), which, title shall be insurable by a reputable title insurance company, selected by Buyer, licensed in the Commonwealth of Pennsylvania (the "Title Company"), by issuance of an ALTA owner's title insurance policy (the "Owner's Policy"), insuring the title of the Property at its ordinary rates and without special premiums, and in the standard form issued by the Title Company in the Commonwealth of Pennsylvania, without exception or reservations of any kind, including, without limitation, the standard pre-printed exceptions to the title policy, other than the Permitted Encumbrances (any such other exceptions or reservations, the "Non-Permitted Encumbrances").

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(b) The term "Permitted Encumbrances" as used in this Agreement shall mean:

1. any state of facts which a current accurate land title survey of the Property would show, provided that such facts would not render title other than good and marketable and would not impair the continued use of the Property for a shopping center;

2. those matters specifically set forth on Exhibit C annexed hereto and hereby made a part hereof, subject, however, to the provisions of subsection (e) of this section;

3. those matters shown on the Title Commitment (referred to in Section 4(c)) and not listed or referred to in Buyer's Statement (referred to in Section 4(e)) or, if any such matters are listed or shown on Buyer's Statement, those which Buyer has subsequently waived under Section 4(e);

4. all Laws, provided such Laws are not violated by the existing improvements and do not prohibit the use of the Property as a shopping-center;

5. all presently existing and future liens of real estate taxes or assessments and water rates, water meter charges, water frontage charges and sewer taxes, rents and charges, if any, provided that such items are not yet due and payable and are apportioned as provided in this Agreement; and

6. the Leases.

(c) If Buyer's commitment for an Owner's Policy (the "Title Commitment") discloses judgments, bankruptcies or other returns against other Persons having names the same as or similar to that of the Seller, Seller shall, on the request of Buyer, deliver to Buyer and the Title Company affidavits showing that such judgments, bankruptcies or other returns are not against the Seller. Seller shall deliver any customary affidavits required by the Title Company to eliminate exceptions other than the Permitted Encumbrances appearing in the Title Commitment.

(d) At the Closing, Seller shall deliver to each of Buyer and the Title Company an affidavit and/or indemnity with respect to mechanic's liens certifying that there are no unpaid bills for services rendered, or materials furnished to the Property.

(e) Buyer shall furnish to Seller or its counsel within thirty (30) days after the Effective Date, a copy of the Title Commitment, together with a statement specifying any objections to title, and may furnish Seller with a

current survey of the Premises, together with objection to any conditions disclosed by such survey ("Buyer's Statement"), provided Buyer shall have no right to object to any Permitted Exceptions other than the matters set forth on Exhibit C hereto. Seller or its counsel shall, within ten (10) days of receipt by Seller's counsel of Buyer's Statement, give notice to Buyer ("Seller's Notice") as to which, if any, of the defects set forth in Buyer's Statement, that Seller will not commit to cure at or before the Closing. If Seller does not, within ten (10) days after receipt of Buyer's Statement, advise Buyer in writing that it will remove all of the defects listed in Buyer's Statement, then Buyer's sole right shall be to either (a) waive such defects and close title without abatement or reduction of the Purchase Price, or (b) terminate this

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Agreement, in either case upon notice to Seller and Escrow Agent given within five (5) days after the expiration of such ten (10) day period. If Buyer elects to terminate this Agreement, the Deposit shall be returned to Buyer, and upon such return, except as expressly provided herein, this Agreement and all rights and obligations of the respective parties hereunder shall be null and void. If Buyer does not notify Seller of its election to terminate this Agreement within such five (5) day period, Buyer shall conclusively be deemed to have waived its right of termination on account of such defects, provided, however, that notwithstanding anything to the contrary set forth in this Agreement, Seller shall be obligated to cure at or before the Closing all any Encumbrance which can be removed at time of closing by payment of a liquidated amount or by posting a bond, as well, as any Encumbrance arising after the date of Buyer's delivery of Buyer's Statement and prior to the Closing Date, except for any of the foregoing arising from the acts or omissions of Buyer, its agents, contractors or employees. Seller shall not be obligated to cure non-liquidated Encumbrances (e.g., easements, covenants and restrictions) of record as of the date of Buyer's title commitment and which Seller advises Buyer in Seller's Notice that Seller does not wish to cure.

(f) Seller shall have the right to pay off any monetary Encumbrances against the Property on the Closing Date out of the cash then payable provided, in the case of Encumbrances held by institutional lenders, Seller shall deliver a pay off letter at the closing from the lender holding such encumbrance of record, and in the case of Encumbrances held by non-institutional lenders, recordable instruments of release or discharge of such Encumbrances in form and substance satisfactory to the Title Company are then delivered to Buyer.

SECTION 5. Due Diligence.

(a) Promptly after the full execution of this Agreement, Seller shall deliver copies of the following documents to Buyer, to the extent in Seller's possession or control: (i) all Leases currently in effect, (ii) all existing environmental reports for the Property, (iii) the latest, full size survey of the Property, (iv) construction drawings for the Property, if any, (v) title reports, together with copies of all title exception documents, (vi) metes and bounds description of the Land, (vii) annual operating expense reports and tax bills for the past three years, (viii) utility bills for the past twelve (12) months, (ix) information, on a tenant by tenant basis, setting forth the reimbursements paid by each tenant for common area maintenance charges, taxes and insurance, together with a supporting schedule of expenses for the Property, (x) a list and description of all rent delinquencies as of the date hereof, (xi) all existing service contracts currently affecting the Property and (xii) any plans or proposals submitted or reviewed by the local authorities regarding potential expansion or development of the Property.

(b) Buyer shall have the right, at any time after the Effective Date, to inspect the Property, and to investigate existing zoning, the physical, structural and environmental condition of the Property, the compliance of the Property with Laws, the rental income and recoveries listed in the rent roll, the operating expenses, taxes and other costs of operating the Property, and any other factors Buyer deems relevant in determining whether to purchase the Property. For purposes of conducting such inspections and studies, Buyer shall have access to the Property at all reasonable times, subject to Section 5(d) below.

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(c) Buyer may terminate this Agreement, for any reason or for no reason at all, in Buyer's sole discretion, on notice to Seller and Escrow Agent given at any time during the Due Diligence Period, which notice may be given by email to dvith@midc.com and to dondulac@watkinsdulac.com, with a copy concurrently sent by facsimile to Mssrs. Vith and Dulac at their facsimile numbers set forth herein. In the event of such termination, Escrow Agent shall return the Deposit to Buyer, whereupon, except as expressly provided herein, this Agreement and all rights and obligations of the respective parties hereunder shall be null and void. If Buyer does not elect to terminate this Agreement pursuant to this Section 5(c) within the Due Diligence Period, Buyer shall conclusively be deemed to have waived its right of termination under this Section 5(c), the Deposit shall be non-refundable, except as otherwise expressly provided hereunder, and Buyer shall post the Additional Deposit with Escrow Agent no later than two (2) business days after the expiration of the Due

Diligence Period. When wired to and deposited with the Escrow Agent, the Additional Deposit will be non-refundable, except as otherwise expressly provided hereunder.

(d) Upon not less than two business days prior written notice to Seller, Seller shall permit Buyer and its agents and consultants access to the Property from time to time for the purpose of undertaking surveys and engineering, environmental, soils, wetlands and other similar tests, borings, drillings and studies, provided Buyer promptly repairs any damage to the Property caused by such entry and restores the Lands to the condition that existed prior to such entry. Seller shall cooperate with Buyer and enforce provisions of Leases if necessary in order to facilitate entry by Buyer into tenant spaces as reasonably required by Buyer. Buyer shall hold and save Seller harmless from and against any and all loss, cost, damage, injury or expense arising out of or in any way related to the acts or omissions of Buyer, its agents, employees and consultants, relating to any such entry, and such obligation shall survive the termination of this Agreement, except that Buyer shall not be liable for costs or damages resulting from Buyer's discovery or exacerbation of pre-existing conditions, absent Buyer's negligence. Prior to any such entry, Buyer shall furnish to Seller evidence that Buyer (or its respective contractors entering onto the Property to perform borings, drillings or other intrusive testings) has procured comprehensive liability insurance from an insurer authorized to do business in the Commonwealth of Pennsylvania which is reasonably acceptable to Seller protecting Seller from claims for bodily injury or death in single limit amount of not less than \$1,000,000, naming Seller as an additional insured. Such insurance shall provide that at least thirty (30) days' notice of termination, cancellation, modification or lapse of coverage shall be given to Seller. The indemnification provision contained in this Section 5(d) shall survive the termination of this Agreement and/or the closing of title.

(e) Buyer will provide Seller with copies of any environmental reports of the Property prepared for Buyer. Buyer will keep confidential and not disclose to third parties all environmental reports of the Property prepared for or delivered to Buyer, except for disclosures (i) to Buyer's consultants, agents, representatives, employees and third parties needing to know such information, provided all such parties agree to maintain the confidentiality of such reports, and (ii) required by law.

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SECTION 6. Closing Date. The closing of this transaction (the "Closing") shall be conducted on the later of (i) the date occurring ten (10) days after the expiration of the Due Diligence Period or (ii) January 31, 2004 (the "Closing Date"). The Closing shall be conducted by mail in escrow with the Title Company pursuant to an escrow procedure reasonably acceptable to Seller and Buyer, or at such place as the parties may otherwise agree. Upon the Closing, exclusive possession of the Property, subject to the rights of tenants under the Leases as tenants only, shall be delivered to Buyer, and Buyer shall thence have the right to enjoy the rents, issues and profits therefrom.

SECTION 7. Closing Deliveries and Closing Costs.

7.1 Seller Deliveries. At the Closing, Seller shall deliver or cause to be delivered to Buyer the following items executed and acknowledged by Seller, as appropriate:

(a) A special or limited warranty deed conveying fee simple title to the Property to Buyer in accordance with this Agreement.

(b) A general instrument of transfer, conveying, transferring and selling to Buyer, all right title and interest of Seller in and to all of the personal property, if any, owned by Seller, all rights of Seller in any in and to any Service Contract which Buyer has advised Seller it wishes to assume, to the extent the same are assignable, and any intangible property forming part of the Property.

(c) An assignment by Seller and assumption by Buyer of all of Seller's right, title and interest in and to the Leases, including security deposits, in the form attached hereto as Exhibit D.

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

(e) Form 1099.

(f) A certificate stating that all representations and warranties of Seller set forth in Section 10 hereof remain true and correct as of the Closing Date (or certifying as to any changes thereto, subject, however, to the provisions of Section 10.4 herein).

(g) An updated rent roll for the Property (including a schedule of any then-existing delinquencies), certified by Seller to be true and correct (Seller shall deliver this updated rent roll to Buyer at least two (2) business days prior to the closing).

(h) Any document required by law to be executed by Seller in order to allow Buyer to record any transfer document, including any transfer or documentary stamp return.

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(i) Original estoppels certificate from the following tenants: Shop n'Save, Elder Beerman (Bon Ton), and Pier 1 Imports, and tenants occupying 80%, by rentable square footage, of the remaining retail space at the Property, all in a form substantially similar to the form attached hereto as Exhibit E (or in such other form as may be prescribed under the respective lease with such tenant), dated no earlier than thirty (30) days prior to the closing, and confirming, in the case of tenants, (a) the factual matters with respect to such tenants as set forth in the Rent Roll (as hereinafter defined) and in Sections 10.1 (g), (h) and (i) hereof and (b) that Seller as landlord is not in default under such tenant's lease, nor are there any work allowances, concessions or improvements to be performed or provided by Seller as landlord that have not been performed or provided by Seller in full. Seller shall promptly request such estoppel certificate from all tenants of the Property and pursue same in good faith. If Seller is unable to obtain the estoppel certificates required under this subsection by the Closing Date, then the Closing Date shall be adjourned for a period not to exceed fifteen (15) days, to enable Seller to continue to pursue same. If such estoppel certificates have not been obtained, after the expiration of such adjournment of the Closing Date, then Buyer shall have the right to terminate this Agreement, by delivering written notice of termination to Seller, in which event the Deposit, and all interest accrued thereon, shall be returned to Buyer and except as expressly provided herein, this Agreement and all rights and obligations of the respective parties hereunder shall be null and void.

(j) The original fully executed Leases, or, if not available, a copy of each missing Lease certified by Seller as being a true and completed photocopy.

(k) Copies of all Lease files in Seller's possession or control.

(l) Notices to each tenant under the Leases advising that Seller's interest in the Property has been conveyed to Buyer and instructing that all rent and additional rent payable under the Leases is to be remitted to Buyer, that any security deposit is thereafter being held by Buyer, and that all insurance required to be maintained by such tenant is to be amended to name Buyer as a named insured to the extent such tenant is required to so name the landlord under its Lease, such notices to be in form as reasonably required by Buyer.

(m) A statement showing all closing prorations.

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

(o) Evidence reasonably satisfactory to Buyer and the Title Company respecting the due organization of Seller and the due authorization and execution by Seller of this Agreement and the documents required to be delivered hereunder.

(p) 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 Policy to Buyer, including, without limitation, any affidavits or indemnities reasonably required in order to enable the Title Company to insure title in Buyer free of any mechanic's liens.

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7.2 Buyer Deliveries. At the Closing, Buyer shall deliver or cause to be delivered to Seller the following items executed and acknowledged by Buyer, as appropriate:

(a) Payment of the balance of Purchase Price, as adjusted, to be made in accordance with Section 3 above.

(b) A counterpart of the document referred to in Section 7.1(c) above.

(c) Such other documents as may be required under the terms of this Agreement or as may otherwise be reasonably necessary to consummate the transactions contemplated under this Agreement, taking into account the terms and conditions of this Agreement.

7.3 Closing Costs. At the Closing, Seller and Buyer shall each pay one-half of the transfer taxes, including transfer taxes of the Commonwealth of Pennsylvania and of the county and local municipality in which the Property is located, payable in connection with the transaction contemplated hereby. Buyer shall pay (a) the title insurance premium for the Owner's Policy, if any, (b) the costs of any survey (or an update thereto), and (c) all fees, costs or expenses in connection with Buyer's due diligence reviews hereunder. Seller

shall pay the costs of recording discharges of Encumbrances required to be removed by Seller under this Agreement. Except as expressly provided in the indemnities set forth in this Agreement, Seller and Buyer shall pay their respective legal, consulting, and other professional fees and expenses incurred in connection with this Agreement and the transaction contemplated hereby and their respective shares of prorations as hereinafter provided.

SECTION 8. Closing Adjustments. (a) The following shall be prorated, between Seller and Buyer as of 12:00 AM EST on the Closing Date (so that Buyer will be debited all taxes and other expenses, and be credited with all rents, accruing as of the Closing Date) on the basis of the actual number of days elapsed over the applicable period) and shall take into account the percentage of such revenues or expenses attributable to the Property:

(i) All real estate taxes, water charges, sewer rents, vault charges and assessments on the Property on the basis of the fiscal year for which assessed. If any assessments on the Property are payable in installments, then the installment for the current period shall be prorated, with Seller paying its share of any installments due before the Closing Date and Buyer assuming the obligation to pay its share of any installments due after the Closing Date.

(ii) Subject to Section 8(b) of this Agreement, all fixed and base and minimum rent and regularly scheduled items of additional rent under the Leases (including any reimbursements for taxes and common areas operating costs), and other tenant charges if, as and when received. The parties acknowledge that certain Tenants may not pay all items of additional rent, including without limitation common area maintenance ("CAM") charges, insurance premiums and real estate taxes, applicable to periods prior to the Closing Date until after the Closing Date and that Seller may not have completed an accounting of such additional rent charges until after the Closing Date. Further, the parties acknowledge that the Property is subject to a LERTA Program tax abatement and that for the duration of the LERTA Program a certain portion of real estate taxes paid by Tenants is payable to Seller. The parties agree that all such, items of additional rent will be adjusted between the parties under Section 8(f) and Seller's share (i.e., amounts reasonably apportionable to periods prior to the Closing Date) shall be paid to Seller without regard to Section 8(b).

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(iii) Expenses and payments under Service Contracts which Buyer shall elect to assume.

(iv) Fuel, if any, at Seller's cost therefor.

(v) Utilities not payable directly by tenants, including, without limitation, telephone, steam, electricity and gas, on the basis of the most recently issued bills therefor, subject to adjustment after the Closing when the next bills are available, or if current meter readings are available, on the basis of such readings.

(b) Rents under the Leases which are delinquent as of the Closing Date shall not be prorated on the Closing Date. Buyer shall include such delinquencies in its normal billing and shall diligently pursue the collection thereof in good faith after the Closing Date (but Buyer shall not be required to litigate or declare a default in any Lease). Subject to the terms of the immediately succeeding sentence, to the extent rents are collected by or on behalf of Buyer on or after the Closing Date, such payments shall be applied first toward to the rents that shall then be due and payable with respect to rents for months after the Closing, second to the rents for the month in which the Closing occurs, and third to any delinquent rents owed with respect to months prior to the Closing, with Seller's share thereof being promptly delivered to Seller by Buyer. If percentage rents are collected by or on behalf of Buyer on or after the Closing Date, such percentage rents shall be allocated to the period to which they relate irrespective of the provisions of the immediately preceding sentence and appropriate portions thereof shall be applied to Buyer and Seller in proportion to the duration of such party's ownership of the Property during such period, with Seller's share thereof being promptly delivered to Seller by Buyer. Without Seller's prior written consent, Buyer may not waive any of Seller's claims against any tenant for such tenant's breach of its monetary obligations to Seller under any Lease. Seller hereby reserves the right to pursue any remedy against any tenant owing delinquent rents for periods not exceeding two months prior to the Closing Date and not any other amounts to Seller (except as provided in Section 8(a)(ii) above), which right shall include the right to continue or commence legal actions or proceedings against any tenant; provided, however, that Seller will not institute any action seeking eviction or ejectment of any tenant and prior to commencing any legal actions or proceedings for collection of rents against any tenant while such tenant remains a tenant at the Property, Seller will give notice ("Seller's Suit Notice") to Buyer of Seller's intent to commence a legal action or proceeding against such tenant. Not later than five business days after its receipt of Seller's Suit Notice, Buyer may direct Seller not to institute a legal action or proceeding against such tenant provided Buyer concurrently pays to Seller the amount of the delinquent rents for periods not exceeding two months prior to the Closing Date

or other amounts owed to Seller by such tenant. Upon payment by Buyer to Seller of such delinquent rents or other amount owed to Seller, Buyer will be subrogated to Seller's rights against such tenant for such rents and other amounts paid by Buyer. Buyer shall reasonably cooperate with Seller in any collection efforts hereunder (but shall not be required to litigate or declare a default under any Lease). With respect to delinquent rents and any other amounts or other rights of any kind respecting tenants who are no longer tenants of the Property at any time following the Closing Date, Seller shall retain all rights relating to its share thereof.

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(c) The amount of any security deposits held by Seller under the Leases shall be credited to Buyer, and thereafter, Buyer shall be responsible for same.

(d) If any of the items described in this Section 8 hereof cannot be apportioned at the Closing because of the unavailability of information as to the amounts which are to be apportioned or otherwise, or are incorrectly apportioned at Closing or subsequent thereto, such items shall be apportioned or reapportioned, as the case may be, as soon as practicable after the Closing Date or the date such error is discovered, as applicable.

(e) If the Closing shall occur before a real estate or personal property tax rate or assessment is fixed for the tax year in which the Closing occurs, the apportionment of taxes at the Closing shall be upon the basis of the tax rate or assessment for the preceding fiscal year applied to the latest assessed valuation. Promptly after the new tax rate or assessment is fixed, the apportionment of taxes or assessments shall be recomputed and any discrepancy resulting from such recomputation and any errors or omissions in computing apportionments at Closing shall be promptly corrected and the proper party reimbursed. The foregoing adjustment will not apply to any interim assessment relating to the completion of new construction and the issuance of an original occupancy permit for improvements.

(f) If after the Closing, the parties discover any errors in adjustments and apportionments, same shall be corrected as soon after their discovery as possible. The provisions of this Article 8 shall survive the closing, provided that no adjustments shall be made later than one (1) year after the Closing Date unless prior to such date the party seeking the adjustment shall have delivered a written notice to the other specifying the nature and basis for such claim.

SECTION 9. Defaults. (a) In the event the Buyer fails or refuses to consummate the purchase of the Premises in accordance with the provisions of this Agreement for any reason constituting a default on the part of Buyer, then Escrow Agent shall pay to Seller the Deposit then paid and Seller shall retain the Deposit then paid as full liquidated damages in full and complete satisfaction of all claims against the Buyer and without recourse to any other remedies, legal or equitable. The parties have agreed that actual damages in such event are impossible to determine, and therefore have agreed upon the foregoing liquidated damages, after negotiation, as the parties' best estimate of actual damages which would be incurred in such circumstances.

(b) If the conditions set forth in Section 12.1 have not been satisfied as of the Closing Date, then Buyer may elect to (i) accept title to the Premises subject to the defaulted obligation of Seller (and in the case of a liquidated Encumbrance, use the Purchase Price to eliminate such title defect), or (ii) seek specific performance of this Agreement (and receive reimbursement from Seller for reasonable attorneys' fees and costs, if Buyer is the prevailing party in such action) or (iii) terminate this Agreement and elect to receive the

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return of the Deposit and any interest earned thereon, and in the event such Seller's default is a Willful Default (as hereinafter defined), be compensated by Seller for all actual damages sustained by Buyer as a result of Seller's breach of this Agreement, including, without limitation, reasonable attorneys' fees and disbursements. The term "Willful Default" as used in this Agreement shall mean (a) Seller's willful refusal to convey title to the Property at the Closing, (b) Seller's refusal to cause any Encumbrance to be released (or insured over) but only if and to the extent that Seller is obligated to do so under this Agreement, (c) Seller voluntarily taking any action which has the effect of frustrating the intention of the parties under this Agreement (e.g. entering into a new lease without Buyer's consent); or (d) an intentional material breach of a representation or warranty of Seller under this Agreement.

SECTION 10. Representations, Warranties and Covenants.

10.1. Representations, Warranties and Covenants of Seller. Seller hereby represents and warrants to Buyer that, as of the date hereof:

(a) The Seller is a limited partnership, duly organized, validly existing and subsisting under the laws of the Commonwealth of Pennsylvania. The Seller has all requisite power and authority to own, lease, and operate its assets and property and to conduct its business as now being

conducted.

(b) Except for (i) Permitted Encumbrances, (ii) mortgages that will be satisfied and released at or prior to Closing and (iii) the purchase options in favor of any tenant or an affiliate of any tenant listed on Exhibit C attached hereto (which Seller represents do not apply in the case of the contemplated sale of the entire Property to Buyer), (A) Seller has not sold, conveyed, transferred, given, pledged, mortgaged or otherwise disposed of, encumbered or granted in any manner all or any portion of the Property; (B) except for the purchase options referred to in clause (iii) above, there are no outstanding, options, rights, agreements, or other commitments to which Seller is a party relating to or providing for the sale, conveyance, transfer, gift, pledge, mortgage or other disposition, encumbrance or granting of, or permitting any Person to acquire all or any portion of the Property; and (C) Seller owns the Property free and clear of any liens and has the absolute right, power and capacity to sell, assign, convey, transfer and deliver the Property as contemplated by this Agreement.

(c) This Agreement has been duly executed and delivered and constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as enforceability may be limited by applicable law affecting creditors' rights generally and principles of equity, whether considered in a proceeding at law or in equity. No consent, approval, authorization or order of, or declaration, filing or registration with, any Governmental Authority or Person is required in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

(d) Seller is not a "foreign, person" under the Foreign Investment in Real Property Tax Act of 1980 ("FIRPTA") and upon consummation of the transaction contemplated hereby, Buyer will not be required to withhold from the Purchase Price any withholding tax.

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(e) There are no pending or, to Seller's knowledge, threatened Actions affecting the Property or any part thereof; nor are there any special assessments levied or payable in connection with the Property.

(f) To Seller's knowledge, the Land and Improvements are free of any liens and encumbrances other than the Permitted Encumbrances and mortgages that will be satisfied and released at or prior to Closing.

(g) All of the Leases to which either the Seller is a party (by assignment or otherwise) or is bound in existence on the date hereof have been delivered or made available to Buyer. The copies of the Leases that have been delivered or made available by Seller to Buyer are true, correct and complete. Exhibit F annexed hereto and hereby made a part hereof sets forth a complete list of all Leases (including, without limitation, all leases, amendments, modifications and "side letters") to which either the Seller is a party or is bound, and is true, complete and correct in all material respects. All Leases are in full force and effect. To Seller's knowledge, all Tenants listed on Exhibit F are in possession of their respective premises and generally open for business, and there are no other parties in possession of the Property, except as otherwise noted on Exhibit F. Except as set forth on Exhibit F to Seller's knowledge, neither Seller as landlord nor any tenant under any of the Leases is in default under any of the Leases and Seller has not received from any Tenant any written notice claiming any default by the landlord under its Lease which default remains uncured. No tenant under any of the Leases has filed or has had filed against it a bankruptcy or insolvency proceeding. Seller has not received written notice of any defense to, offsets, claims or disputes against rental payable or obligations under any Lease (including, without limitation, any objection to billings of common area maintenance expenses or taxes). To Seller's knowledge, no guarantor of any Lease has been released or discharged, voluntarily (involuntarily, or by operation of law) from any obligation related to such Lease except in accordance with the terms of such Lease.

(h) Annexed hereto as Exhibit G is a rent roll and security deposit schedule (the "Rent Roll") for all Leases in effect as of the date hereof, which is true and correct in all respects and which shows for each rentable space in the Property the tenant name, space number, monthly base or minimum rental, and common area maintenance expense and real estate tax reimbursement amounts, security deposit held, and the expiration date of each Lease. There are no tenant security deposits to be held by the Landlord under the Leases except as listed in the Rent Roll. At the Closing, Seller shall deliver to Buyer an updated Rent Roll. If any changes shall occur in such Rent Roll Certificate, Buyer shall have the rights relating thereto as set forth in Section 10.4 hereof.

(i) Except as set forth on Exhibit H annexed hereto and made a part hereof, all alterations and improvements required to be performed by the landlord under any of the Leases have been completed, all construction and other allowances and monetary concessions required to be paid by the landlord under the Leases have been paid, and no tenant under any of the Leases is entitled to

any free rent or rent concession period. Except as set forth on Exhibit H, all such alterations and improvements shall be completed and all such allowances and monetary concessions shall be paid in full by Landlord on or before the Closing Date. If any allowances or monetary concessions are shown on Exhibit H as not having been fully paid or credited by Seller as of the Closing Date, Buyer will deduct and retain from the Purchase Price otherwise paid to Seller at the Closing the outstanding amount of such allowances and monetary concessions. All brokerage fees and commissions payable or which will be payable in the future with respect to the Leases have been paid in full.

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(j) All of the Service Contracts to which Seller is a party (by assignment or otherwise) or is bound, are in existence on the date hereof and have been delivered or made available to Buyer. The copies of the Service Contracts that have been delivered or made available by the Seller to Buyer are true, correct and complete, Exhibit I annexed hereto and hereby made a part hereof sets forth a list of all Service Contracts to which Seller is a party or is bound, and is true, complete and correct in all material respects. Except as set forth on Exhibit I, the Service Contracts are in full force and effect. No default exists under any Operating Agreement and to Seller's knowledge, no event or act has occurred which with the giving of notice thereof or the passage of time or both would constitute a default under any Operating Agreement. Except as set forth on Exhibit I, all Service Contracts are terminable without premium or penalty on no more than 30 days' notice to the contractor, vendor or other service provider thereunder.

(k) All of the environmental reports delivered by Seller to Buyer are true and complete copies of such reports and Seller has no knowledge of any Hazardous Substances at the Property except as may be set forth in such reports and except for any Hazardous Substances that may be sold by a tenant in the ordinary course of business and ordinary cleaning and maintenance materials used by any tenant.

(l) Seller has received no written, notice that there are unconnected violations of any applicable Laws affecting the Property or the use and occupancy thereof; to Seller's knowledge, Seller has obtained all approvals, permits and authorizations from all governmental authorities necessary for the lawful construction, use and operation of the Property, including, without limitation, a certificate of occupancy for each tenant space, permitting such space to be used for retail (or restaurant) purposes, as applicable, and zoning regulations and ordinances applicable in Sandy Township, Pennsylvania have not been violated by existing Improvements or the use thereof.

(m) No petition has been filed or has, to Seller's knowledge, been threatened to be filed, by or against Seller under any chapter of the United States Bankruptcy Code or any state bankruptcy, insolvency or similar statute.

(n) No work has been performed or is in progress at, and no materials have been furnished to, the Property which, though not presently the subject of, might give rise to construction, mechanic's, materialmen's, municipal or other liens against, the Property or any portion thereof; and

(o) There are no employees employed by Seller or any property manager or otherwise at or in connection with the Property for or to which Buyer shall have any responsibilities or liabilities following the Closing. There are no employment, union, collective bargaining, contracts or similar agreements in effect in connection with the Property or the operation and/or maintenance thereof.

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10.2. Survival of Seller's Representations and Warranties. The representations and warranties contained in Section 10.1 are true, accurate and complete and not misleading in any material respect as of the date hereof and shall be deemed to be repeated at and as of the Closing Date, and shall be true, accurate and complete and not misleading in any material respect as of such date. The representations and warranties in Section 10.1 shall survive the Closing for a period of one (1) year,

10.3 GENERAL DISCLAIMER. THE SALE OF THE PROPERTY HEREUNDER IS AND WILL BE MADE ON AN "AS IS", "WHERE IS," AND "WITH ALL FAULTS" BASIS, AND EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, WITHOUT REPRESENTATIONS AND WARRANTIES OF ANY KIND OR NATURE, EXPRESS, IMPLIED OR OTHERWISE, INCLUDING ANY REPRESENTATION OR WARRANTY CONCERNING TITLE TO THE PROPERTY OR THE PROPERTY, THE PHYSICAL CONDITION OF THE PROPERTY, THE ENVIRONMENTAL CONDITION OF THE PROPERTY (INCLUDING THE PRESENCE OR ABSENCE OF HAZARDOUS SUBSTANCES ON OR AFFECTING THE PROPERTY), THE COMPLIANCE OF THE PROPERTY WITH APPLICABLE LAWS AND REGULATIONS (INCLUDING ZONING AND BUILDING CODES OR THE STATUS OF DEVELOPMENT OR USE RIGHTS RESPECTING THE PROPERTY), THE FINANCIAL CONDITION OF THE PROPERTY, OR ANY OTHER REPRESENTATION OR WARRANTY RESPECTING ANY INCOME, EXPENSES, CHARGES, LIENS OR ENCUMBRANCES, RIGHTS OR CLAIMS ON, AFFECTING OR PERTAINING TO THE PROPERTY OR ANY PART THEREOF. EXCEPT AS TO MATTERS SPECIFICALLY SET FORTH IN THIS AGREEMENT, BUYER WILL ACQUIRE THE PROPERTY SOLELY ON THE BASIS OF ITS OWN PHYSICAL AND

FINANCIAL EXAMINATIONS, REVIEWS AND INSPECTIONS AND THE TITLE INSURANCE PROTECTION AFFORDED BY THE OWNER'S POLICY (IN THE EVENT BUYER ELECTS TO PURCHASE SAME) IN ELECTING TO PURCHASE THE PROPERTY, BUYER IS NOT RELYING UPON ANY STATEMENTS OR REPRESENTATIONS MADE BY SELLER OR ANY OF SELLER'S AGENTS OR REPRESENTATIONS EXCEPT FOR THOSE SET FORTH IN THIS AGREEMENT.

10.4. Changed Circumstances. 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 representation, or warranty made by Seller in this Agreement, 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 Buyer within a reasonable period of time. In the event Buyer receives actual notice of any Material Changed Circumstance, whether from Seller or any other source, including its own investigations, then Buyer shall have the right to terminate this Agreement, in which event both parties shall be relieved from any further obligation under this Agreement, and

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the Deposit shall be returned to Buyer. 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 by more than one and one-half percent (1.50%) or would otherwise reasonably be considered material by a Buyer of similar properties. The baseline for determining whether a Changed Circumstance is a Material Changed Circumstance (i.e., the current projected annualized NOI of the Property for 2004 as of the date of this Agreement) is agreed to be \$1,585,047.00.

10.5 Representations, Warranties and Covenants of Buyer.

(a) Buyer is a limited partnership duly organized, validly existing, and in good standing under the laws of the State of Delaware, and has full power and authority to own, lease and operate its properties and assets and to conduct its business as now being conducted.

(b) Buyer has the full power and authority to enter into this Agreement and to carry out the transactions contemplated hereby, and the execution, delivery and performance of this Agreement by Buyer has been duly authorized by all necessary action. The purchase of the Property by Buyer from Seller, the execution and delivery of this Agreement, the fulfillment of the terms set forth in this Agreement and the consummation of the transactions contemplated by this Agreement will not conflict with or constitute a default under the organizational documents of Buyer, or a default under any contract by which Buyer is bound, or would be a violation of any Laws applicable to Buyer. This Agreement has been duly executed and, delivered and constitutes the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms. Buyer does not require any consent, approval, authorization or order of, or declaration, filing or registration with, any Governmental Authority or Person in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

SECTION 11. Operation of the Property Between Contract and Closing. From and after the date hereof and until the Closing, Seller shall, comply with all laws, ordinances, rules or regulations affecting the Property and shall maintain the Property in its existing condition, reasonable wear and tear excepted. Seller shall pay when due any and all taxes, assessments and levies with respect to the Property and timely make all payments with respect to and perform all obligations secured by any encumbrances affecting the Property. Seller shall do or cause to be done all things reasonably within Seller's control to preserve intact and unimpaired any and all Licenses in favor of, constituting or benefiting any portion of the Property. Seller shall promptly notify Buyer of (i) the occurrence of any fire or other casualty causing damage to the Property, or (ii) receipt of notice of eminent domain proceedings or condemnation of or affecting the Property or notice from any governmental authority relating to the condition, use or occupancy of the Property, (including, without limitation, all notices of violation of codes with respect to the Property), or (iii) knowledge of any default by any tenant of the Property under any of the Leases, or (iv) receipt of any notice of Seller's default as landlord under any Lease received by Seller from any tenant of the Property or the receipt or delivery from any tenant of any default or termination notice or claim of offset or defense to the payment of rent; or (v) receipt of notice from any tenant that such tenant intends to vacate its leased premises, or (vi) receipt of any notice of any actual or threatened litigation against Seller or affecting or relating to the Property. Seller shall not, without the prior written consent of Buyer in each instance, do the following:

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(i) enter into or amend or modify any lease or other occupancy agreement for the Property;

(ii) enter into any other agreement concerning the Property not cancelable at the Closing;

(iii) convey or agree to convey the Property or any portion thereof or any interest or option therein or in Seller to any third party, or cause or permit the Property to become subject to any Non-Permitted Encumbrances;

(iv) make any structural alteration to any improvements on the Property, or any alteration to any HVAC, electrical, plumbing, sprinkler or other utility system serving the Property; or

(v) apply any of the security deposits, whether to a default of a Tenant or otherwise, without the consent of the Buyer; or

(vi) consent to the assignment or subletting by any tenant of all or any portion of its premises (to the extent that Seller as the landlord under the respective Lease has the right to withhold such consent).

If Buyer receives notice from Seller as to any of the above matters during the Due Diligence Period, Buyer may not unreasonably withhold, condition or delay its consent. Buyer's failure to respond to any notice from Seller within six business days after receipt of Seller's notice will be deemed consent from Buyer, provided, however, that in the case of a proposed new lease or lease amendment, Seller shall, concurrent with the submission of the respective document to Buyer, deliver to Buyer Seller's estimate of the total of the leasing commissions, tenant allowances and estimated costs of any landlord work required to be paid or incurred in connection with such new lease or amendment. If Buyer receives of notice from Seller as to any of the above matters after the Due Diligence Period but before the Closing Date, Buyer may in its sole discretion withhold, condition or delay its consent.

SECTION 12. Conditions To Closing and Post-Closing Matters.

12.1 Conditions of Buyer's Obligation to Close. (a) The obligations of Buyer to consummate the transactions contemplated by this Agreement are, at the option of Buyer, subject to the conditions set forth below, which conditions may be waived by Buyer without releasing or waiving of its rights hereunder:

(i) Title to the Property shall be as specified in Section 4(a)

(ii) The representations and warranties of Seller contained herein are true and correct in all material respects (subject, however, to the provisions of Section 10.4 hereof);

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(iii) Seller shall have tendered to Buyer all of the closing documents which Seller is required to deliver hereunder and otherwise performed all obligations required to be performed under this Agreement; and

(iv) The property is in substantially the same physical condition as existed upon the expiration of the Due Diligence Period, reasonable wear and tear excepted; and

(b) In the event that the conditions contained in this Section 12.1 are not satisfied, except if such failure shall constitute a default by Seller under this Agreement (in which event the provisions of Section 9 shall be applicable), Buyer shall have as its sole remedy hereunder the right to (i) waive such unsatisfied condition whereupon the transactions contemplated by this Agreement shall be consummated as provided in this Agreement, or (ii) terminate this Agreement, by notice to Seller. Upon the giving of such termination notice, this Agreement shall terminate and, except as otherwise set forth herein, neither party to this Agreement shall have any further rights or obligations hereunder.

SECTION 13. Casualty and Condemnation

13.1 Casualty. In the event of any fire or other casualty affecting the Property prior to the Closing Date, Seller shall promptly notify Buyer thereof, describing the nature and extent thereof. If such casualty would cost at least \$700,000 to repair, or would not be fully covered by Seller's insurance (with no deductible, or with, only such deductible as Seller would agree to reimburse Buyer for), or would give any Major Tenant of the Property the right to terminate its Lease, then Buyer may, at its election, at any time within fifteen (15) calendar days after receipt of notice of such casualty, terminate this Agreement by notice to Seller and Escrow Agent, whereupon the Deposit shall be refunded to Buyer and, except as provided herein, neither party shall have any further rights against the other hereunder. In the event Buyer does not terminate this Agreement by reason of any such casualty within such fifteen (15) day period, or in the event that Buyer does not have the right to so terminate this Agreement, then and in that event, the sale of the Property shall be consummated as herein provided and Seller shall assign to Buyer on the Closing Date all of Seller's right, title and interest in and to all insurance proceeds payable by reason of such casualty and shall pay over to Buyer all amounts

theretofore received by Seller in connection with such casualty and the amount of any deductible, in each case, net of Seller's costs incurred in obtaining such proceeds or restoring the Property; provided however Seller may retain any proceeds of any "loss of rent" insurance maintained by Seller applicable to such casualty for rents lost prior to the Closing Date.

13.2 Condemnation. In the event of any Taking prior to the Closing Date, Seller shall promptly notify Buyer thereof, describing the nature and extent thereof. Buyer may thereupon, at its election, at any time within fifteen (15) calendar days after receipt of written notice of such condemnation, terminate this Agreement by notice to Seller and Escrow Agent, whereupon the Deposit shall be refunded to Buyer and, except as provided herein, neither party

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shall have any further rights against the other hereunder. In the event Buyer does not terminate this Agreement by reason of any such Taking within such fifteen (15) day period, then and in that event, the sale of the Property shall be consummated as herein provided and Seller shall assign to Buyer on the Closing Date all of Seller's right, title and interest in and to all awards payable by reason of such Taking and shall pay over to Buyer all amounts theretofore received by Seller in connection with such Taking, in each case, net of Seller's costs incurred in obtaining such award or restoring the Property.

SECTION 14. Notices. Except as otherwise expressly provided in Section 5(c), all notices, requests or other communications which may be or are required to be given, served or sent by either party hereto to the other shall be deemed to have been properly given, if in writing and, unless otherwise specified herein, and (a) upon delivery, if delivered in person or by facsimile transmission with receipt thereof confirmed by printed facsimile acknowledgment, (b) one (1) business day after having been deposited for overnight delivery with any reputable overnight courier service, or (c) three (3) business days after having been deposited in any post office or mail depository regularly maintained by the United States Postal Office and sent by registered or certified mail, postage paid, return receipt requested, and in each case, addressed as follows:

To Seller:

c/o Michael Joseph Development Corporation
2500 Brooktree Road, Suite 300 (courier only)
PO Box 1198 (mail only)
Wexford, PA 15090
Facsimile: (724) 934-1004
Telephone: (724) 934-1006
Attn: Dennis J. Vith

With a Copy To:

Donald T. Dulac, Jr., Esq.
Watkins Dulac & Roe, P.C.
Two Gateway Center, 17 East
603 Stanwix Street
Pittsburg, PA 15222
Facsimile: (412) 434-5554
Telephone: (412) 434-5544 Ext 1224

To Buyer:

44 South Bayles Avenue
Port Washington, New York 11050
Attention: Ms. Brenda Walker
Facsimile: 516-767-6497
Telephone: 516-883-5577

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With a Copy To:

Warren S. Sacks, P.C.
707 Westchester Avenue
White Plains, New York 10604
Facsimile: (914) 682-1707
Telephone: (914) 428-8300

SECTION 15. Miscellaneous. (a) Buyer and Seller each warrant and represent to the other that except for the Broker, no broker, agent or finder was involved in the negotiation and consummation of this transaction. Buyer and Seller each agree to indemnify and hold the other harmless, and defend the other from and against any claim, loss, damage, liability, cost and expense (including, without limitation, reasonable attorneys' fees) resulting from a breach of the foregoing representation. If the Closing shall occur, Seller shall, pay any fee or commission due the Broker pursuant to a separate agreement

with the Broker. The provisions of this Section shall survive the Closing or earlier termination of this Agreement.

(b) This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to principles of conflicts of law.

(c) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(d) Neither this Agreement nor any memorandum thereof shall be recorded and any attempted recordation hereof shall be void and shall constitute a default hereunder.

(e) Whenever the context requires, the use in this Agreement of a pronoun of any gender shall be deemed to refer also to any other gender, and the use of the singular shall be deemed to refer also to the plural.

(e) Rule of Construction. Seller and Buyer are business entities having substantial experience with the subject matter of this Agreement and have each fully participated in the negotiation and drafting of this Agreement. Accordingly, this Agreement shall be construed without regard to the rule that ambiguities in a document are to be construed against the drafter,

(f) Business Days. If the expiration of any period or the occurrence of any date referred to in this Agreement would occur on a day which is other than a business day, then such period shall be deemed to expired and/or such date shall be postponed to the first business day occurring thereafter. The term "business day" shall mean a day of the week other than Saturday, Sunday or legal holidays on which banking institutions or state government offices in the DuBois, PA area are authorized or required to close.

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(g) If any provision of this Agreement is held to be invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

(h) This Agreement may be executed in any number of counterparts, each of which shall constitute an original, but all of which, taken together, shall constitute but one and the same instrument. This Agreement may be executed by facsimile which shall be deemed an original for all purposes. In the event this Agreement is executed by the exchange of facsimile copies, the parties agree to exchange ink-signed counterparts promptly after the execution and delivery of this Agreement.

(i) Seller acknowledges that as a REIT, Buyer will be required, after the Closing, to comply with certain requirements of the Securities and Exchange Commission; accordingly, Seller agrees to be bound by and to comply with the provisions set forth, in Exhibit J attached hereto and made a part hereof, in order to facilitate such compliance by Buyer. The foregoing covenant of Seller shall survive the Closing.

(j) Seller and Buyer agree that either party may elect to structure the purchase of the Premises within the meaning of Section 1031 of the Internal Revenue Code by assigning its rights, but not its obligations, hereunder to a qualified intermediary as provided in Income Tax Regulations Section 1.1031(k)-1(g)(4) on or before the Closing Date, and the other party hereby agrees to cooperate therewith, provided that (a) the other party will not be required to incur any costs as a result of such like-kind exchange, (b) the Closing Date shall not be adjourned by reason thereof, (c) the other party will incur no expense, liability or obligation, in connection with said structuring, other than acknowledging and consenting to exchanging party's assignment in connection with such exchange, (d) the other party shall have no obligation to take title to any real property in connection with such exchange, and (e) the other party shall make no representation or warranty in connection with, and shall have no responsibility for, compliance by such exchange with the Internal Revenue Code or any regulations thereunder.

SECTION 16. Earnout.

(a) Buyer acknowledges that Seller and Affiliates of Seller have commenced the process of negotiating to lease space at the Property to Hancock Fabrics and Goody's (the "New Tenants"). Attached hereto as Exhibit K is a chart showing the estimated size of premises which would be leased by each of such tenants and the projected per square foot and aggregate first year fixed annual rentals for each New Tenant (the "Chart"). In the event that:

(i) the Buyer (or an Affiliate of Buyer) shall acquire title to the Property pursuant to this Agreement; and

(ii) Seller shall, no later than ninety (90) days after the date of Closing, cause to be delivered to Buyer a letter of intent to lease space at the

Property executed by one of the New Tenants for space of at least the size indicated on the Chart and at a fixed annual rental rate of at least the rate indicated on the Chart for the respective New Tenant; and

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(iii) Buyer (or an Affiliate of Buyer) and one or more of the New Tenants shall fully execute and unconditionally delivered a lease of retail space at the Property (the "New Lease") on or before two hundred and forty (240) days after the date of Closing (except as otherwise provided in subsection (d) herein) for premises of a size and first year fixed annual rental rate for the respective New Tenant as indicated on the Chart; and

(iv) the New Tenant shall, on or before one (1) year after the date of Closing, open for business in its new premises and commence the payment of fixed annual rent (except as otherwise provided in subsection (d) herein);

then Seller shall be deemed to have earned a fee on account thereof in the sum of One Hundred Thousand (\$100,000.00) Dollars (the "Earn-Out Fee"). The Earnout Fee shall be payable in full by Buyer upon satisfaction of the foregoing conditions.

(b) Buyer or its affiliated entity purchasing the Property shall have the unqualified right, in its sole and absolute discretion, to refuse to enter into any lease with any New Tenant for any reason whatsoever without incurring any obligation to Seller for the payment of the Earnout Fee or any other consideration with respect to such New Tenant. Except as otherwise provided in subsection (d) herein, if for any reason whatsoever the conditions set forth in subsection (a) are not fulfilled within the time periods set forth in subsection (a), no Earn-Out Fee or other compensation shall be payable to Seller or any of its Affiliates with respect to the leasing of the Property, and Seller hereby acknowledges that in such instance it shall have no right to file a lien, against the Property or any interest of Buyer (or any Affiliate thereof) therein.

(c) Buyer's agreement to pay the Earnout Fee is based on the assumption that Buyer shall not be obligated to pay any commission or other fee to a broker, finder or other person in connection with any lease executed with any of the New Tenants. Seller shall hold harmless, indemnify and defend Buyer (and all Affiliates thereof) from and against any and all claims, demands, actions, causes of action, suits, judgments, damages, losses, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and disbursements) incurred in connection with demands for commissions or fees with respect to the leasing of retail space at the Property to any of the New Tenants, except with respect to any broker retained by Buyer. If Buyer is required to pay a commission to any broker or finder in connection with a lease with any New Tenant (other than to a broker retained by Buyer), then Buyer shall have the right to reduce the amount of the Earnout Fee by the amount of any such commission which Buyer is required to pay.

(d) It is the intent of the parties that Buyer not be able to avoid paying the Earnout Fee on account of a lease with a New Tenant by waiting to satisfy the conditions under subsection (a) until after the required dates for satisfaction of such conditions have passed. Accordingly, if Seller shall have satisfied the condition set forth in subsection (a)(ii), and Buyer shall be negotiating a lease with a New Tenant during the two hundred and forty (240) day

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period referred to in subsection (a)(iii), and such lease shall not be fully and unconditionally executed and delivered within such period but shall thereafter be fully and unconditionally executed and delivered within one year of the date of Closing, then the Earnout Fee shall nevertheless be deemed Earned, provided that the New Tenant shall open its premises for business and commence the payment of fixed rent no later than eighteen (18) months (notwithstanding the provisions of subsection (a)(iv) hereof) after the date of Closing.

[signature page follows]

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

SELLER:

DuBois Realty Partners, L.P.,
a Pennsylvania limited partnership

By: Michael Joseph Acquisition Corporation
a Pennsylvania corporation, general partner

By: /s/ Guy J. DiRienzo

Guy J. DiRienzo, Vice President

BUYER:

Cedar Shopping Centers Partnership, L.P.
a Delaware limited partnership

By: Cedar Shopping Centers, Inc.
a Maryland corporation, general partner

By: /s/ Leo S. Ullman

Name: Leo S. Ullman
Title: Pres.

Escrow Agent hereby executes this Agreement to acknowledge receipt of the Initial Deposit and to confirm its agreement to hold and disburse the Deposit in accordance with the terms and conditions of the foregoing Agreement

Lawyers Title Insurance Corporation

By:

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

SELLER:

DuBois Realty Partners, L.P.,
a Pennsylvania limited partnership

By: Michael Joseph Acquisition Corporation
a Pennsylvania corporation, general partner

By: /s/ Guy J. DiRienzo

Guy J. DiRienzo, Vice President

BUYER:

Cedar Shopping Centers Partnership, L.P.
a Delaware limited partnership

By: Cedar Shopping Centers, Inc.
a Maryland corporation, general partner

By: /s/ Leo S. Ullman

Name: Leo S. Ullman
Title: Pres.

Escrow Agent hereby executes this Agreement to acknowledge receipt of the Initial Deposit and to confirm its agreement to hold and disburse the Deposit in accordance with the terms and conditions of the foregoing Agreement

Lawyers Title Insurance Corporation

By: /s/ Stephen Emery, Jr

Stephen Emery, Jr
VICE PRESIDENT

EXHIBIT A
(Legal Description of the Land)

Exhibit A

DUBOIS REALTY PARTNERS, L.P.

"THE COMMONS"

SHOPPING CENTER PARCEL (EXCLUDING LOWE'S)

ALL that certain piece, parcel or lot of land situate in the Township of Sandy, Clearfield County, Pennsylvania, and being bounded and described as follows, to wit:

BEGINNING at a 3/4" rebar at the southwest corner of a parcel of land conveyed by Nedza Real Estate Development Corporation to DuBois Realty Partners, L.P. on the northern line of a 16 foot unopened alley as shown on the Harriet Bogle Plan of Lots and surveyed by George Kirk, C.E. in 1916; said rebar being North 74(degree) 15' 46" West, 694.45 feet from a 3/4" rebar set at the intersection of the right-of-way of said unopened alley and Shaffer Road:

Thence by the northern line of the 16 foot unopened alley North 74(degree)15' 46" West, 1021.21 feet to a 3/4" rebar set at the southeast corner of land now or formerly of Ida Mae Lockhart and Alberta G. Larson;

Thence by the line of lands now or formerly of Lockhart and Larson the following courses and distances:

North 15(degree) 44' 14" East, 150.00 feet to a 1" rebar;
North 74(degree) 15' 29" West, 200.00 feet to a 1" rebar;
South 15(degree) 44' 14" West, 150.00 feet to a 3/4" rebar set on the northern line of the unopened, 16 foot alley;

Thence by the northern line of the 16 foot unopened alley North 74(degree) 15' 46" West, 124.17 feet to a 3/4" rebar set at the southwest corner of this parcel;

Thence by a line through lands of the Nedza Real Estate Development Corporation, North 16(degree) 05' 56" East, 758.96 feet to a 3/4" iron pin;

Thence continuing by a line through land of the Nedza Real Estate Development Corporation and Catherine Nedza North 74(degree) 21' 30" East, 1365.50 feet to a 3/4" rebar at the northeast corner of this parcel and at the northwest corner of a parcel conveyed by the Nedza Real Estate Development Corporation to DuBois Realty Partners, L.P., as straw party;

Thence by the easterly line of this parcel and the western line of the parcel of land conveyed by the Nedza Real Estate Development Corporation to DuBois Realty Partners, L.P., as straw party, the following courses and distances:

South 16(degree) 04' 09" West, 406.81 feet to a point;
South 54(degree) 25' 38" West, 33.03 feet to a point;
South 16(degree) 04' 09" West, 328.66 feet to a 3/4" rebar set on the northern line of the 16 foot unopened alley and the place of beginning.

Said parcel of land containing 22.94 acres of land,

BEING all or a portion of the land conveyed by Nedza Real Estate Development Corporation to DuBois Realty Partners, L.P. by Deed dated October 28, 1999, recorded in the Clearfield County Recorder's Office as Instrument No. 199918025.

TOGETHER WITH the free and common use, right, liberty and privilege of a perpetual easement for ingress and egress over lands of DuBois Realty Partners, L.P., Nedza Real Estate Development Corporation and Developac, Inc. pursuant to and as set forth and more particularly described in (a) that certain Industrial Drive Easement among DuBois Realty Partners, L.P., Nedza Real Estate Development Corporation and Developac, Inc. dated of even date herewith and recorded in the office of the Recorder of Deeds of Clearfield County as Instrument No. 199918027, and (b) that certain Agreement dated March 27, 1992 between, David C. DuBois and Nedza Real Estate Corporation recorded in the office of the Recorder of Deeds of Clearfield County in Volume 1451, Page 426, as modified by that certain Modification of Easement date of even date herewith and recorded in the office of the Recorder of Deeds of Clearfield County as Instrument No. 199918024.

OUTPARCELS

Parcel B

All that certain parcel of land situated in Sandy Township, Clearfield County, Pennsylvania, identified as Parcel "B" in the Partition of Land for DuBois Realty Partners, L.P. dated October 17, 2001, recorded on January 2, 2002, as Instrument No. 200200007 in the Office of the Register and Recorder for

Clearfield County, Pennsylvania (the "Partition of Land"), and more particularly described as follows:

Beginning at a 3/4" rebar set on the southern right of way line of First Avenue and the eastern right of way line of Commons Drive (formerly known as Second Street);

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Thence by the southern right of way line of First Avenue S 74(degree) 15' 29" E, 300.00 feet (shown on the Partition of Land as S 77(degree) 49' 25" E, 300.13 feet) to a 3/4" rebar;

Thence S 15(degree) 44' 31" W, 150.00 feet (shown on the Partition of Land as S 12(degree) 10' 35" W; 150.00 feet) to a 3/4" rebar on the northern line of a 12 foot unopened alley and on the southern line of the Harriet Bogle Plan of Lots as surveyed by George C. Kirk, C.E. in 1916;

Thence by the northern line of the 12 foot unopened alley N 74(degree) 15' 29" W, 300.00 feet (shown on the Partition of Land as S 77(degree) 49' 25" E, 302.88 feet) to a 3/4" rebar;

Thence by the eastern right of way line of Commons Drive N 15(degree) 44' 31" E, 150.00 feet (shown on the Partition of Land as being along the curve of an arc having a radius of 275 feet through an arc distance of 37.24 feet to a point, thence N 12(degree) 15' 54" E, 112.85 feet) to the place of beginning.

Being a portion of the properties conveyed to DuBois Realty Partners, L.P by the following Deeds:

1. Deed dated August 6, 1999, from Robert Fairman and wife, recorded as Instrument No. 199914179 in Deed Book Volume _____ , page _____ .

2. Deed dated May 3, 1999, from Shirley A. Harris, recorded as Instrument No. 199914180 in Deed Book Volume _____ , page _____ .

PARCEL C

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All that certain parcel of land situated in Sandy Township, Clearfield County, Pennsylvania, identified as Parcel "C in the Partition of Land for DuBois Realty Partners, L.P. dated October 17, 2001, recorded on January 2, 2002, as Instrument No. 200200007 in the Office of the Register and Recorder for Clearfield County, Pennsylvania, and more particularly described as follows:

Beginning at a 3/4" rebar set on the southern right of way line of First Avenue and the eastern line of a 16 foot unopened alley (situated between Lots 26 and 27) of the Harriet Bogle Plan of Lots as surveyed by George C. Kirk, C.E. in 1916;

Thence by the southern right-of-way line of First Avenue S 74(degree) 15' 29" E (shown on the Partition of Land as S 77(degree) 49' 25" E), 100.00 feet to a 3/4" rebar;

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Thence S 15(degree) 44' 31" W (shown on the Partition of Land as S 12(degree) 10' 35" E), 150.00 feet to a 3/4" rebar set on the northern line of a 12 foot unopened alley and on the southern line of the Harriet Bogle Plan of Lots as surveyed by George C. Kirk, C.E. in 1916;

Thence along the northern line of said alley N 74(degree) 15' 29" W (shown on the Partition of Land as N 77(degree) 49' 25" W), 100.00 feet to a 3/4" rebar set on the eastern line of the 16 foot unopened alley of the Harriet Bogle Plan of Lots as surveyed by George C. Kirk, C.E. in 1916;

Thence along the eastern right of way of said 16' unopened alley N 15(degree) 44' 31" E (shown on the Partition of Land as N 12(degree) 10' 35" E), 150,00 feet to the place of beginning.

Being a portion of the property conveyed to DuBois Realty Partners, L.P by Deed dated May 3, 1999, from Shirley A. Harris, recorded as Instrument No. 199914180 in Deed Book Volume _____ , page _____ .

Residual Lots

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Lot 1

All that certain parcel of land situated in Sandy Township, Clearfield County, Pennsylvania, more particularly described as follows:

Beginning at a railroad spike at the intersection of the northern right of way line of State Route 255 and southeast corner of lands now or formerly

owned by Nancy Jean Geist;

Thence by the eastern line of lands now or formerly owned by Nancy Jean Geist N 19(degree) 00' 39" E (shown on the Partition of Land as N 77(degree) 49' 25" W), 250.38 feet to a 3/4" rebar on the southern line of a 12 foot unopened alley and on the southern line of the Harriet Bogle Plan of Lots as surveyed by George C. Kirk, C.E. in 1916;

Thence by the southern line of the 12 foot unopened alley S 74(degree) 21' 01" E (shown on the Partition of Land as S 77(degree) 49' 25" E), 68.02 feet to the intersection of the southern line of the 12 foot unopened alley and the western right of way line for Commons Drive;

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Thence along the western right of way line for Commons Drive various courses and distances (as shown on the Partition of Land) to the place of beginning.

Being a portion of the property conveyed to DuBois Realty Partners, L.P. by Deed dated August 16, 1999, from Richard L, Flanders and wife, recorded as Instrument No. 199914222 in Deed Book Volume _____, page _____.

Lot 2

All that certain parcel of land situated in Sandy Township, Clearfield County, Pennsylvania, more particularly described as follows:

Beginning at a 3/4" rebar set on the southern right of way line of First Avenue and the western right of way line of Commons Drive;

Thence by the western right of way line of Commons Drive S 15(degree) 44' 31" W, 150.00 feet to a 3/4" rebar (shown on the Partition of Land as S 12(degree) 15' 54" W, 112.77 feet to a point, then by an arc bearing to the right having a radius of 225 feet, an arc distance of 37.41 feet to a point) on the northern line of a 12 foot unopened alley and on the southern line of the Harriet Bogle Plan of Lots as surveyed by George C. Kirk, C.E. in 1916;

Thence by the northern line of the 12 foot unopened alley N 74(degree) 15' 29" W, 100.00 feet (shown on the Partition of Land as N 77(degree) 49' 25" W, 96.67 feet) to a 3/4" rebar set at the southeast corner of a parcel of land now or formerly in the name of Nancy Jean Geist;

Thence along lands now or formerly in the name of Nancy Jean Geist N 15(degree) 44' 31" E (shown on the Partition of Land as N 12(degree) 10' 35" E), 150.00 feet to a 3/4" rebar on the southerly right of way line of First Avenue;

Thence by the southern right of way line of First Avenue S 74(degree) 15" 29" E (shown on the Partition of Land as S 77(degree) 49' 25" E), 100.00 feet to the place of beginning.

Being a portion of the property conveyed to DuBois Realty Partners, L.P. by Deed dated August 6, 1999, from Robert A. Fairman and wife, recorded as Instrument No. 199914179 in Deed Book Volume _____, Page _____.

EXCEPTING AND RESERVING from Residual Lots 1 and 2 all that piece and parcel of land located in Sandy Township, Clearfield County, Pennsylvania dedicated to the Township of Sandy by Deed of Dedication dated October 21, 1999, from DuBois Realty Partners, L.P. to Sandy Township, recorded in the Office of the Recorder of Deeds of Clearfield County as Instrument #199917606.

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EXHIBIT B

ESCROW PROVISIONS

(a) The Deposit shall be held by Escrow Agent, and disbursed by Escrow Agent in the following manner:

(i) to Seller upon consummation of the Closing; or

(ii) to Seller upon receipt of written demand therefor, stating that either (x) this Agreement has been terminated pursuant to a provision herein which states that Seller is entitled to the Deposit upon termination, and certifying the basis for such termination or (y) Buyer has defaulted in the performance of Buyer's obligations under this Agreement and the facts and circumstances underlying such default; provided, however, that Escrow Agent shall not honor such demand until at least five (5) days business days after it has sent a copy of such demand to Buyer, in accordance with the notice procedure set forth in

the Agreement nor thereafter if Escrow Agent shall have received written notice of objection from Buyer in accordance with the provisions of paragraph (b) of this Exhibit B; or

(iii) to Buyer upon receipt of written demand therefor, stating that either (x) this Agreement has been terminated pursuant to a provision hereof which states that Buyer is entitled to the Deposit upon termination, and certifying the basis for such termination, or (y) Seller has defaulted in performance of Seller's obligations under this Agreement and the facts and circumstances underlying such default; provided, however, that Escrow Agent shall not honor such demand until at least the greater of five (5) business days after it has sent a copy of such demand to Seller in accordance with the notice procedure set forth in the Agreement, nor thereafter if Escrow Agent shall have received written notice of objection from Seller in accordance with the provisions of paragraph (b) of this Exhibit B.

(b) Upon receipt of written demand for the Deposit by Buyer or Seller pursuant to clause (ii) or (iii) of paragraph (a) above, Escrow Agent shall promptly send a copy thereof to the other party. The other party shall have the right to object to the delivery of the Deposit by sending written notice of such objection to Escrow Agent within five (5) business days after Escrow Agent delivers a copy of the written demand to the objecting party but not thereafter. Such notice shall set forth the basis for objecting to the delivery of the Deposit. Upon receipt of such notice, Escrow Agent shall promptly send a copy thereof to the party who made the written demand.

(c) In the event of any dispute between the parties regarding the Deposit, Escrow Agent, at its option, may disregard all instructions received and either (i) hold the Deposit until the dispute is mutually resolved and Escrow Agent is advised of this fact in writing by both Seller and Buyer, or Escrow Agent is otherwise instructed by a final unappealable judgment of a court of competent jurisdiction, or (ii) deposit the Deposit with a court of competent jurisdiction (whereupon Escrow Agent shall be released and relieved of any and all liability and obligations hereunder from and after the date of such deposit).

(d) Escrow Agent may rely upon, and shall be protected in acting or refraining from acting upon, any written notice, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties, provided that any modification of this Agreement shall be signed by Escrow Agent, Buyer and Seller.

(e) Seller and Buyer shall jointly and severally hold Escrow Agent harmless against any loss, damage, liability or expense incurred by Escrow Agent not caused by its willful misconduct or gross negligence, arising out of or in connection with its entering into this Agreement and the carrying out of its duties hereunder, including the reasonable costs and expenses of defending itself against any claim of liability or participating in any legal proceeding. Escrow Agent may consult with counsel of its choice, and shall have full and complete authorization and protection for any action taken, or suffered by it hereunder in good faith and in accordance with the opinion of such counsel.

(f) Escrow Agent may resign at will and be discharged from its duties or obligations hereunder by giving notice in writing of such resignation specifying a date when such resignation shall take effect; provided, however, that (i) prior to such resignation a substitute escrow agent is approved in writing by Seller and Buyer, which approval shall not be unreasonably withheld or delayed, or (ii) Escrow Agent shall deposit the Deposit with a court of competent jurisdiction. After such resignation, Escrow Agent shall have no further duties or liability hereunder.

(g) Buyer and Seller, together, shall have the right to terminate the appointment of Escrow Agent hereunder by giving to it notice of such termination, specifying the date upon which such termination shall take effect and designating a replacement Escrow Agent, who shall sign a counterpart of this Agreement. Upon demand of such successor Escrow Agent, the Deposit shall be turned over and delivered to such successor Escrow Agent, who shall thereupon be bound by all of the provisions hereof.

(h) Seller and Buyer shall share equally the responsibility for reimbursement to Escrow Agent of all out-of-pocket expenses, disbursements and advances (including reasonable attorneys' fees) incurred or made by Escrow Agent in connection with the carrying out of its duties hereunder. Escrow Agent agrees that it shall not charge any such fees, expenses, disbursements or advances if the Deposit is released from escrow hereunder without a dispute between Seller and Buyer with respect thereto.

(i) Escrow Agent's agreements and obligations hereunder shall terminate and Escrow Agent shall be discharged from further duties and obligations hereunder upon final payment of the Deposit in accordance with the terms of this Agreement.

EXHIBIT C

(Additional Permitted Exceptions to Title)

1. All Leases shown on Exhibit F below.
2. All those items shown on Schedule B, Section 2 to Commitment No. 186221t (Revised) issued by Lawyers Title Insurance Corporation, a copy of which is attached to this Exhibit C.
3. All matters shown on [initial subdivision of Nedza property] recorded in the Office of the Recorder for Clearfield County, Pennsylvania.
4. All matters shown on the Partition of Land for Seller drawn by Alexander & Associates, Inc., recorded as Instrument No, 200200007 in the Office of the Recorder for Clearfield County, Pennsylvania.
5. Amended and Restated Declaration of Easements, Covenants, Conditions and Restrictions dated December 16, 1999, as amended by Amendment No.1 dated March 21, 2001, and Amendment No.2 dated October_____, 2001, all of which are recorded in the Office of the Recorder for Clearfield County, Pennsylvania.
6. All matters shown on Survey 3 dated December 17, 1998, of Lee-Simpson Associates, Inc. (File No. 39850021).
7. Development Agreement dated October 22, 1999, between the Township of Sandy and Michael Joseph Development Corporation (as predecessor-in-interest to Seller), as amended by First Addendum and Second Addendum, regarding possible, future improvements to Shaffer Road (which is adjacent to the portion of the Shopping Center owned by Lowe's Home Centers, Inc.).

Lawyers Title
Insurance Corporation
A LANDAMERICA COMPANY
NATIONAL HEADQUARTERS
RICHMOND, VIRGINIA
COMMITMENT FOR TITLE INSURANCE

SCHEDULE B - SECTION 2

Exceptions

Any policy issued will have the following exceptions unless removed to the satisfaction of the Company:

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this commitment.
2. Easements or servitudes which are unrecorded or are apparent from an inspection of the premises and any variation, in location or dimensions, conflict with lines of adjoining property, encroachments, projections or other matters which might be disclosed by an accurate survey of the premises.

NOTE : Upon payment of the applicable premium, this exception will be deleted by policy endorsement subject to the matters disclosed thereby.
3. All rights or claims of parties in possession of any portion of the land.
4. Any reservations, restrictions, limitations, conditions or agreements set forth in the instrument by which title is vested in the Insured.
5. Any taxes for the current year which may be hereafter assessed.
6. All coal and mining rights and all rights relating thereto.

THIS DOCUMENT DOES NOT INCLUDE OR INSURE THE TITLE TO THE COAL AND THE RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL

RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT.

7. The following oil and gas leases and any pipelines in connection therewith:

a) From George Nedza, et ux, to Consolidated Gas Supply Corporation dated July 1,

(continued)

This commitment is invalid unless the Insuring Provisions and Schedules A and B are attached

REVISED
Case Number: 186221t

Lawyers Title
Insurance Corporation
A LANDAMERICA COMPANY
NATIONAL HEADQUARTERS
RICHMOND, VIRGINIA

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B - SECTION 2 (continued)

1970 and, recorded August 5, 1970 in Deed Book Volume 154, Page 355.

b) From George Nedza and Catherine Nedza, his wife, to New York State Natural Gas Corporation dated March 9, 1911 and recorded April 20, 1961 in Deed Book Volume 125, Page 405.

c) From George S. Nedza and Catherine Nedza, his wife, to New York State Natural Gas Corporation dated June 27, 1927 and recorded July 24, 1957 in Deed Book Volume 107, Page 24.

8. Thirty (30) day right of removal of house of Catherine Nedza from date of closing.

9. Agreement between David C. DuBois and Nedza Real Estate Development Corporation dated March 27, 1992 and recorded April 2, 1992 in Deed Book Volume 1451, Page 426.

10. All roads, public or private, in any manner affecting the premises, as shown on the survey.

11. Pending disbursement of the full amount of the loan secured by the insured mortgage, Policy insures only to the extent of the amount actually disbursed, but increases as each obligatory disbursement is made up to the face amount of the Policy. However, by acceptance of this Policy, the Insured agrees to notify the Company at once of any defect in or objection to the title of which the Insured may receive actual notice.

Liability of the Company for loss of priority of the lien of the insured mortgage over any statutory lien for labor or material shall extend only to that portion of the proceeds of the loan disbursed pursuant to a legal obligation to disburse and in accordance with the provisions of the construction loan agreement between the mortgagor and the Insured.

12. Pending such time as the improvements contemplated upon insured premises shall be commenced, liability under this Policy is limited to the purchase price paid for the land, but as and when the erection of such improvements shall be commenced, liability hereunder shall increase as the improvements progress, in the amount of the cost thereof, up to the face amount of the Policy.

(continued)

Case Number: 186221t

REVISED

Lawyers Title
Insurance Corporation
A LANDAMERICA COMPANY
NATIONAL HEADQUARTERS

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B - SECTION 2 (continued)

13. The following rights of ways:
- a) From George S. Nedza and Catherine Nedza to Bell Telephone Company of Pennsylvania dated May 19, 1972 and recorded July 11, 1972 in Deed Book Volume 170, Page 088; as shown on the survey.
 - b) From George S. Nedza and Catherine Nedza, his wife to United Natural Gas Company dated July 25, 1972 and recorded October 24, 1972 in Deed Book Volume 175, Page 20; as shown on the survey.
14. The following matters shown on the survey of Lee-Simpson Associates, Inc. dated December 17, 1998:
- a) sewer line extending through premises;
 - b) building set back lines;
 - c) cable, electric and telephone lines extending through premises.

THIS PAGE CONSTITUTES THE LAST PAGE OF SCHEDULE B.

Case Number: 186221t

REVISED

EXHIBIT D

(Assignment and Assumption of Leases and Security Deposits)

ASSIGNMENT AND ASSUMPTION OF LEASES AND
SECURITY DEPOSITS

This Assignment and Assumption Agreement is made this _____ day of _____, 2004, between _____, a Pennsylvania _____ having an address at _____, Pennsylvania _____ (the "Assignor") and CEDAR _____, LLC, a Delaware limited liability company, having an address at 44 South Bayles Avenue, Port Washington, New York 11050 (the "Assignee").

BACKGROUND

Assignor and Assignee entered into a certain Agreement of Purchase and Sale dated _____, 2003 (the "Agreement of Sale"), in which Assignor agreed to sell and Assignee agreed to purchase certain real estate and other real and personal property more fully described therein, which real estate is described on Exhibit "A" attached hereto and made a part hereof (the "Property"). Pursuant to the Agreement of Sale, under which closing is taking place on the date hereof, Assignor desires to transfer and assign to Assignee all of Assignor's right, title, interest and privileges in and to (a) all existing leases for portions of the Property (the "Leases"), (b) the security deposits, guarantees and other security for the performance of the tenants' obligations under the respective Leases being held by Assignor with respect to the Leases (the "Security"), and Assignee desires to accept such assignment and assume Assignor's obligations under the Leases arising from and after the date hereof including, without limitation, those in respect of the Security. Any capitalized terms used in this instrument that are defined in the Agreement of Sale shall have the meanings given such terms in the Agreement of Sale.

NOW, THEREFORE, intending to be legally bound hereby, Assignor and Assignee agree as follows:

1. Assignor hereby absolutely and irrevocably transfers and assigns to Assignee all of Assignor's right, title, interest, claims and privileges, as landlord, in and to the Leases and the Security, all of which are listed on Exhibit "B" and Exhibit B-1, respectively, attached hereto and made a part hereof. Assignor represents and warrants to Assignee that Exhibit B is a true, complete and correct list of the Leases which affect the Property, including all amendments, modifications, letter agreements, assignments and guaranties thereof or relating thereto. Assignor represents and warrants to Assignee that there are no agreements (written or oral) affecting the Property or any portion thereof in the nature of leases (including ground leases), concessions, licenses or occupancy agreements, or any amendments, modifications side letters or guaranties thereof, other than the Leases listed on Exhibit B, true and complete

copies of which have been delivered to Assignee. Assignor represents and warrants to Assignee that Exhibit B-1 contains a complete list of all security deposits and letters of credit (if any) posted with Assignor as security, affecting the Property. Assignor agrees to indemnify, defend and hold Assignee harmless from and against any and all losses, liabilities or damages, including reasonable attorneys fees and litigation expenses, arising as a result of claims asserted against Assignee under the Leases (or otherwise) for events occurring prior to the date hereof (including, without limitation, claims for the return of any Security not listed on Exhibit "B-1").

2. Assignee hereby assumes and agrees to perform all of the Assignor's obligations, as landlord, arising or to be performed under the Leases from and after the date of this Assignment. Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all loss, liability or damages, including without limitation reasonable attorneys fees and costs of suit, arising as a result of claims asserted against Assignor under the Leases for events occurring on or after the date hereof (including without limitation claims for the return of any Security listed on Exhibit "B-1").

3. The rights and obligations of the parties hereto shall be binding upon and inure to the benefit of Assignee and Assignor and their respective successors and assigns.

4. This Agreement, its construction, validity and effect, and its interpretation, performance and enforcement, and the remedies therefor, shall be governed, and construed by and according to the laws of the Commonwealth of Pennsylvania.

5. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one entire original Assignment.

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IN WITNESS WHEREOF, the parties have executed this Assignment and Assumption Agreement as of the day and year first above written.

ASSIGNOR:

a Pennsylvania limited partnership

By: _____

a Pennsylvania corporation,
its general partner

By: _____

Name:
Title:

ASSIGNEE:

CEDAR _____, LLC
a Delaware limited liability company

By: Cedar Shopping Centers Partnership, L.P.,
a Delaware limited partnership,
its sole member

By: Cedar Shopping Centers, Inc.,
a Maryland corporation,
its general partner

By : _____

Name: Brenda J. Walker
Title: Vice President

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EXHIBIT B-1
(Security Deposits)

TENANT SECURITY DEPOSITS

EXHIBIT E

(Estoppel Certificate)

TO: Cedar Shopping Centers Partnership, L.P. (or it designated nominee acquiring title to the Shopping Center), its mortgage lender, and their successors and/or assigns

The undersigned ("Tenant"), under that certain lease, dated _____ (the "Lease"), with _____ ("Landlord"), for certain premises (the "Premises") located at The Commons Shopping Center in Dubois, Pennsylvania (the "Shopping Center"), hereby ratifies the Lease and certifies that:

1. The Lease has not been modified, changed or amended, except by the documents listed in Schedule A attached hereto. The Lease is in full force and effect.
2. Tenant has accepted possession of and is now occupying the Premises.
3. The current term of the Lease commenced on _____ and expires on _____. Tenant has _____ (___), remaining renewal options of ___ years each.
4. The present base or minimum monthly rental under the Lease is \$_____. Monthly rent commenced on _____, _____. Monthly rental has been paid through _____, 20___. There has been no prepayment of rent other than as provided by the Lease.
6. Tenant is currently making contributions toward common area maintenance expenses, real estate taxes and insurance in the sum of \$ _____ per month. Payments have been made through _____, 20_____.
7. The amount of the security deposit paid under the terms of the Lease and not returned to Tenant is \$ _____.
8. There are no defaults under the Lease by Landlord, nor to the best of the undersigned's knowledge has any event occurred which, with passage of time or the giving of notice or both, would constitute a default by Landlord under the Lease, except as set forth in Schedule A.
9. All work to be performed by Landlord under the Lease has been completed in accordance with the terms of the Lease and has been accepted by the undersigned; Tenant has received all construction allowances, rent concessions and other "free rent" which Tenant is entitled to receive under the Lease, except as set forth in Schedule A.
10. To Tenant's knowledge there are no current default-related credits, offsets or deductions to which it is entitled under the Lease.
11. Tenant has not previously assigned the Lease or sublet all or any portion of the Premises. Tenant is currently in possession of the Premises, Tenant has not filed, nor has there been filed against Tenant any bankruptcy or insolvency proceeding.
12. Tenant has no right or option to purchase any portion of the Shopping Center.

This certification is binding upon the undersigned and may be relied upon by you and any successor in interest to you or any mortgage lender of the Shopping Center.

The undersigned individual hereby certified that he is duly authorized to sign, acknowledge and deliver this letter on behalf of Tenant.

IN WITNESS WHEREOF, Tenant has executed and delivered this Estoppel Certificate effective _____, 2003.

By: _____

Name:
Title:

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EXHIBIT F

(List of Leases)

[including all amendments, modifications, side letters and guarantees]

EXHIBIT G

(Rent Roll)

Exhibit G

Rent Roll

THE COMMONS

DUBOIS, PENNSYLVANIA

Dated 12/23/03

<TABLE>

<CAPTION>

Executed Leases:

<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Shop' n Save	Signed	????	????	????	????	????	????	????
Elder-Beerman	Signed	????	????	????	????	????	????	????
Pier 1 Imports	Signed	????	????	????	????	????	????	????
Shoe Sensation	Signed	????	????	????	????	????	????	????
Fashion Bug	Signed	????	????	????	????	????	????	????
Blockbuster Video	Signed	????	????	????	????	????	????	????
Radio Shack	Signed	????	????	????	????	????	????	????
Wise Eyes Optical	Signed	????	????	????	????	????	????	????
o Classic Subs	Signed	????	????	????	????	????	????	????
Sally Beauty Supply	Signed	????	????	????	????	????	????	????
Rem A o	Signed	????	????	????	????	????	????	????
The Wintry at Wilcox	Signed	????	????	????	????	????	????	????
Holiday Hair	Signed	????	????	????	????	????	????	????
Gourmet Buffet	Signed	????	????	????	????	????	????	????
Dollar Tree	Signed	????	????	????	????	????	????	????
CardSmart	Signed	????	????	????	????	????	????	????
Meille Laundrymat	Signed	????	????	????	????	????	????	????
Black Forest Furniture	Signed	????	????	????	????	????	????	????
Check 'N Go	Signed	????	????	????	????	????	????	????
o Emporium	Signed	????	????	????	????	????	????	????
Executed Sub Total		????	????	????	????	????	????	????

</TABLE>

<TABLE>

<CAPTION>

To Be Leased

<S>	<C>	<C>	<C>	<C>
Space 324	????	????	????	Projected
Space 320	????	????	????	Projected
Space 310	????	????	????	Projected
Space 280	????	????	????	Projected
To Be Leased Subtotal	????	????	????	
Total Project	????	????	????	

</TABLE>

EXHIBIT I

(Service Contracts)

EXHIBIT I

The Commons - Dubois, PA

SERVICE CONTRACTS

1. Property Management contract with Michael Joseph Development Corporation dated December 16, 1999
2. Oral contract with Western Pennsylvania Service Company for the performance of routine maintenance (i.e. landscaping, sidewalk snow removal, trash pickup, lot light repairs, etc.)
3. Oral contract with Robert Cole to sweep the parking lot (excluding the Lowe's parcel)
4. Oral contract with Robert Cole to perform the snow removal for the parking lot (excluding Lowe's parcel)
5. Sprinkler monitoring contract with Premier Security to monitor the sprinkler system for the shopping center (excluding Elder-Beerman and Shop 'N Save buildings)

EXHIBIT J

8-K and Audit Requirements

For the period of time commencing on the execution of the attached Agreement of Purchase and Sale and continuing through the first anniversary of the Closing Date, Seller shall, from time to time, upon reasonable advance notice from Buyer, provide Buyer and its representatives, agents and employees with access to all financial and other information pertaining to the period of Seller's ownership and operation of the Property, which information is relevant and reasonable necessary, in the opinion of Cedar Shopping Centers, Inc. ("Cedar") outside, third party accountants (the "Accountants"), to enable Cedar and its Accountants to prepare financial statements in compliance with any and or all of (a) Rule 3-14 of Regulation S-X of the Securities and Exchange Commission (the "Commission"); (b) any other rule issued by the Commission and applicable to Cedar; and (c) any registration statement, report or disclosure statement filed with the Commission by, or on behalf of, Cedar; provided however, that in any such event(s), Buyer shall reimburse Seller for those third party, out-of-pocket costs and expenses that Seller incurs in order to comply with the foregoing requirement. Seller acknowledges and agrees that the following is a representative description of the information and documentation that Cedar and the Accountants may require in order to comply with (a), (b), and (c) above. Seller shall provide the following information, and documentation on a per-building basis, if available (capitalized terms not defined herein, shall have the meanings as ascribed to such terms in the attached Agreement of Sale):

1. Rent rolls for the calendar month in which the closing occurs and the eleven (11) calendar months immediately preceding the calendar month in which the closing occurs;
2. Seller's written analysis of both (a) scheduled increases in base rent required under the Leases in effect on the Closing Date; and (b) rent concessions imposed by those Leases;
3. Seller's internally-prepared operating statements;
4. Access to Lease files;
5. Most currently available real estate tax bills;
6. Access to Seller's cash receipt journal(s) and bank statements for the Property;
7. Seller's general ledger with respect to the Property, excluding Seller's proprietary accounts;
8. Seller's schedule of expense reimbursements required under the Leases in effect on the Closing Date;
9. Schedule of those items of repairs and maintenance performed by, or at the direction of the Seller, during Seller's final fiscal year in which Seller owns and operates the Property (the "Final Fiscal Year");
10. Schedule of those capital improvements and fixed assets additions made by, or at the direction of, Seller during the Final Fiscal Year;
11. Access to Seller's invoices with respect to expenditures made during the Final Fiscal Year; and
12. Access (during normal and customary business hours) to responsible personnel to answer accounting questions.

Nothing herein shall require Seller to conduct its own audits or generate any requested materials that are not in its possession.

The provisions of the foregoing information shall be for informational purposes only, shall not be deemed to be representations or warranties under this Agreement, and shall not expose Seller to any liability on account thereof.

Upon Buyer's request, for a period of (2) years after Closing, Seller shall make Seller's books, records, existing supporting invoices and other existing substantiating documentation available to Buyer for inspection, copying, and audit by Buyer's designated accountants, at the expense of Buyer. This obligation shall survive the Closing for a period of two (2) years and shall not be merged with any instrument of conveyance delivered at Closing.

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EXHIBIT K
New Tenant's Lease Terms

The Commons
Dubois, PA

<TABLE>
<CAPTION>

New Tenants	SF	Lease Term	Lease Year 1 Rent/SF	Lease Year 1 Rent
- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
<S>	<C>	<C>	<C>	<C>
- - Hancock Fabrics	15,000	10	\$8.50	\$127,500
Or				
- - Goody's	24,000	10	\$8.25	\$198,000

</TABLE>

GUARANTY

This unconditional guaranty (hereinafter, the "Guaranty") is given pursuant to the terms and conditions of that certain Loan Agreement dated January 30, 2004 (hereinafter, the "Loan Agreement") by and among CEDAR SHOPPING CENTERS PARTNERSHIP, L.P., a Delaware limited partnership having an address at 44 South Bayles Avenue, Port Washington, New York 11050 (hereinafter, the "Borrower"), FLEET NATIONAL BANK, a national banking association having an address at 100 Federal Street, 8th Floor, Boston, Massachusetts 02110, and the other lending institutions which are or become parties to the Loan Agreement (Fleet National Bank and such other lending institutions which are or become parties to the Loan Agreement are collectively referred to as the "Lenders" and individually as the "Lender"), and Fleet National Bank as Agent (hereinafter, the "Agent"). Capitalized terms used herein and not otherwise specifically defined shall have the same meaning herein as in the Loan Agreement.

FOR VALUE RECEIVED, and to induce Agent and the Lenders to extend credit to the Borrower as provided for in the Loan Agreement and the other Loan Documents, Cedar Dubois, LLC, a Delaware limited liability company having an address at 44 South Bayles Avenue, Port Washington, New York 11050 (hereinafter, the "Guarantor"), hereby unconditionally agrees as follows:

1. Guaranty. Guarantor, as a primary party and not merely as a surety, unconditionally and irrevocably guarantees the prompt and full payment (and not merely the collectibility), performance, and observance of all of the obligations, terms and conditions to be paid, performed or observed by Borrower under the Note, Loan Agreement and each other Loan Document, to or on behalf of the Agent, the Lenders, or any one of them, each as the same may be hereafter amended, modified, extended, renewed or recast, including, without limitation, all of the Obligations and the payment of all principal, interest, fees and other charges when due under the Note, the Loan Agreement and each other Loan Document (hereinafter, the "Guaranteed Obligations").

Upon the occurrence of and during the continuance of any Event of Default under the Loan Agreement, or any of the other Loan Documents, or if Agent has accelerated the Loan pursuant to a right to do so under the Loan Agreement, Agent may at its option proceed directly and at once, without notice (except as otherwise provided under the Loan Agreement), against Guarantor hereunder, without proceeding against Borrower, any other Guarantor, or any other person or other Collateral for the Obligations or the Guaranteed Obligations.

If Borrower, or Guarantor if so required, shall fail or refuse to perform or continue performance of all of the Obligations on the part of Borrower to be kept and performed, then, if an Event of Default exists on account thereof under the Loan Documents or this Guaranty, in addition to any other rights and remedies which Agent or any Lender may have hereunder or elsewhere, and not in limitation thereof, Agent or any Lender, at such party's option, may exercise any or all of its rights and remedies under the Loan Agreement and each other Loan Document.

This Guaranty shall survive and continue in full force and effect beyond and after the payment and satisfaction of the Guaranteed Obligations and the Obligations in the event Agent or any Lender is required to disgorge or return any payment or property received as a result of any laws pertaining to preferences, fraudulent transfers or fraudulent conveyances.

-1-

2. Waivers. Guarantor hereby waives and relinquishes to the fullest extent now or hereafter not prohibited by applicable law:

- 2.1. all suretyship defenses and defenses in the nature thereof;

- 2.2. any right or claim of right to cause a marshalling of the assets of Borrower or of any Collateral, or to cause Agent to proceed against any of the other security for the Guaranteed Obligations or the Obligations before proceeding under this Guaranty against Guarantor, or, if there shall be more than one Guarantor, to require Agent to proceed against any other Guarantor or any of Guarantors in any particular order;

- 2.3. until satisfaction in full of the Obligations of the Borrower to the Agent and the Lenders, and the satisfaction in full of the Guaranteed Obligations, all rights and remedies, including, but not limited to, any rights of subrogation, contribution, reimbursement, exoneration or indemnification pursuant to any agreement, express or implied, or now or hereafter accorded by applicable law to indemnitors, guarantors, sureties or accommodation parties;

provided, however, unless Agent otherwise expressly agrees in writing, such waiver by any particular Guarantor shall not be effective to the extent that by virtue thereof such Guarantor's liability under this Guaranty or under any other Loan Document is rendered invalid, voidable, or unenforceable under any applicable state or federal law dealing with the recovery or avoidance of so-called preferences or fraudulent transfers or conveyances or otherwise;

2.4. notice of the acceptance hereof, presentment, demand for payment, protest, notice of protest, or any and all notice of nonpayment, nonperformance, nonobservance or default, or other proof or notice of demand whereby to charge Guarantor therefor;

2.5. the pleading of any statute of limitations as a defense to Guarantor's obligations hereunder;

2.6. the right to a trial by jury in any matter related to this Guaranty; and

2.7. the benefit of all other provisions of law which may be validly waived.

GUARANTOR, AGENT AND LENDERS MUTUALLY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON THIS GUARANTY, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS GUARANTY OR ANY OF THE OTHER LOAN DOCUMENTS OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY, INCLUDING, WITHOUT LIMITATION, ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS OR ACTIONS OF AGENT OR ANY LENDER RELATING TO THE ADMINISTRATION OF THE LOAN OR ENFORCEMENT OF THE LOAN DOCUMENTS, AND AGREE THAT NONE OF THE PARTIES WILL SEEK TO CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. EXCEPT AS PROHIBITED BY LAW, GUARANTOR HEREBY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY LITIGATION ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. GUARANTOR CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF AGENT OR ANY LENDER HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT AGENT OR ANY LENDER WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER.

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THIS WAIVER IS GIVEN AS A MATERIAL INDUCEMENT TO AGENT AND THE LENDERS TO ACCEPT THIS GUARANTY AND TO MAKE THE LOAN.

3. Cumulative Rights. Agent's and any Lender's rights under this Guaranty shall be in addition to and not in limitation of all of the rights and remedies of Agent and any Lender under the Loan Documents. All rights and remedies of Agent and any Lender shall be cumulative and may be exercised in such manner and combination as Agent or any Lender may determine.

4. No Impairment. The liability of Guarantor hereunder shall in no way be limited or impaired by, and Guarantor hereby assents to and agrees to be bound by, any amendment or modification of the provisions of the Loan Documents to or with Agent or any Lender by Borrower or any other Guarantor or any person who succeeds Guarantor as owner of a Collateral Property (hereinafter, the "Property"). In addition, the liability of Guarantor under this Guaranty and the other Loan Documents shall in no way be limited or impaired by:

4.1. any extensions of time for performance required by any of the Loan Documents;

4.2. any amendment to or modification of any of the Loan Documents;

4.3. any sale or assignment of the Loan or any sale, assignment or foreclosure of the Security Documents, or any sale, transfer or exchange of all or part of the Property;

4.4. any exculpatory, or nonrecourse, or limited recourse, provision in any of the Loan Documents limiting Agent's or any Lender's recourse to the Property secured by the Mortgage, or to any other property, or limiting Agent's or any Lender's rights to a deficiency judgment against Borrower or any other person or entity;

4.5. the accuracy or inaccuracy of any of the representations or warranties made by or on behalf of Borrower, any general partner, owner, principal, or agent of Borrower, or Guarantor, under any Loan Document or otherwise;

4.6. the release of Borrower, any general partner, owner, principal, or agent of Borrower, or any other person or entity, from performance or observance of any of the agreements, covenants, terms or conditions contained in any of the

Loan Documents by operation of law, Agent's or any Lender's voluntary act, or otherwise;

4.7. the filing of any bankruptcy or reorganization proceeding by or against Borrower, any general partner, owner, principal, or agent of Borrower, Guarantor, or any subsequent owner of the Property;

4.8. the release or substitution in whole or part of any collateral or security for the Obligations or the Guaranteed Obligations;

4.9. Agent's failure to record any Security Document or file any UCC financing statements, or Agent's improper recording or filing of any thereof, or Agent's failure to otherwise perfect, protect, secure, or insure any security interest or lien given as security for the Obligations or the Guaranteed Obligations;

4.10. the release of any other party now or hereafter liable upon or in respect of this Guaranty or any of the other Loan Documents; or

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4.11. the invalidity or unenforceability of all or any portion of any of the Loan Documents as to Borrower, any Guarantor, or any other person or entity.

Any of the foregoing may be accomplished with or without notice to Borrower, any general partner, owner, principal, or agent of Borrower, or any Guarantor, and with or without consideration.

5. Delay Not Waiver. No delay on Agent's or any Lender's part in exercising any right, power or privilege hereunder or under any of the Loan Documents shall operate as a waiver of any such privilege, power or right. No waiver by Agent or any Lender in any instance shall constitute a waiver in any other instance.

6. Warranties and Representations. Guarantor warrants and represents to Agent and each of the Lenders for the express purpose of inducing Agent and the Lenders to enter into the Loan Agreement, to make each Loan Advance, to accept this Guaranty, and to otherwise complete the transactions contemplated by the Loan Agreement, as to such Guarantor, that as of the date of this Guaranty, upon the date of each Loan Advance, and at all times thereafter until the Loan is repaid and all Guaranteed Obligations to Agent and the Lenders have been satisfied in full, as follows:

6.1. Incorporation by Reference. Each warranty and representation made by Guarantor in the Environmental Indemnity is true, accurate and complete and is incorporated herein by reference.

6.2. Financial Information. Copies of the financial statements of Guarantor have been delivered to Agent and each Lender and each of the same fairly present Guarantor's financial condition as of the dates thereof and no material and adverse change has occurred in Guarantor's financial condition or business since the respective dates thereof; and each financial statement of Guarantor submitted in the future shall fairly present Guarantor's financial condition as of the dates thereof;

6.3. No Violation. The payment and performance by Guarantor of the Guaranteed Obligations, Guarantor's obligations under the Loan Agreement, this Guaranty, the Security Documents, the Environmental Indemnity, and any other Loan Document, does not and shall not constitute a violation of any law, order, regulation, contract or agreement to which Guarantor is a party or by which Guarantor or Guarantor's property may be bound;

6.4. No Litigation. There is no material litigation now pending or, to the best of Guarantor's knowledge threatened in writing, against Guarantor which, if adversely decided would materially impair the ability of Guarantor to pay and perform the Guaranteed Obligations, Guarantor's obligations under the Loan Agreement, this Guaranty, the Security Documents, the Environmental Indemnity, or any other Loan Document.

6.5. Entity Matters. The Guarantor is a duly organized, validly existing entity organized and in good standing under the laws of the State of Delaware, and has all requisite power and authority to conduct its business and to own its property as now conducted or owned, and is qualified to do business in all jurisdictions where the nature and extent of its business is such that such qualification is required by law.

6.6. Valid and Binding. Each of the Loan Documents to which Guarantor is a party constitutes Guarantor's legal, valid and binding obligation in accordance with the respective terms thereof, subject to bankruptcy, insolvency

and similar laws of general application affecting the rights

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and remedies of creditors and with respect to the availability of remedies of specific enforcement subject to the discretion of the court before which proceedings therefor may be brought.

6.7. Solvency. Guarantor is solvent and is not rendered insolvent by the obligations undertaken in this Guaranty. Guarantor is not contemplating either the filing of a petition or proceeding under any state or federal bankruptcy or insolvency or reorganization laws or the liquidating of all or a major portion of Guarantor's property, and Guarantor has no knowledge of any such petition or proceeding being filed against any other Guarantor.

6.8. Material Economic Benefit. The granting of the Loan to Borrower will constitute a material economic benefit to Guarantor.

7. Notices. Any notice or other communication in connection with this Guaranty shall be in writing and (i) deposited in the United States mail, postage prepaid by registered or certified mail, (ii) hand delivered by any commercially recognized courier service or overnight delivery service such as Federal Express, or (ii) sent by facsimile transmission if a FAX number is designated below, addressed as follows:

If to Guarantor:

Cedar Dubois, LLC
44 South Bayles Avenue
Port Washington, New York
Attention: Leo S. Ullman
FAX Number: (516) 767-6497

And

Attention: Thomas J. O'Keeffe

with copies by regular mail or such hand delivery or facsimile transmission to:

Stroock & Stroock & Lavan LLP
180 Maiden Lane
New York, New York 10038-4982
Attention: Mark A. Levy, Esquire
FAX Number: (212) 806-6006

If to Agent:

Fleet National Bank
100 Federal Street, 8th Floor
Boston, Massachusetts 02110
Attention: James L. Keough, Senior Vice President
FAX No.: (617) 434-6384

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with copies by regular mail or such hand delivery or facsimile transmission to:

Riemer & Braunstein LLP
Three Center Plaza
Boston, Massachusetts 02108
Attention: Kevin J. Lyons, Esquire
FAX No.: (617) 880-3456

Any such addressee may change its address for such notices to any other address in the United States as such addressee shall have specified by written notice given as set forth above.

All periods of notice shall be measured from the deemed date of delivery. A notice shall be deemed to have been given, delivered and received upon the earliest of: (i) if sent by such certified or registered mail, on the third Business Day following the date of post-mark, or (ii) if hand delivered by such courier or overnight delivery service, when so delivered or tendered for delivery during customary business hours on a Business Day at the specified address, or (iii) if so mailed, on the date of actual receipt (or tender of delivery) as evidenced by the return receipt, or (iv) if so delivered, upon actual receipt, or (v) if facsimile transmission is a permitted means of giving notice, upon receipt as evidenced by confirmation.

8. No Oral Change. No provision of this Guaranty may be changed, waived, discharged, or terminated orally (in person or by telephone) or by any other means except by an instrument in writing signed by the party against whom enforcement of the change, waiver or discharge or termination is sought.
9. Parties Bound; Benefit. This Guaranty shall be binding upon Guarantor and Guarantor's respective successors, assigns, heirs and personal representatives and shall be for the benefit of Agent and each Lender, and of any subsequent holder of Agent's or any Lender's interest in the Loan and of any owner of a participation interest therein. In the event the interest of Agent or any other Lender under the Loan Documents is sold or transferred, then the liability of the Guarantor to Agent or such Lender shall then be in favor of both the Agent or Lender originally named herein and each subsequent holder of Agent's or Lender's interest therein, to the extent of their respective interests.
10. Joint and Several. If there is more than one (1) Guarantor, the obligations of each Guarantor, and such Guarantor's respective successors, assigns, heirs and personal representatives, shall be and remain joint and several.
11. Partial Invalidity. Each of the provisions hereof shall be enforceable against Guarantor to the fullest extent now or hereafter not prohibited by applicable law. The invalidity or unenforceability of any provision hereof shall not limit the validity or enforceability of each other provision hereof.
12. Governing Law. This Guaranty and the rights and obligations of the parties hereunder shall in all respects be governed by and construed and enforced in accordance with the internal laws of the Commonwealth of Massachusetts, without giving effect to principles of conflicts of law, except insofar as formation of the Guarantor under Delaware law requires Delaware law to apply with respect to matters of authorization to enter into the transaction contemplated by this Guaranty. In addition, the fact that portions of the Loan Documents may include provisions drafted to conform to the law of the Commonwealth of Pennsylvania is not intended, nor shall it be deemed, in any way to derogate the parties' choice of law as set forth herein. Agent or any Lender may enforce its rights hereunder and under the other

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Loan Documents, including, but not limited to, its rights to sue Guarantor or to collect any outstanding indebtedness in accordance with applicable law. It is understood and agreed that this Guaranty, and all of the other Loan Documents, were negotiated, executed and delivered in the Commonwealth of Massachusetts which Commonwealth the parties agree has a substantial relationship to the parties and to the underlying transactions embodied by the Loan Documents.

13. Consent to Jurisdiction. Guarantor hereby irrevocably submits to the nonexclusive personal jurisdiction of any Massachusetts State Court or any Federal Court sitting in Massachusetts over any suit, action or proceeding arising out of or relating to this Guaranty. Guarantor hereby agrees and consents that in addition to any methods of service of process provided for under applicable law, all service of process in any such suit, action or proceeding in any Massachusetts State or Federal Court sitting in Massachusetts may be made by certified or registered mail, return receipt requested, directed to Guarantor at the address indicated in Section 7 above and service so made shall be deemed completed five (5) days after the same shall have been so mailed.
14. Additional Covenant of the Guarantor. Guarantor shall pay, perform, observe and comply with all of the obligations, terms, covenants and conditions set forth in this Guaranty, the Security Documents, the Environmental Indemnity, and the other Loan Documents to which Guarantor is a party, and by any provisions of the Loan Agreement specifically applicable to Guarantor.
15. Subordination.

15.1. Except as may be otherwise specifically provided for in the Loan Agreement with respect to Permitted Distributions, any indebtedness of Borrower to Guarantor, or to any affiliated entity, now or hereafter existing together with any interest thereon shall be, and such indebtedness is, hereby deferred, postponed and subordinated to the prior, full and Non-Contestable Payment and satisfaction of all Obligations of Borrower to the Agent and the Lenders. Payment and satisfaction of the Obligations shall be deemed "Non-Contestable Payment" only upon such payment and satisfaction and the expiration of all periods of time within which a claim for the recovery of a preferential payment,

or fraudulent conveyance, or fraudulent transfer, in respect of payments received by Agent or any Lender as to the Obligations could be filed or asserted with: (A) no such claim having been filed or asserted, or (B) if so filed or asserted, the final, nonappealable decision of a court of competent jurisdiction denying the claim or assertion.

15.2. Except as may be otherwise specifically provided for in the Loan Agreement with respect to Permitted Distributions, at all times until the full and Non-Contestable Payment and satisfaction of the Obligations of Borrower to Agent and the Lenders with respect to the Loan (and including interest accruing on the Note after the commencement of a case by or against Borrower under the Bankruptcy Code now or hereafter in effect, which interest the parties agree shall remain a claim that is prior and superior to any claim of Guarantor or any affiliated entity notwithstanding any contrary practice, custom or ruling in cases under the Bankruptcy Code, as now or hereafter in effect, generally), Guarantor, and each affiliated entity, agrees not to accept any payment or satisfaction for any kind of indebtedness of Borrower to Guarantor, or any affiliated entity, and hereby assigns such indebtedness to Agent, on behalf of the Lenders, including, but not limited to, the right to file proofs of claim and to vote thereon in connection with any such case under the Bankruptcy Code, as now or hereafter in effect, and the right to vote on any plan of reorganization.

15.3. Any mortgage, security interest, lien or charge on the Collateral, all rights therein and thereto, and on the revenue and income to be realized therefrom, which Guarantor, or any

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affiliated entity, may have or obtain as security for any loans, advances, indebtedness or costs, shall be, and such mortgage, security interest, lien or charge hereby is, subordinated to the Mortgage and to the full and Non-Contestable Payment and satisfaction of all Obligations of Borrower to Agent and the Lenders.

15.4. In addition to the foregoing, and not in limitation thereof, until the full payment and satisfaction of all Obligations of Borrower to Agent and the Lenders, any claims of Guarantor, or any affiliated entity, of subrogation, contribution, reimbursement, exoneration, indemnification, or reimbursement arising out of any payment made on this Guaranty, whether such claim is based upon an express or implied contract, or operation of law, are hereby waived; provided, however, unless Agent otherwise expressly agrees in writing, such waiver by Guarantor shall not be effective to the extent that by virtue thereof Guarantor's liability under this Guaranty or under any other Loan Document is rendered invalid, voidable, or unenforceable under any applicable state or federal law dealing with the recovery or avoidance of so-called preferences or fraudulent conveyances or otherwise.

16. Legal Fees, Costs and Expenses. Guarantor further agrees to pay within thirty (30) days after demand all costs and expenses reasonably incurred by Agent and the Lenders, or their successors or assigns, in connection with enforcing any of the rights or remedies of Agent or any Lender, or such successors or assigns, under or with respect to this Guaranty including, but not limited to, attorneys' fees and the out-of-pocket expenses and disbursements of such attorneys. Any such amounts which are not paid within thirty (30) days of demand therefor shall bear interest at the Default Rate from the date of demand until paid.

17. Setoff. Subject to the terms of this Section 17, Guarantor hereby grants to Agent and each of the Lenders, a lien, security interest and right of setoff as security for all liabilities and obligations to Agent and the Lenders, whether now existing or hereafter arising, upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of Agent or any Lender or any entity under the control of Fleet Financial Group, Inc., or in transit to any of them. At any time, from and after the occurrence of and during the continuance of an Event of Default, Agent or any Lender may set off the same or any part thereof and apply the same to any liability or obligation of Guarantor even though unmatured and regardless of the adequacy of any other collateral securing the Loan. Within five (5) Business Days of making any such set-off, Agent agrees to notify Guarantor thereof, provided that the failure by Agent to give such notice shall not affect the validity of such set-off. ANY AND ALL RIGHTS TO REQUIRE AGENT OR ANY LENDER TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE LOAN, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF THE GUARANTOR, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.

[The balance of this page is intentionally left blank]

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Witness the execution and delivery hereof as an instrument under seal
as of the ___ day of March, 2004.

GUARANTOR:

CEDAR DUBOIS, LLC

Witness

By: _____
Name: _____
Title: _____

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PLEDGE AND SECURITY AGREEMENT

PLEDGE AND SECURITY AGREEMENT (hereinafter, the "Pledge Agreement"), dated as of March __, 2004, by and between CEDAR SHOPPING CENTERS PARTNERSHIP, L.P., a Delaware limited partnership having an address at c/o Cedar Shopping Centers, Inc., 44 South Bayles Avenue, Suite 304, Port Washington, New York 11050 (hereinafter, the "Borrower"), and FLEET NATIONAL BANK, a national banking association having an address at 100 Federal Street, 8th Floor, Boston, Massachusetts 02110, as agent under that certain Loan Agreement (hereinafter, the "Loan Agreement") dated January 30, 2004, by and among Borrower, Fleet National Bank and the other lending institutions which are or become parties to the Loan Agreement (Fleet National Bank and the other lending institutions which are or become parties to the Loan Agreement are hereinafter, collectively, referred to as the "Lenders" and individually as the "Lender"), and Fleet National Bank, as Agent (hereinafter, the "Agent").

W I T N E S S E T H

WHEREAS, pursuant to the Loan Agreement, the Agent and the Lenders have agreed to make a loan (hereinafter, the "Loan") to the Borrower in the aggregate principal amount of up to One Hundred Million Dollars (\$100,000,000.00) upon the terms and subject to the conditions set forth therein.

WHEREAS, the Borrower owns, directly, a 100% ownership interest in the following entity: Cedar Dubois, LLC, a Delaware limited liability company having an address at 44 South Bayles Avenue, Port Washington, New York 11050 (hereinafter, the "Borrower Subsidiary").

WHEREAS, the Borrower Subsidiary has substantial financial dealings with the Borrower and are affiliated with the Borrower (by ownership and by contractual relationship and/or other meaningful business relationship), and the extension of credit and the providing of financial accommodations to the Borrower will enhance and benefit the business activities and interests of the Borrower Subsidiary.

WHEREAS, as a condition to extending the Loan to the Borrower, the Agent and the Lenders have required the Borrower to execute and deliver this Pledge Agreement to secure the Borrower's obligations under the Loan Agreement.

NOW, THEREFORE, in consideration of the premises and to induce the Lenders to make the Loan under the Loan Agreement, the Borrower hereby agrees with Agent and the Lenders as follows:

1. Defined Terms. Unless otherwise defined herein, terms which are defined in the Loan Agreement and used herein are so used as so defined (which defined terms are expressly incorporated herein by reference), and the following terms shall have the following meanings:

"Agent": as defined in the first paragraph of this Pledge Agreement.

"Borrower": as defined in the first paragraph of this Pledge Agreement.

"Borrower Subsidiary": as defined in the recitals of this Pledge Agreement.

"Collateral": means the Pledged Interests, the Pledged Obligations and all Proceeds thereof.

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"Consent": shall mean that certain Consent from the Borrower Subsidiary referenced in Section 4 of this Pledge Agreement.

"Lender" or "Lenders": as defined in the first paragraph of this Pledge Agreement.

"Loan": as defined in the recitals of this Pledge Agreement.

"Loan Agreement": as defined in the first paragraph of this Pledge Agreement.

"Obligations": means all indebtedness, obligations and liabilities of the Borrower to the Agent and/or any of the Lenders, whether now existing or hereafter arising, direct or indirect, absolute or contingent, under any one or more of: (i) this Pledge Agreement;

(ii) the Loan Agreement, Note or any other Loan Document; and (iii) each of the same as hereafter modified, amended, extended or replaced, including, without limitation, the Obligations (as defined in the Loan Agreement).

"Pledge Agreement": means this Pledge and Security Agreement, as amended, supplemented or otherwise modified from time to time.

"Pledged Interests": means all right, title and interest of the Borrower, whether now owned or hereafter acquired, as the holder of the direct or indirect interests in the Borrower Subsidiary referred to in the recitals of this Pledge Agreement, together with all interests, certificates, options or rights of any nature whatsoever which may be issued or granted to the Borrower by the Borrower Subsidiary in respect thereof.

"Pledged Obligations": means all right, title and interest of the Borrower, whether now owned or hereafter acquired, in and to any and all obligations owed to the Borrower by the Borrower Subsidiary, whether now existing or hereafter incurred, and in and to all collateral granted to the Borrower or for the benefit of the Borrower as collateral security for such obligations.

"Proceeds": means (i) the Borrower's right, title and interest in and to all distributions, monies, fees, payments, compensations and proceeds now or hereafter payable in respect of the Pledged Interests and the Pledged Obligations, whether payable as profits, distributions, asset distributions, repayment of loans or capital or otherwise and including all "proceeds" as such term is defined in Section 9-102(a) of the UCC; (ii) all books, records, electronically stored data and information relating to the Pledged Interests and the Pledged Obligations and all rights of access to such books, records and information; (iii) all contract rights, general intangibles, instruments (as each such term is defined in Section 9-102(a) of the UCC), claims, powers, privileges, benefits and remedies of the Borrower relating to the foregoing; (iv) all additions to the Pledged Interests and the Pledged Obligations, all substitutions therefor and all replacements thereof; and (v) all cash or non-cash proceeds of any of the foregoing.

"UCC": means the Uniform Commercial Code from time to time in effect in The Commonwealth of Massachusetts; provided, that if by mandatory provisions of law, the perfection or the effect of perfection or non-perfection of the security interest granted hereunder in the Collateral is governed by the Uniform Commercial Code of a jurisdiction other than Massachusetts, "UCC" means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of provisions hereof relating to such perfection or effect of perfection or non-perfection.

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2. Pledge; Grant of Security Interest. As security for the full and punctual payment and performance of the Obligations when due and payable (whether upon stated maturity, by acceleration or otherwise), Borrower hereby transfers, assigns, grants, bargains, sells, conveys, hypothecates, pledges, sets over, endorses over and delivers to Agent, on behalf of the Lenders, all the Pledged Interests, and Borrower hereby grants, pledges, hypothecates, transfers and assigns to Agent, on behalf of the Lenders, a continuing lien on and security interest in all of the Collateral.

3. Delivery of Certificates, Instruments, Etc. The Borrower shall deliver to Agent:

(a) all original certificates, instruments and other documents, if any, evidencing or representing the Pledged Interests, concurrently with the execution and delivery of this Pledge Agreement; and

(b) the original certificates, instruments or other documents, if any, evidencing or representing all other Collateral (except for such Collateral which this Pledge Agreement specifically permits the Borrower to retain) within five (5) days after the Borrower's receipt thereof.

4. Powers and Transfer Instruments. Concurrently with the delivery to the Agent of this Pledge Agreement and each certificate, if any, representing the Pledged Interests, the Borrower shall deliver a duly executed Consent from the Borrower Subsidiary.

5. Representations and Warranties. The Borrower represents and warrants that:

(a) Except for the Consent, and any other consents as may be required in connection with any disposition of any portion of the Collateral by laws affecting the offering and sale of securities generally or as otherwise contemplated by the Loan Agreement, no consent of any other person or entity (including, without limitation, any owner or creditor of the Borrower), and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing (other than the filing of financing statements under the UCC in order to perfect a security interest in that portion of the Collateral in which a security interest is perfected by filing) or declaration with any governmental instrumentality is required in connection with (i) the execution, delivery, performance, validity or enforceability of this Pledge Agreement, (ii) the perfection or maintenance of the security interest created hereby (including the first priority nature of such security interest) or (iii) the exercise by the Agent of any rights provided for in this Pledge Agreement;

(b) The Pledged Interests in the Borrower Subsidiary constitute all of the ownership interests owned by the Borrower in the Borrower Subsidiary;

(c) All of the Pledged Interests have been duly and validly issued and are fully paid. No certificate or other instrument has been issued at any time to evidence the Pledged Interests. None of the ownership interests comprising the Collateral are dealt in or traded on securities exchanges or in securities markets, and none by its terms expressly provides that it is a security governed by Article 8 of the UCC or that it is an investment company security, and none is held in a securities account (as defined in Section 8-501 of the UCC);

(d) The Borrower is the sole holder of record and sole beneficial of, and has good and valid title to, the Pledged Interests in the Borrower Subsidiary, free of any and all liens or options in favor of, or claims of, any other Person, except the lien created by this Pledge Agreement;

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(e) Upon the filing of the Form UCC-1 Statements referred to in Section 13 of this Pledge Agreement in the place or office of public record lawfully required to perfect a security interest therein, the lien granted pursuant to this Pledge Agreement will constitute a valid, perfected first priority lien with respect to that portion of the Collateral in which a security interest is perfected by the filing of a financing statement, enforceable as such against all creditors of Borrower and any persons purporting to purchase any of such Collateral from Borrower, subject to bankruptcy, insolvency, moratorium, and other similar laws of general applicability affecting creditors rights and general equity principles; and

(f) There are no restrictions on the transfer of the Collateral to the Agent hereunder, or with respect to any subsequent transfer thereof or realization thereupon by the Agent and/or the Lenders (or, if there are any such restrictions, such transfer restrictions have been duly waived by all required parties or consented to pursuant to the Consent), and, as set forth in the Consent, the Borrower has obtained all consents needed in connection with any such transfer or subsequent transfer, subject to matters resulting from the operation of law.

6. Covenants. The Borrower covenants and agrees with Agent and the Lenders that from and after the date of this Pledge Agreement until this Pledge Agreement shall be terminated:

(a) If the Borrower shall, as a result of its ownership of the Pledged Interests, become entitled to receive or shall receive (i) any membership interests (including, without limitation, any certificate representing a dividend or a distribution in connection with any reclassification, increase or reduction of capital or any certificate issued in connection with any reorganization), option or rights, (ii) any stock, (iii) any limited or general partnership interests (including, without limitation, any certificate representing a dividend or a distribution in connection with any reclassification, increase or reduction of capital or any certificate issued in connection with any reorganization), option or rights, or (iv) any property other than cash, whether in addition to, in substitution of, as a conversion of, or in exchange for any of the Pledged Interests, or otherwise in respect thereof, the Borrower shall accept the same as Agent's agent, hold the same in trust for Agent and deliver the same forthwith to Agent in the exact form received, duly endorsed by the Borrower to

Agent, if required, and, to the extent the same is in the form of a certificate, together with an undated assignment or power covering such certificate, duly executed in blank and with, if Agent so requests, signature guaranteed, to be held by Agent hereunder as additional security for the Obligations.

(b) Without the prior written consent of Agent, the Borrower shall not, directly or indirectly (i) vote to enable, or take any other action to permit, the issuer(s) of the Pledged Interests to issue any interests or shares, as applicable, or to issue any other securities convertible into or granting the right to purchase or exchange for any interests of the issuer(s) of the Pledged Interests, or (ii) sell, assign, transfer, exchange or otherwise dispose of, or grant any option with respect to, the Collateral, or (iii) create, incur or permit to exist any lien or option in favor of, or any claim of any person or entity with respect to, any of the Collateral, or any interest therein, except for the lien provided for by this Pledge Agreement and liens permitted under the Loan Agreement. The Borrower will defend the right, title and interest of Agent in and to the Collateral against the claims and demands of all Persons whomsoever.

(c) At any time and from time to time, upon the written request of Agent, and at the sole expense of the Borrower, the Borrower will promptly and duly execute and deliver such further instruments and documents and take such further actions as Agent may reasonably request for the purposes of obtaining or preserving the full benefits of this Pledge Agreement and of the rights and powers herein granted. If any amount payable under or in

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connection with any of the Collateral shall be or become evidenced by any promissory note, other instrument or chattel paper, such note, instrument or chattel paper shall be promptly delivered to Agent, duly endorsed in a manner reasonably satisfactory to Agent, to be held as Collateral pursuant to this Pledge Agreement.

(d) The Borrower agrees to pay, and to indemnify and save Agent harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes (other than income taxes on the income of Agent or any of the Lenders) which may be payable or determined to be payable with respect to any of the Collateral or in connection with any of the transactions contemplated by this Pledge Agreement.

(e) The Borrower shall not exercise any right with respect to the Collateral which would dilute or adversely affect Agent's rights in the Collateral.

(f) Except as permitted in the Loan Agreement, the Borrower shall not enter into or consent to any amendment or modification of, or with respect to, the operating agreements of the Borrower Subsidiary without Agent's prior written consent in each instance, which consent shall not be unreasonably withheld, conditioned or delayed.

7. Cash Dividends; Distributions; Voting Rights.

(a) Notwithstanding the preceding terms of this Pledge Agreement, unless an Event of Default shall have occurred and be continuing, the Borrower shall be permitted to exercise all voting rights with respect to the Pledged Interests; provided, however, that the Borrower shall not, without the prior written consent of Agent in each instance, which consent shall not be unreasonably withheld, conditioned or delayed, vote the Collateral in favor of, or consent to, any resolution or action which does or might:

- (i) impose any restrictions upon the sale, transfer or disposition of the Collateral other than restrictions, if any, the application of which is waived to the full satisfaction of the Agent as to the Collateral; or
- (ii) result in the issuance of any additional interest in the Borrower Subsidiary, or of any class or series of security, which issuance might adversely affect the value of the Collateral; or
- (iii) vest additional powers, privileges, preferences or priorities to any other class or series of interest in the

Borrower Subsidiary to the detriment of the value of, or rights accruing to, the Collateral; or

- (iv) to the extent prohibited in the Loan Agreement without Agent's consent, permit the Borrower Subsidiary to sell, transfer, assign, pledge, mortgage or otherwise encumber any property owned by any of them, or to incur any new indebtedness in respect of such property, unless Agent has given its prior written consent.

(b) Notwithstanding the preceding terms of this Pledge Agreement, but subject to the terms and provisions hereof relating to the rights and remedies of the Agent, so long as there is no Event of Default that is continuing, cash dividends, distributions and other payments in respect of the Collateral may be made by the to the Borrower, and may be retained, used and enjoyed by the Borrower.

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8. Rights of Agent.

(a) If an Event of Default shall have occurred and be continuing, Agent shall have the right to receive any and all cash dividends or distributions or other payments paid in respect of the Collateral and make application thereof to the Obligations, in such order as Agent, in its sole discretion, may elect. In connection therewith, if an Event of Default shall have occurred and be continuing, the Agent shall have the right to direct the issuer(s) of the Pledged Interests, and the obligors with respect to the Pledged Obligations, to pay all such cash dividends or distributions or other payment directly to the Agent or as otherwise directed by the Agent.

(b) If an Event of Default shall have occurred and be continuing, then all registered Pledged Interests, at Agent's option, shall be registered in the name of Agent or its nominee, and Agent or its nominee may thereafter exercise (x) all voting and other rights pertaining to such Pledged Interests, and (y) any and all rights of conversion, exchange, subscription and any other rights, privileges or options pertaining to such Pledged Interests as if Agent were the absolute owner thereof (including, without limitation, the right to exchange at its discretion any and all of the Pledged Interests upon the merger, consolidation, reorganization, recapitalization or other fundamental change in the organizational structure of the Borrower, or upon the exercise by the Borrower or Agent of any right, privilege or option pertaining to such Pledged Interests, and in connection therewith, the right to deposit and deliver any and all of the Pledged Interests with any committee, depository, transfer agent, registrar or other designated agency upon such terms and conditions as it may determine), all without liability except to account for property actually received by it, but Agent shall have no duty to exercise any such right, privilege or option and shall not be responsible for any failure to do so or delay in so doing.

(c) The rights of Agent hereunder shall not be conditioned or contingent upon the pursuit by Agent of any right or remedy against the Borrower or against any other person or entity which may be or become liable in respect of all or any part of the Obligations or against any other Collateral, any security therefor, any guarantee thereof, or right of offset with respect thereto. Agent shall not be liable for any failure to demand, collect or realize upon all or any part of the Collateral or for any delay in doing so, nor shall it be under any obligation to sell or otherwise dispose of any Collateral upon the request of the Borrower or any other person or entity or to take any other action whatsoever with regard to the Collateral or any part thereof.

9. Actions By Agent. The Borrower hereby designates Agent as the attorney-in-fact of the Borrower to: (a) endorse in favor of Agent any of the Collateral following an Event of Default which is continuing; (b) cause the transfer of any of the Collateral in such name as Agent may from time to time determine following an Event of Default which is continuing; (c) renew, extend or roll over any Collateral following an Event of Default which is continuing; (d) make, demand and initiate actions to enforce any of the Collateral or rights therein following an Event of Default which is continuing; and (e) take any other action to effectuate the terms and provisions of this Pledge Agreement following an Event of Default which is continuing. Following an Event of Default which is continuing, Agent may take such action with respect to the Collateral as Agent may reasonably determine to be necessary to protect and preserve its

interest in the Collateral. Except as otherwise provided herein, all of the rights, remedies, powers, privileges and discretions included in this Section 9 may be exercised by Agent whether or not the Obligations are then due provided that an Event of Default has occurred and is continuing. The within designation and grant of power of attorney is coupled with an interest, is irrevocable until the lien created by this Pledge Agreement is terminated by a written instrument executed by a duly authorized officer of Agent or is required to be so terminated by the terms of the Loan Agreement. The power of attorney shall not be affected

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by subsequent disability or incapacity of the Borrower. Agent shall not be liable for any act or omission to act pursuant to this Section 9, except for any act or omission to act which is in actual bad faith, or constitutes gross negligence or willful misconduct.

10. Remedies.

(a) If an Event of Default shall have occurred and be continuing, Agent may exercise, in addition to all other rights and remedies granted in this Pledge Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the UCC. Without limiting the generality of the foregoing, Agent, if an Event of Default shall have occurred and be continuing, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below or required by the Loan Agreement) to or upon the Borrower, or any other person or entity (all and each of which demands, presentments, protests, advertisements or notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, assign, give option or options to purchase or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, in the over-the-counter market, at any exchange, broker's board or office of Agent or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. Agent shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in the Borrower, which right or equity is hereby waived or released. Agent shall apply any Proceeds from time to time held by it and the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of Agent hereunder, including, without limitation, reasonable attorneys' fees and disbursements, to the payment in whole or in part of the Obligations, in such order as Agent may elect, and only after such application and after the payment by Agent of any other amount required by any provision of law, including, without limitation, Section 9-615(a) of the UCC, need Agent account for, and/or turnover, any surplus to the Borrower. To the extent permitted by applicable law, the Borrower waives all claims, damages and demands Borrower may acquire against Agent arising out of the exercise by Agent of any of its rights hereunder, except for any claims, damages and demands Borrower may have against Agent arising from the gross negligence or willful misconduct of Agent. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition. The Borrower shall remain liable for any deficiency if the proceeds of any sale or other disposition of Collateral are insufficient to pay the Obligations and the reasonable fees and disbursements of any attorneys employed by Agent to collect such deficiency.

(b) If any Event of Default, or other event which would entitle Agent or any of the Lenders to accelerate the Loan, occurs and is continuing, any deposits, balances or other sums credited by or due from Agent, any affiliate of Agent or FleetBoston Financial Corporation or any of the Lenders, or from any affiliate of Agent or FleetBoston Financial Corporation or any of the Lenders, to the Borrower may, to the fullest extent not prohibited by applicable law at any time or from time to time, without regard to the existence, sufficiency or adequacy of any other collateral, and without notice or compliance with any other condition precedent now or hereafter imposed by statute, rule of law or otherwise, all of which are hereby waived to the fullest extent permitted by law, be set off, appropriated

and applied by Agent against any or all of the Obligations irrespective of whether demand shall have been made and although such Obligations may be unmatured, in such manner as Agent in its sole and absolute discretion may determine. Within three (3) Business Days of making any such set off, appropriation or application, Agent agrees to notify Borrower thereof, provided the failure to give such notice shall not affect the validity of such set off or appropriation or application. ANY AND ALL RIGHTS TO REQUIRE AGENT OR ANY OF THE LENDERS TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE LOAN, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF THE BORROWER, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.

11. Private Sales.

(a) The Borrower recognizes that Agent may be unable to effect a public sale of any or all the Pledged Interests, by reason of certain prohibitions contained in the Securities Act of 1933, as amended, and applicable state securities laws or otherwise, and may be compelled to resort to one or more private sales thereof to a restricted group of purchasers which will be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. The Borrower acknowledges and agrees that any such private sale may result in prices and other terms less favorable to Agent than if such sale were a public sale. Agent shall be under no obligation to delay a sale of any of the Pledged Interests for the period of time necessary to permit the Borrower to register such securities for public sale under the Securities Act of 1933, as amended, or under applicable state securities laws, even if the Borrower would agree to do so.

(b) From and after the occurrence, and during the continuation, of an Event of Default, the Borrower further agrees to use its best efforts to do or cause to be done all such other acts as may be necessary to make any sale or sales of all or any portion of the Pledged Interests pursuant to this Section 11 valid and binding and in compliance with any and all other applicable requirements of law; provided, however, that the Borrower shall not be under any obligation to register the Pledged Interests for public sale under the Securities Act of 1933, as amended, or under applicable state securities laws. The Borrower further agrees that a breach of any of the covenants contained in this Section 11 will cause irreparable injury to Agent, that Agent has no adequate remedy at law in respect of such breach and, as a consequence, that each and every covenant contained in this Section 11 shall be specifically enforceable against the Borrower, subject to bankruptcy, insolvency, moratorium, and other similar laws of general applicability affecting creditor's rights and general equity principles, and the Borrower hereby waives and agrees not to assert any defenses against an action for specific performance of such covenants except for a defense that no default has occurred with respect to the Obligations.

12. Limitation on Duties Regarding Collateral. Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the UCC or otherwise, shall be to deal with it in the same manner as Agent deals with similar securities and property for its own account. Neither Agent nor any of its directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of the Borrower, or otherwise.

13. Financing Statements; Other Documents.

(a) This Pledge Agreement constitutes an authenticated record, and the Borrower hereby authorizes the Agent to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral, without the signature of Borrower, in such filing offices as the Agent shall reasonably deem appropriate, and the Borrower shall pay the Agent's reasonable costs and expenses incurred in connection therewith.

(b) The Borrower hereby agrees that a carbon, photographic, or other reproduction of this Pledge Agreement or of a financing statement

signed by the Borrower shall be sufficient as a financing statement and may be filed as a financing statement in any and all jurisdictions.

(c) The Borrower agrees to deliver any other document or instrument which Agent may reasonably request in connection with the administration and enforcement of this Pledge Agreement or with respect to the Collateral for the purposes of obtaining or preserving the full benefits of this Pledge Agreement and of the rights and powers herein granted.

14. Powers Coupled with an Interest. All authorizations and agencies and powers herein contained with respect to the Collateral are irrevocable and coupled with an interest.

15. Security Interest Absolute. All rights of the Agent hereunder, the grant of a security interest in the Collateral and all obligations of the Borrower, shall be absolute and unconditional irrespective of (i) any lack of validity or enforceability of the Loan Agreement, any agreement with respect to any of the Obligations or any other agreement or instrument relating to any of the foregoing, (ii) any change in time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Note or any other agreement or instrument, (iii) any exchange, release or non-perfection of any other collateral, or any release or amendment or waiver of or consent to or departure from any guarantee, for all or any of the Obligations, or (iv) any other circumstance which might otherwise constitute a defense available to (other than the defense of indefeasible payment), or a discharge of, the Borrower in respect of the Obligations or in respect of this Pledge Agreement.

16. Fees and Expenses. To the extent provided in the Loan Agreement, the Borrower shall be obligated to pay to the Agent the amount of any and all reasonable expenses, including the reasonable fees and expenses of its counsel and of any experts or agents which the Agent or any Lender may incur in connection with (i) the sale of, collection from, or other realization upon, any of the Collateral, or (ii) during the continuance of an Event of Default, the exercise or enforcement of any of the rights of the Agent hereunder. Any such amounts payable as provided hereunder or thereunder shall be additional obligations secured hereby.

17. Termination. Upon the payment in full of the Obligations, in immediately available funds, including, without limitation, all unreimbursed costs and expenses, for which the Borrower is responsible, of the Agent and of each Lender, the Agent shall release the Collateral granted to the Agent as provided for herein. However, such release by the Agent shall not be deemed to terminate or release the Borrower from any obligation or liability under this Pledge Agreement which specifically by its terms survives the payment in full of the Obligations.

18. Severability. Any provision of this Pledge Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such

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prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

19. Paragraph Headings. The paragraph headings used in this Pledge Agreement are for convenience of reference only and are not to affect the construction, or be taken into consideration in interpreting, this Pledge Agreement.

20. No Waiver; Cumulative Remedies. Agent shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of Agent, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by Agent of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which Agent would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law.

21. Waivers and Amendments; Successors and Assigns; Governing Law; Venue. None of the terms or provisions of this Pledge Agreement may be waived, amended, or otherwise modified except by a written instrument executed by the party against which enforcement of such waiver, amendment, or modification is sought. This Pledge Agreement shall be binding upon the Borrower and Agent, and the successors and assigns of each, and shall inure to the benefit of Agent and

the Lenders, and their successors and assigns, and to the benefit of the Borrower and the Borrower's successors and permitted assigns; provided that the Borrower shall not have any right to (i) assign this Pledge Agreement or any interest herein, or (ii) assign any interest in the Collateral or any part thereof, or otherwise pledge, encumber or grant any option with respect to the Collateral or any part thereof, or any cash or property held by the Borrower as Collateral under this Pledge Agreement if any such assignment, pledge, encumbrance or grant would constitute a violation of the Loan Agreement. The rights of Agent under this Pledge Agreement shall automatically be transferred to any transferee to which Agent transfers the Note and the Loan Agreement pursuant to the terms thereof. The construction, interpretation, validity, enforceability and effect of all provisions of this Pledge Agreement including, but not limited to, the payment of the Obligations and the legality of the interest rate and other charges shall be construed and enforced in accordance with the internal laws of the Commonwealth of Massachusetts (without regard to conflicts of laws). The Borrower agrees to submit to non-exclusive personal jurisdiction in Suffolk County, in the Commonwealth of Massachusetts in any action or proceeding arising out of this Pledge Agreement and, in furtherance of such agreement, the Borrower hereby agrees and consents that, without limiting other methods of obtaining jurisdiction, personal jurisdiction over the Borrower in any such action or proceeding may be obtained within or without the jurisdiction of any court located in the Commonwealth of Massachusetts and that any process or notice of motion or other application to any such court in connection with any such action or proceeding may be served upon the Borrower by registered or certified mail to or by personal service at the last known address of the Borrower, whether such address be within or without the jurisdiction of any such court.

22. Executive Offices. The Borrower shall not (i) change the location of its chief executive offices or sole place of business from the location as of the date hereof or remove its books and records from such location, or (ii) change its name, identity or structure if, in either case, such change is prohibited by the Loan Agreement.

23. Notices. Notices by Agent to the Borrower, to be effective, shall be in writing and shall be hand-delivered or sent by Federal Express, or other reputable national overnight courier service, or by postage pre-paid registered or certified mail, return receipt requested, addressed to the

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Borrower at the address indicated above, with a copy in each instance to Stroock & Stroock & Lavan LLP, Attention: Mark A. Levy, Esq., at the address set forth in the Loan Agreement, and shall be deemed to have been duly given or made (a) when delivered if hand-delivered or sent by Federal Express, or other reputable national overnight courier service, or (b) when delivered if sent by registered or certified mail. Any communications by the Borrower to Agent may be given in any manner set forth in the immediately preceding sentence, with a copy to Riemer & Braunstein LLP, Attention: Kevin J. Lyons, Esq., to the addresses set forth in the Loan Agreement.

24. Entire Understanding. Agent acknowledges that this Pledge Agreement, the Note and the other Loan Documents and Security Documents set forth the entire agreement and understanding of Agent and the Borrower with respect to the Loan and that no oral or other agreements, understanding, representation or warranties exist with respect to the Loan, other than those set forth in this Pledge Agreement, the Note and the other Loan Documents.

25. Counterpart Signatures. This Pledge Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute but one instrument.

26. Governing Law. This Pledge Agreement and the rights and obligations of the parties hereunder shall in all respects be governed by and construed and enforced in accordance with the internal laws of the Commonwealth of Massachusetts, without giving effect to principles of conflicts of law, except insofar as formation of the Borrower under Delaware law requires Delaware law to apply with respect to matters of authorization to enter into the transaction contemplated by this Pledge Agreement. In addition, the fact that portions of the Loan Documents may include provisions drafted to conform to the law of the Commonwealth of Pennsylvania is not intended, nor shall it be deemed, in any way to derogate the parties' choice of law as set forth herein. Agent or any Lender may enforce its rights hereunder and under the other Loan Documents, including, but not limited to, its rights to sue Borrower or to collect any outstanding indebtedness in accordance with applicable law. It is understood and agreed that this Pledge Agreement, and all of the other Loan Documents, were negotiated, executed and delivered in the Commonwealth of Massachusetts which Commonwealth the parties agree has a substantial relationship to the parties and to the underlying transactions embodied by the Loan Documents.

IN WITNESS WHEREOF, the undersigned have caused this Pledge Agreement to be duly executed and delivered as an instrument under seal as of the date first above written.

BORROWER: CEDAR SHOPPING CENTERS PARTNERSHIP, L.P.,
a Delaware limited partnership

By: Cedar Shopping Centers, Inc.,
its general partner

By: _____
Name: _____
Title: _____

AGENT: FLEET NATIONAL BANK,
a national banking association

By: _____
Name: James L. Keough
Title: Director

OPEN-END MORTGAGE AND SECURITY AGREEMENT

This is an Open-End Mortgage and Security Agreement and secures future advances pursuant to 42PA C.S.ss.ss.8143 and 8144, act. No. 126 of 1990

KNOW ALL MEN BY THESE PRESENTS that CEDAR DUBOIS, LLC, a Delaware limited liability company having an address at 44 South Bayles Avenue, Port Washington, New York 11050 (hereinafter, the "Mortgagor") for consideration paid, hereby grants, conveys, transfers, assigns and sets-over unto FLEET NATIONAL BANK, a national banking association having an address at 100 Federal Street, 8th Floor, Boston, Massachusetts 02110, as agent under a Loan Agreement (hereinafter, the "Loan Agreement") dated January 30, by and among CEDAR SHOPPING CENTERS PARTNERSHIP, L.P., a Delaware limited partnership having an address at 44 South Bayles Avenue, Port Washington, New York 11050 (hereinafter, the "Borrower", which Borrower is not a party to this Mortgage), Fleet National Bank and the other lending institutions which are or become parties to the Loan Agreement (Fleet National Bank and the other lending institutions which are or become parties to the Loan Agreement are collectively referred to as the "Lenders" and individually as the "Lender"), and Fleet National Bank, as Agent (hereinafter, the "Agent"), with MORTGAGE COVENANTS, the Mortgaged Property (as defined below) to secure the Obligations (as defined below).

The terms "Mortgagor" and "Borrower" shall include, wherever the context permits, their successors and assigns. The terms "Agent" and "Lenders" shall include, wherever the context permits, their successors and assigns as the holder for the time being of this Open-End Mortgage and Security Agreement, and the Obligations hereby secured.

This Open-End Mortgage and Security Agreement (hereinafter, the "Mortgage") is granted pursuant to the terms, provisions and conditions of the Loan Agreement. Capitalized terms used herein which are not otherwise specifically defined shall have the same meaning herein as in the Loan Agreement.

The term "Mortgaged Property" shall mean and include all of the following described property:

A. Real Estate. The land more particularly described on Exhibit A which is annexed hereto and made a part hereof (hereinafter, the "Land") together with the improvements and other structures now or hereafter situated thereon (such improvements being sometimes called the "Improvements") located at the intersection of Route 255 and Commons Drive, Sandy Township, Clearfield County, Pennsylvania, together with all rights, privileges, tenements, hereditaments, appurtenances, easements, including, but not limited to, rights and easements for access and egress and utility connections, and other rights now or hereafter appurtenant thereto (hereinafter, the "Real Estate");

B. Fixtures. All real estate fixtures or items which by agreement of the parties may be deemed to be such fixtures, now or hereafter owned by Mortgagor, or in which Mortgagor has or hereafter obtains an interest, and now or hereafter located in or upon the Real Estate, or now or hereafter attached to, installed in, or used in connection with any of the Real Estate, including, but not limited to, any and all portable or sectional buildings, bathroom, plumbing, heating, lighting, refrigerating, ventilating and air-conditioning apparatus and equipment, garbage incinerators and receptacles, elevators and elevator machinery, boilers, furnaces, stoves, tanks, motors, sprinkler and fire detection and extinguishing systems, doorbell and alarm systems, window shades, screens, awnings, screen doors, storm and other detachable windows and doors, mantels, partitions, built-in cases, counters and other fixtures whether or not included in the foregoing enumeration (hereinafter, the "Fixtures");

C. Additional Appurtenances. All bridges, easements, rights of way, licenses, privileges, hereditaments, permits and appurtenances hereafter belonging to or enuring to the benefit of the Real Estate and all right, title and interest of Mortgagor in and to the land lying within any street or roadway adjoining any of the Real Estate and all right, title and interest of Mortgagor in and to any vacated or hereafter vacated streets or roads adjoining any of the Real Estate and any and all reversionary or remainder rights (hereinafter, the "Additional Appurtenances");

D. Awards. All of the right, title and interest of Mortgagor in and to any award or awards heretofore made or hereafter to be made by any municipal, county, state or federal authorities to the present or any subsequent owners of any of the Real Estate or the Land, or the Improvements, or the Fixtures, or the Additional Appurtenances, or the Leases or the Personal Property, including, without limitation, any award or awards, or settlements or payments, or other compensation hereafter made resulting from (x) condemnation proceedings or the taking of the Real Estate, or the Land, or the Improvements, or the Fixtures, or the Additional Appurtenances, or the Leases or the Personal Property, or any part thereof, under the power of eminent domain, or (y) the alteration of grade or the location or discontinuance of any street adjoining the Land or any

portion thereof, or (z) any other injury to or decrease in value of the Mortgaged Property (hereinafter, the "Awards");

E. Leases. All leases now or hereafter entered into of the Real Estate, or any portion thereof, and all rents, issues, profits, revenues, earnings and royalties therefrom, and all right, title and interest of Mortgagor thereunder, including, without limitation, purchase or sale options, cash, letters of credit, or securities deposited thereunder to secure performance by the tenants or occupants of their obligations thereunder, whether such cash, letters of credit, or securities are to be held until the expiration of the terms of such leases or occupancy agreements or applied to one or more of the installments of rent coming due prior to the expiration of such terms including, without limitation, the right to receive and collect the rents and other payments due thereunder (hereinafter, the "Leases");

F. Purchase and Sale Agreements. All purchase and sale agreements now or hereafter entered into of the Real Estate, or any portion thereof, or any condominium units into which the Real Estate may be converted including, without limitation, cash, letters of credit or securities deposited thereunder to secure performance by the purchasers of their obligations thereunder (hereinafter, the "Purchase and Sale Agreements"); and

G. Personal Property. All tangible and intangible personal property now owned or at any time hereafter acquired by Mortgagor of every nature and description, and whether or not used in any way in connection with the Real Estate, the Fixtures, the Additional Appurtenances, the Purchase and Sale Agreements or any other portion of the Mortgaged Property, including, without limitation express or implied upon the generality of the foregoing, all Equipment, Goods, Inventory, Fixtures, Accounts, Instruments, Documents and General Intangibles (as each such capitalized term is defined in the Uniform Commercial Code in effect in the Commonwealth of Pennsylvania) and further including, without any such limitation, the following whether or not included in the foregoing: materials; supplies; furnishings; chattel paper; money; bank accounts; security deposits; utility deposits; any insurance or tax reserves deposited with Agent; any cash collateral deposited with Agent; claims to rebates, refunds or abatements of real estate taxes or any other taxes; contract rights; plans and specifications; licenses, permits, approvals and other rights; the rights of Mortgagor under contracts with respect to the Real Estate or any other portion of the Mortgaged Property, or the Project; signs, brochures, advertising, the name by which the Mortgaged Property is known and any variation of the words thereof, and good will; copyrights, service marks, and all goodwill associated therewith; and trademarks; all proceeds paid for any damage or loss

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to all or any portion of the Real Estate, the Fixtures, the Additional Appurtenances, any other Personal Property or any other portion of the Mortgaged Property (hereinafter, the "Insurance Proceeds"); all Awards; all Leases; all Purchase and Sale Agreements; all books and records; and all proceeds, products, additions, accessions, substitutions and replacements to any one or more of the foregoing (hereinafter, collectively, the "Personal Property").

The term "Obligations" shall mean and include:

A. The Guaranteed Obligations, as such term is defined in that certain Guaranty of even date executed by the Mortgagor in favor of the Agent on behalf of the Lenders;

B. The payment, performance, discharge and satisfaction of each covenant, warranty, representation, undertaking and condition to be paid, performed, satisfied and complied with by Mortgagor under and pursuant to this Mortgage, the Guaranty, the Loan Documents, or any other document executed in connection therewith;

C. The payment of all costs, expenses, legal fees and liabilities incurred by Agent and the Lenders in connection with the enforcement of any of Agent's or any Lenders' rights or remedies under this Mortgage, the Guaranty, the Loan Documents, or any other instrument, agreement or document which evidences or secures any other obligations or collateral therefor, whether now in effect or hereafter executed; and

D. The payment, performance, discharge and satisfaction of each liability and obligation of Mortgagor to Agent or any Lender under any one or more of the Loan Documents and any amendment, extension, modification, replacement or recasting of any one or more of the instruments, agreements and documents referred to herein or therein or executed in connection with the transactions contemplated hereby or thereby.

Mortgagor hereby grants to Agent, on behalf of the Lenders, a continuing security interest in all of the Mortgaged Property in which a security interest may be granted under the Uniform Commercial Code as such is in effect in the Commonwealth of Pennsylvania, including, without limitation, the Fixtures, the Personal Property and the Purchase and Sale Agreements, together

with all proceeds and products, whether now or at any time hereafter acquired and whether or not used in any way in connection with the development, construction, marketing or operation of the Real Estate, or in connection with the Project, to secure all Obligations.

This instrument is intended to take effect as a mortgage pursuant to Pennsylvania law, and as a security agreement pursuant to the UCC and is to be filed with the Office of the Recorder of Deeds of Clearfield County, Pennsylvania as a fixture financing statement pursuant to the UCC.

Mortgagor covenants, warrants, represents and agrees with Agent, its successors and assigns, and the Lenders, that:

1. Title. Mortgagor has good record title to the Mortgaged Property and has good right, full power and lawful authority to grant and convey the same in the manner aforesaid; and that the Mortgaged Property are free and clear of all encumbrances and exceptions, except for the Permitted Title Exceptions, if any, as set forth on Exhibit B which is annexed hereto and made a part hereof. Mortgagor shall make any further assurances of title that Agent may in good faith require including, without limitation, such further instruments as may be requested by Agent to confirm the assignment to Agent of all Awards.
2. Performance of Obligations. Mortgagor shall perform and observe all of the obligations and conditions set forth in each of the Guaranty, this Mortgage, the Assignment of Leases and Rents, the Environmental Indemnity, and each of the other Loan Documents or other agreements, if any, executed by Mortgagor in connection with the Loan.
3. Protection and Maintenance. Mortgagor shall protect and maintain, or cause to be maintained, in good, first-class and substantial order, repair and tenable condition at all times, the buildings and structures now standing or hereafter erected on the Mortgaged Property, and any additions and improvements thereto, and all Personal Property now or hereafter situated therein, and the utility services, the parking areas and access roads, and all building fixtures and equipment and articles of personal property now or hereafter acquired and used in connection with the operation of the Mortgaged Property. Mortgagor shall promptly replace any of the aforesaid which may become lost, destroyed or unsuitable for use with other property of first-class character.
4. Insurance Coverages. Mortgagor shall insure the Mortgaged Property and the operation thereof with such coverages and in such amounts as are required by the provisions of the Loan Agreement and shall at all times keep such insurance in full force and effect and pay all premiums therefor in accordance with the terms and conditions of the Loan Agreement. The original or certified copies of all such policies of insurance (or certificates or binders thereof issued by the insurer in form, content and manner of execution reasonably satisfactory to Agent) shall be delivered to Agent and the Lenders, and Mortgagor shall deliver to the Agent and the Lenders a new policy or certified copy thereof (or such a certificate) as replacement for an expiring policy (or such a certificate) required to be deposited hereunder together with proof of payment of the premiums therefor in accordance with the terms and conditions of the Loan Agreement. Mortgagor hereby irrevocably appoints Agent its true and lawful attorney-in-fact, with full power of substitution, to assign any such policy in the event of the foreclosure of this Mortgage.
5. Insurance Proceeds. The proceeds of any hazard insurance shall be applied in accordance with Article 14 of the Loan Agreement relating to the application of insurance proceeds, which provisions are expressly incorporated by reference herein. Notwithstanding anything in this Section 5 to the contrary, however, if the insurer denies liability to Mortgagor, Mortgagor shall not be relieved of any obligation under Section 3 of this Mortgage.
6. Eminent Domain. The Awards of damages on account of any condemnation for public use of, or injury to, the Mortgaged Property shall be applied in accordance with Article 14 of the Loan Agreement relating to the application of condemnation proceeds, which provisions are expressly incorporated by reference herein.
7. No Waste; Compliance With Law. Mortgagor shall not commit or suffer any intentional waste of the Mortgaged Property, or any portion thereof, or any violation of any law, rule, regulation, ordinance, license or permit, or the requirements of any licensing authority affecting the Mortgaged Property or any business conducted thereon, and shall not commit or suffer any material (for purposes of this section, "material"

shall mean an activity in excess of \$500,000.00) demolition, removal or alteration of any of the Mortgaged Property (except for customary renovations or alterations performed in connection with Approved Leases or the replacement of Fixtures and Personal Property in the ordinary course of business, so long as items of comparable value and quality are installed free and clear of liens in favor of any other party), without the express prior written consent of Agent in each instance which consent shall not be unreasonably withheld or delayed, and shall not violate nor suffer the violation of the covenants and agreements, if any, of record against the Mortgaged Property, and in all respects

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Mortgagor shall do all things necessary to comply with, and keep in full force and effect all licenses, permits and other governmental authorizations for the operation of the Mortgaged Property for its intended purposes, including, without limitation express or implied, the licenses, permits and authorizations referenced in the Loan Agreement.

8. Environmental and Related Matters; Indemnification. Mortgagor shall at all times comply with all of the terms, conditions and provisions imposed on the Indemnitors (as defined in the Environmental Indemnity) under the Environmental Indemnity and indemnify, exonerate and save harmless Agent, and each of the Lenders and each other Indemnified Party (as defined in the Environmental Indemnity) in accordance with the terms of the Environmental Indemnity.
9. Payment of Taxes and Prevention of Liens. Mortgagor shall pay in accordance with the terms of the Loan Agreement, all taxes, assessments and charges of every nature and to whomever assessed that may now or hereafter be levied or assessed upon the Mortgaged Property or any part thereof, or upon the rents, issues, income or profits thereof or upon the lien or estate hereby created, whether any or all of said taxes, assessments or charges be levied directly or indirectly or as excise taxes or as income taxes. Mortgagor may apply for tax abatements and prosecute diligently and in good faith claims for refund and any such taxes, assessment, and charges, provided the requirements of Section 8.2.3 of the Loan Agreement are satisfied.
10. Due On Sale; No Other Encumbrances; No Transfer of Ownership Interests; Failure to Comply with Permitted Exceptions. The Borrower shall comply with the terms and conditions of the Loan Agreement with respect to Permitted Transactions.
11. Agent's and Lenders' Rights. If Mortgagor shall neglect or refuse: (a) to maintain and keep in good repair the Mortgaged Property or any part thereof as required by this Mortgage or the Loan Agreement, taking into account all applicable grace and cure periods, or (b) to maintain and pay the premiums for insurance which may be required by this Mortgage or the Loan Agreement, taking into account all applicable grace and cure periods, or (c) subject to Mortgagor's right to contest as set forth in the Loan Agreement, to pay and discharge all taxes of whatsoever nature, assessments and charges of every nature and to whomever assessed, as required by this Mortgage or the Loan Agreement, taking into account all applicable grace and cure periods, or (d) to pay the sums required to be paid by this Mortgage or the Loan Agreement, taking into account all applicable grace and cure periods, or (e) to satisfy any other terms or conditions of this Mortgage, or any instrument secured hereby, taking into account all applicable grace and cure periods, Agent may, at its election in each instance, but without any obligation whatsoever to do so, upon thirty (30) days prior written notice (except in the case of (i) an emergency where there is danger to person or property, or (ii) required insurance coverage would lapse, or (iii) an Event of Default exists, in each of which events no notice shall be required except notice of such Event of Default), cause such repairs or replacements to be made, obtain such insurance or pay said taxes, assessments, charges, and sums, incur and pay reasonable amounts in protecting its rights hereunder and the security hereby granted, pay any balance due under any conditional agreement of sale (or lease) of any property included as a part of the Mortgaged Property, and pay any amounts as Agent deems reasonably necessary or appropriate to satisfy any term or condition of this Mortgage, which Mortgagor shall have failed to satisfy, or to remedy any breach of such term or condition, and any amounts or expenses so paid or incurred, together with interest thereon from the date of payment by Agent or the Lenders at the Default Rate as provided in the Loan Agreement shall be immediately due and payable by Mortgagor to Agent and the Lenders and until paid shall be secured hereby equally and ratably, and the

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same may be collected as part of said principal debt in any suit hereon. No payment by Agent or the Lenders shall relieve Mortgagor from any default hereunder or impair any right or remedy of Agent consequent thereon.

12. Tax Reserve and Insurance Reserve. Mortgagor shall, upon the request of Agent, from time to time while an Event of Default is existing, pay to Agent on dates upon which installments of interest are payable under the Loan Agreement, such amount as Agent from time to time estimates as necessary to create and maintain a reserve fund from which to pay before the same become due: (a) all taxes, assessments, liens and charges on or against the Mortgaged Property, and (b) all premiums for insurance policies which are required by this Mortgage. Such payments, if so requested, shall be invested in a non-interest bearing account which shall be held by Agent as cash collateral. Any part or all of such reserve fund may be applied, at the option of Agent, to (i) cure the existing Event of Default, (ii) pay down any part of the indebtedness hereby secured, or (iii) pay to the taxing authority or the insurer the applicable real estate taxes or insurance premiums then due on behalf of Mortgagor. Payments from such reserve fund for said purposes may be made by Agent in accordance with this Section 12 even though subsequent owners of the property described herein may benefit thereby. In refunding any part of said reserve fund, Agent may deal with whomever is the record owner of such property at that time.
13. Certain Expenses. If any action or proceeding is commenced, including, without limitation, an action to foreclose this Mortgage or to collect the debt hereby secured, to which action or proceeding Agent or any Lender is made a party by reason of the execution of this Mortgage, or by reason of any obligation which it secures, or by reason of entry or any other action under this Mortgage, or if in Agent's reasonable judgment it becomes necessary in connection with legal proceedings or otherwise to defend or uphold the mortgage hereby granted or the lien hereby created or any act taken to defend or uphold the mortgage hereby granted or the lien hereby created or any act taken under this Mortgage, all sums reasonably paid or incurred by Agent or any Lender for the expense of any litigation or otherwise, in connection with any rights created by this Mortgage or any other Loan Document, shall be paid by Mortgagor, or may at the option of Agent, if not so paid, be added to the debt secured hereby and shall be secured hereby equally and ratably and shall bear interest until paid at the Default Rate set forth in the Loan Agreement.
14. Regarding Leases. Mortgagor shall comply with the terms and conditions set forth in the Loan Agreement with respect to any leases or occupancy agreements with respect to the Mortgaged Property.
15. Declaration of Subordination. At the option of Agent, which may be exercised at any time or from time to time, by written notice to Mortgagor and to any applicable tenant, this Mortgage shall become subject and subordinate, in whole or in part (but not with respect to priority of entitlement to insurance proceeds or condemnation proceeds), to any and all leases of all or any part of the Mortgaged Property upon the execution by Agent and recording or filing thereof, at any time hereafter in the appropriate official records of the county/registry of deeds wherein the Mortgaged Property are situated of a unilateral declaration to that effect.
16. Further Assignment by Mortgagor. Mortgagor hereby further assigns to Agent as security for the Obligations the lessor's interests in any or all leases, now or hereafter outstanding, and to the extent it may lawfully do so Mortgagor's interests in all agreements, contracts, licenses and permits, now or hereafter outstanding, affecting all or any portion of the Mortgaged Property. Mortgagor shall execute, acknowledge and deliver such further or confirmatory assignments thereof, by instruments in form reasonably satisfactory to the Agent, as Agent may reasonably require. Mortgagor hereby authorizes Agent in

the event of foreclosure, to sell and assign said interests to the purchaser at foreclosure, but neither such assignment nor any such future assignment shall be construed as binding Agent to any lease, agreement, contract, license or permit so assigned, or to impose upon Agent any obligations with respect thereto. Mortgagor hereby irrevocably appoints Agent, or any agent designated by Agent, the true and lawful attorney-in-fact of Mortgagor, with full power of substitution, to execute, acknowledge and deliver any such assignment on behalf of Mortgagor which Mortgagor fails or refuses to do. In the event of any conflict between the provisions of this Section and the

provisions of the Collateral Assignment of Leases and Rents, or any of the other Loan Documents, the provisions of the Collateral Assignment of Leases and Rents shall govern.

17. UCC Filing. Mortgagor, upon Agent's written request, shall promptly cause this Mortgage and any required financing statements to be recorded and re-recorded, registered and re-registered, filed and re-filed at such times and places as may be required by law or reasonably deemed advisable by Agent to create, preserve or protect the priority hereof and of any lien created hereby upon the Mortgaged Property or any part thereof; and Mortgagor shall from time to time do and cause to be done all such things as may be required by Agent, or required by law, including all things which may from time to time be necessary under the Uniform Commercial Code of the Commonwealth of Pennsylvania to fully create, preserve and protect the priority hereof and of any lien created hereby upon said property. Mortgagor hereby irrevocably appoints Agent, or any agent designated by Agent, the true and lawful attorney-in-fact of Mortgagor, with full power of substitution, to execute, acknowledge and deliver any such things on behalf of Mortgagor which Mortgagor fails or refuses to do.
18. Right to Deal with Successor. Agent may, without notice to any person, deal with any successor in interest of Mortgagor herein regarding this Mortgage in all respects as it might deal with Mortgagor herein, without in any way affecting the liability hereunder of any predecessor in interest of the person so dealt with; and no sale of the premises hereby mortgaged, nor any forbearance on the part of Agent, shall operate to release, discharge, modify, change or affect the original liability of any predecessor in interest of the equity owner at the time of such sale or forbearance.
19. Acceleration of Debt. If there is an Event of Default, or if an event occurs which pursuant to which Agent is entitled to exercise its rights and remedies under the Guaranty, or if Mortgagor or Borrower delivers to Agent a notice pursuant to 42 Pa.C.S.A ss.8143 electing to limit the advances under the Loan Agreement, then, at the option of Agent, the entire indebtedness hereby secured shall become immediately due and payable without further notice.
20. Additional Rights of Agent.

20.1 Enter and Perform. Mortgagor authorizes Agent, in addition to all other rights granted by law or by this Mortgage, or by any of the other instruments executed in connection herewith, whenever and as long as any Event of Default shall exist and remain uncured, and without notice beyond the notice, if any, required to be given by the terms of such instrument, to enter and take possession of all or any part of the Mortgaged Property and to use, lease, operate, manage and control the same and conduct the business thereof, and perform lessor's obligations under any lease or the seller's obligations under any Purchase and Sale Agreement or Mortgagor's obligations under any other agreement affecting all or any part of the Mortgaged Property, perform the obligations of the seller under any contracts, and collect the rents, profits and all receipts of every nature therefrom as Agent shall deem best.

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20.2 Repairs and Improvements. Upon every such entry pursuant to Section 20.1, Agent may from time to time at the expense of Mortgagor make all such repairs, replacements, alterations, additions and improvements to the Mortgaged Property as Agent may deem necessary, but in no event shall Agent be obligated to do so, and may, but shall not be obligated to, exercise all rights and powers of Mortgagor, either in the name of Mortgagor, or otherwise as Agent shall determine. Without limitation, express or implied, upon the generality of the foregoing, Agent shall have the right to do all things necessary in order to keep in full force and effect all applicable licenses, permits and authorizations and any amendments thereto.

20.3 Pay Costs and Expenses. Upon such entry pursuant to Section 20.1, Agent may, at its option, but without any obligation to do so, do any one or more of the following: pay and incur all expenses necessary for the holding and operating of the Mortgaged Property, the conduct of any business thereon, the maintenance, repair, replacement, alteration, addition and improvement of the Mortgaged Property, including without limitation payments of taxes, assessments, insurance, wages of employees connected with the Mortgaged Property or any business conducted thereon, charges and reasonable compensation for services of Agent, its attorneys and accountants and all other persons engaged or employed in connection with the Mortgaged Property or of any business conducted thereon and, in addition, Agent, at its option, may, but shall not be obligated to, make payments or incur liability with respect to obligations arising prior to the date it takes possession.

20.4 Add to Secured Indebtedness. All obligations so paid or incurred

by Agent pursuant to Section 20.3 shall be reimbursed or paid for by Mortgagor upon demand, and prior to the repayment thereof shall be added to the debt secured hereby and shall bear interest at the Default Rate, and shall be secured hereby equally and ratably. Agent may also reimburse itself therefor from the income or receipts of the Mortgaged Property or any business conducted thereon, or from the sale of all or any portion of the Mortgaged Property. Agent may also apply toward any of the Obligations any tax or insurance reserve account, deposit or any sum credited or due from Agent to Mortgagor without first enforcing any other rights of Agent against Mortgagor or against any endorser or other guarantor or against the Mortgaged Property.

20.5 Attorney-In-Fact. Mortgagor hereby irrevocably constitutes and appoints Agent, or any agent designated by Agent, for so long as this Mortgage remains undischarged of record, as attorney-in-fact of Mortgagor to execute, acknowledge, seal and deliver all instruments, agreements, deeds, certificates and other documents of every nature and description in order to carry out or implement the exercise of Agent's rights under this Section 20.

21. Setoff. Subject to the terms of this Section 21, Mortgagor hereby grants to Agent and each of the Lenders, a lien, security interest and right of setoff as security for all liabilities and obligations to Agent and the Lenders, whether now existing or hereafter arising, upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of Agent or any Lender or any entity under the control of Fleet Financial Group, Inc., or in transit to any of them. At any time, from and after the occurrence of and during the continuance of an Event of Default, Agent or any Lender may set off the same or any part thereof and apply the same to any liability or obligation of Mortgagor even though unmatured and regardless of the adequacy of any other collateral securing the Loan. Within five (5) Business Days of making any such set-off, Agent agrees to notify Mortgagor thereof, provided that the failure by Agent to give such notice shall not affect the validity of such set-off. ANY AND ALL RIGHTS TO REQUIRE AGENT OR ANY LENDER TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE LOAN, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF THE MORTGAGOR, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.

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22. Contest of Laws. Mortgagor shall have the right to contest by appropriate legal proceedings the validity of any legal requirements affecting the Mortgaged Property in accordance with the provisions of Section 9.1 of the Loan Agreement.
23. Notices. Any demand, notice or request by either party to the other shall be given in the manner provided therefor in the Loan Agreement.
24. Agent/Lender Not Obligated; Cumulative Rights. Nothing in this instrument shall be construed as obligating Agent or any Lender to take any action or incur any liability with respect to the Mortgaged Property or any business conducted thereon, and all options given to Agent are for its benefit and shall and may be exercised in such order and in such combination as Agent in its sole discretion may from time to time decide.
25. Severability. In case any one or more of the provisions of this Mortgage, the Guaranty, the Assignment of Leases and Rents, the Environmental Indemnity, or any of the other Loan Documents, or any other agreement now or hereafter executed in connection with any one or more of the foregoing are held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof. Each of the provisions of every such agreement, document or instrument shall be enforceable by Agent to the fullest extent now or hereafter not prohibited by applicable law.
26. No Waiver. No consent or waiver, express or implied, by Agent to or of any Default by Mortgagor shall be construed as a consent or waiver to or of any other Default at the same time or upon any future occasion.
27. Foreclosure and Other Remedies. From and after the occurrence of and during the continuance of an Event of Default, Agent may institute an action of mortgage foreclosure, or take such other action at law or in equity for the enforcement of this Mortgage and realization on the mortgage security or any other security herein or elsewhere provided for, as the law may allow, and may proceed therein to final judgment and execution for the entire unpaid balance of the indebtedness secured hereby, with interest at the rate(s) stipulated in the Loan Agreement, together with all other sums due in accordance with the provisions of the Loan Agreement, including all sums which may be advanced after the date of this Mortgage, all sums which may have been advanced by the

Agent for taxes, water or sewer rents, other lienable charges or claims, insurance or repairs or maintenance of the Mortgaged Property after the date of this Mortgage (including the period after the entry of any judgment in mortgage foreclosure or other judgement entered pursuant to this Mortgage or the Loan Agreement), and all costs of suit, including reasonable counsel fees. From and after the occurrence of and during the continuance of an Event of Default, Mortgagor authorizes Agent at its option to foreclose this Mortgage subject to the rights of any tenants of the Mortgaged Property, and the failure to make any such tenants parties to any such foreclosure proceedings and to foreclose their rights will not be asserted by Mortgagor as a defense to any proceedings instituted by Agent to recover the indebtedness secured hereby or any deficiency remaining unpaid after the foreclosure sale of the Mortgaged Property.

In connection with the exercise of Agent's rights above, Mortgagor hereby authorizes and empowers any attorney of any court of record in the Commonwealth of Pennsylvania or elsewhere, as attorney for Agent and all persons claiming under or through Agent, to appear for and confess judgment in ejectment against Mortgagor for the possession of the Mortgaged Property and to appear for and confess judgment against

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Mortgagor and against all persons claiming under or through Mortgagor, in favor of Agent, for recovery by Agent of possession thereof, for which this Mortgage, 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 Mortgaged 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 Mortgaged Property shall remain in or be restored to Mortgagor, Agent 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 Mortgaged Property. Agent may confess judgment in ejectment therein before or after the institution of proceedings to foreclose this Mortgage or to enforce the Loan Documents, or after entry of judgment on this Mortgage or on the other Loan Documents executed in connection therewith, or after a sheriff's sale of the Mortgaged Property in which Agent or any Lender is the successful bidder. The authorization to pursue such proceedings for obtaining possession is an essential part of the enforcement of this Mortgage, or the other Loan Documents, and shall survive any execution sale to Agent.

28. Post-Judgment Remedies. Mortgagor authorizes Agent, at its option after entry of any judgment in mortgage foreclosure pursuant to this Mortgage and/or any judgment, by confession or otherwise, pursuant to the Loan Agreement, to petition the court in which such judgment was entered to reassess damages and/or modify such judgment to include (i) all sums which may have been advanced or paid by Agent or any Lender after the entry of such judgment for, or are otherwise due and payable for, taxes, water and sewer rents, other lienable charges or claims, attorneys' fees and costs, insurance for or repairs to or maintenance of the Mortgaged Property and (ii) additional accrued interest at the highest rate of interest provided for under the Loan Agreement.
29. Waivers By Mortgagor. Mortgagor, to the fullest extent that Mortgagor may do so, hereby: (a) agrees that Mortgagor will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisal, valuation, stay or extension, or any redemption after foreclosure sale, and waives and releases all rights of redemption after foreclosure sale, valuation, appraisal, stay of execution, notice of election to mature or declare due the debt secured hereby; and (b) waives all rights to a marshalling of the assets of Mortgagor, including the Mortgaged Property, or to a sale in inverse order of alienation in the event of a sale hereunder of the Mortgaged Property, and agrees not to assert any right under any statute or rule of law pertaining to the marshalling of assets, sale in inverse order of alienation, or other matters whatever to defeat, reduce or affect the right of Agent under the terms of this Mortgage to a sale of the Mortgaged Property.
30. Business Loan; Not Personal Residence. Mortgagor covenants, warrants and represents that all of the proceeds of the Loan secured hereby shall be used for business or commercial purposes, none of the proceeds of the Loan secured hereby shall be used for personal, family or household purposes, and that no individual liable for the Loan resides or intends to reside in any portion of the Mortgaged Property.
31. Certification. The undersigned hereby certifies that Mortgagor is a duly organized, validly existing limited liability company organized and in good standing under the laws of the State of Delaware, and that the execution and delivery hereof and of all of the other instruments

executed in connection herewith by Mortgagor has been duly authorized by all requisite limited liability company actions of Mortgagor.

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32. Headings. Headings and captions in this Mortgage are for convenience and reference only and the words and phrases contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of any of the provisions hereof.
33. Time of Essence. Time shall be of the essence of each and every provision of this Mortgage and each of the other instruments executed herewith.
34. Governing Law; Consent to Jurisdiction; Mutual Waiver of Jury Trial.

34.1 Substantial Relationship. It is understood and agreed that all of the Loan Documents were delivered in the Commonwealth of Massachusetts, which Commonwealth the parties agree has a substantial relationship to the parties and to the underlying transactions embodied by the Loan Documents.

34.2 Place of Delivery. Mortgagor agrees to furnish to Agent at Agent's office in Boston, Massachusetts all further instruments, certifications and documents to be furnished hereunder, if any.

34.3 Governing Law. This Mortgage, except as otherwise provided in Section 34.4, and each of the other Loan Documents shall in all respects be governed, construed, applied and enforced in accordance with the internal laws of the Commonwealth of Massachusetts without regard to principles of conflicts of law, except insofar as formation of the Mortgagor under Delaware law requires Delaware law to apply with respect to matters of authorization to enter into the transaction contemplated by this Mortgage.

34.4 Exceptions. Notwithstanding the foregoing choice of law:

- (a) the procedures governing the enforcement by Agent and each of the Lenders of its foreclosure and other remedies against Mortgagor under this Mortgage and under the other Loan Documents with respect to the Mortgaged Property or other assets situated in the Commonwealth of Pennsylvania, including by way of illustration, but not in limitation, actions for foreclosure, for injunctive relief or for the appointment of a receiver shall be governed by the laws of the Commonwealth of Pennsylvania;
- (b) Agent and each of the Lenders shall comply with applicable law in the Commonwealth of Pennsylvania to the extent required by the law of such jurisdiction in connection with the foreclosure of the security interests and liens created under this Mortgage and the other Loan Documents with respect to the Mortgaged Property or other assets situated in the Commonwealth of Pennsylvania; and
- (c) provisions of Federal law and the law of the Commonwealth of Pennsylvania shall apply in defining the terms Hazardous Materials, Environmental Legal Requirements and Legal Requirements applicable to the Mortgaged Property as such terms are used in this Mortgage, the Environmental Indemnity and the other Loan Documents.

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Nothing contained herein or any other provisions of the Loan Documents shall be construed to provide that the substantive laws of the Commonwealth of Pennsylvania shall apply to any parties' rights and obligations under any of the Loan Documents, which, except as expressly provided in clauses (a), (b) and (c) of this Section 34.4, are and shall continue to be governed by the substantive law of Commonwealth of Massachusetts. In addition, the fact that portions of the Loan Documents may include provisions drafted to conform to the law of the Commonwealth of Pennsylvania is not intended, nor shall it be deemed, in any way, to derogate the parties' choice of law as set forth or referred to in this Mortgage, or in the other Loan Documents. The parties further agree that the Agent may enforce its rights under the Loan Documents including, but not limited to, its rights to sue the Mortgagor or to collect any outstanding indebtedness in accordance with applicable law.

34.5 Consent to Jurisdiction. Mortgagor hereby consents to the nonexclusive personal jurisdiction in any state or Federal court located within the Commonwealth of Massachusetts.

34.6 JURY TRIAL WAIVER. MORTGAGOR, AGENT, AND EACH OF THE LENDERS MUTUALLY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON THIS MORTGAGE, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS MORTGAGE OR ANY OTHER LOAN DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR MORTGAGOR, AGENT AND EACH OF THE LENDERS TO ENTER INTO THE TRANSACTIONS CONTEMPLATED HEREBY.

35. Advance Money Mortgage. This Mortgage secures future advances made pursuant to the Loan Agreement, which future advances are guaranteed by the Mortgagor pursuant to the Guaranty. Without limiting the foregoing, this Mortgage secures all advances made by Agent or any Lender of any kind or nature described in 42 Pa. C.S.ss.8144. The maximum principal amount that may be secured by this Mortgage is \$100,000,000.00, plus all advances made pursuant to any provisions of the Mortgage; provided that in no event shall any Lender be obligated to advance in excess of the stated principal amount of the Note evidencing the indebtedness secured hereby. If Mortgagor sends a written notice to Agent or any Lender which purports to limit the indebtedness secured by this Mortgage and to release the obligation of Agent or any Lender to make any additional advances, such notice shall be ineffective as to any future advances made: (i) to enable completion of Improvements on the Mortgaged Property for which the Loan secured hereby was originally made; (ii) to pay taxes, assessments, maintenance charges and insurance premiums; (iii) for costs incurred for protection of the Mortgaged Property or the lien of this Mortgage; (iv) expenses incurred by Agent or any Lender by reason of a default of Mortgagor hereunder or under the Loan Documents; and (v) any other costs incurred by Agent or any Lender to protect and preserve the Mortgaged Property. It is the intention of the parties hereto that any such advance made by Agent or any Lender after any such notice by Mortgagor shall be secured by the lien of this Mortgage on the Mortgaged Property.

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IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be duly executed and delivered at as a sealed instrument as of the ____ day of March, 2004.

MORTGAGOR: CEDAR DUBOIS, LLC

By: _____
Name: _____
Title: _____

STATE OF _____
COUNTY OF _____

And now, this ____ day of March, 2004, before me, the undersigned Notary Public, personally appeared _____, who acknowledged himself/herself to be the _____ of Cedar Dubois, LLC, a Delaware limited liability company, and that he/she, as such _____ being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of Cedar Dubois, LLC, by himself/herself as _____.

In witness whereof, I hereunder set my hand and official seal.

Notary Public
My commission expires:

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EXHIBIT "A" ANNEXED TO AND MADE A PART OF THE

OPEN-END MORTGAGE AND SECURITY AGREEMENT

LEGAL DESCRIPTION

(See Attached)

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EXHIBIT "B" ANNEXED TO AND MADE A PART OF THE

OPEN-END MORTGAGE AND SECURITY AGREEMENT

PERMITTED TITLE EXCEPTIONS

Those matters noted in Schedule B, Part I, of Agent's
Title Insurance Loan Policy
(_____ Title Insurance Company Policy Number _____)

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COLLATERAL ASSIGNMENT OF LEASES AND RENTS

This Collateral Assignment of Leases and Rents (hereinafter, this "Assignment") made as of this ___ day of March, 2004 by Cedar Dubois, LLC, a Delaware limited liability company having an address at 44 South Bayles Avenue, Port Washington, New York 11050 (hereinafter, together with any successors and assigns, the "Assignor") to FLEET NATIONAL BANK, a national banking association having an address at 100 Federal Street, 8th Floor, Boston, Massachusetts 02110, as agent under a certain Loan Agreement (hereinafter, the "Loan Agreement") dated January 30, 2004, by and among CEDAR SHOPPING CENTERS PARTNERSHIP, L.P. (hereinafter, the "Borrower", which Borrower is not a party to this Assignment), Fleet National Bank and the other lending institutions which are or become parties to the Loan Agreement (Fleet National Bank and the other lending institutions which are or become parties to the Loan Agreement are collectively referred to as the "Lenders" and individually as the "Lender"), and Fleet National Bank, as Agent (hereinafter, together with any successors and assigns, the "Agent"), as the holder of this Assignment, and the Obligations (as defined below) secured hereby.

W I T N E S S E T H T H A T:

1. Grant of Assignment. This Assignment is granted pursuant to the terms, provisions and conditions of the Loan Agreement. Capitalized terms used herein which are not otherwise specifically defined shall have the same meaning herein as in the Loan Agreement.

Assignor, for good and valuable consideration, receipt of which is hereby acknowledged, hereby grants, transfers and assigns to Agent and the Lenders, and grants to Agent and the Lenders a continuing pledge of and security interest in, the entire present and future interest of Assignor in, to and under: (a) all leases, subleases, rental agreements or other occupancy agreements to which Assignor is a party (hereinafter, the "Leases") now or hereafter in existence, with respect to all or any portion of the real property located at the intersection of Route 255 and Commons Drive, Sandy Township, Clearfield County, Pennsylvania (hereinafter, the "Property"); (b) all rents, income and profits of any kind arising from such interests in the Leases and any renewals or extensions thereof for the use and occupation of all or any portion of the Property; (c) all guaranties of and security for the Leases; and (d) all proceeds of the foregoing.

Assignor is the owner of the Property. A legal description of the Property is annexed hereto as Exhibit A.

2. Obligations Secured. This Assignment is made for the purpose of securing the "Obligations" as follows:

A. The Guaranteed Obligations, as such term is defined in that certain Guaranty of even date executed by the Assignor in favor of the Agent on behalf of the Lenders;

B. The payment, performance, discharge and satisfaction of each covenant, warranty, representation, undertaking and condition to be paid, performed, satisfied and complied with by Assignor under and pursuant to this Assignment, the Guaranty, the Loan Documents, or any other document executed in connection therewith;

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C. The payment of all costs, expenses, legal fees and liabilities incurred by Agent or any Lender in connection with the enforcement of any of Agent's or any Lender's rights or remedies under this Assignment, the Guaranty, the Loan Documents, or any other instrument, agreement or document which evidences or secures any other obligations or collateral therefor, whether now in effect or hereafter executed; and

D. The payment, performance, discharge and satisfaction of all other liabilities and obligations of Assignor to Agent and the Lenders, whether now existing or hereafter arising, direct or indirect, absolute or contingent, and including, but without limitation express or implied upon the generality of the foregoing, each such liability and obligation of Assignor under this Assignment, the Guaranty, the Loan Documents, and each amendment, extension, modification, replacement or recasting of any one or more of the instruments, agreements and documents referred to herein or therein or executed in connection with the transactions contemplated hereby or thereby.

3. Warranties and Representations. Assignor warrants and represents that

it is and shall be in the future the sole owner of the entire interests described in Section 1 above and that no rent reserved in the Leases has been or will be in the future otherwise assigned or anticipated, and that no rent for any period subsequent to the date of this Assignment will be collected more than one (1) month in advance except for security deposits and last month's rents taken in the usual course of business pursuant to Leases.

Assignor further warrants and represents that as of the date hereof:

(a) true and complete copies, together with all amendments and modifications, of all Leases presently in full force and effect have been delivered to Agent; (b) to Assignor's knowledge, and except as disclosed to Agent no default exists on the part of any of the lessees or tenants or of Assignor as lessor in the performance on the part of either of the terms, covenants, provisions or agreements in the Leases contained; (c) except as disclosed to Agent Assignor knows of no condition which with the giving of notice or the passage of time or both would constitute a default on the part of any of the lessees or Assignor under the Leases; and (d) no security deposit or advance rental payment has been made by any lessee under the Leases except as has been previously disclosed by Assignor to Agent, or as may be specifically designated in the copies of the Leases previously furnished to Agent.

4. Covenants. The Assignor shall comply with the terms and conditions of the Loan Agreement with respect to all present and future Leases of the Property.

5. Further Terms, Covenants and Conditions. This Assignment is made on the following terms, covenants and conditions:

5.1 Prior to Default. So long as no Event of Default (as defined in the Loan Agreement) exists (hereinafter, collectively, a "Continuing Default"): Assignor shall have the right and license to manage and operate the Property and to collect at the time of, but not more than one (1) month prior to (except for security deposits and first or last month's rent taken in the usual course of business pursuant to the Leases), the date provided for the payment thereof, all rents, income and profits arising under the Leases or from the premises described therein and, subject to the provisions of the other Loan Documents, to retain, use and enjoy the same.

5.2 After Default. At any time when a Continuing Default exists, Agent, without in any way waiving such default, may at its option, without notice (except for the notice of default), and without regard to the adequacy of the security for the Obligations secured hereby and by the Mortgage revoke the right and license granted above to Assignor and:

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(i) Authorize and direct the lessees named in any existing Leases or any other or future lessees or occupants of the Property, upon receipt from Agent of written notice to the effect that Agent is or the Lenders are then the holder of the Mortgage and this Assignment and that a Continuing Default exists thereunder, to pay over to Agent all rents, income and profits arising or accruing under the Leases or from the Property and to continue to do so until otherwise notified in writing by Agent. Assignor agrees that every lessee and occupant shall have the right to rely upon any such statement and request by Agent that lessee or occupant shall pay such rents to Agent without any obligation or right to inquire as to whether such Continuing Default actually exists notwithstanding any notice from or claim of Assignor to the contrary and that Assignor shall have no right or claim against lessees or occupants for any such rent so paid by lessees or occupants to Agent after such notice to the lessee or occupant by Agent;

(ii) Either in person or by agent, with or without bringing any action or proceedings, or by a receiver appointed by a court, take possession of the Property and have, hold, manage, lease and operate the same on such terms and for such period of time as Agent may reasonably deem proper and, either with or without taking possession of the Property in its own name, demand, sue for, or otherwise collect and receive, all rents, income and profits of the Property, including those past due and unpaid, with full power to make from time to time all improvements, alterations, renovations, repairs and replacements thereto or thereof as may seem proper to Agent; and

(iii) Apply such rents, income and profits to the payment of:

(a) all reasonable expenses of managing the Property including, without being limited thereto, the salaries, fees and wages of a managing agent and such other employees as Agent may deem necessary, and all expenses of

operating and maintaining the Property, including, without being limited thereto, all taxes, charges, claims, assessments, water rents, sewer rents and other liens, and premiums for all insurance which Agent may deem necessary, the payment or refund of security deposits, or interest thereon, and the cost of all improvements, alterations, renovations, repairs or replacements, and all expenses incident to taking and retaining possession of the Property; and

- (b) all sums which Assignor is responsible to pay under the Mortgage, and the principal sum, interest and indebtedness secured hereby and by the Mortgage, and all other Obligations together with all reasonable costs and reasonable attorneys' fees, in such order of priority as to any of the items mentioned in this clause (b), as Agent in its sole discretion may determine, any statute, law, custom, or use to the contrary notwithstanding.

The exercise by Agent of the option granted it in this Section 5.2 and the collection of the rents, income and profits and the application thereof as herein provided shall not be considered a waiver by Agent of any Default under the other Loan Documents, or the Guaranty, or the Leases, or this Assignment.

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5.3 Continuing Effect. Upon the satisfaction of the Obligations secured hereby and by the Mortgage, (a) this Assignment shall become and be void and of no effect, but the affidavit of any officer, agent, or attorney of Agent or the Lenders made in good faith showing any part of said Obligations to remain unsatisfied shall be and constitute conclusive evidence of the validity, effectiveness and continuing force of this Assignment and any person may, and is hereby authorized to, rely thereon and (b) Agent shall execute termination of this Assignment at Assignor's cost. The discharge of record of the Mortgage dated as of even date given by Assignor to Agent shall constitute a discharge of this Assignment and a release of Agent's and the Lenders' interest in the Leases and rents assigned hereby and the reassignment thereof (without recourse to Agent or any Lender) to Assignor and all those claiming of record by, through or under Assignor.

5.4 No Waiver; Concurrent Rights. Nothing contained in this Assignment and no act done or omitted by Agent pursuant to the powers and rights granted it hereunder shall be deemed to be a waiver by Agent of its rights and remedies hereunder or any one or more of the other Loan Documents, and this Assignment is made and accepted without prejudice to any of the rights and remedies possessed by Agent under the terms of any of the other Loan Documents. The right of Agent to collect said principal sums, interest and indebtedness and to enforce any other security therefore held by it may be exercised by Agent either prior to, simultaneously with, or subsequent to any action taken by it hereunder.

5.5 No Liability. Neither Agent nor any Lender shall be liable for any loss sustained by Assignor resulting from Agent's failure to let the Property after default or from any other act or omission of Agent in managing the Property after default unless such loss is caused by the gross negligence or willful misconduct of Agent. Agent shall not be obligated to perform or discharge, nor does Agent hereby undertake to perform or discharge, any obligation, duty or liability under the Leases, or under or by reason of this Assignment, and Assignor shall, and does hereby agree to, indemnify Agent and each of the Lenders for, and to defend and hold Agent and each of the Lenders harmless from, any and all liability, loss or damage which may or might be incurred under or by reason of this Assignment and from any and all claims and demands whatsoever which may be asserted against Agent or any 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 the Leases. Should Agent or any Lender incur any such liability under the Leases or under or by reason of this Assignment, or in defense of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees shall be secured hereby and by the Mortgage and by the other collateral for the Obligations and Assignor shall reimburse Agent and the Lenders therefor within thirty (30) days after demand and upon the failure of Assignor so to do, Agent may, at its option, declare all sums secured hereby immediately due and payable. It is further understood that this Assignment shall not operate to place responsibility for the control, care, management or repair of said Property upon Agent, nor for the carrying out of any of the terms and conditions of the Leases; nor shall it operate to make Agent responsible or liable for any waste committed on the Property by tenants or any other parties, or for any dangerous

or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of said Property resulting in loss or injury or death to any tenant, licensee, employee or stranger. Notwithstanding the foregoing, Agent and the Lenders shall not be indemnified on account of, or exculpated from acts of, their own gross negligence or willful misconduct.

5.6 Effect of Foreclosure Deed. Unless Agent otherwise elects in the instance of a Lease which is subordinate to the Mortgage and is thus terminated by the foreclosure, upon the issuance of any deed or deeds pursuant to a foreclosure of the Mortgage, all right, title and interest of Assignor in and to the Leases shall, by virtue of this instrument and such deed or deeds, thereupon vest in and become the absolute property of the grantee or grantees in such deed or deeds without any further act or assignment by Assignor. Assignor hereby irrevocably appoints Agent, and its successors and assigns, as its agent and

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attorney in fact to execute all instruments of assignment for further assurance in favor of such grantee or grantees in such deed or deeds as may be necessary or desirable for such purpose.

5.7 Rights Contained in Mortgage. This Assignment is intended to be supplementary to, and not in substitution for, or in derogation of, any assignment of rents to secure the Obligations contained in the Mortgage or in any other Loan Document. In the event of any conflict between this Assignment and any of the other Loan Documents, the provisions of this Assignment shall govern.

5.8 Notices. Any notice or communications in connection herewith shall be sufficiently given only if given in the manner provided for in the Loan Agreement.

5.9 Grace Periods and Notice. The grace period and notice provisions set forth in the Loan Agreement shall be applicable to any Default under this Assignment.

5.10 Setoff. Subject to the terms of this Section 5.10, Assignor hereby grants to Agent and each of the Lenders, a lien, security interest and right of setoff as security for all liabilities and obligations to Agent and the Lenders, whether now existing or hereafter arising, upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of Agent or any Lender or any entity under the control of Fleet Financial Group, Inc., or in transit to any of them. At any time, from and after the occurrence of and during the continuance of an Event of Default, Agent or any Lender may set off the same or any part thereof and apply the same to any liability or obligation of Assignor even though unmatured and regardless of the adequacy of any other collateral securing the Loan. Within five (5) Business Days of making any such set-off, Agent agrees to notify Assignor thereof, provided that the failure by Agent to give such notice shall not affect the validity of such set-off. ANY AND ALL RIGHTS TO REQUIRE AGENT OR ANY LENDER TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE LOAN, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF THE ASSIGNOR, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.

6. Governing Law; Consent to Jurisdiction; Mutual Waiver of Jury Trial.

6.1 Substantial Relationship. It is understood and agreed that all of the Loan Documents were delivered in the Commonwealth of Massachusetts, which Commonwealth the parties agree has a substantial relationship to the parties and to the underlying transactions embodied by the Loan Documents.

6.2 Place of Delivery. Assignor agrees to furnish to Agent at Agent's office in Boston, Massachusetts all further instruments, certifications and documents to be furnished hereunder, if any.

6.3 Governing Law. This Assignment, except as otherwise provided in Section 6.4, and each of the other Loan Documents shall in all respects be governed, construed, applied and enforced in accordance with the internal laws of the Commonwealth of Massachusetts without regard to principles of conflicts of law, except insofar as formation of the Assignor under Delaware law requires Delaware law to apply with respect to matters of authorization to enter into the transaction contemplated by this Assignment.

6.4 Exceptions. Notwithstanding the foregoing choice of law:

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(a) the procedures governing the enforcement by Agent and each of the Lenders of its foreclosure and other remedies against Assignor

under the Mortgage and under the other Loan Documents with respect to the Property or other assets situated in the Commonwealth of Pennsylvania, including by way of illustration, but not in limitation, actions for foreclosure, for injunctive relief or for the appointment of a receiver shall be governed by the laws of the Commonwealth of Pennsylvania;

- (b) Agent and each of the Lenders shall comply with applicable law in the Commonwealth of Pennsylvania to the extent required by the law of such jurisdiction in connection with the foreclosure of the security interests and liens created under the Mortgage and the other Loan Documents with respect to the Property or other assets situated in the Commonwealth of Pennsylvania; and
- (c) provisions of Federal law and the law of the Commonwealth of Pennsylvania shall apply in defining the terms Hazardous Materials, Environmental Legal Requirements and Legal Requirements applicable to the Property as such terms are used in the Mortgage, the Environmental Indemnity and the other Loan Documents.

Nothing contained herein or any other provisions of the Loan Documents shall be construed to provide that the substantive laws of the Commonwealth of Pennsylvania shall apply to any parties' rights and obligations under any of the Loan Documents, which, except as expressly provided in clauses (a), (b) and (c) of this Section 6.4, are and shall continue to be governed by the substantive law of Commonwealth of Massachusetts. In addition, the fact that portions of the Loan Documents may include provisions drafted to conform to the law of the Commonwealth of Pennsylvania is not intended, nor shall it be deemed, in any way, to derogate the parties' choice of law as set forth or referred to in this Assignment, or in the other Loan Documents. The parties further agree that the Agent may enforce its rights under the Loan Documents including, but not limited to, its rights to sue the Assignor or to collect any outstanding indebtedness in accordance with applicable law.

6.5 Consent to Jurisdiction. Assignor hereby consents to the nonexclusive personal jurisdiction in any state or Federal court located within the Commonwealth of Massachusetts.

6.6 JURY TRIAL WAIVER. ASSIGNOR, AGENT, AND EACH OF THE LENDERS MUTUALLY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON THIS ASSIGNMENT, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS ASSIGNMENT OR ANY OTHER LOAN DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR ASSIGNOR, AGENT AND EACH OF THE LENDERS TO ENTER INTO THE TRANSACTIONS CONTEMPLATED HEREBY.

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IN WITNESS WHEREOF, the Assignor has caused this Assignment to be duly executed and delivered as a sealed instrument as of the ____ day of March, 2004.

ASSIGNOR:

CEDAR DUBOIS, LLC

By: _____
Name: _____
Title: _____

STATE OF _____
COUNTY OF _____

And now, this ____ day of March, 2004, before me, the undersigned Notary Public, personally appeared _____, who acknowledged

himself/herself to be the _____ of Cedar Dubois, LLC, a Delaware limited liability company, and that he/she, as such _____ being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of Cedar Dubois, LLC, by himself/herself as _____.

In witness whereof, I hereunder set my hand and official seal.

Notary Public
My commission expires:

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EXHIBIT A ANNEXED TO AND MADE A PART OF THE
COLLATERAL ASSIGNMENT OF LEASES AND RENTS

LEGAL DESCRIPTION
(See Attached)

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This Environmental Compliance and Indemnity Agreement (hereinafter, the "Environmental Indemnity" or "Agreement") is given pursuant to the terms and conditions of a certain Loan Agreement (hereinafter, the "Loan Agreement") dated January 30, 2004 by and among CEDAR SHOPPING CENTERS PARTNERSHIP, L.P., a Delaware limited partnership having an address at 44 South Bayles Avenue, Port Washington, New York 11050 (hereinafter, the "Borrower"), Fleet National Bank and the other lending institutions which are or become parties to the Loan Agreement (Fleet National Bank and the other lending institutions which are or become parties to the Loan Agreement are collectively referred to as the "Lenders" and individually as the "Lender"), and Fleet National Bank, a national banking association having an address at 100 Federal Street, 8th Floor, Boston, Massachusetts 02110, as Agent (hereinafter, together with any successors and assigns thereof, the "Agent"). Capitalized terms used herein which are not otherwise specifically defined shall have the same meaning herein as in the Loan Agreement.

As used herein:

A. The term "Environmental Legal Requirements" shall mean all applicable present or future federal, state, county and local laws, by-laws, rules, regulations, codes and ordinances, or any judicial or administrative interpretations thereof, and the requirements of any governmental agency or authority having or claiming jurisdiction with respect thereto, applicable to the regulation or protection of the environment, the health and safety of persons and property and all other environmental matters and shall include, but not be limited to, all orders, decrees, judgments and rulings imposed through any public or private enforcement proceedings, relating to Hazardous Materials or the existence, use, discharge, release, containment, transportation, generation, storage, management or disposal thereof, or otherwise regulating or providing for the protection of the environment applicable to the Property and relating to Hazardous Materials, or to the existence, use, discharge, release or disposal thereof. Environmental Legal Requirements presently include, but are not limited to, the following laws: Comprehensive Environmental Response Compensation and Liability Act (42 U.S.C. 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. 51801 et seq.), the Public Health Service Act (42 U.S.C. 5300(f) et seq.), the Pollution Prevention Act (42 U.S.C. 513101 et seq.), the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. 5136 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. ss.6901 et seq.), the Federal Clean Water Act (33 U.S.C. ss.1251 et seq.), The Federal Clean Air Act (42 U.S.C. 57401 et seq.), the Pennsylvania Solid Waste Management Act, 35 P.S. ss.6018.101 et seq. and/or Pa. Code ss.75.260 and 75.261, the Pennsylvania Hazardous Sites Cleanup Act, 35 P.S. ss.6020.101 et seq., the Clean Streams Law, 35 P.S. ss.691.1 et seq., and the Storage Tank and Spill Prevention Act, 35 P.S. ss.6021.101 et seq.

B. The term "Hazardous Materials" shall mean asbestos, mold, flammable materials, explosives, radioactive or nuclear substances, polychlorinated biphenyls, other carcinogens, oil and other petroleum products, radon gas, urea formaldehyde, chemicals, gases, solvents, pollutants, contaminants, and any other hazardous or toxic materials, wastes and substances which are defined, determined or identified as such in any present or future federal, state or local laws, by-laws, rules, regulations, codes or ordinances or any judicial or administrative interpretation thereof.

C. The term "Property" shall mean the land located at the intersection of Route 255 and Commons Drive, Sandy Township, Clearfield County, Pennsylvania.

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D. The term "Surrounding Property" shall mean any property located within one hundred (100) feet of the perimeter of the Property.

E. The term "Guarantor" shall mean, jointly and severally, Cedar Dubois, LLC, and Cedar Shopping Centers, Inc.

F. The term "Indemnitors" shall mean Borrower and Guarantor.

G. The term "Indemnified Party" shall mean: (i) Agent and each of the Lenders; (ii) all those claiming by, through or under Agent or any Lender, including any subsequent holder of the Loan and any present or future owner of a participation interest therein; (iii) any subsequent owner or tenant of all or any portion of the Property following the exercise by Agent of its rights under the Loan Agreement, the Guaranty, the Mortgage, the Assignment of Leases and Rents or the other Loan Documents, including, but not limited to, a foreclosure sale or deed in lieu thereof; and (iv) as to each of the foregoing, their respective affiliate, parent and subsidiary corporations, and, as applicable, the respective officers, directors, stockholders, agents, employees, accountants and attorneys of any one or more of them, and any person, firm or entity which controls, is controlled by, controlling, or under common control with, any one or more of them.

H. The term "Environmental Enforcement Action" shall mean all actions, orders, requirements or liens instituted, threatened in writing, required, completed, imposed or placed by any governmental authority and all claims made or threatened in writing by any other person against or with respect to the Property, or any present or past owner or occupant thereof, arising out of or in connection with any of the Environmental Legal Requirements, any environmental condition, or the assessment, monitoring, clean-up, containment, remediation or removal of, or damages caused or alleged to be caused by, any Hazardous Materials (i) located on or under the Property, or (ii) emanating from the Property.

I. The terms "generated," "stored," "transported," "utilized," "disposed," "managed," "released" and "threat of release," and all conjugates thereof, shall have the meanings and definitions set forth in the Environmental Legal Requirements.

J. The term "Environmental Reports" shall mean those written reports with respect to environmental matters affecting the Property furnished to the Agent prior to the execution of this Agreement.

FOR VALUE RECEIVED, and to induce Agent and the Lenders to grant the Loan and extend credit to the Borrower as provided for in the Loan Agreement and the other Loan Documents, Indemnitors hereby unconditionally agree as follows:

1. Compliance with Environmental Legal Requirements.

1.1 Compliance. Until the full satisfaction of the Borrower's Obligations, and full satisfaction of the Guaranteed Obligations (as defined in the Guaranty executed by the Guarantor), as applicable, the Indemnitors hereby guaranty that the Indemnitors shall comply in all materials respects with all Environmental Legal Requirements applicable to the Property, and that the Indemnitors shall take all remedial action necessary to avoid any liability of the Indemnitors or any Indemnified Party, or any subsequent owner of the Property, and to avoid the imposition of, or to discharge (by payment, bonding, or otherwise), any liens on the Property, as a result of any failure to comply with Environmental Legal Requirements applicable to the Property.

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1.2 Prohibitions. Without limitation upon the generality of foregoing, Indemnitors and each of them agree that they:

(a) shall not release or permit any release of any Hazardous Materials on the Property;

(b) shall not generate or permit any Hazardous Materials to be generated on the Property;

(c) shall not except in strict compliance with all Environmental Legal Requirements, store, or utilize, or permit any Hazardous Materials to be stored or utilized on the Property;

(d) shall not dispose of or permit any Hazardous Materials to be disposed of on the Property;

(e) shall not fail to operate, maintain, repair and use the Property in accordance with all Environmental Legal Requirements; or

(f) shall use commercially reasonable efforts not to allow, permit or suffer any other person or entity to operate, maintain, repair and use the Property except in accordance with Environmental Legal Requirements.

2. Notice of Conditions. Indemnitors shall provide Agent with prompt written notice, but in no event later than ten (10) Business Days after obtaining any actual knowledge or actual notice thereof, of any of the following conditions: (i) the presence, or any release or threat of release, of any Hazardous Materials on, under or from the Property, whether or not caused by any of the Indemnitors; (ii) any Environmental Enforcement Action instituted or threatened with respect to the Property; or (iii) any condition or occurrence on the Property that may constitute a violation of any of the Environmental Legal Requirements with respect to the Property.

3. Indemnitors' Agreement to take Remedial Actions.

3.1 Remedial Actions. Upon any of the Indemnitors becoming aware of the violation of any Environmental Legal Requirement related to the Property, or the presence, or any release or any threat of release, of any Hazardous Materials on, under, or from the Property, whether or not caused by any of the Indemnitors, Indemnitors shall, subject to the rights to contest set forth in Section 6, immediately take all actions to cure or eliminate any such violation of any such Environmental Legal Requirement and, where required by any such Environmental Legal Requirement, to arrange for the assessment, monitoring, clean-up, containment, removal, remediation, or restoration of the Property.

3.2 Security For Costs. If the potential costs associated with the actions required in Section 3.1, the release of any lien against the Property, and the release or other satisfaction of the liability, if any, of any of the Indemnitors with respect to the Property arising under or related to any of the Environmental Legal Requirements or any Environmental Enforcement Action are determined by Agent, in good faith, to exceed \$500,000.00, Agent shall have the right to require the Indemnitors to provide, and the Indemnitors shall provide, within thirty (30) days after written request therefor, a bond, letter of credit or other similar financial assurance, in form and substance satisfactory to Agent, in its good faith judgment, evidencing to

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Agent's reasonable satisfaction that the necessary financial resources will be unconditionally available to pay for all of the foregoing.

3.3 Environmental Assessments. Agent shall have the right to require the Indemnitors, at their own cost and expense, to obtain a professional environmental assessment of the Property in accordance with Agent's then standard environmental assessment requirements and sufficient in scope to comply with the requirements of Section 4 upon the occurrence of any one or more of the following events: (i) an Event of Default, or (ii) upon receipt of any notice of any of the conditions specified in Section 2 of this Agreement.

4. Agent's Rights to Inspect the Property and Take Remedial Actions.

4.1 Agent's Rights. So long as any of the Loan Documents shall remain in force and effect, Agent shall have the right, but not the obligation, through such representatives or independent contractors as it may designate, to enter upon the Property, at reasonable times and upon reasonable notice to the Indemnitors and subject to the rights of any tenants at the Property, and to expend funds to:

4.1.1 Assessments. Cause one (1) or more environmental assessments of the Property to be undertaken, if Agent in its reasonable discretion determines that any of the conditions set forth in Section 2 exists. Such environmental assessments may include, without limitation, (i) detailed visual inspections of the Property, including without limitation all storage areas, storage tanks, drains, drywells and leaching areas; (ii) the taking of soils and surface and sub-surface water samples; (iii) the performance of soils and ground water analysis; and (iv) the performance of such other investigations or analysis as are reasonably necessary and consistent with sound professional environmental engineering practice in order for Agent to obtain a complete assessment of the compliance of the Property and the use thereof with all Environmental Legal Requirements and to make a determination as to whether or not any of the conditions set forth in Section 2 exists;

4.1.2 Cure. Cure any breach of the representations, warranties, covenants and conditions made by or imposed upon Indemnitors under this Agreement including without limitation any violation by any of Indemnitors, or by the Property, or by any other occupant, prior occupant or prior owner thereof, of any of the Environmental Legal Requirements applicable to the Property;

4.1.3 Prevention and Precaution. Take all actions as are necessary to (i) prevent the migration of Hazardous Materials on, under, or from the Property to any other property; (ii) clean-up, contain, remediate or remove any Hazardous Materials on, under, or from any other property which Hazardous Materials originated on, under, or from the Property; or (iii) prevent the migration of any Hazardous Materials on, under, or from any other property to the Property;

4.1.4 Environmental Enforcement Actions. Comply with, settle, or otherwise satisfy any Environmental Enforcement Action including, but not limited to, the payment of any funds or penalties imposed by any governmental authority and the payment of all amounts required to remove any lien or threat of lien on or affecting the Property; provided, however, that the Agent shall not be permitted to take any such action so long as (i) the Borrower, or any other Indemnitor, is

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exercising its rights under Section 6 of this Agreement, and (ii) no Event of Default has occurred and is continuing; and

4.1.5 General. Comply with, settle, or otherwise satisfy any Environmental Legal Requirement and correct or abate any environmental condition on, or which threatens, the Property and which could cause damage or injury to the Property or to any person; provided, however, that the Agent shall not be permitted to take any such action so long as (i) the Borrower, or any other Indemnitor, is exercising its rights under Section 6 of this Agreement, and (ii) no Event of Default has occurred and is continuing.

4.2 Recovery of Costs. Any amounts paid or advanced by Agent or any Lender and all costs and expenditures incurred in connection with any action taken pursuant to the terms of this Agreement, including but not limited to reasonable environmental consultants' and experts' fees and expenses, reasonable attorneys' fees and expenses, court costs and all costs of assessment monitoring clean-up, containment, remediation, removal and restoration, with interest thereon at the Default Rate, shall be a demand obligation of Indemnitors to Agent and, to the extent not prohibited by law, and so long as the Borrower's Obligations and the Guaranteed Obligations are outstanding, shall be added to the obligations secured by the Mortgage when paid by Agent or any Lender and shall be secured by the lien of the Mortgage and the other Security Documents as fully and as effectively and with the same priority as every other obligation secured thereby.

4.3 Agent and the Lenders Not Responsible. The exercise by Agent or any Lender of any one or more of the rights and remedies set forth in this Section 4 shall not operate or be deemed (a) to place upon Agent or any Lender any responsibility for the operation, control, care, service, management, maintenance or repair of the Property, or (b) make Agent or any Lender the "owner" or "operator" of the Property or a "responsible party" within the meaning of any of the Environmental Legal Requirements.

4.4 Agent's and the Lenders' Subrogation. Furthermore, Agent and/or any Lender by making any such payment or incurring any such costs shall be subrogated to all rights of each of Indemnitors or any other occupant of the Property to seek reimbursement from any other person including, without limitation, any predecessor, owner or occupant of the Property who may be a "responsible party" under any of the Environmental Legal Requirements in connection with the presence of Hazardous Materials on or under or which emanated from, the Property.

4.5 Agent/Lender May Stop. Without limiting the generality of the other provisions of this Agreement, any partial exercise by Agent or any Lender of any one or more the rights and remedies set forth in this Section 4 including, without limitation, any partial undertaking on the part of Agent or any Lender to cure any failure by any of the Indemnitors, or of the Property, or any other occupant, prior occupant or prior owner thereof, to comply with any of the Environmental Legal Requirements shall not obligate Agent or any Lender to complete such actions taken or require Agent or any Lender to expend further sums to cure such non-compliance.

5. Indemnification. At all times, both before and after the repayment of the Loan, Indemnitors hereby jointly and severally agree that they shall at their sole cost and expense indemnify, defend, exonerate, protect and save harmless each Indemnified Party against and from any and all damages, losses, liabilities, obligations, penalties, claims, litigation, demands, defenses, judgment, suits, proceedings, costs, disbursements or expenses of any kind or nature whatsoever, including,

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without limitation, reasonable attorneys' and experts' fees and disbursements, which may at any time be imposed upon, incurred by or asserted or awarded against any Indemnified Party and arising from or out of:

5.1 Hazardous Materials. Any Hazardous Materials on, in, under, affecting or emanating from all or any portion of the Property on or before the date hereof, or which may hereafter affect all or any portion of the Property, whenever discovered;

5.2 Environmental Legal Requirements. The violation of any Environmental Legal Requirement by any Indemnitor, or with respect to the Property, existing on or before the date hereof or which may so exist in the future, whenever discovered;

5.3 Breach of Warranty, Representation or Covenant. Any breach of warranty or representation or covenant made by any Indemnitor under or pursuant to this Agreement; and

5.4 General. The enforcement of this Agreement or the assertion by any Indemnitor of any defense to the obligations of any Indemnitor hereunder, whether any of such matters arise before or after foreclosure of the Mortgage or other taking of title to or possession of all or any portion of the Property by Agent or any other Indemnified Party, and specifically including therein, without limitation, the following: (i) costs incurred for any of the matters set forth in Section 4 of this Agreement; and (ii) costs and expenses incurred in ascertaining the existence or extent of any asserted violation of any Environmental Legal Requirements relating to the Property and any remedial action taken on account thereof including, without limitation, the reasonable costs, fees and expenses of engineers, geologists, chemists, other scientists, attorneys, surveyors, and other professionals, or testing and analyses performed in connection therewith.

5.5 Limitation. Notwithstanding the foregoing provisions of this Section 5, the obligation of the Indemnitors to indemnify, defend, exonerate, protect and save harmless each Indemnified Party, as more particularly set forth herein, shall not be applicable to any damages, losses, liabilities, obligations, penalties, claims, litigation, demands, defenses, judgments, suits, proceedings, costs, disbursements or expenses of any kind which are a direct result of the willful misconduct or gross negligence of any Indemnified Party.

6. Right to Contest. Borrower, or any other Indemnitor, may contest in good faith any claim, demand, levy or assessment under any Environmental Legal Requirements, including, but not limited to, any claim with respect to Hazardous Materials, by any person or entity if:

6.1 Material Question In Good Faith. The contest is based upon a material question of law or fact raised by Borrower or such other Indemnitor in good faith;

6.2 Diligent Pursuit. Borrower or such other Indemnitor properly commences and thereafter diligently pursues the contest;

6.3 No Impairment. The contest will not materially impair the taking of any required remedial action with respect to such claim, demand, levy or assessment;

6.4 Adequate Resources. Borrower, or such other Indemnitor, demonstrates to Agent's reasonable satisfaction that Borrower, or such other Indemnitor, has the financial capability to undertake and pay for such contest and any remedial action then or thereafter necessary;

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6.5 Resolve By Maturity. There is no reason to believe that the contest will not be resolved prior to the Maturity of the Loan; and

6.6 No Event Of Default. No Event of Default exists under the Loan Documents.

7. Waivers. Until the full satisfaction of the Borrower's Obligations and full satisfaction of the Guaranteed Obligations, Indemnitors each hereby waive and relinquish to the fullest extent now or hereafter not prohibited by applicable law:

7.1 Suretyship Defenses. All suretyship defenses and defenses in the nature thereof;

7.2 Marshalling. Any right or claim of right to cause a marshalling of any Indemnitor's assets or to cause Agent to proceed against any of the Collateral for the Loan before proceeding under this Agreement against any Indemnitor, or to require Agent to proceed against Indemnitors in any particular order;

7.3 Contribution. All rights and remedies against any other Indemnitor, including, but not limited to, any rights of subrogation, contribution, reimbursement, exoneration or indemnification pursuant to any express or implied agreement, or now or hereafter accorded by applicable law to indemnitors, guarantors, sureties or accommodation parties; provided, however, unless Agent otherwise expressly agrees in writing, such waiver by any particular Indemnitor shall not be effective to the extent that by virtue thereof such Indemnitor's liability under this Indemnity Agreement or under any other Loan Document is rendered invalid, voidable, or unenforceable under any applicable state or federal law dealing with the recovery or avoidance of so-called preferences or fraudulent transfers or conveyances or otherwise;

7.4 Notice. Notice of the acceptance hereof, presentment, demand for payment, protest, notice of protest, or any and all notice of nonpayment, nonperformance, nonobservance or default or other proof or notice of demand whereby to charge Indemnitors therefor;

7.5 Statute of Limitations. The pleading of any statute of limitations as a defense to such Indemnitor's obligations hereunder; and

7.6 Jury Trial. The right to a trial by jury in any matter related to this Environmental Indemnity.

EACH INDEMNITOR, AGENT AND THE LENDERS HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT CONTEMPLATED TO BE EXECUTED IN CONNECTION HERewith OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTIES; THIS WAIVER BEING A MATERIAL INDUCEMENT FOR AGENT AND THE LENDERS TO ACCEPT THIS AGREEMENT AND TO MAKE THE LOAN;

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8. Cumulative Rights. Agent's rights under this Agreement shall be in addition to and not in limitation of all of the rights and remedies of Agent under the other Loan Documents. All rights and remedies of Agent shall be cumulative and may be exercised in such manner and combination as Agent may determine.

9. No Impairment. The liability of Indemnitors hereunder shall in no way be limited or impaired by, and each Indemnitor hereby assents to and agrees to be bound by, any amendment or modification of the provisions of the Loan Documents to or with Agent and the Lenders by Borrower or any Indemnitor or any person who succeeds Borrower as owner of the Property. In addition, the liability of Indemnitors under this Agreement shall in no way be limited or impaired by:

9.1 Extensions. Any extensions of time for performance required by any of the Loan Documents;

9.2 Amendments. Any amendment to or modification of any of the Loan Documents;

9.3 Transfer. Any sale or assignment of the Loan, or any sale, assignment or foreclosure of the Mortgage, or any sale or transfer of all or part of the Property;

9.4 Exculpatory Language. Any exculpatory, or nonrecourse, or limited recourse, provision in any of the Loan Documents limiting Agent's or any Lenders' recourse to the Property encumbered by the Mortgage or to any other property or limiting Agent's or any Lenders' rights to a deficiency judgment against Borrower or any other party;

9.5 Inaccuracies. The accuracy or inaccuracy of any of the representations or warranties made by or on behalf of any Indemnitor under the Loan Documents or otherwise;

9.6 Release. The release of any Indemnitor, or of any other person or entity, from performance or observance of any of the agreements, covenants, terms or conditions contained in this Agreement

or any of the other Loan Documents by operation of law, Agent's or any Lenders' voluntary act, or otherwise;

9.7 Bankruptcy or Reorganization. The filing of any bankruptcy or reorganization proceeding by or against any Indemnitor, any general partner or owner of any Indemnitor, or any subsequent owner of the Property;

9.8 Substitution. The release or substitution in whole or part of any collateral or security for the Loan;

9.9 Failure To Perfect. Agent's failure to record the Mortgage or file any UCC financing statements (or Agent's improper recording or filing of any thereof) or to otherwise perfect, protect, secure, or insure any security interest or lien given as security for the Loan; or

9.10 Invalidity. The invalidity or unenforceability of all or any portion of any of the Loan Documents as to any Indemnitor or to any other person or entity.

Any of the foregoing may be accomplished with or without notice to Borrower or any Indemnitor (except as otherwise required pursuant to the terms and conditions of the Loan Agreement) or with or without consideration.

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10. Delay Not Waiver. No delay on Agent's part in exercising any right, power or privilege hereunder or under any of the Loan Documents shall operate as a waiver of any such privilege, power or right. No waiver by Agent in any instance shall constitute a waiver in any other instance.

11. Warranties and Representations. The Indemnitors each represent and warrant to Agent, the same to be true as of the date hereof and throughout the period that any of the Loan Documents shall remain in force and effect, that, except as set forth in the Environmental Reports, and except as may be further updated in accordance with the terms and conditions of Section 6.22 of the Loan Agreement:

11.1 No Hazardous Materials at Property. No Hazardous Materials have been or are currently generated, stored, transported, utilized, disposed of, managed, released or located on, under or from the Property, whether or not in reportable quantities, or in any manner introduced onto the Property including without limitation any septic, sewage or other waste disposal systems servicing the Property;

11.2 No Violations Claimed Re Property or Indemnitors. None of the Indemnitors has received any notice from the Pennsylvania Department of Environmental Protection, the United States Environmental Protection Agency or any other governmental authority claiming that (i) the Property or any use thereof violates any of the Environmental Legal Requirements or (ii) any of the Indemnitors or any of their respective employees or agents have violated any of the Environmental Legal Requirements with respect to the Property or any Surrounding Property;

11.3 No Liability to Governmental Authorities. None of the Indemnitors has incurred any liability to the Commonwealth of Pennsylvania or the City/Town of Sandy Township, the United States of America or any other governmental authority under any of the Environmental Legal Requirements;

11.4 No Lien on Property. No lien against the Property has arisen under or related to any of the Environmental Legal Requirements;

11.5 No Enforcement Actions. There are no Environmental Enforcement Actions pending, or to the best of the Indemnitors' information, knowledge and belief after due inquiry, threatened in writing;

11.6 No Knowledge of Hazardous Materials at Surrounding Property. None of the Indemnitors has any knowledge, after due inquiry, that any Hazardous Materials have been or are currently generated, stored, transported, utilized, disposed of, managed, released or located on, under or from the Surrounding Property in violation of or allegedly in violation of any of the Environmental Legal Requirements;

11.7 No Knowledge of Violations Re Surrounding Property. None of the Indemnitors has any knowledge, after due inquiry, of any action or order instituted or threatened by any person or governmental authority arising out of or in connection with the Environmental Legal Requirements involving the assessment, monitoring, cleanup, containment, remediation or removal of or damages caused or alleged to be caused by any Hazardous Materials generated, stored, transported,

utilized, disposed of, managed, released or located on, under or from any Surrounding Property;

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11.8 No Underground Storage Tanks. There are no underground storage tanks on or under the Property;

11.9 No Dangerous Conditions. No environmental condition exists on the Property which could cause any damage or injury to the Property or to any person;

11.10 Valid and Binding. This Agreement constitutes the legal, valid and binding obligation of each of the Indemnitors in accordance with the respective terms hereof, subject to bankruptcy, insolvency and similar laws of general application affecting the rights and remedies of creditors, and with respect to the availability of the remedy of specific enforcement subject to the discretion of the court before which proceedings therefor may be brought;

11.11 Entity Matters. That each Indemnitor is a duly organized validly existing entity in good standing under the laws of its organization and has all requisite power and authority to conduct its business and to own its properties as now conducted or owned;

11.12 No Violations. To the knowledge of the Indemnitors, the performance of the obligations evidenced hereby will not constitute a violation of any law, order, regulation, contract, organizational document or agreement to which the Indemnitors or any of them is a party or by which any one or more of them or their property is or may be bound;

11.13 No Litigation. There is no material litigation or administrative proceeding now pending or threatened against the Indemnitors or any of them which if adversely decided could materially impair the ability of any one or more of the Indemnitors to pay or perform their respective obligations hereunder;

11.14 Material Economic Benefit. The granting of the Loan to Borrower will constitute a material economic benefit to each Indemnitor.

12. Multiple Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. Each of the counterparts shall constitute but one in the same instrument and shall be binding upon each of the parties individually as fully and completely as if all had signed but one instrument so that the joint and several liability of each of the Indemnitors hereunder shall be unaffected by the failure of any of the undersigned to execute any or all of said counterparts.
13. Notices. Any notice or other communication in connection with this Agreement shall be in writing and (i) deposited in the United States mail, postage prepaid, by registered or certified mail, or (ii) hand delivered by any commercially recognized courier service or overnight delivery service, such as Federal Express, or (iii) sent by facsimile transmission if a FAX Number in designated below, addressed as follows:

If to the Indemnitors:

Cedar Shopping Centers, Inc.
Cedar Shopping Centers Partnership, L.P.
Cedar Dubois, LLC
44 South Bayles Avenue
Port Washington, New York 11050
Attention: Leo S. Ullman
FAX No.: (516) 767-6497

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And

Attention: Thomas J. O'Keefe

with copies by regular mail or such hand delivery or facsimile transmission to:

Stroock & Stroock & Lavan LLP
180 Maiden Lane
New York, New York 10038-4982
Attention: Mark A. Levy, Esq.

If to Agent:

Fleet National Bank
100 Federal Street
Boston, Massachusetts
Attention: James L. Keough, Director
FAX No.: (617) 434-6384

with copies by regular mail or such hand delivery or facsimile transmission to:

Riemer & Braunstein LLP
Three Center Plaza
Boston, Massachusetts
Attention: Kevin J. Lyons, Esq.
FAX No.: (617) 880-3456

Any such addressee may change its address for such notices to any other address in the United States as such addressee shall have specified by written notice given as set forth above.

All periods of notice shall be measured from the deemed date of delivery. A notice shall be deemed to have been given, delivered and received upon the earliest of: (i) if sent by such certified or registered mail, on the third Business Day following the date of postmark; or (ii) if hand delivered by such courier or overnight delivery service, when so delivered or tendered for delivery during customary business hours on a Business Day at the specified address; or (iii) if so mailed, on the date of actual receipt (or tender of delivery) as evidenced by the return receipt; or (iv) if so delivered, upon actual receipt, or (v) if facsimile transmission is a permitted means of giving notice, upon receipt as evidenced by confirmation.

14. No Oral Change. No provision of this Agreement may be changed, waived, discharged, or terminated orally by telephone or by any other means except by an instrument in writing signed by the party against whom enforcement of the change, waiver or discharge or termination is sought.
 15. Parties Bound; Benefit. This Agreement shall be binding upon the Indemnitors and their respective successors, assigns, heirs and personal representatives and shall be for the benefit of Agent and the Lenders, and of any subsequent holder of the Loan and of any owner of a participation interest therein. In the event the Loan is sold or transferred, then the liability of the Indemnitors to Agent and the Lenders shall then be in favor of both Agent and the Lenders originally named herein and each subsequent holder of the Loan and any of interest therein.
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16. Joint and Several. The obligations of each of the Indemnitors and their respective successors, assigns, heirs and personal representatives shall be joint and several.
 17. Partial Invalidity. Each of the provisions hereof shall be enforceable against each Indemnitor to the fullest extent now or hereafter permitted by law. The invalidity or unenforceability of any provision hereof shall not limit the validity or enforceability of each other provision hereof.
 18. Governing Law and Consent to Jurisdiction. This Agreement and the rights and obligations of the parties hereunder shall in all respects be governed by and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts without giving effect to Massachusetts principles of conflicts of law, except to the extent that reference is made herein to other Loan Documents which are governed by the laws of the Commonwealth of Pennsylvania, and insofar as Environmental Legal Requirements are concerned, in accordance with applicable federal law and Pennsylvania law as well, and except insofar as formation of the parties hereunder under the law of the jurisdiction of the formation of the parties hereunder requires such law of the jurisdiction of the formation of the parties hereunder to apply with respect to matters of authorization to enter into the transaction contemplated by this Agreement. Notwithstanding the foregoing, for the purpose of defining Hazardous Materials and for the purpose of determining the nature and extent of Environmental Legal Requirements applicable to the Property, applicable federal law and applicable law of the Commonwealth of Pennsylvania shall govern and the internal laws of the Commonwealth of Massachusetts shall have no effect for the

purposes of defining such terms. The parties further agree that Agent may enforce its rights under this Agreement and the other Loan Documents including, but not limited to, the rights to sue any Indemnitor in accordance with applicable law. The Indemnitors hereby irrevocably submit to the nonexclusive jurisdiction of any Massachusetts State Court or any Federal Court sitting in Massachusetts over any suit, action or proceeding arising out of or relating to this Agreement.

19. Survival. The provisions of this Agreement shall continue in effect and shall survive (among other events) any payment and satisfaction of the Loan and the Obligations, any termination or discharge of the Mortgage granted to the Agent on the Property, foreclosure, a deed-in-lieu transaction, or release of the Property.

[The balance of this page is intentionally left blank]

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Witness the execution and delivery hereof as an instrument under seal as of the ____ day of March, 2004.

INDEMNITORS: CEDAR SHOPPING CENTERS, INC.

By: _____
Name: _____
Title: _____

CEDAR SHOPPING CENTERS PARTNERSHIP, L.P.

By: Cedar Shopping Centers, Inc.

By: _____
Name: _____
Title: _____

CEDAR DUBOIS, LLC

By: _____
Name: _____
Title: _____

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LIMITED LIABILITY COMPANY AGREEMENT
OF
CEDAR DUBOIS, LLC

This Limited Liability Company Agreement (together with the schedules attached hereto, this "Agreement") of CEDAR DUBOIS, LLC (the "Company"), is entered into by Cedar Shopping Centers Partnership, L.P., as the sole equity member (the "Member"). Capitalized terms used and not otherwise defined herein have the meanings set forth on Schedule A hereto.

The Member, by execution of this Agreement, hereby forms the Company as a limited liability company pursuant to and in accordance with the Delaware Limited Liability Company Act (6 Del. C. Sections 18-101, et seq.), as amended from time to time (the "Act"), and the Member hereby agrees as follows:

Section 1. Name.

The name of the limited liability company formed hereby is Cedar Dubois, LLC.

Section 2. Principal Business Office.

The principal business office of the Company shall be located at 44 South Bayles Avenue, Port Washington, New York 11050 or such other location as may hereafter be determined by the Member.

Section 3. Registered Office.

The address of the registered office of the Company in the State of Delaware is c/o Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, County of New Castle.

Section 4. Registered Agent.

The name and address of the registered agent of the Company for service of process on the Company in the State of Delaware is c/o Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, County of New Castle.

Section 5. Members.

(a) The mailing address of the Member is set forth on Schedule B attached hereto. The Member was admitted to the Company as a member of the Company upon its execution of a counterpart signature page to this Agreement.

(b) The Member may act by written consent.

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Section 6. Certificates.

Brenda Walker, is hereby designated as an "authorized person" within the meaning of the Act, and has executed, delivered and filed the Certificate of Formation of the Company with the Secretary of State of the State of Delaware. Upon the filing of the Certificate of Formation with the Secretary of State of the State of Delaware, her powers as an "authorized person" ceased, and the Member thereupon became the designated "authorized person" and shall continue as the designated "authorized person" within the meaning of the Act. The Member or an Officer shall execute, deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in Pennsylvania and in any other jurisdiction in which the Company may wish to conduct business.

The existence of the Company as a separate legal entity shall continue until cancellation of the Certificate of Formation as provided in the Act.

Section 7. Purposes.

(a) The purpose to be conducted or promoted by the Company shall be limited to the following activities:

- (i) owning the property known as The Commons Shopping Center, as more particularly described in Schedule C attached hereto (the "Land"), together with all buildings, improvements, appurtenances, fixtures, equipment and personal property attached or pertaining to the Land and such buildings (collectively, the "Property"); and
- (ii) engaging in any lawful act or activity and exercising any powers permitted to limited liability companies organized under the laws of the State of Delaware that are related or incidental to and necessary,

convenient or advisable for the accomplishment of the above-mentioned purposes (including the entering into of interest rate or basis swap, cap, floor or collar agreements, currency exchange agreements or similar hedging transactions and referral, management, servicing and administration agreements).

(b) Notwithstanding the provisions of paragraph (a) of this Section 7, the Company shall not take any action that, under the terms of the limited partnership agreement of the Principal, requires the prior consent of the general partner of the Principal, unless the required consent of the general partner of the Principal has been obtained in accordance with the terms thereof.

Section 8. Powers.

Subject to Section 7(b), the Company, and the Board of Directors and the Officers of the Company on behalf of the Company, (i) shall have and exercise all powers necessary, convenient or incidental to accomplish its purposes as set forth in Section 7 and (ii) shall have and exercise all of the powers and rights conferred upon limited liability companies formed pursuant to the Act.

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Section 9. Management.

(a) In accordance with Section 18-402 of the Act, and subject to the terms of this Section 9, management of the Company shall be vested in the Member. The Member shall have the power to do any and all acts necessary, convenient or incidental to or for the furtherance of the purposes described herein, including all powers, statutory or otherwise, possessed by members of a limited liability company under the laws of the State of Delaware. The Member has the authority to bind the Company. Any delegation of authority by the Member pursuant to this Section 9 or Section 10 hereof may be revoked at any time by the Member.

(b) Board of Directors. The Member may elect, from time to time, as the Member deems advisable, that the business and affairs of the Company shall be managed by or under the direction of a Board of one or more Directors designated by the Member. The Member may determine at any time in its sole and absolute discretion the number of Directors to constitute the Board. The authorized number of Directors may be increased or decreased by the Member at any time in its sole and absolute discretion, upon notice to all Directors. The initial number of Directors shall be two (2). Each Director elected, designated or appointed by the Member shall hold office until a successor is elected and qualified or until such Director's earlier death, resignation, expulsion or removal. Directors need not be a Member. The initial Directors designated by the Member are listed on Schedule D hereto.

(c) Powers. Subject to Section 7(b), the Board of Directors shall have the power to do any and all acts necessary, convenient or incidental to or for the furtherance of the purposes described herein, including all powers, statutory or otherwise. Subject to Section 7, the Board of Directors has the authority to bind the Company.

(d) Meeting of the Board of Directors. The Board of Directors of the Company may hold meetings, both regular and special, within or outside the State of Delaware. Regular meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board. Special meetings of the Board may be called by the President on not less than one day's notice to each member of the Board by telephone, facsimile, mail, telegram or any other means of communication, and special meetings shall be called by the President or Secretary in like manner and with like notice upon the written request of any one or more of the members of the Board.

(e) Quorum: Acts of the Board. At all meetings of the Board, a majority of the members of the Board shall constitute a quorum for the transaction of business and, except as otherwise provided in any other provision of this Agreement, the act of a majority of the members of the Board present at any meeting at which there is a quorum shall be the act of the Board. If a quorum shall not be present at any meeting of the Board, the members of the Board present at such meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. Any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee, as the case may be.

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(f) Electronic Communications. Members of the Board, or any committee designated by the Board, may participate in meetings of the Board, or any committee, by means of telephone conference or similar communications equipment that allows all Persons participating in the meeting to hear each other, and

such participation in a meeting shall constitute presence in Person at the meeting. If all the participants are participating by telephone conference or similar communications equipment, the meeting shall be deemed to be held at the principal place of business of the Company.

(g) Committees of Directors.

- (i) The Board may, by resolution passed by a majority of the members of the Board, designate one or more committees, each committee to consist of one or more of the members of the Board of the Company. The Board may designate one or more members of the Board as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee.
- (ii) In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member.
- (iii) Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board. Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

(h) Compensation of Directors; Expenses. The Board shall have the authority to fix the compensation of Directors. The Directors may be paid their expenses, if any, of attendance at meetings of the Board, which may be a fixed sum for attendance at each meeting of the Board or a stated salary as Director. No such payment shall preclude any Director from serving the Company in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

(i) Removal of Directors. Unless otherwise restricted by law, any Director or the entire Board of Directors may be removed or expelled, with or without cause, at any time by the Member, and any vacancy caused by any such removal or expulsion may be filled by action of the Member.

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(j) Directors as Agents. To the extent of their powers set forth in this Agreement, the members of the Board are agents of the Company for the purpose of the Company's business, and the actions of the members of the Board taken in accordance with such powers set forth in this Agreement shall bind the Company. Notwithstanding the last sentence of Section 18-402 of the Act, except as provided in this Agreement or in a resolution of the Board, a Director may not bind the Company.

Section 10. Officers.

(a) Officers. The initial Officers of the Company shall be designated by the Member. The additional or successor Officers of the Company shall be chosen by the Board and shall consist of at least a President, a Secretary and a Treasurer. The Board of Directors may also choose one or more Vice Presidents, Assistant Secretaries and Assistant Treasurers. Any number of offices may be held by the same person. The Board shall choose a President, a Secretary and a Treasurer. The Board may appoint such other Officers and agents as it shall deem necessary or advisable who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board. The salaries of all Officers and agents of the Company shall be fixed by or in the manner prescribed by the Board. The Officers of the Company shall hold office until their successors are chosen and qualified. Any Officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the Board. Any vacancy occurring in any office of the Company shall be filled by the Board. The initial Officers of the Company designated by the Member are listed on Schedule E hereto.

(b) President. The President shall be the chief executive officer of the Company, shall preside at all meetings of the Board, shall be responsible for the general and active management of the business of the Company and shall see that all orders and resolutions of the Board are carried into effect. The President or any other Officer authorized by the President or the Board shall execute all bonds, mortgages and other contracts, except: (i) where required or permitted by law or this Agreement to be otherwise signed and executed; (ii) where signing and execution thereof shall be expressly delegated by the

Board to some other Officer or agent of the Company, and (iii) as otherwise permitted in Section 10(c).

(c) Vice President. In the absence of the President or in the event of the President's inability to act, the Vice President, if any (or in the event there be more than one Vice President, the Vice Presidents in the order designated by the Board, or in the absence of any designation, then in the order of their election), shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice Presidents, if any, shall perform such other duties and have such other powers as the Board may from time to time prescribe.

(d) Secretary and Assistant Secretary. The Secretary shall be responsible for filing legal documents and maintaining records for the Company. The Secretary shall attend all meetings of the Board and record all the proceedings of the meetings of the Company and of the Board in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or shall cause to be given, notice of all meetings of the Member, if any, and special meetings of the Board, and shall perform such other duties as may be prescribed by the Board or the President, under whose supervision the Secretary shall serve. The Assistant Secretary, or if there be more than one, the Assistant Secretaries in the order determined by the Board (or if there be no such determination, then in order of their election), shall, in the absence of the Secretary or in the event of the Secretary's inability to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as the Board may from time to time prescribe.

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(e) Treasurer and Assistant Treasurer. The Treasurer shall have the custody of the Company funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Company and shall deposit all moneys and other valuable effects in the name and to the credit of the Company in such depositories as may be designated by the Board. The Treasurer shall disburse the funds of the Company as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and to the Board, at its regular meetings or when the Board so requires, an account of all of the Treasurer's transactions and of the financial condition of the Company. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board (or if there be no such determination, then in the order of their election), shall, in the absence of the Treasurer or in the event of the Treasurer's inability to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as the Board may from time to time prescribe.

(f) Officers as Agents. The Officers, to the extent of their powers set forth in this Agreement or otherwise vested in them by action of the Board not inconsistent with this Agreement, are agents of the Company for the purpose of the Company's business and the actions of the Officers taken in accordance with such powers shall bind the Company.

(g) Duties of Board and Officers. Except to the extent otherwise provided herein, each Director and Officer shall have a fiduciary duty of loyalty and care similar to that of directors and officers of business corporations organized under the General Corporation Law of the State of Delaware.

Section 11. Limited Liability.

Except as otherwise expressly provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be the debts, obligations and liabilities solely of the Company, and neither the Member nor any Director shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member or Director of the Company.

Section 12. Capital Contributions.

The Member has contributed to the Company property of an agreed value as listed on Schedule B attached hereto.

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Section 13. Additional Contributions.

The Member is not required to make any additional capital contribution to the Company. However, the Member may make additional capital contributions to the Company at any time upon the written consent of such Member. To the extent that the Member makes an additional capital contribution to the Company, the Member shall revise Schedule B of this Agreement. The provisions of this Agreement, including this Section 13, are intended to benefit the Member and, to the fullest extent permitted by law, shall not be construed as conferring any benefit upon any creditor of the Company (and no such creditor of the Company

shall be a third-party beneficiary of this Agreement) and the Member shall not have any duty or obligation to any creditor of the Company to make any contribution to the Company or to issue any call for capital pursuant to this Agreement.

Section 14. Allocation of Profits and Losses.

The Company's profits and losses shall be allocated to the Member.

Section 15. Distributions.

Distributions shall be made to the Member at the times and in the aggregate amounts determined by the Board. Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not be required to make a distribution to the Member on account of its interest in the Company if such distribution would violate Section 18-607 of the Act or any other applicable law.

Section 16. Books and Records.

The Board shall keep or cause to be kept complete and accurate books of account and records with respect to the Company's business. The books of the Company shall at all times be maintained by the Board. The Member and its duly authorized representatives shall have the right to examine the Company books, records and documents during normal business hours. The Company, and the Board on behalf of the Company, shall not have the right to keep confidential from the Member any information that the Board would otherwise be permitted to keep confidential from the Member pursuant to Section 18-305(c) of the Act. The Company's books of account shall be kept using the method of accounting determined by the Member. The Company's independent auditor, if any, shall be an independent public accounting firm selected by the Member.

Section 17. Reports.

(a) Within 60 days after the end of each fiscal quarter, the Board shall cause to be prepared an unaudited report setting forth as of the end of such fiscal quarter:

- (i) unless such quarter is the last fiscal quarter, a balance sheet of the Company; and
- (ii) unless such quarter is the last fiscal quarter, an income statement of the Company for such fiscal quarter.

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(b) The Board shall use diligent efforts to cause to be prepared and mailed to the Member, within 90 days after the end of each fiscal year, an audited or unaudited report setting forth as of the end of such fiscal year:

- (i) a balance sheet of the Company;
- (ii) an income statement of the Company for such fiscal year; and
- (iii) a statement of the Member's capital account.

(c) The Board shall, after the end of each fiscal year, use reasonable efforts to cause the Company's independent accountants, if any, to prepare and transmit to the Member as promptly as possible any such tax information as may be reasonably necessary to enable the Member to prepare its federal, state and local income tax returns relating to such fiscal year.

Section 18. Other Business.

The Member and any Affiliate of the Member may engage in or possess an interest in other business ventures (unconnected with the Company) of every kind and description, independently or with others notwithstanding any provision to the contrary at law or in equity. The Company shall not have any rights in or to such independent ventures or the income or profits therefrom by virtue of this Agreement.

Section 19. Exculpation and Indemnification.

(a) Neither the Member nor any Officer, Director, employee or agent of the Company nor any employee, representative, agent or Affiliate of the Member (collectively, the "Covered Persons") shall, to the fullest extent permitted by law, be liable to the Company or any other Person that is a party to or is otherwise bound by this Agreement for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by this Agreement, except that a Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's gross negligence or

willful misconduct.

(b) To the fullest extent permitted by applicable law, a Covered Person shall be entitled to indemnification from the Company for any loss, damage or claim incurred by such Covered Person by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by this Agreement, except that no Covered Person shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Covered Person by reason of such Covered Person's gross negligence or willful misconduct with respect to such acts or omissions; provided, however, that any indemnity under this Section 19 by the Company shall be provided out of and to the extent of Company assets only, and the Member shall not have personal liability on account thereof.

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(c) To the fullest extent permitted by applicable law, expenses (including legal fees) incurred by a Covered Person defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of an undertaking by or on behalf of the Covered Person to repay such amount if it shall be determined that the Covered Person is not entitled to be indemnified as authorized in this Section 19.

(d) A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Company by any Person as to matters the Covered Person reasonably believes are within such other Person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, or any other facts pertinent to the existence and amount of assets from which distributions to the Member might properly be paid.

(e) To the extent that, at law or in equity, a Covered Person has duties (including fiduciary duties) and liabilities relating thereto to the Company or to any other Covered Person, a Covered Person acting under this Agreement shall not be liable to the Company or to any other Covered Person for its good faith reliance on the provisions of this Agreement or any approval or authorization granted by the Company or any other Covered Person. The provisions of this Agreement, to the extent that they restrict the duties and liabilities of a Covered Person otherwise existing at law or in equity, are agreed by the Member to replace such other duties and liabilities of such Covered Person.

(f) The foregoing provisions of this Section 19 shall survive any termination of this Agreement.

Section 20. Assignments.

The Member may assign in whole or in part its limited liability company interest in the Company. If the Member transfers all of its limited liability company interest in the Company pursuant to this Section 20, the transferee shall be admitted to the Company as a member of the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement, which instrument may be a counterpart signature page to this Agreement. Such admission shall be deemed effective immediately prior to the transfer and, immediately following such admission, the transferor Member shall cease to be a member of the Company. Notwithstanding anything in this Agreement to the contrary, any successor to the Member by merger or consolidation shall, without further act, be the Member hereunder, and such merger or consolidation shall not constitute an assignment for purposes of this Agreement and the Company shall continue without dissolution.

Section 21. Resignation.

If the Member shall resign pursuant to this Section 21, an additional member of the Company shall be admitted to the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement, which instrument may be a counterpart signature page to this Agreement. Such admission shall be deemed effective immediately prior to the resignation and, immediately following such admission, the resigning Member shall cease to be a member of the Company.

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Section 22. Admission of Additional Members.

One or more additional members of the Company may be admitted to the Company with the written consent of the Member.

Section 23. Dissolution.

(a) The Company shall be dissolved, and its affairs shall be wound up only upon the first to occur of the following: (i) the termination of the legal

existence of the last remaining member of the Company or the occurrence of any other event which terminates the continued membership of the last remaining member of the Company in the Company unless the Company is continued without dissolution in a manner permitted by this Agreement or the Act or (ii) the entry of a decree of judicial dissolution under Section 18-802 of the Act. Upon the occurrence of any event that causes the last remaining member of the Company to cease to be a member of the Company or that causes the Member to cease to be a member of the Company (other than (x) upon an assignment by the Member of all of its limited liability company interest in the Company and the admission of the transferee pursuant to Sections 20 and 22, or (y) the resignation of the Member and the admission of an additional member of the Company pursuant to Sections 21 and 22), to the fullest extent permitted by law, the personal representative of such member is hereby authorized to, and shall, within 90 days after the occurrence of the event that terminated the continued membership of such member in the Company, agree in writing (A) to continue the Company and (B) to the admission of the personal representative or its nominee or designee, as the case may be, as a substitute member of the Company, effective as of the occurrence of the event that terminated the continued membership of the last remaining member of the Company or the Member in the Company.

(b) In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Company in an orderly manner), and the assets of the Company shall be applied in the manner, and in the order of priority, set forth in Section 18-804 of the Act.

(c) The Company shall terminate when (i) all of the assets of the Company, after payment of or due provision for all debts, liabilities and obligations of the Company shall have been distributed to the Member in the manner provided for in this Agreement and (ii) the Certificate of Formation shall have been canceled in the manner required by the Act.

Section 24. Waiver of Partition; Nature of Interest.

Except as otherwise expressly provided in this Agreement, to the fullest extent permitted by law, the Member hereby irrevocably waives any right or power that the Member might have to cause the Company or any of its assets to be partitioned, to cause the appointment of a receiver for all or any portion of the assets of the Company, to compel any sale of all or any portion of the assets of the Company pursuant to any applicable law or to file a complaint or to institute any proceeding at law or in equity to cause the dissolution, liquidation, winding up or termination of the Company.

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Section 25. Benefits of Agreement; No Third-Party Rights.

None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditor of the Company or by any creditor of the Member. Nothing in this Agreement shall be deemed to create any right in any Person (other than Covered Persons) not a party hereto, and this Agreement shall not be construed in any respect to be a contract in whole or in part for the benefit of any third Person.

Section 26. Severability of Provisions.

Each provision of this Agreement shall be considered severable and if for any reason any provision or provisions herein are determined to be invalid, unenforceable or illegal under any existing or future law, such invalidity, unenforceability or illegality shall not impair the operation of or affect those portions of this Agreement which are valid, enforceable and legal.

Section 27. Entire Agreement.

This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof.

Section 28. Binding Agreement.

Notwithstanding any other provision of this Agreement, the Member agrees that this Agreement constitutes a legal, valid and binding agreement of the Member and is enforceable against the Member in accordance with its terms.

Section 29. Governing Law.

This Agreement shall be governed by and construed under the laws of the State of Delaware (without regard to conflict of laws principles), all rights and remedies being governed by said laws.

Section 30. Amendments.

This Agreement may be modified, altered, supplemented, amended or repealed pursuant to a written agreement executed and delivered by the Member.

Section 31. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original of this Agreement and all of which together shall constitute one and the same instrument.

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Section 32. Notices.

Any notices required to be delivered hereunder shall be in writing and personally delivered, mailed or sent by telecopy, electronic mail or other similar form of rapid transmission, and shall be deemed to have been duly given upon receipt (a) in the case of the Company, to the Company at its address in Section 2, (b) in the case of the Member, to the Member at its address as listed on Schedule B attached hereto and (c) in the case of either of the foregoing, at such other address as may be designated by written notice to the other party.

Section 33. Effectiveness.

Pursuant to Section 18-201 (d) of the Act, this Agreement shall be effective as of the time of the filing of the Certificate of Formation with the Office of the Delaware Secretary of State on February 4, 2004.

[SIGNATURE PAGE FOLLOWS

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IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, has duly executed this Limited Liability Company Agreement as of the 4th day of February, 2004.

MEMBER:

CEDAR SHOPPING CENTERS PARTNERSHIP, L.P.

By: CEDAR SHOPPING CENTERS, INC.,
its general partner

By:

Name: Brenda J. Walker
Title: Vice President

SCHEDULE A

Definitions

A. Definitions

When used in this Agreement, the following terms not otherwise defined herein have the following meanings:

"Act" has the meaning set forth in the preamble to this Agreement.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with such Person.

"Agreement" means this Limited Liability Company Agreement of the Company, together with the schedules attached hereto, as amended, restated or supplemented or otherwise modified from time to time.

"Board" or "Board of Directors" means the board of directors of the Company.

"Certificate of Formation" means the Certificate of Formation of the Company filed with the Secretary of State of the State of Delaware on February 4, 2004, as amended or amended and restated from time to time.

"Company" means Cedar Dubois, LLC, a Delaware limited liability company.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities or general partnership or managing member interests, by contract or otherwise. "Controlling" and "Controlled" shall have correlative meanings. Without limiting the generality of the foregoing, a Person shall be deemed to Control any other Person in which it owns, directly or indirectly, a majority of the ownership interests.

"Covered Persons" has the meaning set forth in Section 19(a).

"Directors" means the Persons elected to the Board of Directors from time to time by the Member, in their capacity as managers of the Company. Each Director is hereby designated a "manager" of the Company within the meaning of Section 18-101(10) of the Act.

"Member" means Cedar Shopping Centers Partnership, L.P., as the initial member of the Company, and includes any Person admitted as an additional member of the Company or a substitute member of the Company pursuant to the provisions of this Agreement, each in its capacity as a member of the Company.

"Officer" means an officer of the Company described in Section 10.

"Officer's Certificate" means a certificate signed by any Officer of the Company who is authorized to act for the Company in matters relating to the Company.

"Person" means any individual, corporation, partnership, joint venture, limited liability company, limited liability partnership, association, joint stock company, trust, unincorporated organization, or other organization, whether or not a legal entity, and any governmental authority.

"Principal" means Cedar Shopping Centers Partnership, L.P., a Delaware limited partnership.

B. Rules of Construction

Definitions in this Agreement apply equally to both the singular and plural forms of the defined terms. The words "include" and "including" shall be deemed to be followed by the phrase "without limitation." The terms "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section, paragraph or subdivision. The Section titles appear as a matter of convenience only and shall not affect the interpretation of this Agreement. All Section, paragraph, clause, Exhibit or Schedule references not attributed to a particular document shall be references to such parts of this Agreement.

SCHEDULE B

Member

<TABLE>
<CAPTION>

Name	Mailing Address	Agreed Value of Capital Contribution	Membership Interest
Cedar Shopping Centers Partnership, L.P.	44 South Bayles Avenue Port Washington, NY 11050	\$10,000	100%

</TABLE>

SCHEDULE C

THE COMMONS SHOPPING CENTER
LEGAL DESCRIPTION OF FEE PROPERTY

SCHEDULE D

DIRECTORS

1. Leo S. Ullman
2. Brenda J. Walker

SCHEDULE E

OFFICERS
- - - - -

TITLE

Leo S. Ullman

President

Brenda J. Walker

Vice President and Treasurer

Stuart H. Widowski

Secretary

AGREEMENT OF PURCHASE AND SALE (this "Agreement") dated as of December 24, 2003, by and between TOWNFAIR CENTER ASSOCIATES and TOWNFAIR CENTER ASSOCIATES, PHASE III, each a Pennsylvania general partnership having an address at c/o Michael Joseph Development Corporation 2500 Brooktree Drive, Suite 300, Wexford, PA 15090 (jointly and severally, "Seller") and comprised of P. J. DICK INCORPORATED ("PJD"), a Pennsylvania corporation, and MICHAEL JOSEPH LIMITED PARTNERSHIP #2 ("MJLP"), a Pennsylvania limited partnership, each a General Partner of each Seller (and collectively, the "General Partners"), and CEDAR SHOPPING CENTERS PARTNERSHIP, L.P., a Delaware limited partnership, having an address at 44 South Bayles Avenue, Port Washington, New York 11050 ("Buyer").

W I T N E S S E T H :
- - - - -

A. Seller owns certain parcels and improvements thereon comprising a portion of the real property and improvements located along Business Route 422 (Ben Franklin Road), White Township, Pennsylvania, known as Townfair Center (such parcels owned by Seller being more precisely described herein as the "Property").

B. Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Property, upon the terms and conditions and for the purchase price hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration set forth herein, the parties hereto agree as follows:

SECTION 1. Certain Definitions.

"Actions" mean any claims, actions, suits, proceedings or investigations, including, without limitation, condemnation and tax certiorari proceedings, whether at law or in equity or before any court, arbitrator, arbitration panel or Governmental Authority.

"Affiliate" of a party means any Person which, directly or indirectly, controls, is controlled by or is under common control with, such party.

"Broker" means Holliday Fenoglio Fowler, L.P., having an office at 429 Fourth Avenue, Suite 200, Pittsburgh, Pennsylvania 15219-1503.

"Court Order" means any judgment, decree, injunction, order, decision, directive, regulation or ruling of any Governmental Authority that is binding on any Person or its property under Law.

"Due Diligence Period" means the period commencing on the later to occur of (a) the date a complete copy of this Agreement executed by Buyer and Seller with all exhibits attached has been delivered to Buyer or its counsel, and (b) the date Seller has delivered to Buyer the documents described in Section 5(a), or written confirmation that Seller does not have such documents (such date, the "Effective Date") and expiring on the last day of the forty fifth (45th) calendar day following the Effective Date, provided, however,

that if a Phase I environmental report of the Property obtained by Buyer within the Due Diligence Period (the "Phase I") indicates that a Phase II is recommended, and Buyer has initiated a Phase II investigation within the initial Due Diligence Period, but the results of such investigation have not been received by Buyer, then the Due Diligence Period shall be extended until five (5) days after the date Buyer has received the results of such Phase II investigation, provided that such extension of the Due Diligence Period shall not exceed thirty (30) days in any event.

"Escrow Agent" means Lawyers Title Insurance Corporation, or any substitute escrow agent appointed hereunder

"Governmental Authority" means any agency, instrumentality, department, commission, court, tribunal or board of any government, whether foreign or domestic and whether national, federal, state, municipal or local.

"Hazardous Substances" means, without limitation, (i) all substances which are designated pursuant to Section 311(b)(2)(A) of the Federal Water Pollution Control Act ("FWPCA"), 33 U.S.C. ss.1251 et seq.; (ii) any element, compound, mixture, solution, or substance which is designated pursuant to Section 102 of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. ss.9601 et seq.; (iii) any hazardous waste having the characteristics which are identified under or listed pursuant to Section 3001 of the Resource Conservation and Recovery Act ("RCRA"), ss.6901 et seq.; (iv) any toxic pollutant listed under Section 307(a) of the FWPCA; (v) any hazardous air pollutant which is listed under Section 112 of the Clean Air Act, 42 U.S.C. ss.7401 et seq.; (vi) any imminently hazardous chemical substance or mixture with respect to which action has been taken pursuant to Section 7 of the Toxic Substance Control Act, 15 U.S.C. ss.2601 et seq.; and (vii) petroleum, petroleum products, petroleum by-products, petroleum decomposition by-products,

and waste oil; (viii) "hazardous materials" within the meaning of the Hazardous Materials Transportation Act, 49 U.S.C. ss. 1802 et seq., (ix) any hazardous substance or material identified or regulated by or under any applicable provisions of the laws of the Commonwealth of Pennsylvania; (x) asbestos or any asbestos containing materials; or (xi) any other hazardous or toxic substance or pollutant identified in or regulated under any other applicable federal, state or local Laws.

"Knowledge" means the conscious awareness of factual matters, reasonably believed to be true, by any officer or partner of Seller's partners.

"Law" or "Laws" mean laws, statutes, rules, regulations, codes, orders, ordinances, judgments, injunctions, decrees and policies.

"Leases" mean all leases affecting the Property on the date hereof, which Seller represents and warrants are all listed on Exhibit F attached hereto and made a part hereof [this exhibit to contain a detailed listing of every document comprising the leases, including amendments, side letters, guaranties, etc], together with amendments or modifications made after the date hereof and which have been approved by Buyer in writing.

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"Lender" means Norwest Bank Minnesota, as Trustee for Nationslink 1998-2, as successor-in-interest to Patrician Financial Limited Partnership, and its Affiliates, successors and assigns.

"Liabilities" mean debts, liabilities, obligations, guarantees, indemnities, duties and responsibilities of any kind and description, whether absolute or contingent, monetary or non-monetary, direct or indirect, known or unknown or matured or unmatured, or of any other nature.

"Licenses" means licenses, franchises, permits, certificates, certificates of occupancy, easements, rights and other authorizations issued by a Governmental Authority or any other Person.

"Loan" means that certain loan in the original principal sum of Ten Million Seven Hundred Thousand 00/100 Dollars (\$10,700,000.00), made by Lender to the Seller, evidenced by the Note and secured by the Mortgage and other Loan Documents.

"Loan Documents" means the Note, the Mortgage and other loan documents executed by Seller to Lender in connection with the Loan, all of which are listed on Exhibit B-1 attached hereto and made a part hereof and true and correct copies of which have been delivered by Seller to Buyer prior to the date hereof.

"Major Tenant" means any Tenant occupying more than 10,000 leasable square feet under any of the Leases.

"Mortgage" means that certain Open-ended Mortgage and Security Agreement dated as of February 13, 1998, made by the Seller to Lender (together with the Note secured thereby).

"Note" means that certain Promissory Note dated as of February 13, 1998, made by the Seller to the Lender, having a face amount of \$10,700,000.

"Person" means any natural person, corporation, business trust, joint venture, association, company, limited liability entity, firm, partnership, or other entity or government or Governmental Authority.

"Property" means: (a) those certain tracts or parcels of real property owned by Seller comprising a unified commercial development project, commonly known as Townfair Center, located in White Township, Indiana County, Pennsylvania, more particularly identified and described on Exhibit A annexed hereto and hereby made a part hereof (the "Land"), (b) the buildings and other improvements located upon the Land (collectively, the "Improvements"), (c) all easements, rights of way, privileges, appurtenances, development rights, air rights, strips, gores and other rights pertaining to the Land and the Improvements, if any, including, without limitation, development rights, and all income therefrom, including rights to any Taking awards or proceeds, (d) any land in the bed of any street, road, avenue, open or proposed, public or private, in front of or adjoining the Land or any portion thereof, to the center line thereof, and any award to be made in lieu thereof and in and to any unpaid award for damage to the Land and the Building by reasons of change of grade of any street occurring after the date of execution and delivery of this Agreement, (e) all Tenant Leases, (f) all Service Contracts, and (g) any Licenses required or used in or relating to the ownership, use, maintenance, occupancy or operation of any part of the Property.

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"Service Contracts" means any all service agreements, maintenance agreements, supply agreements, and any other similar contracts and agreements affecting Property.

"Taking" means any proceedings or negotiations instituted which do or may result in a taking by condemnation or eminent domain of the Property or any portion thereof.

"Tenants" mean the tenants and other parties under the Leases.

SECTION 2. Sale and Purchase of the Property. Based upon and subject to the terms, agreements, warranties, representations and conditions of this Agreement, Seller hereby agrees to sell, convey, transfer, assign and deliver to Buyer on the Closing Date (as hereinafter defined), and Buyer hereby agrees to buy and accept on the Closing Date, the Property.

SECTION 3. Purchase Price and Manner of Payment.

(a) The purchase price for the Property is the amount of SIXTEEN MILLION SIX HUNDRED THOUSAND and 00/100 DOLLARS (\$16,600,000.00) (the "Purchase Price"), and shall be payable as follows:

(i) upon the execution of this Agreement, the sum of \$100,000.00 (the "Initial Deposit") shall be paid by Buyer by wire transfer to Escrow Agent;

(ii) upon the expiration of the Due Diligence Period, the sum of \$100,000.00 (the "Additional Deposit"; the Initial Deposit and the Additional Deposit, together with interest accruing thereon, shall be referred to herein as the "Deposit") shall be paid by Buyer by wire transfer to Escrow Agent; and

(iii) upon closing of title, Buyer shall assume the outstanding principal balance of the Loan and shall acquire the Property, a portion of which will be under and subject to the Loan Documents (as modified by the Assumption Documents (as hereinafter defined)), pursuant and subject to the terms and conditions of Section 12.1(a)(v) hereof; upon such assumption and the execution of the Assumption Documents and the acceptance thereof by Lender, Buyer shall be credited with having paid a part of the Purchase Price equal to the outstanding principal balance of the Loan on the date of Closing; and

(iv) the balance of the Purchase Price (subject to adjustment in accordance with the terms and conditions of this Agreement), shall be paid by wire transfer of immediately available funds to Seller or its designee.

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(b) The Deposit shall be held by Escrow Agent in escrow in an interest bearing account. Any interest accrued on the Deposit shall be paid to whichever party is entitled to the Deposit in accordance with the provisions of this Agreement. If the Closing shall occur, interest shall be credited against the Purchase Price. The Deposit shall be held and disbursed by Escrow Agent in accordance with the escrow provisions annexed hereto as Exhibit B.

(c) Seller represents that its federal tax identification number is 25-1759438 (for Townfair Center Associates) and 23-2944295 (for Townfair Center Associates, Phase III). Seller acknowledges and agrees that Seller's tax identification number shall be used on the account into which the Deposit is placed.

(d) Seller will allocate the Purchase Price between them as shown on Schedule 3(d) attached to this Agreement.

SECTION 4. Title Matters.

(a) Seller shall convey to Buyer at the Closing good, marketable, insurable fee simple title to the Property, free of all deeds of trust, mortgages, liens, easements, covenants, restrictions, leases, licenses and other encumbrances ("Encumbrances"), subject only to the Permitted Encumbrances (as hereinafter defined), which title shall be insurable by a reputable title insurance company, selected by Buyer, licensed in the Commonwealth of Pennsylvania (the "Title Company"), by issuance of an ALTA owner's title insurance policy (the "Owner's Policy"), insuring the title of the Property at its ordinary rates and without special premiums, and in the standard form issued by the Title Company in the Commonwealth of Pennsylvania, without exception or reservations of any kind, including, without limitation, the standard pre-printed exceptions to the title policy, other than the Permitted Encumbrances (any such other exceptions or reservations, the "Non-Permitted Encumbrances").

(b) The term "Permitted Encumbrances" as used in this

Agreement shall mean:

1. any state of facts which a current accurate land title survey of the Property would show, provided that such facts would not render title other than good and marketable and would not impair the continued use of the Property for a shopping center;
2. those matters specifically set forth on Exhibit C annexed hereto and hereby made a part hereof, subject, however, to the provisions of subsection (e) of this section;
3. those matters shown on the Title Commitment (referred to in Section 4(c)) and not listed or referred to in Buyer's Statement (referred to in Section 4(e)) or, if any such matters are listed or shown on Buyer's Statement, those which Buyer has subsequently waived under Section 4(e);
4. all Laws, provided such Laws are not violated by the existing improvements and do not prohibit the use of the Property as a shopping center;

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5. all presently existing and future liens of real estate taxes or assessments and water rates, water meter charges, water frontage charges and sewer taxes, rents and charges, if any, provided that such items are not yet due and payable and are apportioned as provided in this Agreement;
6. the Leases; and
7. the Loan Documents.

(c) If Buyer's commitment for an Owner's Policy (the "Title Commitment") discloses judgments, bankruptcies or other returns against other Persons having names the same as or similar to that of the Seller, Seller shall, on the request of Buyer, deliver to Buyer and the Title Company affidavits showing that such judgments, bankruptcies or other returns are not against the Seller. Seller shall deliver any customary affidavits required by the Title Company to eliminate exceptions other than the Permitted Encumbrances appearing in the Title Commitment.

(d) At the Closing, Seller shall deliver to each of Buyer and the Title Company an affidavit and/or indemnity with respect to mechanic's liens certifying that there are no unpaid bills for services rendered or materials furnished to the Property.

(e) Buyer shall furnish to Seller or its counsel within thirty (30) days after the Effective Date, a copy of the Title Commitment, together with a statement specifying any objections to title, and may furnish Seller with a current survey of the Premises, together with objection to any conditions disclosed by such survey ("Buyer's Statement"), provided Buyer shall have no right to object to any Permitted Exceptions other than the matters set forth on Exhibit C hereto. Seller or its counsel shall, within ten (10) days of receipt by Seller's counsel of Buyer's Statement, give notice to Buyer ("Seller's Notice") as to which, if any, of the defects set forth in Buyer's Statement, that Seller will not commit to cure at or before the Closing. If Seller does not, within ten (10) days after receipt of Buyer's Statement, advise Buyer in writing that it will remove all of the defects listed in Buyer's Statement, then Buyer's sole right shall be to either (a) waive such defects and close title without abatement or reduction of the Purchase Price, or (b) terminate this Agreement, in either case upon notice to Seller and Escrow Agent given within five (5) days after the expiration of such ten (10) day period. If Buyer elects to terminate this Agreement, the Deposit shall be returned to Buyer, and upon such return, except as expressly provided herein, this Agreement and all rights and obligations of the respective parties hereunder shall be null and void. If Buyer does not notify Seller of its election to terminate this Agreement within such five (5) day period, Buyer shall conclusively be deemed to have waived its right of termination on account of such defects, provided, however, that notwithstanding anything to the contrary set forth in this Agreement, Seller shall be obligated to cure at or before the Closing all any Encumbrance which can be removed at time of closing by payment of a liquidated amount or by posting a bond, as well as any Encumbrance arising after the date of Buyer's delivery of Buyer's Statement and prior to the Closing Date, except for any of the foregoing arising from the acts or omissions of Buyer, its agents, contractors or employees. Seller shall not be obligated to cure non-liquidated Encumbrances (e.g., easements, covenants and restrictions) of record as of the date of Buyer's title commitment and which Seller advises Buyer in Seller's Notice that Seller does not wish to cure.

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(f) Seller shall have the right to pay off any monetary

Encumbrances against the Property on the Closing Date out of the cash then payable provided, in the case of Encumbrances held by institutional lenders, Seller shall deliver a pay off letter at the closing from the lender holding such encumbrance of record, and in the case of Encumbrances held by non-institutional lenders, recordable instruments of release or discharge of such Encumbrances in form and substance satisfactory to the Title Company are then delivered to Buyer.

SECTION 5. Due Diligence.

(a) Promptly after the full execution of this Agreement, Seller shall deliver copies of the following documents to Buyer, to the extent in Seller's possession or control: (i) all Leases currently in effect, (ii) all existing environmental reports for the Property, (iii) the latest, full size survey of the Property, (iv) construction drawings for the Property, if any, (v) title reports, together with copies of all title exception documents, (vi) metes and bounds description of the Land, (vii) annual operating expense reports and tax bills for the past three years, (viii) utility bills for the past twelve (12) months, (ix) information, on a tenant by tenant basis, setting forth the reimbursements paid by each tenant for common area maintenance charges, taxes and insurance, together with a supporting schedule of expenses for the Property, (x) a list and description of all rent delinquencies as of the date hereof, (xi) all existing service contracts currently affecting the Property, (xii) any plans or proposals submitted or reviewed by the local authorities regarding potential expansion or development of the Property, (xiii) the Loan Documents, together with any correspondence sent to or received from Lender in respect of the Property during the preceding three (3) years.

(b) Buyer shall have the right, at any time after the Effective Date, to inspect the Property, and to investigate existing zoning, the physical, structural and environmental condition of the Property, the compliance of the Property with Laws, the rental income and recoveries listed in the rent roll, the operating expenses, taxes and other costs of operating the Property, and any other factors Buyer deems relevant in determining whether to purchase the Property. For purposes of conducting such inspections and studies, Buyer shall have access to the Property at all reasonable times, subject to Section 5(d) below.

(c) Buyer may terminate this Agreement, for any reason or for no reason at all, in Buyer's sole discretion, on notice to Seller and Escrow Agent given at any time during the Due Diligence Period, which notice may be given by email to dvith@mjdc.com and to dondulac@watkinsdulac.com, with a copy concurrently sent by facsimile to Messrs. Vith and Dulac at their facsimile numbers set forth herein. In the event of such termination, Escrow Agent shall return the Deposit to Buyer, whereupon, except as expressly provided herein, this Agreement and all rights and obligations of the respective parties hereunder shall be null and void. If Buyer does not elect to terminate this Agreement pursuant to this Section 5(c) within the Due Diligence Period, Buyer shall conclusively be deemed to have waived its right of termination under this Section 5(c), the Deposit shall be non-refundable, except as otherwise expressly provided hereunder, and Buyer shall post the Additional Deposit with Escrow Agent no later than two (2) business days after the expiration of the Due Diligence Period. When wired to and deposited with the Escrow Agent, the Additional Deposit will be non-refundable, except as otherwise expressly provided hereunder.

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(d) Upon not less than two business days prior written notice to Seller, Seller shall permit Buyer and its agents and consultants access to the Property from time to time for the purpose of undertaking surveys and engineering, environmental, soils, wetlands and other similar tests, borings, drillings and studies, provided Buyer promptly repairs any damage to the Property caused by such entry and restores the Lands to the condition that existed prior to such entry. Seller shall cooperate with Buyer and enforce provisions of Leases if necessary in order to facilitate entry by Buyer into tenant spaces as reasonably required by Buyer. Buyer shall hold and save Seller harmless from and against any and all loss, cost, damage, injury or expense arising out of or in any way related to the acts or omissions of Buyer, its agents, employees and consultants, relating to any such entry, and such obligation shall survive the termination of this Agreement, except that Buyer shall not be liable for costs or damages resulting from Buyer's discovery or exacerbation of pre-existing conditions, absent Buyer's negligence. Prior to any such entry, Buyer shall furnish to Seller evidence that Buyer (or its respective contractors entering onto the Property to perform borings, drillings or other intrusive testings) has procured comprehensive liability insurance from an insurer authorized to do business in the Commonwealth of Pennsylvania which is reasonably acceptable to Seller protecting Seller from claims for bodily injury or death in single limit amount of not less than \$1,000,000, naming Seller as an additional insured. Such insurance shall provide that at least thirty (30) days' notice of termination, cancellation, modification or lapse of coverage shall be given to Seller. The indemnification provision contained in this Section 5(d) shall survive the termination of this Agreement and/or the closing of title.

(e) Buyer will provide Seller with copies of any environmental reports of the Property prepared for Buyer. Buyer will keep confidential and not disclose to third parties all environmental reports of the Property prepared for or delivered to Buyer, except for disclosures (i) to Buyer's consultants, agents, representatives, employees and third parties needing to know such information, provided all such parties agree to maintain the confidentiality of such reports, and (ii) required by law.

SECTION 6. Closing Date. The closing of this transaction (the "Closing") shall be conducted on the later of (i) the date occurring ten (10) days after the expiration of the Due Diligence Period or (ii) January 31, 2004 (the "Closing Date"). The Closing shall be conducted by mail in escrow with the Title Company pursuant to an escrow procedure reasonably acceptable to Seller and Buyer, or at such place as the parties may otherwise agree. Upon the Closing, exclusive possession of the Property, subject to the rights of tenants under the Leases as tenants only, shall be delivered to Buyer, and Buyer shall thence have the right to enjoy the rents, issues and profits therefrom.

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SECTION 7. Closing Deliveries and Closing Costs.

7.1 Seller Deliveries. At the Closing, Seller shall deliver or cause to be delivered to Buyer the following items executed and acknowledged by Seller, as appropriate:

(a) A special or limited warranty deed conveying fee simple title to the Property to Buyer in accordance with this Agreement.

(b) A general instrument of transfer, conveying, transferring and selling to Buyer, all right title and interest of Seller in and to all of the personal property, if any, owned by Seller, all rights of Seller in and to any Service Contract which Buyer has advised Seller it wishes to assume, to the extent the same are assignable, and any intangible property forming part of the Property.

(c) An assignment by Seller and assumption by Buyer of all of Seller's right, title and interest in and to the Leases, including security deposits, in the form attached hereto as Exhibit D.

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

(e) Form 1099.

(f) A certificate stating that all representations and warranties of Seller set forth in Section 10 hereof remain true and correct as of the Closing Date (or certifying as to any changes thereto, subject, however, to the provisions of Section 10.4 herein).

(g) An updated rent roll for the Property, together with a schedule of then-existing delinquencies, certified by Seller to be true and correct (Seller shall deliver this updated rent roll to Buyer at least two (2) business days prior to the closing).

(h) Lender's Consent and Lender's Estoppel (each as hereinafter defined).

(i) Any document required by law to be executed by Seller in order to allow Buyer to record any transfer document, including any transfer or documentary stamp return.

(j) Original estoppels certificate from the following tenants: Lowe's, Supervalu Shop n' Save, Michaels, CVS Pharmacy, Pier 1 Imports and tenants occupying 80%, by rentable square footage, of the remaining retail space at the Property, all in a form substantially similar to the form attached hereto as Exhibit E (or in such other form as may be prescribed under the respective lease with such tenant), dated no earlier than thirty (30) days prior to the closing, and confirming, in the case of tenants, (a) the factual matters with respect to such tenants as set forth in the Rent Roll (as hereinafter defined) and in Sections 10.1 (g), (h) and (i) hereof and (b) that Seller as landlord is not in default under such tenant's lease, nor are there any work allowances,

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concessions or improvements to be performed or provided by Seller as landlord that have not been performed or provided by Seller in full. Seller shall promptly request such estoppel certificate from all tenants of the Property and pursue same in good faith. If Seller is unable to obtain the estoppel certificates required under this subsection by the Closing Date, then the Closing Date shall be adjourned for a period not to exceed fifteen (15) days, to

enable Seller to continue to pursue same. If such estoppel certificates have not been obtained after the expiration of such adjournment of the Closing Date, then Buyer shall have the right to terminate this Agreement, by delivering written notice of termination to Seller, in which event the Deposit, and all interest accrued thereon, shall be returned to Buyer and except as expressly provided herein, this Agreement and all rights and obligations of the respective parties hereunder shall be null and void.

(k) The original fully executed Leases, or, if not available, a copy of each missing Lease certified by Seller as being a true and completed photocopy.

(l) Copies of all Lease files in Seller's possession or control.

(m) Notices to each tenant under the Leases advising that Seller's interest in the Property has been conveyed to Buyer and instructing that all rent and additional rent payable under the Leases is to be remitted to Buyer, that any security deposit is thereafter being held by Buyer, and that all insurance required to be maintained by such tenant is to be amended to name Buyer as a named insured to the extent such tenant is required to so name the landlord under its Lease, such notices to be in form as reasonably required by Buyer;

(n) A statement showing all closing prorations.

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

(p) Evidence reasonably satisfactory to Buyer and the Title Company respecting the due organization of Seller and the General Partners and the due authorization and execution by Seller of this Agreement and the documents required to be delivered hereunder.

(q) 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 Policy to Buyer, including, without limitation, any affidavits or indemnities reasonably required in order to enable the Title Company to insure title in Buyer free of any mechanic's liens.

7.2 Buyer Deliveries. At the Closing, Buyer shall deliver or cause to be delivered to Seller the following items executed and acknowledged by Buyer, as appropriate:

(a) Payment of the balance of Purchase Price, as adjusted, to be made in accordance with Section 3 above.

(b) A counterpart of the document referred to in Section 7.1(c) above.

(c) The Assumption Documents.

(d) Such other documents as may be required under the terms of this Agreement or as may otherwise be reasonably necessary to consummate the transactions contemplated under this Agreement, taking into account the terms and conditions of this Agreement.

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7.3 Closing Costs. At the Closing, Seller and Buyer shall each pay one-half of the transfer taxes, including transfer taxes of the Commonwealth of Pennsylvania and of the county and local municipality in which the Property is located, payable in connection with the transaction contemplated hereby. Buyer shall pay (a) the title insurance premium for the Owner's Policy, if any, (b) the costs of any survey (or an update thereto), and (c) all fees, costs or expenses in connection with Buyer's due diligence reviews hereunder. Seller shall pay the costs of recording discharges of Encumbrances required to be removed by Seller under this Agreement. Seller shall pay any assumption fees in respect of Buyer's assumption of the Loan, as more fully described in Section 12.1 herein. Except as expressly provided in the indemnities set forth in this Agreement, Seller and Buyer shall pay their respective legal, consulting, and other professional fees and expenses incurred in connection with this Agreement and the transaction contemplated hereby and their respective shares of prorations as hereinafter provided.

SECTION 8. Closing Adjustments. (a) The following shall be prorated, between Seller and Buyer as of 12:00 AM EST on the Closing Date (so that Buyer will be debited all taxes and other expenses, and be credited with all rents, accruing as of the Closing Date) on the basis of the actual number of days elapsed over the applicable period) and shall take into account the percentage of such revenues or expenses attributable to the Property:

(i) All real estate taxes, water charges, sewer

rents, vault charges and assessments on the Property on the basis of the fiscal year for which assessed. If any assessments on the Property are payable in installments, then the installment for the current period shall be prorated, with Seller paying its share of any installments due before the Closing Date and Buyer assuming the obligation to pay its share of any installments due after the Closing Date.

(ii) Subject to Section 8(b) of this Agreement, all fixed and base and minimum rent and regularly scheduled items of additional rent under the Leases (including any reimbursements for taxes and common areas operating costs), and other tenant charges if, as and when received. The parties acknowledge that certain Tenants may not pay all items of additional rent, including without limitation common area maintenance ("CAM") charges, insurance premiums and real estate taxes, applicable to periods prior to the Closing Date until after the Closing Date and that Seller may not have completed an accounting of such additional rent charges until after the Closing Date. The parties agree that all such items of additional rent will be adjusted between the parties under Section 8(f) and Seller's share (i.e., amounts reasonably apportionable to periods prior to the Closing Date) shall be paid to Seller without regard to Section 8(b).

(iii) Expenses and payments under Service Contracts which Buyer shall elect to assume.

(iv) fuel, if any, at Seller's cost therefor.

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(v) Utilities not payable directly by tenants, including, without limitation, telephone, steam, electricity and gas, on the basis of the most recently issued bills therefor, subject to adjustment after the Closing when the next bills are available, or if current meter readings are available, on the basis of such readings.

(vi) Interest payable with respect to the Loan for the interest accrual period within which the Closing Date occurs shall be apportioned between Seller and Buyer at and as of the Closing Date (with Buyer's share to include the Closing Date), on a per diem basis using the method for computing interest (e.g., based on a 360 day year) set forth in the Loan Documents. Seller shall also be debited at Closing with all interest, penalties or other charges under the Loan Documents accrued and unpaid as of the Closing Date to the extent such items are assumed by Buyer and not paid by Seller on or before the Closing. Seller shall assign to Buyer, and Buyer will reimburse to Seller, at the Closing all of Seller's right title and interest in all escrow and reserve accounts on deposit with Lender.

(b) Rents under the Leases which are delinquent as of the Closing Date shall not be prorated on the Closing Date. Buyer shall include such delinquencies in its normal billing and shall diligently pursue the collection thereof in good faith after the Closing Date (but Buyer shall not be required to litigate or declare a default in any Tenant Lease). Subject to the terms of the immediately succeeding sentence, to the extent rents are collected by or on behalf of Buyer on or after the Closing Date, such payments shall be applied first toward to the rents that shall then be due and payable with respect to rents for months after the Closing, second to the rents for the month in which the Closing occurs, and third to any delinquent rents owed with respect to months prior to the Closing, with Seller's share thereof being promptly delivered to Seller by Buyer. If percentage rents are collected by or on behalf of Buyer on or after the Closing Date, such percentage rents shall be allocated to the period to which they relate irrespective of the provisions of the immediately preceding sentence and appropriate portions thereof shall be applied to Buyer and Seller in proportion to the duration of such party's ownership of the Property during such period, with Seller's share thereof being promptly delivered to Seller by Buyer. Without Seller's prior written consent, Buyer may not waive any of Seller's claims against any tenant for such tenant's breach of its monetary obligations to Seller under any Lease. Seller hereby reserves the right to pursue any remedy against any tenant owing delinquent rents for periods not exceeding two months prior to the Closing Date and not any other amounts to Seller (except as provided in Section 8(a)(ii) above), which right shall include the right to continue or commence legal actions or proceedings against any tenant; provided, however, that Seller will not institute any action seeking eviction or ejectment of any tenant and prior to commencing any legal actions or proceedings for collection of rents against any tenant while such tenant remains a tenant at the Property, Seller will give notice ("Seller's Suit Notice") to Buyer of Seller's intent to commence a legal action or proceeding against such tenant. Not later than five business days after its receipt of Seller's Suit Notice, Buyer may direct Seller not to institute a legal action or proceeding against such tenant provided Buyer concurrently pays to Seller the amount of the delinquent rents for periods not exceeding two months prior to the Closing Date or other amounts owed to Seller by such tenant. Upon payment by Buyer to Seller of such delinquent rents or other amount owed to Seller, Buyer will be subrogated to Seller's rights against such tenant for such rents and other amounts paid by Buyer. Buyer shall reasonably cooperate with Seller in any

collection efforts hereunder (but shall not be required to litigate or declare a default under any Lease). With respect to delinquent rents and any other amounts or other rights of any kind respecting tenants who are no longer tenants of the Property at any time following the Closing Date, Seller shall retain all rights relating to its share thereof.

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(c) The amount of any security deposits held by Seller under the Leases shall be credited to Buyer, and thereafter, Buyer shall be responsible for same.

(d) The amount of the outstanding principal balance of the Loan on the Closing Date shall be credited to Buyer.

(e) If any of the items described in this Section 8 hereof cannot be apportioned at the Closing because of the unavailability of information as to the amounts which are to be apportioned or otherwise, or are incorrectly apportioned at Closing or subsequent thereto, such items shall be apportioned or reapportioned, as the case may be, as soon as practicable after the Closing Date or the date such error is discovered, as applicable. The foregoing adjustment will not apply to any interim assessment relating to the completion of new construction and the issuance of an original occupancy permit for improvements.

(f) If the Closing shall occur before a real estate or personal property tax rate or assessment is fixed for the tax year in which the Closing occurs, the apportionment of taxes at the Closing shall be upon the basis of the tax rate or assessment for the preceding fiscal year applied to the latest assessed valuation. Promptly after the new tax rate or assessment is fixed, the apportionment of taxes or assessments shall be recomputed and any discrepancy resulting from such recomputation and any errors or omissions in computing apportionments at Closing shall be promptly corrected and the proper party reimbursed.

(g) If after the closing, the parties discover any errors in adjustments and apportionments, same shall be corrected as soon after their discovery as possible. The provisions of this Article 8 shall survive the closing, provided that no adjustments shall be made later than one (1) year after the Closing Date unless prior to such date the party seeking the adjustment shall have delivered a written notice to the other specifying the nature and basis for such claim.

SECTION 9. Defaults. (a) In the event the Buyer fails or refuses to consummate the purchase of the Premises in accordance with the provisions of this Agreement for any reason constituting a default on the part of Buyer, then Escrow Agent shall pay to Seller the Deposit then paid and Seller shall retain the Deposit then paid as full liquidated damages in full and complete satisfaction of all claims against the Buyer and without recourse to any other remedies, legal or equitable. The parties have agreed that actual damages in such event are impossible to determine, and therefore have agreed upon the foregoing liquidated damages, after negotiation, as the parties' best estimate of actual damages which would be incurred in such circumstances.

(b) If the conditions set forth in Article 12.1 have not been satisfied as of the Closing Date, then Buyer may elect to (i) accept title to the Premises subject to the defaulted obligation of Seller (and in the case of a liquidated Encumbrance, use the Purchase Price to eliminate such title defect),

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or (ii) seek specific performance of this Agreement (and receive reimbursement from Seller for reasonable attorneys' fees and costs, if Buyer is the prevailing party in such action) or (iii) terminate this Agreement and elect to receive the return of the Deposit and any interest earned thereon, and in the event such Seller's default is a Willful Default (as hereinafter defined), be compensated by Seller for all actual damages sustained by Buyer as a result of Seller's breach of this Agreement, including, without limitation, reasonable attorneys' fees and disbursements. The term "Willful Default" as used in this Agreement shall mean (a) Seller's willful refusal to convey title to the Property at the Closing, (b) Seller's refusal to cause any Encumbrance to be released (or insured over) but only if and to the extent that Seller is obligated to do so under this Agreement, (c) Seller voluntarily taking any action which has the effect of frustrating the intention of the parties under this Agreement (e.g. entering into a new lease without Buyer's consent); or (d) an intentional material breach of a representation or warranty of Seller under this Agreement

SECTION 10. Representations, Warranties and Covenants.

10.1 Representations, Warranties and Covenants of Seller. Seller hereby represents and warrants to Buyer that, as of the date hereof:

(a) The Seller is comprised of two entities, a general partnership and a limited partnership, each duly organized, validly existing and, in the case of the limited partnership, subsisting under the laws of the Commonwealth of Pennsylvania. The Seller has all requisite power and authority to own, lease, and operate its assets and property and to conduct its business as now being conducted.

(b) Except for (i) Permitted Encumbrances, (ii) mortgages that will be satisfied and released at or prior to Closing, (iii) the purchase options in favor of any tenant or an affiliate of any tenant listed on Exhibit C attached hereto (which Seller represents do not apply in the case of the contemplated sale of the entire Property to Buyer) and (iv) the Loan Documents, copies of which have been previously provided to Buyer, (A) Seller has not sold, conveyed, transferred, given, pledged, mortgaged or otherwise disposed of, encumbered or granted in any manner all or any portion of the Property; (B) except for the purchase options referred to in clause (iii) above and as provided in the Loan Documents, there are no outstanding, options, rights, agreements, or other commitments to which Seller is a party relating to or providing for the sale, conveyance, transfer, gift, pledge, mortgage or other disposition, encumbrance or granting of, or permitting any Person to acquire all or any portion of the Property; and (C) Seller owns the Property free and clear of any liens and, subject to the receipt of the Lender's consent, has the absolute right, power and capacity to sell, assign, convey, transfer and deliver the Property as contemplated by this Agreement. To Seller's knowledge, except for the Mortgage and other mortgages or security documents that will be satisfied and released at or prior to Closing: (i) there are no deeds of trust and/or mortgages on the Property, and (ii) Seller has not consented to the placement of any mortgages or deeds of trust on the Property. The copies of the Loan Documents that have been delivered or made available by Seller to Buyer are true, correct and complete, and have not been modified or amended. Seller is not in default under the Loan. To Seller's knowledge, no fact or circumstance has occurred which, with the giving of notice thereof or the passage of time or both, would constitute a default by Seller under the Loan.

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(c) This Agreement has been duly executed and delivered and constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as enforceability may be limited by applicable law affecting creditors' rights generally and principles of equity, whether considered in a proceeding at law or in equity. No consent, approval, authorization or order of, or declaration, filing or registration with, any Governmental Authority or Person is required in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

(d) Seller is not a "foreign person" under the Foreign Investment in Real Property Tax Act of 1980 ("FIRPTA") and upon consummation of the transaction contemplated hereby, Buyer will not be required to withhold from the Purchase Price any withholding tax.

(e) There are no pending or, to Seller's knowledge, threatened Actions affecting the Property or any part thereof; nor are there any special assessments levied or payable in connection with the Property.

(f) To Seller's knowledge, the Land and Improvements are free of any liens and encumbrances other than the Permitted Encumbrances, the Mortgage and other Loan Documents and mortgages or security documents that will be satisfied and released at or prior to Closing.

(g) All of the Leases to which either the Seller is a party (by assignment or otherwise) or is bound in existence on the date hereof have been delivered or made available to Buyer. The copies of the Leases that have been delivered or made available by Seller to Buyer are true, correct and complete. Exhibit F annexed hereto and hereby made a part hereof sets forth a complete list of all Leases (including, without limitation, all leases, amendments, modifications and "side letters") to which either the Seller is a party or is bound, and is true, complete and correct in all material respects. All Leases are in full force and effect. To Seller's knowledge, all Tenants listed on Exhibit F are in possession of their respective premises and generally open for business, and there are no other parties in possession of the Property, except as otherwise noted on Exhibit F. Except as set forth on Exhibit F, to Seller's knowledge, neither Seller as landlord nor any tenant under any of the Leases is in default under any Leases and the Seller has not received from any Tenant any written notice claiming any default by the landlord under its Lease which default remains uncured. No tenant under any of the Leases has filed or has had filed against it a bankruptcy or insolvency proceeding. Seller has not received written notice of any defense to, offsets, claims or disputes against rental payable or obligations under any Lease (including, without limitation, any objection to billings of common area maintenance expenses or taxes). To Seller's knowledge, no guarantor of any Lease has been released or discharged, voluntarily (involuntarily, or by operation of law) from any obligation related

to such Lease except in accordance with the terms of such Lease.

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(h) Annexed hereto as Exhibit G is a rent roll and security deposit schedule (the "Rent Roll") for all Leases in effect as of the date hereof, which is true and correct in all respects and which shows for each rentable space in the Property the tenant name, space number, monthly base or minimum rental, and common area maintenance expense and real estate tax reimbursement amounts, security deposit held, and the expiration date of each Lease. There are no tenant security deposits to be held by the Landlord under the Leases except as listed in the Rent Roll. At the Closing, Seller shall deliver to Buyer an updated Rent Roll. If any changes shall occur in such Rent Roll Certificate, Buyer shall have the rights relating thereto as set forth in Section 10.4 hereof.

(i) Except as set forth on Exhibit H annexed hereto and made a part hereof, all alterations and improvements required to be performed by the landlord under any of the Leases have been completed, all construction and other allowances and monetary concessions required to be paid by the landlord under the Leases have been paid, and no tenant under any of the Leases is entitled to any free rent or rent concession period. Except as set forth on Exhibit H, all such alterations and improvements shall be completed and all such allowances and monetary concessions shall be paid in full by Landlord on or before the Closing Date. If any allowances or monetary concessions are shown on Exhibit H as not having been fully paid or credited by Seller as of the Closing Date, Buyer will deduct and retain from the Purchase Price otherwise paid to Seller at the Closing the outstanding amount of such allowances and monetary concessions. All brokerage fees and commissions payable or which will be payable in the future with respect to the Leases have been paid in full.

(j) All of the Service Contracts to which Seller is a party (by assignment or otherwise) or is bound, are in existence on the date hereof and have been delivered or made available to Buyer. The copies of the Service Contracts that have been delivered or made available by the Seller to Buyer are true, correct and complete. Exhibit I annexed hereto and hereby made a part hereof sets forth a list of all Service Contracts to which Seller is a party or is bound, and is true, complete and correct in all material respects. Except as set forth on Exhibit I, the Service Contracts are in full force and effect. No default exists under any Service Contracts and to the best of Seller's knowledge, no event or act has occurred which with the giving of notice thereof or the passage of time or both would constitute a default under any Service Contracts. Except as set forth on Exhibit I, all Service Contracts are terminable without premium or penalty on no more than 30 days' notice to the contractor, vendor or other service provider thereunder.

(k) All of the environmental reports delivered by Seller to Buyer are true and complete copies of such reports and Seller has no knowledge of any Hazardous Substances at the Property except as may be set forth in such reports and except for any Hazardous Substances that may be sold by a tenant in the ordinary course of business and ordinary cleaning and maintenance materials used by any tenant.

(l) Seller has received no written notice that there are uncorrected violations of any applicable Laws affecting the Property or the use and occupancy thereof; to Seller's actual knowledge, Seller has obtained all approvals, permits and authorizations from all governmental authorities necessary for the lawful construction, use and operation of the Property, including, without limitation, a certificate of occupancy for each tenant space, permitting such space to be used for retail (or restaurant) purposes, as applicable, and zoning regulations and ordinances applicable in White Township, Pennsylvania have not been violated by existing Improvements or the use thereof.

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(m) No petition has been filed or has, to Seller's knowledge, been threatened to be filed, by or against Seller under any chapter of the United States Bankruptcy Code or any state bankruptcy, insolvency or similar statute.

(n) No work has been performed or is in progress at, and no materials have been furnished to, the Property which, though not presently the subject of, might give rise to construction, mechanic's, materialmen's, municipal or other liens against, the Property or any portion thereof; and

(o) There are no employees employed by Seller or any property manager or otherwise at or in connection with the Property for or to which Buyer shall have any responsibilities or liabilities following the Closing. There are no employment, union, collective bargaining, contracts or similar agreements in effect in connection with the Property or the operation and/or maintenance thereof.

10.2. Survival of Seller's Representations and Warranties. The representations and warranties contained in Section 10.1 are true, accurate and complete and not misleading in any material respect as of the date hereof and shall be deemed to be repeated at and as of the Closing Date, and shall be true, accurate and complete and not misleading in any material respect as of such date. The representations and warranties in Section 10.1 shall survive the Closing for a period of one (1) year.

10.3 GENERAL DISCLAIMER. THE SALE OF THE PROPERTY HEREUNDER IS AND WILL BE MADE ON AN "AS IS" , "WHERE IS," AND "WITH ALL FAULTS" BASIS, AND EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, WITHOUT REPRESENTATIONS AND WARRANTIES OF ANY KIND OR NATURE, EXPRESS, IMPLIED OR OTHERWISE, INCLUDING ANY REPRESENTATION OR WARRANTY CONCERNING TITLE TO THE PROPERTY OR THE PROPERTY, THE PHYSICAL CONDITION OF THE PROPERTY, THE ENVIRONMENTAL CONDITION OF THE PROPERTY (INCLUDING THE PRESENCE OR ABSENCE OF HAZARDOUS SUBSTANCES ON OR AFFECTING THE PROPERTY), THE COMPLIANCE OF THE PROPERTY WITH APPLICABLE LAWS AND REGULATIONS (INCLUDING ZONING AND BUILDING CODES OR THE STATUS OF DEVELOPMENT OR USE RIGHTS RESPECTING THE PROPERTY), THE FINANCIAL CONDITION OF THE PROPERTY, OR ANY OTHER REPRESENTATION OR WARRANTY RESPECTING ANY INCOME, EXPENSES, CHARGES, LIENS OR ENCUMBRANCES, RIGHTS OR CLAIMS ON, AFFECTING OR PERTAINING TO THE PROPERTY OR ANY PART THEREOF. EXCEPT AS TO MATTERS SPECIFICALLY SET FORTH IN THIS AGREEMENT, BUYER WILL ACQUIRE THE PROPERTY SOLELY ON THE BASIS OF ITS OWN PHYSICAL AND FINANCIAL EXAMINATIONS, REVIEWS AND INSPECTIONS AND THE TITLE INSURANCE PROTECTION AFFORDED BY THE OWNER'S POLICY (IN THE EVENT BUYER ELECTS TO PURCHASE SAME). IN ELECTING TO PURCHASE THE PROPERTY, BUYER IS NOT RELYING UPON ANY STATEMENTS OR REPRESENTATIONS MADE BY SELLER OR ANY OF SELLER'S AGENTS OR REPRESENTATIONS EXCEPT FOR THOSE SET FORTH IN THIS AGREEMENT.

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10.4. Changed Circumstances. 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 representation or warranty made by Seller in this Agreement, 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 Buyer within a reasonable period of time. In the event Buyer receives actual notice of any Material Changed Circumstance, whether from Seller or any other source, including its own investigations, then Buyer 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 Buyer. 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 by more than one and one-half (1.50%) percent or would otherwise reasonably be considered material by a Buyer of similar properties. The baseline for determining whether a Changed Circumstance is a Material Changed Circumstance (i.e., the current projected annualized NOI of the Property for 2004 as of the date of this Agreement) is agreed to be \$1,469,559.00

10.5 Representations, Warranties and Covenants of Buyer.

(a) Buyer is a limited partnership duly organized, validly existing, and in good standing under the laws of the State of Delaware, and has full power and authority to own, lease and operate its properties and assets and to conduct its business as now being conducted.

(b) Buyer has the full power and authority to enter into this Agreement and to carry out the transactions contemplated hereby, and the execution, delivery and performance of this Agreement by Buyer has been duly authorized by all necessary action. The purchase of the Property by Buyer from Seller, the execution and delivery of this Agreement, the fulfillment of the terms set forth in this Agreement and the consummation of the transactions contemplated by this Agreement will not conflict with or constitute a default under the organizational documents of Buyer, or a default under any contract by which Buyer is bound, or would be a violation of any Laws applicable to Buyer. This Agreement has been duly executed and delivered and constitutes the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms. Buyer does not require any consent, approval, authorization or order of, or declaration, filing or registration with, any Governmental Authority or Person in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

SECTION 11. Operation of the Property Between Contract and Closing. From and after the date hereof and until the Closing, Seller shall comply with all laws, ordinances, rules or regulations affecting the Property and shall maintain the Property in its existing condition, reasonable wear and tear excepted. Seller shall pay when due any and all taxes, assessments and levies with respect to the Property and timely make all payments with respect to and perform all obligations secured by any encumbrances affecting the Property.

Seller shall do or cause to be done all things reasonably within Seller's control to preserve intact and unimpaired any and all Licenses in favor of,

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constituting or benefiting any portion of the Property. Seller shall promptly notify Buyer of (i) the occurrence of any fire or other casualty causing damage to the Property, or (ii) receipt of notice of eminent domain proceedings or condemnation of or affecting the Property or notice from any governmental authority relating to the condition, use or occupancy of the Property, (including, without limitation, all notices of violation of codes with respect to the Property), or (iii) knowledge of any default by any tenant of the Property under any of the Leases, or (iv) receipt of any notice of Seller's default as landlord under any Lease received by Seller from any tenant of the Property or the receipt or delivery from any tenant of any default or termination notice or claim of offset or defense to the payment of rent; or (v) receipt of notice from any tenant that such tenant intends to vacate its leased premises, or (vi) receipt of any notice of any actual or threatened litigation against Seller or affecting or relating to the Property. Seller shall not, without the prior written consent of Buyer in each instance, do the following:

(i) enter into or amend or modify any lease or other occupancy agreement for the Property;

(ii) enter into any other agreement concerning the Property not cancelable at the Closing;

(iii) convey or agree to convey the Property or any portion thereof or any interest or option therein or in Seller to any third party, or cause or permit the Property to become subject to any Non-Permitted Encumbrances;

(iv) make any structural alteration to any improvements on the Property, or any alteration to any HVAC, electrical, plumbing, sprinkler or other utility system serving the Property; or

(v) apply any of the security deposits, whether to a default of a Tenant or otherwise, without the consent of the Buyer; or

(vi) consent to the assignment or subletting by any tenant of all or any portion of its premises (to the extent that Seller as the landlord under the respective Lease has the right to withhold such consent).

If Buyer receives notice from Seller as to any of the above matters during the Due Diligence Period, Buyer may not unreasonably withhold, condition or delay its consent, provided, however, that in the case of a proposed new lease or lease amendment, Seller shall, concurrent with the submission of the respective document to Buyer, deliver to Buyer Seller's estimate of the total of the leasing commissions, tenant allowances and estimated costs of any landlord work required to be paid or incurred in connection with such new lease or amendment. Buyer's failure to respond to any notice from Seller within six business days after receipt of Seller's notice will be deemed consent from Buyer. If Buyer receives notice from Seller as to any of the above matters after the Due Diligence Period but before the Closing Date, Buyer may in its sole discretion withhold, condition or delay its consent.

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SECTION 12. Conditions To Closing and Post-Closing Matters.

12.1 Conditions of Buyer's Obligation to Close. (a) The obligations of Buyer to consummate the transactions contemplated by this Agreement are, at the option of Buyer, subject to the conditions set forth below, which conditions may be waived by Buyer without releasing or waiving of its rights hereunder:

(i) Title to the Property shall be as specified in Section 4(a).

(ii) The representations and warranties of Seller contained herein are true and correct in all material respects (subject, however, to the provisions of Section 10.4 hereof);

(iii) Seller shall have tendered to Buyer all of the closing documents which Seller is required to deliver hereunder and otherwise performed all obligations required to be performed under this Agreement;

(iv) The property is in substantially the same physical condition as existed upon the expiration of the Due Diligence Period, reasonable wear and tear excepted; and

(v) The Buyer has obtained, at its sole cost and expense, the Lender's approval of Buyer's assumption of the Loan and the Loan Documents, upon terms reasonably acceptable to Buyer ("Lender's Consent"). Any

fee charged by Lender for the assumption of the Mortgage by Buyer, shall be paid by Seller on or before the Closing. At Closing, subject to the terms of this section, Buyer shall assume the outstanding principal balance of the Loan and shall assume all of the liabilities, covenants, agreements and obligations of the Seller under the Loan Documents arising from and after the Closing Date. Buyer shall use reasonable and diligent good faith efforts to obtain the Lender's consent to the assumption of the Loan and Loan Documents by Buyer. Regardless of whether Buyer purchases the Property under this Agreement, Buyer shall pay all of Lender's reasonable out-of-pocket costs and expenses including, but not limited to, fees of Lender's counsel, its correspondent, inspectors or other parties in connection with the review of Buyer's application to assume the Loan or in connection with the assumption of the Loan. If Buyer's application to assume the Loan is approved on terms reasonably acceptable to Buyer, Buyer shall execute and deliver all documents, certificates and opinions of counsel Lender or its counsel may reasonably require in connection with the assumption of the Loan (collectively, the "Assumption Documents") and shall otherwise satisfy or cause to be satisfied Lender's reasonable conditions and requirements for closing on the assumption. Buyer shall have the right to extensions of the Closing Date as may be reasonably necessary to obtain Lender's consent to Buyer's assumption of the loan and to finalize such Assumption Documents as may be reasonably acceptable to the Lender and Buyer.

(vi) Seller shall have delivered to Buyer at or prior to Closing an estoppel certificate from Lender (the "Lender's Estoppel"), dated no more than thirty (30) days before the Closing, stating that to Lender's knowledge, (i) the Loan and the Loan Documents are in full force and effect, (ii) Seller is not in default under the Loan Documents, (iii) the date to which debt service payments have been made, (iv) the outstanding balance of principal and any accrued interest under the Loan, together with the per diem amount of interest accruing from and after the date of the Lender's Estoppel, (v) the nature and all itemized balances (as of the Closing Date) of all reserves and escrows then on deposit with the Lender, and (vi) such other customary estoppel provisions as shall be reasonably requested by Buyer. Seller's delivery of such Lender's Estoppel containing at least the items specified in clauses (i) through (v) above shall be a condition to Buyer's obligation to consummate this transaction.

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(b) In the event that the conditions contained in this Section 12.1 are not satisfied, except if such failure shall constitute a default by Seller under this Agreement (in which event the provisions of Section 9 shall be applicable), Buyer shall have as its sole remedy hereunder the right to (i) waive such unsatisfied condition whereupon the transactions contemplated by this Agreement shall be consummated as provided in this Agreement, or (ii) terminate this Agreement, by notice to Seller. Upon the giving of such termination notice, this Agreement shall terminate and, except as otherwise set forth herein, neither party to this Agreement shall have any further rights or obligations hereunder.

12.2. Verizon Lease.

(a) With respect to the Lease dated December __, 2003 (the "Verizon Lease"), between Seller, as Landlord and Cellco Partnership (d/b/a Verizon Wireless), as Lessee, there shall be held back from the Purchase Price otherwise payable to the Seller at Closing and deposited into escrow in with Escrow Agent in accordance with an escrow agreement to be negotiated in good faith between Seller and Buyer during the Due Diligence Period, the sum of (i) the total fixed rent and additional rent which would have been payable under the Verizon Lease (if the rent commencement date under such Lease had occurred on the Closing Date) between the Closing Date and the actual projected rent commencement date under the Verizon Lease (based upon the reasonably estimated date of substantial completion of all work required to be performed by the landlord under the Verizon Lease in constructing the leased premises and the period of time thereafter under the Lease until said base rent is to commence), plus (ii) the estimated leasing commissions remaining to be paid with respect to the initial term of the Verizon Lease, plus (iii) an amount equal to one hundred and twenty percent (120%) of the sum of the remaining estimated costs of improvements and tenant allowances which would need to be expended for the improvements to be constructed by the landlord under the Verizon Lease in order to obtain the annual fixed rent for such space as reflected on the Rent Roll, including, without limitation, site work, labor and material costs, and legal, engineering, architectural and other "soft costs" projected to be incurred by the landlord for such improvements.

(b) The amount escrowed under subsection (a) shall be disbursed by Escrow Agent to Seller on a monthly basis following the Closing Date in accordance with the terms and conditions of the Escrow Agreement. If the actual aggregate amount expended from such escrow is less than the aggregate amount escrowed pursuant to such subsection, then at such time as such difference is determined, the Escrow Agent shall be authorized and instructed to disburse such difference to Seller.

SECTION 13. Casualty and Condemnation

13.1 Casualty. In the event of any fire or other casualty affecting the Property prior to the Closing Date, Seller shall promptly notify Buyer thereof, describing the nature and extent thereof. If such casualty would cost at least \$700,000 to repair, or would not be fully covered by Seller's insurance (with no deductible, or with only such deductible as Seller would agree to reimburse Buyer for), or would give any Major Tenant of the Property the right to terminate its Lease, then Buyer may, at its election, at any time within fifteen (15) calendar days after receipt of notice of such casualty, terminate this Agreement by notice to Seller and Escrow Agent, whereupon the Deposit shall be refunded to Buyer and, except as provided herein, neither party shall have any further rights against the other hereunder. In the event Buyer does not terminate this Agreement by reason of any such casualty within such fifteen (15) day period, or in the event that Buyer does not have the right to so terminate this Agreement, then and in that event, the sale of the Property shall be consummated as herein provided and Seller shall assign to Buyer on the Closing Date all of Seller's right, title and interest in and to all insurance proceeds payable by reason of such casualty and shall pay over to Buyer all amounts theretofore received by Seller in connection with such casualty and the amount of any deductible, in each case, net of Seller's costs incurred in obtaining such proceeds or restoring the Property; provided however Seller may retain any proceeds of any "loss of rent" insurance maintained by Seller applicable to such casualty for rents lost prior to the Closing Date.

13.2 Condemnation. In the event of any Taking prior to the Closing Date, Seller shall promptly notify Buyer thereof, describing the nature and extent thereof. Buyer may thereupon, at its election, at any time within fifteen (15) calendar days after receipt of written notice of such condemnation, terminate this Agreement by notice to Seller and Escrow Agent, whereupon the Deposit shall be refunded to Buyer and, except as provided herein, neither party shall have any further rights against the other hereunder. In the event Buyer does not terminate this Agreement by reason of any such Taking within such fifteen (15) day period, then and in that event, the sale of the Property shall be consummated as herein provided and Seller shall assign to Buyer on the Closing Date all of Seller's right, title and interest in and to all awards payable by reason of such Taking and shall pay over to Buyer all amounts theretofore received by Seller in connection with such Taking, in each case, net of Seller's costs incurred in obtaining such award or restoring the Property.

SECTION 14. Notices. Except as otherwise expressly provided in Section 5(c), all notices, requests or other communications which may be or are required to be given, served or sent by either party hereto to the other shall be deemed to have been properly given, if in writing and, unless otherwise specified herein, and (a) upon delivery, if delivered in person or by facsimile transmission with receipt thereof confirmed by printed facsimile acknowledgment, (b) one (1) business day after having been deposited for overnight delivery with any reputable overnight courier service, or (c) three (3) business days after having been deposited in any post office or mail depository regularly maintained by the United States Postal Office and sent by registered or certified mail, postage paid, return receipt requested, and in each case, addressed as follows:

To Seller:

c/o Michael Joseph Development Corporation
2500 Brooktree Road, Suite 300 (courier only)
PO Box 1198 (mail only)
Wexford, PA 15090
Facsimile: (724) 934-1004
Telephone: (724) 934-1006
Attn: Dennis J. Vith

With a Copy To:

Donald T. Dulac, Jr., Esq.
Watkins Dulac & Roe, P.C.
Two Gateway Center, 17 East
603 Stanwix Street
Pittsburg, PA 15222
Facsimile: (412) 434-5554
Telephone: (412) 434-5544 Ext 1224

To Buyer:

44 South Bayles Avenue

Port Washington, New York 11050
Attention: Ms. Brenda Walker
Facsimile: 516-767-6497
Telephone: 516-883-5577

With a Copy To:

Warren S. Sacks, P.C.
707 Westchester Avenue
White Plains, New York 10604
Facsimile: (914) 682-1707
Telephone: (914) 428-8300

SECTION 15. MISCELLANEOUS. (a) Buyer and Seller each warrant and represent to the other that except for the Broker, no broker, agent or finder was involved in the negotiation and consummation of this transaction. Buyer and Seller each agree to indemnify and hold the other harmless, and defend the other from and against any claim, loss, damage, liability, cost and expense (including, without limitation, reasonable attorneys' fees) resulting from a breach of the foregoing representation. If the Closing shall occur, Seller shall pay any fee or commission due the Broker pursuant to a separate agreement with the Broker. The provisions of this Section shall survive the Closing or earlier termination of this Agreement.

(b) This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to principles of conflicts of law.

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(c) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(d) Neither this Agreement nor any memorandum thereof shall be recorded and any attempted recordation hereof shall be void and shall constitute a default hereunder.

(e) Whenever the context requires, the use in this Agreement of a pronoun of any gender shall be deemed to refer also to any other gender, and the use of the singular shall be deemed to refer also to the plural.

(f) Rule of Construction. Seller and Buyer are business entities having substantial experience with the subject matter of this Agreement and have each fully participated in the negotiation and drafting of this Agreement. Accordingly, this Agreement shall be construed without regard to the rule that ambiguities in a document are to be construed against the drafter.

(g) Business Days. If the expiration of any period or the occurrence of any date referred to in this Agreement would occur on a day which is other than a business day, then such period shall be deemed to expired and/or such date shall be postponed to the first business day occurring thereafter. The term "business day" shall mean a day of the week other than Saturday, Sunday or legal holidays on which banking institutions or state government offices in the Indiana, PA area are authorized or required to close.

(h) If any provision of this Agreement is held to be invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

(i) This Agreement may be executed in any number of counterparts, each of which shall constitute an original, but all of which, taken together, shall constitute but one and the same instrument. This Agreement may be executed by facsimile which shall be deemed an original for all purposes. In the event this Agreement is executed by the exchange of facsimile copies, the parties agree to exchange ink-signed counterparts promptly after the execution and delivery of this Agreement.

(j) Seller acknowledges that as a REIT, Buyer will be required, after the Closing, to comply with certain requirements of the Securities and Exchange Commission; accordingly, Seller agrees to be bound by and to comply with the provisions set forth in Exhibit J attached hereto and made a part hereof, in order to facilitate such compliance by Buyer. The foregoing covenant of Seller shall survive the Closing.

(k) Seller and Buyer agree that either party may elect to structure the purchase of the Premises within the meaning of Section 1031 of the Internal Revenue Code by assigning its rights, but not its obligations, hereunder to a qualified intermediary as provided in Income Tax Regulations Section 1.1031(k)-1(g)(4) on or before the Closing Date, and the other party hereby agrees to cooperate therewith, provided that (a) the other party will not

be required to incur any costs as a result of such like-kind exchange, (b) the Closing Date shall not be adjourned by reason thereof, (c) the other party will incur no expense, liability or obligation, in connection with said structuring, other than acknowledging and consenting to exchanging party's assignment in connection with such exchange, (d) the other party shall have no obligation to take title to any real property in connection with such exchange, and (e) the other party shall make no representation or warranty in connection with, and shall have no responsibility for, compliance by such exchange with the Internal Revenue Code or any regulations thereunder.

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SECTION 16. Earnout.

(a) Buyer acknowledges that Seller and Affiliates of Seller have commenced the process of negotiating to lease space at the Property to Staples, Hancock Fabrics and Goody's (the "New Tenants"). Attached hereto as Exhibit K is a chart showing the estimated size of premises which would be leased by each of such tenants and the projected per square foot and aggregate first year fixed annual rentals for each New Tenant (the "Chart"). In the event that:

(i) the Buyer (or an Affiliate of Buyer) shall acquire title to the Property pursuant to this Agreement; and

(ii) Seller shall, no later than ninety (90) days after the date of Closing, cause to be delivered to Buyer a letter of intent to lease space at the Property executed by one of the New Tenants for space of at least the size indicated on the Chart and at a fixed annual rental rate of at least the rate indicated on the Chart for the respective New Tenant; and

(iii) Buyer (or an Affiliate of Buyer) and one or more of the New Tenants shall fully execute and unconditionally delivered a lease of retail space at the Property (the "New Lease") on or before two hundred and forty (240) days after the date of Closing (except as otherwise provided in subsection (d) herein) for premises of a size and first year fixed annual rental rate for the respective New Tenant as indicated on the Chart; and

(iv) the New Tenant shall, on or before one (1) year after the date of Closing, open for business in its new premises and commence the payment of fixed annual rent (except as otherwise provided in subsection (d) herein);

then Seller shall be deemed to have earned a fee on account thereof in the sum of One Hundred Thousand (\$100,000.00) Dollars (the "Earn-Out Fee"). The Earnout Fee shall be payable in full by Buyer upon satisfaction of the foregoing conditions.

(b) Buyer or its affiliated entity purchasing the Property shall have the unqualified right, in its sole and absolute discretion, to refuse to enter into any lease with any New Tenant for any reason whatsoever without incurring any obligation to Seller for the payment of the Earnout Fee or any other consideration with respect to such New Tenant. Except as otherwise provided in subsection (d) herein, if for any reason whatsoever the conditions set forth in subsection (a) are not fulfilled within the time periods set forth in subsection (a), no Earn-Out Fee or other compensation shall be payable to Seller or any of its Affiliates with respect to the leasing of the Property, and Seller hereby acknowledges that in such instance it shall have no right to file a lien against the Property or any interest of Buyer (or any Affiliate thereof) therein.

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(c) Buyer's agreement to pay the Earnout Fee is based on the assumption that Buyer shall not be obligated to pay any commission or other fee to a broker, finder or other person in connection with any lease executed with any of the New Tenants. Seller shall hold harmless, indemnify and defend Buyer (and all Affiliates thereof) from and against any and all claims, demands, actions, causes of action, suits, judgments, damages, losses, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and disbursements) incurred in connection with demands for commissions or fees with respect to the leasing of retail space at the Property to any of the New Tenants, except with respect to any broker retained by Buyer. If Buyer is required to pay a commission to any broker or finder in connection with a lease with any New Tenant (other than to a broker retained by Buyer), then Buyer shall have the right to reduce the amount of the Earnout Fee by the amount of any such commission which Buyer is required to pay.

(d) It is the intent of the parties that Buyer not be able to avoid paying the Earnout Fee on account of a lease with a New Tenant by waiting to satisfy the conditions under subsection (a) until after the required dates for satisfaction of such conditions have passed. Accordingly, if Seller shall have satisfied the condition set forth in subsection (a)(ii), and Buyer shall be negotiating a lease with a New Tenant during the two hundred and forty (240) day

period referred to in subsection (a)(iii), and such lease shall not be fully and unconditionally executed and delivered within such period but shall thereafter be fully and unconditionally executed and delivered within one year of the date of Closing, then the Earnout Fee shall nevertheless be deemed Earned, provided that the New Tenant shall open its premises for business and commence the payment of fixed rent no later than eighteen (18) months (notwithstanding the provisions of subsection (a)(iv) hereof) after the date of Closing.

[signature page follows]

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

SELLER:

TOWNFAIR CENTER ASSOCIATES and
TOWNFAIR CENTER ASSOCIATES, PHASE III,
each a Pennsylvania general partnership

By: Michael Joseph Limited Partnership #2,
a Pennsylvania limited partnership,
as General Partner

By: Michael Joseph Development Corporation.
a Pennsylvania corporation,
its General Partner

By: /s/ Guy J. DiRienzo

Guy J. DiRienzo, Vice President

By: P. J. Dick Incorporated,
a Pennsylvania corporation,
as General Partner

By: /s/ Stephen M. Clark

Stephen M. Clark, Executive Vice President

BUYER:

Cedar Shopping Centers Partnership, L.P.
a Delaware limited partnership

By: Cedar Shopping Centers, Inc.
a Maryland corporation, general partner

By: /s/ Leo S. Ullman

Name: Leo S. Ullman
Title: President

Escrow Agent hereby executes this Agreement to acknowledge receipt of the Initial Deposit and to confirm its agreement to hold and disburse the Deposit in accordance with the terms and conditions of the foregoing Agreement

Lawyers Title Insurance Corporation

By: _____

EXHIBIT A

(Legal Description of the Land)

EXHIBIT B

ESCROW PROVISIONS

(a) The Deposit shall be held by Escrow Agent, and disbursed by Escrow Agent in the following manner:

(i) to Seller upon consummation of the Closing; or

(ii) to Seller upon receipt of written demand therefor, stating that either (x) this Agreement has been terminated pursuant to a provision herein which states that Seller is entitled to the Deposit upon termination, and certifying the basis for such termination or (y) Buyer has defaulted in the performance of Buyer's obligations under this Agreement and the facts and circumstances underlying such default; provided, however, that Escrow Agent shall not honor such demand until at least five (5) days business days after it has sent a copy of such demand to Buyer, in accordance with the notice procedure set forth in the Agreement nor thereafter if Escrow Agent shall have received written notice of objection from Buyer in accordance with the provisions of paragraph (b) of this Exhibit B; or

(iii) to Buyer upon receipt of written demand therefor, stating that either (x) this Agreement has been terminated pursuant to a provision hereof which states that Buyer is entitled to the Deposit upon termination, and certifying the basis for such termination, or (y) Seller has defaulted in performance of Seller's obligations under this Agreement and the facts and circumstances underlying such default; provided, however, that Escrow Agent shall not honor such demand until at least the greater of five (5) business days after it has sent a copy of such demand to Seller in accordance with the notice procedure set forth in the Agreement, nor thereafter if Escrow Agent shall have received written notice of objection from Seller in accordance with the provisions of paragraph (b) of this Exhibit B.

(b) Upon receipt of written demand for the Deposit by Buyer or Seller pursuant to clause (ii) or (iii) of paragraph (a) above, Escrow Agent shall promptly send a copy thereof to the other party. The other party shall have the right to object to the delivery of the Deposit by sending written notice of such objection to Escrow Agent within five (5) business days after Escrow Agent delivers a copy of the written demand to the objecting party but not thereafter. Such notice shall set forth the basis for objecting to the delivery of the Deposit. Upon receipt of such notice, Escrow Agent shall promptly send a copy thereof to the party who made the written demand.

(c) In the event of any dispute between the parties regarding the Deposit, Escrow Agent, at its option, may disregard all instructions received and either (i) hold the Deposit until the dispute is mutually resolved and Escrow Agent is advised of this fact in writing by both Seller and Buyer, or Escrow Agent is otherwise instructed by a final unappealable judgment of a court of competent jurisdiction, or (ii) deposit the Deposit with a court of competent jurisdiction (whereupon Escrow Agent shall be released and relieved of any and all liability and obligations hereunder from and after the date of such deposit).

(d) Escrow Agent may rely upon, and shall be protected in acting or refraining from acting upon, any written notice, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties, provided that any modification of this Agreement shall be signed by Escrow Agent, Buyer and Seller.

(e) Seller and Buyer shall jointly and severally hold Escrow Agent harmless against any loss, damage, liability or expense incurred by Escrow Agent not caused by its willful misconduct or gross negligence, arising out of or in connection with its entering into this Agreement and the carrying out of its duties hereunder, including the reasonable costs and expenses of defending itself against any claim of liability or participating in any legal proceeding. Escrow Agent may consult with counsel of its choice, and shall have full and complete authorization and protection for any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel.

(f) Escrow Agent may resign at will and be discharged from its duties or obligations hereunder by giving notice in writing of such resignation specifying a date when such resignation shall take effect; provided, however, that (i) prior to such resignation a substitute

escrow agent is approved in writing by Seller and Buyer, which approval shall not be unreasonably withheld or delayed, or (ii) Escrow Agent shall deposit the Deposit with a court of competent jurisdiction. After such resignation, Escrow Agent shall have no further duties or liability hereunder.

(g) Buyer and Seller, together, shall have the right to terminate the appointment of Escrow Agent hereunder by giving to it notice of such termination, specifying the date upon which such termination shall take effect and designating a replacement Escrow Agent, who shall sign a counterpart of this Agreement. Upon demand of such successor Escrow Agent, the Deposit shall be turned over and delivered to such successor Escrow Agent, who shall thereupon be bound by all of the provisions hereof.

(h) Seller and Buyer shall share equally the responsibility for reimbursement to Escrow Agent of all out-of-pocket expenses, disbursements and advances (including reasonable attorneys' fees) incurred or made by Escrow Agent in connection with the carrying out of its duties hereunder. Escrow Agent agrees that it shall not charge any such fees, expenses, disbursements or advances if the Deposit is released from escrow hereunder without a dispute between Seller and Buyer with respect thereto.

(i) Escrow Agent's agreements and obligations hereunder shall terminate and Escrow Agent shall be discharged from further duties and obligations hereunder upon final payment of the Deposit in accordance with the terms of this Agreement.

EXHIBIT B-1

(Loan Documents)

EXHIBIT C

(Additional Permitted Exceptions to Title)

1. All Leases shown on Exhibit F below.
2. All those items shown on Schedule B to Policy No. 82-02-649560 issued by Lawyers Title Insurance Corporation, a copy of which is attached to this Exhibit C.
3. All those items shown on Schedule B, Section 2 (marked) to Commitment No. 01-0332 issued by Chicago Title Insurance Company, a copy of which is attached to this Exhibit C.
4. All matters shown on Townfair Plan No.1, Townfair Plan No.2, Townfair Plan No.3 and Townfair Plan No.4 recorded in the Office of the Recorder for Indiana County, Pennsylvania.
5. Amended and Restated Declaration of Reciprocal Easements, Covenants and Restrictions dated _____, 2003, recorded in the Office of the Recorder for Indiana County, Pennsylvania.
6. All matters shown on Survey dated January, 1998 of The Gateway Engineers (Drawing No. 57,608).
7. All matter shown on Survey dated May 10, 2001, of Applegate Services.
8. The Loan Documents listed on Exhibit B-1 above.

EXHIBIT D

(Assignment and Assumption of Leases and Security Deposits)

EXHIBIT E

(Estoppel Certificate)

TO: Cedar Shopping Centers Partnership, L.P. (or its designated nominee acquire title to the Shopping Center), its mortgage lender, and their successors and/or assigns

The undersigned ("Tenant"), under that certain lease, dated _____ (hereinafter referred to as the "Lease"), with _____ ("Landlord"), for certain premises located at Townfair Center in White Township, Indiana County, Pennsylvania (the "Shopping Center"), containing approximately 204,005 square feet (hereinafter referred to as the "Premises") hereby ratifies the Lease and certifies that:

1. The Lease has not been modified, changed or amended, except by the documents listed in Schedule A attached hereto. The Lease is in full force and effect.
2. Tenant has accepted possession of and is now occupying the Premises.
3. The current term of the Lease commenced on _____ and expires on _____. Tenant has _____ (___), remaining renewal options of _____ years each.
4. The present base or minimum monthly rental under the Lease is \$_____. Monthly rent commenced on _____, _____. Monthly rental has been paid through _____, 20___. There has been no prepayment of rent other than as provided by the Lease.
5. Tenant is currently making contributions toward common area maintenance expenses, real estate taxes and insurance in the sum of \$_____ per month. Payments have been made through _____, 20__.
6. The amount of the security deposit paid under the terms of the Lease and not returned to Tenant is \$_____.
7. There are no defaults under the Lease by Landlord, nor to the best of the undersigned's knowledge has any event occurred which, with passage of time or the giving of notice or both, would constitute a default by Landlord under the Lease, except as set forth in Schedule A.
8. All work to be performed by Landlord under the Lease has been completed in accordance with the terms of the Lease and has been accepted by the undersigned; Tenant has received all construction allowances, rent concessions and other "free rent" which Tenant is entitled to receive under the Lease, except as set forth in Schedule A.
9. To Tenant's knowledge there are no current default-related credits, offsets or deductions to which it is entitled under the Lease.
10. Tenant has not previously assigned the Lease or sublet all or any portion of the Premises.
11. Tenant has no right or option to purchase any portion of the Shopping Center.
12. Tenant confirms and agrees that the Lease is and shall at all times be subject and subordinate to any mortgages or deeds of trust now or hereafter affecting the Shopping Center, and any amendments, modifications, consolidations, substitutions, replacements, additions, renewals, extensions or re advances thereof.

This certification is binding upon the undersigned and may be relied upon by you and any successor in interest to you or any mortgage lender of the Shopping Center.

The undersigned individual hereby certified that he is duly authorized to sign, acknowledge and deliver this letter on behalf of Tenant.

IN WITNESS WHEREOF, Tenant has executed and delivered this Estoppel Certificate effective _____, 2003.

By: _____
Name:
Title:

EXHIBIT G

(Rent Roll)

EXHIBIT H

(Alterations and Tenant Allowances)

1. Under Lease dated December 15, 2003, between Seller, as Landlord, and Cellco Partnership (d/b/a Verizon Wireless), as Tenant, Seller will construct on Lot 4C-2 of Townfair Plan No.3 an approximately 5,000 square foot building, of which approximately 3,000 square foot of space will be leased to Tenant. Constructed is estimated to begin on or about January 5, 2004, with an estimated completion date of April 15, 2004.

EXHIBIT I

(Service Contracts)

EXHIBIT J

8-K and Audit Requirements

For the period of time commencing on the execution of the attached Agreement of Purchase and Sale and continuing through the first anniversary of the Closing Date, Seller shall, from time to time, upon reasonable advance notice from Buyer, provide Buyer and its representatives, agents and employees with access to all financial and other information pertaining to the period of Seller's ownership and operation of the Property, which information is relevant and reasonable necessary, in the opinion of Cedar Shopping Centers, Inc. ("Cedar") outside, third party accountants (the "Accountants"), to enable Cedar and its Accountants to prepare financial statements in compliance with any and or all of (a) Rule 3-14 of Regulation S-X of the Securities and Exchange Commission (the "Commission"); (b) any other rule issued by the Commission and applicable to Cedar; and (c) any registration statement, report or disclosure statement filed with the Commission by, or on behalf of, Cedar; provided however, that in any such event(s), Buyer shall reimburse Seller for those third party, out-of-pocket costs and expenses that Seller incurs in order to comply with the foregoing requirement. Seller acknowledges and agrees that the following is a representative description of the information and documentation that Cedar and the Accountants may require in order to comply with (a), (b), and (c) above. Seller shall provide the following information, and documentation on a per-building basis, if available (capitalized terms not defined herein shall have the meanings as ascribed to such terms in the attached Agreement of Sale):

1. Rent rolls for the calendar month in which the closing occurs and the eleven (11) calendar months immediately preceding the calendar month in which the closing occurs;
2. Seller's written analysis of both (a) scheduled increases in base rent required under the Leases in effect on the Closing Date; and (b) rent concessions imposed by those Leases;
3. Seller's internally-prepared operating statements;
4. Access to Lease files;
5. Most currently available real estate tax bills;
6. Access to Seller's cash receipt journal(s) and bank statements for the Property;
7. Seller's general ledger with respect to the Property, excluding Seller's proprietary accounts;
8. Seller's schedule of expense reimbursements required under the Leases in effect on the Closing Date;
9. Schedule of those items of repairs and maintenance performed by, or at the direction of the Seller, during Seller's final

fiscal year in which Seller owns and operates the Property (the "Final Fiscal Year");

10. Schedule of those capital improvements and fixed assets additions made by, or at the direction of, Seller during the Final Fiscal Year;
11. Access to Seller's invoices with respect to expenditures made during the Final Fiscal Year; and
12. Access (during normal and customary business hours) to responsible personnel to answer accounting questions.

Nothing herein shall require Seller to conduct its own audits or generate any requested materials that are not in its possession.

The provisions of the foregoing information shall be for informational purposes only, shall not be deemed to be representations or warranties under this Agreement, and shall not expose Seller to any liability on account thereof.

Upon Buyer's request, for a period of (2) years after Closing, Seller shall make Seller's books, records, existing supporting invoices and other existing substantiating documentation available to Buyer for inspection, copying, and audit by Buyer's designated accountants, at the expense of Buyer. This obligation shall survive the Closing for a period of two (2) years and shall not be merged with any instrument of conveyance delivered at Closing.

EXHIBIT K

New Tenant's Lease Terms

=====

PATRICIAN FINANCIAL COMPANY LIMITED PARTNERSHIP,
as Lender

LOAN AGREEMENT
dated as of February 13, 1998

TOWNFAIR CENTER ASSOCIATES,
as Borrower

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LOAN AGREEMENT

LOAN AGREEMENT, dated as of February 13, 1998 (together with all exhibits, schedules, riders and addenda hereto, which are hereby incorporated herein, the "Loan Agreement" or "Agreement"), by and between TOWNFAIR CENTER ASSOCIATES, a Pennsylvania general partnership (the "Borrower"), with its principal place of business at 1020 Lebanon Road, West Mifflin, Pennsylvania; CLIFFORD R. ROWE, JR., ROBERT G. HECHT, KEVIN M. DOUGHERTY and GUY J. DIRIENZO (the "Borrower Principals", whether one or more); and PATRICIAN FINANCIAL COMPANY LIMITED PARTNERSHIP, a Massachusetts limited partnership, with its principal offices in Bethesda, Maryland (together with its successors and assigns, the "Lender").

RECITALS:

The Borrower has applied to the Lender for a loan in the original principal amount of \$10,700,000.00 (the "Loan") to be made by the Lender pursuant to the terms hereof.

The Loan will be secured by, among other things, a first priority lien on the Land, Improvements, Personalty and Rents and Profits.

The Lender is willing to make the Loan based on the terms and conditions set forth in this Loan Agreement and subject to the execution and delivery of each of the Loan Documents.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower, the Borrower Principals and the Lender hereby agree as follows:

ARTICLE I - DEFINITIONS

Section 1.1 Definitions.

As used in this Agreement, the other Loan Documents, or any certificate or other document made or delivered pursuant hereto, the capitalized terms used herein shall, unless otherwise defined herein or therein, have the following meanings:

Additional Repair(s) or Replacement(s). Any repairs, replacements or improvements (other than Immediate Repairs or Replacements) (i) which are advisable to keep the Premises in good order and repair and in good marketable condition, or to prevent deterioration of the Premises, or (ii) for an Immediate Repair or Replacement to the extent such Immediate Repair or Replacement exceeds

125% of the estimated cost of such Immediate Repair or Replacement as set forth in Exhibit B hereto.

Affiliate(s). As to any specified Person, any other Person controlling or controlled by or under common control with such specified Person. For the 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" or "controlled" have meanings correlative to the foregoing.

Appraisal. An appraisal of the Premises prepared (unless otherwise specified) at the Borrower's expense by a qualified appraiser designated by and satisfactory to the Lender, in accordance with written instructions from the Lender, dated as of a date acceptable to the Lender and otherwise satisfactory in form and substance to the Lender.

Approved Insurer. An insurer previously approved by the Lender with an A.M. Best Company, Inc. rating of A-or better, and which is authorized to issue insurance in the State.

Assignment of Management Agreement. The Assignment and Subordination of Management Agreement, dated as of even date herewith, executed by the Borrower, the Lender and the property manager for the Premises.

Bankruptcy Event. As to any Person, the occurrence of any of the following with respect to such Person: (i) a court or governmental agency having jurisdiction over the Premises shall enter a decree or order for relief in respect of such Person in an involuntary case under any applicable bankruptcy, insolvency, reorganization, moratorium, sequestration, liquidation, consolidation or other similar law now or hereafter in effect, or appoint a receiver, liquidator, assignee, custodian, conservator, trustee, sequestrator (or similar official) of such Person or for any substantial part of its property or order the winding up or liquidation of its affairs; (ii) an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect is commenced against a Person and such petition remains unstayed and in effect for a period of sixty (60) consecutive days; (iii) such Person shall commence a voluntary case under any applicable bankruptcy, insolvency or similar law or make any general assignment for the benefit of creditors; (iv) such Person shall admit in writing its inability to pay its debts generally as they become due (otherwise than on a purely temporary basis), or (v) such Person shall take any action in furtherance of any of the aforesaid purposes.

Business Day. Any day other than a Saturday, a Sunday, a legal holiday in Charlotte, North Carolina, or a day on which banking institutions located in Charlotte, North Carolina are authorized by law or other governmental action to close.

Certification. As to any specified report, Financial Statement, Operating Statement, Rent Roll or other document, a written certification by a Responsible Officer of the Person providing such report, Financial Statement, Operating Statement, Rent Roll or other document that such report, Financial Statement, Operating Statement, Rent Roll or other document, as at the date thereof, (i) contains all of the information and statements required to be set forth therein, (ii) that such information and statements are true and correct in all material respects, (iii) that there is no untrue statement of a material fact required to be stated therein, (iv) that there is no failure to state therein any information or fact that is necessary to make the information or statements contained therein, in light of the circumstances under which they are made, not misleading, and (v) that there is no fact known to such Responsible Officer that materially adversely affects any of the information or statements set forth therein.

Closing Date. The date set forth in the first paragraph of this Loan Agreement.

Commitment. The Lender's commitment letter with respect to the Loan as accepted by the Borrower and the Borrower Principals in accordance with the terms thereof.

Default Condition. The occurrence or existence of an event or condition which, upon the giving of notice or the passage of time, or both, would constitute an Event of Default.

Eligible Account. An account that is either (i) maintained with a depository institution whose commercial or finance paper or other similar obligations are rated A-1 or better by Standard & Poor's or P-1 or better by Moody's, (ii) an account or accounts maintained with a depository institution with a minimum long-term unsecured debt rating of BBB- or better by Standard & Poor's or Baa3 or better by Moody's, provided that the deposits in such account or accounts are fully insured by the Federal Deposit Insurance Corporation, (iii) a segregated trust account maintained with the corporate trust department

of an institution with capital and surplus of not less than \$50,000,000 and with a minimum long-term unsecured debt rating of BBB- or better by Standard & Poor's or Baa3 or better by Moody's, or (iv) an account otherwise acceptable to the Lender.

Environmental Assessment. A report (including all drafts thereof) of an environmental assessment of the Premises of such scope (including but not limited to the taking of soil borings and air and groundwater samples and other above and below ground testing) as the Lender may request, by a consulting firm acceptable to the Lender, which shall, among other things, be dated as of a date acceptable to the Lender and conform to (i) the current minimum standards for the American Society of Testing and Materials, and (ii) the Lender's then current requirements.

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Environmental Covenant(s). Each of the covenants, agreements and/or indemnities set forth in Section 5.3 of this Loan Agreement.

Equity Interests. Any and all shares, interests, participations and other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person not a corporation (including, without limitation, general and limited partnership interests in a limited partnership), and any and all warrants and options to purchase any of the foregoing.

ERISA. The Employee Retirement Income Security Act of 1974.

Event of Default. The occurrence of any event or condition specified in Section 7.1 of this Loan Agreement.

Financial Statement. As to any indicated Person, for any specified period, financial statements of such Person, including, at a minimum, a current balance sheet, a current income and expense statement, a statement showing contingent liabilities and any other supporting schedules or documentation that the Lender may from time to time reasonably require, and, in the case of the Borrower, a detailed cash flow statement for each property and/or entity in which the Borrower has an interest, prepared in accordance with GAAP (as defined herein). The cash flow statements provided shall include, as applicable, the property and entity name, location, size (including the number of rooms with respect to hotels and the number of licensed beds with respect to healthcare facilities), and the percentage of ownership therein, its leasing and occupancy status, its Operating Income (including the sources of Operating Income), its Operating Expenses, its Net Operating Income, any loan balance currently outstanding, the amount and beneficiary of any cash distributions, the amount invested in and/or received from such property or entity; and detailed cash flow projections for the next twelve (12) month period therefor. Each Financial Statement shall include a Certification thereto.

Financing Statements. The UCC financing statements filed in order to perfect the Lender's lien on certain personal property and fixtures as more particularly described therein. The Financing Statements shall be on forms approved for filing in the State and local filing offices of the State in which any filings are necessary or, in the Lender's opinion desirable, to be made to perfect the interests of the Lender granted under the Loan Documents, together with the search results for such filing offices, including copies of all reported financing statements.

GAAP. Generally accepted accounting principles, as from time-to-time in effect in the United States of America, or such alternative accounting standard as may be acceptable to the Lender, consistently applied.

Governmental Action. The issuance or probable or threatened issuance of any claim, citation, notice of any pending or threatened suit, proceeding, order or governmental inquiry or opinion involving the Premises that alleges the violation of any Requirement of Law or Hazardous Materials Law.

Governmental Authorities. Any governmental (including health and environmental) agency, office, officer or official whose consent or approval is required as a prerequisite to the commencement of the construction, renovation or expansion of the Improvements or to the operation and occupancy of the Improvements or the Premises or to the performance of any act or obligation or the observance of any agreement, provision or condition of whatsoever nature herein contained.

Ground Lease. Each ground lease, if any, pursuant to which the Borrower acquires an interest as ground lessee of any portion of the Premises.

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Hazardous Materials. Includes petroleum and petroleum products, flammable explosives, radioactive materials (excluding radioactive materials in smoke detectors), polychlorinated biphenyls, lead, asbestos or asbestos containing materials in any form that is or could become friable, hazardous waste, toxic or hazardous substances or other related materials whether in the

form of a chemical, element, compound, solution, mixture or otherwise including, but not limited to, those materials defined as "hazardous substances," "extremely hazardous substances," "hazardous chemicals," "hazardous materials," "toxic substances," "solid waste," "toxic chemicals," "air pollutants" "toxic pollutants," "hazardous wastes," "extremely hazardous waste," or "restricted hazardous waste" by Hazardous Materials Law or regulated by Hazardous Materials Law in any manner whatsoever, and all other "Hazardous Materials", if any, identified in the Program Rider.

Hazardous Materials Law. All federal, state, and local laws, ordinances and regulations and standards, rules, policies and other governmental requirements and any court judgments applicable to the Borrower or to the Premises relating to industrial hygiene or to environmental or unsafe conditions or to human health including, but not limited to, those relating to the generation, manufacture, storage, handling, transportation, disposal, release, emission or discharge of Hazardous Materials, those in connection with the construction, fuel supply, power generation and transmission, waste disposal or any other operations or processes relating to the Premises, and those relating to the atmosphere, soil, surface and ground water, wetlands, stream sediments and vegetation on, under, in or about the Premises. "Hazardous Materials Law" also shall include, but not be limited to, the following laws, as amended as set forth herein and as subsequently amended: (1) the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 USCA 9601 et seq.; (2) the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended by the Hazardous and Solid Waste Amendments of 1984, 42 USCA 6901 et seq.; (3) the Federal Water Pollution Control Act, as amended by the Clean Water Act of 1977, 33 USCA 1251 et seq.; (4) the Toxic Substances Control Act, 15 USCA 2601 et seq.; (5) the Emergency Planning and Community Right-to-Know Act of 1986, 42 USCA 11001 et seq.; (6) the Clean Air Act, as amended by the Clean Air Act Amendments, 42 USCA 7401 et seq.; (7) the National Environmental Policy Act of 1969, 42 USCA 4321 et seq.; (8) the River and Harbor Act of 1899, 33 USCA 401 et seq.; (9) the Endangered Species Act of 1973, 16 USCA 1531 et seq.; (10) the Occupational Safety and Health Act of 1970, 29 USCA 651 et seq.; (11) the Safe Drinking Water Act, 42 USCA 300(f) et seq.; and (12) the Hazardous Materials Transportation Act, 49 USCA 1801 et seq., and all regulations from time to time adopted in respect to the foregoing laws.

Immediate Repair(s). Those repairs, replacements and improvements listed as "Immediate Repairs" on Exhibit B hereto.

Improvements. As defined in the Security Instrument.

Initial Reserve Deposit(s). Any amount required to be deposited into any Reserve Account on or before the Closing Date in accordance with the terms of this Loan Agreement, including without limitation, any initial deposit to any Reserve Account identified on Exhibit B hereto or in the Program Rider.

Insurance. All of the following insurance coverages:

(i) Property Insurance. Insurance with respect to the Improvements against any peril included within the classification "All Risks of Physical Loss" with extended coverage in amounts at all times sufficient to prevent it from becoming a co-insurer within the terms of the applicable policies, but in any event such insurance shall be maintained in an amount equal to the full insurable value of the Premises and with deductibles acceptable to the Lender. The term "full insurable value" as used herein shall mean the actual replacement cost of the Premises (without taking into account any depreciation, and exclusive of excavations, footings and foundations, landscaping and paving). The policy must include an agreed value clause, which must be updated annually.

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(ii) Liability Insurance. Comprehensive general liability insurance, including bodily injury, death and property damage liability, dram shop coverage and umbrella liability insurance against any and all claims, including all legal liability to the extent insurable imposed upon the Lender and all court costs and attorneys' fees and expenses, arising out of or connected with the possession, use, leasing, operation, maintenance or condition of the Premises in such amounts as the Lender may reasonably require but in no event for a combined single limit of less than a \$1,000,000.00 minimum (or a \$3,000,000.00 minimum if the Premises contains one or more elevators) with a \$2,000,000.00 minimum (or a \$6,000,000.00 minimum if the Premises contains one or more elevators) general aggregate limit. In the event that any payment of proceeds is made under any umbrella liability insurance policy, the Borrower shall immediately purchase additional liability insurance coverage so that at all times there shall be no less than a \$1,000,000.00 minimum (or a \$3,000,000.00 minimum if the Premises contains one or more elevators) of liability insurance coverage per occurrence with a \$2,000,000.00 minimum (or a \$6,000,000.00 minimum if the Premises contains one or more elevators)

general aggregate limit.

(iii) Workers' Compensation Insurance. Statutory workers' compensation insurance (to the extent the risks to be covered thereby are not already covered by other policies of insurance maintained by it), with respect to any work on, about or regarding the Premises.

(iv) Business Interruption. Business interruption insurance and/or insurance for loss of rental value (as determined by the Lender) in an amount sufficient to avoid any co-insurance penalty and to provide proceeds which will cover a period acceptable to the Lender in its reasonable discretion.

(v) Boiler and Machinery Insurance. Broad form boiler and machinery insurance covering all boilers and other pressure vessels, machinery and equipment located in, on or about the Premises and insurance against loss of occupancy or use arising from any such breakdown in an amount equal to 100% of the actual replacement cost of such machinery (without taking into account any depreciation) and containing such deductibles as are reasonably acceptable to the Lender.

(vi) Flood Insurance. If all or any portion of the Premises is located within a federally designated flood hazard zone, flood insurance as is generally available and in such amounts and with such deductibles as the Lender may reasonably require.

(vii) Other Insurance. Such other insurance (including, without limitation, earthquake insurance, sinkhole insurance and malpractice insurance) with respect to the Premises against loss or damage of the kinds from time to time reasonably required by the Lender in connection with loans secured by properties comparable to the Premises.

Intangible Personalty. As defined in the Security Instrument.

Land. As defined in the Security Instrument.

Lien. Any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement and any financing lease having substantially the same economic effect as any of the foregoing).

Loan Amount. The original principal amount of the Note.

Loan Document(s). This Loan Agreement, the Commitment, the Note, the Security Instrument, the Financing Statements, the Assignment of Management Agreement, and all other documents evidencing, securing or relating to the Loan.

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Local Tenant Lease(s). Any lease representing (i) an interest in 20% or less of the aggregate net rental square footage of the Premises or (ii) any lease representing 5,000 sq. ft. or less; provided however, as to one or more tenants that are Affiliates, all leases of such affiliated tenant shall be aggregated and treated as one lease for purposes of determining whether such leases are individually Local Tenant Leases, and if such leases, as aggregated, exceed either limitation set forth above, then each lease shall be deemed not to be a Local Tenant Lease.

Management Agreement. The written management agreement for the Premises, in form and substance satisfactory to the Lender, by and between the Borrower, as owner, and a management company acceptable to the Lender, as manager.

Material Adverse Change. As to the specified Person, a material adverse change in the business, operations, property, condition (financial or otherwise) or prospects of such Person and, in addition, as to the Borrower, any material adverse change in (i) the ability of the Borrower to perform its obligations under this Loan Agreement or any of the other Loan Documents or (ii) the validity or enforceability of this Loan Agreement or any of the other Loan Documents or the rights or remedies of the Lender hereunder or thereunder.

Monthly Reserve Deposits. Any other monthly payment or deposit required in connection with any Reserve Account, including without limitation, any monthly payments or deposits to any Reserve Account identified in Exhibit B hereto or in the Program Rider.

Net Operating Income. With respect to any specified period, (i) Operating Income, minus (ii) Operating Expenses, each as calculated for such period.

Note. The promissory note or notes of the Borrower in connection with the Loan in favor of the Lender, as acknowledged and agreed to by the Borrower

Principals, together with all prior notes amended, modified, renewed, extended, restated, supplemented, replaced or substituted thereby.

Note Payment Amount. For any Payment Date, the total amount due and owing under the Note on such Payment Date.

O&M Program. An operations and maintenance program (in form and substance reasonably satisfactory to the Lender) relating to the use, handling and/or abatement of one or more Hazardous Materials and which is accepted in writing by the Borrower.

Obligations. As to any stated Person, the unpaid principal of and interest on any promissory note or other indebtedness of such Person (including, without limitation, interest accruing after the maturity of any such promissory note or indebtedness and interest accruing thereon after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to such Person, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) and all other obligations and liabilities of such Person, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter incurred, whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses (including, without limitation, all fees and disbursements of counsel) or otherwise.

Operating Expenses. Any expense paid or to be paid by the Borrower (or any of its agents or by the Lender on account or on behalf of the Borrower) at any time in connection with the operation of the Premises, determined on a cash basis, in accordance with GAAP, including, without limitation, (i) fees, costs and expenses related to tenant improvements required to be paid or reimbursed under any lease or other agreement, (ii) all payments required to be made pursuant to any management, franchise or other agreement, (iii) undistributed expenses, including without limitation, general and administrative, marketing, utilities, operations and maintenance and other expenses, as appropriate, (iv) legal, accounting, appraisal and other professional fees, costs and disbursements, including annual fees and other amounts (including indemnity

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payments) payable annually or otherwise, (v) taxes, insurance premiums and impositions of any type, (vi) replacement reserves, (vii) fees, costs and expenses of the Lender (if any) paid by the Borrower, (viii) any amount paid in connection with any interest rate contract or similar hedge, cap, collar, floor or currency swap, and (ix) all items, if any, defined as an Operating Expense in the Program Rider. Notwithstanding the foregoing. Operating Expenses will not include (A) depreciation or amortization, (B) any expenses that in accordance with GAAP should be capitalized (other than current charges for any such expenses included in the preceding sentence), (C) the principal of and interest on the Note and (D) any item of expense that would otherwise be considered within Operating Expenses pursuant to the provisions above but which is actually paid directly by any tenant or other Person as required by such tenant's or Person's lease and/or other agreement.

Operating Income. All rents (net of concessions), charges, expense recovery, revenues and other income (including interest income) paid or to be paid (other than security deposits from tenants or other Persons under valid leases or other agreements and insurance, eminent domain or similar proceeds and rewards paid directly to the Lender pursuant to the provisions of the Loan Agreement) at any time to the Borrower (or to any of its agents for the account of the Borrower) by any Person in connection with the operation of the Premises, determined on a cash basis, in accordance with GAAP, and all items, if any, defined as Operating Income in the Program Rider.

Operating Statement. As to the Premises, for any period indicated, a statement of the Borrower, as reflecting, truly and accurately, the items set forth therein as at the date thereof, showing the Operating Income and Operating Expenses for the indicated period and including a statement as to the amounts and sources of rent or other income collected and any other information reasonably required by the Lender. Each Operating Statement shall include a Certification.

Payment Date. Each date any payment of principal or interest on the Note is due and payable thereunder.

Permitted Encumbrances. As defined in the Security Instrument, together with any Liens which have been bonded over (i) within thirty (30) days after the date of filing thereof, (ii) with a bonding company satisfactory to the Lender, (iii) in an amount satisfactory to the Lender, and (iv) otherwise in form and substance satisfactory to the Lender, in each case, in the Lender's reasonable discretion.

Permitted Investments. Any (i) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the full faith and credit of the United States of America (including obligations

issued or held in book-entry form on the books of the Department of the Treasury of the United States of America); (ii) commercial or finance paper or other similar obligations rated at the time of purchase A-1 or better by Standard & Poor's or P-1 or better by Moody's; (iii) interest-bearing demand or time deposits (including certificates of deposit) in any issuing bank or trust company secured at all times, in the manner and to the extent provided by law, by collateral security (described in clause (i) of this definition) of a market value (valued at least quarterly) of no less than the amount of money so invested; (iv) negotiable or non-negotiable certificates of deposit, time deposits or other similar banking arrangements issued by any bank or trust company with combined equity and surplus of no less than \$100,000,000, having a rating in either of the two highest rating categories by either Moody's or Standard & Poor's or fully insured by the Federal Deposit Insurance Corporation; (v) Eligible Account; and (vi) account or fund that is invested only in any of the above; provided that such Permitted Investments shall mature on the Business Day after the date of acquisition.

Person. An individual, a general or limited partnership, a limited liability company, a limited liability partnership, a corporation, a business trust, a joint stock company, a trust, an unincorporated association, a joint venture, a Governmental Authority or other entity of whatever nature.

Personalty. The Tangible Personalty and the Intangible Personalty.

Premises. The collective reference to the Land, the Improvements and the Tangible Personalty.

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Program Rider. The Program Rider attached as Exhibit D to this Loan Agreement.

Prohibited Activities or Conditions. Causing or permitting, whether directly or indirectly, (i) the presence, use, generation, manufacture, production, processing, installation, release, discharge, storage (including storage in above ground and underground storage tanks for petroleum or petroleum products), treatment, handling, or disposal of any Hazardous Materials (excluding the safe and lawful use and storage of quantities of Hazardous Materials or petroleum products, customarily used in the ordinary operations of, or stored or sold as inventory by, the Borrower, or customarily used in the ordinary operations of any tenant previously approved by the Lender) on or under the Premises, or in any way affecting the Premises or its value or which may form the basis for any present or future claim, demand or action seeking cleanup of the Premises, (ii) the transportation of any Hazardous Materials to or from the Premises (excluding the safe and lawful use and storage of quantities of Hazardous Materials or petroleum products, customarily used in the ordinary operations of, or stored or sold as inventory by, the Borrower, or customarily used in the ordinary operations of any tenant previously approved by the Lender), or (iii) any occurrence or condition on the Premises (or exacerbation of the same) that is or may be in violation of Hazardous Materials Law.

Recourse Covenant(s). Each of those covenants and/or agreements set forth in Section 5.4 of this Loan Agreement.

Rent Roll. As to the Premises, a rent schedule in a form acceptable to the Lender, certified by a Responsible Officer of the Borrower, showing the legal and trade name of each tenant, and for each tenant, the gross and net square feet occupied, the lease expiration date, the rent payable (both base rent and additional rent), right of first refusal, options, rights to move tenants, security deposits and any other information reasonably requested by the Lender and, as to any annual Rent Roll, copies of paid tax receipts for the related fiscal year. Each Rent Roll shall include a Certification.

Rents and Profits. As defined in the Security Instrument.

Repair Escrow Account. An Eligible Account established and maintained pursuant to the terms of this Loan Agreement.

Replacement Reserve Account. An Eligible Account established and maintained pursuant to the terms of this Loan Agreement.

Replacements. Those repairs, replacements or improvements listed as "Replacements" on Exhibit B hereto.

Requirement(s) of Law. As to any Person, the organizational or governing documents of such Person, and any statute, law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority (including, without limitation, all requirements relating to zoning, parking, ingress and egress, building setbacks, or use of the Premises, all Hazardous Materials Laws, the Architectural Barriers Act of 1968, the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, erosion control ordinances, storm drainage control laws and doing business and/or licensing laws), in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

Reserve Account(s). The Repair Escrow Account, the Tax and Insurance Reserve Account, the Replacement Reserve Account, and all other reserve and/or escrow accounts established or required pursuant to the provisions of the Loan Documents, including, without limitation, pursuant to the Program Rider.

Responsible Officer. As to any Person, the general partner (if the general partner is not an individual, then the chief executive officer, the chief financial officer or the president or similar individual of the general partner), the chief executive officer, the chief financial officer or the president or similar individual of such Person.

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Security Instrument. The deed of trust, mortgage, deed to secure debt or other instrument, dated as of even date herewith, executed by the Borrower granting to the Lender a first priority lien or title priority on the Premises, the Intangible Personalty and the Rents and Profits to secure the obligations of the Borrower under the Loan Documents, together with all prior instruments amended, modified, renewed, extended, restated, supplemented, replaced or substituted thereby.

Significant Ownership Interest. Any of the following:

(i) if the entity is a general partnership or a joint venture, (A) any partnership interest in the general partnership, or (B) any interest of a joint venturer in the joint venture;

(ii) if the entity is a limited partnership, (A) any limited partnership interest in the entity which, together with all other limited partnership interests in the entity sold, assigned, transferred, pledged, encumbered or otherwise disposed of since the Closing Date exceeds 49% of all of the limited partnership interests in the entity, or (B) any general partnership interest in the entity;

(iii) if the entity is a limited liability company or limited liability partnership, any membership interest which, together with all other membership interests in the limited liability company or limited liability partnership sold, assigned, transferred, pledged, encumbered or otherwise disposed of since the Closing Date exceeds 49% of all of the membership interests in the limited liability company or limited liability partnership;

(iv) if the entity is a corporation, any voting stock in the corporation which, together with all other voting stock of the corporation sold, assigned, transferred, pledged, encumbered or otherwise disposed of since the Closing Date exceeds 49% of all of the voting stock of the corporation; and/or

(v) if the entity is a trust, any beneficial interest in such trust which, together with all other beneficial interests in the trust sold, assigned, transferred, pledged, encumbered or otherwise disposed of since the Closing Date exceeds 49% of all of the beneficial interests in the trust.

Special Purpose Entity. An entity whose structure and organizational and governing documents are in form and substance acceptable to the Lender and which satisfies all of the following requirements:

(i) it conducts its business solely in its own name through its duly authorized officers or agents so as not to mislead others as to the identity of the entity with which those others are concerned, and particularly uses its best efforts to avoid the appearance of conducting business on behalf of any Affiliate or that its assets are available to pay the creditors of any Affiliate. Without limiting the generality of the foregoing, all oral and written communications, including, without limitation, letters, invoices, purchase orders, contracts, statements and loan applications, are made solely in its name;

(ii) it maintains its records and books of account separate from those of its Affiliates;

(iii) it obtains proper authorization required by any Requirement of Law of all action requiring such authorization;

(iv) it obtains proper authorization from its shareholders, partners or members, as the case may be, of all action requiring such approval;

(v) it pays its Operating Expenses and liabilities from its own funds;

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(vi) its Financial Statements disclose the effects of its transactions in accordance with GAAP, and disclose that its assets are not available to pay creditors of any Affiliate;

(vii) its resolutions, agreements and other instruments authorizing and underlying the transactions described in this Agreement and in the other Loan Documents are maintained by it as its official records, separately identified and held apart from the records of any Affiliate;

(viii) it maintains an arm's-length relationship with its Affiliates and does not hold itself out as being liable for the debts of any Affiliate;

(ix) it keeps its assets and its liabilities wholly separate from those of all other entities, including, but not limited to its Affiliates except, in each case, as contemplated by the Loan Documents; and

(x) its sole assets are the Premises, the Intangible Personalty and the Rents and Profits.

State. The state in which the Premises is located.

Subordination Agreement. A subordination, non-disturbance and attornment agreement in form and substance acceptable to the Lender.

Survey. A survey of the Land and Improvements (as-built) made by a civil engineer or surveyor, duly licensed or registered in the State, dated as of a date acceptable to the Lender, containing a surveyor's certification acceptable to the Lender for the benefit of the Borrower and the Lender (which certification shall, among other things, indicate whether or not any of the Land or Improvements are located within an area identified as having "special flood hazards" as such term is used in the Flood Disaster Protection Act of 1973), together with its successors and assigns, as their interests may appear, and otherwise in form and substance acceptable to the Lender.

Tangible Personalty. As defined in the Security Instrument.

Tax and Insurance Reserve Account. An Eligible Account established and maintained pursuant to the terms of this Loan Agreement.

Tenant Estoppel Certificate. A tenant estoppel certificate in form and substance reasonably acceptable to the Lender.

Section 1.2 Other Definitional Provisions.

(a) The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The word "including" when used in this Agreement is intended to be illustrative and not exclusive. Section, subsection, paragraph, clause, exhibit, schedule, addendum and rider references contained in this Agreement are references to sections, subsections, paragraphs, clauses, exhibits, schedules, addenda and riders in or to this Agreement unless otherwise specified. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Loan Agreement nor the intent of any provision hereof. The terms set forth herein are applicable to the singular as well as the plural forms of such terms and to the masculine as well as the feminine and neuter genders of such terms.

(b) All references in this Loan Agreement or any other Loan Document to any Loan Document, agreement, contract, license, document or instrument shall mean such Loan Document, agreement, contract, license, document or instrument as amended, modified, renewed, extended, restated, supplemented, reissued, and/or substituted from time to time.

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(c) All references or citations in this Loan Agreement or any other Loan Document to any statute, law, treaty, rule, regulation or other Requirement of Law shall mean such statute, law, treaty, rule, regulation or other Requirement of Law as amended, modified, supplemented, replaced or substituted from time to time.

Section 1.3 Incorporation by Reference of Commitment.

All of the terms and conditions of the Commitment are hereby incorporated herein by reference, as if such terms and conditions were set forth herein in their entirety, but in the event of any conflict or discrepancy between the terms and/or conditions of this Loan Agreement and those of the

Commitment, the terms and conditions of this Loan Agreement shall control.

ARTICLE II - THE LOAN

Section 2.1 Loan Terms.

Subject to the terms and conditions of this Loan Agreement and the other Loan Documents, the Lender agrees to make the Loan to the Borrower in the principal sum of the Loan Amount, such borrowing to be evidenced by the Note and the other Loan Documents.

Section 2.2 Interest.

The outstanding principal balance of the Loan shall bear interest, and principal and interest shall be repayable, in accordance with the terms of the Note.

Section 2.3 Term.

The Loan shall be due and payable in full, unless accelerated sooner pursuant to the terms of this Loan Agreement, on the maturity date set forth in the Note.

Section 2.4 Payments.

All payments by the Borrower under the Loan shall be made in accordance with the terms of the Note.

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ARTICLE III - CONDITIONS PRECEDENT TO LOAN

The obligation of the Lender to make the Loan is subject to the Lender's satisfaction, by proper evidence, execution and/or delivery to the Lender of each of the following items, each in form and substance satisfactory to the Lender and the Lender's counsel:

Section 3.1 Loan Documents.

Each of the Loan Documents.

Section 3.2 Brokerage Commissions.

All brokerage commissions, finder's fees or similar compensation in connection with the purchase of the Premises (if all or any portion of the Premises is being purchased with Loan proceeds), the making of the Loan, or the transactions contemplated by the Loan Documents have been paid in full.

Section 3.3 Title Evidence.

An original signed title commitment in form and substance satisfactory to the Lender, for a standard ALTA mortgagee policy as to the Premises from a company or from companies approved by the Lender (including any reinsurance agreements and endorsements required by the Lender), providing coverage for the full principal amount of the Loan, containing such coverages and endorsements as may be required by the Lender, together with copies of all recorded documents creating exceptions to such policy.

Section 3.4 Survey.

Two (2) originals of the Survey.

Section 3.5 Insurance.

Each policy of insurance required by this Loan Agreement is in full force and effect on the Closing Date.

Section 3.6 Authority Documents.

(a) Organizational Documents. As applicable, a certified copy of each limited partnership agreement, limited partnership certificate, partnership agreement, articles of incorporation, bylaws, shareholder agreements, articles of organization and operating agreement of the Borrower and each Borrower Principal (when not an individual), and each general partner, member or shareholder of the Borrower and each Borrower Principal (when not an individual), with all amendments, modifications, supplements and restatements thereto.

(b) Assumed Name Certificate. A certified copy of each assumed name certificate, if any, of the Borrower and each Borrower Principal (when not an individual).

(c) Good Standing Certificates. Good standing certificates, or their equivalent, issued by the Secretary of State and all other appropriate offices of the state organization of the Borrower and each Borrower Principal (when not an individual) and evidence satisfactory to the Lender of the Borrower's and each such Borrower Principal's authorization to do business in the State if the state of the Borrower's and each such Borrower Principal's organization is other than the State.

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(d) Resolutions and Consents. Certified resolutions and/or consents authorizing the Borrower and each Borrower Principal (when not an individual) to enter into the Loan Documents.

Section 3.7 Financial Statements and Operating Statements.

Financial Statements of the Borrower and each Borrower Principal as of the end of the most recent fiscal year, together with Operating Statements for the period from the beginning of the current fiscal year and ending on a date not more than thirty (30) days prior to the Closing Date.

Section 3.8 Opinion.

An opinion of independent counsel to the Borrower in form and substance acceptable to the Lender, dated as of the Closing Date.

Section 3.9 Compliance with Laws.

The Premises and the Intangible Personalty, and the intended uses thereof, are in compliance with all Requirements of Law.

Section 3.10 Agreements.

Certified copies of all operating agreements, franchise agreements, service contracts, purchase contracts, management agreements, labor contracts, license agreements and equipment leases, if any, relating to the Borrower's ownership and operation of the Premises.

Section 3.11 Taxes.

The Land and the Improvements are separately assessed for tax purposes, together with tax parcel identification numbers, tax rates, estimated tax values and the identities of the taxing authorities.

Section 3.12 Utilities.

The availability and suitability of the water, storm water, electric, oil, natural gas, sewer and telephone utilities needed to properly service the Premises in its intended use.

Section 3.13 Reserve Accounts.

The establishment of each Reserve Account with balances equal to any Initial Reserve Deposit thereto required by this Loan Agreement (including the Program Rider) or any of the other Loan Documents.

Section 3.14 Engineer's Report.

An engineer's report from an engineer approved by the Lender and dated as of a date acceptable to the Lender, which report shall, among other things, (a) conform to all requirements of the Lender and (b) certify that the Premises is in compliance with all applicable requirements of the Americans with Disabilities Act of 1990.

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Section 3.15 Certificate of Occupancy and Other Permits.

Such certificates of occupancy, permits and licenses as the Lender may require to evidence that the Premises is suitable for occupancy and use.

Section 3.16 Environmental Assessment and O&M Program.

An Environmental Assessment of the Premises. The Borrower shall furnish and adopt an O&M Program with respect to all Hazardous Materials, if any, identified in such Environmental Assessment or as otherwise required by the Lender.

Section 3.17 Appraisal.

An Appraisal.

Section 3.18 Equity.

The Borrower's equity as of the Closing Date is acceptable to the Lender.

Section 3.19 Management Agreement.

A certified copy of the Management Agreement for the Premises in form and substance satisfactory to the Lender. The Management Agreement and all management fees thereunder shall be subordinate to the Loan.

Section 3.20 Special Purpose Entity.

The Borrower is a Special Purpose Entity.

Section 3.21 Miscellaneous.

All other documents or items set forth in the Commitment (including all supplemental and special conditions included in the Commitment) or otherwise required by the Lender.

ARTICLE IV - REPRESENTATIONS AND WARRANTIES

To induce the Lender to enter into this Agreement and to make the Loan, the Borrower and, where specifically indicated, each Borrower Principal hereby represents and warrants to the Lender (for itself, but not otherwise) on the Closing Date as follows:

Section 4.1 Existence: Compliance with Law.

The Borrower and each Borrower Principal (when not an individual) (a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (b) has the power and authority, and the legal right, to own and operate its property, to lease the property it operates as lessor and to conduct the business in which it is currently engaged, (c) is duly qualified to do business in and is in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification and (d) to its knowledge is in compliance with all Requirements of Law.

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Section 4.2 Equity Interests.

The owners (beneficial and otherwise) of all of the Equity Interests in the Borrower and each Borrower Principal (when not an individual) are as set forth in Exhibit A and have been duly authorized, are validly issued and outstanding, fully paid and non-assessable. There are no outstanding options or other rights pertaining to the Equity Interests in the Borrower and each Borrower Principal (when not an individual), and no voting trust or similar agreement affecting either ownership of or the right to vote such Equity Interests (except for those items detailed in the Borrower's or such Borrower Principal's partnership or operating agreement or certificate of incorporation).

Section 4.3 Power; Authorization; Enforceable Obligations.

The Borrower and each Borrower Principal (when not an individual) has all requisite legal power and authority, and the legal right, to make, deliver and perform each Loan Document to which it is, or is to be, a party and, in the case of the Borrower, to borrow hereunder, and has taken all necessary corporate, partnership or company action (as the case may be) to authorize the execution, delivery and performance of each Loan Document to which it is, or is to be, a party and to authorize the borrowings on the terms and conditions of this Agreement and the Note. No consent or authorization of, filing with, notice to or other act by or in respect of, any Governmental Authority or any other Person is required in connection with the borrowings hereunder or with the execution, delivery, performance, validity or enforceability of any Loan Document, except to the extent specified in any such Loan Document. Each Loan Document has been (or will be) duly executed by, and delivered on behalf of the Borrower and the Borrower Principals, as the case may be. Each Loan Document constitutes (or when executed and delivered will constitute) the legal, valid and binding obligation, enforceable against the Borrower and the Borrower Principals, as the case may be, in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, sequestration, liquidation, consolidation or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

Section 4.4 No Legal Bar.

To the Borrower's knowledge, the execution, delivery and performance of the Loan Documents will not violate any Requirement of Law applicable to the Borrower and the Borrower Principals or any contractual obligation, security, agreement, instrument, license or other undertaking by which the Borrower or any Borrower Principal is bound and will not result in, or require, the creation or imposition of any Lien on any of their properties or revenues pursuant to any such Requirement of Law or contractual obligation, security, agreement, instrument, license or other undertaking.

Section 4.5 No Material Litigation.

No litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower and the Borrower Principals, threatened against any of them or any of their properties or revenues or with respect to any Loan Document or any of the transactions contemplated thereby, or which could reasonably be expected to have a Material Adverse Change.

Section 4.6 No Default.

Neither the Borrower nor any Borrower Principal is in default, under or with respect to any contractual obligation, security, agreement, instrument, license or other undertaking by which the Borrower or such Borrower Principal is bound which is in excess of \$50,000. No Default Condition or Event of Default has occurred and is continuing.

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Section 4.7 Solvency: Fraudulent Conveyance.

The Borrower and each Borrower Principal is solvent and will not be rendered insolvent by the transactions contemplated hereby and, after giving effect to such transactions, will not be left with an unreasonably small amount of capital with which to engage in its business. Neither the Borrower nor any Borrower Principal intends to incur, or believes that it has incurred, debts beyond its ability to pay such debts as they mature. Neither the Borrower nor any Borrower Principal has commenced or filed nor contemplates the commencement or filing of any bankruptcy, insolvency, reorganization, moratorium, sequestration, liquidation, consolidation or similar proceedings or the appointment of a receiver, liquidator, assignee, conservator, trustee, sequestrator or similar official in respect of it or any of its assets. The amount of the Loan constitutes reasonably equivalent value and fair consideration for the transfer to the Lender of the interest in the Premises represented by the Security Instrument. Neither the Borrower nor any Borrower Principal is transferring any interest in the Premises with any intent to hinder, delay or defraud any of its creditors.

Section 4.8 Special Purpose Entity.

The Borrower is a Special Purpose Entity.

Section 4.9 Taxes.

The Borrower and each Borrower Principal, respectively, has filed or caused to be filed all tax returns which are required to be filed and has paid all taxes shown to be due and payable on said returns and on any assessments made against it and any of its property and, to its knowledge, all other taxes, fees and other charges imposed on it and any of its property by any Governmental Authority (other than any the amount or validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on its books). No tax Lien has been filed, and, to its knowledge, no claim is being asserted, with respect to any such tax, fee or other charge which, in either case, could reasonably be expected to have a Material Adverse Change.

Section 4.10 No Burdensome Restrictions.

Neither the Borrower nor any Borrower Principal is a party to or subject to any contractual obligation, security, agreement, instrument, license or other undertaking by which the Borrower or such Borrower Principal is bound (other than the Loan Documents) which reasonably could be expected to have a Material Adverse Change on the business, properties, assets, operations or condition, financial or otherwise, of it, or on the ability of it to carry out its obligations hereunder or under the other Loan Documents.

Section 4.11 Investment Company Act: Other Regulations.

Neither the Borrower nor any Borrower Principal is an "investment company", or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended. Neither the Borrower

nor any Borrower Principal is subject to regulation under any Requirement of Law which limits its ability to incur Obligations, other than as set forth herein or in the other Loan Documents.

Section 4.12 Subsidiaries.

The Borrower has no Subsidiaries.

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Section 4.13 Title to Premises.

The Borrower is seized of the Land and Improvements (and any fixtures) in fee, or is the owner of a leasehold interest in the Land and Improvements (and any fixtures) pursuant to a Ground Lease, and has marketable title to any appurtenant easements and has the right to convey the same, that title to such property is free and clear of all encumbrances except for the Permitted Encumbrances, and that it will warrant and defend the title to such property (except for the Permitted Encumbrances) against the claims of all Persons. As to the balance of the Premises, the Rents and Profits and the Intangible Personalty, the Borrower represents and warrants that it has marketable title to such property, that it has the right to convey such property and that it will warrant and defend such property against the claims of all persons or parties.

Section 4.14 Ownership of Personalty.

The Borrower owns, subject to no Lien other than the Lien of the Security Instrument and the other Loan Documents, as appropriate, all of the Personalty.

Section 4.15 Financial Statements.

As of the date of the most recent Financial Statement furnished to the Lender, neither the Borrower nor any Borrower Principal had any material (a) indebtedness for borrowed money or for the deferred purchase price of property or services, as evidenced by bonds, notes or other similar instruments or agreements, (b) obligations as a lessee under leases which shall have been or should be, in accordance with GAAP, recorded as capital leases, (c) obligations under direct or indirect guaranties in respect of, or any obligations (contingent or otherwise) to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or any obligations of another of the kind referred to in clause (a) or (b) above, (d) contingent liability or liability for taxes, or (e) long-term lease or unusual forward or long-term commitment, including, without limitation, any interest rate or foreign currency swap or exchange transaction, which is not, to the extent required by GAAP, reflected in the foregoing statements or in the notes thereto. No sale, transfer or other disposition by the Borrower or any Borrower Principal of any material part of its business or property has occurred since the date of such party's most recent Financial Statement furnished to the Lender.

Section 4.16 No Change.

There has been no development or event which has had or could reasonably be expected to have a Material Adverse Change (a) with respect to the Borrower or any Borrower Principal since the date of such party's most recent Financial Statement furnished to the Lender, or (b) with respect to the Premises or any portion of the Intangible Personalty since the date of the most recent Operating Statements furnished to the Lender.

Section 4.17 Accuracy of Information.

Each exhibit, Financial Statement, Operating Statement, Rent Roll, document, book, record, report and other item of written information furnished by the Borrower or the Borrower Principals, as the case may be, to the Lender in connection with the Loan Documents is accurate in all material respects as of its date and as of the date so furnished and (b) all financial projections contained therein are based on reasonable and stated assumptions, and no such document contains any material misstatement of fact or omits to state a material fact.

Section 4.18 Principal Place of Business.

The Borrower's principal place of business and chief executive office is at the location set forth in the first paragraph of this Loan Agreement and it has not operated under any name other than its own name at any time from the date of its formation.

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Section 4.19 Taxpayer Identification Number.

The Borrower's taxpayer identification number is as set forth in the Note.

Section 4.20 Insurance.

The Borrower does not know of and has not received any written notice of any violation of any insurance policy term that remains uncured and, to its best knowledge, it and the Premises and the use thereof materially comply with all insurance policy terms.

Section 4.21 Mechanic's Liens, etc.

Except as have been paid for in full by the Borrower on or before the Closing Date or as shall be paid prior to delinquency in the ordinary course of the Borrower's business, no improvements or repairs have been made to the Premises during the one hundred twenty (120) days preceding the date hereof; there are no contracts not fully performed, and no outstanding bills incurred, for labor or materials used in making improvements or repairs on the Premises, or for services of architects, surveyors or engineers incurred in connection therewith. The Borrower has made no contract or arrangement of any kind whatsoever, the performance of which by the other party thereto could give rise to a Lien on the Premises superior to that of the Security Instrument.

Section 4.22 Litigation.

There are no pending or threatened actions, proceedings, suits, judgments, bankruptcies or executions that in any way involve the Borrower, the Loan Documents or any Borrower Principal, and the Borrower is not a surety on any bond through which a Lien might be created superior to any conveyance executed by the Borrower.

Section 4.23 No Violation.

To the Borrower's knowledge, the Borrower is not in violation of any Requirement of Law or any Hazardous Materials Law and has not received notice of and has no knowledge of any Governmental Action.

Section 4.24 ERISA.

The Borrower is not an "employee benefit plan" as defined in Section 3(3) of ERISA, which is subject to Title I of ERISA, (b) the assets of the Borrower do not constitute "plan assets" of one or more such plans within the meaning of 29 C.F.R. ss.2510.3-101, (c) neither the Borrower nor any of its general partners, members or shareholders, as the case may be, have any trust or custodial relationship with the Lender or any affiliate of the Lender with respect to any ERISA plan, and (d) neither the Borrower nor any general partner, member or shareholder of the Borrower is a participant in any governmental plan that has a trust or custodial relationship with the Lender or any affiliate of the Lender. The Borrower (i) is not a "governmental plan" within the meaning of Section 3(32) of ERISA and (ii) transactions by or with the Borrower are not subject to Requirements of Law regulating investments of and fiduciary obligations with respect to government plans.

Section 4.25 O&M Program.

The Borrower has adopted an O&M Program with respect to all Hazardous Materials, if any, identified in the Environmental Assessment furnished to the Lender prior to the Closing Date or as otherwise required by the Lender.

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ARTICLE V - COVENANTS AND AGREEMENTS

Section 5.1 Affirmative Covenants of the Borrower.

During any period in which the Loan is outstanding, the Borrower agrees that it will:

(a) Use of Loan Funds. Cause all Loan proceeds to be used for the purposes set forth in a loan closing statement approved by the Lender and use all excess Loan proceeds disbursed to the Borrower only for lawful business purposes permitted under the Borrower's organizational documents. No part of the proceeds of the Loan will be used for "purchasing" or "carrying" any "margin stock" within the respective meanings of each of the quoted terms under Regulation U of the Board of Governors of the Federal Reserve System as now and from time to time hereafter in effect or for any purpose which violates the provisions of the Regulations of such Board of Governors. If requested by the Lender, the Borrower will furnish to the Lender a statement to the foregoing effect in conformity with the requirements of FR Form U-1 referred to in said Regulation U. No part of the proceeds of the Loan has been used in any manner that could result in a violation of Regulations G, T, V or X of the Board of Governors of the Federal Reserve System.

(b) Payment. Pay when due all sums owing to the Lender and others in

accordance with the terms of the Loan Documents.

(c) Fees, Costs and Expenses. Pay when due all fees, costs and expenses required to be paid by the Borrower pursuant to the terms of the Commitment or any of the other Loan Documents, including without limitation, reasonable attorneys fees and other fees, costs and expenses of the Lender in connection with the enforcement of the Lender's rights under the Loan Documents. Any such amounts paid by the Lender shall be due and payable upon demand.

(d) Condition of Premises. Keep and maintain the Premises in good order, condition and repair and shall make, as and when the same shall become necessary, all repairs and maintenance necessary or appropriate in order to keep the Premises from deteriorating.

(e) Compliance. Comply with all (i) building, zoning, fire, health, environmental, disability and use laws (including, but not limited, to all state and local handicapped access laws, the Architectural Barriers Act of 1968, the Fair Housing Amendments Act of 1988, the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990 and similar laws and ordinances), codes, ordinances, rules and regulations, (ii) covenants and restrictions of record and (iii) easements which are in any way applicable to the Premises or any part thereof and the use or enjoyment thereof.

(f) Inspection. Subject to the rights of any tenants of the Premises under their leases, permit the Lender and/or its authorized agents to enter upon the Premises during normal working hours and as often as the Lender desires, for the purpose of inspecting the Improvements specifically and the condition and operation of the Premises generally. In connection therewith, the Borrower shall permit the Lender and the Lender's representatives (including an independent Person such as an engineer, architect, or inspector) or third parties making Immediate Repairs, Replacements or Additional Repairs or Replacements to enter onto the Premises during normal business hours (subject to the rights of any tenants of the Premises under their leases) to inspect the progress of any Immediate Repairs, Replacements or Additional Repairs or Replacements and all materials being used in connection therewith, to examine all plans, specifications and shop drawings relating to such Immediate Repairs, Replacements or Additional Repairs or Replacements which are or may be kept at the Premises, and, if an Event of Default has occurred and is continuing, to complete any Immediate Repairs, Replacements or Additional Repairs or Replacements. The Borrower agrees to cause all contractors, subcontractors, agents, architects and inspectors reasonably to cooperate with the Lender and the Lender's representatives or such other Persons described above in connection with inspections or the completion of Immediate Repairs, Replacements or Additional Repairs or Replacements. At the Borrower's request, a representative of the Borrower may be present during any such inspection.

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(g) Reimbursement. The Borrower agrees that if it shall fail to pay when due any tax, assessment or charge levied or assessed against the Premises or any utility charge, whether public or private, or any insurance premium or if it shall fail to procure the Insurance required hereunder and cause the delivery of the insurance certificates as required herein, or if it shall fail to pay any other charge or fee described herein, then the Lender, at its option, may pay, procure or cause the delivery of the same. The Borrower will reimburse the Lender upon demand for any sums of money paid by the Lender pursuant to this Section, together with interest on each such payment at the default rate set forth in the Note and all such sums and interest thereon shall be secured hereby

(h) Environmental Assessment. Provide to the Lender from time-to-time, at the Borrower's sole fee, cost and expense, if the Lender shall ever have reason to believe that any Hazardous Material affects the Premises, or if any Governmental Action is made or threatened, or if an Event of Default shall have occurred, an Environmental Assessment, which Environmental Assessment shall have been ordered by the Borrower within ten (10) days after the Lender's request and which shall be delivered to the Lender promptly after the date of the Lender's request. At all other times, the Lender may request an Environmental Assessment to be provided by the Borrower at the Lender's expense. The Borrower will cooperate with each consulting firm making any Environmental Assessment and will promptly supply to the consulting firm, from time to time upon request, all information available to the Borrower to facilitate the completion of the Environmental Assessment. If the Borrower fails to order such Environmental Assessment within ten (10) days after the Lender's request, the Lender may cause any such Environmental Assessment to be made at the Borrower's fee, cost, expense and risk. The Lender may disclose to interested parties any information the Lender ever has about the environmental condition or compliance of the Premises, but shall be under no duty to disclose any such information except as may be required by law. The Lender shall be under no duty to make any Environmental Assessment of the Premises, and in no event shall any such Environmental Assessment by the Lender be or give rise to a representation that any Hazardous Material is or is not present on the Premises, or that there has been or shall be compliance with any Hazardous Materials Law, nor shall the Borrower or any other Person be entitled to rely on any Environmental Assessment made by the Lender or at the Lender's request. The Lender owes no duty of care to protect the Borrower or any other Person against, or to inform them of, any

Hazardous Material or other adverse condition affecting the Premises.

(i) Appraisal. At all times during the term of the Loan, cooperate with the Lender and use its best efforts to assist the Lender in obtaining an Appraisal of the Premises, and will promptly supply to the Lender, from time to time upon request, all information available to the Borrower to facilitate the completion of such Appraisal. If any Event of Default occurs, or if a casualty loss or governmental taking occurs and results in insurance or eminent domain proceeds in excess of \$150,000.00, the Lender may, in its reasonable discretion, choose the appraiser, but the Borrower shall be responsible for any fees payable to said appraiser in connection with an Appraisal of the Premises. Under all other circumstances, the appraiser performing any such Appraisal shall be engaged by the Lender, and the Lender shall be responsible for any fees payable to said appraiser in connection with an Appraisal of the Premises.

(j) Surveys. Following any change in the exterior configuration of the Premises or any rezoning affecting the Premises, provide the Lender with such additional Surveys as reasonably requested by the Lender.

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(k) Other Tests. Promptly submit to the Lender copies of reports of all physical tests at any time made on the Land, the Improvements or the materials to be incorporated into the Improvements and shall, at the Borrower's expense, cause to be made such additional tests from time to time as the Lender may reasonably require after any change in the Premises or receipt by the Lender of any such report.

(l) Taxes and Fees. Except as otherwise provided herein, pay as they become due all taxes, general and special assessments, permit fees, inspection fees, license fees, water and sewer charges, franchise fees and equipment rents against it or the Premises, and the Borrower, upon request of the Lender, will submit to the Lender receipts evidencing said payments.

(m) Financial Statements and Operating Statements. Furnish, or cause to be furnished to the Lender, annual Financial Statements for itself. Monthly Operating Statements shall be submitted to the Lender when requested by the Lender and for any period during which any Event of Default is continuing. Operating Statements shall be delivered to the Lender within forty-five (45) days of the end of each of the Borrower's fiscal quarters, and an annual Financial Statements shall be submitted to the Lender within one hundred twenty (120) days of the Borrower's fiscal year end in lieu of an Operating Statement for the Borrower's fourth fiscal quarter. Without limiting any other rights available to the Lender under this Loan Agreement or any of the other Loan Documents, in the event the Borrower shall fail to timely furnish the Lender any Financial Statement in accordance with this subsection, the Borrower shall promptly pay to the Lender a penalty in the amount of \$1,000.00 for each such failure.

(n) Books and Records. Keep and maintain at all times at the Premises, at the Borrower's address set forth herein, or at such other place as the Lender may approve in writing, complete and accurate books of accounts and records adequate to reflect correctly the results of the operation of the Premises and copies of all written contracts, leases and other instruments which affect the Premises (including, but not limited to, all bills, invoices and contracts for utilities, waste management service, telephone service and management services, rent registrations and all materials filed with any Governmental Authority where applicable). Such books, records, contracts, leases and other instruments shall be subject to examination and inspection at any time during normal working hours by the Lender upon reasonable prior notice.

(o) Further Assurances. The Borrower shall furnish or cause to be furnished such further documentation or information (including without limitation, amendments, replacements, corrections, deletions or additions to the Loan Documents or any other materials furnished to the Lender in connection with the Loan) which is (i) reasonably required to enable the Lender to sell the Loan, or (ii) deemed necessary or appropriate by the Lender in the exercise of its rights under any of the Loan Documents or to perfect, protect, maintain, preserve, continue and/or extend any Lien granted to the Lender under the Security Instrument or any other Loan Document, provided, however, that the Borrower shall not be required to do anything that (A) has the effect of (I) changing any essential economic or other material terms of the Loan set forth in the Loan Documents or (II) imposing greater liability on the Borrower under the Loan Documents, or (B) results in any substantial fee, cost or expense to the Borrower. In addition, the Borrower shall furnish or cause to be furnished such further documentation and information (including without limitation, amendments, replacements, corrections, deletions and additions to the Loan Documents and other materials furnished to the Lender in connection with the Loan) deemed necessary or appropriate by the Lender to correct patent mistakes in the Loan Documents, materials relating to title insurance policies and other insurance required hereunder, and the funding of the Loan, provided that any such further documentation or information shall be at the sole fee, cost and expense of the Lender.

(p) Payment of Operating Expenses. Pay all Operating Expenses, except

to the extent that the Lender is obligated to pay any Operating Expense on behalf of the Borrower from the Tax and Insurance Reserve Account.

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(q) Payment of Recurring Capital Expenditures. Pay all expenditures with respect to the Premises related to capital repairs, replacements and improvements (other than Replacements) performed from time to time.

(r) ERISA. Deliver to the Lender such certifications or other evidence from time to time throughout the term of the Loan, as requested by the Lender in its reasonable discretion, that (i) the Borrower is not an "employee benefit plan," a "governmental plan" and/or subject to state statutes regulating investments and fiduciary obligations with respect to governmental plans; and (ii) one or more of the following circumstances is true:

(A) Less than twenty-five percent (25%) of all Equity Interests in the Borrower are held by "benefit plan investors" within the meaning of 29 C.F.R. ss.2510.3-101(f) (2); and/or

(B) The Borrower qualifies as an "operating company" or a "real estate operating company" within the meaning of 29 C.F.R. ss.2510.3-101 (c) or (e)

(s) Actions and Proceedings. Promptly notify the Lender in writing of any action or proceeding relating to any condemnation or other taking, whether direct or indirect, of the Premises or any portion thereof, or purporting to affect the Premises, any Loan Document or any right of the Lender hereunder or thereunder. In each such action or proceeding, the Borrower shall, unless otherwise directed by the Lender in writing, appear in and prosecute or defend any such action or proceeding. The Borrower hereby further authorizes the Lender, in the Lender's reasonable discretion following notice to the Borrower, as attorney-in-fact for the Borrower, to commence, appear in and prosecute, in the Lender's or the Borrower's name, any action or proceeding relating to any condemnation or other taking of the Premises, whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking. The Lender shall not exercise the authority granted in the preceding sentence during any time that the Borrower is prosecuting or defending any such action in good faith with counsel acceptable to the Lender.

(t) Completion of Immediate Repairs, Replacements and Additional Repairs or Replacement.

(i) The Borrower shall commence the Immediate Repairs immediately following the execution of this Agreement (or as soon thereafter as weather reasonably shall permit) and shall at all times thereafter diligently pursue the completion of all Immediate Repairs. The Borrower shall complete all Immediate Repairs no later than twelve (12) months after the date of this Agreement. The Borrower covenants and agrees that each of the Immediate Repairs, Replacements and Additional Repairs or Replacements and all materials, equipment, fixtures, and any other item comprising a part of any Immediate Repair, Replacement or Additional Repair or Replacement shall be constructed, installed or completed, as applicable, free and clear of all mechanic's, materialman's or other liens (except for those liens existing on the date of this Agreement which have been approved in writing by the Lender).

(ii) If the Lender determines, in its reasonable discretion after consulting with the Borrower, that Additional Repairs or Replacements are advisable in order to keep the Premises in good order and repair, the Lender may send the Borrower written notice of the need for making such Additional Repairs or Replacements. The Borrower shall promptly commence making such Additional Repairs or Replacements. If the Borrower fails to commence such Additional Repairs or Replacements within thirty (30) days after such notice and diligently pursue completion of such Additional Repairs or Replacements, such failure shall be an Event of Default under this Loan Agreement, and, in addition to all other rights the Lender may have under the Loan Documents upon an Event of Default, the Lender may contract with third parties to make such Additional Repairs or Replacements and may in its sole discretion (A) apply the funds in the Repair Escrow Account and/or Replacement Reserve Account toward the labor and materials necessary to complete such Additional Repairs or Replacements, and/or (B) demand payment for such Additional Repairs or Replacements from the Borrower.

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(iii) In the event the Lender determines in its reasonable discretion that any Immediate Repair, Replacement or Additional Repair or Replacement has not been completed in a workmanlike and timely manner, the Lender shall have the option to withhold disbursement for such unsatisfactory Immediate Repair, Replacement or Additional Repair or Replacement and to proceed under existing contracts or to contract with third parties to complete such Immediate Repair, Replacement or Additional Repair or Replacement and to apply the Repair Escrow Account or the Replacement Reserve Account toward the labor and materials necessary to complete such Immediate Repair, Replacement or Additional Repair or Replacement to the reasonable satisfaction of the Lender, without providing any prior notice to the Borrower.

(iv) In order to facilitate the Lender's completion or making of the Immediate Repairs, Replacements or Additional Repairs or Replacements, the Lender is granted the irrevocable right to enter onto the Premises and perform any and all work and labor necessary to complete or make the Immediate Repairs, Replacements or Additional Repairs or Replacements and employ watchmen to protect the Premises from damage, loss and/or theft. All sums so expended by the Lender shall be deemed to have been advanced to the Borrower and secured by the Security Instrument and the other Loan Documents.

(v) All Immediate Repairs, Replacements and Additional Repairs or Replacements shall comply with all Requirements of Law and applicable insurance requirements including, without limitation, applicable building codes, special use permits, environmental regulations, and requirements of insurance underwriters.

(u) Program Rider. Comply with all covenants and agreements set forth in the Program Rider.

Section 5.2 Negative Covenants of the Borrower.

During any period in which the Loan is outstanding, the Borrower agrees that it will not:

(a) Sale or Encumbrance of Personalty. Sell, encumber or otherwise dispose of any of the Personalty except (i) to incorporate Tangible Personalty into the Improvements or replace Tangible Personalty with goods of quality and value at least equal to that replaced, or (ii) for the sale, disposal or use of inventory or equipment, if any, in the ordinary course of the Borrower's business at the Premises; provided, however, in the event the Borrower sells or otherwise disposes of any of the Personalty, the Lender's security interest in the proceeds of the Personalty shall continue pursuant to the Security Instrument and the other Loan Documents, as appropriate

(b) Construction. Except for construction arising out of expansion rights set forth in (i) the lease between the Borrower and Lowe's Home Centers, Inc., dated January 6, 1995 (the "Lowe's Lease"), and (ii) the Lease between the Borrower and Supervalu, Inc., dated June 26, 1996, as amended (the "Supervalu Lease"), construct or permit the construction of any improvements on the Premises other than Immediate Repairs or Replacements or as otherwise required hereunder or previously consented to in writing by the Lender, which consent shall not be unreasonably withheld, conditioned or delayed.

(c) Change in Ownership: Identify of the Borrower. Permit any sale, transfer, assignment or other disposition of, or grant or create any Lien on, a Significant Ownership Interest in the Borrower, except by inheritance, devise, bequest or by operation of law upon the death of a natural person. The Borrower hereby acknowledges to the Lender that (i) the identity of the Borrower and the expertise available to the Borrower were and continue to be material circumstances upon which the Lender has relied in connection with, and which constitute valuable consideration to the Lender for, the extending to the Borrower of the indebtedness evidenced by the Note and (ii) any change in such identity or expertise could materially impair or jeopardize the security for the payment of the Note granted to the Lender by the Security Instrument and the other Loan Documents, as appropriate.

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(d) Prepayment of Rent. Accept any prepayment of rent or installments of rent for more than two (2) months in advance without the prior written consent of the Lender

(e) No Other Name. Change its name or operate under any name other than its name as set forth herein

(f) No Restricted Payments. Make any payment or take any other action constituting (i) any direct or indirect purchase or other acquisition by the Borrower of Equity Interests of any other Person, or any direct or indirect loan, advance (other than advances to employees for moving and travel expenses, drawing accounts and expenditures in the ordinary course of business) or capital contribution by the Borrower to any other Person, including all debt and any Obligation of any sort, and/or (ii) a payment or prepayment on account of, or the setting apart of assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of subordinated debt, either directly or indirectly, whether in cash or in property or in obligations of any Person.

(g) No Waste or Abandonment. Suffer, permit or commit waste, permit impairment or deterioration of, or abandon, the Premises or any portion thereof. The Borrower will not itself, or permit any tenant or other Person to, remove, demolish or alter any improvement now existing or hereafter erected on the

Premises or any fixture, equipment or machinery in or on the Premises except in connection with any Repair or Replacement, except as may be permitted under any leases between the Borrower and tenants.

(h) Use of Premises. Except as required by applicable law, or as otherwise permitted in writing by the Lender, allow any change in the business use of all or any portion of Premises from the use thereof as of the Closing Date.

Section 5.3 Environmental Covenants.

(a) Not cause, permit or exacerbate any Prohibited Activities or Conditions. The Borrower represents and warrants that it has not at any time caused or permitted any Prohibited Activities or Conditions except as set forth in the Environmental Assessment and that no Prohibited Activities or Conditions exist or have existed on or under the Premises. The Borrower shall take all appropriate steps to prevent its employees, agents, and contractors, and any tenants from causing, permitting, or exacerbating any Prohibited Activities or Conditions. The Borrower shall not lease or allow the sublease or use of all or any portion of the Premises to any tenant, subtenant or user that, in the ordinary course of its business, would cause, permit, or exacerbate any Prohibited Activities or Conditions, and all leases, subleases and use agreements relating to the Premises shall contain provisions sufficient to ensure that tenants, subtenants and users shall not cause, permit or exacerbate any Prohibited Activities or Conditions.

(b) Comply in a timely manner with, and cause all employees, agents, and contractors of the Borrower and any other persons present on the Premises to so comply with, (i) any O&M Program now or hereafter in effect during the term of the Loan, and (ii) Hazardous Materials Law, so as to minimize any economic loss to the Premises and the Loan. The Borrower shall adopt an O&M Program with respect to any Hazardous Materials identified in any Environmental Assessment or any Governmental Action relating to the Premises, or as otherwise required by the Lender with respect to the Premises. Any O&M Program shall be performed by

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qualified contractors under the supervision of a consulting engineer hired by the Borrower with the prior written approval of the Lender which approval shall not be unreasonably withheld, conditioned or delayed. All costs and expenses of any O&M Program shall be paid by the Borrower, including without limitation the charges of such contractors and consulting engineer and the Lender's fees, costs and expenses incurred in connection with the monitoring and review of the O&M Program and the Borrower's performance thereunder.

(c) Promptly notify the Lender in writing of: (i) any Governmental Action it becomes aware of (ii) any claim made or threatened by any third party against the Borrower, the Lender, or the Premises relating to loss or injury resulting from any occurrence or condition on the Premises or any other real property that could require the removal from the Premises of any Hazardous Materials or cause any restrictions on the ownership, occupancy, transferability or use of the Premises under Hazardous Materials Law or (iii) the occurrence of any Prohibited Activities or Conditions of which it becomes aware. The Borrower shall cooperate with any governmental inquiry, and shall comply with any governmental or judicial order, request or directive which arises from any alleged Prohibited Activities or Conditions; provided that with respect to governmental requests or directives only, the Borrower may contest or object to a good faith dispute regarding said request or directive if the Borrower notifies the Lender in advance of said contest or objection and as long as said contest or objection does not result in a violation of law or fines assessed against the Premises.

(d) Pay promptly all costs and expenses incurred by the Lender in connection with any Governmental Action, including but not limited to costs of any environmental audits, studies, investigations or remedial activities including but not limited to the removal of any Hazardous Materials from the Premises. The Borrower also shall pay promptly the costs of any environmental audits, studies, investigations or the removal of any Hazardous Materials from the Premises required by the Lender as a condition of its consent to any sale or transfer of all or any part of the Premises or any interest therein or required by the Lender following a reasonable determination by the Lender that there may be Prohibited Activities or Conditions on or under the Premises; provided, however, that the Lender shall not impose on the Borrower any obligation with respect to Prohibited Activities or Conditions greater than imposed by applicable law. Any such costs or expenses incurred by the Lender (including but not limited to reasonable fees and expenses of attorneys and consultants, whether incurred in connection with any judicial or administrative process or otherwise) which the Borrower fails to pay promptly shall become additional indebtedness secured by the Security Instrument.

(e) HOLD HARMLESS, DEFEND AND INDEMNIFY THE LENDER AND ITS OFFICERS, DIRECTORS, TRUSTEES, EMPLOYEES, AGENTS, AFFILIATES (INCLUDING ANY PARENT CORPORATION), SUCCESSORS AND ASSIGNS, FROM AND AGAINST ALL PROCEEDINGS, CLAIMS,

DAMAGES, PENALTIES, FEES, COSTS AND EXPENSES (INCLUDING WITHOUT LIMITATION REASONABLE FEES AND EXPENSES OF ATTORNEYS AND EXPERT WITNESSES, INVESTIGATORY FEES, AND CLEANUP AND REMEDIATION EXPENSES, WHETHER INCURRED IN CONNECTION WITH ANY JUDICIAL OR ADMINISTRATIVE PROCESS OR OTHERWISE), ARISING DIRECTLY OR INDIRECTLY FROM (i) ANY BREACH OF ANY REPRESENTATION, WARRANTY, OR OBLIGATION OF THE BORROWER CONTAINED IN THIS SECTION 5.3 OR (ii) THE PRESENCE OF HAZARDOUS MATERIALS ON OR UNDER THE PREMISES OR ANY PROPERTY PROXIMATE TO THE PREMISES OR ANY GOVERNMENTAL ACTION ALLEGING ANY SUCH PRESENCE, EXCEPT TO THE EXTENT THAT THE BORROWER CAN PROVE BOTH THAT SUCH PRESENCE OR GOVERNMENTAL ACTION ALLEGING SUCH PRESENCE WAS CAUSED SOLELY BY ACTIONS, CONDITIONS, OR EVENTS THAT OCCURRED AFTER THE DATE THAT THE LENDER (OR ANY PURCHASER AT A FORECLOSURE SALE) ACTUALLY ACQUIRED TITLE TO THE PREMISES AND THAT SUCH PRESENCE OR GOVERNMENTAL ACTION ALLEGING SUCH PRESENCE WAS NOT CAUSED BY THE DIRECT OR INDIRECT ACTIONS OF THE BORROWER OR ANY BORROWER PRINCIPAL, OR ANY PARTNER, MEMBER, PRINCIPAL, OFFICER, DIRECTOR, TRUSTEE OR MANAGER OF THE BORROWER OR ANY EMPLOYEE, AGENT, CONTRACTOR OR AFFILIATE OF THE BORROWER OR ANY BORROWER PRINCIPAL. THE OBLIGATIONS AND LIABILITIES OF THE BORROWER UNDER THIS SECTION 5.3(e) SHALL SURVIVE ANY TERMINATION, SATISFACTION, ASSIGNMENT, ENTRY OF A JUDGMENT OF FORECLOSURE OR DELIVERY OF A DEED IN LIEU OF FORECLOSURE OF THE SECURITY INSTRUMENT.

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Section 5.4 Recourse Covenants.

Except as otherwise expressly permitted by the Loan Documents, during any period in which the Loan is outstanding, the Borrower agrees that it will not without the prior written consent of the Lender:

(a) Sale Transfer Conveyance or Disposal. Permit any sale, transfer, conveyance or other disposal of the Premises, the Rents and Profits or the Intangible Personalty, other than as permitted under the Security Instrument.

(b) Subordinate Financing and Liens. Engage in any subordinate financing with respect to the Premises, the Rents and Profits or the Intangible Personalty or grant any consensual Liens against the Premises, the Rents and Profits or the Intangible Personalty.

(c) Special Purpose Entity. Fail to be a Special Purpose Entity.

Section 5.5 Insurance.

(a) Maintenance of Insurance. The Borrower shall, at its sole cost and expense, keep in full force and effect all Insurance. If the Borrower fails to maintain any Insurance required by this Agreement, the Lender may, at its option, procure such Insurance, and the Borrower shall reimburse the Lender for the amount of all premiums paid by the Lender thereon promptly upon demand by the Lender, with interest thereon at the rate then provided by the Note from the date paid by the Lender to the date of repayment, and such sum shall be a part of the indebtedness secured by the Security Instrument. The Lender shall not be liable for the fact of approving, disapproving, accepting, preventing, obtaining or failing to obtain any Insurance, incur any liability for or with respect to the amount of Insurance carried, the form or legal sufficiency of insurance contracts, solvency of insurance companies, or payment or defense of lawsuits, and the Borrower, for itself, hereby expressly assumes full responsibility therefor and all liability, if any, with respect thereto.

(b) Insurance with Respect to Immediate Repairs, Replacements and Additional Repairs or Replacements. In addition to and to the extent not covered by any Insurance required under the Loan Documents, the Borrower shall provide or cause to be provided worker's compensation insurance, builder's risk, and public liability insurance and other insurance to the extent required under applicable law in connection with a particular Immediate Repair, Replacement or Additional Repair or Replacement reasonably required by the Lender.

(c) Approved Insurers. Each of the Borrower's insurers shall be an Approved Insurer. If any of the Borrower's insurers shall at any time cease to be an Approved Insurer, then within thirty (30) days after notice from the Lender to the Borrower, the Borrower will obtain replacement Insurance or additional Insurance issued by one or more other Approved Insurers.

(d) Form of Insurance Policies: Endorsements. All policies for Insurance shall be in such form and with such endorsements as are comparable to the forms of and endorsements to the Borrower's insurance policies in effect on the date hereof or otherwise in accordance with commercially reasonable standards applied by prudent owners of similar businesses in the general vicinity of the Premises and generally acceptable to institutional lenders for

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comparable properties and risks. All such policies shall name the Lender, and its successors and assigns, as additional insureds, mortgagees and/or loss payees, as deemed appropriate by the Lender, and shall provide that all proceeds are payable to the Lender and shall contain: (i) a standard "non-contributory mortgagee" endorsement or its equivalent relating, inter alia, to recovery by

the Lender notwithstanding the negligent or willful acts or omissions of the named Borrower; (ii) to the extent available at commercially reasonable rates, a waiver of subrogation endorsement as to the Lender; (iii) an endorsement providing that no policy shall be impaired or invalidated by virtue of any act, failure to act, negligence of, or violation of declarations, warranties or conditions contained in such policy by the Borrower, the Lender or any other named insured, additional insured, mortgagee or loss payee, except for the willful misconduct of the Lender knowingly in violation of the conditions of such policy; (iv) an endorsement providing for a deductible per loss of an amount not more than that which is customarily maintained by prudent owners of similar businesses in the general vicinity of the Premises; (v) a provision that such policies shall not be canceled or amended, including, without limitation, any amendment reducing the scope or limits of coverage, without at least thirty (30) days prior written notice to the Lender in each instance, and (vi) effective waivers by the insurer of all claims for insurance premiums against any loss payees, additional insureds, mortgagees and named insureds (other than the Borrower). Any insurance coverage relating to the Premises that is carried by the Borrower in excess of the Insurance required hereunder shall name the Lender, and its successors and assigns, as additional insureds, mortgagees and/or loss payees, as appropriate, as provided herein. A certificate executed by the Borrower's insurance consultant and other evidence of Insurance reasonably required by the Lender shall be delivered to the Lender not less than ten (10) days prior to the expiration date of any of the policies for Insurance required to be maintained hereunder which certificate and other evidence shall certify payment of applicable premiums for renewal and replacement policies. The Borrower may effect any Insurance required hereunder through blanket insurance policies. The Borrower shall deliver to the Lender certified copies of all policies for Insurance which shall be taken out upon the Premises while any part of the Loan shall remain unpaid.

(e) Compliance with Insurance Policy Terms. The Borrower shall comply with all terms of policies for Insurance and shall not bring or keep or permit to be brought or kept any article upon the Premises or cause or permit any condition to exist thereon which would be prohibited by or could invalidate any Insurance required hereunder.

ARTICLE VI - RESERVE ACCOUNTS

Section 6.1 Establishment of Reserve Accounts.

On or before the Closing Date, the Lender shall establish each Reserve Account. Each Reserve Account shall be under the sole dominion and control of the Lender.

Section 6.2 Initial Reserve Deposits.

On the Closing Date, the Borrower shall pay to the Lender for deposit into each Reserve Account any Initial Reserve Deposit applicable to such Reserve Account.

Section 6.3 Monthly Reserve Deposits.

On each Payment Date, the Borrower shall pay to the Lender for deposit into each Reserve Account any Monthly Reserve Deposit applicable to such Reserve Account. The Lender may, upon written request from the Borrower, waive any requirement for the payment of a Monthly Reserve Deposit, provided however, that any such waiver by the Lender of a requirement that the Borrower pay such Monthly Reserve Deposit may be revoked by the Lender, in the Lender's sole discretion, at any time upon notice in writing to the Borrower.

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Section 6.4 Adjustments to Monthly Reserve Deposit to the Replacement Reserve Account.

The Lender may, in the Lender's reasonable discretion, adjust the Monthly Reserve Deposit to the Replacement Reserve Account from time to time to an amount sufficient, in the Lender's reasonable judgment, to maintain adequate balances necessary for Replacements, including, without limitation, Additional Repairs or Replacements made pursuant to the terms of the Loan Agreement. Notwithstanding the foregoing, in the event the Lender shall at any time increase the Monthly Reserve Deposit to the Replacement Reserve Account over the Monthly Reserve Deposit to the Replacement Reserve Account then required pursuant to Exhibit B hereto, the Borrower, may at its election, request that the Lender obtain, at the sole cost, fee and expense of the Borrower, an engineering report from an engineer to be selected by the Lender in its reasonable discretion, in which case the Monthly Reserve Deposit to the Replacement Reserve Account shall be adjusted by the Lender based on such engineering report, provided that in no event shall the Monthly Reserve Deposit to the Replacement Reserve Account be decreased below the applicable amount set forth on Exhibit B hereto.

Section 6.5 Permitted Investments, Earnings, Charges and Annual

(a) Permitted Investments. The Lender shall invest and reinvest, or cause to be invested or reinvested, all or any portion of any funds on deposit in any Reserve Account in Permitted Investments. The maturities of the Permitted Investments on deposit in any Reserve Account shall be selected and coordinated to become due not later than the day before any disbursements from any Reserve Account must be made. All such Permitted Investments shall be held in the name and be under the sole dominion and control of the Lender, to the extent permitted by applicable laws, and no Permitted Investment shall be made unless the Lender shall perfect its first priority Lien in such Permitted Investment and, to the extent permitted by applicable laws, the Lender shall have sole possession and control over each such Permitted Investment and the income thereon, and any certificate or other instrument or document evidencing any such investment shall be delivered directly to the Lender, together with any document of transfer necessary to transfer title to such investment to the Lender. The Lender shall not have any liability (other than for the Lender's gross negligence or willful misconduct) for any loss in investments of funds in any Reserve Account that are invested in Permitted Investments and no such loss shall affect the Borrower's obligation to (i) make any payment hereunder, under the Security Instrument, the Note or any other Loan Document, or (ii) fund, or have liability for funding, any Reserve Account. The Borrower agrees that it shall include all interest, earnings or profits on Permitted Investments of funds on deposit in any Reserve Account as its income (and, if the Borrower is a partnership or other pass-through entity, the partners, members or beneficiaries of the Borrower, as the case may be), and shall be the owner of such accounts for federal and applicable state and local tax purposes, except to the extent the Lender retains such interest, earnings or profits for its own account in accordance with the provisions of Section 6.5(b) of this Loan Agreement. The Borrower shall have no right whatsoever to direct the investment of the proceeds in any Reserve Account.

(b) Earnings. All interest, earnings or profits on the Permitted Investments of funds in any of the Reserve Accounts shall be deposited into the applicable Reserve Account, provided that the Lender may, at its election, and subject to applicable law, retain for its own account any such interest, earnings or profits (i) on the Tax and Insurance Reserve Account, and (ii) on any or all of the Reserve Accounts during the occurrence and continuance of an Event of Default.

(c) Charges. Except as prohibited by applicable laws, the Lender may charge the Borrower for holding, maintaining and applying funds in any of the Reserve Accounts to the extent funds on deposit in such Reserve Account are invested or reinvested in Permitted Investments and the Lender does not retain for its own account any interest, earnings or profits on such Reserve Account in accordance with the provisions of Section 6.5(b) of this Loan Agreement.

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(d) Annual Accounting. The Lender shall furnish or cause to be furnished to the Borrower, without charge, an annual accounting of each Reserve Account in the normal format of the Lender or its agent, showing credits and debits to such Reserve Account and the purpose for which each debit to such Reserve Account was made.

Section 6.6 Assignment to the Lender of Reserve Accounts and Rights and Claims.

(a) The Borrower hereby assigns to the Lender the Reserve Accounts as additional security for all of the Borrower's Obligations to the Lender, under the Note and under the other Loan Documents; provided, however, the Lender shall make disbursements from the Reserve Accounts in accordance with the terms of this Agreement, including without limitation, the Program Rider.

(b) As security for the Borrower's obligations to the Lender, the Borrower assigns to the Lender all rights and claims the Borrower may have against (i) all persons or entities claiming amounts due for taxes, utilities, rent or insurance, or (ii) all persons or entities supplying labor or materials in connection with the Immediate Repairs, Replacements or Additional Repairs or Replacements; provided, however, that the Lender may not pursue any such right or claim unless an Event of Default exists under this Agreement or the Loan Documents.

Section 6.7 Application of Reserve Accounts Upon an Event of Default.

If any Event of Default occurs, then the Borrower shall immediately lose all of its rights to receive disbursements from the Reserve Accounts unless and until the earlier to occur of or concurrently with (a) the date on which such Event of Default is fully cured, and (b) the date on which all amounts secured by the Security Instrument and the other Loan Documents have been paid

in full and the lien of the Security Instrument and the other Loan Documents, as appropriate, have been released by the Lender. Upon any Event of Default, the Lender may in its sole discretion, use the Reserve Accounts (or any portion thereof) for the following purposes: (i) repayment of any indebtedness secured by the Security Instrument and the other Loan Documents, including but not limited to principal prepayments and the prepayment premium applicable to such full or partial prepayment (as applicable); provided, however, that such application of funds shall not cure or be deemed to cure any Event of Default, (ii) reimbursement of the Lender for all losses, fees, costs and expenses (including, without limitation, reasonable legal fees) suffered or incurred by the Lender as a result of such Event of Default, (iii) payment of any amount expended in exercising all rights and remedies available to the Lender at law or in equity or under this Agreement or under any of the other Loan Documents, or (iv) to the payment of any item for which payment is required or permitted from any of the Reserve Accounts pursuant to the terms of this Loan Agreement. Nothing in this Loan Agreement shall obligate the Lender to apply all or any portion of the Reserve Accounts on account of any Event of Default by the Borrower or to pay the indebtedness secured by the Security Instrument or any of the other Loan Documents or in any specific order of priority.

Section 6.8 Disbursements from Tax and Insurance Reserve Account.

(a) The Lender shall disburse, to the extent of amounts on deposit in the Tax and Insurance Reserve Account, directly to each Person owed any portion of the water and sewer assessments and frontage charges, taxes, assessments and insurance premiums, the total sum owed to such Person. Such disbursements shall be made by the Lender (i) so as to coincide in frequency with the regular billing cycle of such Person, and (ii) on or before the date that each such payment is due.

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(b) The Lender may require the Borrower to pay to the Lender in advance, additional amounts for taxes, charges, premiums, assessments, and impositions in connection with the Borrower or the Premises which the Lender shall reasonably deem necessary. Unless otherwise provided by applicable law, the Lender may require payments for such other amounts to be paid by the Borrower in a lump sum or periodic installments, at the Lender's option.

(c) If the amount held in the Tax and Insurance Reserve Account at the time of the annual accounting thereof shall exceed the amount deemed necessary by the Lender to provide for the payment of water and sewer assessments and frontage charges, taxes, assessments, impositions and insurance premiums, as they fall due, such excess shall be credited against future Monthly Reserve Deposits to the Tax and Insurance Reserve Account. If at any time the amount held in the Tax and Insurance Reserve Account shall be less than the amount deemed necessary by the Lender to pay water and sewer assessments and frontage charges, taxes, assessments, impositions and insurance premiums, the Borrower shall pay to the Lender any amount necessary to make up the deficiency within thirty (30) days after notice from the Lender to the Borrower requesting payment thereof.

(d) Upon payment in full of all amounts owed by the Borrower under or otherwise secured by any of the Loan Documents, all remaining amounts on deposit, if any, in the Tax and Insurance Reserve Account shall be distributed to the Borrower.

Section 6.9 Disbursements from Repair Escrow Account and Replacement Reserve Account.

(a) Upon written request from the Borrower and satisfaction of the requirements set forth in this Loan Agreement, the Lender shall disburse to the Borrower amounts from the Repair Escrow Account necessary to reimburse the Borrower for the actual costs of Immediate Repairs and shall disburse amounts from the Replacement Reserve Account necessary to reimburse the Borrower for the actual costs of Replacements (but, as to any Immediate Repair or Replacement, such amount shall not exceed 125% of the original estimated cost of such Immediate Repair and/or Replacement set forth on Exhibit B to this Loan Agreement, unless the Lender agrees to such reimbursement).

(b) Upon written request from the Borrower, the Lender shall disburse amounts from the Repair Escrow Account and/or Replacement Reserve Account to reimburse the Borrower for the actual cost of labor and materials associated with an Additional Repair or Replacement of each of the following conditions are satisfied: (i) each such request from the Borrower shall include a statement regarding why such disbursement should be made; and (ii) if the Lender determines that (A) such Additional Repair or Replacement is of the type intended to be covered by this Agreement, (B) the costs for such Additional Repair or Replacement are reasonable, (C) the amount of funds in the Repair Escrow Account and/or the Replacement Reserve Account, as applicable, is sufficient to pay the Additional Repair or Replacement and 125% of the then current estimated cost of completing all remaining Immediate Repairs and Replacements, as applicable, and (D) all other conditions for disbursement under this Loan Agreement have been met, then the Lender shall disburse funds from the

Repair Escrow Account and/or the Replacement Reserve Account, as applicable, for such Additional Repair or Replacement in accordance with the requirements of this Loan Agreement for Immediate Repairs and/or Replacements.

(c) Each request for disbursement from the Repair Escrow Account or Replacement Reserve Account shall be in a form specified or approved by the Lender and shall set forth (i) the specific Immediate Repairs, Replacements or Additional Repair or Replacement, as the case may be, for which the disbursement is requested, (ii) the quantity and price of each item purchased, if the Immediate Repair, Replacement or Additional Repair or Replacement, as the case may be, includes the purchase or replacement of specific items, (iii) the price of all materials (grouped by type or category) used in any Immediate Repair, Replacement or Additional Repair or Replacement, as the case may be, other than the purchase or replacement of specific items, and (iv) the cost of all

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contracted labor or other services applicable to each Immediate Repair, Replacement or Additional Repair or Replacement, as the case may be, for which such request for disbursement is made. With each request the Borrower shall certify that all Immediate Repairs, Replacements or Additional Repairs or Replacements, as the case may be, have been made in accordance with the requirements of this Loan Agreement and all Requirements of Laws. Each request for disbursement shall include (A) copies of invoices for all items or materials purchased and all contracted labor or services provided, and (B) such acknowledgments of payment, lien waivers and/or releases with respect to the Immediate Repairs, Replacements and Additional Repairs or Replacements for which disbursement is requested as the Lender may reasonably require. In connection with each disbursement from the Repair Escrow Account or the Replacement Reserve Account, as the case may be, the Lender may require the Borrower to provide the Lender with an endorsement to the Lender's title insurance policy showing that no Liens have been placed against the Premises since the date of recordation of the Security Instrument (other than Permitted Encumbrances and any other Liens previously approved in writing by the Lender, if any)

(d) Except as provided in the following sentence, each request for disbursement from the Repair Escrow Account or the Replacement Reserve Account shall be made only after completion (as reasonably determined by the Lender) of the Immediate Repair, Replacement or Additional Repair or Replacement for which disbursement is requested. If (i) the cost of the Immediate Repair, Replacement or Additional Repair or Replacement exceeds the lesser of (A) 1% of the original Loan Amount, or (B) \$50,000.00, (ii) the written contract with respect to such Immediate Repair, Replacement or Additional Repair or Replacement requires periodic payment for such work pursuant to the terms thereof, and (iii) the Lender has approved in writing in advance such periodic payments, then a request for reimbursement from the Repair Escrow Account and/or Replacement Reserve Account may be made after completion of a portion of the work under such contract, provided (1) the materials for which the request is made are on site at the Premises and are properly secured or have been installed in the Premises, (2) all other conditions in this Loan Agreement for disbursement have been satisfied, and (3) funds remaining in the Repair Escrow Account or the Replacement Reserve Account, as the case may be, are, in the Lender's reasonable judgment, sufficient to complete such Immediate Repair, Replacement or Additional Repair or Replacement and all the other Immediate Repairs and/or Replacements when required. The Lender, at its option, may issue joint checks, payable to the Borrower and the supplier, materialman, mechanic, contractor, subcontractor or other party to whom payment is due in connection with any such periodic payment for an Immediate Repair, Replacement or Additional Repair or Replacement to be paid from the Repair Escrow Account or Replacement Reserve Account, as the case may be.

(e) The Lender shall have no obligation to make any disbursement from the Repair Escrow Account or the Replacement Reserve Account more frequently than once in any month and (except in connection with the final disbursement) in any amount less than the lesser of (i) 1% of the original Loan Amount, or (ii) \$5,000.00.

(f) Prior to any disbursement from the Repair Escrow Account or the Replacement Reserve Account, the Lender may, at the Borrower's expense, require an inspection by an appropriate independent qualified professional reasonably selected by the Lender and a copy of a certificate of completion by an independent qualified professional reasonably acceptable to the Lender prior to the disbursement of any amounts from the Repair Escrow Account or the Replacement Reserve Account exceeding \$25,000.00. The Borrower shall pay the Lender a reasonable inspection fee not exceeding \$1,000.00 for each such inspection

(g) The Lender shall not be obligated to make disbursements from the Repair Escrow Account or the Replacement Reserve Account to reimburse the Borrower for the costs of routine maintenance to the Premises, tenant improvements or leasing commissions

(h) Upon the earlier to occur of (i) the timely completion of all Immediate Repairs in accordance with the requirements of this Loan Agreement, as verified by the Lender in its reasonable discretion, or (ii) the payment in full

of all amounts owed by the Borrower under or otherwise secured by any of the Loan Documents, all amounts remaining on deposit, if any, in the Escrow Repair Account shall be distributed to the Borrower

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(i) Upon payment in full of all amounts owed by the Borrower under or otherwise secured by any of the Loan Documents, all amounts remaining on deposit, if any, in the Replacement Reserve Account shall be distributed to the Borrower

Section 6.10 Indemnification.

The Borrower agrees to indemnify the Lender and to hold the Lender harmless from and against any and all actions, suits, claims, demands, counterclaims, cross-claims, liabilities, losses, damages, obligations, fees and costs and expenses (including litigation costs, reasonable attorneys' fees and expenses) arising from or in any way connected with (a) the performance of the Immediate Repairs, Replacements or Additional Repairs or Replacements, (b) unpaid taxes, utility bills, rent or insurance premiums owed by the Borrower, and/or (c) the holding or investment of the Reserve Accounts, except to the extent any of the foregoing is the direct result of the gross negligence or willful misconduct of the Lender.

ARTICLE VII - EVENTS OF DEFAULT; REMEDIES

Section 7.1 Events of Default.

An Event of Default shall occur if any of the following has occurred and is continuing:

(a) Payments. The Borrower fails to make any payment hereunder, under the Note or under any other Loan Document, when due and payable, and such payment is not to be received prior to the 10th day after the same is due (or such greater period, if any, required by applicable law) following the date such payment becomes due and payable.

(b) Bankruptcy, etc. The occurrence of any Bankruptcy Event with respect to the Borrower or any general partner or member thereof.

(c) Judgments. One or more judgments or decrees in excess of \$25,000.00 shall be entered against the Borrower (not paid or fully covered by insurance provided by a carrier who has acknowledged coverage), and any such judgments or decrees shall not have been vacated, discharged, stayed or bonded (through appeal or otherwise) within thirty (30) calendar days from the entry thereof.

(d) Recourse Covenants. The Borrower violates any of the Recourse Covenants.

(e) Compliance with Sections 5.1 (o) and (p) The Borrower fails to comply with any or all of the provisions of either Section 5.1 (o) or 5.1 (p) and such failure continues for a period of thirty (30) calendar days following (i) in the case of Section 5.1 (o), the date demand by the Lender is made upon the Borrower for the execution of any agreement or document in accordance with the provisions of Section 5.1 (o) or (ii) in the case of Section 5.1(p), the date on which any Operating Expense becomes due and payable in accordance with the terms thereof; provided that if any Operating Expense is the subject of a bona fide dispute and is less than 1% of the outstanding balance of the Loan as of the date on which the particular Operating Expense in dispute became due and payable, then the Borrower shall have ninety (90) days from the date the same becomes due and payable to pay such Operating Expense or to furnish the Lender a bond or other collateral acceptable to the Lender in the Lender's reasonable discretion.

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(f) Representations and Warranties. Any representation, warranty, acknowledgment or statement made by the Borrower or any Borrower Principal herein, in any other Loan Document or in any written statement or certificate delivered or required to be delivered pursuant hereto shall prove untrue in any material respect on the date as of which it was deemed to have been made or any representation, warranty acknowledgment or statement submitted to the Lender concerning the financial condition or credit standing of the Borrower, any general partner or member thereof or any Borrower Principal proves to be false or misleading.

(g) Compliance with Covenants and Agreements. The Borrower shall fail to comply with, observe or perform any covenant or agreement made by it herein or in any other Loan Document, which failure continues for thirty (30) days following written notice thereof to the Borrower, provided that if such failure is of a type which can not reasonably be cured within such thirty (30) day period and the Borrower is diligently and in good faith pursuing such cure, then the Borrower shall have a reasonable period of time (but in no event more than ninety (90) days following such written notice) to cure such failure without the

same becoming an Event of Default hereunder. Nothing in this Section 7.1(g) shall be deemed or construed to entitle the Borrower to any notice and opportunity to cure with respect to any failure to comply with, observe or perform any covenant or agreement which constitutes an Event of Default under any other subsection of this Section 7.1 or to extend any notice and/or opportunity to cure otherwise provided for in any other subsection of this Section 7.1.

(h) Material Adverse Change. In the Lender's reasonable opinion, any event occurs that could be expected to have a Material Adverse Change upon the Borrower.

(i) Events of Default under the Program Rider or other Loan Documents. The occurrence of any Event of Default or similar event under any of the Program Rider or the other Loan Documents, after giving effect to any period of time provided for the cure of any such event or occurrence in the Program Rider or any such Loan Document.

Section 7.2 Remedies.

Upon the occurrence of an Event of Default, the Lender may, at its option:

(a) Acceleration. Accelerate the entire unpaid principal balance of the Loan and all accrued interest thereon with advance written notice to the Borrower, the same becoming immediately due and payable. In addition, upon acceleration, any and all other Obligations of the Borrower to the Lender shall be immediately due and payable.

(b) Replacement of Property Manager. Upon written notice to the Borrower, require the replacement of any property manager or managing agent for the Premises with a property manager or managing agent acceptable to the Lender.

(c) Other Remedies. Invoke any other remedies set forth herein or in any of the other Loan Documents, including without limitation, foreclosure of the Lien granted in the Security Instrument and enforcement of the assignment to the Lender of the Rents and Profits in accordance with the terms of the Security Instrument.

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ARTICLE VIII - CASUALTY LOSSES: EMINENT DOMAIN

Section 8.1 Repairs and Casualty Losses.

(a) Restoration of Premises. Except as otherwise provided in this Section 8.1, the Borrower shall, at its expense, promptly repair, restore, replace or rebuild any part of the Premises which is damaged or destroyed by any casualty or as the result of any taking under the power of eminent domain, provided the Lender has made available insurance proceeds or eminent domain proceeds or awards available to the Borrower for such repair, restoration, replacement or rebuilding. The Borrower shall cause all repairs, rebuilding, replacements or restorations to be (in the reasonable opinion of the Lender) of substantially equivalent quality to the Premises as of the date hereof, ordinary wear and tear excepted.

(b) Proof of Loss; Claims Settlement. In the event of loss, the Borrower shall give prompt written notice thereof to the insurance carrier and the Lender, and the Lender may make proof of loss if not made promptly by the Borrower. During the existence of any Event of Default, the Lender is hereby authorized, in its reasonable discretion, to adjust, compromise and collect the proceeds of any insurance claims.

(c) Application of Insurance Proceeds. The Borrower hereby assigns the proceeds of any such insurance policies to the Lender and hereby directs and authorizes each insurance company to make payment for such loss directly to the Lender. Except as set forth in the Lowe's Lease and the Supervalve Lease, the proceeds of any insurance or any part thereof shall be applied by the Lender in accordance with the provisions of Section 8.3 of this Loan Agreement.

Section 8.2 Eminent Domain.

(a) Participation in Proceedings. The Borrower shall promptly notify the Lender of any actual or threatened initiation of any eminent domain proceeding or other taking for public use as to the whole or any part of the Premises and/or any rights incident or appurtenant thereto and shall deliver to the Lender copies of any and all papers served or received in connection with such proceedings, and the Lender shall have the right, at its option, to participate in such proceedings at the expense of the Borrower (including, without limitation, the Lender's reasonable attorney's fees) and the Borrower will execute such documents and take such other steps as required to permit such participation.

(b) Right to Settle Claims. During the existence of any Event of Default, the Lender is hereby authorized to adjust, compromise and collect the proceeds of any eminent domain or similar award or settle a claim for damages and to apply the same (or any part thereof) to the then outstanding balance of the Loan.

(c) Use of Proceeds. The Borrower assigns to the Lender any proceeds or awards which may become due by reason of any condemnation or other taking for public use of the whole or any part of the Premises and any rights incident or appurtenant thereto. The proceeds of any such condemnation award or proceeds of any part thereof shall be applied by the Lender in accordance with the provisions of Section 8.3 of this Loan Agreement.

(d) Further Assignments: Acceleration. The Borrower agrees to execute such further assignments and agreements as may be reasonably required by the Lender to assure the effectiveness of this Section 8.2. In the event any governmental agency or authority shall require or commence any proceedings for the seizing or demolishing of any part of the Premises, or shall commence any proceedings to condemn or otherwise take pursuant to the power of eminent domain (or other power) a material portion of the Premises, the Lender may, at its option, declare the Loan to be immediately due and payable in full and apply all or any portion of the eminent domain (or similar) awards or proceeds to the then outstanding balance of the Loan.

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Section 8.3 Application of Insurance Proceeds and Condemnation Awards.

(a) All proceeds of insurance assigned to the Lender pursuant to Section 8.1 of this Loan Agreement, and all proceeds or awards which may become due by reason of any condemnation or other taking for public use of the whole or any part of the Premises or any rights incident or appurtenant thereto and that have been assigned to the Lender pursuant to Section 8.2 of this Loan Agreement shall be eligible to be applied by the Lender in its sole discretion to the repayment of the Loan; provided, however, that subject to the provisions of this Section 8.3, such proceeds shall be held in an Eligible Account and applied to the repair or restoration of the Premises if all of the following conditions are met:

(i) there exists no Default Condition or Event of Default;

(ii) the Borrower presents sufficient evidence to the Lender that (A) with respect to any casualty loss, there are sufficient funds from the insurance proceeds and from equity funds, if needed, to completely restore or repair the damaged Premises, or (B) with respect to any condemnation award, there are sufficient funds from the condemnation award or proceeds and from equity funds, if needed, to completely restore the Premises to an architectural whole and to pay Operating Expenses, and (C) the insurance proceeds or condemnation award is less than 20% of the original Loan Amount;

(iii) as applicable, all affected non-Local Tenants and 75% of all affected Local Tenants (as determined by square footage) agree in a manner reasonably satisfactory to the Lender that they will continue or extend their interests and arrangements for the contract terms then in effect following the repair, restoration, replacement or rebuilding;

(iv) all parties having material operating, management and/or franchise interests in, and arrangements concerning, the Premises agree that they will continue their interests and arrangements for the contract terms then in effect following the repair, restoration, replacement or rebuilding;

(v) the Borrower presents sufficient evidence to the Lender that the Premises will be repaired or restored to an architectural whole one (1) year prior to the maturity date of the Loan;

(vi) the Lender will not incur any liability to any other Person as a result of such use or release of proceeds; and

(vii) (A) as to any casualty loss, the insurance proceeds shall be held by the Lender and disbursed as repair, restoration, replacement or rebuilding progresses substantially in accordance with the procedures set forth in this Loan Agreement for disbursement from the Replacement Reserve Account; provided, however that insurance proceeds of \$50,000.00 or less will be disbursed directly to the Borrower for repair, restoration, replacement or rebuilding and (B) as to any condemnation award, the condemnation award or proceeds shall be held by the Lender and disbursed as repair, restoration, replacement or rebuilding progresses substantially in accordance with the procedures set forth in this Loan Agreement for disbursement from the Replacement Reserve Account.

(b) If the above-stated conditions are not satisfied within one hundred twenty (120) days of loss, then the Lender may, at its option, apply any proceeds in repayment of the amount then outstanding under the Note.

(c) Upon the completion of any repair, restoration, replacement or rebuilding any remaining proceeds shall be paid to the Lender in repayment of the amount then outstanding under the Note in accordance with the provisions of the Note.

ARTICLE IX - GENERAL PROVISIONS

Section 9.1 Remedies Cumulative; Waivers.

All remedies of the Lender provided for herein and/or in the other Loan Documents are cumulative and shall be in addition to any and all other rights and remedies provided for or available under the other Loan Documents, at law and/or in equity. The exercise of any right or remedy by the Lender hereunder shall not in any way constitute a cure or waiver of any Default Condition or Event of Default hereunder or under any other Loan Document, or invalidate any act done pursuant to any notice of the occurrence of any Default Condition or Event of Default, or prejudice the Lender in the exercise of any of its rights hereunder or under or any other Loan Document, unless, in the exercise of said rights, the Lender realizes all amounts owed to it under the Loan Documents. No waiver of any Default Condition or Event of Default hereunder shall be implied from any delay or omission by the Lender to take action on account of such Default Condition or Event of Default, and no express waiver shall affect any Default Condition or Event of Default other than the Default Condition or Event of Default specified in the waiver and it shall be operative only for the time and to the extent therein stated. Waivers of any covenants, terms or conditions contained herein must be in writing and shall not be construed as a waiver of any subsequent failure to observe or comply with the same covenant, term or condition. The consent or approval by the Lender to or of any act by the Borrower requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent or similar act.

Section 9.2 Benefit.

This Loan Agreement is made and entered into for the sole protection and benefit of the Lender and the Borrower, the Borrower Principals and their successors and permitted assigns, and no other Person or Persons shall have any right to action hereon or rights to the Loan proceeds at any time, nor shall the Lender owe any duty whatsoever to any claimant for labor performed or material furnished in connection with the construction of the Improvements, or to apply any undisbursed portion of the Loan to the payment of any such claim, or to exercise any right or power of the Lender hereunder or arising from any Default Condition or Event of Default by the Borrower.

Section 9.3 Assignment and Assumption.

(a) The terms hereof shall be binding upon and inure to the benefit of the heirs, successors, assigns, and personal representatives of the parties hereto.

(b) The Borrower shall not assign or permit any assumption of this Loan Agreement, any of the other Loan Documents or any of its rights, interests, duties or obligations hereunder or thereunder or any Loan proceeds or other sums to be advanced hereunder in whole or in part without the prior written consent of the Lender (which consent shall not be unreasonably withheld or delayed) and the payment to the Lender of all reasonable and customary expenses incurred by the Lender in connection with any such assignment and/or assumption and of a processing fee (i) with respect to any assignment and/or assumption during the first twelve (12) months of the term of the Loan, in an amount equal to 1% of the then outstanding principal amount of the Loan as of the date the Borrower requests the Lender to consent to such assignment or assumption, and (ii) with respect to any such assignment and/or assumption thereafter, in an amount equal to \$10,000.00; any assignment or assumption (whether voluntary or by operation of law) without said consent shall be void. Without in any way limiting the foregoing, in no event shall the Lender consent to any assignment or assumption during the first twelve (12) months following the date of

this Loan Agreement if the consideration paid or to be paid by the assignee or purchaser of the Premises in connection therewith, as determined by the Lender in its reasonable judgment, is less than the appraised value of the Premises used by the Lender in underwriting the Loan. The Borrower shall furnish the Lender at the Borrower's sole cost and expense such information as the Lender shall request in connection

with any assignment or assumption, including without limitation, an Appraisal or other evidence satisfactory to the Lender in its reasonable discretion of the value of the Premises as of the date of the assignment and/or assumption. In addition, the assignee or purchaser of the Premises shall be required to assume the Borrower's duties and obligations under this Loan Agreement and shall be required to execute and deliver to the Lender such documents, opinions, certificates and information as the Lender reasonably requires to effectuate such assumption of duties and obligations. No sale, assignment or assumption shall relieve the Borrower of its Obligations under this Loan Agreement or any of the other Loan Documents, unless the Borrower has obtained the prior written consent of the Lender, which consent shall not be unreasonably withheld or delayed.

(c) It is expressly recognized and agreed that the Lender may, in its sole discretion, sell, assign, transfer, participate or otherwise convey this Loan Agreement, the Note, the Security Instrument and any other Loan Documents, in whole or in part, to any other Person provided that all of the provisions hereof shall continue in full force and effect and, in the event of such assignment, the Lender shall thereafter be relieved of all liability hereunder and any Loan disbursements made by any assignee shall be deemed made in pursuance and not in modification hereof and shall be evidenced by the Note and secured by the Security Instrument and any other Loan Documents. It is further expressly recognized that the Lender intends to sell, transfer, deliver and assign the Loan in the secondary mortgage market. By its execution of this Loan Agreement and the other Loan Documents, the Borrower and each Borrower Principal understands and agrees that any Financial Statement, Operating Statement, Rent Roll and other information delivered to the Lender may be delivered to any secondary mortgage market participant in connection with the sale or assignment of the Loan or any security backed by the Loan. In the event of such assignment, the Lender shall thereafter be relieved of all liability hereunder and any Loan disbursements made by any assignee shall be deemed made in pursuance and not in modification hereof and shall be evidenced by the Note and secured by the Security Instrument and the other Loan Documents.

Section 9.4 Information.

It is expressly recognized and agreed that the Lender may share any information pertaining to the Loan Documents, the transactions contemplated thereby and the records maintained by the Lender in connection therewith NationsBank Corporation, including its bank subsidiaries and NationsBanc Capital Markets, Inc. and any of the other Affiliates of the foregoing and any other Persons which require such information in connection with the sale in the secondary mortgage market of the Loan.

Section 9.5 Nonrecourse Loan: Exceptions.

The Note provides that the Loan is nonrecourse to the Borrower and each Borrower Principal, except for (a) the lien of the Security Instrument and the other Loan Documents and (b) the exceptions provided for in the Note.

Section 9.6 Amendments.

This Loan Agreement shall not be amended except by a written instrument signed by all parties hereto.

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Section 9.7 Governing Law and Jurisdiction.

This Loan Agreement and the other Loan Documents and all matters relating thereto shall be governed by and construed and interpreted in accordance with the laws of the State. The Borrower and all of its general partners/members and each Borrower Principal hereby submit to the jurisdiction of the state and federal courts located in the State and agree that the Lender may, at its option, enforce its rights under the Loan Documents in such courts.

Section 9.8 Savings Clause.

Invalidation of any one or more of the provisions of this Loan Agreement shall in no way affect any of the other provisions hereof, which shall remain in full force and effect.

Section 9.9 Execution in Counterparts.

This Loan Agreement may be executed in two (2) or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument, and in making proof of this Loan Agreement, it shall not be necessary to produce or account for more than one such counterpart.

Section 9.10 Notices.

All notices and other communications shall have been duly given and shall be effective (a) when delivered, (b) when transmitted via telecopy (or

other facsimile device) to the number set forth in Exhibit C hereto, (c) the day following the day on which the same has been delivered prepaid to a reputable national overnight air courier service, or (d) the third Business Day following the day on which the same is sent by certified or registered mail, postage prepaid, in each case to the respective party at the address set forth in Exhibit C hereto, or at such other address as such party may specify by written notice to the other party hereto. No notice of change of address shall be effective except upon actual receipt. This Section 9.10 shall not be construed in any way to affect or impair any waiver of notice or demand provided in any Loan Document or to require giving of notice or demand to or upon any Person in any situation or for any reason. In addition to the foregoing, the Lender may, from time to time, specify to the Borrower additional notice parties by providing to the Borrower written notice of the name, address, telephone number and teletype number of any such additional notice party. Each such additional notice party shall be entitled to receive and/or give any notice required or permitted to be given under this Loan Agreement or any other Loan Document

Section 9.11 Right of Set-Off.

In addition to any rights now or hereafter granted under applicable law or otherwise, and not by way of limitation of any such rights, upon the occurrence of any Event of Default, the Lender is authorized at any time and from time to time, without presentment, demand, protest or other notice of any kind (all of which rights being hereby expressly waived), to set-off and to appropriate and apply any and all deposits (general or special) and any other indebtedness at any time held by or owing to the Lender (including, without limitation branches, agencies or Affiliates of the Lender wherever located) to or for the credit or the account of the Borrower against the obligations and liabilities of the Borrower to the Lender hereunder, under the Note or otherwise, irrespective of whether the Lender shall have made any demand hereunder and although such obligations, liabilities or claims, or any of them, may be contingent or unmatured, and any such set-off shall be deemed to have been made immediately upon the occurrence of an Event of Default even though such charge is made or entered on the books of the Lender subsequent thereto. The Lender agrees to notify the Borrower promptly following to any such set-off or application.

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Section 9.12 Written Agreement.

(a) THE RIGHTS AND OBLIGATIONS OF THE BORROWER, EACH BORROWER PRINCIPAL AND THE LENDER, AS APPROPRIATE, SHALL BE DETERMINED SOLELY FROM THIS WRITTEN LOAN AGREEMENT AND THE OTHER LOAN DOCUMENTS, AND ANY PRIOR OR CONTEMPORANEOUS ORAL OR WRITTEN AGREEMENTS BETWEEN THE LENDER, THE BORROWER AND EACH BORROWER PRINCIPAL CONCERNING THE SUBJECT MATTER HEREOF AND OF THE OTHER LOAN DOCUMENTS ARE SUPERSEDED BY AND MERGED INTO THIS LOAN AGREEMENT AND THE OTHER LOAN DOCUMENTS.

(b) THIS LOAN AGREEMENT AND THE OTHER LOAN DOCUMENTS MAY NOT BE VARIED BY ANY ORAL AGREEMENTS OR DISCUSSIONS THAT OCCUR BEFORE, CONTEMPORANEOUSLY WITH, OR SUBSEQUENT TO THE EXECUTION OF THIS LOAN AGREEMENT OR THE OTHER LOAN DOCUMENTS.

(c) THIS WRITTEN LOAN AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

Section 9.13 Waiver of Jury Trial.

THE LENDER, THE BORROWER AND EACH BORROWER PRINCIPAL HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THIS LOAN AGREEMENT. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY THE LENDER, THE BORROWER AND EACH BORROWER PRINCIPAL, AND THE LENDER, THE BORROWER AND EACH BORROWER PRINCIPAL ACKNOWLEDGE THAT NO PERSON ACTING ON BEHALF OF ANOTHER PARTY TO THIS LOAN AGREEMENT HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. THE LENDER, THE BORROWER AND EACH BORROWER PRINCIPAL FURTHER ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED (OR HAVE HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE SIGNING OF THIS LOAN AGREEMENT AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF THEIR OWN FREE WILL, AND THAT THEY HAVE HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

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IN WITNESS WHEREOF, the Borrower, each Borrower Principal and the Lender have executed this Loan Agreement as of the above-written date.

BORROWER:

TOWNFAIR CENTER ASSOCIATES, a Pennsylvania

general partnership

By: P. J. Dick Incorporated, a Pennsylvania corporation, a General Partner

By: /s/ STEPHEN M. CLARK (SEAL)

Name: Stephen M. Clark

Title: Executive Vice President

By: Michael Joseph Limited Partnership #2, a Pennsylvania limited partnership, a General Partner

By: Michael Joseph Development Corporation, a Pennsylvania corporation, its General Partner

By: /s/ Guy J. DiRienzo (SEAL)

Name: Guy J. DiRienzo

Title: VIP

[Signatures Continued on Following Page]

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[Signatures Continued From Preceding Page]

BORROWER PRINCIPAL(S) :

/s/ Clifford R. Rowe, Jr. (SEAL)

Clifford R. Rowe, Jr.

/s/ Robert G. Hecht (SEAL)

Robert G. Hecht

/s/ Kevin M. Dougherty (SEAL)

Kevin M. Dougherty

/s/ Guy J. DiRienzo (SEAL)

Guy J. DiRienzo

LENDER:

PATRICIAN FINANCIAL COMPANY LIMITED
PARTNERSHIP, a Massachusetts limited
partnership

By: BRF Corporation, a Massachusetts corporation,
its General Partner

By: /s/ Mark E. Gordon (SEAL)

Mark E. Gordon
Vice President
Patrician Operations

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EXHIBIT A

EQUITY INTERESTS

Borrower:

P. J. Dick Incorporated	50%
Michael Joseph Limited Partnership #2	50%
Total:	100%

Each Borrower Principal which is not an Individual:

Not Applicable

EXHIBIT B

IMMEDIATE REPAIRS, REPLACEMENTS, INITIAL RESERVE DEPOSITS
AND MONTHLY RESERVE DEPOSITS

<TABLE>
<CAPTION>

<S> <C>

Immediate Repairs	Estimated Cost
-------------------	----------------

There are no immediate repairs

Replacements	Estimated Cost
--------------	----------------

See Exhibit B-1 hereto.

Initial Reserve Deposits

Initial Reserve Deposit to the Repair Escrow Account (125% of the aggregate estimated cost of Immediate Repairs shown above):	\$ 0
Initial Reserve Deposit to the Replacement Reserve Account:	\$ 0
Initial Reserve Deposit to the Tax and Insurance Reserve Account:	\$32,483.00

</TABLE>

Monthly Reserve Deposits

CUM. RSVE BALANCE/(SHORTFALL)	\$25,317	\$51,393	\$64,883	\$92,147	\$120,228	\$149,151	\$163,303
\$193,519 \$224,642							

ITEM	Year 10	Year 11	Year 12	Total
Pavement				\$0
Parking Space Striping		\$12,000		\$36,000
Site Lighting				\$0
Building Mounted Lighting				\$0
Landscaping				\$0
Drainage				\$0
Irrigation System				\$0
Concrete Block				\$0
Windows				\$0
Doors				\$0
Built-up Roof				\$0
Metal Roof				\$0
Paint - Exterior				\$0
Clean Up / Miscellaneous				\$0
				\$0
				\$0
				\$0
				\$0
IMMEDIATE REPAIRS				\$0
Cash Requirements	\$0	\$12,000	\$0	\$36,000
Inflation Factor @	142.33%	148.02%	153.95%	
CASH REQUIREMENTS * Inflation	\$0	\$17,763	\$0	\$45,926
ANNUAL RSVE COLLECTIONS	\$24,579	\$24,579	\$24,579	\$294,953
Annual Surplus /(Shortfall)	\$24,579	\$6,817	\$24,579	--
Interest Earned @	\$7,477	\$57,905	\$8,880	--
CUM. RSVE BALANCE/(SHORTFALL)	\$256,698	\$271,420	\$304,879	--

</TABLE>

EXHIBIT C

ADDRESSES FOR NOTICE

if to the Borrower: Townfair Center Associates
 1020 Lebanon Road
 West Mifflin, Pennsylvania 15122
 Attn: Stephen M. Clark
 Telephone: (412)462-9300
 Telecopy: (412)462-1074

With a copy to: Michael Joseph Development Corporation
 Suite 300
 9000 Brooktree Road
 Wexford, Pennsylvania 15090
 Attn: Guy J. DiRienzo
 Telephone: (412)934-1006
 Telecopy: (412)934-1004

and

Titus & McConomy LLP
 Twentieth Floor
 Four Gateway Center
 Pittsburgh, Pennsylvania 15222
 Attn: Donald T. Dulac, Jr., Esq.
 Telephone: (412)642-2000
 Telecopy: (412)642-2950

if to the Lender: Patrician Financial Company Limited Partnership
 4550 Montgomery Avenue, Suite 1150
 Bethesda, Maryland 20814-3344
 Attn: Mark E. Gordon
 Telephone: (301)718-2000
 Telecopy: (301)718-2010

EXHIBIT D

PROGRAM RIDER

(Retail/Industrial/Office)

1. Conditions Precedent. The obligation of the Lender to make the Loan provided for in this Loan Agreement is subject to the satisfaction, by proper evidence, execution and/or delivery to the Lender of each of the following items, each in form and substance satisfactory to the Lender and the Lender's counsel:
 - (a) Rent Roll. A Rent Roll dated as of the end of the month ended immediately prior to the Closing Date.
 - (b) Leases. Certified copies of all leases, assignments of lease, subleases and any lease amendments and other agreements (hereinafter "leases") affecting any part of the Premises, together with the standard form of lease currently in use and to be used in future leasing. The leases and forms must be satisfactory to the Lender and the leases shall be subordinate to the Security Instrument.
 - (c) Tenant Estoppel Certificates. Tenant Estoppel Certificates for all tenants and other users (hereinafter "tenants") of any portion of the Premises.
 - (d) Subordination Agreements. Subordination Agreements for all tenants of any portion of the Premises designated by the Lender.
2. Representations and Warranties of the Borrower. To induce the Lender to enter into this Loan Agreement and to make the Loan, the Borrower hereby represents and warrants to the Lender on the Closing Date as follows:
 - (a) Rent Roll. The Rent Roll provided to the Lender pursuant to Section 1 of this Program Rider is complete and correct as at the date thereof.
 - (b) Tenant Estoppel Certificates and Subordination Agreements. The Borrower has delivered to the Lender an original executed Tenant Estoppel Certificate for each tenant of any portion of the Premises and a Subordination Agreement for each tenant of any portion of the Premises designated by the Lender.
3. Affirmative Covenants of the Borrower. During any period in which the Loan is outstanding, the Borrower agrees that it will:
 - (a) Lessee Information. Submit to the Lender when requested by the Lender, all information on all tenant leases otherwise required to be included in a Rent Roll, which information shall include a Certification thereof.
 - (b) Appraisal. In addition to the items required to be furnished by the Borrower pursuant to Section 5.1 (i) of the Loan Agreement, provide to the Lender or the Lender's appraiser a current Rent Roll for the Premises, in form and substance satisfactory to the Lender, in connection with an Appraisal of the Premises.
 - (c) Rent Rolls. Furnish, or cause to be furnished Rent Rolls to the Lender within forty-five (45) days of the end of each of the Borrower's fiscal quarters. In addition, the Borrower shall furnish or cause to be furnished to the Lender a Rent Roll at any time there is any change in or vacancy resulting from the failure of a tenant other than a tenant under a Local Tenant Lease to renew a lease, which Rent Roll shall be dated the date of such change or vacancy and shall reflect such change or vacancy, or at such other times as the Lender may request.
4. Tenant Improvements. Notwithstanding the provisions of Section 5.2(b) and Section 5.2(g) of the Loan Agreement, the Borrower may make or permit to be made standard non-structural tenant improvements to existing structures without the prior written consent of the Lender and without any violation of the provisions of such Sections of the Loan Agreement.
5. Leases and Other Agreements.
 - (a) During any period in which the Loan is outstanding, the Borrower shall not allow any default under, breach, withdrawal, cancellation, rescission, termination, alteration, or modification of any lease (except Local Tenant Leases), rental agreement, sales contract, management contract, franchise agreement, construction contract, technical service agreement or other contract or agreement affecting the Premises.

- (b) During any period in which the Loan is outstanding, the Borrower shall not enter into (except as provided in subsection (c) below), default under, breach, withdraw, cancel, rescind, terminate, alter or modify any lease of, or other agreement regarding, any part of the Premises without the Lender's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed. The Borrower shall submit complete and final drafts each such lease to the Lender for the Lender's approval. Failure by the Lender to approve or disapprove any such lease properly submitted to it by the Borrower within ten (10) Business Days after receipt shall be deemed consent.
- (c) Notwithstanding subsection (b) above and without the Lender's prior written approval, the Borrower may enter into Local Tenant Leases on the standard form of lease approved by the Lender so long as (i) each such lease provides for terms in conformity with local conditions and (ii) each such lease and the tenant's proposed use of the space leased conform with all applicable laws and the covenants and agreements set forth in the Loan Documents, including but not limited to those relating to Hazardous Materials and specifically references such covenants relating to Hazardous Materials.

LOAN TERMS TABLE

Note Date: as of February 13, 1998	
Borrower Townfair Center Associates, a Pennsylvania general partnership	
Original Principal Amount \$10,700,000.00	Loan No.: 53-0000494
Note Rate: 6.960%	Servicing No.: 50514
Monthly Payment Amount \$70,900.16	Borrower's TIN: 25-1759438
Amortization Commencement Date: April 1, 1998	Maturity Date: March 1, 2008
Lockout Period: Beginning on the date of this Note and ending on February 28, 2002	
Yield Maintenance Period: The period from March 1, 2002 to August 31, 2007	
Specified U.S. Treasury Security: 6.125% U.S. Treasury Security due August 1, 2007	

PROMISSORY NOTE
(Townfair Center - Phases I & II)

FOR VALUE RECEIVED, the borrower described in the Loan Terms Table set forth above (the "Borrower") promises to pay to the order of PATRICIAN FINANCIAL COMPANY LIMITED PARTNERSHIP, a Massachusetts limited partnership, its successors and assigns (the "Lender"), the Original Principal Amount (as outstanding from time to time, the "Principal Amount") under the terms and conditions of this promissory note (the "Note") and in accordance with the loan agreement of even date herewith by and between the Borrower and the Lender (the "Loan Agreement"). This Note is secured by a deed of trust, mortgage or deed to secure debt of even date on certain property of the Borrower (the "Security Instrument") and other agreements by and between the Borrower and the Lender. The Loan Terms Table is a part of this Note and all terms used in this Note which are defined in the Loan Terms Table shall have the meaning set forth therein. Except as expressly provided otherwise in this Note, the defined terms in the Loan Documents (as defined in the Loan Agreement) are used herein with the same meaning. All of the terms, definitions, conditions and covenants of the Loan Documents are expressly made a part of this Note by reference in the same manner and with the same effect as if set forth herein at length. Any holder of this Note is entitled to the benefits of and remedies provided in the Loan Documents. Any Event of Default under any of the Loan Documents is an Event of Default under the terms of this Note.

1. Interest. The outstanding Principal Amount of the loan evidenced by this Note (the "Loan") shall bear interest at a fixed rate per annum equal to the Note Rate. Interest shall be computed on the basis of the actual number of days elapsed over a year consisting of 360 days.

2. Principal and Interest Payments. The Principal Amount and interest thereon shall be payable at the Lender's offices in Charlotte, North Carolina, or at such other place as the Lender may designate in writing. An initial payment is due on the date hereof for prepaid interest through and including the last day of the month in which this Note is executed. Thereafter, except as may be adjusted in accordance with the immediately following sentence, payment shall be made in consecutive monthly installments of principal and interest in an amount equal to the Monthly Payment Amount on the first day of each month beginning on the Amortization Commencement Date (each a "Scheduled Payment Date"), until the entire indebtedness evidenced hereby is fully paid, except that any remaining indebtedness, if not sooner paid, shall be due and payable on the Maturity Date. Following any partial prepayment occurring solely as a result of the application of insurance proceeds or condemnation awards pursuant to the terms of the Loan Agreement, the Lender may, in its sole discretion, adjust the Monthly Payment Amount to give effect to any such partial prepayment, provided, however, that in no event will any such adjustment result in any such installment becoming due and payable on any date after the Maturity Date.

3. Late Charges. In the event any payment of interest or principal is not received prior to the 10th day after the same is due (or such greater period, if any, required by applicable law), the Borrower will pay to the Lender a late charge of four percent (4%) of the amount of the overdue payment. This provision for late charges shall not be deemed to extend the time for payment or be a "grace period" or "cure period" that gives the Borrower a right to cure a Default Condition. Imposition of late charges is not contingent upon the giving of any notice or lapse of any cure period provided for in the Loan Documents.

4. Prepayment. Except as otherwise expressly permitted by this Section 4, no voluntary prepayments, whether in whole or in part, of the outstanding Principal Amount or any other amount at any time due and owing under this Note can be made by the Borrower or any other Person.

(a) Lockout Period. The Borrower has no right to make any voluntary

prepayment, whether in whole or in part, of the outstanding Principal Amount or any other amount under this Note at any time during the Lockout Period. Notwithstanding the foregoing, if either (1) the Lender, in its sole discretion, accepts a full or partial voluntary prepayment during the Lockout Period or (2) there is an involuntary prepayment during the Lockout Period, then, in either case, the Borrower shall, in addition to any portion of the outstanding Principal Amount prepaid (together with all interest accrued and unpaid thereon), pay to the Lender a prepayment premium in an amount calculated in accordance with Section 4(b) hereof.

(b) During the Yield Maintenance Period. During the Yield Maintenance Period and upon giving the Lender at least 60 days (but not more than 90 days) prior written notice, the Borrower may voluntarily prepay all or, subject to the provisions of this subsection, any portion, of the outstanding Principal Amount of this Note on a Scheduled Payment Date. Any such voluntary prepayment shall be made by paying to the Lender the sum of (1) the portion of the outstanding Principal Amount being prepaid, (2) all accrued interest and any other sums due the Lender at the time of such prepayment and (3) a prepayment premium in an amount equal to the greater of:

- (A) 1% of the Principal Amount being prepaid, or
- (B) the product obtained by multiplying:
 - (1) the Principal Amount being prepaid, times
 - (2) the difference obtained by subtracting (I) the Yield Rate from (II) Note Rate, times
 - (3) the present value factor calculated using the following formula:

$$\frac{1 - (1 + r)^{-n}}{r}$$

r = Yield Rate

n = the number of years and any fraction thereof, remaining between the date the prepayment is made and the Maturity Date of this Note

As used herein. "Yield Rate" means the yield rate for the Specified U.S. Treasury Security, as reported in The Wall Street Journal on the fifth Business Day preceding the Prepayment Calculation Date. If the Yield Rate is not published for the Specified U.S. Treasury Security, then the "Yield Rate" shall mean the yield rate for the nearest equivalent U.S. Treasury Security (as selected at the Lender's sole discretion) as reported in The Wall Street Journal on the fifth Business Day preceding the Prepayment Calculation Date. If the publication of such Yield Rate in The Wall

Street Journal is discontinued, the Lender shall determine such Yield Rate from another source selected by the Lender in the Lender's sole discretion. The "Prepayment Calculation Date" shall mean, as applicable, the date on which (i) notice of prepayment is given to the Lender, in the case of a voluntary prepayment of the entire outstanding Principal Amount of this Note, (ii) the Lender applies any partial prepayment to the reduction of the outstanding Principal Amount hereof, in the case of a voluntary partial prepayment, (iii) the Lender accelerates the Loan, in the case of a prepayment resulting from acceleration, or (iv) the Lender applies funds held under any Reserve Account, in the case of a prepayment resulting from such an application (other than in connection with acceleration of the Loan).

Regarding any partial prepayment made pursuant to this subsection, when the total amount of the partial prepayment is known, but the amounts to be allocated toward the outstanding Principal Amount and the prepayment premium, respectively, are unknown, the Lender shall determine the allocation between the prepaid Principal Amount and the prepayment premium as follows:

- Given: a = total amount of the partial prepayment
- b = amount applied to Principal Amount
- c = prepayment premium
- N = Note Rate
- F = present value factor = $\frac{1 - (1 + r)^{-n}}{r}$

"r" and "n" have the same meanings as set forth above

Then: $a = b + c$

$$b = \frac{a}{F(N - r) + 1}$$

$$C = a - b$$

(c) After the Yield Maintenance Period. After the expiration of the Yield Maintenance Period and upon giving the Lender at least 60 days (but not more than 90 days) prior written notice, the Borrower may voluntarily prepay (without premium or penalty) all or, subject to the provisions of this subsection, any portion, of the outstanding Principal Amount of this Note on a Scheduled Payment Date.

(d) Limitation on Partial Prepayments. The Lender shall have no obligation to accept a partial prepayment (i) more often than once in any period of twelve (12) months beginning on the date of this Note or any anniversary thereof, and (ii) unless the Principal Amount being prepaid is greater than one percent (1%) of the Original Principal Amount of this Note.

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(e) Prepayment Premium Due Whether Voluntary or Involuntary Prepayment: Insurance and Condemnation Proceeds: Excess Interest. The Borrower shall pay the applicable prepayment premium due under this Section 4 regardless of whether the prepayment is voluntary or involuntary (in connection with the Lender's acceleration of the outstanding Principal Amount of this Note or otherwise) or whether the Security Instrument is satisfied or released by foreclosure (whether by power sale or judicial proceeding), deed in lieu of foreclosure or by any other means. Notwithstanding any other provision herein to the contrary, the Borrower shall not be required to pay any prepayment premium in connection with any prepayment occurring solely as a result of (i) the application of insurance proceeds or condemnation awards pursuant to the terms of the Loan Documents, or (ii) the application of any interest in excess of the maximum rate permitted by applicable law to the reduction of the Principal Amount in accordance with Section 13 of this Note.

5. Certain Provisions Regarding Payments, Prepayments and Remittances.

(a) Payments. Except to the extent that specific provisions are set forth in this Note or any other Loan Document with respect to application of payments, all payments received by the holder hereof shall be applied, to the extent thereof, to the indebtedness secured by the Security Instrument in such manner and order as the Lender may elect in its sole discretion, any instructions from the Borrower or anyone else to the contrary notwithstanding. All payments made as scheduled on this Note shall be applied, to the extent thereof, to accrued but unpaid interest, late charges, accrued fees, the unpaid Principal Amount, and any other sums due and unpaid to the Lender in connection with the Loan, in such manner and order as the Lender may elect in its sole discretion.

(b) Prepayments. All prepayments on this Note shall be applied, to the extent thereof, to accrued but unpaid interest on the amount prepaid, to the remaining Principal Amount, and any other sums due and unpaid to the Lender in connection with the Loan, in such manner and order as the Lender may elect in its sole discretion, including but not limited to application to principal installments in inverse order of maturity.

(c) Remittances. Remittances in payment of any part of the indebtedness other than in the required amount in immediately available U.S. funds shall not, regardless of any receipt or credit issued therefore, constitute payment until the required amount is actually received by the holder hereof in immediately available U.S. funds and shall be made and accepted subject to the condition that any check or draft may be handled for collection in accordance with the practices of the collecting bank or banks.

6. Acceleration. If the full outstanding Principal Amount of this Note, together with all interest due thereon and any other amounts due in respect of this Note are not paid on or before the Maturity Date or are accelerated under the terms of this Note or the other Loan Documents, the then outstanding Principal Amount, all accrued but unpaid interest thereon and any other amounts due in respect of this Note shall bear interest at the Note Rate plus four percent (4%) per annum until such Principal Amount and interest have been paid in full. Further, in the event of such acceleration, the Loan, and all other indebtedness of the Borrower to the Lender arising out of or in connection with the Loan shall become immediately due and payable, without presentment, demand, protest, dishonor or notice of any kind, all of which are hereby waived by the Borrower.

7. Non-Recourse Loan. Subject to the provisions of Section 8 and notwithstanding any other provision in this Note or the other Loan Documents, the personal liability of the Borrower and any Borrower Principal (collectively, the Persons signing as the Borrower Principals at the end of this Note) to pay the Principal Amount and interest thereon and any other sums under this Note or the other Loan Documents shall be limited to (a) the Premises, (b) the Intangible Personalty, (c) all Rents and Profits disbursed (except to the extent that the Borrower did not have the legal right, because of a bankruptcy, receivership or similar judicial proceeding, to direct the disbursement of such sums), and not applied, first, to the payment of reasonable Operating Expenses as such Operating Expenses become due and payable, and then, to the payment of the Principal Amount and interest then due and payable under this Note and any other sums due under the other Loan Documents (including but not limited to deposits, escrows and/or reserves); provided, however, that there shall be no personal liability incurred for Rents and Profits distributed in any particular fiscal year to the extent that all Operating Expenses and principal and interest due under this Note and other sums due under the other Loan Documents (including but not limited to deposits, escrows and or reserves) are paid in full in that fiscal year, and (d) all other collateral or security for the Loan.

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Except as provided above and in Section 8, the Lender shall not seek (i) any judgment for a deficiency against the Borrower or any Borrower Principal or the Borrower's or any Borrower Principal's heirs, legal representatives, successors or assigns, in any action to enforce any right or remedy under the Security Instrument, or (ii) any judgment on this Note except as may be necessary in any action brought under the Security Instrument to enforce the lien against the Premises, the Intangible Personalty, the Rents and Profits or any other collateral or security for the Loan, or to exercise any remedies under any of the other Loan Documents.

8. Exceptions to Non-Recourse Liability. If, without obtaining the Lender's prior written consent, there shall occur any violation of any of the Recourse Covenants (as defined in the Loan Agreement), and if such violation shall continue for thirty (30) days after written notice thereof from the Lender to the Borrower, then Section 7 hereof shall not apply from and after the date which is thirty (30) days after such written notice and the Borrower and the Borrower Principals (each individually on a joint and several basis if more than one) shall be personally liable on a joint and several basis for full recourse liability under this Note and the other Loan Documents.

Notwithstanding Section 7 hereof, the Borrower and the Borrower Principals (each individually on a joint and several basis if more than one) shall be personally liable on a joint and several basis, in the amount of any loss, damage or cost (including but not limited to reasonable attorney's fees) resulting from (A) fraud or intentional misrepresentation by the Borrower or any Borrower Principal, or any agent, contractor or employee of the Borrower or any Borrower Principal, in connection with obtaining the Loan, or in complying with any of the Borrower's obligations under the Loan Documents, (B) sale proceeds, insurance proceeds, condemnation awards, security deposits from tenants or other sums or payments received by or on behalf of the Borrower in its capacity as owner of the Premises and not applied in accordance with the provisions of the Loan Documents (except to the extent that the Borrower did not have the legal right because of a bankruptcy, receivership or similar judicial proceeding to direct the disbursement of such sums or payments), (C) all Rents and, profits disbursed (except to the extent, that the Borrower did not have the legal right, because of a bankruptcy receivership or similar judicial proceeding, to direct the disbursement of such sums), and not applied, first, to the payment of reasonable Operating Expenses as such Operating Expenses become due and payable, and then, to the payment of the Principal Amount and interest then due and payable under this Note and any other sums due under the other Loan Documents (including but not limited to deposits, escrows and/or reserves); provided, however, that there shall be no personal liability incurred for Rents and Profits distributed in any particular fiscal year to the extent that all Operating Expenses and principal and interest due under this Note and other sums due under the other Loan Documents (including but not limited to deposits, escrows and/or reserves) are paid in full in that fiscal year, (D) the Borrower's failure following any Event of Default to deliver to the Lender on demand all Rents and Profits, security deposits (except to the extent that the Borrower did not have the legal right because of a bankruptcy, receivership or similar judicial proceeding to direct the disbursement of such sums), books and records relating to the Premises, (E) any damage to the Premises caused by the willful, wanton or tortious act or omission of the Borrower, (F) the Borrower's failure to procure and maintain the insurance policies required by the Loan Agreement, (G) the Lender's incurrence and obligation to pay attorney's fees, costs, and expenses in any bankruptcy, receivership or similar case filed by or against the Borrower or any Borrower Principal, (H) any transfer tax, recordation tax or other similar tax or assessment, if any, in connection with the transactions contemplated by the Loan Documents, or (I) any violation of or failure to comply with the Environmental Covenants (as defined in the Loan Agreement), including without limitation, the indemnification obligations set forth therein.

No provision of Section 7 or Section 8 shall (i) affect any guaranty or similar agreement executed in connection with the debt evidenced by this Note, (ii) release or reduce the debt evidenced by this Note, (iii) impair the right of the Lender to enforce the Environmental Covenants pursuant to the provisions of the Loan Agreement, (iv) impair the lien of the Security Instrument, or (v) constitute a waiver, forfeiture, abrogation or limitation of or on any right accorded by any law establishing a debtor-in-relief proceeding (including, but not limited to, Title 11, U.S. Code) which right provides for the assertion in such debtor-in-relief proceeding of a deficiency arising by reason of the insufficiency of collateral notwithstanding an agreement of the holder thereof not to assert such a deficiency.

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9. Expenses. In the event this Note is not paid when due at any stated or accelerated maturity, the Borrower will pay, in addition to the Principal Amount and interest hereunder, all costs of collection, including reasonable attorney's fees.

10. Taxpayer Identification Number. This Note provides for the Borrower's federal taxpayer identification number to be inserted on the first page of this Note. If such number is not available at the time of execution of this Note or is not inserted by the Borrower, the Borrower hereby authorizes and directs the Lender to fill in such number on the first page of this Note when the Borrower provides to Lender, advises the Lender of, or the Lender otherwise obtains, such number.

11. Notice. Any notice to the Lender provided for in this Note shall be given in the manner provided in the Loan Agreement.

12. Governing Law and Jurisdiction. This Note and the other Loan Documents and all matters relating thereto shall be governed by and construed and interpreted in accordance with the laws of the State where the Premises is located. The Borrower and each Borrower Principal hereby submit to the jurisdiction of the state and federal courts located in the State where the Premises is located and agree that the Lender may, at its sole discretion, enforce its rights under the Loan Documents in such courts.

13. Maximum Rate of Interest. This Note is subject to the express condition that at no time shall the Borrower be obligated or required to pay interest on the Principal Amount at a rate which could subject the Lender to either civil or criminal liability as a result of being in excess of the maximum interest rate which the Borrower is permitted by applicable law to contract or agree to pay. If by the terms of this Note, the Borrower is at any time required or obligated to pay interest on the Principal Amount at a rate in excess of such maximum rate, the rate of interest under this Note shall be deemed to be immediately reduced to such maximum rate and all previous payments in excess of the maximum rate shall be deemed to have been payments in reduction of the Principal Amount and not on account of the interest due hereunder.

14. No Third Party Beneficiary. The Borrower acknowledges and agrees that (i) any arrangement for interim advancement of funds that originally is made by the Lender named in this Note to any investor in the secondary mortgage market is made pursuant to a contractual obligation of such Lender to that investor that is independent of, and separate and distinct from, the obligation of the Borrower for the full and prompt payment of the indebtedness evidenced by this Note, (ii) the Borrower shall not be deemed to be a third party beneficiary of such arrangement for interim advancement of funds, and (iii) no such interim advancement arrangement shall constitute any person or entity making such payment as a guarantor or surety of the Borrower's obligations, notwithstanding the fact that the obligations under any such interim advancement arrangement may be calculated with reference to amounts payable under this Note or the other Loan Documents.

15. General Provisions. A determination that any provision of this Note is unenforceable or invalid shall not affect the enforceability or validity of any other provision and the determination that the application of any provision of this Note to any Person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to other Persons or circumstances. This Note may not be amended except in a writing specifically intended for the purpose and executed by the party against whom enforcement thereof is sought. The holder of this Note may, from time to time, sell, assign or participate or offer to sell, assign or participate the Loan, or interests therein, to one or more Persons (including, without limitation assignees or participants) and is hereby authorized to disseminate any information it has pertaining to the Loan, including, without limitation, any security for this Note and credit information on the Borrower, any of its principals and any Borrower Principal, to any such Person, and to the extent, if any, specified in any such sale, assignment or participation, such Person shall have the rights and benefits with respect

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to this Note and the other Loan Documents as such Person would have if such Person were the Lender hereunder. The Borrower warrants and represents to the Lender and all other holders of this Note that the Loan is and will be for business or commercial purposes and not primarily for personal, family, or household use. The terms, provisions, covenants and conditions hereof shall be binding upon the Borrower and the heirs, devisees, representatives, successors and assigns of the Borrower. Captions and headings in this Note are for convenience only and shall be disregarded in construing it.

16. WRITTEN AGREEMENT.

(a) THE RIGHTS AND OBLIGATIONS OF THE BORROWER, EACH BORROWER PRINCIPAL AND THE LENDER SHALL BE DETERMINED SOLELY FROM THIS WRITTEN NOTE AND THE OTHER LOAN DOCUMENTS, AND ANY PRIOR ORAL OR WRITTEN AGREEMENTS BETWEEN THE LENDER, THE BORROWER AND ANY BORROWER PRINCIPAL CONCERNING THE SUBJECT MATTER HEREOF AND OF THE OTHER LOAN DOCUMENTS ARE SUPERSEDED BY AND MERGED INTO THIS NOTE AND THE OTHER LOAN DOCUMENTS.

(b) THIS NOTE AND THE OTHER LOAN DOCUMENTS MAY NOT BE VARIED BY ANY ORAL AGREEMENTS OR DISCUSSIONS THAT OCCUR BEFORE, CONTEMPORANEOUSLY WITH, OR SUBSEQUENT TO THE EXECUTION OF THIS NOTE OR THE LOAN DOCUMENTS.

(c) THIS WRITTEN NOTE AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENTS BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

17. WAIVER OF JURY TRIAL. THE LENDER, THE BORROWER AND EACH BORROWER PRINCIPAL HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW. THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THIS NOTE. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY THE LENDER THE BORROWER AND EACH BORROWER PRINCIPAL AND THE LENDER, THE BORROWER AND EACH BORROWER PRINCIPAL ACKNOWLEDGE THAT NO PERSON ACTING ON BEHALF OF ANOTHER PARTY TO THIS NOTE HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. THE LENDER, THE BORROWER AND EACH BORROWER PRINCIPAL FURTHER ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED (OR HAVE HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE SIGNING OF THIS NOTE AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF THEIR OWN FREE WILL, AND THAT THEY HAVE HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

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IN WITNESS WHEREOF, the Borrower has caused this Note to be duly executed under seal as of the day and year first above written.

BORROWER:

TOWNFAIR CENTER ASSOCIATES, a Pennsylvania general partnership

By: P. J. Dick Incorporated, a Pennsylvania corporation, a General Partner

By: /s/ Stephen M. Clark (SEAL)

Name: STEPHEN M. CLARK
Title: EXECUTIVE VICE PRESIDENT

By: Michael Joseph Limited Partnership #2, a Pennsylvania limited partnership, a General Partner

By: Michael Joseph Development Corporation, a Pennsylvania corporation, its General Partner

By: /s/ Guy J. DiRienzo (SEAL)

Name: Guy J. DiRienzo
Title: VICE PRESIDENT

Acknowledgment and Agreement of the Borrower Principal
to Personal Liability for the Exceptions to Non-Recourse

Each Borrower Principal hereby represents to the Lender that such Borrower Principal has a direct or an indirect ownership interest in the Borrower and that he or she participates in the management of the Borrower.

BY SIGNING BELOW, each Borrower Principal understands, accepts and agrees to the provisions of this Note, including without limitation, Sections 7 and 8 above. No transfer of any Borrower Principal's ownership interest in the Borrower or in any other entity which directly or indirectly has an ownership interest in the Borrower shall release the Borrower Principal from liability hereunder, unless the Lender shall have approved the transfer, the substituted Borrower Principal and the release of the Borrower Principal from liability hereunder in writing. No such Borrower Principal shall have any right of subrogation against the Borrower by reason of any payment by the Borrower Principal pursuant to this Note, including without limitation, Sections 7 and 8 above, prior to the full and final satisfaction of this Note and all other obligations of the Borrower under the Loan Documents.

BORROWER PRINCIPAL(S):

/s/ Clifford R. Rowe, Jr. (SEAL)

Clifford R. Rowe, Jr.

/s/ Robert G. Hecht (SEAL)

Robert G. Hecht

/s/ Kevin M. Dougherty (SEAL)

Kevin M. Dougherty

/s/ Guy J. DiRienzo (SEAL)

Guy J. DiRienzo

ACKNOWLEDGMENT

Commonwealth of Pennsylvania, [graphic omitted] County ss:

On this 30th day of January, 1998, before me, the undersigned officer, personally appeared Clifford R. Rowe, Jr., known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In Witness Whereof, I hereunto set my hand and official seal.

/s/ Sara J. Paterick

Notary Public
Title of Officer

[graphic omitted]

ACKNOWLEDGMENT

Commonwealth of Pennsylvania, [graphic omitted] County ss:

On this 30th day of January, 1998, before me, the undersigned officer, personally appeared Robert G. Hecht, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In Witness Whereof, I hereunto set my hand and official seal.

/s/ Sara J. Paterick

Notary Public
Title of Officer

[graphic omitted]

ACKNOWLEDGMENT

Commonwealth of Pennsylvania, [graphic omitted] County ss:

On this 13th day of February, 1998, before me, the undersigned officer, personally appeared Kevin M. Dougherty, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In Witness Whereof, I hereunto set my hand and official seal.

/s/ Lisa A. Augustine

Title of Officer

[graphic omitted]

ACKNOWLEDGMENT

Commonwealth of Pennsylvania, [graphic omitted] County ss:

On this 13th day of February, 1998, before me, the undersigned officer, personally appeared Guy J. DiRienzo, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In Witness Whereof, I hereunto set my hand and official seal.

/s/ Lisa A. Augustine

Title of Officer

[graphic omitted]

PAY TO THE ORDER OF

- -----
WITHOUT RECOURSE.

PATRICIAN FINANCIAL COMPANY LIMITED PARTNERSHIP,
a Massachusetts limited partnership

By: BRF Corporation, a Massachusetts corporation,
its General Partner

By: /s/ Mark E. Gordon

Mark E. Gordon
Vice President,
Patrician Operation

When Recorded Mail To: 33965

David J. McPherson, Esq.
Morgan, Lewis & Bockius LLP
1800 M Street, N.W.
Washington, D.C. 20036

Loan No.: 53-0000494
Servicing No.: 50514

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF INDIANA

OPEN-END MORTGAGE,
ASSIGNMENT OF LEASES AND RENTS
AND SECURITY AGREEMENT
(THIS INSTRUMENT SECURES FUTURE ADVANCES)

COLLATERAL IS OR INCLUDES FIXTURES

THIS OPEN-END MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT (the "Security Instrument") is made and entered into as of the 13th day of February, 1998, by TOWNFAIR CENTER ASSOCIATES, a Pennsylvania general partnership (the "Borrower"), in favor of PATRICIAN FINANCIAL COMPANY LIMITED PARTNERSHIP, a Massachusetts limited partnership, together with its successors and assigns (the "Lender").

This Security Instrument secures (i) the obligations of the Borrower under the promissory note, executed by the Borrower, of even date herewith, payable to the order of the Lender in the original principal amount of \$10,700,000.00 (such promissory note and all amendments, renewals, replacements, extensions or other modifications being hereinafter referred to as the "Note"); (ii) the performance by the Borrower of its obligations under the Loan Agreement of even date herewith between the Borrower and the Lender (as amended, modified or restated, the "Loan Agreement") and under all other Loan Documents (as defined in the Loan Agreement) executed by the Borrower in connection with the loan evidenced by the Note (the "Loan"); and (iii) the payment by the Borrower of all other sums, with interest thereon, advanced in accordance with the Note, the Loan Agreement or any other Loan Document to protect the security of this Security Instrument.

Capitalized terms used, but not defined, herein shall have the meanings given to such terms in the Loan Agreement. All of the terms, definitions, conditions and covenants of the Loan Agreement are expressly made a part of this Security Instrument by reference in the same manner and with the same effect as if set forth herein at length and any beneficiary of this Security Instrument is entitled to the benefits of and remedies provided in the Loan Agreement, the Note and other Loan Documents by and between the Borrower and the Lender.

WITNESSETH:

The Borrower, intending to be legally bound hereby, does hereby give, grant, bargain, sell, warrant, alienate, remise, release, convey, assign, transfer, mortgage, hypothecate, deposit, pledge, set over and confirm unto the Lender and does agree that the Lender shall have a security interest in the following described property, all accessions and additions thereto, all substitutions therefor and replacements and proceeds thereof, and all reversions and remainders of such property now owned or held or hereafter acquired, to wit:

(a) All that tract or parcel of land and other real property interests in Indiana County, Commonwealth of Pennsylvania more particularly described in Exhibit A attached hereto and made a part hereof (the "Land"), subject to the permitted encumbrances described in Exhibit B attached hereto and made a part hereof; and

(b) All buildings, improvements and tenements of every kind and description now or hereafter erected or placed on the Land (the "Improvements") and all materials intended for construction, reconstruction, alteration and repair of such Improvements now or hereafter erected or placed thereon, all of which materials shall be deemed to be included within the premises hereby conveyed immediately upon the delivery thereof to the Land, and all Tangible Personalty (as defined in the Personalty Rider attached hereto and made a part hereof for all purposes).

TO HAVE AND HOLD the same, together with all privileges, hereditaments, easements and appurtenances thereunto belonging, to the Lender and the Lender's successors and assigns to secure the indebtedness herein recited and upon this special trust: that should the indebtedness secured hereby be paid according to the tenor and effect thereof when the same shall be due and payable and should the Borrower timely and fully discharge its obligations hereunder and under the other Loan Documents, then the Land, Improvements and Tangible Personalty (hereinafter collectively referred to as the "Premises") shall be reconveyed to

the Borrower or the title thereto shall be revested according to the provisions of applicable law.

As additional collateral and further security for the indebtedness secured hereby, to the fullest extent permitted by applicable law, the Borrower does hereby assign to the Lender and grants to the Lender a security interest in all of the right, title and interest of the Borrower in and to any and all Intangible Personalty (as defined in the Personalty Rider attached hereto), and the Borrower agrees to execute and deliver to the Lender such additional instruments, in form and substance satisfactory to the Lender, as may hereafter be requested by the Lender to evidence and confirm said assignment; provided, however, that acceptance of any such assignment shall not be construed as a consent by the Lender to any of the foregoing or to impose upon the Lender any obligation with respect thereto.

As part of the consideration for the indebtedness secured hereby, the Borrower hereby absolutely and unconditionally assigns and transfers to the Lender and grants to the Lender a security interest in any and all leases and other occupancy or use agreements (whether oral or written) now existing or hereafter made and affecting the Premises as such leases and other agreements may have been, or may from time to time be hereafter, modified, extended and renewed, with all the security deposits, rents (including, without limitation, room rents and room revenues, if any), issues, profits, revenues and other income of the Premises from time to time accruing therefrom (the "Rents and Profits"), and the acceptance of this assignment and the collection of the Rents and Profits or the payments under the leases hereby assigned shall not constitute a waiver of any rights of the Lender under the terms of the Loan Documents. So long as there shall exist no Event of Default (as defined in the Loan Agreement), the Borrower shall have the right under a license granted hereby (but limited as provided elsewhere in this Security Instrument and in the Loan Agreement) to collect upon, but not more than two months prior to accrual, all of said Rents and Profits, arising from or out of such leases and other agreements or any modifications, renewals or extensions thereof, or from or out of the Premises or any part thereof, and the Borrower shall receive such Rents and Profits, as a trust fund to be applied, and the Borrower hereby covenants to so apply same, to the payment of taxes and assessments upon the Premises before penalty or interest are due thereon, to the cost of such insurance and of such maintenance and repairs as is required by the terms of the Security Instrument and Loan Agreement, to the payment of Operating Expenses (as defined in the Loan Agreement), and to the payment of interest and principal and other amounts becoming due on the Loan or under the Loan Documents, before using any part of the same for any other purposes.

All the Tangible Personalty which comprises a part of the Premises shall, as far as permitted by applicable law, be deemed to be affixed to the Land and conveyed therewith. As to the balance of the Tangible Personalty and the Intangible Personalty, this Security Instrument shall be considered to be a security agreement which creates a security interest in such items for the benefit of the Lender. In that regard, the Borrower grants to the Lender all of the rights and remedies of a secured party under the laws of the state in which the Premises is located.

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The Borrower covenants, warrants, represents and agrees as follows:

1. Amount Secured. This Security Instrument secures all present and future loan disbursements made by the Lender under the Note, and all other sums from time to time owing to the Lender by the Borrower under the other Loan Documents, including, without limitation, sums advanced in accordance herewith to protect the security of this Security Instrument. The principal amount secured hereby is \$10,700,000.00.

2. Acceleration: Foreclosure. Upon the occurrence of an Event of Default, the Lender, at the Lender's option, may declare the entire balance of the Loan, including all accrued interest, to be immediately due and payable without further demand and may foreclose the lien of this Security Instrument by judicial proceeding and may pursue any other remedies permitted by applicable law or provided herein or in any of the other Loan Documents. The Lender shall be entitled to collect all fees, costs and expenses incurred in pursuing such remedies, including, but not limited to, reasonable attorney's fees of up to 5% of the unpaid balance of the sums secured by this Security Instrument, but not less than US\$525,000.00 and costs of documentary evidence, abstracts and title reports.

3. Rights Upon Event of Default. Upon the occurrence of any Event of Default, the Lender, immediately and without additional notice and without liability therefor to the Borrower, except for gross negligence or willful misconduct, may, in accordance with, and subject to, the terms and conditions of the Loan Agreement, do or cause to be done any or all of the following: (a) take physical possession of the Premises; (b) exercise its right to collect the Rents and Profits; (c) enter into contracts for the repair and maintenance of the Improvements thereon; (d) expend Loan funds and any Rents and Profits for payment of any taxes, insurance premiums, assessments and charges for repair and maintenance of the Improvements, preservation of the lien of this Security

Instrument and satisfaction and fulfillment of any liabilities or obligations of the Borrower arising out of or in any way connected with the use, repair or maintenance of Improvements on the Premises whether or not such liabilities and obligations in any way affect, or may affect, the lien of this Security Instrument; (e) enter into leases demising the Premises or any part thereof; (f) take such steps to protect and enforce the specific performance of any covenant, condition or agreement in the Note, this Security Instrument, the Loan Agreement, or the other Loan Documents, or to aid in the execution of any power herein granted; (g) take such steps to protect and enforce the specific performance of any covenant, condition or agreement as to the Intangible Personalty; and (h) generally, supervise, manage, and contract with reference to the Premises as if the Lender were an equitable owner of the Premises. Notwithstanding the occurrence of an Event of Default or acceleration of the Loan, the Lender shall continue to have the right to pay money, whether or not Loan funds, for the purposes described in the Loan Agreement, and all such sums and interest thereon shall be secured hereby. The Borrower also agrees that any of the foregoing rights and remedies of the Lender may be exercised at any time independently of the exercise of any other such rights and remedies, and the Lender may continue to exercise any or all such rights and remedies until the Event of Default is cured or until foreclosure and the conveyance of the Premises to the high bidder or until the Loan is otherwise satisfied or paid in full.

4. Purchase Money Mortgage. If all or part of the sums secured by this Security Instrument are lent to Borrower to acquire title to the Premises, this Security Instrument is hereby declared to be a purchase money mortgage.

5. CONFESSION OF JUDGMENT FOR POSSESSION. FOR THE PURPOSE OF OBTAINING POSSESSION OF THE PREMISES IN THE EVENT OF ANY DEFAULT HEREUNDER OR UNDER THE NOTE, THE BORROWER IRREVOCABLY AUTHORIZES AND EMPOWERS ANY ATTORNEY OF RECORD, OR THE PROTHONOTARY, CLERK OR SIMILAR OFFICER, OF ANY COURT IN THE COMMONWEALTH OF PENNSYLVANIA OR ELSEWHERE, AS ATTORNEY FOR THE BORROWER, AS WELL AS FOR THE PERSONS CLAIMING UNDER, BY OR THROUGH THE BORROWER, TO APPEAR FOR THE BORROWER IN ANY SUCH COURT IN ANY SUCH ACTION BROUGHT AGAINST THE BORROWER AT THE SUIT OF THE LENDER TO RECOVER POSSESSION OF THE PREMISES AND THEREIN TO CONFESS JUDGMENT IN EJECTMENT FOR POSSESSION OF THE PREMISES (WITHOUT THE NECESSITY OF FILING ANY BOND AND WITHOUT ANY STAY OF EXECUTION OR APPEAL) AGAINST THE BORROWER AND ALL PERSONS CLAIMING UNDER, BY OR THROUGH THE BORROWER, FOR WHICH THIS INSTRUMENT (OR A COPY THEREOF VERIFIED

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BY AFFIDAVIT) SHALL BE A SUFFICIENT WARRANT; WHEREUPON A WRIT OF POSSESSION OF THE PREMISES MAY BE ISSUED FORTHWITH, WITHOUT ANY PRIOR WRIT OR PROCEEDING WHATSOEVER, THE BORROWER HEREBY RELEASING AND AGREEING TO RELEASE THE LENDER AND ANY SUCH ATTORNEY FROM ALL PROCEDURAL ERRORS AND DEFECTS WHATSOEVER IN ENTERING SUCH JUDGMENT OR IN CAUSING SUCH WRIT OR PROCESS TO BE ISSUED OR IN ANY PROCEEDING THEREON OR CONCERNING THE SAME, PROVIDED THAT THE LENDER SHALL HAVE FILED IN SUCH ACTION AN AFFIDAVIT MADE ON THE LENDER'S BEHALF SETTING FORTH THE FACTS NECESSARY TO AUTHORIZE THE ENTRY OF SUCH JUDGMENT ACCORDING TO THE TERMS OF THIS INSTRUMENT, OF WHICH FACTS SUCH AFFIDAVIT SHALL BE PRIMA FACIE EVIDENCE. IT IS HEREBY EXPRESSLY AGREED THAT IF FOR ANY REASON AFTER ANY SUCH ACTION HAS BEEN COMMENCED, THE SAME SHALL BE DISCONTINUED, MARKED SATISFIED OF RECORD OR BE TERMINATED, OR POSSESSION OF THE PREMISES REMAIN IN OR BE RESTORED TO THE BORROWER OR ANYONE CLAIMING UNDER, BY OR THROUGH THE BORROWER, THE LENDER MAY, WHENEVER AND AS OFTEN AS THE LENDER SHALL HAVE THE RIGHT TO TAKE POSSESSION AGAIN OF THE PREMISES, BRING ONE OR MORE FURTHER ACTIONS TO RECOVER POSSESSION OF THE PREMISES AND TO CONFESS JUDGMENT THEREIN AS HEREINABOVE PROVIDED, AND THE AUTHORITY AND POWER ABOVE GIVEN TO ANY SUCH ATTORNEY SHALL EXTEND TO ALL SUCH FURTHER ACTIONS IN EJECTMENT AND CONFESSION OF JUDGMENT THEREIN AS HEREINABOVE PROVIDED WHETHER BEFORE OR AFTER AN ACTION OF MORTGAGE FORECLOSURE IS BROUGHT OR OTHER PROCEEDINGS IN EXECUTION ARE INSTITUTED UPON THIS MORTGAGE AND SECURITY AGREEMENT OR EITHER OF THE NOTES, AND AFTER JUDGMENT THEREON OR THEREIN AND AFTER A JUDICIAL SALE OF THE PREMISES.

6. Rents and Profits.

(a) Collection. The Borrower hereby authorizes the Lender, by its employees or agents, at its option, after the occurrence of an Event of Default, to terminate the aforesaid license granted to the Borrower to collect said Rents and Profits, and to enter upon the Premises, and to collect, in accordance with the Loan Agreement and in the name of the Borrower or in its own name, as assignee, the Rents and Profits accrued but unpaid and in arrears at the date of said Event of Default as well as the rents thereafter accruing and becoming payable during the period of the continuance of such Event of Default or any other Event of Default; and to this end, the Borrower further agrees that it will facilitate in all reasonable ways the Lender's collection of said Rents and Profits, and will, upon request by the Lender, execute a written notice to each tenant directing the tenant to pay rent to the Lender. Upon such entry, the Lender shall be authorized, but not obligated, to take over and assume the control, care, management, operation, repair and maintenance of the Premises and to perform such other acts as the Lender in its sole discretion may deem proper, and to expend such sums out of the income of the Premises as may be needful in connection therewith (including the right to effect new leases, to cancel or surrender existing leases, to evict tenants, to bring or defend any suits in connection with the possession of any portion of the Premises in its own name or

the Borrower's name, to alter or to amend the terms of existing leases, to renew existing leases, and to make concessions to the tenants). The Borrower hereby releases all claims against the Lender arising out of such management, operation, repair and maintenance, excepting the liability of the Lender to account as hereinafter set forth, and except claims arising from the gross negligence or willful misconduct of the Lender.

(b) Indemnity. Unless and until the license granted to the Borrower in this Security Instrument to collect the Rent and Profits is terminated and the Lender enters the Premises as described herein, the Lender shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by the Borrower under any of said leases, and the Borrower hereby agrees to indemnify the Lender for, and to save it harmless from, any and all liability arising from any of said leases or from this assignment, and this assignment shall not place responsibility for the conduct, care, management, or repair of the Premises upon the Lender, or make the Lender responsible or liable for any negligence in the management, operation, upkeep, repair or control of said Premises resulting in loss or injury to, or death of, any invitee, tenant, licensee, employee or stranger and/or damage to, or destruction of, the Premises.

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7. Appointment of Receiver. Upon the occurrence of an Event of Default, the Lender shall be entitled, without additional notice and without regard to the adequacy of any security for the Loan or the solvency of any party bound for its payment, to seek the appointment of a receiver to take possession of and to operate the Premises, and to collect the Rents and Profits, all expenses of which shall be added to the Loan and secured hereby.

8. Judicial Sale. To the extent now or hereafter permitted by law and subject to such grace periods and notice requirements thereby imposed, the Lender may cause a judicial sale of the Premises in accordance with this Section. Such sale may be made without demand on the Borrower at the time and place fixed in the notice of such sale, and such sale may be of the Premises as a whole or in separate lots, and in such order as the Lender may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Such sale of the Premises may be postponed by public announcement at the time and place of sale, and may be further postponed from time to time thereafter by public announcement at the time fixed by the preceding postponement. Any person or entity, including the Lender, may purchase at such sale. After deducting all costs, fees, and expenses of the Lender, including cost of evidence of title in connection with such sale, the proceeds of sale shall be applied to payment of the sums secured by this Security Instrument. The Premises may be sold as aforesaid either before, after, or during the pendency of any proceedings for the enforcement of the provisions of this Security Agreement, and such power and right of sale shall not be affected by any entry hereunder, or by the exercise of any other right, remedy or power with respect to the enforcement of the provisions of any of the Loan Documents or the collection of the amount of the sums secured by this Security Instrument. The provisions of this Section are not intended to and shall not adversely affect the Lender's rights to conduct a nonjudicial sale of such portions of the Premises as constitute personal property.

9. Waivers. No waiver of any Default Condition or Event of Default shall at any time thereafter be held to be a waiver of any rights of the Lender stated anywhere in the Note, this Security Instrument, the Loan Agreement or any of the other Loan Documents, nor shall any waiver of any prior Default Condition or Event of Default operate to waive any subsequent Default Condition and/or Event of Default. All remedies provided in this Security Instrument, in the Note, in the Loan Agreement and in the other Loan Documents are cumulative and may, at the election of the Lender, be exercised alternatively, successively, or in any manner and are in addition to any other rights provided by applicable law.

10. Terms. The singular used herein shall be deemed to include the plural; the masculine deemed to include the feminine and neuter; and the named parties deemed to include their heirs, successors and assigns. The term "Lender" shall include any payee of the indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise.

11. Notices. All notices and other communications shall have been duly given and shall be effective (i) when delivered, (ii) when transmitted via telecopy (or other facsimile device) to the number set forth below, (iii) on the day following the day on which the same has been delivered prepaid to a reputable national overnight air courier service, or (iv) on the third Business Day following the day on which the same is sent by certified or registered mail, postage prepaid, in each case to the respective parties at the address set forth below, or at such other address as such party may specify by written notice to the other party hereto. No notice of change of address shall be effective except upon actual receipt. This Section shall not be construed in any way to affect or impair any waiver of notice or demand provided in any other Loan Document or to require giving of notice or demand to or upon any Person in any situation or for any reason.

if to the Borrower: Townfair Center Associates

1020 Lebanon Road
West Mifflin, Pennsylvania 15122
Attn: Stephen M. Clark
Telephone: (412) 462-9300
Telecopy: (412) 462-1074

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With a copy to: Michael Joseph Development Corporation
Suite 300
9000 Brooktree Road
Wexford, Pennsylvania 15090
Attn: Guy J. DiRienzo
Telephone: (412) 934-1006
Telecopy: (412) 934-1004

and

Titus & McConomy LLP
Twentieth Floor
Four Gateway Center
Pittsburgh, Pennsylvania 15222
Attn: Donald T. Dulac, Jr., Esq.
Telephone: (412) 642-2000
Telecopy: (412) 642-2950

if to the Lender: Patrician Financial Company Limited Partnership
4550 Montgomery Avenue, Suite 1150
Bethesda, Maryland 20814-3344
Attn: Mark E. Gordon
Telephone: (301) 718-2000
Telecopy: (301) 718-2010

The parties hereto agree that any notice sent to the Borrower at its address set forth herein (or designated in accordance with this Section) shall be deemed notice to all general partners or members of the Borrower, if any. Personal delivery to a party or to any officer, partner, member, agent or employee of such party at its address herein shall constitute receipt. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice has been received shall also constitute receipt.

12. Greater Estate. In the event that the Borrower is the owner of a leasehold estate with respect to any portion of the Premises and, prior to the satisfaction of the indebtedness secured hereby and the cancellation of this Security Instrument of record, the Borrower obtains a fee estate in such portion of the Premises, then, such fee estate shall automatically, and without further action of any kind on the part of the Borrower, be and become subject to the security lien of this Security Instrument.

13. Imposition of Tax. In the event of the passage of any state, federal, municipal or other governmental law, order, rule or regulation, in any manner changing or modifying the laws now in force governing the taxation of debts secured by mortgages or the manner of collecting taxes so as to affect adversely the Lender, the Borrower will promptly pay any such tax on or before the due date thereof; and if the Borrower fails to make such prompt payment or if any such state, federal, municipal or other governmental law, order, rule or regulation prohibits the Borrower from making such payment or would penalize the Lender if the Borrower makes such payment, then the entire balance of the Loan shall become due and payable upon demand at the sole option of the Lender.

14. Defeasance. If the Borrower pays to the Lender in full the sums secured by this Security Instrument in accordance with the provisions of the Loan Documents, then this Security Instrument shall become void.

15. Open-End Provisions. This Security Instrument is an "Open-End Mortgage" as set forth in Pa. C.S.A. ss. 8143 (the "Act") and secures advances up to a maximum indebtedness of \$10,700,000.00 plus all accrued and unpaid interest, advances for the payment of impositions, maintenance charges, insurance premiums or costs incurred for the protection of the Premises or the lien of this Security Instrument, expenses incurred by the Lender by reason of default by the Borrower under this Security Instrument, and advances for the completion of the Premises for which the Loan was made, together with all other sums due hereunder or secured hereby. For the purposes of providing notices to the Lender under the Act, the address of the Lender is 1020 Lebanon Road, West Mifflin, Pennsylvania 15122. All notices must be delivered as set forth in Section 11 above.

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16. Headings. The captions and headings herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of this Security Instrument nor the intent of any provision hereof.

17. General Provisions. A determination that any provision of this Security Instrument is unenforceable or invalid shall not affect the enforceability or validity of any other provision and the determination that the application of

any provision of this Security Instrument to any Person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to other Persons or circumstances. This Security Instrument may not be amended except in a writing specifically intended for such purpose and executed by the party against whom enforcement of the amendment is sought. The holder of this Security Instrument may, from time to time, sell or offer to sell the Loan, or any interests therein, to one or more transferees, assignees or participants and is hereby authorized to disseminate any information it has pertaining to the Loan, including, without limitation, any security for this Security Instrument and credit information on the Borrower, any of its principals and any Borrower Principal (as defined in the Loan Agreement), to any such transferee, assignee or participant or prospective transferee, assignee or participant, and to the extent, if any, specified in any such transfer instrument, assignment or participation, and such transferee, assignee or participant shall have the rights and benefits with respect to this Security Instrument and the other Loan Documents as such Person would have if such Person were the Lender hereunder. The Borrower warrants and represents to the Lender and all other holders of this Security Instrument that the Loan is and will be for business or commercial purposes only and not primarily for personal, family, or household use. The terms, provisions, covenants and conditions hereof shall be binding upon the Borrower and the heirs, devisees, representatives, successors and assigns of the Borrower.

18. WRITTEN AGREEMENT.

(a) THE RIGHTS AND OBLIGATIONS OF THE BORROWER AND THE LENDER SHALL BE DETERMINED SOLELY FROM THIS WRITTEN SECURITY INSTRUMENT AND THE OTHER LOAN DOCUMENTS, AND ANY PRIOR ORAL OR WRITTEN AGREEMENTS BETWEEN THE LENDER AND THE BORROWER CONCERNING THE SUBJECT MATTER HEREOF AND OF THE OTHER LOAN DOCUMENTS ARE SUPERSEDED BY AND MERGED INTO THIS SECURITY INSTRUMENT AND THE OTHER LOAN DOCUMENTS.

(b) THIS SECURITY INSTRUMENT AND THE OTHER LOAN DOCUMENTS MAY NOT BE VARIED BY ANY ORAL AGREEMENTS OR DISCUSSIONS THAT OCCUR BEFORE, CONTEMPORANEOUSLY WITH, OR SUBSEQUENT TO THE EXECUTION OF THIS SECURITY INSTRUMENT OR THE LOAN DOCUMENTS.

(c) THIS WRITTEN SECURITY INSTRUMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENTS BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

19. WAIVER OF JURY TRIAL. THE LENDER AND THE BORROWER HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THIS SECURITY INSTRUMENT. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY THE LENDER AND THE BORROWER, AND THE LENDER AND THE BORROWER ACKNOWLEDGE THAT NO PERSON ACTING ON BEHALF OF ANOTHER PARTY TO THIS AGREEMENT HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. THE LENDER AND THE BORROWER FURTHER ACKNOWLEDGE

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THAT THEY HAVE BEEN REPRESENTED (OR HAVE HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE SIGNING OF THIS SECURITY INSTRUMENT AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF THEIR OWN FREE WILL, AND THAT THEY HAVE HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

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PERSONALTY RIDER

(Retail/Industrial/office)

The term "Intangible Personalty" as used herein shall mean any and all present and future accounts, general intangibles, instruments, documents and chattel paper now or hereafter affecting or relating to the Premises or any part thereof, and all proceeds or products thereof, including without limitation, (i) all leases (including equipment leases), rental agreements, sales contracts, management contracts, franchise and related agreements, construction contracts, architects' contracts, technical services agreements, licenses and permits, (ii) all receivables, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of the sale or

lease of property or rendering of services by the Borrower in its business of ownership and operation of the Premises or acquired from others including, without limiting the generality of the foregoing, from rental of rooms, halls, stores, offices, exhibit or sales space of every kind, license, lease and concession fees and rentals, health club membership fees, food and beverage, whole and retail sales of merchandise, service charges, and proceeds, if any, from business interruption or other loss of income insurance, (iii) all of the Borrower's right, title and interest in all royalties, license fees and other income or proceeds derived from trademarks, trademark applications, the registration therefor, the good will of the business symbolized by the same, now or hereafter filed, owned or acquired.

The term "Tangible Personalty" as used herein shall mean any and all fixtures, equipment, furnishings and other articles of personal property now or hereafter owned by the Borrower and attached to or contained in and used in connection with the Land and Improvements including, but not limited to, all furniture, furnishings, apparatus, machinery, equipment, motors, boilers, buildings, materials, appliances, fire prevention and extinguishing apparatus, security and access control apparatus, trash receptacles, bath rubs, water heaters, water closets, sinks, dishwashers, disposals, washers, dryers, elevators, fittings, radiators, ranges, refrigerators, awnings, storm windows, storm doors, shades, screens, blinds, curtains and curtain rods, mirrors, cabinets, paneling, rugs, pictures, antennas, trees, plants, carpeting, office equipment and other furnishings and all plumbing, heating, lighting, cooking, laundry, ventilating, refrigerating, incinerating, trash compacting, air-conditioning and sprinkler equipment, telephone systems, televisions and television systems, computer systems and fixtures and appurtenances thereto and all renewals or replacements thereof or articles in substitution thereof, whether or not the same are or shall be attached to the Land and Improvements in any manner, and all proceeds and products of any of the foregoing.

EXHIBIT A

ALL those certain lots or pieces of ground situate in the Township of White, Indiana County, Pennsylvania, being known as Lots Nos. 4C, 4A, and Parcel A-1 in the Townfair Plan No. 2 as recorded in the Office of the Recorder of Deeds of Indiana County, Pennsylvania in Plan Book Volume 6, Page 151 and Lots 1 and 2 in the Townfair Plan No. 1 as recorded in said Office in Plan Book Volume 5, page 216 being more particularly bounded and described as follows:

BEGINNING at a point on the westerly right of way line of Woodridge Lane, 50.00 feet wide, at the line dividing Lot 4A and Lot 4B in the Townfair Plan No. 2 as recorded in the Office of the Recorder of Deeds of Indiana County, Pennsylvania, in Plan Book Volume 6, Page 151; thence from said point of beginning by the line dividing Lot 4A and Lot 4B in said Townfair Plan No. 2 the following six (6) courses and distances:

North 84(degree) 19' 30" West a distance of 79.12 feet;
North 66(degree) 43' 51" West a distance of 103.04 feet;
South 83(degree) 09' 40" West a distance of 89.49 feet;
South 60(degree) 48' 33" West a distance of 315.89 feet;
South 53(degree) 22' 57" West a distance of 103.15 feet;
South 36(degree) 47' 14" West a distance of 41.79 feet to a point;
thence by the line dividing Lot 4A from Lot 4B and Lot 4D in said Townfair Plan No. 2, South 60(degree) 18' 41" West a distance of 59.66 feet to a point; thence by the line dividing Lot 4A and Lot 4D in said Townfair Plan No. 2, South 50(degree) 12' 16" West a distance of 95.33 feet; thence continuing by same South 37(degree) 01' 31" West a distance of 32.69 feet to a point on the easterly right of way line of Ben Franklin Road, State Route No. 6422, variable width; thence by the easterly right of way line of said Ben Franklin Road the following six (6) courses and distances:

North 24(degree) 25' 00" West a distance of 130.66 feet;
North 55(degree) 22' 50" West a distance of 29.15 feet;
North 24(degree) 25' 00" West a distance of 133.43 feet;
North 27(degree) 35' 22" West a distance of 46.74 feet;
North 21(degree) 51' 18" West a distance of 169.75 feet;
North 24(degree) 25' 00" West a distance of 11.89 feet to a point on the line dividing Lot 4C in said Townfair Plan No. 2 and Lot 3 in the Townfair Plan No. 1 as recorded in the Office of the Recorder of Deeds of Indiana County, Pennsylvania in Plan Book Volume 5, Page 216; thence by the line dividing Lot 4C in said Townfair Plan No. 2 and Lot 3 in said Townfair Plan No. 1, North 60(degree) 41' 56" East a distance of 149.94 feet to a point on the line dividing Lot 3 and Lot 1 in said Townfair Plan No. 1; thence by the line dividing Lot 3 and Lot 1 the following eight (8) courses and distances:

North 29(degree) 34' 47" West a distance of 96.95 feet;
North 30(degree) 38' 03" West a distance of 147.34 feet;
North 48(degree) 30' 41" West a distance of 15.35 feet;
(continued)

(continued)

North 85(degree) 19' 12" West a distance of 16.22 feet;
South 60(degree) 40' 35" West a distance of 30.39 feet;
South 41(degree) 30' 57" West a distance of 34.66 feet;
South 31(degree) 32' 07" West a distance of 34.96 feet;
South 21(degree) 36' 38" West a distance of 13.82 feet to a point on the easterly right of way line of said Ben Franklin Road; thence by the easterly right of way line of said Ben Franklin Road the following five (5) courses and distances: in a northwesterly direction by a curve bearing to the left having a radius of 766.78 feet through an arc distance of 122.83 feet; South 52(degree) 43' 16" West a distance of 5.00 feet; in a northwesterly direction by a curve bearing to the left having a radius of 761.78 feet through an arc distance of 38.67 feet to a point of tangency, North 40(degree) 12' 00" West a distance of 174.85 feet to a point of curvature; in a northwesterly direction by a curve being to the right having a radius of 774.02 feet through an arc distance of 157.74 feet to a point on the line dividing Lot 2 in said Townfair Plan No. 1 from lands now or formerly of Hampton Court Associates; thence by the line dividing Lot 1 and Lot 2 in Townfair Plan No. 1 from lands now or formerly of Hampton Court Associates North 55(degree) 00' 00" East a distance of 966.14 feet to a point on the line dividing Lot 1 in said Townfair Plan No. 1 and lands now or formerly of L M C Enterprises, Inc.; thence by the line dividing Lot 1 in said Townfair Plan No. 1 and Lot 4A in said Townfair Plan No. 2 from lands now or formerly of L M C Enterprises, Inc. South 29(degree) 15' 00" East a distance of 1,172.00 feet to a point on the line dividing Parcel A-1 in said Townfair Plan No. 2 and lands now or formerly of L M C Enterprises, Inc.; thence by the line dividing Parcel A-1 in said Townfair Plan No. 2 and lands now or formerly of L M C Enterprises, Inc. North 62(degree) 01' 26" East a distance of 693.17 feet to a point on the line dividing Parcel A-1 in said Townfair Plan No. 2 and lands now or formerly of Frank J. Simone, et ux; thence by the line dividing Parcel A-1 in said Townfair Plan No. 2 and lands now or formerly of Frank J. Simone, et ux, South 20(degree) 03' 39" East a distance of 112.14 feet to a point on the line dividing Parcel A-1 in said Townfair Plan No. 2 and the Klamar Plan of Lots as recorded in the Office of the Recorder of Deeds of Indiana County, Pennsylvania, in Deed Book Volume 491, Page 475; thence by the line dividing Parcel A-1 in said Townfair Plan No. 2 and said Klamar Plan of Lots following three (3) courses and distances:

South 68(degree) 13' 21" West a distance of 22.97 feet;
South 21(degree) 20' 39" East a distance of 39.21 feet;
South 32(degree) 07' 21" West a distance of 65.01 feet to a point;
thence by the line dividing Parcel A-1 in said Townfair Plan No. 2 from said Klamar Plan of Lots, the northerly terminus of Hickory Lane, 35.00 feet wide, Lot 12 in said Klamar Plan of Lots and lands now or formerly of Norman H. Lewandowski South 71(degree) 56' 21" West a distance of 338.00 feet to a point on the line dividing Parcel A-1 in said Townfair Plan No. 2 and lands now or formerly of Norman H. Lewandowski; thence by the line dividing Parcel A-1 in said Townfair Plan No. 2 and lands now or formerly of Norman H. Lewandowski South 12(degree) 03' 39" East a distance of 120.00 feet to a point; thence by the line dividing Parcel A-1 in said Townfair Plan No. 2 from lands now or formerly of Norman H. Lewandowski and lands now or formerly of Robert W. McKenney, Jr., et ux, South 03(degree) 16' 54" East a distance of 99.91 feet to a point on the line dividing Parcel A-1 in said Townfair Plan No. 2 and Lot 7 in said Klamar Plan of Lots; thence by the line dividing Parcel A-1 in said Townfair Plan No. 2 and Lot 7 in said Klamar Plan of Lots South 89(degree) 34' 09" West a distance of 176.99 feet to a point on the Cul-de-sac of the northerly terminus of said Woodridge Lane; thence by The Cul-de-sac of the northerly terminus of said Woodridge Lane in a southerly direction by a curve bearing to the left having a radius of 50.00 feet through an arc distance of 172.10 feet to a point on the westerly right of way line of said Woodridge Lane; thence by the westerly right of way line of said Woodridge Lane South 05(degree) 40' 30" West a distance of 58.32 feet to a point on the line dividing Lot 4A and Lot 4B in said Townfair Plan No. 2, at the point of BEGINNING.

(continued)

Containing an area of 29.085 acres.

BEING part of the same premises conveyed to Townfair Center Associates by deed of Delafield Associates dated February 28, 1995 and recorded in the Office of the Recorder of Deeds of Indiana County, Pennsylvania in Deed Book Volume 1061, Page 118, and being part of the same premises conveyed to Townfair Center Associates by deed of Jeffrey Fried and Linda Fried, husband and wife, dated February 23, 1995 and recorded in Deed Book Volume 1060, Page 799.

EXHIBIT B

Permitted Encumbrances

1. Unrecorded leases between the Borrower and
 - (a) Lowe's Home Center, Inc., dated January 5, 1995;
 - (b) Supervalu Inc., dated as of June 26, 1996, as amended;

- (c) White Cross Stores, Inc. No. 14, dated October 18, 1996;
- (d) Western Auto Supply company d/b/a Parts America, dated July 11, 1996;
- (e) R & R Optical, Inc. d/b/a Wise Eyes Optical, dated August 6, 1997;
- (f) Hello Corporation of Pennsylvania, dated October 23, 1997;
- (g) JACO, Inc. d/b/a Fantastic Sam's, dated September 18, 1997; and
- (h) Enzo Pirrone and Nancy Pirrone, dated November 14, 1997.

2. Items set forth on Schedule B-1 attached hereto

SCHEDULE B-1

1. The rights of tenants in possession, as tenants only, under prior unrecorded leases with a remaining term of one year or less.
2. Any taxes for the current or fiscal year of the applicable taxing bodies which may be hereafter assessed, not yet due and payable.
3. Current water and sewer rents, not yet due or payable.
4. All coal and mining rights and all rights relating thereto.
5. The following matters shown on the subdivision plans entitled Townfair Plan No. 1, recorded in Plan Book Volume 5, Page 216 and Townfair Plan No. 2, recorded in Plan Book Volume 6, Page 151 and as depicted on the Survey prepared by The Gateway Engineers, Inc. dated January 1998 being drawing No. 57,608 (the "Survey") :
 - a) Building setback lines of 25 feet along Woodridge Lane and sideline and 75 feet along Ben Franklin Road.
 - b) Easements for sanitary sewers, 20 feet in width.
 - c) Easement for ingress, egress and regress.
 - d) Existing 15 foot wide gas line easement.
 - e) Existing 60 foot wide right of way to Pennsylvania Electric Company.
 - f) Notation regarding location of wetlands area.
 - g) Existing 15 foot wide sanitary sewer easement (Deed Book Volume 561, Page 549).
 - h) McCarney Run Creek.
 - i) Existing 8 inch PVC sanitary sewer.
 - j) Slope easement along Ben Franklin Road SR 6422 and area dedicated for road purposes.
 - k) Right of way for gas line across Parcel A-1.
6. Right of way for electric line from Alan P. Mewha and Priscilla Alden Mewha to PA Electric Company dated May 1, 1956 and recorded May 9, 1956 in Deed Book Volume 451, Page 129, as noted on Survey.
7. Oil and gas operating lease made by P. D. Wilson, as Lessor, and T.W. Philips Gas & Oil Company as lessee, by instrument dated June 7, 1940, and recorded on July 26, 1940, in Indiana County Deed Book 304, Page 308, as modified by a certain lease Modification Agreement made by and between Joseph L. Klamar and Betty Klamar, his wife, and T.W. Phillips Gas and Oil Co., dated February 7, 1982, and recorded February 24, 1982, in Indiana County Deed Book 811, Page 685.

SCHEDULE B-1
(Continued)

8. Coal and mining rights as conveyed by William Patterson and wife to Adrian Iselin by their deed of April 23, 1901, recorded in Deed Book B-71, Page 35.
9. Oil and gas lease and rights of way for pipelines and access road in connection therewith as recited in deed from Thomas Smyth, Jr., et al, to William A. Vitalie, et ux, dated May 1, 1984 and recorded in Deed Book

Volume 852, Page 262 and as set forth in the deed from Thomas Smyth, Jr. et al, to Jeffrey A. Fried, et ux, dated May 1, 1984 and recorded in Deed Book Volume 851, Page 653.

10. Oil and gas lease from Thomas Smyth, et ux, to The Peoples Natural Gas Company dated March 9, 1967 and recorded in Deed Book Volume 562, Page 358 and pipelines in connection therewith.
11. Right of way given by Thomas Symth and Martha Symth, his wife, to Pennsylvania Electric Company dated August 24, 1954 and recorded in Deed Book Volume 438, page 404, as shown on Survey.
12. Oil and gas lease from Mary Shaffer, et al, to Columbia Natural Gas Company dated May 18, 1934 and recorded in Deed Book Volume 272, Page 293.
13. Pipeline Right of Way Agreement dated August 22, 1995 by and between Townfair Center Associates and Kriebel Gas, Inc. recorded September 18, 1995 in Deed Book Volume 1071, Page 116, as noted on Survey.
14. Access Covenant by Townfair Center Associates dated August 4, 1995 and recorded September 11, 1995 in Deed Book Volume 1070, Page 774.
15. Commencement Agreement by and between Townfair Center Associates and Lowe's Home Centers, Inc. dated December 29, 1995 and recorded January 19, 1996 in Deed Book Volume 1078, Page 602.
16. Declaration of Reciprocal Easements, Covenants and Restrictions made by Townfair Center Associates dated September 20, 1995 and recorded in Deed Book Volume 1072, page 106.

SCHEDULE B-1
(Continued)

17. Easement and Right of Way from Townfair Center Associates and Angerman Associates, Inc. dated March 9, 1995 and recorded in Deed Book Volume 1078, page 927, as shown on Survey.
18. Right of Way from Townfair Center Associates to Pennsylvania Electric Company dated June 7, 1996 and recorded in Deed Book Volume 1086, page, 208, as shown on Survey.
19. Sewer line Agreement by Townfair Center Associates as recorded in Deed Book Volume 1029, Page 96, as shown on Survey.
20. Right of way from Harry Shaffer, et al, to Southwest Central Rural Corporation dated January 14, 1938 and recorded in Deed Book Volume 297, Page 65, as shown on Survey.
21. Right of way from Townfair Center Associates to The Peoples National Gas Company dated July 5, 1995 and recorded in Deed Book Volume 1086, Page 282, as shown on Survey.
22. Slope Easements as granted in deeds from Townfair Center Associates to the Commonwealth of Pennsylvania (a) dated November 18, 1997 and recorded in Deed Book Volume 1118, Page 366 and (b) dated November 20, 1997 and recorded in Deed Book Volume 1118, Page 372, as shown on Survey.
23. Right of way from Townfair Center Associates to Pennsylvania Electric Company dated November 1, 1996 and recorded in Deed Book Volume 1099, Page 847, as shown on Survey.

IN WITNESS WHEREOF, the Borrower has executed this Security Instrument under seal as of the above written date.

BORROWER:

TOWNFAIR CENTER ASSOCIATES, a Pennsylvania
general partnership

By: P.J. Dick Incorporated, a Pennsylvania
corporation, a General Partner

By: /s/ Stephen M. Clark (SEAL)

Name: STEPHEN M. CLARK
Title: EXEC. V. P.

By: Michael Joseph Limited Partnership #2,
a Pennsylvania limited partnership, a
General Partner

By: Michael Joseph Development Corporation,
a Pennsylvania corporation, its General
Partner

By: /s/ Guy J. DiRienzo (SEAL)

Name: GUY J. DIRIENZO

Title: V.P.

I hereby certify that the precise address of the within Lender is 4550
Montgomery Avenue, Suite 1150, Bethesda, Maryland 20814.

By: /s/ [graphic of signature omitted]

On behalf of Lender

ACKNOWLEDGMENT

COMMONWEALTH OF PENNSYLVANIA ALLEGHENY County ss:

On this 13th day of February, 1998, before me, the undersigned officer,
personally appeared STEPHEN M. CLARK, who acknowledged himself to be the
EXECUTIVE VICE PRESIDENT of P.J. Dick Incorporated, the corporation named in the
foregoing instrument as a General Partner of Townfair Center Associates, a
General Partnership, and that he as such EXECUTIVE VICE PRESIDENT of the General
Partner, being authorized to do so, executed the foregoing instrument for the
purposes therein contained in the name of such General Partnership by himself as
EXECUTIVE VICE PRESIDENT of the General Partner, on behalf of said General
Partnership.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

/s/ Melanie A. Uziel

Notary Public

Title Of Officer

Notarial Seal
Melanie A. Uziel, Notary Public
Pittsburgh Allegheny County
My Commission Expires May 11, 2000
Member, Pennsylvania Association of
Notaries

COMMONWEALTH OF PENNSYLVANIA ALLEGHENY County ss:

On this 13th, day of February, 1998, before me, the undersigned officer,
personally appeared GUY J. DIRIENZO, who acknowledged himself to be the VICE
PRESIDENT of Michael Joseph Development Corporation, the corporation named in
the foregoing instrument as General Partner of Michael Joseph Limited
Partnership #2, the limited partnership named in the foregoing instrument as a
General Partner of Townfair Center Associates, a General Partnership, and that
he as such VICE PRESIDENT of the General Partner of the General Partner, being
authorized to do so, executed the foregoing instrument for the purposes therein
contained in the name of such General Partnership by himself as VICE PRESIDENT
of the General Partner of the General Partner, on behalf of said General
Partnership.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

/s/ Melanie A. Uziel

Notary Public

Title Of Officer

Notarial Seal
Melanie A. Uziel, Notary Public
Pittsburgh. Allegheny County
My Commission Expires May 11, 2000
Member, Pennsylvania Association of
Notaries

INDIANA COUNTY

RECORDED in the office for the recording of Deeds, etc. in and for said county,
in Mortgage Book _____ Volume o page 247 Given under my hand and seal of
this office, this 17th day of February 1998 o Recorder

CAPITAL IMPROVEMENT AND TENANT FITOUT ESCROW AGREEMENT

This Capital Improvement and Tenant Fit-Out Escrow Agreement (the "Agreement") is made as of March 17, 2004 between Wells Fargo Bank N.A. f/k/a Norwest Bank Minnesota, National Association, as Trustee for the registered holders of NationsLink Funding Corporation, Commercial Mortgage Pass-Through Certificates, Series 1998-2, in its capacities as lender and escrow agent ("Lender"), and Cedar Townfair, LLC, a Delaware limited liability company ("Borrower").

RECITALS

- A. This Agreement is being executed in connection with Lender's consent to the assumption by Borrower of a mortgage loan to Townfair Center Associates, a Pennsylvania general partnership ("Seller") in the original principal amount of Ten Million Seven Hundred Thousand and No/100 Dollars (\$10,700,000.00) (the "Loan"), and the Loan assumption is incident to Borrower's purchase of the real property commonly known as Townfair Center (Phase I & II), 475 South Ben Franklin Road, White Township, Pennsylvania, being more particularly described on Exhibit A attached hereto.
- B. The Loan is evidenced by a Promissory Note (the "Note"), dated February 13, 1998, made by Seller and is secured by, among other things, an Open-End Mortgage, Assignment of Leases and Rents and Security Agreement (the "Security Instrument"), dated as of February 13, 1998, encumbering that certain real property situated in the County of Indiana, Commonwealth of Pennsylvania ("State"), as more particularly described on Exhibit A attached hereto and incorporated herein by this reference, together with the buildings, structures and other improvements now or hereafter located thereon (said real property, buildings, structures and other improvements being hereinafter collectively referred to as the "Property") and by other documents and instruments, and the Lender's consent to the transfer of the Property to Borrower is being made pursuant to a Consent and Assumption Agreement with Limited Release dated of even date herewith (the "Assumption Agreement") (the Note, Security Instrument, Assumption Agreement and such other documents, agreements and instruments, as the same may from time to time be amended, modified, extended, severed, split, divided, spread, restated, substituted, supplemented, consolidated, renewed or replaced, being collectively referred to herein as the "Loan Documents");
- C. As a condition to Lender giving its consent to the assumption of the Loan by Borrower, the transfer of the Property to Borrower and the construction of a new 5,000 square foot building on the Property, Lender has required that Borrower deposit the Escrow Funds (hereinafter defined) with Lender pursuant and subject to the terms of this Agreement.

NOW, THEREFORE, to induce Lender to consent to the transfer of the Property to Borrower, consent to Borrower's assumption of the Loan and consent to the construction of a new 5,000 square foot building on the Property and in consideration of the premises and the due performance of the commitments and agreements hereinafter set forth, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Escrow. Borrower shall establish and maintain an escrow of funds with Lender pursuant to the terms of this Agreement for the payment of future customary and reasonable bona fide costs and expenses incurred by Borrower in connection with the (i) construction of a 5,000 square foot building on the Property ("New Building") and (ii) completion of tenant improvements required to be paid by Borrower in connection with a lease ("New Lease") for approximately 3,000 square feet of space in the New Building (the "Leasing Matters").

2. Deposit of Escrow Funds. All amounts held by Lender at any time in escrow pursuant to this Agreement are the "Escrow Funds". On the date hereof, Borrower shall make an initial deposit of \$393,310.00 with Lender, to be held in escrow by Lender according to the terms of this Agreement. The Escrow Funds shall be disbursed or applied only as specified in this Agreement.
3. Escrow Account. Lender agrees to hold all Escrow Funds in an Eligible Account (hereinafter defined) selected by Lender from time to time in the exercise of its sole discretion (the "Escrow Account"). No earnings or interest on the Escrow Funds shall be payable to Borrower. The Escrow Funds shall not constitute a trust fund and may be commingled with other monies held by Lender. The Escrow Account shall be held in the name of Lender and shall be within its sole and exclusive control, and all funds deposited in the Escrow Account shall be for the account of Lender. Except as provided herein, Borrower shall have no right to or interest in the Escrow Funds or Escrow Account and shall have no authority to withdraw Escrow Funds from the Escrow Account. An "Eligible Account" shall mean either (a) an account maintained with a depository institution or trust company, the long term unsecured debt obligations of which are rated in one of the three highest rating categories by any Rating Agency (hereinafter defined) acceptable to Lender at the time of any deposit therein or (b) a trust account maintained with a federally or state-chartered depository institution or trust company acting in its fiduciary capacity, subject to regulations regarding fiduciary funds on deposit similar to 12 C.F.R. Section 9.10(b). The term "Rating Agency" shall mean a nationally recognized credit rating agency (including, without limitation, Standard & Poor's Rating Group, Fitch Investors Service, L.P., Moody's Investors Service, Inc. or Duff and Phelps Credit Rating Co., and their respective successors and assigns).
4. Permitted Investments. Lender may direct the depository institution maintaining the Escrow Account to invest the Escrow Funds in one or more of the following obligations or securities (each a "Permitted Investment") having, at the time of purchase, the required ratings, if any, provided for below:
 - a. Direct obligations of, or guaranteed as to timely payment of principal and interest by, the United States or any agency or instrumentality thereof provided that such obligations are backed by the full faith and credit of the United States of America;
 - b. Direct obligations of, or guaranteed as to timely payment of principal and interest by, FHLMC, FNMA or the Federal Farm Credit System;
 - c. Demand and time deposits in or certificates of deposit of, or bankers' acceptances issued by, any bank or trust company, savings and loan association or savings bank, provided that the short-term unsecured debt obligations of such depository institution or trust company must have the highest rating available for such securities by two or more Rating Agencies acceptable to Lender;
 - d. Commercial or finance company paper that is rated by two or more Rating Agencies acceptable to Lender in their highest short-term unsecured rating category at the time of such investment and is issued by a corporation the outstanding senior long-term debt obligations of which are then rated by two or more Rating Agencies in one of their two highest long-term unsecured rating categories;
 - e. Repurchase obligations with respect to any security described in clause (a) or (b) above entered into with a bank or trust company, savings and loan association or savings bank, provided that the short-term unsecured debt obligations of such depository institution or trust company must have the highest rating available for such securities by two or more Rating Agencies acceptable to Lender;
 - f. Units of taxable money market funds which funds are regulated investment companies, seek to maintain a constant net asset value per share and invest solely in obligations backed by the full faith

and credit of the United States and repurchase agreements using full faith and credit issues as collateral and are rated in the highest rating category available by a Rating Agency acceptable to Lender.

5. Pledge and Security Interest. As additional security for the payment and performance by Borrower of all duties, responsibilities and obligations hereunder and under the Loan Documents, Borrower hereby unconditionally and irrevocably assigns, conveys, pledges, mortgages, transfers, delivers, deposits, sets over and confirms unto Lender, and hereby grants to Lender a security interest and a valid and perfected first lien in (a) the Escrow Funds, (b) the Escrow Account, (c) all insurance of the Escrow Account, (d) all accounts, contract rights and general intangibles or other rights and interests pertaining thereto, (e) all sums now or hereafter therein or represented thereby, (f) all replacements, substitutions or proceeds thereof, (g) all instruments and documents now or hereafter evidencing the Escrow Funds or the Escrow Account, (h) all powers, options, rights, privileges and immunities pertaining to the Escrow Funds or the Escrow Account (including the right to make withdrawal therefrom), and (i) all proceeds of the foregoing. Lender may deliver notice of its interest in the Escrow Funds and Escrow Account at any time to the financial institution wherein the Escrow Account has been established, and Lender shall have possession of all passbooks or other evidences of such Escrow Account. Borrower hereby assumes all risk of loss with respect to amounts on deposit in the Escrow Account, except to the extent caused by the gross negligence or intentional misconduct of Lender. Borrower hereby agrees that the advancement of Escrow Funds from the Escrow Account as set forth herein is at Borrower's direction and is not the exercise by Lender of any right of set-off or other remedy upon an Event of Default (as defined in the Loan Documents). Borrower hereby waives all right to withdraw Escrow Funds from the Escrow Account, except upon full satisfaction of all amounts then due and payable under the Loan. Borrower agrees to execute and deliver on demand any and all documentation requested by Lender to further evidence or perfect such assignment, including, without limitation, Uniform Commercial Code financing statements. Borrower hereby irrevocably constitutes and appoints Lender as its attorney-in-fact, with full power of substitution and transfer, to execute and deliver any and all such documentation. The power of attorney hereby granted shall be irrevocable and coupled with an interest. This Agreement shall constitute a Security Agreement under the Uniform Commercial Code as enacted in the Commonwealth of Pennsylvania and upon an Event of Default, Lender may exercise any or all of the remedies available at law or in equity including, without limitation, the remedies specified in this Agreement and the remedies available to a secured party following default as specified in such Uniform Commercial Code. Lender and Borrower hereby acknowledge and agree that Lender has a valid and perfected first priority lien on, and security interest in, any Escrow Funds now or hereafter held in the Escrow Account.

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6. Disbursement of Escrow Funds to Borrower. Lender shall disburse all or part of the Escrow Funds to Borrower as provided herein upon satisfaction of the following terms and conditions:
- a. Borrower has delivered to Lender an affidavit, in form satisfactory to Lender, specifying the amount of the requested disbursement, and:
- i. With respect to a requested disbursement for the partial or complete construction of the New Building, certifying that all such constructed improvements have been completed and that all costs in connection therewith have been paid. Simultaneously with submitting such affidavit, Borrower shall also submit: (1) lien waivers from the general contractor, any subcontractors and all materialmen and suppliers showing that they have been paid for all work and that no liens are claimed; (2) an endorsement to the Lender's loan policy in the form attached hereto as Exhibit B insuring that no items have been recorded since the date of the loan policy and insuring that the loan policy is still in full force and effect; (3) each request must be in writing and specify in detail the cost of the labor that has been performed and the materials that have been incorporated into the New Building since the date of the previous request, if any; (4) each request must be certified to be true and correct by the general contractor and must be accompanied by all invoices, paid receipts, certificates, proof of subcontractor payments and other documents that Lender may request at any

time.

- ii. With respect to a requested disbursement for tenant improvements related to the New Lease, certifying that all such tenant improvements have been completed and that all costs in connection therewith have been paid, and that, to the extent applicable, Borrower has reimbursed the related tenant for any amounts paid by such tenant for such improvements. Simultaneously with submitting such affidavit, Borrower shall also submit: (1) lien waivers from the general contractor, any subcontractors and all materialmen and suppliers showing that they have been paid for all work and that no liens are claimed; (2) a written confirmation from the related tenant that it has accepted the space and the improvements made and has no claim against the landlord for any unperformed work or un-reimbursed allowances; (3) to the extent not delivered to the Lender as of the date hereof, a certified copy of the fully executed lease of the related tenant; and (4) if required by Lender, an estoppel certificate and a subordination, non-disturbance and attornment agreement from the related tenant in form and content acceptable to Lender.
- b. Borrower has delivered to Lender, at Borrower's cost: (i) copies of building permits or any other certificates required and issued by governmental authorities in connection with any work performed for which reimbursement is being sought under this Agreement; and (ii) if required by Lender, an endorsement to Lender's loan policy of title insurance obtained in connection with the Loan, insuring Lender against any mechanic's liens in connection with such work.
- c. Borrower has delivered to Lender such other documents as Lender shall reasonably require to confirm the satisfaction of the conditions contained herein and the completion of the work performed for which reimbursement is being sought under this Agreement.

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- d. All disbursements requested by Borrower shall be at least \$5,000 and no requests for disbursements shall be made more often than once during any calendar month.
- e. No Event of Default under the Loan Documents exists as of the date of Borrower's request for a disbursement or the actual date of such a disbursement.
- f. Lender shall have the right, but not the obligation, at Borrower's cost and expense, to inspect the Property and/or to have the documentation regarding the Leasing Matters and the New Building reviewed to verify that the Leasing Matters and New Building for which reimbursement is being sought have been completed in a good and workmanlike manner and are otherwise acceptable to Lender.
- g. Upon completion of the construction of the New Building, Borrower shall deliver to the Lender (i) a permanent unconditional certificate of occupancy or its equivalent and such other permits and certificates for the uses and occupancy of the New Building; (ii) an as-built survey showing the location of all improvements, lot lines, street lines, setback lines, utility lines, easements, rights of way in form and content acceptable to Lender; (iii) such affidavits and other documentation necessary to assure the Lender that all costs, expenses and charges incurred in constructing the New Building have been paid and there is no secondary, gap or other financing involved in connection therewith. However, the foregoing shall not be deemed to require the deliverance or issuance of a certificate of occupancy for the interior fit-out of the 2,000 square feet of the New Building that is not part of the Leasing Matters.
- h. Notwithstanding anything to the contrary herein, Lender shall not be required to disburse all or part of the Escrow Funds for (i) costs incurred by Borrower with respect to materials stored on or off the Property; (ii) soft costs, including without limitation, professional and attorneys' fees; or (iii) bonding requirements. Lender shall not be required to disburse all or part of the Escrow Funds unless (i) Borrower is in compliance with all applicable mechanics and construction lien laws, (ii) no construction, mechanics or other lien is imposed on the Property and (iii) no notices of or lien claim is recorded.

7. Default by Borrower. Any failure of Borrower to comply with the terms of this Agreement or any other Loan Document shall be an Event of Default, and shall entitle Lender to pursue any and all remedies available to it pursuant to this Agreement, any other Loan Document, at law or in equity. Without limiting the foregoing, upon the occurrence and during the continuation of an Event of Default, Lender shall have the right, but not the obligation, without notice or demand on Borrower: (a) to withdraw any or all of the Escrow Funds and to disburse and apply the same, after deducting all costs and expenses of safekeeping, collection and delivery (including, but not limited to, attorney fees, costs and expenses) to the obligations of Borrower hereunder or under any Loan Document in such manner as Lender shall deem appropriate in its sole discretion; (b) to complete any such acts, in the Borrower's stead, in such manner and to the extent Lender deems necessary to fulfill the purpose of this Agreement; (c) to exercise any and all rights and remedies of a secured party under any applicable Uniform Commercial Code; and (d) to exercise any other remedies available at law or in equity. No such use or application of the Escrow Funds shall be deemed to cure any Event of Default. Any disbursement made by Lender shall continue to be part of the Loan and secured by the

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Loan Documents. No further direction or authorization from Borrower shall be necessary to warrant such direct disbursement by Lender and all such disbursements shall satisfy the obligation of Lender hereunder and shall be secured by the Loan Documents as fully as if made directly to Borrower.

8. Indemnity. Borrower represents and warrants to Lender that as of the date hereof, there are no liens or outstanding claims for which a lien could be recorded against the Property. Borrower hereby indemnifies and holds Lender harmless against all claims, losses, costs, damages and expenses (including attorney fees), which Lender may incur arising from the inaccuracy of the foregoing representation and warranty, any breach by Borrower of this Agreement, any action taken by Lender hereunder and/or any and all claims and demands asserted against Lender arising out of this Agreement; excepting, however, those based upon its willful misconduct or gross negligence. The amount of any such claims, losses, costs, damages and expenses, with interest thereon at the Default Rate (as defined in the Note), shall be payable by the Borrower immediately upon demand and, if not so paid, may be reimbursed by withdrawal from the Escrow Account.
9. Covenants. Borrower covenants, agrees and represents to the Lender that:
- a. Borrower shall diligently proceed with the construction of the New Building and Borrower shall complete construction of the New Building, including such street improvements, curbs, sidewalks, grading, parking, utilities and connection as may be required for the normal use thereof, within 12 months from the date hereof.
 - b. Borrower has all necessary approvals from governmental or quasi-governmental authorities having jurisdiction over the Property, including, but not limited to, street openings or closings, zoning and use permits, sewer permits, environmental permits and approvals, building permits, highway occupancy permits, and subdivision and land development approvals have been obtained for the construction of the New Building, and such approvals are final, unappealed and unappealable and remain in full force and effect.
 - c. All construction shall be performed strictly in accordance with all applicable statutes, laws and ordinances, and in accordance with the rules, regulations and requirements of all regulatory authorities having jurisdiction.
 - d. The New Building when constructed will be wholly within the title lines, building setback lines and building restrictions lines, however established, and will not violate applicable use or other restrictions contained in prior conveyances, zoning laws or regulations, conditions of subdivision or land development approval, or elsewhere and Borrower will furnish satisfactory evidence to Lender with respect thereto.

10. Limitation of Liability of Lender.

- a. Lender shall have no liability to any person based upon its errors in judgment, its performance of its duties under this Agreement, any claimed failure to perform its duties hereunder, any action taken or omitted in good faith or any mistake of fact or law; provided that Lender shall be liable for damages arising out of its gross negligence or intentional misconduct. Lender shall be automatically released from all obligation and liability hereunder upon its

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disbursement, delivery or deposit of the Escrow Funds in accordance with the provisions of this Agreement.

- b. The duties of Lender in its capacity as escrow agent hereunder are purely ministerial. In such capacity, Lender is acting as a stakeholder for the accommodation of Borrower and is not responsible or liable in any manner whatsoever related to any signature, notice, request, waiver, consent, receipt or other document or instrument pursuant to which Lender may act, including, without limitation, terms and conditions, sufficiency, correctness, genuineness, validity, form of execution, or the identity, authority or right of any person executing or depositing the same.
 - c. Lender shall not be responsible for the validity or sufficiency of any cash, instruments, wire transfer or any other property delivered to it hereunder, for the value or collectibility of any check or other instrument so delivered or for any representation made or obligations assumed by Borrower or any other party to the Loan Documents. Nothing herein contained shall be deemed to obligate Lender to deliver any cash or any other funds or property referred to herein, unless the same shall have first been received by Lender pursuant to this Agreement.
 - d. In no event whatsoever shall Lender be liable for any losses related to the Escrow Funds resulting from an investment of Escrow Funds made in accordance with the terms hereof.
 - e. Upon the assignment of the Loan and the Loan Documents by Lender, any Escrow Funds then held by Lender shall be turned over to the assignee and all responsibility of Lender with respect thereto shall be terminated.
11. Assignment. Borrower hereby collaterally assigns to Lender, as additional security for the Loan, its rights under any contract entered into by Borrower related to any matters for which reimbursement could be sought by Borrower under this Agreement. Any such contract shall provide that Lender shall have the right to require performance of such contract but shall have no liability for any amounts owed by Borrower and incurred prior to the date Lender exercises its rights herein provided to require performance.
12. Notices. Any notice, consent, request or other communication required or permitted hereunder shall be in writing and shall be deemed properly given if delivered in accordance with the notice requirements contained in the Note.
13. Governing Law. The terms and provisions hereof shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.
14. Binding Agreement. This Agreement is freely assignable by Lender, its successors, endorsees and assigns, and shall be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto, including any assignee of the Note or any of the other Loan Documents; provided, however, the foregoing shall not be deemed or construed to (a) permit the assignment by Borrower of any of Borrower's rights or obligations hereunder, or (b) confer any

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right, title, benefit, cause of action or remedy upon any person or entity not a party hereto except for assignees of the Note or any of the other Loan Documents.

15. Captions. The captions, headings and arrangements used in this Agreement are for convenience only and do not in any way affect, limit, amplify or modify the terms and provisions hereof.
16. Rules of Construction. The parties acknowledge that each party and its counsel have reviewed and have had input in the drafting of this Agreement. The parties hereby agree that normal rules of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto. For purposes of this Agreement the word "person" shall include an individual, corporation, limited liability company, limited liability partnership, limited partnership, partnership, trust, unincorporated association, government, governmental authority and any other entity.
17. No Third Party Beneficiaries. No person not a party to this Agreement shall have any third party beneficiary claim or other right hereunder or with respect hereto.
18. Amendment. This Agreement may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Borrower 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.
19. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same Agreement.
20. Disposition of Escrow Funds on Repayment of Loan. At such time as the Loan, is paid in full, Lender shall return any funds then on deposit in the Escrow Account to Borrower.
21. Remedies Not Exclusive. Lender's rights and remedies under this Agreement are cumulative and in addition to every other right or remedy now or hereafter existing under any Loan Document, at law or in equity. No delay or omission of Lender to exercise any of its rights or powers shall impair or be a waiver of such right or power. The resort to any remedy hereunder shall not prevent the concurrent or subsequent exercise of any other remedy Lender may have.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective the day and year set forth above.

WITNESS:

BORROWER:

Cedar Townfair, LLC,
a Delaware limited liability company

By: Cedar Shopping Centers Partnership, L.P.
a Delaware limited partnership
its Sole Member

By: Cedar Shopping Centers, Inc.
a Maryland corporation
its Sole General Partner

By: _____
Print Name: Leo S. Ullman
Title: President

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WITNESS:

LENDER:

Wells Fargo Bank N.A. f/k/a Norwest Bank
Minnesota, National Association, as Trustee
for the registered holders of NationsLink
Funding Corporation, Commercial Mortgage Pass-
Through Certificates, Series 1998-2

By: Midland Loan Services, Inc.,
a Delaware corporation,
Its Attorney-in-Fact

By: _____
Name:
Title:

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Exhibit A

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Exhibit B

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RECORDING REQUESTED BY AND
AFTER RECORDING RETURN TO:

Midland Loan Services, Inc. 10851
Mastin, Suite 300 Overland Park, KS
66210 Attention: Shay Janssen Loan
Number: 03-0220389

CONSENT
AND ASSUMPTION AGREEMENT
WITH LIMITED RELEASE

This Consent and Assumption Agreement With Limited Release (this "Agreement") is entered into as of March 17, 2004, by and among Townfair Center Associates, a Pennsylvania general partnership, with an address of 1020 Lebanon Road, West Mifflin, Pennsylvania 15122 ("Seller"), Clifford R. Rowe, Jr., with an address of 1020 Lebanon Road, West Mifflin, Pennsylvania 15122 ("Rowe"), Kevin M. Dougherty, with an address of P.O. Box 1198 Rexford, PA 15090 ("Dougherty"), Guy J. DiRienzo, with an address of P.O. Box 1198 Rexford, PA 15090 ("DiRienzo") (Rowe, Dougherty and DiRienzo are collectively referred to herein as "Prior Principals"), Cedar Townfair, LLC, a Delaware limited liability company, with an address of 44 South Bayles Avenue, Suite 304, Port Washington, New York 11050 ("Buyer"), Cedar Shopping Centers, Inc., a Maryland corporation, with an address of 44 South Bayles Avenue, Suite 304, Port Washington, New York 11050 ("New Principal"), and Wells Fargo Bank N.A. f/k/a Norwest Bank Minnesota, National Association, as Trustee for the registered holders of NationsLink Funding Corporation, Commercial Mortgage Pass-Through Certificates, Series 1998-2 (collectively referred to herein as "Lender").

RECITALS

A. Seller is the owner of certain real property located in Indiana County, Pennsylvania, commonly known as Townfair Center (Phase I & II), 475 South Ben Franklin Road, White Township, Pennsylvania, which real property is more particularly described in Exhibit A attached hereto and incorporated herein by reference. Such real property, together with all improvements, fixtures and personal property located thereon is collectively referred to as the ("Property".)

B. Lender is the owner and holder of certain documents (the "Loan Documents") evidencing and securing a loan (the "Loan") made by Patrician Financial Company Limited Partnership, a Massachusetts limited partnership ("Original Lender") to Seller, including, without limitation, the:

- (i) Promissory Note (the "Note") dated as of February 13, 1998, in the original principal amount of \$10,700,000.00, executed by Seller, as maker, in favor of Original Lender along with the Acknowledgment and Agreement of Borrower Principal to Personal Liability for the Exceptions to Non-Recourse executed by Prior Principals ("Prior Guaranty") attached thereto;
- (ii) Open-End Mortgage, Assignment of Leases and Rents and Security Agreement (the "Security Instrument") dated as of February 13, 1998 executed by Seller in favor of Original Lender, filed for record with the County Recorder, in and for Indiana County, Pennsylvania (the "Recording Office") in Book 571, at Page 247 (the "Security Instrument");
- (iii) UOCC Financing Statement listing Seller as debtor, and Original Lender, as secured party, recorded in the Recording Office as Instrument No. 1998-03040;
- (iv) UCC Financing Statement listing Seller, as debtor, and Original Lender, as secured party, filed with the Pennsylvania Secretary of State as Instrument No. 28570063;
- (v) Assignment and Subordination of Management Agreement dated as of February 13, 1998, executed by Seller in favor of Lender ("Assignment and Subordination of Management Agreement");
- (vi) Loan Agreement dated as of February 13, 1998, executed by Seller and Prior Principals in favor of Lender ("Loan Agreement"); and

(vii) Such other documents evidencing or securing the Loan.

C. Midland Loan Services, Inc. services the Loan for Lender, as master servicer, pursuant to that certain Pooling and Servicing Agreement (the "Pooling and Servicing Agreement") dated as of November 1, 1998.

D. Robert G. Hecht, a guarantor under the Prior Guaranty, died prior to the date of this Agreement.

E. Seller and Buyer have entered into a Agreement of Purchase and Sale (the "Purchase Agreement") dated December 24, 2003, pursuant to which the Property is to be transferred to Buyer and Buyer is to assume the Loan (the "Property Acquisition"), and have requested that Lender consent to (i) the Property Acquisition and (ii) the construction of a new 5,000 square foot retail building on the Property (the "Building Construction") (the Property Acquisition and the Building Construction being collectively referred to herein as the "Transfer and Assumption").

F. Subject to the terms and conditions of this Agreement, Lender has agreed to consent to the Transfer and Assumption.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

1. Consent to Transfer. Subject to satisfaction of all of the conditions contained herein, Lender consents to the Transfer and Assumption. This consent is strictly limited to the Transfer and Assumption described in this Agreement. This Agreement shall not constitute a waiver or modification of any requirement of obtaining Lender's consent to any future transfer of the Property or any portion thereof or interest therein, nor shall it constitute a modification of the terms, provisions, or requirements in the Loan Documents in any respect except as expressly provided herein. Buyer specifically acknowledges that any

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subsequent transfer of any interest in any of the Property or interest in Buyer in violation of the Loan Documents shall be a default thereunder. The Loan Documents are hereby ratified and, except as expressly modified in this Agreement, remain unmodified and are in full force and effect.

2. Loan Information. The parties hereto agree that as of the date hereof:

- (a) The outstanding principal balance of the Note is \$9,993,258.02.
- (b) The interest rate of the Note is a fixed rate of 6.96% per annum.
- (c) The maturity date of the Note is March 1, 2008.
- (d) The following listed payments are due and payable on the first day of each and every calendar month:
 - o \$70,900.16 principal and interest installments;
 - o \$14,853.55 tax escrow deposits;
 - o \$6,351.03 insurance escrow deposits; and
 - o \$683.00 replacement reserve escrow deposits.
- (e) The current balance of each escrow account held by Lender with respect to the Loan Note is:
 - o \$114,307.47 tax escrow account;
 - o \$35,339.41 insurance escrow account; and
 - o \$51,751.37 replacement reserve escrow account.
- (f) All required payments due through March 1, 2004 under the Loan Documents have been paid.
- (g) There are no defenses or claims of setoffs with respect to any sums or amounts owing under the Loan Documents.
- (h) Lender is the current owner and holder of the Loan Documents.
- (i) There is no existing Event of Default (as defined in the Loan Documents) or event or condition that, with the giving of notice or passage of time or both, would constitute an Event of Default.

3. Conditions. In addition to any other conditions set forth herein or required by Lender, the following are conditions precedent that must be

satisfied prior to the closing of the Transfer and Assumption (the "Closing"):

- (a) The execution, acknowledgment, delivery and recordation of this Agreement by all of the parties concurrently with the Closing.
- (b) The execution, delivery and recordation or filing, as applicable, of one or more new financing statements, or amendments to existing financing statements as required by Lender at Closing.
- (c) Buyer's delivery to Lender of satisfactory evidence that all insurance over the Property required by the Loan Documents (the "Required Insurance") is in full force and effect as of the Closing, with all required premiums paid, and contains a mortgagee's clause (the "Mortgagee's Clause") satisfactory to Lender in favor of Wells Fargo Bank N.A. f/k/a Norwest Bank Minnesota, National Association, as Trustee for the registered holders of NationsLink Funding Corporation, Commercial

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Mortgage Pass-Through Certificates, Series 1998-2, its successors and/or assigns, c/o Midland Loan Services, Inc., Master Servicer, Post Office Box 419127, Kansas City, Missouri 64141-6127; re: Loan Number 03-0220389.

- (d) Lender's receipt of satisfactory Title Endorsements (hereinafter defined).
- (e) The full release and reconveyance of any other liens or monetary encumbrances against the Property.
- (f) Lender's receipt of all of the Required Payments (hereinafter defined).
- (g) The execution and delivery of an Acknowledgment and Agreement of Borrower Principal to Personal Liability for the Exceptions to Non-Recourse ("New Guaranty") by New Principal, in form and substance acceptable to Lender in its sole and absolute discretion.
- (h) The execution and delivery of a Capital Improvement and Tenant Fitout Escrow Agreement ("Escrow Agreement") by Buyer, in form and substance acceptable to Lender in its sole and absolute discretion.

4. Fees, Payment and Expenses. Buyer and/or Seller covenants and agrees to pay to Lender at Closing the following (the "Required Payments"):

- (a) \$10,000.00, as an assumption fee for Lender's consent to the Transfer and Assumption of the Loan (the "Assumption Fee"). (b) \$2,500.00, as the non-refundable application fee.
- (c) \$70,900.16, which represents the required monthly principal and interest installment payment due on April 1, 2004.
- (d) \$14,853.55, which represents the required monthly tax escrow deposits due on April 1, 2004, \$683.00, which represents the required monthly replacement reserve deposits due on April 1, 2004 and \$6,351.03 which represents the required monthly insurance escrow deposit due on April 1, 2004 (the "Escrow Deposits").
- (e) the attorneys fees of Lender's counsel.

5. Title Endorsements. At Closing, Buyer shall (a) cause Lawyers Title Insurance Corporation to issue such endorsements to Lender's mortgagee's title insurance policy (Policy No. 82-02-649560) in such form as Lender may require ("Title Endorsements"), including showing that the Buyer is the owner of the Property, changing the effective date of such title policy to the date of the Closing, and showing that the Loan Documents are in a first lien position, and (b) pay the cost of the Title Endorsements, any escrow, filing or recording fees applicable to this transaction, and Lender's costs and expenses incurred in connection with this Agreement or this transaction, including Lender's attorneys' fees, if any, incurred in connection with this Agreement or this transaction.

6. Buyer's Assumption of Loan; Financing Statements. Buyer hereby expressly assumes the obligation to pay the unpaid balance due and owing on the Loan, all interest thereon as provided in the Note and all other obligations under the Loan Documents, with the same force and effect as if Buyer had been specifically named therein as the original maker, borrower or grantor, as applicable. Without limiting the generality of the foregoing, Buyer expressly assumes the obligation to pay all loan installments as they become due and to observe all obligations of the Loan Documents. Buyer's assumption of the

foregoing obligations (a) is absolute, unconditional and is not subject to any defenses, waivers, claims or offsets, (b) shall not be affected or impaired by any agreement, condition, statement or representation of any person or entity other than Lender. Notwithstanding the foregoing, Buyer does not assume any liability of Seller or

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Prior Principals for their fraud, misrepresentation or other intentional torts. Buyer expressly agrees that it has read, approved and will comply with and be bound by all of the terms, conditions, and provisions contained in the Loan Documents. To the extent the Note is recourse, Buyer specifically agrees that Lender's remedies shall not in any respect or extent be limited solely to the Property or any other collateral securing the Loan.

Buyer hereby authorizes Lender to file one or more new financing statements, or amendments to existing financing statements, covering fixtures and personal property collateral included in the Property and covered by the security agreement contained in the Loan Documents, without signature of Buyer where permitted by law. Buyer hereby confirms that it grants Lender a security interest in all fixtures and personal property collateral described in the Loan Documents.

New Principal hereby expressly assumes all the obligations of the Borrower Principals (as defined in the Loan Agreement) under the Loan Agreement, with the same force and effect as if New Principal had been specifically named therein as the Borrower Principals. New Principal's assumption of the foregoing obligations (a) is absolute, unconditional and is not subject to any defenses, waivers, claims or offsets, (b) shall not be affected or impaired by any agreement, condition, statement or representation of any person or entity other than Lender. New Principal expressly agrees that it has read, approved and will comply with and be bound by all of the terms, conditions, and provisions contained in the Loan Agreement. Notwithstanding the foregoing, New Principal does not assume any liability of Seller or Prior Principals for their fraud, misrepresentation or other intentional torts.

7. No Representations of Lender. The parties hereto agree that (a) Lender has made no representations or warranty, either express or implied regarding the Property and has no responsibility whatsoever with respect to the Property, its condition, or its use, occupancy or status, and (b) no claims relating to the Property, its condition, or its use, occupancy or status, will be asserted against Lender or its agents, employees, professional consultants, affiliated entities, successors or assigns, either affirmatively or as a defense.

8. Seller's Representations & Warranties. Seller hereby represents and warrants that:

- (a) Seller is the owner of the Property and is duly authorized to execute, deliver and perform this Agreement.
- (b) Any court or third-party approvals necessary for Seller to enter into this Agreement have been obtained.
- (c) The entities and/or persons executing this Agreement on behalf of Seller are duly authorized to execute and deliver this Agreement.
- (d) This Agreement and the Loan Documents are in full force and effect and the transactions contemplated therein constitute valid and binding obligations of Seller, enforceable against Seller in accordance with their terms and have not been modified either orally or in writing.
- (e) Lender has not waived any requirements of the Loan Documents nor any of Lender's rights thereunder.
- (f) There is no existing Event of Default or event or condition that, with the giving of notice or passage of time or both, would constitute an Event of Default.

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- (g) All taxes and assessments applicable to the Property that are due and payable as of the Closing have been paid.
- (h) The next payment for real property taxes applicable to the Property is due on or before May 15, 2004.
- (i) All representations and warranties of Seller in the Purchase Agreement are true and correct.
- (j) All representations and warranties referred to herein shall be true as of the date of this Agreement and Closing and shall

survive Closing.

Lender is entitled to rely, and has relied, upon these representations and warranties in the execution and delivery of this Agreement and all other documents and instruments executed and delivered by Lender in connection with this Agreement.

9. Prior Principals' Representations and Warranties. Each of the Prior Principals hereby represents and warrants that:

- (a) Any court or third-party approvals necessary for him to enter into this Agreement has been obtained.
- (b) The entities and/or persons executing this Agreement on behalf of him is duly authorized to execute and deliver this Agreement.
- (c) This Agreement and the Prior Guaranty are in full force and effect and the transactions contemplated therein constitute valid and binding obligations of him, enforceable against him in accordance with their terms and have not been modified either orally or in writing.
- (d) Lender has not waived any requirements of the Loan Documents nor any of Lender's rights thereunder.
- (e) There is no existing Event of Default or event or condition that, with the giving of notice or passage of time or both, would constitute an Event of Default.
- (f) All representations and warranties referred to herein shall be true as of the date of this Agreement and Closing and shall survive Closing.

Lender is entitled to rely, and has relied, upon these representations and warranties in the execution and delivery of this Agreement and all other documents and instruments executed and delivered by Lender in connection with this Agreement.

10. Buyer's Representations and Warranties. Buyer hereby represents and warrants that:

- (a) Buyer is duly authorized to execute, deliver and perform this Agreement, the Escrow Agreement and any other documents and instruments executed by Buyer in connection herewith.
- (b) Any court or third-party approvals necessary for Buyer to enter into this Agreement and the Escrow Agreement have been obtained.
- (c) The entities and/or persons executing this Agreement and the Escrow Agreement on behalf of Buyer are duly authorized to execute and deliver this Agreement and any other documents and instruments executed by Buyer in connection herewith.
- (d) This Agreement, the Escrow Agreement and any other documents and instruments executed by Buyer in connection herewith and the Loan Documents are in full force and effect and the transactions contemplated therein constitute valid and binding obligations of Buyer, enforceable against Buyer in accordance with their terms and have not been modified either orally or in writing.
- (e) There is no existing Event of Default or event or condition that, with the giving of notice or passage of time or both, would constitute an Event of Default.
- (f) All taxes and assessments applicable to the Property that are due and payable as of the Closing have been paid.
- (g) The next payment for real property taxes applicable to the Property is due on or before May 15, 2004.
- (h) All representations and warranties of Buyer in the Purchase Agreement are true and correct.
- (i) There is no bankruptcy, receivership or insolvency proceeding pending or, to the best of its knowledge, threatened against Buyer.
- (j) Buyer does not have any intention to do any of the following prior to the Closing or within the 180 days following the Closing (i) seek entry of any order for relief as debtor and a proceeding under the Code (hereinafter defined), (ii) seek consent to or not contest the appointment of a receiver or

trustee for itself or for all or any part of its property, (iii) file a petition seeking relief under any bankruptcy, arrangement, reorganization or other debtor relief laws, or (iv) make a general assignment for the benefit of its creditors.

- (k) All of the Required Insurance is in full force and effect, with all required premiums paid, and contains the required Mortgagee's Clause.
- (l) All representations and warranties referred to herein shall be true as of the date of this agreement and Closing and shall survive Closing.

Lender is entitled to rely, and has relied, upon these representations and warranties in the execution and delivery of this Agreement and all other documents and instruments executed and delivered by Lender in connection with this Agreement.

11. New Principal's Representations and Warranties. New Principal hereby represents and warrants that:

- (a) Any court or third-party approvals necessary for New Principal to enter into the New Guaranty and this Agreement have been obtained.
- (b) The entities and/or persons executing the New Guaranty and this Agreement on behalf of New Principal is duly authorized to execute and deliver the New Guaranty and this Agreement.
- (c) This Agreement and the New Guaranty are in full force and effect and the transactions contemplated therein constitute valid and binding obligations of New Principal, enforceable against New Principal in accordance with their terms and have not been modified either orally or in writing.
- (d) To the best of its knowledge, Lender has not waived any requirements of the Loan Documents nor any of Lender's rights thereunder.

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- (e) There is no existing Event of Default or event or condition that, with the giving of notice or passage of time or both, would constitute an Event of Default.
- (f) All representations and warranties referred to herein shall be true as of the date of this agreement and Closing and shall survive Closing.

Lender is entitled to rely, and has relied, upon these representations and warranties in the execution and delivery of this Agreement and all other documents and instruments executed and delivered by Lender in connection with this Agreement.

12. Limited Release of Seller, Prior Principals and Robert G. Hecht. Lender hereby releases Seller from all liability and obligations under the Loan Documents arising from and after the Closing, including, but not limited to, repayment of the Loan, but excepting, without limitation (i) any environmental or other damage to the Property occurring prior to the Closing, (ii) any obligations arising from the Purchase Agreement, (iii) any liability related to or arising from Seller's acts or omissions occurring prior to the Closing, and (iv) any liability related to or arising from fraudulent or tortious conduct, including intentional misrepresentation of financial data presented to Lender. Lender hereby does release Prior Principals and Robert G. Hecht from all liabilities and obligations they may now or hereafter have under the Prior Guaranty, except for any liability or obligation under said Prior Guaranty attributable to any act or omission occurring prior to the date of Closing.

13. Release of Lender. Seller, for itself and for its agents, employees, representatives, officers, directors, general partners, limited partners, joint shareholders, beneficiaries, trustees, administrators, subsidiaries, affiliates, employees, servants and attorneys (collectively, the "Seller Releasing Parties") jointly and severally release and forever discharge Lender and Midland Loan Services, Inc., and their respective successors, assigns, partners, directors, officers, employees, agents, attorneys, administrators, trustees, subsidiaries, affiliates, beneficiaries, shareholders and representatives from all liabilities, obligations, costs, expenses, claims and damages, at law or in equity, known or unknown, which any of the Seller Releasing Parties may now or hereafter hold or claim to hold under common law or statutory right, arising in any manner out of the Property, the Loan, any of the Loan Documents or any of the documents, instruments or any other transactions relating thereto or the transactions contemplated thereby. Without limiting the generality of the foregoing, this release shall include the following matters:

- (a) all aspects of this Agreement and the Loan Documents, any negotiations,

demands or requests with respect thereto, and (b) Lender's exercise or attempts to exercise any of its rights under this Agreement or any of the Loan Documents, at law or in equity. The Seller Releasing Parties agree that this release is a full, final and complete release and that it may be pleaded as an absolute bar to any or all suit or suits pending or which may thereafter be filed or prosecuted by any of the Seller Releasing Parties, or anyone claiming by, through or under any of the Seller Releasing Parties. The Seller Releasing Parties agree that this release is binding upon each of them and their respective agents, employees, representatives, officers, directors, general partners, limited partners, joint shareholders, beneficiaries, trustees, administrators, subsidiaries, affiliates, employees, servants and attorneys.

Prior Principals, for themselves and for their respective agents, employees, representatives, officers, directors, general partners, limited partners, joint shareholders, beneficiaries, trustees, administrators, subsidiaries, affiliates, employees, servants and attorneys (collectively, the "Prior Principal Releasing Parties") jointly and severally release and forever discharge Lender and Midland Loan Services, Inc., and their respective successors, assigns, partners, directors, officers, employees, agents, attorneys, administrators, trustees, subsidiaries, affiliates, beneficiaries, shareholders and representatives from all liabilities, obligations,

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costs, expenses, claims and damages, at law or in equity, known or unknown, which any of the Prior Principal Releasing Parties may now or hereafter hold or claim to hold under common law or statutory right, arising in any manner out of the Property, the Loan, any of the Loan Documents or any of the documents, instruments or any other transactions relating thereto or the transactions contemplated thereby. Without limiting the generality of the foregoing, this release shall include the following matters: (a) all aspects of this Agreement and the Loan Documents, any negotiations, demands or requests with respect thereto, and (b) Lender's exercise or attempts to exercise any of its rights under this Agreement or any of the Loan Documents, at law or in equity. The Prior Principal Releasing Parties agree that this release is a full, final and complete release and that it may be pleaded as an absolute bar to any or all suit or suits pending or which may thereafter be filed or prosecuted by any of the Prior Principal Releasing Parties, or anyone claiming by, through or under any of the Prior Principal Releasing Parties. The Prior Principal Releasing Parties agree that this release is binding upon each of them and their respective agents, employees, representatives, officers, directors, general partners, limited partners, joint shareholders, beneficiaries, trustees, administrators, subsidiaries, affiliates, employees, servants and attorneys.

Buyer, for itself and for its agents, employees, representatives, officers, directors, general partners, limited partners, joint shareholders, beneficiaries, trustees, administrators, subsidiaries, affiliates, employees, servants and attorneys (collectively, the "Buyer Releasing Parties") jointly and severally release and forever discharge Lender and Midland Loan Services, Inc., and their respective successors, assigns, partners, directors, officers, employees, agents, attorneys, administrators, trustees, subsidiaries, affiliates, beneficiaries, shareholders and representatives from all liabilities, obligations, costs, expenses, claims and damages, at law or in equity, known or unknown, which arise out of any matters occurring prior to the Closing in connection with the transactions contemplated hereby. The Buyer Releasing Parties agree that this release is a full, final and complete release and that it may be pleaded as an absolute bar to any or all suit or suits pending or which may thereafter be filed or prosecuted by any of the Buyer Releasing Parties, or anyone claiming by, through or under any of the Buyer Releasing Parties. The Buyer Releasing Parties agree that this release is binding upon each of them and their respective agents, employees, representatives, officers, directors, general partners, limited partners, joint shareholders, beneficiaries, trustees, administrators, subsidiaries, affiliates, employees, servants and attorneys.

New Principal, for itself and for its agents, employees, representatives, officers, directors, general partners, limited partners, joint shareholders, beneficiaries, trustees, administrators, subsidiaries, affiliates, employees, servants and attorneys (collectively, the "New Principal Releasing Parties") jointly and severally release and forever discharge Lender and Midland Loan Services, Inc., and their respective successors, assigns, partners, directors, officers, employees, agents, attorneys, administrators, trustees, subsidiaries, affiliates, beneficiaries, shareholders and representatives from all liabilities, obligations, costs, expenses, claims and damages, at law or in equity, known or unknown, which arise out of any matters occurring prior to the Closing in connection with the transactions contemplated hereby. The New Principal Releasing Parties agree that this release is a full, final and complete release and that it may be pleaded as an absolute bar to any or all suit or suits pending or which may thereafter be filed or prosecuted by any of the New Principal Releasing Parties, or anyone claiming by, through or under any of the New Principal Releasing Parties. The New Principal Releasing Parties agree that this release is binding upon each of them and their respective agents, employees, representatives, officers, directors, general partners, limited partners, joint shareholders, beneficiaries, trustees, administrators, subsidiaries, affiliates, employees, servants and attorneys.

14. Ratification and Confirmation of the Loan. Buyer agrees to perform each and every obligation under the Loan Documents, as specifically modified by this Agreement, in accordance with their respective terms and conditions. Buyer ratifies, affirms, reaffirms, acknowledges, confirms and agrees that the Loan Documents, as specifically modified by this Agreement, remain in full force and effect and represent legal, valid and binding obligations of Buyer, enforceable against Buyer in accordance with their terms. Buyer agrees that this Agreement does not diminish, impair, release or relinquish the liens, powers, titles, security interests and rights securing or guaranteeing payment of the Loan, including the validity or first priority of the liens and security interests encumbering the Property granted Lender by the Loan Documents.

15. Insurance. At all times Buyer shall comply with all terms of the Loan Documents, including without limitation, the insurance requirements of the Security Instrument. Although the Lender may accept certain evidence of insurance for purposes of closing this Transfer and Assumption, Lender or its servicer may at any time and from time to time request additional insurance information from Buyer to ensure or monitor Buyer's compliance with the insurance provisions of the Security Instrument and may request that Buyer provide such coverages as Lender or its servicer may require consistent with the terms of the Security Instrument. By entering into this Agreement, Lender specifically does not waive or modify any of the insurance requirements under the Security Instrument nor any of the remedies provided therein for failure to secure such required insurance coverage.

16. Nonwaiver. The parties hereto acknowledge and agree that (a) any performance or non-performance of the Loan Documents prior to the date of this Agreement does not affect or diminish Lender's ability to require future compliance with the Loan Documents, and (b) in the future, Lender will require strict compliance with and performance of the Loan Documents, including, without limitation, any reporting, insurance or financial covenants contained therein. Nothing contained herein shall be construed as a waiver of any of Lender's rights or remedies with respect to any default under this Agreement or any Loan Document.

17. Bankruptcy of Buyer or New Principal. Buyer covenants and agrees that in the event Buyer shall (i) file any petition with any bankruptcy court or be the subject of any petition under the United States Bankruptcy Code (11 U.S.C. ss.101 et seq., the "Code"), (ii) file or be the subject of any petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency, or other relief for debtors, (iii) have sought or consented to or acquiesced in the appointment of any trustee, receiver, conservator, or liquidator, or (iv) be the subject of any order, judgment, or decree entered by any court of competent jurisdiction approving a petition filed against such party for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency, or relief for debtors, Lender shall thereupon be entitled, and Buyer irrevocably consent, to the entry of an order by a bankruptcy court granting to Lender relief from any automatic stay imposed by Section 362 of the Code, or otherwise, on or against the exercise of the rights and remedies otherwise available to Lender as provided in the Loan Documents, this Agreement or as otherwise provided by law or in equity, and Buyer irrevocably waives its right to object to, attempt to enjoin or otherwise interfere with such relief and the exercise and enforcement by Lender of its rights and remedies following entry of such order. Without limiting the generality of the immediately preceding sentence, Buyer agrees that Lender will be entitled to and it consents to immediate relief from the automatic stay imposed by the Code to allow Lender to take any and all actions necessary, desirable or appropriate to enforce any rights Lender may have under the Loan Documents, including, but not limited to, the right to possession of the Property, collection of rents, and/or the commencement or continuation of an action to foreclose Lender's liens

and security interests. Buyer further agrees that the filing of any petition for relief under the Code which postpones, prevents, delays or otherwise hinders Lender's efforts to collect the amounts due under the Note or to liquidate any of the collateral therefor shall be deemed to have been filed in bad faith and, therefore, shall be subject to prompt dismissal or conversion to a liquidation case under the Code upon motion therefor by Lender. Further, Buyer agrees that it will not seek, apply for or cause the entry of any order enjoining, staying, or otherwise prohibiting or interfering with Lender's obtaining an order granting relief from the automatic stay and enforcement of any rights which Lender may have under the Loan Documents, including, but not limited to, Lender's right to possession of the Property, collection of rents and/or the commencement or continuation of an action to foreclose Lender's liens and security interests under the Loan Documents.

New Principal covenants and agrees that in the event New Principal shall (i) file any petition with any bankruptcy court or be the subject of any

petition under the Code, (ii) file or be the subject of any petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency, or other relief for debtors, (iii) have sought or consented to or acquiesced in the appointment of any trustee, receiver, conservator, or liquidator, or (iv) be the subject of any order, judgment, or decree entered by any court of competent jurisdiction approving a petition filed against such party for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency, or relief for debtors, Lender shall thereupon be entitled, and New Principal irrevocably consents, to the entry of an order by a bankruptcy court granting to Lender relief from any automatic stay imposed by Section 362 of the Code, or otherwise, on or against the exercise of the rights and remedies otherwise available to Lender as provided in the Loan Documents, this Agreement or as otherwise provided by law or in equity, and New Principal irrevocably waives its right to object to, attempt to enjoin or otherwise interfere with such relief and the exercise and enforcement by Lender of its rights and remedies following entry of such order. Without limiting the generality of the immediately preceding sentence, New Principal agrees that Lender will be entitled to and it hereby consents to immediate relief from the automatic stay imposed by the Code to allow Lender to take any and all actions necessary, desirable or appropriate to enforce any rights Lender may have under the Loan Documents, including, but not limited to, the right to possession of the Property, collection of rents, and/or the commencement or continuation of an action to foreclose Lender's liens and security interests. New Principal further agrees that the filing of any petition for relief under the Code which postpones, prevents, delays or otherwise hinders Lender's efforts to collect the amounts due under the Note or to liquidate any of the collateral therefor shall be deemed to have been filed in bad faith and, therefore, shall be subject to prompt dismissal or conversion to a liquidation case under the Code upon motion therefor by Lender. Further, New Principal agrees that it will not seek, apply for or cause the entry of any order enjoining, staying, or otherwise prohibiting or interfering with Lender's obtaining an order granting relief from the automatic stay and enforcement of any rights which Lender may have under the Loan Documents, including, but not limited to, Lender's right to possession of the Property, collection of rents and/or the commencement or continuation of an action to foreclose Lender's liens and security interests under the Loan Documents.

18. Compliance with Interest Law. It is the intention of the parties hereto to conform strictly to any present or future law which has application to the interest and other charges under the Loan Documents (the "Interest Law"). Accordingly, notwithstanding anything to the contrary in the Loan Documents, the parties hereto agree that the aggregate amount of all interest or other charges taken, reserved, contracted for, charged or received under the Loan Documents or otherwise in connection with the Loan shall under no circumstances exceed the maximum amount of interest allowed by the Interest Law. If any excess interest is provided for in the Loan Documents, then any such excess shall be deemed a mistake and canceled automatically and, if theretofore paid, shall be credited against the indebtedness evidenced and secured by the

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Loan Document (the "Indebtedness") (or if the Indebtedness shall have been paid in full, refunded by Lender), and the effective rate of interest under the Loan Documents shall be automatically reduce to the maximum effective contract rate of interest that Lender may from time to time legally charge under the then applicable Interest Law with respect to the Loan. To the extent permitted by the applicable Interest Law, all sums paid or agreed to be paid to Lender for the use, forbearance or detention of the Indebtedness shall be amortized, prorated, allocated and spread throughout the full term of the Loan.

19. Further Assurances. The parties hereto agree to do any act or execute any additional documents required by Lender, from time to time, to correct errors in the documenting of the Transfer and Assumption, to effectuate the purposes of this Agreement or to better assure, convey, assign, transfer, perfect or confirm unto Lender the property and rights intended to be given it in the Loan Documents.

20. Liability. If any party hereto consists of more than one person, the obligations and liabilities of each such person hereunder shall be joint and several. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns forever.

21. Severability. If any term, covenant or condition of this Agreement is held to be invalid, illegal or unenforceable in any respect, this Agreement shall be construed without such term, covenant or condition and the validity or enforceability of the remaining terms, covenants or conditions shall not in any way be affected.

22. Applicable Law; Jurisdiction. This Agreement shall be governed and construed in accordance with the laws of the state in which the Property is located. The parties hereto submit to personal jurisdiction in the state courts located in said state and the federal courts of the United States of America

located in said state for the enforcement of any obligations hereunder and waive any and all personal rights under the law of any other state to object to jurisdiction within such state for the purposes of any action, suit, proceeding or litigation to enforce such obligations.

23. No Restrictions on Performance. The execution and delivery of this Agreement and compliance with the provisions hereof, will not conflict with, or constitute a breach of or a default under any agreement or other instrument to which any party hereto is a party or by which it is bound.

24. Definitions. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Agreement (including pronouns) shall include the corresponding masculine, feminine or neuter forms, and the singular form such words shall include the plural and vice versa. The words "included", "includes" and "including" shall each be deemed to be followed by the phrase, "without limitation." The words "herein", "hereby", "hereof", and "hereunder" shall each be deemed to refer to this entire Agreement and not to any particular paragraph, article or section hereof. Notwithstanding the foregoing, if any law is amended so as to broaden the meaning of any term defined in it, such broader meaning shall apply subsequent to the effective date of such amendment. Where a defined term derives its meaning from a statutory reference, any regulatory definition is broader than the statutory reference and any reference or citation to a statute or regulation shall be deemed to include any amendments to that statute or regulation and judicial and administrative interpretations of it.

25. Securities Act of 1933. Neither Seller, Buyer, New Principal nor any agent acting for any of them has offered the Note or any similar obligation for sale to or solicited any offers to buy the Note or any similar obligation from any person or party other than Lender, and neither Seller, Buyer, New Principal nor any agent acting for any of them will take any action which would subject the sale of the Note to the provisions of Section 5 of the Securities Act of 1933, as amended.

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26. Compliance with ERISA. As of the date of this Agreement, neither Seller nor Buyer maintains any employee benefit plan which require compliance with ERISA. If at any time Buyer or New Principal shall have or shall institute any employee benefit plans, they shall at all times comply with the requirements of ERISA.

27. Sole Discretion of Lender. Whenever pursuant to this Agreement, Lender exercises any right given to it to approve or disapprove, or any arrangement or term is to be satisfactory to Lender, Lender's decision to approve or disapprove or to decide that arrangements or terms are satisfactory or not satisfactory shall be in the sole and absolute discretion of Lender and shall be final and conclusive, except as may be otherwise expressly and specifically provided herein.

28. Headings, Etc. The headings and captions of various paragraphs of this Agreement 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.

29. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which when taken together shall constitute one and the same Agreement.

30. Integration, Survival. This Agreement and the Loan Documents embody the entire agreement by and between the parties hereto with respect to the Loan, and any and all prior correspondence, discussions or negotiations are deemed merged therein. Except as otherwise specifically provided herein, all obligations of any party contained in this Agreement or the Loan Documents shall survive the Closing and Lender hereby preserves all of its rights against all persons or entities and all collateral securing the Loan, including, without limitation, the Property.

31. No Oral Change. This Agreement, and any provisions hereof, may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of any party hereto, 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.

32. Notices. Except as otherwise specified herein, any notice, consent, request or other communication required or permitted hereunder shall be in writing and shall be deemed properly given if delivered in accordance with the notice requirements contained in the Loan Documents using the address for a party hereto set forth at the top of the first page of this Agreement.

33. Managing Agent. The Seller and the Buyer have requested, (i) upon a transfer of title to the Property from Seller to Buyer that the Management Agreement between Seller and Michael Joseph Development Corporation be terminated, and (ii) that the Buyer be permitted to execute a Management

Agreement with Cedar Shopping Centers Partnership, LP for management and operation of the Property. The Lender hereby agrees to the foregoing items (i) and (ii). On the date hereof, Cedar Shopping Centers Partnership, LP, Buyer and Lender shall enter into a Conditional Assignment of Management Agreement.

34. Impound Accounts. The Seller hereby assigns to the Buyer, its successors and assigns, all of its rights, title and interest in and to the reserve accounts, impound accounts and/or Escrow Deposits which have been established with Lender for the payment of taxes, assessments, repairs and replacements, production of financial reports, tenant rollover, tenant improvements and insurance, and the Lender and Midland Loan Services, Inc., are hereby released from any further responsibility to the Seller in connection with such accounts.

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35. Single Purpose Entity. Until the indebtedness provided in the Note has been paid in full to Lender and Buyer, its successors and/or assigns have satisfied all covenants, conditions and agreements contained in the Loan Documents (collectively, the "Debt"), Buyer shall not incur any debt, secured or unsecured, direct or contingent (including guaranteeing any obligation), other than the Debt, excepting trade payables (which must be paid when due) incurred by Buyer in the ordinary course of its business of owning and operating the Property.

36. Compliance with Anti-Terrorism Orders.

(i) Buyer will not permit the transfer of any interest in Buyer to any person or entity who is listed on the Lists or whose beneficial owners are listed on the specially Designated Nationals and Blocked Persons List (the "List") maintained by the Office of Foreign Asset Control, Department of the Treasury ("OFAC") pursuant to Executive Order No. 13224, 66 Fed. Reg. 49079 (September 25, 2001) (the "Order") and/or any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Executive Orders (such lists are collectively referred to as the "Lists").

(ii) Buyer will not knowingly enter into a Lease with any party who is either (A) listed on the Lists or (B) engaged in illegal activities.

(iii) Buyer shall immediately notify Lender if it becomes known to Buyer that any member or beneficial owner of Buyer is listed on the Lists or (A) is indicted of, or (B) arraigned and held over on charges involving money laundering or predicate crimes to money laundering.

(iv) Buyer shall immediately notify Lender if it becomes known to Buyer that any tenant at the Property is listed on the Lists or (A) is convicted on, (B) pleads nolo contendere to, (C) is indicted on or (D) is arraigned and held over on charges involving money laundering or predicate crimes to money laundering.

37. WAIVER OF JURY TRIAL. THE PARTIES HERETO KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON THE LOAN OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE LOAN DOCUMENTS, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER VERBAL OR WRITTEN) OR ACTION OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR LENDER'S CONSENT TO THE TRANSFER AND ASSUMPTION.

[THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK]

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the day, month and year first above written.

WITNESS:

BUYER:

Cedar Townfair, LLC,
a Delaware limited liability company

By: Cedar Shopping Centers Partnership, L.P.
a Delaware limited partnership
its Sole Member

By: Cedar Shopping Centers, Inc.

a Maryland corporation
its Sole General Partner

By: _____
Print Name: Leo S. Ullman
Title: President
Tax ID #: 20-0768814

NEW PRINCIPAL:

Cedar Shopping Centers, Inc.
a Maryland corporation

By: _____
Print Name: Leo S. Ullman
Title: President

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WITNESS:

SELLER:
Townfair Center Associates,
a Pennsylvania general partnership

By: P.J. Dick Incorporated,
a Pennsylvania corporation
a General Partner

By: _____
Print Name: Stephen M. Clark
Title: Executive Vice President

By: Michael Joseph Limited Partnership #2,
a Pennsylvania limited partnership
a General Partner

By: Michael Joseph Development Corporation,
a Pennsylvania corporation
its General Partner

By: _____
Name: Guy J. DiRienzo
Title: Vice President

PRIOR PRINCIPALS:

Print Name: Clifford R. Rowe, Jr.

Print Name: Kevin M Dougherty

Print Name: Guy J. DiRienzo

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WITNESS:

LENDER:

Wells Fargo Bank N.A. f/k/a Norwest Bank Minnesota,
National Association, as Trustee for the registered holders
of NationsLink Funding Corporation, Commercial Mortgage
Pass-Through Certificates, Series 1998-2

By: Midland Loan Services, Inc.,
a Delaware corporation,
Its Attorney-in-Fact

By: _____
Name:
Title:

ACKNOWLEDGMENTS

STATE OF KANSAS)
) ss.
COUNTY OF JOHNSON)

This instrument was acknowledged before me on March ____, 2004, by
as of Midland Loan Services, Inc., a
Delaware corporation, the Master Servicer and Attorney-in-fact for Wells Fargo
Bank N.A. f/k/a Norwest Bank Minnesota, National Association, as Trustee for the
registered holders of NationsLink Funding Corporation, Commercial Mortgage
Pass-Through Certificates, Series 1998-2.

Print Name:
Notary Public in and for said
County and State

My Appointment Expires:

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STATE OF NEW YORK :
: ss.
COUNTY OF NASSAU :

On this ____ day of March, 2004, before me, an officer duly
authorized in the County and State aforesaid to take acknowledgments, personally
appeared Leo S. Ullman, the President of Cedar Shopping Centers, Inc., a
Maryland corporation, the sole General Partner of Cedar Shopping Centers
Partnership, L.P., a Delaware limited partnership, the sole member of Cedar
Townfair, LLC, a Delaware limited liability company, to me known to be the
individuals described in and who executed the foregoing instrument, and that she
acknowledged the execution thereof to be her free act and deed as such Vice
President thereunto duly authorized, and that the said instrument is the act and
deed of said corporation, limited partnership and limited liability company.

Witness my hand and official seal in the above County and State.

[Seal] Notary Public
My commission expires:

STATE OF NEW YORK :
: ss.
COUNTY OF NASSAU :

On this ____ day of March, 2004, before me, an officer duly
authorized in the County and State aforesaid to take acknowledgments, personally
appeared Leo S. Ullman, the President of Cedar Shopping Centers, Inc., a
Maryland corporation, to me known to be the individuals described in and who
executed the foregoing instrument, and that she acknowledged the execution
thereof to be her free act and deed as such Vice President thereunto duly
authorized, and that the said instrument is the act and deed of said
corporation.

Witness my hand and official seal in the above County and State.

[Seal] Notary Public
My commission expires:

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COMMONWEALTH OF PENNSYLVANIA :
: ss.
COUNTY OF :

On this ____ day of March, 2004, before me, an officer duly
authorized in the County and Commonwealth aforesaid to take acknowledgments,
personally appeared Stephan M. Clark, the Executive Vice President of P.J. Dick
Incorporated, a Pennsylvania corporation, a general partner of Townfair Center
Associates, a Pennsylvania general partnership, to me known to be the
individuals described in and who executed the foregoing instrument, and that he
acknowledged the execution thereof to be his free act and deed as such Executive
Vice President thereunto duly authorized, and that the said instrument is the

act and deed of said corporation and partnership.

Witness my hand and official seal in the above County and Commonwealth.

Notary Public

My commission expires:_____

[Seal]

COMMONWEALTH OF PENNSYLVANIA :
: ss.
COUNTY OF :

On this _____ day of March, 2004, before me, an officer duly authorized in the County and Commonwealth aforesaid to take acknowledgments, personally appeared Guy J. DiRienzo, the Vice President of Michael Joseph Development Corporation, a Pennsylvania corporation, the general partner of Michael Joseph Limited Partnership #2, a Pennsylvania limited partnership, a general partner of Townfair Center Associates, a Pennsylvania general partnership, to me known to be the individuals described in and who executed the foregoing instrument, and that he acknowledged the execution thereof to be his free act and deed as such Vice President thereunto duly authorized, and that the said instrument is the act and deed of said corporation, limited partnership and partnership.

Witness my hand and official seal in the above County and Commonwealth.

Notary Public

My commission expires:_____

[Seal]

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COMMONWEALTH OF PENNSYLVANIA :
: ss.:
COUNTY OF :

On this _____ day of March, 2004, before me, a Notary Public in and for _____ County, Pennsylvania, came the above-named Clifford R. Rowe, Jr., and acknowledged the foregoing deed to be his free act and deed, and desired the same to be recorded as such.

Notary Public

My commission expires:_____

COMMONWEALTH OF PENNSYLVANIA :
: ss.:
COUNTY OF :

On this _____ day of March, 2004, before me, a Notary Public in and for _____ County, Pennsylvania, came the above-named Kevin M. Dougherty, and acknowledged the foregoing deed to be his free act and deed, and desired the same to be recorded as such.

Notary Public

My commission expires:_____

COMMONWEALTH OF PENNSYLVANIA :
: ss.:
COUNTY OF :

On this _____ day of March, 2004, before me, a Notary Public in and for _____ County, Pennsylvania, came the above-named Guy J. DiRienzo, and acknowledged the foregoing deed to be his free act and deed, and desired the same to be recorded as such.

Notary Public

My commission expires:_____

ASSIGNMENT AND ASSUMPTION OF LEASES AND
SECURITY DEPOSITS

This Assignment and Assumption Agreement is made as of this _____ day of March, 2004, between TOWNFAIR CENTER ASSOCIATES, PHASE III, a Pennsylvania general partnership having an address at c/o Michael Joseph Development Corporation, 2500 Brooktree Drive, Suite 300, Wexford, PA 15090 ("Assignor"), comprised of P. J. DICK INCORPORATED, a Pennsylvania corporation, and MICHAEL JOSEPH LIMITED PARTNERSHIP #2, a Pennsylvania limited partnership, each a General Partner of Assignor, and CEDAR TOWNFAIR PHASE III, LLC, a Delaware limited liability company, having an address at 44 South Bayles Avenue, Port Washington, New York 11050 (the "Assignee").

BACKGROUND

Assignor and Townfair Center Associates (collectively, "Seller") entered into a certain Agreement of Purchase and Sale dated December 24, 2003 (the "Purchase Agreement") with Cedar Shopping Centers Partnership, L.P. ("Cedar LP"), in which Seller agreed to sell and Cedar LP agreed to purchase certain real estate and other real and personal property more fully described therein. By an Assignment and Assumption Agreement ("Assignment Agreement") dated of even date herewith, Cedar LP assigned to Assignee all of its rights, title and interest in the Purchase Agreement with respect to the land and improvements thereon owned by Assignor, which real estate is described on Exhibit A attached hereto and made a part hereof (the "Property").

Pursuant to the Purchase Agreement and the Assignment Agreement, under which closing is taking place on the date hereof, Assignor desires to transfer and assign to Assignee all of Assignor's right, title, interest and privileges in and to (a) all existing leases for the Property (the "Leases"), and (b) the security deposits, guarantees and other security for the performance of the tenants' obligations under the respective Leases being held by Assignor with respect to the Leases (the "Security"), and Assignee desires to accept such assignment and assume Assignor's obligations under the Leases arising from and after the date hereof including, without limitation, those in respect of the Security. Any capitalized terms used in this instrument that are defined in the Purchase Agreement shall have the meanings given such terms in the Purchase Agreement.

NOW, THEREFORE, intending to be legally bound hereby, Assignor and Assignee agree as follows:

1. Assignor hereby absolutely and irrevocably transfers and assigns to Assignee all of Assignor's right, title, interest, claims and privileges, as landlord, in and to the Leases and the Security, all of which are listed on Exhibit B and Exhibit B-1, respectively, attached hereto and made a part hereof. Assignor represents and warrants to Assignee that Exhibit B

is a true, complete and correct list of the Leases which affect the Property, including all amendments, modifications, letter agreements, assignments and guaranties thereof or relating thereto. Assignor represents and warrants to Assignee that there are no agreements (written or oral) affecting the Property or any portion thereof in the nature of leases (including ground leases), concessions, licenses or occupancy agreements, or any amendments, modifications side letters or guaranties thereof, other than the Leases listed on Exhibit B, true and complete copies of which have been delivered to Assignee. Assignor represents and warrants to Assignee that Exhibit B-1 contains a complete list of all security deposits and letters of credit (if any) posted with Assignor as security, affecting the Property. Assignor agrees to indemnify, defend and hold Assignee harmless from and against any and all losses, liabilities or damages, including reasonable attorneys fees and litigation expenses, arising as a result of claims asserted against Assignee under the Leases (or otherwise) for events occurring prior to the date hereof (including, without limitation, claims for the return of any Security not listed on Exhibit B-1).

2. Assignee hereby assumes and agrees to perform all of the Assignor's obligations, as landlord, arising or to be performed under the Leases from and after the date of this Assignment. Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all loss, liability or damages, including without limitation reasonable attorneys fees and costs of suit, arising as a result of claims asserted against Assignor under the Leases for events occurring on or after the date hereof (including without limitation claims for the return of any Security listed on Exhibit B4).

3. The rights and obligations of the parties hereto shall be binding upon and inure to the benefit of Assignee and Assignor and their respective successors and assigns.

4. This Agreement, its construction, validity and effect, and its interpretation, performance and enforcement, and the remedies therefor, shall be governed and construed by and according to the laws of the Commonwealth of Pennsylvania.

5. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one entire original Assignment.

[signatures on next page]

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IN WITNESS WHEREOF, the parties have executed this Assignment and Assumption Agreement as of the day and year first above written.

ASSIGNOR:

TOWNFAIR CENTER ASSOCIATES, PHASE III
a Pennsylvania general partnership

By: Michael Joseph Limited Partnership #2,
a Pennsylvania limited partnership,
as General Partner

By: Michael Joseph Development Corporation.
a Pennsylvania corporation,
its General Partner

By: /s/ Guy J. DiRienzo

Guy J. DiRienzo, Vice President

By: P. J. Dick Incorporated,
a Pennsylvania corporation,
as General Partner

By: /s/ Stephen M. Clark

Stephen M. Clark, Executive Vice President

ASSIGNEE:

CEDAR TOWNFAIR PHASE III, LLC
a Delaware limited liability company

By: Cedar Shopping Centers Partnership, L.P.,
a Delaware limited partnership,
its sole member

By: Cedar Shopping Centers, Inc.,
a Maryland corporation,
its general partner

By: -----
Brenda J. Walker
Vice President

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IN WITNESS WHEREOF, the parties have executed this Assignment and Assumption Agreement as of the day and year first above written.

ASSIGNOR:

TOWNFAIR CENTER ASSOCIATES, PHASE III
a Pennsylvania general partnership

By: Michael Joseph Limited Partnership #2,
a Pennsylvania limited partnership,
as General Partner

By: Michael Joseph Development Corporation
a Pennsylvania corporation,
its General Partner

By: -----

Guy J. DiRienzo, Vice President

By: P. J. Dick Incorporated,
a Pennsylvania corporation,
as General Partner

By:

Stephen M. Clark, Executive Vice President

ASSIGNEE:

CEDAR TOWNFAIR PHASE III, LLC
a Delaware limited liability company

By: Cedar Shopping Centers Partnership, L.P.,
a Delaware limited partnership,
its sole member

By: Cedar Shopping Centers, Inc.,
a Maryland corporation,
its general partner

By: /s/ Leo S. Ullman

Leo S. Ullman, President

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Exhibit A

All that certain lot or parcel of land situate in White Township, Indiana County, Pennsylvania identified as Lot 4B-1 shown on Townfair Plan No. 4 recorded in Record Book Volume 1326, page 189, bounded and described as follows:

Thence from the original point of beginning S 05(degree) 40' 30" W a distance of 573.37 feet to a point; thence by the line dividing Lot 4B in Townfair Plan No. 4 and lands now or formerly of A. Blaine Fairman S 87(degree) 24' 30" W a distance of 199.04 feet to a point; thence by a line dividing Lot 4B-1 and Lot 4D-1 in said Townfair Plan No. 4 the following seven (7) courses and distances:

N 04(degree)26' 47" W a distance of 197.99 feet;
S 85(degree)33' 13" W a distance of 51.07 feet;
N 04(degree)26' 47" W a distance of 116.00 feet;
S 85(degree)33' 13" W a distance of 140.00 feet;
N 04(degree)26' 47" W a distance of 32.00 feet;
S 85(degree)33' 13" W a distance of 156.58 feet;
N 32(degree)20' 22" W a distance of 52.18 feet on the line dividing Lot 4A and Lot 4B in said Townfair Plan No. 2.

Thence on the line dividing Lot 4A and Lot 4B in said Townfair Plan No. 2 the following seven (7) courses and distances:

N 60(degree) 18' 41" E a distance of 12.70 feet;
N 36(degree) 47' 14" E a distance of 41.79 feet;
N 53(degree) 22' 57" E a distance of 103.15 feet;
N 60(degree) 48' 33" E a distance of 315.89 feet;
N 83(degree) 09' 40" E a distance of 89.49 feet;
S 66(degree) 43' 51" E a distance of 103.04 feet;
S 84(degree) 19' 30" E a distance of 79.12 feet to the original point of beginning.

EXHIBIT B
(Tenant Leases)

Michaels Stores, Inc.

- o Shopping Center Lease between Townfair Center Associates, Phase III ("Landlord") and Michaels Stores, Inc. ("Tenant") dated February 23, 2001
- o Michael Joseph Development Corporation letter dated April 10, 2001 executing the Memorandum of Lease dated February 23, 2001
- o Michael Joseph Development Corporation letter dated April 30, 2001 notifying Tenant which Site Plan has been chosen

- o Michael's letter dated June 26, 2001 deferring possession until February 1, 2002
- o Michael Joseph Development Corporation letter dated August 31, 2001 verifying the square footage of 17,592 square feet
- o Michael's letter dated September 13, 2001 and executed by Landlord discussing acceptance of the Premises by Tenant
- o Notice of Lease dated April 24, 2002
- o Michael's letter dated May 3, 2002 approving a Golden Corral restaurant with certain restrictions
- o Michael's letter dated June 2, 2003 approving a Ryan's Steakhouse with certain restrictions
- o Michael's letter dated September 15, 2003 approving a Ryan's Steakhouse and amending the June 2, 2003 approval letter

Pier 1 Imports (U.S.), Inc.

- o Lease between Townfair Center Associates, Phase III ("Landlord") and Pier 1 Imports (U.S.) Inc. ("Tenant") dated February 23, 2001
- o First Amendment to Lease between Townfair Center Associates, Phase III ("Landlord") and Pier 1 Imports (U.S.), Inc. ("Tenant") dated August 28, 2003

EXHIBIT B-1
(Security Deposits)

Tenant	Security Deposit
Executed Leases:	
Michaels Arts & Crafts	\$0
Pier 1 Imports	\$0
Executed Subtotal	\$0

ASSIGNMENT AND ASSUMPTION 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 Shopping Centers Partnership, L.P., a Delaware limited partnership ("Assignor") hereby assigns to Cedar Townfair Phase III, LLC, a Delaware limited liability company (together with its successors and assigns, "Assignee"), without recourse, all of its right, title and interest in and to that certain Agreement of Purchaser and Sale dated as of December 24, 2003 (the "Agreement") by and between Assignor (as purchaser), and Townfair Center Associates and Townfair Center Associates, Phase III (collectively, as seller), as such Agreement relates to the land with the improvements thereon owned by Townfair Center Associates, Phase III (and not Townfair Center Associates) and described on Exhibit A attached hereto and made a part hereof (the "Property").

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 as relate to the Property, 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 March _____, 2004.

ASSIGNOR:

Cedar Shopping Centers Partnership, L.P.

By: Cedar Shopping Centers, Inc.
its general partner

By: /s/ Leo S. Ullman

Leo S. Ullman, President

ASSIGNEE:

Cedar Townfair Phase III, LLC

By: Cedar Shopping Centers Partnership, L.P.
its sole member

By: Cedar Shopping Centers, Inc.
its general partner

By: /s/ Leo S. Ullman

Leo S. Ullman, President

Exhibit A

All that certain lot or parcel of land situate in White Township, Indiana County, Pennsylvania identified as Lot 4B-1 shown on Townfair Plan No. 4 recorded in Record Book Volume 1326, page 189, bounded and described as follows:

Thence from the original point of beginning S 05(degree) 40' 30" W a distance of 573.37 feet to a point; thence by the line dividing Lot 4B in Townfair Plan No; 4 and lands now or formerly of A. Blaine Fairman S 87(degree) 24' 30" W a distance of 199.04 feet to a point; thence by a line dividing Lot 4B-1 and Lot 4D-1 in said Townfair Plan No. 4 the following seven (7) courses and distances:

N 04(degree)26' 47" W a distance of 197.99 feet;
S 85(degree)33' 13" W a distance of 51.07 feet;
N 04(degree)26' 47" W a distance of 116.00 feet;
S 85(degree)33' 13" W a distance of 140.00 feet;
N 04(degree)26' 47" W a distance of 32.00 feet;
S 85(degree)33' 13" W a distance of 156.58 feet;
N 32(degree)20' 22" W a distance of 52.18 feet on the line dividing Lot 4A and Lot 4B in said Townfair Plan No. 2.

Thence on the line dividing Lot 4A and Lot 4B in said Townfair Plan No. 2 the following seven (7) courses and distances:

N 60(degree) 18' 41" E a distance of 12.70 feet;
N 36(degree) 47' 14" E a distance of 41.79 feet;
N 53(degree) 22' 57" E a distance of 103.15 feet;

N 60 (degree) 48' 33" E a distance of 315.89 feet;
N 83 (degree) 09' 40" E a distance of 89.49 feet;
S 66 (degree) 43' 51" E a distance of 103.04 feet;
S 84 (degree) 19' 30" E a distance of 79.12 feet to the original point
of beginning.

LIMITED LIABILITY COMPANY AGREEMENT
OF
CEDAR TOWNFAIR, LLC

This Limited Liability Company Agreement (together with the schedules attached hereto, this "Agreement") of CEDAR TOWNFAIR, LLC (the "Company"), is entered into between Cedar Shopping Centers Partnership, L.P., as the sole equity member (the "Member") and Frank Ullman as the Special Member ("Special Member"). Capitalized terms used and not otherwise defined herein have the meanings set forth on Schedule A hereto.

The Member, by execution of this Agreement, hereby forms the Company as a limited liability company pursuant to and in accordance with the Delaware Limited Liability Company Act (6 Del. C. Sections 18-101, et seq.), as amended from time to time (the "Act"), and the Member hereby agrees as follows:

Section 1. Name.

The name of the limited liability company formed hereby is Cedar Townfair, LLC.

Section 2. Principal Business Office.

The principal business office of the Company shall be located at 44 South Bayles Avenue, Port Washington, New York 11050 or such other location as may hereafter be determined by the Member.

Section 3. Registered Office.

The address of the registered office of the Company in the State of Delaware is c/o Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, County of New Castle.

Section 4. Registered Agent.

The name and address of the registered agent of the Company for service of process on the Company in the State of Delaware is c/o Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, County of New Castle.

Section 5. Members.

(a) The mailing address of the Member is set forth on Schedule B attached hereto. The Member was admitted to the Company as a member of the Company upon its execution of a counterpart signature page to this Agreement.

(b) The Member may act by written consent.

-1-

(c) Upon the occurrence of any event that causes the Member to cease to be a member of the Company (other than (i) upon an assignment by the Member of all of its limited liability company interest in the Company and the admission of the transferee pursuant to Sections 20 and 22 or (ii) the resignation of the Member and the admission of an additional member of the Company pursuant to Sections 21 and 22), the person acting as the Special Member shall, without any action of any Person and simultaneously with the Member ceasing to be a member of the Company, automatically be admitted to the Company as a Special Member and shall continue the Company without dissolution. No Special Member may resign from the Company or transfer its rights as Special Member unless a successor Special Member has been admitted to the Company as Special Member by executing a counterpart to this Agreement; provided, however, the Special Member shall automatically cease to be members of the Company upon the admission to the Company of a substitute Member. Each Special Member shall be a member of the Company that has no interest in the profits, losses and capital of the Company and has no right to receive any distributions of Company assets. Pursuant to Section 18-301 of the Act, a Special Member shall not be required to make any capital contributions to the Company and shall not receive a limited liability company interest in the Company. Except as required by any mandatory provision of the Act, each Special Member, in its capacity as Special Member, shall have no right to vote on, approve or otherwise consent to any action by, or matter relating to, the Company, including, without limitation, the merger, consolidation or conversion of the Company. In order to implement the admission to the Company of each Special Member, each person acting as Special Member shall execute a counterpart to this Agreement.

Section 6. Certificates.

Brenda Walker, is hereby designated as an "authorized person" within the meaning of the Act, and has executed, delivered and filed the Certificate of Formation of the Company with the Secretary of State of the State of Delaware. Upon the filing of the Certificate of Formation with the Secretary of State of the State of Delaware, her powers as an "authorized person" ceased, and the

Member thereupon became the designated "authorized person" and shall continue as the designated "authorized person" within the meaning of the Act. The Member or an Officer shall execute, deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in Pennsylvania and in any other jurisdiction in which the Company may wish to conduct business.

The existence of the Company as a separate legal entity shall continue until cancellation of the Certificate of Formation as provided in the Act.

Section 7. Purposes.

(a) The purpose to be conducted or promoted by the Company shall be limited to the following activities:

- (i) owning the property known as Townfair Center, as more particularly described in Schedule C attached hereto (the "Land"), together with all buildings, improvements, appurtenances, fixtures, equipment and personal property attached or pertaining to the Land and such buildings (collectively, the "Property"); and

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- (ii) engaging in any lawful act or activity and exercising any powers permitted to limited liability companies organized under the laws of the State of Delaware that are related or incidental to and necessary, convenient or advisable for the accomplishment of the above-mentioned purposes (including the entering into of interest rate or basis swap, cap, floor or collar agreements, currency exchange agreements or similar hedging transactions and referral, management, servicing and administration agreements).

(b) Notwithstanding the provisions of paragraph (a) of this Section 7, the Company shall not take any action that, under the terms of the limited partnership agreement of the Principal, requires the prior consent of the general partner of the Principal, unless the required consent of the general partner of the Principal has been obtained in accordance with the terms thereof.

Section 8. Powers.

Subject to Section 7(b), the Company, and the Board of Directors and the Officers of the Company on behalf of the Company, (i) shall have and exercise all powers necessary, convenient or incidental to accomplish its purposes as set forth in Section 7 and (ii) shall have and exercise all of the powers and rights conferred upon limited liability companies formed pursuant to the Act.

Section 9. Management.

(a) In accordance with Section 18-402 of the Act, and subject to the terms of this Section 9, management of the Company shall be vested in the Member. The Member shall have the power to do any and all acts necessary, convenient or incidental to or for the furtherance of the purposes described herein, including all powers, statutory or otherwise, possessed by members of a limited liability company under the laws of the State of Delaware. The Member has the authority to bind the Company. Any delegation of authority by the Member pursuant to this Section 9 or Section 10 hereof may be revoked at any time by the Member.

(b) Board of Directors. The Member may elect, from time to time, as the Member deems advisable, that the business and affairs of the Company shall be managed by or under the direction of a Board of one or more Directors designated by the Member. The Member may determine at any time in its sole and absolute discretion the number of Directors to constitute the Board. The authorized number of Directors may be increased or decreased by the Member at any time in its sole and absolute discretion, upon notice to all Directors. The initial number of Directors shall be two (2). Each Director elected, designated or appointed by the Member shall hold office until a successor is elected and qualified or until such Director's earlier death, resignation, expulsion or removal. Directors need not be a Member. The initial Directors designated by the Member are listed on Schedule D hereto.

(c) Powers. Subject to Section 7(b), the Board of Directors shall have the power to do any and all acts necessary, convenient or incidental to or for the furtherance of the purposes described herein, including all powers, statutory or otherwise. Subject to Section 7, the Board of Directors has the authority to bind the Company.

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(d) Meeting of the Board of Directors. The Board of Directors of the Company may hold meetings, both regular and special, within or outside the State

of Delaware. Regular meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board. Special meetings of the Board may be called by the President on not less than one day's notice to each member of the Board by telephone, facsimile, mail, telegram or any other means of communication, and special meetings shall be called by the President or Secretary in like manner and with like notice upon the written request of any one or more of the members of the Board.

(e) Quorum: Acts of the Board. At all meetings of the Board, a majority of the members of the Board shall constitute a quorum for the transaction of business and, except as otherwise provided in any other provision of this Agreement, the act of a majority of the members of the Board present at any meeting at which there is a quorum shall be the act of the Board. If a quorum shall not be present at any meeting of the Board, the members of the Board present at such meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. Any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee, as the case may be.

(f) Electronic Communications. Members of the Board, or any committee designated by the Board, may participate in meetings of the Board, or any committee, by means of telephone conference or similar communications equipment that allows all Persons participating in the meeting to hear each other, and such participation in a meeting shall constitute presence in Person at the meeting. If all the participants are participating by telephone conference or similar communications equipment, the meeting shall be deemed to be held at the principal place of business of the Company.

(g) Committees of Directors.

(i) The Board may, by resolution passed by a majority of the members of the Board, designate one or more committees, each committee to consist of one or more of the members of the Board of the Company. The Board may designate one or more members of the Board as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee.

(ii) In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member.

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(iii) Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board. Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

(h) Compensation of Directors; Expenses. The Board shall have the authority to fix the compensation of Directors. The Directors may be paid their expenses, if any, of attendance at meetings of the Board, which may be a fixed sum for attendance at each meeting of the Board or a stated salary as Director. No such payment shall preclude any Director from serving the Company in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

(i) Removal of Directors. Unless otherwise restricted by law, any Director or the entire Board of Directors may be removed or expelled, with or without cause, at any time by the Member, and any vacancy caused by any such removal or expulsion may be filled by action of the Member.

(j) Directors as Agents. To the extent of their powers set forth in this Agreement, the members of the Board are agents of the Company for the purpose of the Company's business, and the actions of the members of the Board taken in accordance with such powers set forth in this Agreement shall bind the Company. Notwithstanding the last sentence of Section 18-402 of the Act, except as provided in this Agreement or in a resolution of the Board, a Director may not bind the Company.

(k) Limitations on the Company's Activities. The Member shall not, so

long as the loan secured by the Mortgage (the "Loan") remains outstanding and not repaid in full, amend, alter, change or repeal any provision, schedule of definition of this Agreement to the extent such amendment, alteration, change or repeal would change the Company's status as a special purpose entity. So long as the Loan remains outstanding and not repaid in full, the Company shall not: (i) incur, create or assume any indebtedness other than the Loan; (ii) make or permit to remain outstanding any loan or advances to, or own or acquire any stock or securities of any Person; (iii) to the fullest extent permitted by law, engage in any dissolution, liquidation, consolidation, merger, asset sale or transfer of ownership interest other than such activities as are expressly permitted in the loan document evidencing or securing the Loan ("Loan Documents"); or (iv) without the prior unanimous consent of the Member and the Board, file or consent to the filing of any petition, either voluntary or involuntary, to take advantage of any applicable insolvency, bankruptcy, liquidation or reorganization statute, or make an assignment for the benefit of creditors.

Section 10. Officers.

(a) Officers. The initial Officers of the Company shall be designated by the Member. The additional or successor Officers of the Company shall be chosen by the Board and shall consist of at least a President, a Secretary and a Treasurer. The Board of Directors may also choose one or more Vice Presidents, Assistant Secretaries and Assistant Treasurers. Any number of offices may be held by the same person. The Board shall choose a President, a Secretary and a Treasurer. The Board may appoint such other Officers and agents as it shall deem necessary or advisable who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board. The salaries of all Officers and agents of the Company shall be fixed by or in the manner prescribed by the Board. The Officers of the Company shall hold office until their successors are chosen and qualified. Any Officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the Board. Any vacancy occurring in any office of the Company shall be filled by the Board. The initial Officers of the Company designated by the Member are listed on Schedule E hereto.

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(b) President. The President shall be the chief executive officer of the Company, shall preside at all meetings of the Board, shall be responsible for the general and active management of the business of the Company and shall see that all orders and resolutions of the Board are carried into effect. The President or any other Officer authorized by the President or the Board shall execute all bonds, mortgages and other contracts, except: (i) where required or permitted by law or this Agreement to be otherwise signed and executed; (ii) where signing and execution thereof shall be expressly delegated by the Board to some other Officer or agent of the Company, and (iii) as otherwise permitted in Section 10(c).

(c) Vice President. In the absence of the President or in the event of the President's inability to act, the Vice President, if any (or in the event there be more than one Vice President, the Vice Presidents in the order designated by the Board, or in the absence of any designation, then in the order of their election), shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice Presidents, if any, shall perform such other duties and have such other powers as the Board may from time to time prescribe.

(d) Secretary and Assistant Secretary. The Secretary shall be responsible for filing legal documents and maintaining records for the Company. The Secretary shall attend all meetings of the Board and record all the proceedings of the meetings of the Company and of the Board in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or shall cause to be given, notice of all meetings of the Member, if any, and special meetings of the Board, and shall perform such other duties as may be prescribed by the Board or the President, under whose supervision the Secretary shall serve. The Assistant Secretary, or if there be more than one, the Assistant Secretaries in the order determined by the Board (or if there be no such determination, then in order of their election), shall, in the absence of the Secretary or in the event of the Secretary's inability to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as the Board may from time to time prescribe.

(e) Treasurer and Assistant Treasurer. The Treasurer shall have the custody of the Company funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Company and shall deposit all moneys and other valuable effects in the name and to the credit of the Company in such depositories as may be designated by the Board. The Treasurer shall disburse the funds of the Company as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and to the Board, at its regular meetings or when the Board so requires, an account of all of the Treasurer's transactions and of the financial condition of the Company. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board (or if

there be no such determination, then in the order of their election), shall, in the absence of the Treasurer or in the event of the Treasurer's inability to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as the Board may from time to time prescribe.

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(f) Officers as Agents. The Officers, to the extent of their powers set forth in this Agreement or otherwise vested in them by action of the Board not inconsistent with this Agreement, are agents of the Company for the purpose of the Company's business and the actions of the Officers taken in accordance with such powers shall bind the Company.

(g) Duties of Board and Officers. Except to the extent otherwise provided herein, each Director and Officer shall have a fiduciary duty of loyalty and care similar to that of directors and officers of business corporations organized under the General Corporation Law of the State of Delaware.

Section 11. Limited Liability.

Except as otherwise expressly provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be the debts, obligations and liabilities solely of the Company, and neither the Member nor any Director shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member or Director of the Company.

Section 12. Capital Contributions.

The Member has contributed to the Company property of an agreed value as listed on Schedule B attached hereto.

Section 13. Additional Contributions.

The Member is not required to make any additional capital contribution to the Company. However, the Member may make additional capital contributions to the Company at any time upon the written consent of such Member. To the extent that the Member makes an additional capital contribution to the Company, the Member shall revise Schedule B of this Agreement. The provisions of this Agreement, including this Section 13, are intended to benefit the Member and, to the fullest extent permitted by law, shall not be construed as conferring any benefit upon any creditor of the Company (and no such creditor of the Company shall be a third-party beneficiary of this Agreement) and the Member shall not have any duty or obligation to any creditor of the Company to make any contribution to the Company or to issue any call for capital pursuant to this Agreement.

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Section 14. Allocation of Profits and Losses.

The Company's profits and losses shall be allocated to the Member.

Section 15. Distributions.

Distributions shall be made to the Member at the times and in the aggregate amounts determined by the Board. Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not be required to make a distribution to the Member on account of its interest in the Company if such distribution would violate Section 18-607 of the Act or any other applicable law.

Section 16. Books and Records.

The Board shall keep or cause to be kept complete and accurate books of account and records with respect to the Company's business. The books of the Company shall at all times be maintained by the Board. The Member and its duly authorized representatives shall have the right to examine the Company books, records and documents during normal business hours. The Company, and the Board on behalf of the Company, shall not have the right to keep confidential from the Member any information that the Board would otherwise be permitted to keep confidential from the Member pursuant to Section 18-305(c) of the Act. The Company's books of account shall be kept using the method of accounting determined by the Member. The Company's independent auditor, if any, shall be an independent public accounting firm selected by the Member.

Section 17. Reports.

(a) Within 60 days after the end of each fiscal quarter, the Board shall cause to be prepared an unaudited report setting forth as of the end of such fiscal quarter:

- (i) unless such quarter is the last fiscal quarter, a

balance sheet of the Company; and

- (ii) unless such quarter is the last fiscal quarter, an income statement of the Company for such fiscal quarter.

(b) The Board shall use diligent efforts to cause to be prepared and mailed to the Member, within 90 days after the end of each fiscal year, an audited or unaudited report setting forth as of the end of such fiscal year:

- (i) a balance sheet of the Company;
- (ii) an income statement of the Company for such fiscal year; and
- (iii) a statement of the Member's capital account.

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(c) The Board shall, after the end of each fiscal year, use reasonable efforts to cause the Company's independent accountants, if any, to prepare and transmit to the Member as promptly as possible any such tax information as may be reasonably necessary to enable the Member to prepare its federal, state and local income tax returns relating to such fiscal year.

Section 18. Other Business.

The Member and any Affiliate of the Member may engage in or possess an interest in other business ventures (unconnected with the Company) of every kind and description, independently or with others notwithstanding any provision to the contrary at law or in equity. The Company shall not have any rights in or to such independent ventures or the income or profits therefrom by virtue of this Agreement.

Section 19. Exculpation and Indemnification.

(a) Neither the Member nor any Officer, Director, employee or agent of the Company nor any employee, representative, agent or Affiliate of the Member (collectively, the "Covered Persons") shall, to the fullest extent permitted by law, be liable to the Company or any other Person that is a party to or is otherwise bound by this Agreement for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by this Agreement, except that a Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's gross negligence or willful misconduct.

(b) To the fullest extent permitted by applicable law, a Covered Person shall be entitled to indemnification from the Company for any loss, damage or claim incurred by such Covered Person by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by this Agreement, except that no Covered Person shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Covered Person by reason of such Covered Person's gross negligence or willful misconduct with respect to such acts or omissions; provided, however, that any indemnity under this Section 19 by the Company shall be provided out of and to the extent of Company assets only, and the Member shall not have personal liability on account thereof, and provided further, that so long as the Loan is outstanding, no indemnity payment from funds of the Company (as distinct from other sources, such as insurance) of the indemnity under this Section 19 shall be payable from amounts allocable to any other Person pursuant to the Loan Documents.

(c) To the fullest extent permitted by applicable law, expenses (including legal fees) incurred by a Covered Person defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of an undertaking by or on behalf of the Covered Person to repay such amount if it shall be determined that the Covered Person is not entitled to be indemnified as authorized in this Section 19.

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(d) A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Company by any Person as to matters the Covered Person reasonably believes are within such other Person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, or any other facts pertinent to the existence and amount of assets from which distributions to the Member might properly be paid.

(e) To the extent that, at law or in equity, a Covered Person has duties (including fiduciary duties) and liabilities relating thereto to the Company or to any other Covered Person, a Covered Person acting under this Agreement shall not be liable to the Company or to any other Covered Person for its good faith reliance on the provisions of this Agreement or any approval or authorization granted by the Company or any other Covered Person. The provisions of this Agreement, to the extent that they restrict the duties and liabilities of a Covered Person otherwise existing at law or in equity, are agreed by the Member to replace such other duties and liabilities of such Covered Person.

(f) The foregoing provisions of this Section 19 shall survive any termination of this Agreement.

Section 20. Assignments.

The Member may assign in whole or in part its limited liability company interest in the Company. If the Member transfers all of its limited liability company interest in the Company pursuant to this Section 20, the transferee shall be admitted to the Company as a member of the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement, which instrument may be a counterpart signature page to this Agreement. Such admission shall be deemed effective immediately prior to the transfer and, immediately following such admission, the transferor Member shall cease to be a member of the Company. Notwithstanding anything in this Agreement to the contrary, any successor to the Member by merger or consolidation shall, without further act, be the Member hereunder, and such merger or consolidation shall not constitute an assignment for purposes of this Agreement and the Company shall continue without dissolution.

Section 21. Resignation.

If the Member shall resign pursuant to this Section 21, an additional member of the Company shall be admitted to the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement, which instrument may be a counterpart signature page to this Agreement. Such admission shall be deemed effective immediately prior to the resignation and, immediately following such admission, the resigning Member shall cease to be a member of the Company.

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Section 22. Admission of Additional Members.

One or more additional members of the Company may be admitted to the Company with the written consent of the Member.

Section 23. Dissolution.

(a) Subject to Section 9(k), the Company shall be dissolved, and its affairs shall be wound up only upon the first to occur of the following: (i) the termination of the legal existence of the last remaining member of the Company or the occurrence of any other event which terminates the continued membership of the last remaining member of the Company in the Company unless the Company is continued without dissolution in a manner permitted by this Agreement or the Act or (ii) the entry of a decree of judicial dissolution under Section 18-802 of the Act. Upon the occurrence of any event that causes the last remaining member of the Company to cease to be a member of the Company or that causes the Member to cease to be a member of the Company (other than (x) upon an assignment by the Member of all of its limited liability company interest in the Company and the admission of the transferee pursuant to Sections 20 and 22, or (y) the resignation of the Member and the admission of an additional member of the Company pursuant to Sections 21 and 22), to the fullest extent permitted by law, the personal representative of such member is hereby authorized to, and shall, within 90 days after the occurrence of the event that terminated the continued membership of such member in the Company, agree in writing (A) to continue the Company and (B) to the admission of the personal representative or its nominee or designee, as the case may be, as a substitute member of the Company, effective as of the occurrence of the event that terminated the continued membership of the last remaining member of the Company or the Member in the Company.

(b) In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Company in an orderly manner), and the assets of the Company shall be applied in the manner, and in the order of priority, set forth in Section 18-804 of the Act.

(c) The Company shall terminate when (i) all of the assets of the Company, after payment of or due provision for all debts, liabilities and obligations of the Company shall have been distributed to the Member in the manner provided for in this Agreement and (ii) the Certificate of Formation shall have been canceled in the manner required by the Act.

(d) Notwithstanding any other provision of this Agreement, the bankruptcy of the Member or a Special Member shall not cause the Member or

Special Member, respectively, to cease to be a member of the Company and upon the occurrence of such an event, the Company shall continue without dissolution. Notwithstanding any other provision of this Agreement, each of the Member and the Special Member waives any right it might have to agree in writing to dissolve the Company upon the bankruptcy of the Member or a Special Member, or the occurrence of an event that causes the Member or Special Member to cease to be a member of the Company.

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Section 24. Waiver of Partition; Nature of Interest.

Except as otherwise expressly provided in this Agreement, to the fullest extent permitted by law, the Member hereby irrevocably waives any right or power that the Member might have to cause the Company or any of its assets to be partitioned, to cause the appointment of a receiver for all or any portion of the assets of the Company, to compel any sale of all or any portion of the assets of the Company pursuant to any applicable law or to file a complaint or to institute any proceeding at law or in equity to cause the dissolution, liquidation, winding up or termination of the Company.

Section 25. Benefits of Agreement; No Third-Party Rights.

None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditor of the Company or by any creditor of the Member. Nothing in this Agreement shall be deemed to create any right in any Person (other than Covered Persons) not a party hereto, and this Agreement shall not be construed in any respect to be a contract in whole or in part for the benefit of any third Person.

Section 26. Severability of Provisions.

Each provision of this Agreement shall be considered severable and if for any reason any provision or provisions herein are determined to be invalid, unenforceable or illegal under any existing or future law, such invalidity, unenforceability or illegality shall not impair the operation of or affect those portions of this Agreement which are valid, enforceable and legal.

Section 27. Entire Agreement.

This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof.

Section 28. Binding Agreement.

Notwithstanding any other provision of this Agreement, the Member agrees that this Agreement constitutes a legal, valid and binding agreement of the Member and is enforceable against the Member in accordance with its terms.

Section 29. Governing Law.

This Agreement shall be governed by and construed under the laws of the State of Delaware (without regard to conflict of laws principles), all rights and remedies being governed by said laws.

Section 30. Amendments.

This Agreement may be modified, altered, supplemented, amended or repealed pursuant to a written agreement executed and delivered by the Member.

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Section 31. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original of this Agreement and all of which together shall constitute one and the same instrument.

Section 32. Notices.

Any notices required to be delivered hereunder shall be in writing and personally delivered, mailed or sent by telecopy, electronic mail or other similar form of rapid transmission, and shall be deemed to have been duly given upon receipt (a) in the case of the Company, to the Company at its address in Section 2, (b) in the case of the Member, to the Member at its address as listed on Schedule B attached hereto and (c) in the case of either of the foregoing, at such other address as may be designated by written notice to the other party.

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Section 33. Effectiveness.

Pursuant to Section 18-201 (d) of the Act, this Agreement shall be effective as of the time of the filing of the Certificate of Formation with the Office of the Delaware Secretary of State on February 10, 2004.

Section 34. SPE Provisions.

For so long as the 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 Agreement, the Company shall satisfy all of the following requirements:

(a) it conducts its business solely in its own name through its duly authorized officers or agents so as not to mislead others as to the identity of the entity with which those others are concerned, and particularly uses its best efforts to avoid the appearance of conducting business on behalf of any Affiliate or that its assets are available to pay the creditors of any Affiliate. Without limiting the generality of the foregoing, all oral and written communications, including, without limitation, letters, invoices, purchase orders, contracts, statements and loan applications, are all made solely in its name;

(b) it maintains its records and books of account separate from those of its Affiliates;

(c) it obtains proper authorization required by any Requirement of Law (as defined in the Loan Agreement executed on even date with the Mortgage) of all action requiring such authorization;

(d) it obtains proper authorization from its shareholders, partners, or members, as the case may be, of all action requiring such approval;

(e) it pays its Operating Expenses (as defined in the Loan Agreement) and liabilities from its own funds;

(f) its Financial Statement (as defined in the Loan Agreement) discloses the effects of its transactions in accordance with GAAP, and disclose that its assets are not available to pay creditors of any Affiliate;

(g) its resolutions, agreements and other instruments authorizing and underlying the transactions described in the Loan Agreement and in the Loan Documents (as defined in the Loan Agreement) are maintained by it as its official records, separately identified and held apart from the records of any Affiliate;

(h) it maintains an arm's length relationship with its Affiliates, and does not hold itself out as being liable for the debts of any Affiliate;

(i) it keeps its assets and its liabilities wholly separate from those all other entities, including, but not limited to, its Affiliates except, in each case, as contemplated by the Loan Documents; and

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(j) its sole assets are the Property, and the Intangible Personalty, Rents and Profits (each as defined in the Loan Agreement).

[SIGNATURE PAGE FOLLOWS

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IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, has duly executed this Limited Liability Company Agreement as of the 4th day of February, 2004.

MEMBER:

CEDAR SHOPPING CENTERS PARTNERSHIP, L.P.

By: CEDAR SHOPPING CENTERS, INC.,
its general partner

By: _____
Name: Leo S. Ullman
Title: President

SPECIAL MEMBER

Frank Ullman

SCHEDULE A

Definitions

A. Definitions

When used in this Agreement, the following terms not otherwise defined herein have the following meanings:

"Act" has the meaning set forth in the preamble to this Agreement.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with such Person.

"Agreement" means this Limited Liability Company Agreement of the Company, together with the schedules attached hereto, as amended, restated or supplemented or otherwise modified from time to time.

"Board" or "Board of Directors" means the board of directors of the Company.

"Certificate of Formation" means the Certificate of Formation of the Company filed with the Secretary of State of the State of Delaware on February 10, 2004, as amended or amended and restated from time to time.

"Company" means Cedar Townfair, LLC, a Delaware limited liability company.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities or general partnership or managing member interests, by contract or otherwise. "Controlling" and "Controlled" shall have correlative meanings. Without limiting the generality of the foregoing, a Person shall be deemed to Control any other Person in which it owns, directly or indirectly, a majority of the ownership interests.

"Covered Persons" has the meaning set forth in Section 19(a).

"Directors" means the Persons elected to the Board of Directors from time to time by the Member, in their capacity as managers of the Company. Each Director is hereby designated a "manager" of the Company within the meaning of Section 18-101(10) of the Act.

"Member" means Cedar Shopping Centers Partnership, L.P., as the initial member of the Company, and includes any Person admitted as an additional member of the Company or a substitute member of the Company pursuant to the provisions of this Agreement, each in its capacity as a member of the Company.

"Mortgage" means an Open-End Mortgage, Assignment of Leases and Rents and Security Agreement originally among Townfair Center Associates, a Pennsylvania general partnership (the "Borrower") and Patrician Financial Company Limited Partnership, a Massachusetts limited partnership, dated as of the 13th day of February 1998, and recorded on the 17th day of February 1998 in Volume 571 at Page 247 among the records of Indiana County, State of Pennsylvania, securing the payment of a Promissory Note dated February 13, 1998, in the original principal amount of Ten Million Seven Hundred Thousand and No/100 Dollars (\$10,700,000.00) made by the Borrower, payable to the order of Patrician Financial Company Limited Partnership, a Massachusetts limited partnership, and creating a first lien on the Property.

"Officer" means an officer of the Company described in Section 10.

"Officer's Certificate" means a certificate signed by any Officer of the Company who is authorized to act for the Company in matters relating to the Company.

"Person" means any individual, corporation, partnership, joint venture, limited liability company, limited liability partnership, association, joint stock company, trust, unincorporated organization, or other organization, whether or not a legal entity, and any governmental authority.

"Principal" means Cedar Shopping Centers Partnership, L.P., a Delaware limited partnership.

B. Rules of Construction

Definitions in this Agreement apply equally to both the singular and plural forms of the defined terms. The words "include" and "including" shall be deemed to be followed by the phrase "without limitation." The terms "herein," "hereof" and "hereunder" and other words of similar import refer to this

Agreement as a whole and not to any particular Section, paragraph or subdivision. The Section titles appear as a matter of convenience only and shall not affect the interpretation of this Agreement. All Section, paragraph, clause, Exhibit or Schedule references not attributed to a particular document shall be references to such parts of this Agreement.

SCHEDULE B

Member

<TABLE>
<CAPTION>

Name	Mailing Address	Agreed Value of Capital Contribution	Membership Interest
<S> Cedar Shopping Centers Partnership, L.P.	<C> 44 South Bayles Avenue Port Washington, NY 11050	<C> \$10,000	<C> 100%

SCHEDULE C

TOWNFAIR CENTER
LEGAL DESCRIPTION OF FEE PROPERTY

SCHEDULE D

DIRECTORS

1. Leo S. Ullman
2. Brenda J. Walker

SCHEDULE E

OFFICERS	TITLE
Leo S. Ullman	President
Brenda J. Walker	Vice President and Treasurer
Stuart H. Widowski	Secretary

LIMITED LIABILITY COMPANY AGREEMENT
OF
CEDAR TOWNFAIR PHASE III, LLC

This Limited Liability Company Agreement (together with the schedules attached hereto, this "Agreement") of CEDAR TOWNFAIR PHASE III, LLC (the "Company"), is entered into by Cedar Shopping Centers Partnership, L.P., as the sole equity member (the "Member"). Capitalized terms used and not otherwise defined herein have the meanings set forth on Schedule A hereto.

The Member, by execution of this Agreement, hereby forms the Company as a limited liability company pursuant to and in accordance with the Delaware Limited Liability Company Act (6 Del. C. Sections 18-101, et seq.), as amended from time to time (the "Act"), and the Member hereby agrees as follows:

Section 1. Name.

The name of the limited liability company formed hereby is Cedar Townfair Phase III, LLC.

Section 2. Principal Business Office.

The principal business office of the Company shall be located at 44 South Bayles Avenue, Port Washington, New York 11050 or such other location as may hereafter be determined by the Member.

Section 3. Registered Office.

The address of the registered office of the Company in the State of Delaware is c/o Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, County of New Castle.

Section 4. Registered Agent.

The name and address of the registered agent of the Company for service of process on the Company in the State of Delaware is c/o Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, County of New Castle.

Section 5. Members.

(a) The mailing address of the Member is set forth on Schedule B attached hereto. The Member was admitted to the Company as a member of the Company upon its execution of a counterpart signature page to this Agreement.

(b) The Member may act by written consent.

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Section 6. Certificates.

Brenda Walker, is hereby designated as an "authorized person" within the meaning of the Act, and has executed, delivered and filed the Certificate of Formation of the Company with the Secretary of State of the State of Delaware. Upon the filing of the Certificate of Formation with the Secretary of State of the State of Delaware, her powers as an "authorized person" ceased, and the Member thereupon became the designated "authorized person" and shall continue as the designated "authorized person" within the meaning of the Act. The Member or an Officer shall execute, deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in Pennsylvania and in any other jurisdiction in which the Company may wish to conduct business.

The existence of the Company as a separate legal entity shall continue until cancellation of the Certificate of Formation as provided in the Act.

Section 7. Purposes.

(a) The purpose to be conducted or promoted by the Company shall be to engage in any lawful act or activity and to exercise any powers permitted to limited liability companies organized under the laws of the State of Delaware.

(b) Notwithstanding the provisions of paragraph (a) of this Section 7, the Company shall not take any action that, under the terms of the limited partnership agreement of the Principal, requires the prior consent of the general partner of the Principal, unless the required consent of the general partner of the Principal has been obtained in accordance with the terms thereof.

Section 8. Powers.

Subject to Section 7(b), the Company, and the Board of Directors and the Officers of the Company on behalf of the Company, (i) shall have and exercise all powers necessary, convenient or incidental to accomplish its

purposes as set forth in Section 7 and (ii) shall have and exercise all of the powers and rights conferred upon limited liability companies formed pursuant to the Act.

Section 9. Management.

(a) In accordance with Section 18-402 of the Act, and subject to the terms of this Section 9, management of the Company shall be vested in the Member. The Member shall have the power to do any and all acts necessary, convenient or incidental to or for the furtherance of the purposes described herein, including all powers, statutory or otherwise, possessed by members of a limited liability company under the laws of the State of Delaware. The Member has the authority to bind the Company. Any delegation of authority by the Member pursuant to this Section 9 or Section 10 hereof may be revoked at any time by the Member.

(b) Board of Directors. The Member may elect, from time to time, as the Member deems advisable, that the business and affairs of the Company shall be managed by or under the direction of a Board of one or more Directors designated by the Member. The Member may determine at any time in its sole and absolute discretion the number of Directors to constitute the Board. The authorized number of Directors may be increased or decreased by the Member at any time in its sole and absolute discretion, upon notice to all Directors. The initial number of Directors shall be two (2). Each Director elected, designated or appointed by the Member shall hold office until a successor is elected and qualified or until such Director's earlier death, resignation, expulsion or removal. Directors need not be a Member. The initial Directors designated by the Member are listed on Schedule C hereto.

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(c) Powers. Subject to Section 7(b), the Board of Directors shall have the power to do any and all acts necessary, convenient or incidental to or for the furtherance of the purposes described herein, including all powers, statutory or otherwise. Subject to Section 7, the Board of Directors has the authority to bind the Company.

(d) Meeting of the Board of Directors. The Board of Directors of the Company may hold meetings, both regular and special, within or outside the State of Delaware. Regular meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board. Special meetings of the Board may be called by the President on not less than one day's notice to each member of the Board by telephone, facsimile, mail, telegram or any other means of communication, and special meetings shall be called by the President or Secretary in like manner and with like notice upon the written request of any one or more of the members of the Board.

(e) Quorum: Acts of the Board. At all meetings of the Board, a majority of the members of the Board shall constitute a quorum for the transaction of business and, except as otherwise provided in any other provision of this Agreement, the act of a majority of the members of the Board present at any meeting at which there is a quorum shall be the act of the Board. If a quorum shall not be present at any meeting of the Board, the members of the Board present at such meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. Any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee, as the case may be.

(f) Electronic Communications. Members of the Board, or any committee designated by the Board, may participate in meetings of the Board, or any committee, by means of telephone conference or similar communications equipment that allows all Persons participating in the meeting to hear each other, and such participation in a meeting shall constitute presence in Person at the meeting. If all the participants are participating by telephone conference or similar communications equipment, the meeting shall be deemed to be held at the principal place of business of the Company.

(g) Committees of Directors.

(i) The Board may, by resolution passed by a majority of the members of the Board, designate one or more committees, each committee to consist of one or more of the members of the Board of the Company. The Board may designate one or more members of the Board as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee.

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(ii) In the absence or disqualification of a member of a committee, the member or members thereof present at

any meeting and not disqualified from voting, whether or not such members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member.

- (iii) Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board. Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

(h) Compensation of Directors; Expenses. The Board shall have the authority to fix the compensation of Directors. The Directors may be paid their expenses, if any, of attendance at meetings of the Board, which may be a fixed sum for attendance at each meeting of the Board or a stated salary as Director. No such payment shall preclude any Director from serving the Company in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

(i) Removal of Directors. Unless otherwise restricted by law, any Director or the entire Board of Directors may be removed or expelled, with or without cause, at any time by the Member, and any vacancy caused by any such removal or expulsion may be filled by action of the Member.

(j) Directors as Agents. To the extent of their powers set forth in this Agreement, the members of the Board are agents of the Company for the purpose of the Company's business, and the actions of the members of the Board taken in accordance with such powers set forth in this Agreement shall bind the Company. Notwithstanding the last sentence of Section 18-402 of the Act, except as provided in this Agreement or in a resolution of the Board, a Director may not bind the Company.

Section 10. Officers.

(a) Officers. The initial Officers of the Company shall be designated by the Member. The additional or successor Officers of the Company shall be chosen by the Board and shall consist of at least a President, a Secretary and a Treasurer. The Board of Directors may also choose one or more Vice Presidents, Assistant Secretaries and Assistant Treasurers. Any number of offices may be held by the same person. The Board shall choose a President, a Secretary and a Treasurer. The Board may appoint such other Officers and agents as it shall deem necessary or advisable who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board. The salaries of all Officers and agents of the Company shall be fixed by or in the manner prescribed by the Board. The Officers of the Company shall hold office until their successors are chosen and qualified. Any Officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the Board. Any vacancy occurring in any office of the Company shall be filled by the Board. The initial Officers of the Company designated by the Member are listed on Schedule D hereto.

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(b) President. The President shall be the chief executive officer of the Company, shall preside at all meetings of the Board, shall be responsible for the general and active management of the business of the Company and shall see that all orders and resolutions of the Board are carried into effect. The President or any other Officer authorized by the President or the Board shall execute all bonds, mortgages and other contracts, except: (i) where required or permitted by law or this Agreement to be otherwise signed and executed; (ii) where signing and execution thereof shall be expressly delegated by the Board to some other Officer or agent of the Company, and (iii) as otherwise permitted in Section 10(c).

(c) Vice President. In the absence of the President or in the event of the President's inability to act, the Vice President, if any (or in the event there be more than one Vice President, the Vice Presidents in the order designated by the Board, or in the absence of any designation, then in the order of their election), shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice Presidents, if any, shall perform such other duties and have such other powers as the Board may from time to time prescribe.

(d) Secretary and Assistant Secretary. The Secretary shall be responsible for filing legal documents and maintaining records for the Company. The Secretary shall attend all meetings of the Board and record all the proceedings of the meetings of the Company and of the Board in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or shall cause to be given, notice of all

meetings of the Member, if any, and special meetings of the Board, and shall perform such other duties as may be prescribed by the Board or the President, under whose supervision the Secretary shall serve. The Assistant Secretary, or if there be more than one, the Assistant Secretaries in the order determined by the Board (or if there be no such determination, then in order of their election), shall, in the absence of the Secretary or in the event of the Secretary's inability to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as the Board may from time to time prescribe.

(e) Treasurer and Assistant Treasurer. The Treasurer shall have the custody of the Company funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Company and shall deposit all moneys and other valuable effects in the name and to the credit of the Company in such depositories as may be designated by the Board. The Treasurer shall disburse the funds of the Company as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and to the Board, at its regular meetings or when the Board so requires, an account of all of the Treasurer's transactions and of the financial condition of the Company. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board (or if there be no such determination, then in the order of their election), shall, in the absence of the Treasurer or in the event of the Treasurer's inability to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as the Board may from time to time prescribe.

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(f) Officers as Agents. The Officers, to the extent of their powers set forth in this Agreement or otherwise vested in them by action of the Board not inconsistent with this Agreement, are agents of the Company for the purpose of the Company's business and the actions of the Officers taken in accordance with such powers shall bind the Company.

(g) Duties of Board and Officers. Except to the extent otherwise provided herein, each Director and Officer shall have a fiduciary duty of loyalty and care similar to that of directors and officers of business corporations organized under the General Corporation Law of the State of Delaware.

Section 11. Limited Liability.

Except as otherwise expressly provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be the debts, obligations and liabilities solely of the Company, and neither the Member nor any Director shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member or Director of the Company.

Section 12. Capital Contributions.

The Member has contributed to the Company property of an agreed value as listed on Schedule B attached hereto.

Section 13. Additional Contributions.

The Member is not required to make any additional capital contribution to the Company. However, the Member may make additional capital contributions to the Company at any time upon the written consent of such Member. To the extent that the Member makes an additional capital contribution to the Company, the Member shall revise Schedule B of this Agreement. The provisions of this Agreement, including this Section 13, are intended to benefit the Member and, to the fullest extent permitted by law, shall not be construed as conferring any benefit upon any creditor of the Company (and no such creditor of the Company shall be a third-party beneficiary of this Agreement) and the Member shall not have any duty or obligation to any creditor of the Company to make any contribution to the Company or to issue any call for capital pursuant to this Agreement.

Section 14. Allocation of Profits and Losses.

The Company's profits and losses shall be allocated to the Member.

Section 15. Distributions.

Distributions shall be made to the Member at the times and in the aggregate amounts determined by the Board. Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not be required to make a distribution to the Member on account of its interest in the Company if such distribution would violate Section 18-607 of the Act or any other applicable law.

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Section 16. Books and Records.

The Board shall keep or cause to be kept complete and accurate books of account and records with respect to the Company's business. The books of the Company shall at all times be maintained by the Board. The Member and its duly authorized representatives shall have the right to examine the Company books, records and documents during normal business hours. The Company, and the Board on behalf of the Company, shall not have the right to keep confidential from the Member any information that the Board would otherwise be permitted to keep confidential from the Member pursuant to Section 18-305(c) of the Act. The Company's books of account shall be kept using the method of accounting determined by the Member. The Company's independent auditor, if any, shall be an independent public accounting firm selected by the Member.

Section 17. Reports.

(a) Within 60 days after the end of each fiscal quarter, the Board shall cause to be prepared an unaudited report setting forth as of the end of such fiscal quarter:

- (i) unless such quarter is the last fiscal quarter, a balance sheet of the Company; and
- (ii) unless such quarter is the last fiscal quarter, an income statement of the Company for such fiscal quarter.

(b) The Board shall use diligent efforts to cause to be prepared and mailed to the Member, within 90 days after the end of each fiscal year, an audited or unaudited report setting forth as of the end of such fiscal year:

- (i) a balance sheet of the Company;
- (ii) an income statement of the Company for such fiscal year; and
- (iii) a statement of the Member's capital account.

(c) The Board shall, after the end of each fiscal year, use reasonable efforts to cause the Company's independent accountants, if any, to prepare and transmit to the Member as promptly as possible any such tax information as may be reasonably necessary to enable the Member to prepare its federal, state and local income tax returns relating to such fiscal year.

Section 18. Other Business.

The Member and any Affiliate of the Member may engage in or possess an interest in other business ventures (unconnected with the Company) of every kind and description, independently or with others notwithstanding any provision to the contrary at law or in equity. The Company shall not have any rights in or to such independent ventures or the income or profits therefrom by virtue of this Agreement.

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Section 19. Exculpation and Indemnification.

(a) Neither the Member nor any Officer, Director, employee or agent of the Company nor any employee, representative, agent or Affiliate of the Member (collectively, the "Covered Persons") shall, to the fullest extent permitted by law, be liable to the Company or any other Person that is a party to or is otherwise bound by this Agreement for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by this Agreement, except that a Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's gross negligence or willful misconduct.

(b) To the fullest extent permitted by applicable law, a Covered Person shall be entitled to indemnification from the Company for any loss, damage or claim incurred by such Covered Person by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by this Agreement, except that no Covered Person shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Covered Person by reason of such Covered Person's gross negligence or willful misconduct with respect to such acts or omissions; provided, however, that any indemnity under this Section 19 by the Company shall be provided out of and to the extent of Company assets only, and the Member shall not have personal liability on account thereof.

(c) To the fullest extent permitted by applicable law, expenses (including legal fees) incurred by a Covered Person defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the Company

prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of an undertaking by or on behalf of the Covered Person to repay such amount if it shall be determined that the Covered Person is not entitled to be indemnified as authorized in this Section 19.

(d) A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Company by any Person as to matters the Covered Person reasonably believes are within such other Person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, or any other facts pertinent to the existence and amount of assets from which distributions to the Member might properly be paid.

(e) To the extent that, at law or in equity, a Covered Person has duties (including fiduciary duties) and liabilities relating thereto to the Company or to any other Covered Person, a Covered Person acting under this Agreement shall not be liable to the Company or to any other Covered Person for its good faith reliance on the provisions of this Agreement or any approval or authorization granted by the Company or any other Covered Person. The provisions of this Agreement, to the extent that they restrict the duties and liabilities of a Covered Person otherwise existing at law or in equity, are agreed by the Member to replace such other duties and liabilities of such Covered Person.

(f) The foregoing provisions of this Section 19 shall survive any termination of this Agreement.

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Section 20. Assignments.

The Member may assign in whole or in part its limited liability company interest in the Company. If the Member transfers all of its limited liability company interest in the Company pursuant to this Section 20, the transferee shall be admitted to the Company as a member of the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement, which instrument may be a counterpart signature page to this Agreement. Such admission shall be deemed effective immediately prior to the transfer and, immediately following such admission, the transferor Member shall cease to be a member of the Company. Notwithstanding anything in this Agreement to the contrary, any successor to the Member by merger or consolidation shall, without further act, be the Member hereunder, and such merger or consolidation shall not constitute an assignment for purposes of this Agreement and the Company shall continue without dissolution.

Section 21. Resignation.

If the Member shall resign pursuant to this Section 21, an additional member of the Company shall be admitted to the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement, which instrument may be a counterpart signature page to this Agreement. Such admission shall be deemed effective immediately prior to the resignation and, immediately following such admission, the resigning Member shall cease to be a member of the Company.

Section 22. Admission of Additional Members.

One or more additional members of the Company may be admitted to the Company with the written consent of the Member.

Section 23. Dissolution.

(a) The Company shall be dissolved, and its affairs shall be wound up only upon the first to occur of the following: (i) the termination of the legal existence of the last remaining member of the Company or the occurrence of any other event which terminates the continued membership of the last remaining member of the Company in the Company unless the Company is continued without dissolution in a manner permitted by this Agreement or the Act or (ii) the entry of a decree of judicial dissolution under Section 18-802 of the Act. Upon the occurrence of any event that causes the last remaining member of the Company to cease to be a member of the Company or that causes the Member to cease to be a member of the Company (other than (x) upon an assignment by the Member of all of its limited liability company interest in the Company and the admission of the transferee pursuant to Sections 20 and 22, or (y) the resignation of the Member and the admission of an additional member of the Company pursuant to Sections 21 and 22), to the fullest extent permitted by law, the personal representative of such member is hereby authorized to, and shall, within 90 days after the occurrence of the event that terminated the continued membership of such member in the Company, agree in writing (A) to continue the Company and (B) to the admission of the personal representative or its nominee or designee, as the case may be, as a substitute member of the Company, effective as of the occurrence of the event that terminated the continued membership of the last remaining member of the Company or the Member in the Company.

(b) In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Company in an orderly manner), and the assets of the Company shall be applied in the manner, and in the order of priority, set forth in Section 18-804 of the Act.

(c) The Company shall terminate when (i) all of the assets of the Company, after payment of or due provision for all debts, liabilities and obligations of the Company shall have been distributed to the Member in the manner provided for in this Agreement and (ii) the Certificate of Formation shall have been canceled in the manner required by the Act.

Section 24. Waiver of Partition; Nature of Interest.

Except as otherwise expressly provided in this Agreement, to the fullest extent permitted by law, the Member hereby irrevocably waives any right or power that the Member might have to cause the Company or any of its assets to be partitioned, to cause the appointment of a receiver for all or any portion of the assets of the Company, to compel any sale of all or any portion of the assets of the Company pursuant to any applicable law or to file a complaint or to institute any proceeding at law or in equity to cause the dissolution, liquidation, winding up or termination of the Company.

Section 25. Benefits of Agreement; No Third-Party Rights.

None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditor of the Company or by any creditor of the Member. Nothing in this Agreement shall be deemed to create any right in any Person (other than Covered Persons) not a party hereto, and this Agreement shall not be construed in any respect to be a contract in whole or in part for the benefit of any third Person.

Section 26. Severability of Provisions.

Each provision of this Agreement shall be considered severable and if for any reason any provision or provisions herein are determined to be invalid, unenforceable or illegal under any existing or future law, such invalidity, unenforceability or illegality shall not impair the operation of or affect those portions of this Agreement which are valid, enforceable and legal.

Section 27. Entire Agreement.

This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof.

Section 28. Binding Agreement.

Notwithstanding any other provision of this Agreement, the Member agrees that this Agreement constitutes a legal, valid and binding agreement of the Member and is enforceable against the Member in accordance with its terms.

Section 29. Governing Law.

This Agreement shall be governed by and construed under the laws of the State of Delaware (without regard to conflict of laws principles), all rights and remedies being governed by said laws.

Section 30. Amendments.

This Agreement may be modified, altered, supplemented, amended or repealed pursuant to a written agreement executed and delivered by the Member.

Section 31. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original of this Agreement and all of which together shall constitute one and the same instrument.

Section 32. Notices.

Any notices required to be delivered hereunder shall be in writing and personally delivered, mailed or sent by telecopy, electronic mail or other similar form of rapid transmission, and shall be deemed to have been duly given upon receipt (a) in the case of the Company, to the Company at its address in Section 2, (b) in the case of the Member, to the Member at its address as listed on Schedule B attached hereto and (c) in the case of either of the foregoing, at such other address as may be designated by written notice to the other party.

Section 33. Effectiveness.

Pursuant to Section 18-201 (d) of the Act, this Agreement shall be

effective as of the time of the filing of the Certificate of Formation with the Office of the Delaware Secretary of State on March 5, 2004.

[SIGNATURE PAGE FOLLOWS

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IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, has duly executed this Limited Liability Company Agreement as of the 5th day of March, 2004.

MEMBER:

CEDAR SHOPPING CENTERS PARTNERSHIP, L.P.

By: CEDAR SHOPPING CENTERS, INC.,
its general partner

By: _____
Name: Leo S. Ullman
Title: President

SCHEDULE A

Definitions

A. Definitions

When used in this Agreement, the following terms not otherwise defined herein have the following meanings:

"Act" has the meaning set forth in the preamble to this Agreement.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with such Person.

"Agreement" means this Limited Liability Company Agreement of the Company, together with the schedules attached hereto, as amended, restated or supplemented or otherwise modified from time to time.

"Board" or "Board of Directors" means the board of directors of the Company.

"Certificate of Formation" means the Certificate of Formation of the Company filed with the Secretary of State of the State of Delaware on March 5, 2004, as amended or amended and restated from time to time.

"Company" means Cedar Townfair Phase III, LLC, a Delaware limited liability company.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities or general partnership or managing member interests, by contract or otherwise. "Controlling" and "Controlled" shall have correlative meanings. Without limiting the generality of the foregoing, a Person shall be deemed to Control any other Person in which it owns, directly or indirectly, a majority of the ownership interests.

"Covered Persons" has the meaning set forth in Section 19(a).

"Directors" means the Persons elected to the Board of Directors from time to time by the Member, in their capacity as managers of the Company. Each Director is hereby designated a "manager" of the Company within the meaning of Section 18-101(10) of the Act.

"Member" means Cedar Shopping Centers Partnership, L.P., as the initial member of the Company, and includes any Person admitted as an additional member of the Company or a substitute member of the Company pursuant to the provisions of this Agreement, each in its capacity as a member of the Company.

"Officer" means an officer of the Company described in Section 10.

"Officer's Certificate" means a certificate signed by any Officer of the Company who is authorized to act for the Company in matters relating to the Company.

"Person" means any individual, corporation, partnership, joint venture, limited liability company, limited liability partnership, association, joint stock company, trust, unincorporated organization, or other organization,

whether or not a legal entity, and any governmental authority.

"Principal" means Cedar Shopping Centers Partnership, L.P., a Delaware limited partnership.

B. Rules of Construction

Definitions in this Agreement apply equally to both the singular and plural forms of the defined terms. The words "include" and "including" shall be deemed to be followed by the phrase "without limitation." The terms "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section, paragraph or subdivision. The Section titles appear as a matter of convenience only and shall not affect the interpretation of this Agreement. All Section, paragraph, clause, Exhibit or Schedule references not attributed to a particular document shall be references to such parts of this Agreement.

SCHEDULE B

Member

<TABLE>
<CAPTION>

Name	Mailing Address	Agreed Value of Capital Contribution	Membership Interest
<S> Cedar Shopping Centers Partnership, L.P.	<C> 44 South Bayles Avenue Port Washington, NY 11050	<C> \$ _____	<C> 100%

</TABLE>

SCHEDULE C

DIRECTORS

1. Leo S. Ullman
2. Brenda J. Walker

SCHEDULE D

OFFICERS	TITLE
Leo S. Ullman	President
Brenda J. Walker	Vice President and Treasurer
Stuart H. Widowski	Secretary

CONDITIONAL ASSIGNMENT OF MANAGEMENT AGREEMENT

THIS CONDITIONAL ASSIGNMENT OF MANAGEMENT AGREEMENT ("Assignment") is made as of the 17th day of March, 2004, by Cedar Townfair, LLC, a Delaware limited liability company, with an address of 44 South Bayles Avenue, Suite 304, Port Washington, New York 11050 ("Borrower"), Cedar Shopping Centers Partnership, LP with an address of 44 South Bayles Avenue, Suite 304, Port Washington, New York 11050 ("Agent") and Wells Fargo Bank N.A. f/k/a Norwest Bank Minnesota, National Association, as Trustee for the registered holders of NationsLink Funding Corporation, Commercial Mortgage Pass-Through Certificates, Series 1998-2 (including its successors, transferees and assigns, "Lender"), c/o Midland Loan Services, Inc., a Delaware corporation, its Attorney-in-Fact, with an address of 10851 Mastin, Overland Park, Kansas 66210.

RECITALS:

A. This Assignment is being executed in connection with Lender's consent to the assumption by Borrower of a mortgage loan to Townfair Center Associates, a Pennsylvania general partnership ("Seller") in the original principal amount of Ten Million Seven Hundred Thousand Dollars (\$10,700,000.00) (the "Loan"). The Loan assumption is incident to Borrower's purchase of the real property commonly known as Townfair Center (Phase I & II), 475 South Ben Franklin Road, White Township, Pennsylvania (the "Property").

B. The Loan is evidenced by a Promissory Note (the "Note") dated as of February 13, 1998, made by Seller and is secured by, among other things, an Open-End Mortgage, Assignment of Leases and Rents and Security Agreement (the "Mortgage"), dated as of February 13, 1998, granting a first lien on the Property. The Lender's consent to the transfer of the Property to Borrower is being made pursuant to a Consent and Assumption Agreement with Limited Release dated of even date herewith (the "Assumption Agreement") (the Note, Mortgage, Assumption Agreement and other documents executed in connection with the Loan are collectively referred to herein as the "Loan Documents").

C. Pursuant to a certain Property Management Agreement, dated on or about the date hereof, by and between Borrower and Agent, (the "Management Agreement") (a true and correct copy of which Management Agreement is attached hereto as Exhibit A), Borrower employed Agent exclusively to rent, lease, operate and manage the Property.

D. Lender requires as a condition to giving its consent to the transfer of the Property that Borrower assign the Management Agreement as set forth below and Borrower and Agent agree to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the above and the mutual promises contained in this Assignment, the receipt and sufficiency of which are acknowledged, the parties hereto agree as follows:

1. Assignment of Management Agreement. As additional collateral security for the Loan, Borrower hereby conditionally transfers, sets over and assigns to Lender all of Borrower's right, title and interest in and to the Management Agreement, said transfer and assignment to automatically become a present, unconditional assignment, at Lender's option, in the event of a default by Borrower under the Loan Documents, including but not limited to escrow agreements, and the failure of Borrower to cure such default within any applicable grace period.

2. Termination. At such time as the Loan is paid in full and the Mortgage is released of record, this Assignment and all of Lender's right, title and interest hereunder with respect to the Management Agreement shall terminate.

3. Borrower's Covenants. Borrower hereby covenants with Lender that during the term of this Assignment: (a) Borrower shall not transfer the responsibility for the management of the Property from Agent to any other person or entity without the prior written consent of Lender, which consent may be withheld by Lender in Lender's sole discretion; (b) Borrower shall not terminate or amend any of the terms or provisions of the Management Agreement without the prior written consent of Lender, which consent may be withheld by Lender in Lender's sole discretion; and (c) Borrower shall, in the manner provided for in this Assignment, give notice to Lender of any notice or information that Borrower receives which indicates that the Agent is terminating the Management Agreement or that the Agent is otherwise discontinuing its management of the Property.

4. Agent's Covenants. Agent warrants and represents to Lender, as of the date hereof that (a) Agent has agreed to act as manager of the Property pursuant to the Management Agreement, (b) the entire agreement between Agent and Borrower for the management of the Property is evidenced by the Management

Agreement, (c) the Management Agreement constitutes the valid and binding agreement of Agent, enforceable in accordance with its terms, and Agent has full authority under all state and local laws and regulations, to perform all of its obligations under the Management Agreement and (d) Borrower is not in default in the performance of any of its obligations under the Management Agreement and all payments and fees required to be paid by Borrower to Manager thereunder have been paid to the date hereof.

5. Agreement by Borrower and Agent. Borrower and Agent hereby agree that, if an Event of Default (as defined in the Loan Documents) occurs (beyond any applicable notice, cure and/or grace period) under any of the Loan Documents during the term of this Assignment, at the option of Lender exercised by written notice to Borrower and Agent: (a) all rents, security deposits, issues, proceeds and profits of the Property collected by Agent, after payment of all costs and expenses of operating the Property (including, without limitation, operating expenses, real estate taxes, insurance premiums, repairs and maintenance and the fees and commissions payable under the Management Agreement), shall be applied in accordance with Lender's written directions to Agent; (b) Lender may exercise its rights under this Assignment and may immediately terminate the Management Agreement and require Agent to transfer its responsibility for the management of the Property to a management company selected by Lender in Lender's reasonable discretion; and (c) Agent shall, if requested by Lender, or its successors or assigns, continue performance, on behalf of Lender, or its successors or assigns, of all of Agent's obligations under the terms of the Management Agreement with respect to the Property, provided Lender sends to Agent the notice set forth in Paragraph 12 hereof and performs or causes to be performed the obligations of Borrower to Agent under the Management Agreement accruing or arising from and after, and with respect to the period commencing upon, the effective date of such notice.

6. Lender's Right to Replace Agent. In addition to the foregoing, in the event that Lender, in Lender's reasonable discretion, at any time during the term of this Assignment, determines that the Property is not being managed in accordance with generally accepted management practices for similarly situated

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properties, Lender shall deliver written notice thereof to Borrower and Agent, which notice shall specify with particularity the grounds for Lender's determination. If Lender reasonably determines that the conditions specified in Lender's notice are not remedied to Lender's reasonable satisfaction by Borrower or Agent within thirty (30) days from receipt of such notice or that Borrower or Agent have failed to diligently undertake correcting such conditions within such thirty (30) day period, Lender may direct Borrower to terminate the Management Agreement and to replace Agent with a management company reasonably acceptable to Lender in Lender's sole discretion.

7. Subordination of Management Agreement and Fees. Borrower and Agent hereby agree that the Management Agreement and any and all liens, rights and interests (whether choate or inchoate and including, without limitation, all mechanic's and materialmen's liens under applicable law) owed, claimed or held, by Agent in and to the Property, are and shall be in all respects subordinate and inferior to the liens and security interests created or to be created for the benefit of Lender, its successors and assigns, and securing the repayment of the Note including, without limitation, those created under the Mortgage covering, among other things, the Property, and filed or to be filed of record in the public records maintained for the recording of mortgages in the jurisdiction where the Property is located, and all renewals, extensions, increases, supplements, amendments, modifications and replacements thereof. Borrower and Agent further agree that Agent shall not be entitled to receive any fee, commission or other amount payable to Agent under the Management Agreement for and during any period of time that any amount due and owing Lender under the Note and the Mortgage is due.

8. Consent and Agreement by Agent. Agent hereby acknowledges and consents to this Assignment and agrees that Agent will act in conformity with the provisions of this Assignment and Lender's rights hereunder or otherwise related to the Management Agreement. In the event that the responsibility for the management of the Property is transferred from Agent in accordance with the provisions hereof, Agent shall, and hereby agrees to, fully cooperate in transferring its responsibility to a new management company and effectuate such transfer no later than thirty (30) days from the date the Management Agreement is terminated. Further, Agent hereby agrees (a) not to contest or impede the exercise by Lender of any right it has under or in connection with this Assignment; and (b) that it shall, in the manner provided for in this Assignment, give at least thirty (30) days prior written notice to Lender of its intention to terminate the Management Agreement or otherwise discontinue its

management of the Property.

9. Lender's Agreement. So long as there does not exist an Event of Default under any of the Loan Documents, Lender agrees to permit any sums due to Borrower under the Management Agreement to be paid directly to Borrower.

10. No Joint Venture. Lender has no obligation to Agent with respect to the Mortgage or Loan Documents and Agent shall not be a third party beneficiary with respect to any of Lender's obligations to Borrower set forth in the Loan Documents. The relationship of Lender to Borrower, is one of a creditor to a debtor, and Lender is not a joint venturer or partner of Borrower.

11. Lender's Reliance on Representations. Agent has executed this Agreement in order to induce Lender to consent to an assumption of the Loan Documents and with full knowledge that Lender shall rely upon the representations, warranties and agreements herein contained, and that but for this instrument and the representations, warranties and agreements herein contained, Lender would not take such actions.

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12. Notice. All notices given hereunder shall be in writing and shall be either hand delivered or mailed, by registered U.S. mail, Return Receipt Requested, first class postage prepaid, to the parties at their respective addresses below or at such other address for any party as such party may designate by notice to the other parties hereto:

To Borrower:

Cedar Townfair, LLC
44 South Bayles Avenue, Suite 304
Port Washington, New York 11050

To Lender:

Wells Fargo Bank N.A. f/k/a Norwest Bank Minnesota, National
Association, as Trustee for the registered holders of NationsLink
Funding Corporation, Commercial Mortgage Pass-Through Certificates,
Series 1998-2
c/o Midland Loan Services, Inc.
10851 Mastin
Overland Park, Kansas 66210

To Agent:

Cedar Shopping Centers Partnership, LP
44 South Bayles Avenue, Suite 304
Port Washington, New York 11050

13. Binding Nature of Assignment. This Assignment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

14. Counterparts. This Assignment may be executed in any number of counterparts all of which taken together shall constitute one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed by their duly authorized representatives as of the day, month and year first above written.

WITNESS/ATTEST:

BORROWER:

Cedar Townfair, LLC,
a Delaware limited liability company

By: Cedar Shopping Centers Partnership, L.P.
a Delaware limited partnership
its Sole Member

By: Cedar Shopping Centers, Inc.
a Maryland corporation
its Sole General Partner

By: _____
Print Name: Leo S. Ullman
Title: President

WITNESS/ATTEST:

AGENT:

Cedar Shopping Centers Partnership, L.P.
a Delaware limited partnership

By: Cedar Shopping Centers, Inc.
a Maryland corporation
its Sole General Partner

By: _____
Print Name: Leo S. Ullman
Title: President

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

WITNESS/ATTEST:

LENDER:

Wells Fargo Bank N.A. f/k/a Norwest Bank
Minnesota, National Association, as Trustee for
the registered holders of NationsLink Funding
Corporation, Commercial Mortgage Pass-Through
Certificates, Series 1998-2

By: Midland Loan Services, Inc.,
a Delaware corporation,
Its Attorney-in-Fact

By: _____
Name: _____
Title: _____

EXHIBIT A

MANAGEMENT AGREEMENT

THIS DEED We hereby certify the within to be a true and correct copy of the original document.

By /s/ [graphic of signature]

THIS DEED

MADE the 16th day of March, 2004

BETWEEN TOWNFAIR CENTER ASSOCIATES, a Pennsylvania general partnership having an address at c/o Michael Joseph Development Corporation, 2500 Brooktree Road, Suite 300, Wexford, Pennsylvania 15090 ("Grantor"),

AND

CEDAR TOWNFAIR, LLC, a Delaware limited liability company having an address at 44 South Bayles Avenue, Port Washington, New York 11050 ("Grantee"),

WITNESSETH, that in consideration of \$13,006,690 paid by Grantee, the receipt of which is hereby acknowledged, Grantor hereby grants and conveys to Grantee the following:

ALL that certain piece, parcel or lot of land located in White Township, Indiana County, Pennsylvania, more particularly identified and described on Exhibit A attached hereto (the "Property").

TOGETHER WITH all and singular the buildings, improvements, ways, streets, alleys, driveways, passages, waters, water-courses, rights, liberties, privileges, hereditaments and appurtenances, whatsoever belonging to the Property or in any way pertaining to the Property, and the reversions and remainders, rents, issues, and profits thereof; and all the estate, right, title, interest, property, claim and demand whatsoever of Grantor, as well at law as in equity, of, in, and to the same.

TOGETHER WITH all of Grantor's rights and interests as Declarant under that certain Declaration of Reciprocal Easements, Covenants, and Restrictions made by Townfair Center Associates dated September 28, 1995, and recorded in Deed Book Volume 1072, Page 106; as amended by Amended and Restated Declaration of Reciprocal Easements, Covenants and Restrictions made by Townfair Center Associates and Townfair Center Associates, Phase III dated September 4, 2003, and recorded in Record Book Volume 1326, Page 204.

UNDER AND SUBJECT TO all prior instruments of record.

with the appurtenances: To Have and To Hold the same to and for the use of Grantee, its successors and assigns forever, and Grantor, for its successors and assigns, hereby covenants and agrees that it will WARRANT SPECIALLY the Property hereby conveyed.

NOTICE - THIS DOCUMENT MAY NOT/DOES NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE/HAVE, THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND, THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT. [This notice is set forth in the manner provided in Section 1 of the Act of July 17, 1957, P.L. 984, as amended, and is not intended as notice of unrecorded instruments, if any.]

IN WITNESS WHEREOF, Grantor has signed and sealed this Deed on the day and year first above written.

TOWNFAIR CENTER ASSOCIATES,
a Pennsylvania general partnership

By: Michael Joseph Limited Partnership #2,
a Pennsylvania limited partnership,
General Partner

Attest:

By: Michael Joseph Development Corporation,
a Pennsylvania corporation,
General Partner

/s/ [graphic of signature]

By: /s/ Guy J. DiRienzo

Guy J. DiRienzo, Vice President

Attest: By: P. J. Dick Incorporated,
a Pennsylvania corporation,
General Partner

/s/ [graphic of signature] By: /s/ Stephen M. Clark

Stephen M. Clark,
Executive Vice President

NOTICE THE UNDERSIGNED, AS EVIDENCED BY THE SIGNATURE TO THIS NOTICE AND THE ACCEPTANCE AND RECORDING OF THIS DEED, IS FULLY COGNIZANT OF THE FACT THAT THE UNDERSIGNED MAY NOT BE OBTAINING THE RIGHT OF PROTECTION AGAINST SUBSIDENCE, AS TO THE PROPERTY HEREIN CONVEYED, RESULTING FROM COAL MINING OPERATIONS AND THAT THE PURCHASED PROPERTY, HEREIN CONVEYED, MAY BE PROTECTED FROM DAMAGE DUE TO MINE SUBSIDENCE BY A PRIVATE CONTRACT WITH THE OWNERS OF THE ECONOMIC INTEREST IN THE COAL. THIS NOTICE IS INSERTED HEREIN TO COMPLY WITH THE BITUMINOUS MINE SUBSIDENCE AND LAND CONSERVATION ACT OF 1966, AS AMENDED 1980, OCT. 10, P.L. 874, NO. 156 ss.1.

CEDAR TOWNFAIR, LLC
a Delaware limited liability company

By: Cedar Shopping Centers Partnership, L.P.,
a Delaware limited partnership, Member

By: Cedar Shopping Centers, Inc.
a Maryland corporation, General Partner

By: /s/ Leo S. Ullman

Leo S. Ullman, President

CERTIFICATE OF RESIDENCE

I hereby certify that Grantee's precise residence is 44 South Bayles Avenue, Port Washington, NY 11050.

/s/ [graphic of signature]

Attorney or Agent for Grantee

Commonwealth of Pennsylvania)
) ss.
County of Allegheny)

On this, the 17th day of March, 2004, before me, the undersigned officer, personally appeared Guy J. DiRienzo, who acknowledged himself to be the Vice President of Michael Joseph Development Corporation, a Pennsylvania corporation and the General Partner of Michael Joseph Limited Partnership #2, a Pennsylvania limited partnership and a General Partner of Townfair Center Associates, a Pennsylvania general partnership, and that he as such officer, being authorized to do so, executed the foregoing instrument for the purpose therein contained by signing the name of the corporation by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

/s/ Mary E. Fersch

Notary Public

COMMONWEALTH OF PENNSYLVANIA

My Commission Expires: [graphic omitted]

Commonwealth of Pennsylvania)
) ss.
County of Allegheny)

On this, the 16th day of March, 2004, before me, the undersigned officer, personally appeared Stephen M. Clark, who acknowledged himself to be the Executive Vice President of P. J. Dick Incorporated, a Pennsylvania corporation and a General Partner of Townfair Center Associates, a Pennsylvania general partnership, and that he as such officer, being authorized to do so,

executed the foregoing instrument for the purpose therein contained by signing the name of the corporation by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

/s/ Sarah J. Paterick

Notary Public

My Commission Expires: July 30, 2006

Notarial Seal

Sara J. Paterick, Notary Public
West Mifflin Boro, Alleghany County
My Commission Expires July 30, 2006

Member Pennsylvania Association Of Notaries

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Exhibit A

All those certain lots or parcels of land situate in White Township, Indiana County, Pennsylvania identified as Lot 1, Lot 2 and Parcel A-1 shown on Townfair Plan No. 1 recorded in Plan Book Volume 5, page 216; and Lot 4A-Revised, Lot 4C-1 and Lot 4C-2 shown on Townfair Plan No. 3 recorded in Plan Book Volume 7, page 89; together bounded and described as follows:

Beginning at a point on the westerly right of way line of Woodridge Lane, 50.00 feet wide, at the line dividing Lot 4A and Lot 4B in the Townfair Plan No. 2 as recorded in the Office of the Recorder of Deeds of Indiana County, Pennsylvania, in Plan Book Volume 6, Page 151; thence from said point of beginning by the line dividing Lot 4A and Lot 4B in said Townfair Plan No. 2 the following six (6) courses and distances:

N 84(degree) 19' 30" W a distance of 79.12 feet;
N 66(degree) 43' 51" W a distance of 103.04 feet;
S 83(degree) 09' 40" W a distance of 89.49 feet;
S 60(degree) 48' 33" W a distance of 315.89 feet;
S 53(degree) 22' 57" W a distance of 103.15 feet;
S 36(degree) 47' 14" W a distance of 41.79 feet to a point.

Thence by the line dividing Lot 4A from Lot 4B and Lot 4D in said Townfair Plan No. 2, S 60(degree) 18' 41" W a distance of 59.66 feet to a point; thence by the line dividing Lot 4A and Lot 4D in said Townfair Plan No. 2, S 50(degree) 12' 16" W a distance of 95.33 feet; thence continuing by same S 37(degree) 01' 31" W a distance of 32.69 feet to a point on the easterly right of way line of Ben Franklin Road, State Route No. 6422, variable width; thence by the easterly right of way line of said Ben Franklin Road the following six (6) courses and distances:

N 24(degree) 25' 00" W a distance of 130.66 feet;
N 55(degree) 22' 50" W a distance of 29.15 feet;
N 24(degree) 25' 00" W a distance of 133.43 feet;

N 27(degree) 35' 22" W a distance of 46.74 feet;
N 21(degree) 51' 18" W a distance of 169.75 feet;
N 24(degree) 25' 00" W a distance of 11.89 feet to a point on the line dividing Lot 4C in said Townfair Plan No. 2 and Lot 3 in the Townfair Plan No. 1 as recorded in the Office of the Recorder of Deeds of Indiana County, Pennsylvania, in Plan Book Volume 5, Page 216; thence by the line dividing Lot 4C in said Townfair Plan No. 2 and Lot 3 in said Townfair Plan No. 1, N 60(degree) 41' 56" E a distance of 149.94 feet to a point on the line dividing Lot 3 and Lot 1 in said Townfair Plan No. 1; thence by the line dividing Lot-3 and Lot 1 the following eight (8) courses and distances:

N 29(degree) 34' 47" W a distance of 96.95 feet;
N 30(degree) 38' 03" W a distance of 147.34 feet;
N 48(degree) 30' 41" W a distance of 15.35 feet;
N 85(degree) 19' 12" W a distance of 16.22 feet;
S 60(degree) 40' 35" W a distance of 30.39 feet;
S 41(degree) 30' 57" W a distance of 34.66 feet;
S 31(degree) 32' 07" W a distance of 34.96 feet;
S 21(degree) 36' 38" W a distance of 13.82 feet to a point on the

easterly right of way line of said Ben Franklin Road.

Thence by the easterly right of way line of said Ben Franklin Road the following five (5) courses and distances:

in a northwesterly direction by a curve bearing to the left having a radius of 766.78 feet through an arc distance of 122.83 feet;

S 52(degree)43' 16" W a distance of 5.00 feet;

in a northwesterly direction by a curve bearing to the left having a radius of 761.78 feet through an arc distance of 38.67 feet to a point of tangency;

N 40(degree)12' 00" W a distance of 174.85 feet to a point of curvature;

in a northwesterly direction by a curve bearing to the right having a radius of 774.02 feet through an arc distance of 157.74 feet to a point on the line dividing Lot 2 in said Townfair Plan No. 1 from lands now or formerly of Hampton Court Associates.

Thence by the line dividing Lot 1 and Lot 2 in said Townfair Plan No. 1 from lands now or formerly of Hampton Court Associates N 55(degree) 00' 00" E a distance of 966.14 feet to a point on the line dividing Lot 1 in said Townfair Plan No. 1 and lands now or formerly of L M C Enterprises, Inc.; thence by the line dividing Lot 1 in said Townfair Plan No. 1 and Lot 4A in said Townfair Plan No. 2 from lands now or formerly of L M C Enterprises, Inc. S 29(degree) 15' 00" E a distance of 1,172.00 feet to a point on the line dividing Parcel A-1 in said Townfair Plan No. 2 and lands now or formerly of L M C Enterprises, Inc.; thence by the line dividing Parcel A-1 in said Townfair Plan No. 2 and lands now or formerly of L M C Enterprises, Inc. N 62(degree) 01' 26" E a distance of 693.37 feet to a point on the line dividing Parcel A-1 in said Townfair Plan No. 2 and lands now or formerly of Frank J. Simone, et ux; thence by the

line dividing Parcel A-1 in said Townfair Plan No. 2 and lands now or formerly of Frank J. Simone, et ux, S 20(degree) 03' 39" E a distance of 112.14 feet to a point on the line dividing Parcel A-1 in said Townfair Plan No. 2 and the Klamar Plan of Lots as recorded in the Office of the Recorder of Deeds of Indiana County, Pennsylvania, in Deed Book Volume 491, Page 475; thence by the line dividing Parcel A-1 in said Townfair Plan No. 2 and said Klamar Plan of Lots following three (3) courses and distances:

S 68(degree) 13' 21" W a distance of 22.97 feet;

S 21(degree) 20' 39" E a distance of 39.21 feet;

S 32(degree) 07' 21" W a distance of 65.01 feet to a point.

Thence by the line dividing Parcel A-1 in said Townfair Plan No. 2 from said Klamar Plan of Lots, the northerly terminus of Hickory Lane, 35.00 feet wide, Lot 12 in said Klamar Plan of Lots and lands now or formerly of Norman H. Lewandowski S 71(degree) 56' 21" W a distance of 338.00 feet to a point on the line dividing Parcel A-1 in said Townfair Plan No. 2 and lands now or formerly of Norman H. Lewandowski; thence by the line dividing Parcel A-1 in said Townfair Plan No. 2 and lands now or formerly of Norman H. Lewandowski S 12(degree) 03' 39" E a distance of 120.00 feet to a point; thence by the line dividing Parcel A-1 in said Townfair Plan No. 2 from lands now or formerly of Norman H. Lewandowski and lands now or formerly of Robert W. McKenney, Jr. et ux. S 03(degree) 16' 54" E a distance of 99.91 feet to a point on the line dividing Parcel A-1 in said Townfair Plan No. 2 and Lot 7 in said Klamar Plan of Lots; thence by the line dividing Parcel A-1 in said Townfair Plan No. 2 and Lot 7 in said Klamar Plan of Lots S 89(degree) 34' 09" W a distance of 176.99 feet to a point on the cul-de-sac of the northerly terminus of said Woodridge Lane; thence by the cul-de-sac of the northerly terminus of said Woodridge Lane in a southerly direction by a curve bearing to the left having a radius of 50.00 feet through an arc distance of 172.10 feet to a point on the westerly right of way line of said Woodridge Lane; thence by the westerly right of way line of said Woodridge Lane S 05(degree) 40' 30" W a distance of 58.32 feet to a point on the line dividing Lot 4A and Lot 4B in said Townfair Plan No. 2, such point being the point of beginning.

We hereby certify the within
to be a true and correct
copy of the original
document.

By [graphic of signature]

THIS DEED

MADE the 16th day of March, 2004

BETWEEN TOWNFAIR CENTER ASSOCIATES, PHASE III, a Pennsylvania general partnership having an address at c/o Michael Joseph Development Corporation, 2500 Brooktree Road, Suite 300, Wexford, Pennsylvania 15090 ("Grantor"),

AND

CEDAR TOWNFAIR PHASE III, LLC, a Delaware limited liability company having an address at 44 South Bayles Avenue, Port Washington, New York 11050 ("Grantee"),

WITNESSETH, that in consideration of \$3,200,000.00, paid by Grantee, the receipt of which is hereby acknowledged, Grantor hereby grants and conveys to Grantee the following:

ALL that certain piece, parcel or lot of land located in White Township, Indiana County, Pennsylvania, more particularly identified and described on Exhibit A attached hereto (the "Property").

TOGETHER WITH all and singular the buildings, improvements, ways, streets, alleys, driveways, passages, waters, water-courses, rights, liberties, privileges, hereditaments and appurtenances, whatsoever belonging to the Property or in any way pertaining to the Property, and the reversions and remainders, rents, issues, and profits thereof; and all the estate, right, title, interest, property, claim and demand whatsoever of Grantor, as well at law as in equity, of, in, and to the same.

TOGETHER WITH all of Grantor's rights and interests as Declarant under tat certain Declaration of Reciprocal Easements, Covenants, and Restrictions made by Townfair Center Associates dated September 28, 1995, and recorded in Deed Book Volume 1072, Page 106; as amended by Amended and Restated Declaration of Reciprocal Easements, Covenants and Restrictions made by Townfair Center Associates and Townfair Center Associates, Phase III dated September 4, 2003, and recorded in Record Book Volume 1326, Page 204.

UNDER AND SUBJECT TO all prior instruments of record.

with the appurtenances; To Have and To Hold the same to and for the use of Grantee, its successors and assigns forever, and Grantor, for its successors and assigns, hereby covenants and agrees that it will WARRANT SPECIALLY the Property hereby conveyed.

NOTICE - THIS DOCUMENT MAY NOT/DOES NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE/HAVE, THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND, THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT. [This notice is set forth in the manner provided in Section 1 of the Act of July 17, 1957, P.L. 984, as amended, and is not intended as notice of unrecorded instruments, if any.]

IN WITNESS WHEREOF, Grantor has signed and sealed this Deed on the day and year first above written.

TOWNFAIR CENTER ASSOCIATES, PHASE III
a Pennsylvania general partnership

By: Michael Joseph Limited Partnership #2,
a Pennsylvania limited partnership,
General Partner

Attest: By: Michael Joseph Development Corporation,
a Pennsylvania corporation,
General Partner

/s/ [signature of graphic] By: /s/ Guy J. DiRienzo

Guy J. DiRienzo, Vice President

Attest: By: P. J. Dick Incorporated,

Commonwealth of Pennsylvania)
) ss.
County of Allegheny)

On this, the 16th day of March, 2004, before me, the undersigned officer, personally appeared Stephen M. Clark, who acknowledged himself to be the Executive Vice President of P. J. Dick Incorporated, a Pennsylvania corporation and a General Partner of Townfair Center Associates, Phase III, a Pennsylvania general partnership, and that he as such officer, being authorized to do so, executed the foregoing instrument for the purpose therein contained by signing the name of the corporation by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

/s/ Sara J. Paterick

Notary Public

My Commission Expires: July 30, 2006

Notarial Seal
Sara J. Paterick, Notary Public
West Mifflin Boro, Alleghany County
My Commission Expires July 30, 2006

Member Pennsylvania Association Of Notaries

Exhibit A

All that certain lot or parcel of land situate in White Township, Indiana County, Pennsylvania identified as Lot 4B-1 shown on Townfair Plan No. 4 recorded in Record Book Volume 1326, page 189, bounded and described as follows:

Thence from the original point of beginning S 05(degree) 40' 30" W a distance of 573.37 feet to a point; thence by the line dividing Lot 4B in Townfair Plan No. 4 and lands now or formerly of A. Blaine Fairman S 87(degree) 24' 30" W a distance of 199.04 feet to a point; thence by a line dividing Lot 4B-1 and Lot 4D-1 in said Townfair Plan No. 4 the following seven (7) courses and distances:

- N 04(degree) 26' 47" W a distance of 197.99 feet;
- S 85(degree) 33' 13" W a distance of 51.07 feet;
- N 04(degree) 26' 47" W a distance of 116.00 feet;
- S 85(degree) 33' 13" W a distance of 140.00 feet;
- N 04(degree) 26' 47" W a distance of 32.00 feet;
- S 85(degree) 33' 13" W a distance of 156.58 feet;
- N 32(degree) 20' 22" W a distance of 52.18 feet on the line dividing Lot 4A and Lot 4B in said Townfair Plan No. 2.

Thence on the line dividing Lot 4A and Lot 4B in said Townfair Plan No. 2 the following seven (7) courses and distances:

- N 60(degree) 18' 41" E a distance of 12.70 feet;
- N 36(degree) 47' 14" E a distance of 41.79 feet;
- N 53(degree) 22' 57" E a distance of 103.15 feet;
- N 60(degree) 48' 33" E a distance of 315.89 feet;
- N 83(degree) 09' 40" E a distance of 89.49 feet;
- S 66(degree) 43' 51" E a distance of 103.04 feet;
- S 84(degree) 19' 30" E a distance of 79.12 feet to the original point of beginning.

THIS DEED

MADE the 5th day of March, 2004

BETWEEN DuBOIS REALTY PARTNERS, L.P., a Pennsylvania limited partnership having an address at c/o Michael Joseph Acquisition Corporation, 2500 Brooktree Road, Suite 300, Wexford, Pennsylvania 15090 ("Grantor"),

AND

CEDAR DUBOIS, LLC, a Delaware limited liability company having an address at 44 South Bayles Avenue, Port Washington, New York 11050 ("Grantee"),

WITNESSETH, that in consideration of \$17,400,000.00 paid by Grantee, the receipt of which is hereby acknowledged, Grantor hereby grants and conveys to Grantee the following:

ALL that certain piece, parcel or lot of land located in Sandy Township, Clearfield County, Pennsylvania, more particularly identified and described on Exhibit A attached hereto (the "Property").

TOGETHER WITH all and singular the buildings, improvements, ways, streets, alleys, driveways, passages, waters, water-courses, rights, liberties, privileges, hereditaments and appurtenances, whatsoever belonging to the Property or in any way pertaining to the Property, and the reversions and remainders, rents, issues, and profits thereof; and all the estate, right, title, interest, property, claim and demand whatsoever of Grantor, as well at law as in equity, of, in, and to the same.

TOGETHER WITH all of Grantor's rights and interests as Declarant under that certain Declaration of Easements, Covenants, Conditions and Restrictions made by DuBois Realty Partners, L.P. dated October 28, 1999, recorded as Instrument No. 199918030; as amended and restated by Amended and Restated Declaration of Easements, Covenants, Conditions and Restrictions dated December 16, 1999, recorded as Instrument No. 200004444; as amended by Amendment No. 1 to Amended and Restated Declaration of Easements, Covenants, Conditions and Restrictions dated March 21, 2001, recorded as Instrument No. 200104384; as amended by Amendment No. 2 to Amended and Restated Declaration of Easements, Covenants, Conditions and Restrictions dated October 11, 2001, recorded as Instrument No. 200118409.

UNDER AND SUBJECT TO all prior instruments of record.

with the appurtenances: To Have and To Hold the same to and for the use of Grantee, its successors and assigns forever, and Grantor, for its successors and assigns, hereby covenants and agrees that it will WARRANT SPECIALLY the properties hereby conveyed.

NOTICE -- THIS DOCUMENT MAY NOT / DOES NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE / HAVE, THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND, THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT. [This notice is set forth in the manner provided in Section 1 of the Act of July 17, 1957, P.L. 984, as amended, and is not intended as notice of unrecorded instruments, if any.]

IN WITNESS WHEREOF, Grantor has signed and sealed this Deed on the day and year first above written.

DuBOIS REALTY PARTNERS, L.P.,
a Pennsylvania limited partnership

Attest: By: Michael Joseph Acquisition Corporation,
a Pennsylvania corporation, General Partner

/s/ [graphic of signature]

By: /s/ Guy J. DiRienzo

Guy J. DiRienzo, Vice President

Exhibit A

PARCEL No. 1:
- - - - -

ALL that certain piece, parcel or tract of land lying and being situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows to wit:

BEGINNING at an existing 3/4" rebar set by previous survey on the northern right-of-way for a 16 foot unopened alley as shown on the Harriet Bogle Plan of Lots and surveyed by George Kirk, CE in 1916, said rebar being N 74 degrees 15 minutes 46 seconds W a distance of 694.45 feet from a 3/4" rebar set by previous survey at the intersection of the rights-of-way of said unopened 16 foot alley and Shaffer Road, and being the southeast corner of the herein described parcel,

THENCE; N 74 degrees 15 minutes 46 seconds W along the northern right-of-way line of a 16 foot unopened alley a distance of 1021.21 feet to an existing 3/4" rebar set by previous survey at the southeast corner of land now or formerly Ida Mae Lockhart & Alberta G. Larson,

THENCE; N 15 degrees 44 minutes 14 seconds E along lands now or formerly Ida Mae Lockhart & Alberta G. Larson a distance of 150.00 feet to an existing 3/4" rebar set by previous survey,

THENCE; N 74 degrees 15 minutes 29 seconds W along lands now or formerly Ida Mae Lockhart & Alberta G. Larson a distance of 200.00 feet to an existing 3/4" rebar set by previous survey,

THENCE; S 15 degrees 44 minutes 14 seconds W along lands now or formerly Ida Mae Lockhart & Alberta G. Larson a distance of 150.00 feet to an existing 3/4" rebar set by previous survey on the northern line of an unopened 16 foot alley,

THENCE; N 74 degrees 15 minutes 46 seconds W along the northern line of a 16 foot unopened alley a distance of 124.17 feet to an existing 3/4" rebar set by previous survey, and being the southwest corner of the herein described parcel,

THENCE; N 16 degrees 05 minutes 56 seconds E along lands now or formerly Nedza Real Estate Development Corporation a distance of 758.96 feet to an existing 3/4" rebar set by previous survey, and being the northwest corner of the herein described parcel,

THENCE; S 74 degrees 21 minutes 30 seconds E along lands now or formerly Nedza Real Estate Development Corporation a distance of 1365.50 feet to an existing W rebar set by previous survey, and being the northeast corner of the herein described parcel,

THENCE; S 16 degrees 04 minutes 09 seconds W along lands now or formerly Lowe's Home Improvement Warehouse a distance of 406.81 feet to a P.K. nail set by this survey,

THENCE; S 54 degrees 25 minutes 38 seconds W along lands now or formerly Lowe's Home Improvement Warehouse a distance of 33.03 feet to a P.K. nail set by this survey,

THENCE; S 16 degrees 04 minutes 09 seconds W along lands now or formerly Lowe's Home Improvement Warehouse a distance of 328.66 feet to the place of beginning.

CONTAINING 999,266 square feet or 22.94 Acres.

TOGETHER WITH the free and common use, right, liberty and privilege of a perpetual easement for ingress and egress over lands now or formerly of DuBois Realty Partners, L.P., Nedza Real Estate Development Corporation and Developac, Inc. pursuant to and as set forth and more particularly described in (a) that certain Industrial Drive Easement among DuBois Realty Partners, L.P., Nedza Real Estate Development Corporation and Developac, Inc. dated October 28, 1999 and recorded in the Office of the Recorder of Deeds of Clearfield County as Instrument No. 199918027, and (b) that certain Agreement dated March 27, 1992 between David C. DuBois and Nedza Real Estate Development Corporation recorded in the Office of the Recorder of Deeds of Clearfield County in Volume 1451, page 426, as modified by that certain Modification of Easement dated October 28, 1999 and recorded in the Office of the Recorder of Deeds of Clearfield County as Instrument No. 199918024.

PARCEL "B":

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ALL that certain piece, parcel or tract of land lying and being situated in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows to wit:

BEGINNING at a existing rebar, said rebar being along the eastern right-of-way for Commons Drive and along the southern right-of-way for First Street (T-811; 60-foot R/W) and also being the northwest corner of the herein described parcel;

THENCE, S 77 Degrees 49 Minutes 25 Seconds E along the southern right-of-way for First Street a distance of 300.13 feet to a existing rebar, said rebar being along the western right-of-way for an unopened 16-foot alley and also being the northeast corner of the herein described parcel;

THENCE, S 12 Degrees 10 Minutes 35 Seconds W along said unopened 16-foot alley a distance of 150.00 feet to a existing rebar, said rebar being along the northern right-of-way for an unopened 12-foot alley and also being the southeast corner of the herein described parcel;

THENCE, N 77 Degrees 49 Minutes 25 Seconds W along said unopened 12-foot alley a distance of 302.88 feet to a existing rebar, said rebar being along the eastern right-of-way for Commons Drive and also being the southwest corner of the herein described parcel;

THENCE, along the eastern right-of-way for Commons Drive by a curve to the left, said curve having a radius of 275.00 feet and an arc distance of 37.27 feet, said arc having a chord bearing of N 16 Degrees 08 Minutes 51 Seconds E and a chord distance of 37.24 feet, to a existing rebar;

THENCE, N 12 Degrees 15 Minutes 54 Seconds E along the eastern right-of-way for Commons Drive a distance of 112.85 feet to a existing rebar, the point of beginning.

CONTAINING 45,067.58 square feet or 1.03 acres.

PARCEL "C":

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ALL that certain piece, parcel or tract of land lying and being situated in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows to wit:

BEGINNING at a existing rebar, said rebar being along the southern right-of-way for First Street (T-811; 60-foot R/W) and also being the northwest corner of lands now or formerly of Varischetti & Sons, Inc, (Instrument No. 200000767, Parcel 29 on Clearfield County Assessment Map 128-C3-653) and the northeast corner of the herein described parcel;

THENCE, S 12 Degrees 10 Minutes 35 Seconds W along said lands of Varischetti & Sons, Inc. a distance of 150.00 feet to a existing rebar, said rebar being along the northern right-of-way for a 12-foot unopened alley and also being the southwest corner of said lands of Varischetti & Sons, Inc. and the southeast corner of the herein described parcel;

THENCE, N 77 Degrees 49 Minutes 25 Seconds W along said 12-foot unopened alley a distance of 100.00 feet to a existing rebar, said rebar being along the eastern right-of-way for a 16-foot unopened alley and being the southwest corner of the herein described parcel;

THENCE, N 12 Degrees 10 Minutes 35 Seconds E along said 16-foot unopened alley a distance of 150.00 feet to a existing rebar, said rebar being along the southern right-of-way for First Street and also being the northwest corner of the herein described parcel;

THENCE, S 77 Degrees 49 Minutes 25 Seconds E along the southern right-of-way for First Street a distance of 100.00 feet to a existing rebar, the point of beginning.

CONTAINING 15,000 square feet or 0.34 acres.

PARCEL "D":

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ALL that certain piece, parcel or tract of land lying and being situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows to wit:

BEGINNING at a existing rebar, said rebar being along the southern right-of-way for First Street (T-811; 60-foot R/W) and also being the northeast corner of lands now or formerly of Nancy J. and Thomas A. Geist (Deed Book 1047 Page 232, Parcel 18 on Clearfield County Assessment Map 128-C3-653) and the northwest corner of the herein described parcel;

THENCE, S 77 Degrees 49 Minutes 25 Seconds E along the southern right-of-way for First Street a distance of 100.00 feet to a existing rebar, said rebar being along the western right-of-way for Commons Drive (50-foot R/W) and also being the northeast corner of the herein described parcel;

THENCE, S 12 Degrees 15 Minutes 54 Seconds W along the western right-of-way for Commons Drive a distance of 112.77 feet to a existing rebar, said rebar being the PC of a curve to the right;

THENCE, along the western right-of-way for Commons Drive by a curve to the right, said curve having a radius of 225.00 feet and an arc length of 37.41 feet, said arc having a chord bearing of S 17 Degrees 01 Minutes 40 Seconds W and a chord distance of 37.36 feet to a existing rebar, said rebar being along the northern right-of-way for a 12-foot unopened alley and being the southeast corner of the herein described parcel;

THENCE, N 77 degrees 49 Minutes 25 Seconds W along the northern right-of-way for said 12-foot unopened alley a distance of 96.67 feet to a existing rebar, said rebar being the southwest corner of the herein described parcel;

THENCE, N 12 Degrees 10 Minutes 35 Seconds E along said lands of Geist a distance of 150.00 feet to a existing rebar, the point of beginning.

CONTAINING 14,944.22 square feet or 0.34 acres.

PARCEL "E":

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ALL that certain piece, parcel or tract of land lying and being situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows to wit:

BEGINNING at a existing rebar, said rebar being along the northern right-of-way for S.R.255 (30-foot R/W) and also being the southeast corner of lands now or formerly of Nancy J. and Thomas Geist (Deed Book 1047 Page 232, Parcel 18 on Clearfield County Assessment Map 128-C3-653) and the southwest corner of the herein described parcel;

THENCE, N 15 Degrees 32 Minutes 02 Seconds E along said lands of Geist a distance of 250.52 feet to a existing rebar, said rebar being the northwest corner of the herein described parcel;

THENCE, S 77 Degrees 49 Minutes 25 Seconds E along the southern right-of-way for a 12-foot unopened alley a distance of 86.02 feet to a existing rebar, said rebar being along the western right-of-way for Commons Drive (50-foot R/W) and also being the northeast corner of the herein described parcel;

THENCE, along the western right-of-way for Commons Drive by a curve to the right, said curve having a radius of 225.00 feet and an arc length of 36.45 feet, said arc having a chord bearing of S 29 Degrees 32 Minutes 50 Seconds W and a chord distance of 36.42 feet, to a existing rebar, said rebar being the PT of said curve;

THENCE, S 34 Degrees 11 Minutes 19 Seconds W along the western right-of-way for Commons Drive a distance of 39.92 feet to a existing rebar, said rebar being the PC of a curve to the left;

THENCE, along the western right-of-way for Commons Drive by a curve to the left, said curve having a radius of 275.00 feet and an arc length of 89.54 feet, said arc having a chord bearing of S 24 Degrees 51 Minutes 41 Seconds W

and a chord distance of 89.14 feet to a existing rebar, said rebar being the PT of said curve;

THENCE, S 15 Degrees 32 Minutes 02 Seconds W along the western right-of-way for Commons Drive a distance of 44.44 feet to a existing rebar, said rebar being the PC of a curve to the right;

THENCE, along the western right-of-way for Commons Drive and along the northern right-of-way for S.R.255 by a curve to the right, said curve having a radius of 50.00 feet and an arc length of 78.37 feet, said arc having a chord bearing of S 60 Degree 26 Minutes 21 Seconds W and a chord distance of 70.59 feet to a existing rebar, the point of beginning.

CONTAINING 14,325.18 square feet or 033 acres.

ASSIGNMENT AND ASSUMPTION 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 Shopping Centers Partnership, L.P., a Delaware limited partnership ("Assignor") hereby assigns to Cedar DuBois, LLC, a Delaware limited liability company (together with its successors and assigns, ("Assignee")), without recourse, all of its right, title and interest in and to that certain Agreement of Purchase and Sale, dated as of December 24, 2003 made by and between Assignor and DuBois Realty Partners, L.P., a Pennsylvania limited partnership having an address at c/o Michael Joseph Development Corporation 2500 Brooktree Drive, Suite 300, Wexford, PA 15090.

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 March 5, 2004.

Cedar Shopping Centers Partnership, L.P.

By: Cedar Shopping Centers, Inc.
its general partner

By: /s/ Brenda J. Walker

Brenda J. Walker
Vice-President

Cedar DuBois, LLC

By: Cedar Shopping Centers Partnership, L.P.
its sole member

By: Cedar Shopping Centers, Inc.
its general partner

By: /s/ Brenda J. Walker

Brenda J. Walker
Vice President

ASSIGNMENT AND ASSUMPTION OF LEASES AND
SECURITY DEPOSITS

This Assignment and Assumption Agreement is made this 5th day of March, 2004, between DUBOIS REALTY PARTNERS, L.P., a Pennsylvania limited partnership having an address at c/o Michael Joseph Development Corporation 2500 Brooktree Drive, Suite 300, Wexford, PA 15090 ("Assignor") and CEDAR DUBOIS, LLC, a Delaware limited liability company, having an address at 44 South Bayles Avenue, Port Washington, New York 11050 (the "Assignee").

BACKGROUND

Assignor and Assignee entered into a certain Agreement of Purchase and Sale dated December 24, 2003, (the "Agreement of Sale"), in which Assignor agreed to sell and Assignee agreed to purchase certain real estate and other real and personal property more fully described therein, which real estate is described on Exhibit "A" attached hereto and made a part hereof (the "Property"). Pursuant to the Agreement of Sale, under which closing is taking place on the date hereof, Assignor desires to transfer and assign to Assignee all of Assignor's right, title, interest and privileges in and to (a) all existing leases for portions of the Property (the "Leases"), (b) the security deposits, guarantees and other security for the performance of the tenants' obligations under the respective Leases being held by Assignor with respect to the Leases (the "Security"), and Assignee desires to accept such assignment and assume Assignor's obligations under the Leases arising from and after the date hereof including, without limitation, those in respect of the Security. Any capitalized terms used in this instrument that are defined in the Agreement of Sale shall have the meanings given such terms in the Agreement of Sale.

NOW, THEREFORE, intending to be legally bound hereby, Assignor and Assignee agree as follows:

1. Assignor hereby absolutely and irrevocably transfers and assigns to Assignee all of Assignor's right, title, interest, claims and privileges, as landlord, in and to the Leases and the Security, all of which are listed on Exhibit "B" and Exhibit B-1, respectively, attached hereto and made a part hereof. Assignor represents and warrants to Assignee that Exhibit B is a true, complete and correct list of the Leases which affect the Property, including all amendments, modifications, letter agreements, assignments and guaranties thereof or relating thereto. Assignor represents and warrants to Assignee that there are no agreements (written or oral) affecting the Property or any portion thereof in the nature of leases (including ground leases), concessions, licenses or occupancy agreements, or any amendments, modifications side letters or guaranties thereof, other than the Leases listed on Exhibit B, true and complete copies of which have been delivered to Assignee. Assignor represents and warrants to Assignee that Exhibit B-1 contains a complete list of all security deposits and letters of credit (if any) posted with Assignor as security, affecting the Property. Assignor agrees to indemnify, defend and hold Assignee harmless from and against any and all losses, liabilities or damages, including reasonable attorneys fees and litigation expenses, arising as a result of claims asserted against Assignee under the Leases (or otherwise) for events occurring prior to the date hereof (including, without limitation, claims for the return of any Security not listed on Exhibit "B-1").

2. Assignee hereby assumes and agrees to perform all of the Assignor's obligations, as landlord, arising or to be performed under the Leases from and after the date of this Assignment. Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all loss, liability or damages, including without limitation reasonable attorneys fees and costs of suit, arising as a result of claims asserted against Assignor under the Leases for events occurring on or after the date hereof (including without limitation claims for the return of any Security listed on Exhibit "B-1").

3. The rights and obligations of the parties hereto shall be binding upon and inure to the benefit of Assignee and Assignor and their respective successors and assigns.

4. This Agreement, its construction, validity and effect, and its interpretation, performance and enforcement, and the remedies therefor, shall be governed and construed by and according to the laws of the Commonwealth of Pennsylvania,

5. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one entire original Assignment.

IN WITNESS WHEREOF, the parties have executed this Assignment and Assumption Agreement as of the day and year first above written.

ASSIGNOR:

DUBOIS REALTY PARTNERS, L.P.,
a Pennsylvania general partnership

By: Michael Joseph Acquisition Corporation.
a Pennsylvania corporation,
its General Partner

By: /s/ Guy J. DiRienzo

Guy J. DiRienzo, Vice President

ASSIGNEE:

CEDAR DUBOIS, LLC
a Delaware limited liability company

By: Cedar Shopping Centers Partnership, L.P.,
a Delaware limited partnership,
its sole member

By: Cedar Shopping Centers, Inc.,
a Maryland corporation,
its general partner

By: /s/ Brenda J. Walker

Brenda J. Walker
Vice President

EXHIBIT B
(Tenant Leases)

Leases for The Commons

Supervalu Holdings - PA, LLC (Shop N Save)

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Supervalu Holdings-PA, LLC ("Tenant") dated December 16, 1999
- o Amendment No. 1 to Lease between Dubois Realty Partners, L.P. ("Landlord") and Supervalu Holdings - PA, LLC ("Tenant") dated June 14, 2001

The Elder-Beerman Stores Corp.

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and The Elder-Beerman Stores Corp. ("Tenant") dated January 25, 2001

Pier 1 Imports (U.S.), Inc.

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Pier 1 Imports (U.S.), Inc. ("Tenant") dated February 15, 2001

Acton Enterprises, Inc. (Shoe Sensation)

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Acton Enterprises, Inc. d/b/a Shoe Sensation ("Tenant") dated October 8, 2003

Fashion Bug Plus #8060, Inc.

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Fashion Bug Plus #8060, Inc. ("Tenant") dated March 5, 2001

Blockbuster, Inc.

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Blockbuster, Inc. ("Tenant") dated August 31, 2001

RadioShack Corporation

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Radio Shack Corp. ("Tenant") dated October 2, 2001
- o Radio Shack letter dated November 25, 2002 allowing Landlord to lease space to Rent-A-Center

R & R Optical, Inc. (Wise Eyes)

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and R & R Optical, Inc. d/b/a Wise Eyes Optical ("Tenant") dated August 21, 2001

Nickay Corporation (Quizno's Classic Subs)

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Nickay Corporation d/b/a Quizno's Classic Subs dated August 1, 2001

Sally Beauty Company, Inc.

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Sally Beauty Company, Inc. d/b/a Sally Beauty Supply dated August 1, 2001

Rent-A-Center, Inc.

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Rent-A-Center, Inc. ("Tenant") dated December 2, 2002
- o Rent-A-Center letter dated April 16, 2003 discussing the Tenant Improvement Allowance

The Winery at Wilcox, Inc.

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and The Winery at Wilcox, Inc. d/b/a The Winery at Wilcox dated March 25, 2002

Holiday Hair, Inc.

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Holiday Hair, Inc. d/b/a Holiday Hair dated May 23, 2002

Gourmet Buffet of Dubois, Inc.

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Gourmet Buffet of Dubois, Inc. dated May 23, 2002

Dollar Tree Stores, Inc.

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Dollar Tree Stores, Inc. dated October 30, 2002

Meneely Family II, LLC (Card\$mart)

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Meneely Family II, LLC d/b/a Card\$mart ("Tenant") dated February 11, 2003

Stephen D. Melillo (Melillo Laundromat)

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Stephen D. Melillo ("Tenant") dated March 17, 2003

Charles W. Adams, Jr. and Celia J. Adams (Black Forest Furniture)

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Charles W. Adams, Jr. and Celia J. Adams ("Tenant") dated June 16, 2003

Mattress Emporium

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Genesis Ventures, LTC d/b/a Mattress Emporium ("Tenant") dated December 11, 2003

Check 'N Go of Pennsylvania, Inc.

- o Lease between Dubois Realty Partners, L.P. ("Landlord") and Check 'N Go of Pennsylvania, Inc. d/b/a Check 'N Go dated November 24, 2003

Tenant	Security Deposit
Executed Leases:	
Shop 'n Save	\$0
Elder Beerman	\$0
Pier 1 Imports	\$0
Shoe Sensation	\$0
Fashion Bug	\$0
Blockbuster Video	\$0
Radio Shack	\$0
Wise Eyes Optical	\$2,567
Quizno's Classic Subs	\$2,000
Sally Beauty Supply	\$0
Rent A Center	\$0
The Winery at Wilcox	\$2,250
Holiday Hair	\$0
Gourmet Buffet	\$6,700
Dollar Tree	\$0
CardSmart	\$2,600
Melillo Laundrymat	\$1,575
Black Forest Furniture	\$1,500
Check 'N Go	\$1,500
Mattress Emporium	\$0
Executed Subtotal	\$20,692

GENERAL INSTRUMENT OF TRANSFER AND BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, that DUBOIS REALTY PARTNERS, L.P., a Pennsylvania limited partnership having an address at c/o Michael Joseph Development Corporation 2500 Brooktree Drive, Suite 300, Wexford, PA 15090 ("Grantor"), in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has bargained and sold and by this General Instrument of Transfer and Bill of Sale does GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER and DELIVER to CEDAR DUBOIS, LLC, a Delaware limited liability company, having an address at 44 South Bayles Avenue, Port Washington, New York 11050 (the "Grantee"), all of the right, title and interest of Grantor, in and to the following (collectively, the "Assets"):

(a) All tangible personal property owned by Grantor and now located upon, attached to, pertaining to, or used in connection with certain real property situated in Sandy Township, Indiana County, Pennsylvania, more particularly identified and described on Exhibit A annexed hereto and hereby made a part hereof (the "Real Estate"), including, without limitation, all equipment, fixtures, machinery, apparatus, blinds, curtains, and treatments, blueprints, plans, specifications, surveys, reports and appraisals and other tangible personal property of any kind and description;

(b) All intangible personal, property owned by Grantor and now located upon, attached to, pertaining to, or used in connection with the Real Estate, including, without limitation, all trade names, logos and telephone numbers, all warranties and guaranties given in connection with the construction or repair of the buildings, structures and other improvements on the Real Estate, or the purchase of any personal property, and all certificates of occupancy (or the local equivalent), permits, licenses, approvals and authorizations issued by any federal, state, county, municipal governmental or quasi-governmental branch, authority, district, agency, court, tribunal, department, officer, official, board, commission or other instrumentality; and

(c) The contracts listed on Exhibit A attached hereto pertain to the operation, management or maintenance of the Real Estate ("Service Contracts"). Grantor agrees to indemnify, defend and hold harmless Grantee from and against any loss, cost, claim, liability or expense of whatever kind or nature under the Service Contracts arising or accruing prior to the date hereof.

The foregoing transfer is made without recourse and without representation or warranty whatsoever, except as above provided and except that Grantor represents and warrants to Assignee that to the best of Grantor's knowledge, the Assets are transferred free and clear of all pledges, liens, encumbrances and other claims of third parties in and to such Assets.

IN WITNESS WHEREOF, Grantor has executed this General Instrument of Transfer and Bill of Sale as of the 5th day of March, 2004.

DUBOIS REALTY PARTNERS, L.P.,
a Pennsylvania general partnership

By: Michael Joseph Acquisition Corporation,
a Pennsylvania corporation,
its General Partner

By: /s/ Guy J. DiRienzo

Guy J. DiRienzo, Vice President

EXHIBIT A
(Service Contracts)

1. Property Management contract with Michael Joseph Development Corporation dated December 16, 1999
2. Oral contract with Western Pennsylvania Service Company for the performance of routine maintenance (i.e. landscaping, sidewalk snow removal, trash pickup, lot light repairs, etc.)

3. Oral contract with Robert Cole to sweep the parking lot (excluding the Lowe's parcel)
4. Oral contract with Robert Cole to perform the snow removal for the parking lot (excluding Lowe's parcel)
5. Sprinkler monitoring contract with Premier Security to monitor the sprinkler system for the shopping center (excluding Elder-Beerman and Shop 'N Save buildings)

Exhibit A

PARCEL No. 1:

ALL that certain piece, parcel or tract of land lying and being situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows to wit:

BEGINNING at an existing 3/4" rebar set by previous survey on the northern right-of-way for a 16 foot unopened alley as shown on the Harriet Bogle Plan of Lots and surveyed by George Kirk, CE in 1916, said rebar being N 74 degrees 15 minutes 46 seconds W a distance of 694.45 feet from a 3/4" rebar set by previous survey at the intersection of the rights-of-way of said unopened 16 foot alley and Shaffer Road, and being the southeast corner of the herein described parcel,

THENCE; N 74 degrees 15 minutes 46 seconds W along the northern right-of-way line of a 16 foot unopened alley a distance of 1021.21 feet to an existing 3/4" rebar set by previous survey at the southeast corner of land now or formerly Ida Mae Lockhart & Alberta G, Larson,

THENCE; N 15 degrees 44 minutes 14 seconds E along lands now or formerly Ida Mae Lockhart & Alberta G. Larson a distance of 150.00 feet to an existing 3/4" rebar set by previous survey,

THENCE; N 74 degrees 15 minutes 29 seconds W along lands now or formerly Ida Mae Lockhart & Alberta G. Larson a distance of 200.00 feet to an existing 3/4" rebar set by previous survey,

THENCE; S 15 degrees 44 minutes 14 seconds W along lands now or formerly Ida Mae Lockhart & Alberta G. Larson a distance of 150.00 feet to an existing 3/4" rebar set by previous survey on the northern line of an unopened 16 foot alley,

THENCE; N 74 degrees 15 minutes 46 seconds W along the northern line of a 16 foot unopened alley a distance of 124.17 feet to an existing 3/4" rebar set by previous survey, and being the southwest corner of the herein described parcel,

THENCE; N 16 degrees 05 minutes 56 seconds E along lands now or formerly Nedza Real Estate Development Corporation a distance of 758.96 feet to an existing 3/4" rebar set by previous survey, and being the northwest corner of the herein described parcel.

THENCE; S 74 degrees 21 minutes 30 seconds E along lands now or formerly Nedza Real Estate Development Corporation a distance of 1365.50 feet to an existing 3/4" rebar set by previous survey, and being the northeast corner of the herein described parcel,

THENCE; S 16 degrees 04 minutes 09 seconds W along lands now or formerly Lowe's Home Improvement Warehouse a distance of 406.81 feet to a P.K. nail set by this survey,

THENCE; S 54 degrees 25 minutes 38 seconds W along lands now or formerly Lowe's Home Improvement Warehouse a distance of 33.03 feet to a P.K. nail set by this survey,

THENCE; S 16 degrees 04 minutes 09 seconds W along lands now or formerly Lowe's Home Improvement Warehouse a distance of 328.66 feet to the place of beginning,

CONTAINING 999,266 square feet or 22.94 Acres.

TOGETHER WITH the free and common use, right, liberty and privilege of a perpetual easement for ingress and egress over lands now or formerly of DuBois Realty Partners, L.P., Nedza Real Estate Development Corporation and Developac, Inc. pursuant to and as set forth and more particularly described in (a) that certain Industrial Drive Easement among DuBois Realty Partners, L.P., Nedza Real Estate Development Corporation and Developac, Inc. dated October 28, 1999 and recorded in the Office of the Recorder of Deeds of Clearfield County as Instrument No. 199918027, and (b) that certain Agreement dated March 27, 1992 between David C. DuBois and Nedza Real Estate Development Corporation recorded in the Office of the Recorder of Deeds of Clearfield County in Volume 1451, page 426, as modified by that certain Modification of Easement dated October 28, 1999 and recorded in the Office of the Recorder of Deeds of Clearfield County as Instrument No. 199918024.

PARCEL "B":

ALL that certain piece, parcel or tract of land lying and being situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows to wit:

BEGINNING at a existing rebar, said rebar being along the eastern right-of-way for Commons Drive and along the southern right-of-way for First Street (T-811; 60-foot R/W) and also being the northwest corner of the herein described parcel;

THENCE, S 77 Degrees 49 Minutes 25 Seconds E along the southern right-of-way for First Street a distance of 300.13 feet to a existing rebar, said rebar being along the western right-of-way for an unopened 16-foot alley and also being the northeast corner of the herein described parcel;

THENCE, S 12 Degrees 10 Minutes 35 Seconds W along said unopened 16-foot alley a distance of 150.00 feet to a existing rebar, said rebar being along the northern right-of-way for an unopened 12-foot alley and also being the southeast corner of the herein described parcel;

THENCE, N 77 Degrees 49 Minutes 25 Seconds W along said unopened 12-foot alley a distance of 302.88 feet to a existing rebar, said rebar being along the eastern right-of-way for Commons Drive and also being the southwest corner of the herein described parcel;

THENCE, along the eastern right-of-way for Commons Drive by a curve to the left, said curve having a radius of 275.00 feet and an arc distance of 37.27 feet, said arc having a chord bearing of N 16 Degrees 08 Minutes 51 Seconds E and a chord distance of 37.24 feet, to a existing rebar;

THENCE, N 12 Degrees 15 Minutes 54 Seconds E along the eastern right-of-way for Commons Drive a distance of 112.85 feet to a existing rebar, the point of beginning.

CONTAINING 45,067.58 square feet or 1.03 acres.

PARCEL "C":

ALL that certain piece, parcel or tract of land lying and being situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows to wit;

BEGINNING at a existing rebar, said rebar being along the southern right-of-way for First Street (T-811; 60-foot R/W) and also being the northwest corner of lands now or formerly of Varischetti & Sons, Inc. (Instrument No. 200000767, Parcel 29 on Clearfield County Assessment Map 128-C3-653) and the northeast corner of the herein described parcel;

THENCE, S 12 Degrees 10 Minutes 35 Seconds W along said lands of Varischetti & Sons, Inc. a distance of 150.00 feet to a existing rebar, said rebar being along the northern right-of-way for a 12-foot unopened alley and also being the southwest corner of said lands of Varischetti & Sons, Inc. and the southeast corner of the herein described parcel;

THENCE, N 77 Degrees 49 Minutes 25 Seconds W along said 12-foot unopened alley a distance of 100.00 feet to a existing rebar, said rebar being along the eastern right-of-way for a 16-foot unopened alley and being the

southwest corner of the herein described parcel;

THENCE, N 12 Degrees 10 Minutes 35 Seconds E along said 16-foot unopened alley a distance of 150.00 feet to a existing rebar, said rebar being along the southern right-of-way for First Street and also being the northwest corner of the herein described parcel;

THENCE, S 77 Degrees 49 Minutes 25 Seconds E along the southern right-of-way for First Street a distance of 100.00 feet to a existing rebar, the point of beginning.

CONTAINING 15,000 square feet or 0.34 acres.

PARCEL "D":

ALL that certain piece, parcel or tract of land lying and being situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows to wit:

BEGINNING at a existing rebar, said rebar being along the southern right-of-way for First Street (T-811; 60-foot R/W) and also being the northeast corner of lands now or formerly of Nancy J. and Thomas A. Geist (Deed Book 1047 Page 232, Parcel 18 on Clearfield County Assessment Map 128-C3-653) and the northwest corner of the herein described parcel;

THENCE, S 77 Degrees 49 Minutes 25 Seconds E along the southern right-of-way for First Street a distance of 100.00 feet to a existing rebar, said rebar being along the western right-of-way for Commons Drive (50-foot R/W) and also being the northeast corner of the herein described parcel;

THENCE, S 12 Degrees 15 Minutes 54 Seconds W along the western right-of-way for Commons Drive a distance of 112.77 feet to a existing rebar, said rebar being the PC of a curve to the right;

THENCE, along the western right-of-way for Commons Drive by a curve to the right, said curve having a radius of 225.00 feet and an arc length of 37.41 feet, said arc having a chord bearing of S 17 Degrees 01 Minutes 40 Seconds W and a chord distance of 37.36 feet to a existing rebar, said rebar being along the northern right-of-way for a 12-foot unopened alley and being the southeast corner of the herein described parcel;

THENCE, N 77 degrees 49 Minutes 25 Seconds W along the northern right-of-way for said 12-foot unopened alley a distance of 96.67 feet to a existing rebar, said rebar being the southwest corner of the herein described parcel;

THENCE, N 12 Degrees 10 Minutes 35 Seconds E along said lands of Geist a distance of 150.00 feet to a existing rebar, the point of beginning.

CONTAINING 14,944.22 square feet or 0.34 acres.

PARCEL "E":

ALL that certain piece, parcel or tract of land lying and being situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows to wit:

BEGINNING at a existing rebar, said rebar being along the northern right-of-way for S.R.255 (30-foot R/W) and also being the southeast corner of lands now or formerly of Nancy J. and Thomas Geist (Deed Book 1047 Page 232, Parcel 18 on Clearfield County Assessment Map 128-C3-653) and the southwest corner of the herein described parcel;

THENCE, N 15 Degrees 32 Minutes 02 Seconds E along said lands of Geist a distance of 250.52 feet to a existing rebar, said rebar being the northwest corner of the herein described parcel;

THENCE, S 77 Degrees 49 Minutes 25 Seconds E along the southern right-of-way for a 12-foot unopened alley a distance of 86.02 feet to a existing rebar, said rebar being along the western right-of-way for Commons Drive (50-foot R/W) and also being the northeast corner of the herein described parcel;

THENCE, along the western right-of-way for Commons Drive by a curve to the right, said curve having a radius of 225.00 feet and an arc length of 36.45 feet, said arc having a chord bearing of S 29 Degrees 32 Minutes 50 Seconds W and a chord distance of 36.42 feet, to a existing rebar, said rebar being the PT of said curve;

THENCE, S 34 Degrees 11 Minutes 19 Seconds W along the western right-of-way for Commons Drive a distance of 39.92 feet to a existing rebar, said rebar being the PC of a curve to the left;

THENCE, along the western right-of-way for Commons Drive by a curve to the left, said curve having a radius of 275.00 feet and an arc length of 89.54 feet, said arc having a chord bearing of S 24 Degrees 51 Minutes 41 Seconds W and a chord distance of 89.14 feet to a existing rebar, said rebar being the PT of said curve;

THENCE, S 15 Degrees 32 Minutes 02 Seconds W along the western right-of-way for Commons Drive a distance of 44.44 feet to a existing rebar, said rebar being the PC of a curve to the right;

THENCE, along the western right-of-way for Commons Drive and along the northern right-of-way for S.R.255 by a curve to the right, said curve having a radius of 50.00 feet and an arc length of 78.37 feet, said arc having a chord bearing of S 60 Degree 26 Minutes 21 Seconds W and a chord distance of 70.59 feet to a existing rebar, the point of beginning.

CONTAINING 14,325.18 square feet or 0.33 acres.

CEDAR SHOPPING CENTERS, INC.
44 South Bayles Avenue, #304
Port Washington, New York 11050

Contact: Leo S. Ullman
President
(516) 767-6492

FOR IMMEDIATE RELEASE:

CEDAR SHOPPING CENTERS COMPLETES PURCHASE OF TWO SUPERMARKET-ANCHORED
SHOPPING CENTER PROPERTIES IN PENNSYLVANIA

Port Washington, New York - March 17, 2004 - Cedar Shopping Centers, Inc. a real estate investment trust listed on the New York Stock Exchange (symbol: "CDR") (the "Company"), today announced that it had completed the purchase, as previously reported when definitive contracts were entered into, of two supermarket-anchored shopping centers in Pennsylvania: Dubois Commons in Dubois, Pennsylvania and Townfair Center in Indiana, Pennsylvania.

Dubois Commons, totaling approximately 190,000 sq. ft., is shadow-anchored by a (not-owned) 116,000 sq. ft. Lowe's home improvement center and is itself anchored by a 53,000 sq. ft. SuperValu Shop 'n Save supermarket and a 54,500 sq. ft. Elder Beerman department store. Other tenants include Pier 1 Imports, Fashion Bug, Blockbuster, Dollar Tree and Radio Shack. It was built in 1999 and expanded in 2003.

Townfair Center, totaling approximately 216,000 sq. ft. is anchored by a Lowe's home improvement center, a SuperValu Shop 'n Save supermarket and a Michael's craft store. Other tenants include CVS and Pier I Imports. It was built in 1997 and expanded in 2001-2003.

The aggregate purchase price for the two properties, including closing costs, was approximately \$35.2 million. Townfair Center was purchased subject to an existing first mortgage of approximately \$10 million. Dubois Commons is unencumbered. The balance of the purchase price and closing costs were funded from proceeds of the Company's floating rate credit facility.

The sellers are affiliates of Michael Joseph Development Corporation. The transaction was facilitated through the brokerage of Holliday Fenoglio Fowler, LP, through its Pittsburgh office.

Cedar Shopping Centers, Inc. with headquarters in Port Washington, New York, is a fully-integrated, self-administered and self-managed real estate investment trust listed on the New York Stock Exchange. Its investments, which total more than 4 million sq. ft., are focused primarily in multi-tenant supermarket-anchored shopping centers in eastern Pennsylvania, southern New Jersey, Maryland and Connecticut.